

WSSC Addition Committee Meeting
January 22, 2019
10:30 a.m.
WSSC Room 208

WSSC Board Attendance:

Frank Finneran, Chair - WSSC Board Addition Committee
Deryl Brown-Archie, WSSC Board Addition Committee
Bob Flowers, WSSC Board Addition Committee
Nicole Grant, WSSC Board Addition Committee
Jerry Hillis, WSSC Board Addition Committee
Craig Schafer, WSSC Board Addition Committee

WSSC Staff / Consultants in Attendance:

Jeff Blosser, WSSC President / CEO
Linda Willanger, WSSC VP Administration
Chip Firth, WSSC CFO
Ron Yorita, WSSC Director of Operations
Michael McQuade, WSSC Director of Sales
Daniel Johnson, WSSC Administrative Services Manager
Michael Murphy, WSSC Project Coordinator
Matt Hendricks, General Counsel
Fred Eoff, Public Financial Management
Matt Griffin, Pine Street Group
Matt Rosauer, Pine Street Group
Arnetta Libby, Pine Street Group
Jane Lewis, Pine Street Group
Jason Foley, Pine Street Group
Sam Russell, Pine Street Group
Ashley Lippincott, Pine Street Group
Chris Raftery, Raftery CRE
Gary Smith, Clark | Lewis
Margery Aronson, Art Consultant

Chairman Finneran called the meeting to order at 10:30 a.m. After unanimous approval of the consent agenda, Finneran announced that the Committee would hold an Executive Session consistent with RCW 42.30.110 (1) (i) to discuss a legal issue with legal counsel as permitted by the Open Public Meetings Act for 20 minutes to discuss contracts under negotiation {the MACC (Maximum Allowable Construction Cost) Contract}. The Executive Session was called for 20 (twenty) minutes and commenced at 10:33 a.m. In addition to the Board members present (Finneran, Brown-Archie, Flowers, Grant, Hillis, Schafer), attendance at the Executive Session included Blosser, Firth, Hendricks, Murphy, Raftery, Eoff, Griffin, Rosauer, Libby, Lewis, Foley, Russell, Lippincott. At 11:08 a.m., the Executive Session was extended an additional 10 (ten) minutes. At 11:18 a.m., the Executive Session was extended an additional 5 (five) minutes. At 11:23 a.m., the Executive Session concluded, lasting 50 minutes in total. The regular open meeting reconvened at 11:25 a.m. after other meeting participants reentered the meeting room.

After reconvening, PSG led the discussion on the schedule. There were early delays in the utility work; the team is optimistic the time is being recovered. The shoring is currently behind by about 40 working days, which will be harder to recover. Permits are always tight but being granted in time. The WSDOT lease is still slow, but WSDOT has executed the contracts to provide for construction through most of 2019 Q1. We now expect its review of the revised appraisal about 2/1/19.

PSG presented a new Financing Plan dated 1/17/19. There are cost increases to conclude the MACC with Clark-Lewis and funds required for delay. PSG presented the financing plan to cover the increases. The Committee endorsed the plan, which needed to be reviewed by the Finance Committee and recommended to the Board for approval. Eoff noted that the tax revenues had not increased quite as much in 2018 as shown in the PSG plan, which had discounted the CBRE numbers.

Griffin explained that the team was progressing with the documentation for the sale of the co-development of the office building with the public REIT Hudson Pacific Properties. The offers for the residential project have been slower, and PSG will work with a local company to see if they will submit a better offer.

Rosauer gave the status of the finishes with LMN. Lewis said the team has isolated \$86 MM in WMBE contracts compared to the goal of \$80 MM. On apprentices, Smith said he expected the hiring to pick up over the next few months as the companies assembled their crews, and at this time didn't see a problem meeting WSCC's goals.

Lewis reported that there would be a short art presentation at the Board meeting later that day for a check off on the seven concepts for Urban Design Merit and Public Benefits artworks, which have already been approved by the WSCC Art Advisors and the Board Art Committee.

In contracts, the Committee unanimously approved recommending WSCC Resolutions 2019-2 and 2019-3 be presented to the full Board for approval. Griffin stated that the other contracts were up to date, other than the WSDOT lease which is a high priority.

Being no further business, the meeting was adjourned at 11:30 a.m.