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The Kennewick Public Facilities District  
Regular Meeting  
Three Rivers Convention Center  
Meeting Room E

October 27, 2022

Minutes

5:00 p.m.

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### **Call to Order**

President, Calvin Dudney called the meeting to order at 5:02 pm.

### **Roll Call**

Megan Caldwell called the roll.

Present: Calvin Dudney, President; John Neill, Board Member; Renee Brooks, Treasurer; Austin Crawford, Board Member  
A quorum was established.

Also, present: Corey Pearson, Executive Director; Joe Potts, Director of Finance; Sybil Young, Director of Sales; Rob Gierke; Director of Operations, Michelle Gustafson, Director of Food and Beverage; Kim Shugart, Visit Tri Cities

Calvin Dudney led in the Pledge of Allegiance.

### **Approval of Agenda**

John Neill moved to approve the agenda. Austin Crawford seconded the motion. The motion carried unanimously.

### **Consent Agenda**

*All matters listed within the Consent Agenda have been distributed to each Board Member of the Public Facilities District for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.*

- a) Minutes of August 25, 2022, Board Meeting
- b) Claims roster dated August 2022 for \$157,000.56 (TC)  
Warrants: 25537-25587      Voids: 25559
- c) Claims roster dated August 2022 for \$315.80 (Box Office)  
Warrants: None      Voids: None
- d) Claims roster dated August 2022 for \$72,159.24 (TRCC)  
Warrants: 25270-25299      Voids: None
- e) Total August payroll paid out: \$215,367.92
- f) Claims roster dated September for \$1,091,545.32 (TC)  
Warrants: 25588-25659      Voids: 25617
- g) Claims roster dated September 2022 for \$30.95 (Box Office)  
Warrants: None      Voids: None
- h) Claims roster dated September 2022 for \$101,850.87 (TRCC)  
Warrants: 25300-25344      Voids: 25339
- i) Total September payroll paid out: \$323,290.28

John Neill moved for approval of Consent Agenda. Austin Crawford seconded the motion. The motion carried unanimously.

## Visitors

Brandon McEwin, Payne West Insurance.

### New Business

a) August and September 2022 Financial Reports

Joe Potts gives an overview of the Toyota Center and Three Rivers Convention Center financials. For Toyota, total income is doing well and ahead of budget. Wages are problematic campus wide. We are trying to address salary issues for the 2023 budget.

For the Three Rivers Convention Center, the budget is tracking, and personnel has some issues. Bottom line deficit is made up of the wage and salary issues. Sales tax revenue is exceeding by \$120,000. The building is cash even due to lower CIP.

**Austin Crawford moved to approve the August and September 2022 Financials. Renee Brooks seconded the motion. All were in favor. The motion carried unanimously.**

b) TRCC Budget Approval

Joe Potts shares the Convention Center budget is a first look and does not need to be in place until the end of the year. Almost 70% of the budget is personnel. State overtime mandates are making this very difficult.

We will need a motion by the end of the year to increase spending authority.

**Renee Brooks moved to adopt the 2023 TRCC Budget as presented, authorizing regular operational expenses of \$2,959,850 for the period of January 1 to December 31, 2023. Austin Crawford seconded the motion. All were in favor. The motion carried unanimously.**

c) TC/TA Budget Approval

Joe Potts shares this is a budget is a recommendation to the city of Kennewick. Revised forecast vs current is up a little bit for the personnel lines. Other lines trying to track true to forecasts. This is not an obligation but rather a recommendation and needs to be to the city October.

**Austin Crawford moved to recognize the 2023 TC/TA Budget as presented, authorizing regular operational expenses of \$3,864,200 with an operational subsidy of \$700,000 for the period of January 1 to December 31, 2023, and to formally recommend the adoption of it to the City of Kennewick for inclusion in its overall operating budget. Renee Brooks seconded the motion. All were in favor. The motion carried unanimously.**

d) Payne West Insurance

Brandon McEwin shares that the KPFD insurance renewal comes up on December 1<sup>st</sup>. There is no quote yet, but it should be available in the next few weeks. Brandon gives a review of current coverage.

**Austin Crawford moved to approve Calvin Dudney to sign renewal at 10% increase. John Neill seconded the motion. All were in favor. The motion carried unanimously.**

e) City Council Expansion Update

Calvin Dudney shares that he and Corey presented on the expansion at the city council workshop. Council understands that we need an expansion to compete and bring bigger/better events to the area.

Corey Pearson shares a few detractors from the votes in years past are now helping to move the project forward. Charlie Johnson says we should be able to draw more sporting events.

f) Visit Tri-Cities Report

Kim Shugart shares that we generated 10 leads – some multi year events. The booking window is starting to spread a little bit and meeting planners are starting to book farther out. The number of bookings is increasing for new and returning business.

There were 3 lost decisions, but 1 booked in 2024.

g) SpringHill Suites Report

No report.

h) Executive Director Report

Sybil Young shares the settlement report from Tattoo Convention. The average revenue in the past has been about \$50,000. Saturday afternoon we sold out tickets. By expanding into the lobby, we increased booth rentals and F&B was very popular. Artists felt there were lots of people and were very busy. Net income this year was \$85,000!

Corey Pearson shares that the Washington PFD had their annual meeting in Tacoma last month and we have been awarded the conference for 2023.

We are going to be creating a 501C6 on campus to help mitigate some of the LCB regulations.

Working on trying to get staff and working on a solution to the wage issues. We are still working on filling the PT staff levels and struggling to get existing PT staff to show on event days.

Rob Gierke shares the Toyota Center seats are about 99% complete and done ahead of schedule.

Michelle Gustafson shares she is dealing with product cost issues which may result in menu changes.

Sybil Young shares that November and December are staying busy every week. Holiday parties have filled in and we have a few small spots left. Solgen Power is coming in January with 1000+ person event. We are looking forward to building that relationship. Overall we are very positive about the direction things are going.

## **Board Comments/Discussion**

Austin Crawford shares he is excited to see the positive turnaround from COVID. John congratulates all staff for taking ownership of their job and it's a great reflection of senior management.

## **Adjournment/Recess**

Meeting adjourned at 6:49 pm

*The KPF Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.*

Megan Caldwell Approved by the Board of Directors