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

November 22, 2022

Minutes

5:00 p.m.

Call to Order

President, Calvin Dudney called the meeting to order at 5:00 pm.

Roll Call

Megan Caldwell called the roll.

Present: Calvin Dudney, President; John Neill, Board Member; Ron Hue, Secretary
Present Via Zoom: 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

Corey Pearson led in the Pledge of Allegiance.

Approval of Agenda

John Neill moved to approve the agenda. Ron Hue 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 October 27, 2022, Board Meeting
- b) Claims roster dated October 2022 for \$643861.20 (TC)
Warrants: 25660-25756 Voids: 25695, 25696, 25697, 25698, 25699, 25701, 25751, 25752, 25753
- c) Claims roster dated October 2022 for \$41.06 (Box Office)
Warrants: None Voids: None
- d) Claims roster dated October 2022 for \$173,978.21 (TRCC)
Warrants: 25345-25400 Voids: 25371, 25372, 25373
- e) Total October payroll paid out: \$356,277.24

John Neill moved for approval of Consent Agenda. Ron Hue seconded the motion. The motion carried unanimously.

Visitors

No Visitors

New Business

a) October 2022 Financial Reports

Joe Potts gave an overview of the Toyota Center Financials through October. We are 10 months into the year and still seeing the same issues. Total revenue is 70% over budget and expenses are also about 70% higher. November should be an ok month. Budgeted heavier on salaries for next year as labor is contributing to the majority of the deficit.

The Three Rivers Convention Center revenue is very close for MTD and YTD. Expenses doesn't have as many swings as the Toyota Center. We did have some major repairs this year. We have about \$42K negative in cash after the bond payment.

John Niell moved to approve the October 2022 Financials Austin Crawford seconded the motion. All were in favor. The motion carried unanimously.

b) Payne West Insurance Renewal Approval

Calvin Dudney shares the increase for the insurance renewal came in higher than the 10% that board approved last month.

Corey Pearson shares that the increase is at 21% for 2023. The cost went from \$64.5 to \$84K for next year. We can look at bidding for other quotes in the summer for 2024 for better rates.

Renee Brooks moved to approve Calvin Dudney to sign renewal at 21% increase. Austin Crawford seconded the motion. All were in favor. The motion carried unanimously.

c) KPFD Legal Council

Calvin Dudney shares that after Lee Kerr left the firm the KPFD was passed off the firm taking over. We have been fortunate not to need legal support. It would be a good idea to put some people out and interview other attorneys. We will ask what other local government entities are using and put a list together for the December meeting.

d) December Meeting Date Change

Calvin Dudney shares that Steve Peters will be in town next month to meet with the Board so we would like to move the board meeting to Tuesday December 13 to accommodate him. Calvin shares that we have been looking at the VenuWorks contract. VenuWorks has been working hard on our behalf and would like to look at the opportunity to extend the contract to present at the December board meeting.

e) Visit Tri-Cities Report

Kim Shugart shares that we have a new CEO starting December 1st. We are also looking for a new Director of Marketing. We had a sales blitz in Olympia earlier this month. PEO Sisterhood booked for 3 years. There are many new leads and good activity coming in for the Convention Center.

f) SpringHill Suites Report

No report.

g) Executive Director Report

Corey Pearson shares that the crew pulled off a big weekend with hockey and 2 back-to-back concerts at the Toyota Center and Tilth and Boys and Girls club at the Convention Center. Next month starts the Holiday party season.

Sybil shares that the PEO Sisterhood is coming back for 3 years. Since their event is in June it will be good business for us in an otherwise slower month.

Washington Realtors will be back in 2024. Washington Parks and Rec will have a large F&B and will be great business. Washington Fire Chiefs will be back after going virtual for the last few years.

We are deep in the planning process for Brew & Bacon coming up in February. We are making arrangements to utilize the nonprofit to help fully staff the event allowing the brewers to pour themselves.

Bikes for Tikes is December 3rd, and we are working on building a team for the building.

Pet Expo will be coming back in April, and we are adding a Bridal show back into the in-house events.

Michelle Gustafson shares she is getting ready for a very busy winter.

Rob Gierke shares the FCC recently turned over frequencies to more stations for microphone use. We will need to talk to the building committee about getting more AV equipment to keep up our AV quality control. The cost is about \$15,000 to buy 8 microphones and will bring in an estimated \$30K in revenue.

Corey Pearson shares the WA PFD annual meeting was in September in Tacoma. They have asked us to host next year. We will be looking to put together some people to plan the event. Thanks to Austin and Calvin for taking time to spend the day in Spokane working with Rustin on the expansion. We toured the Podium building and were able to get some good ideas for our facility. We have the opportunity to expand into the sports market.

Austin Crawford shares we need to have a few sq ft. options to see what we can budget for and what the city council will think.

Board Comments/Discussion

John shares his gratitude to Corey and VenuWorks and would like to be a part of continuing the contract.

Adjournment/Recess

Meeting adjourned at 5:50 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