

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT  
Thursday, August 9, 2018 2:00 P.M.  
Pacifica Law Group Offices, 20<sup>th</sup> Floor, Rainier Conference Room  
1191 Second Avenue, Seattle, Washington 98104

## **SPECIAL BOARD MEETING MINUTES**

### **CALL TO ORDER**

Chair Virginia Anderson called the meeting to order at 2:05 p.m. pursuant to notice. Board members present: Charley Royer, Jesus Sanchez, Stacy Graven and Craig Kinzer (joined at 2:25 p.m.). Dale Sperling joined the meeting by phone but did not participate in any of the votes. Paul Mar was absent and excused. Staff present: Kevin Callan (Executive Director), Tom Backer (Legal Counsel), Pat Dunn (Legislative), Gerry Johnson (Outside Legal Counsel), and Sandeep Kaushik (Sound View Strategies). Guests included reporters from KING-5 (Chris Daniels), the Weekly (Josh Kelety), Keith Swenson (Governor's office), Fred Rivera, Trevor Gooby, and Rebecca Hale from the Seattle Mariners.

### **ITEMS FROM THE AUDIENCE/PUBLIC COMMENTS: NONE**

### **BOARD BRIEFINGS AND POTENTIAL ACTION:**

Because Board member Kinzer was delayed in arriving, Chair Anderson modified the order of the agenda. She asked Kevin Callan to brief the Board on the WA Department of Commerce's Independent Financial Feasibility Review of the proposed new lease terms, and the proposed interlocal agreement.

Kevin reported that since 2012 an independent financial feasibility review has been required of PFD's for certain actions, including leases. The Department of Commerce worked with the PFD to establish a contract for this work, using a template provided by the department. The work will be conducted by a third-party consultant of the Department, is expected to cost about \$30,000, and is to be completed before the end of November of this year. The interlocal agreement with Commerce has been executed and Proposed Resolution No. 18-006 ratifies that execution. Jesus Sanchez introduced the Resolution and Stacy Graven seconded. Following discussion, the Resolution passed, 4-0 (Dale Sperling not voting; Craig Kinzer not yet present).

### **CHAIR'S REPORT:**

Chair Anderson then moved to her Chair's report. She noted that we were moving ahead with the contract with Lizanne Lyons for the Stadium District plan implementation, adjusting the scope of work and proceeding with a draft cost-sharing agreement with the Public Stadium

Authority (PSA). She noted that Lizanne would report to Kevin Callan on administrative/contract matters and at least quarterly to the full Board on substantive matters.

For the September meeting, Chair Anderson noted that she would like to discuss the audit process for next year, when we review the Mariners 2018 performance and do an end-of-lease-term review. She will have some suggestions next time on a process for doing that, including setting up a small task force of Board members to interview and select an auditor.

## **SEATTLE MARINERS PROPOSED 2019 CAPITAL PROJECTS**

Trevor Gooby of the Seattle Mariners briefed the Board on the capital projects the team is planning for 2019. The proposed major capital projects included Roof Axle Repair (phase 4), Perimeter/Security Bollards, and Charter Seat ADA compliance. Two projects previously identified by the Club—Audio Speaker Upgrade and 4K Broadcast cable upgrade—were deferred until 2020.

The roof axle project is a continuation of work that started several years and is the 4<sup>th</sup> of 8 phases. This phase will include 16 wheel axles on roof panel 3 south, and it is estimated to cost \$1.5M. When this phase is finished, ½ of all the roof axles will have been replaced.

The perimeter security / bollards project is estimated to cost \$4.5 - \$6M. The project arises from a 2018 MLB mandate that all teams must apply for Safety Act Certification from the Department of Homeland Security. One requirement of that certification is to “harden” the exterior perimeter. Trevor said that the large planters that currently surround some entrances to the ballpark don’t meet the standard. The Club is working with Thornton Tomasetti on the design for these bollards to make sure that they meet the standard.

Board questions focused on the need for this work; alternatives to the standard bollard (such as at the new federal courthouse), and aesthetics. Trevor said that the Club was looking for a design that was classic/timeless and said that Gensler architects were assisting. Virginia noted that she had extensive experience at Seattle Center with this issue. Fred Rivera said that the Mariners would be glad to have the PFD’s help in conversations about design with the City. The work is planned for January – March of 2019.

The third item is modifications to the Charter Seat and Diamond Club areas and work to ensure ADA compliance, estimated at \$1M. This is in addition to the ADA compliance work that the Club had agreed to previously. It includes replacement of 1,100 fixed seats in the Charter seat area and ADA access through the Umpire tunnel.

Dale Sperling noted that, other than the roof axle repair, none of these items were part of the B&D Venues capital needs report. Trevor explained that the ADA work was required because of the major modifications to the charter seating area, and the bollard work was a 2018 requirement from MLB. Virginia concluded the discussion by noting that no Board action was required on these items today.

**UPDATE ON KING COUNTY CONSIDERATION OF THE LODGING TAX PROPOSAL:**

Gerry Johnson and Sandeep Kaushik then updated the Board on the status of the King County Council’s consideration of the lodging tax request from the Seattle Mariners. They reported that the tax request had been introduced by the County Executive to the Council at the end of May, following the PFD’s approval of new lease terms. On July 27<sup>th</sup>, the County Executive further transmitted to the Council two draft agreements that would govern any funds allocated by the Council. Gerry explained that the first agreement provides for the transfer of funds from the County to the PFD, subject to certain limitations on the County’s obligations to make the transfer and conditions on the use of funds. Craig Kinzer and Dale Sperling questioned whether those limitations were meaningful in light of the general fungibility of project dollars.

Gerry explained that the second agreement is an amendment to existing financial agreements with King County that would allow the County to issue bonds to finance capital improvements at the ballpark, if the PFD requested. Gerry clarified that such bond financing would require both a PFD request and County approval, and that neither party was obligated to such an approach.

**EXECUTIVE SESSION:**

Virginia Anderson announced at 3:02 p.m. that the Board would meet in Executive Session “to consider the minimum price at which real estate will be offered for sale or lease when public knowledge of such consideration would cause a likelihood of decreased price,” RCW 42.30.110(c), to consider financial, commercial, or proprietary material under RCW 42.56.270, to discuss with legal counsel real estate lease matters and potential litigation involving identified legal risks from a proposed action or current practice, where public discussion of the legal risks is likely to result in adverse legal or financial consequences to the district, RCW 42.30.110(i), and to review the performance of public employees or contractors, RCW 42.30.110(g). Virginia reported that the Executive Session was expected to last at least one hour, and no further action was anticipated following the Executive Session.

**ADJOURNMENT**

Chair Anderson reconvened the board meeting at 4:00 p.m. There being no need for action or further business before the Board, Virginia declared the meeting adjourned at 4:01 p.m.

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Kevin Callan  
Recording Clerk

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Virginia Anderson, Chair  
Board of Directors, Public Facilities District