



Washington State Major League Baseball
Stadium
Public Facilities District

SAFECO Field
PFD Conference Room
110 Edgar Martinez Drive South
Seattle, WA 98134

March 13, 2017 2:30 P.M.

BOARD MEETING AGENDA

- A. Call to Order**
- B. Items from the Audience / Public Comment**
- C. Approval of the Minutes**
 - 1. December 12, 2016 Board Meeting Minutes
 - 2. January 13, 2017 Special Board Meeting Minutes
 - 3. February 24, 2017 Special Board Meeting Minutes
- D. Board Briefings:**
 - 1. Seattle Mariners Maintenance, Operations, and Capital Projects Updates
 - 2. 2017 Ballpark Management Plan
 - 3. 2016 Annual Ballpark Management and Operations Report
 - 4. Review of Vouchers
 - 5. Proposed 2017 Budget
 - 6. Olympia Update (Pat Dunn)
 - 7. SODO Arena Update (Tom Backer)
 - 8. Other Updates (as needed)
- E. Reports:**
 - 1. Chair's Report (Charley Royer)
- F. Board Business / Resolutions:**

1. Proposed Resolution No. 17-001 – Approval of Vouchers
2. Approval of 2017 Earthquake Insurance Premium

G. Executive Session

The Board will meet in Executive Session to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price, and 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.

H. Adjournment

**Washington State Major League Baseball Stadium Public Facilities
District**

Board Meeting Agenda

Agenda Item C

Approval of December 12, 2016 Board Meeting Minutes

Approval of January 13, 2017 Special Board Meeting Minutes

Approval of February 24, 2017 Special Board Meeting Minutes

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT
Monday December 12, 2016 2:30 P.M.
Public Facilities District, Conference Room 110 Edgar Martinez Drive S., Seattle, Washington

BOARD MEETING MINUTES

CALL TO ORDER

Board Chair Charley Royer called the meeting to order at 2:30 p.m. pursuant to notice. Board members present: Dale Sperling, Jesus Sanchez, Paul Mar, Craig Kinzer, Virginia Anderson and Stacy Graven.

ITEMS FROM THE AUDIENCE/PUBLIC COMMENTS

Charley Royer introduced Keith Swenson who is Director of Boards and Commissions for the governor. Charley also introduced Trevor Gooby the new Vice President of Ballpark Operations for the Seattle Mariners. Trevor began his career with the Dodgers, then moved to Florida and then ran the Pittsburg Pirates spring training operations as well as their international operations and their other minor league operations across the county.

APPROVAL OF MEETING MINUTES

Motion by Mr. Mar and second by Mr. Sperling to approve the minutes of the regular September 12, 2016 Board meeting and the minutes of the Special Board Meetings held October 7, 2016 and November 4, 2016. Motion carried (7-0).

SEATTLE MARINERS MAINTENANCE, OPERATIONS AND CAPITAL PROJECTS UPDATES

Ryan van Maarth of the Seattle Mariners presented the quarterly update to the Board and he began with recent events at Safeco Field. Those events included: United Way Breakfast, Genie Showcase and Junior Achievement.

On the engineering and maintenance side, Ryan informed the Board that he and Trevor Gooby went to Alabama last week where they saw the new roof wheel axle replacements. Four are ready to be shipped and another 4 will be ready later this month. Ryan added that the Mariners continue to monitor and test the existing axles.

Another off-season project is replacing the carpet in the front office and club and suite levels. There is a total of 3,700 square yards of carpet that will be replaced.

In April 2017 the Mariners hope to install a Griffey Statue outside Home Plate Gate. The statue is being manufactured in Chicago by the same sculptor who did the Dave Niehaus statue. The statue will have a 4' x 4' x 4' granite stone base and Griffey himself will be about 7' on top of the base. The Mariners are working with the City and SDOT to obtain all necessary permits and they are also working with the Arts Commission. Dale Sperling suggested to Ryan that he contact Joan Enticknap about the Griffey Statue; not for approval but as a gesture of respect.

Ryan also discussed the bollards on the corner of 1st Avenue and the Home Plate Gate. Currently there are 4' foot diameter concrete planters that were originally placed at this corner after the September 11, 2001 attacks. The Mariners would like to replace these planters with permanent engineered bollards and they are working with the City on approvals. Kevin Mather added that the Mariners are working to ensure that the replacement bollards will fit with the neighborhood. Virginia Anderson added that she had worked with artists to design bollards so they were not the traditional silver ones and Stacy Graven added that the State Convention Center just had to do this in front of their entrances.

Another project is the remodel of the distributed antenna system (DAS) server room. AT&T is completing this project, which will double the size of the server room. This upgrade is needed to serve all of the fans on game-days who call, stream and upload data.

Ryan also added that the Mariners continue to inspect and improve the elevators and escalators. The Mariners are spending about \$100,000 this year in upgrades and improvements.

Also, approximately 20 digital CCTVs have been installed. Eventually they will have 60 CCTVs. Additional access controls will be added and located at Royal Brougham and the NW corner of the parking garage. The security and control room has also been remodeled by removing some walls.

MARX/OKUBO MAINTENANCE AND OPERATIONS UPDATE

Allan Thunder from Marx/Okubo presented a summary of their 2016 ballpark evaluation. Typically in the spring of each year, Allan meets with Kevin Callan and Ryan to discuss what issues they want Marx/Okubo to concentrate on. For example, one year Marx/Okubo focused on the parking garage and cable tendons. This year, the Mariners asked that we focus on the elevators and escalators and the roof membrane. The Marx/Okubo team included 12 engineers and 2 roofing certified observers who inspected all of the roof membrane. There were also 2 mechanical engineers who inspected all the systems and completed all the reports.

Allan then informed the Board that Marx/Okubo has starting using a new system called Plan Grid to simplify problem identification and resolution. With Plan Grid, they can import drawings of a project and then as they identify an issue they can drop a marker and that marker is coded as to the type of issue, a photo of the issue and the level of concern. This program is cloud-based and works on tablets or

iPads. When you enter the work order, the display shows the issue location, type and level of concern. Plan Grid can then be used to track that work orders are completed and issues are resolved.

This year 470 issues were identified and they were ranked #1-#5 with #1 requiring immediate attention. In general, this ballpark is in great condition and the Mariners are doing a really good job of keeping it maintained. Allan believes the use of Plan Grid will help the Mariners to be more proactive in addressing issues. Board member Sanchez asked Allan: "the ballpark is in relatively good condition compared to what?" Allan replied that every 3 years there is the Applicable Standard Review. Marx/Okubo participates in that Applicable Standard Review, which compares Safeco Field to 3 other ballparks of the same or similar vintage. Charley Royer added that in the last 3 Applicable Standard Reviews, the Mariners have been top rated.

Allan added that Marx/Okubo has been doing its annual review since 2002 and they keep track of how issues are being resolved and how quickly they are being resolved. Allan also said that of the issues identified this year, they probably average a ranking of #3. Allan also said that #1 rankings typically consist of trip hazards that need to be resolved.

MISSION STATEMENT UPDATE

Chair Royer noted that Virginia Anderson and Stacy Graven had been asked to review the Board's mission statement and suggest an update. Virginia Anderson then read the draft of the proposed new mission statement:

To maintain and enhance our iconic baseball park in order to promote the success of Major League Baseball in the State of Washington, enhance fan enjoyment, and contribute to an economically successful, safe, desirable, innovative and walkable stadium neighborhood.

Virginia informed the Board that the updated Mission Statement was drafted to better reflect what the Board is doing now, and that the latter part of the statement is consistent with the Stadium District Concept Plan. Charley asked for comments from the Board and said that he liked the length and tone of the statement.

Following discussion, motion by Mr. Sperling and second by Mr. Sanchez to approve the updated Mission Statement. Motion carried (7-0).

PFD BUDGET UPDATE

Kevin Callan reviewed the 2016 budget to date and the proposed 2017 budget. Kevin explained that the budget is based on past years and on what he thinks the PFD will be doing for the next year. Variances in the budget usually reflect timing issues, such as whether planned consulting services have been used. Kevin reported that 2016 expenses are largely on track with budget.

For the draft 2017 budget, Kevin noted that there are no changes in staffing or operations assumptions, but he does anticipate spending more money on legal and consulting services. This is a function of the anticipated lease renewal negotiations with the Mariners. Kevin said that for 2017 he tried to keep total expenditures under the amount expected in annual rental income.

REVIEW OF VOUCHERS

Chair Royer noted that a replacement is necessary for Joan Enticknap who had been responsible for reviewing the vouchers before she stepped off the Board. Virginia Anderson agreed to review the vouchers on behalf of the Board. Kevin Callan explained that as far as this set of vouchers were concerned most disbursements were routine.

REVIEW OF CONTRACTS

Kevin Callan informed the Board that there were two contracts up for renewal. The first contract was for Pat Dunn, which has the same terms as previous years. The second contract is for Pacifica Law Group. Dale asked if there was a scope of work for Pacifica Law Group. Tom Backer responded that the contract with Pacifica Law Group has a general scope of work that requires approval from Kevin Callan before specific lawyers are engaged to do work for the PFD.

CENTRAL WATERFRONT UPDATE

Chair Royer informed the Board that Bertha is more than 2/3 of the way finished with her tunnel boring, which is very good news. Charley also noted that two organizations have filed actions to challenge the adequacy of the final EIS for the Waterfront. The Waterfront Association filed an appeal regarding parking and east-west access, and the Pioneer Square Association has challenged the size of the road between Pioneer Square and the Waterfront. The association believes that the impacts from this new 9-lane road will be significant and that other alternatives should have been analyzed.

OLYMPIA UPDATE

Pat Dunn informed the Board that Governor Inslee would be going to Tacoma to present his plan for education funding/McCleary, and he will probably discuss his proposed tax package. The following day he will be in Olympia to reveal his budget. Pat then explained that the Senate has a 1-vote Republican majority and the House has a 2-vote Democrat majority so the chambers are essentially tied. Pat also said that the Republican caucus is losing some very strong members.

SODO ARENA UPDATE

Tom Backer noted that Russell Wilson has been added as a spokesperson and member of the SODO Arena Group. He also noted that the City has initiated an RFP process for the renovation of Key Arena and that proposal has some significant developers behind it. Virginia Anderson noted that the RFP includes some interesting language that says the City will review the proposals and then decide which site would be appropriate. Virginia added she understands that the City could decide only about the Key Arena location. Tom reminded the Board that the SODO Arena street vacation petition was denied by the City Council in the spring of 2016, and that there is no provision for reconsideration of that decision. So if the SODO Arena is to proceed, it will likely start with a new street vacation petition and more public process.

CHAIR'S REPORT

Chair Royer reminded the Board that in August 2016 they celebrated and honored Tom Gibbs and Joan Enticknap who each had more than 20 years of service to the PFD. Joan was not formally replaced until September so we decided to wait to present her with a Resolution honoring her service. We now have that Resolution, which Charley read to the Board. Following discussion, Charley asked for a motion to approve. Mr. Sperling moved and Mr. Mar seconded. Motion carried unanimously, 7-0.

EXECUTIVE DIRECTOR'S REPORT

Kevin Callan informed the Board that we had completed the State Audit, which again was a "clean" audit with no findings. Also a draft RFQ for Public Relations/Government Affairs has been completed and will be advertised the first part of January. Once we get responses, we will send those out to the Board and make some decisions about interviews and additions to our consultant roster.

APPROVAL OF VOUCHERS

Following review and discussion, motion by Ms. Anderson and second by Mr. Mar to approve the vouchers. Motion carried (6-0). Mr. Sanchez was absent for the vote.

APPROVAL OF CONTRACT RENEWALS

Following review and discussion, motion by Mr. Mar and second by Ms. Graven to approve the renewal of the Pat Dunn and Pacifica Law Group contracts. Motion carried (6-0). Mr. Sanchez was absent for the vote.

MOTION TO SET QUARTERLY MEETINGS

Following review and discussion, motion by Mr. Mar and second by Ms. Graven to approve setting quarterly Board meetings for 2017 as follows:

March 13, 2017
June 12, 2017
September 11, 2017, and
December 11, 2017.

All regular Board meetings will start at 2:30 p.m. and will be held at the PFD Conference Room. Motion carried (6-0). Mr. Sanchez was absent for the vote.

OTHER BUSINESS

Dale Sperling reminded the Board that in September he raised a number of issues concerning board governance and organizational structure and said he would like to discuss these issues further. The issues included emeritus Board members, Board committee structure (and Board member responsibilities and engagement), Board leadership and succession planning, and protocols for Board involvement in conversations with the ownership or management of the Mariners. Dale asked that there be a Board discussion on all of these topics. Charley, Kevin Callan, and Virginia asked Dale some clarifying questions about what he wanted to cover, and there was some preliminary discussion on each of these topics.

Charley agreed that these topics warranted further conversation and he asked Dale, Virginia, and Paul to develop some of these topics for further discussion at a special Board meeting to be held in January. Charley also said that he planned to sit down with each Board member individually and discuss these topics, as well as each Board member's particular areas of interest. Charley hoped that these one-on-one conversations could help inform him about what Board members want to do with their time on the Board, and whether the Board should consider any structural or organizational changes before it moves into the lease renewal process with the Mariners.

Charley agreed to discuss these issues further with Kevin, Tom and others and to set a special Board meeting for January where these topics could be the focus of the conversation.

EXECUTIVE SESSION:

Chair Charley Royer announced at 4:12 p.m. that the Board would meet in Executive Session for about 40 minutes 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. Charley said that the Board does not anticipate taking action following the Executive Session.

At 4:55 p.m. Chair Royer concluded the Executive Session and reconvened the regular meeting of the Board of Directors.

ADJOURNMENT

Board Chair Charley Royer, there being no further business before the Board, declared the meeting adjourned at 4:55 p.m.

Jan Simons
Recording Clerk

Charley Royer, Board Chair
Board of Directors, Public Facilities District

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT

Friday, January 13, 2017 9:00 A.M. to 12:15 P.M.
Courtyard Marriott—Alaska Bldg., Juneau Rm., 15th Floor
612 Second Avenue
Seattle, Washington 98104

SPECIAL BOARD MEETING MINUTES

CALL TO ORDER:

Board Chair Charley Royer called the special meeting of the Board to order at 9:00 a.m. pursuant to notice. Board members present: Charley Royer, Dale Sperling, Craig Kinzer, Virginia Anderson, Paul Mar, and Stacy Graven. Jesus Sanchez joined the meeting by phone until 10:50 a.m., but he did not participate in any votes. Staff present: Kevin Callan (Executive Director) and Tom Backer (Legal Counsel).

ITEMS FROM THE AUDIENCE/PUBLIC COMMENTS: None.

BOARD ORGANIZATION, OPERATIONS, AND COMMUNICATIONS

Board Chair Royer started the discussion by reviewing the issues raised by Board members in recent meetings regarding PFD structure, organization, and communications. He also summarized what he had heard from Board members in individual meetings with them and with staff. He expressed the need to develop better methods for communicating more frequently than quarterly Board meetings and for ensuring that all Board members are engaged and their talents utilized as we move into the lease renewal process with the Seattle Mariners.

Kevin Callan provided an overview of PFD operations over time, and he described how the Board meeting and committee structures had evolved in response to changing needs and conditions. He outlined the main issues that he saw facing the Board as it moves forward, and he encouraged the Board to have a full and open discussion about how it wanted to proceed.

Virginia Anderson, Dale Sperling, and Paul Mar then led a discussion and provided a report on their work in looking at Board policies, rules, and/or Board structural changes that the Board should consider, as requested by the Board Chair. They described the process they used, their internal discussions, and their thoughts on changes that the Board could consider.

Virginia Anderson noted that the Board was entering into a new phase of work, with a new mission (as expressed in the revised Mission Statement). She encouraged the Board not to be bound by past practices as we move forward with the lease renewal with the Mariners and instead to focus on what matters most to us, including the best structures and practices.

Ms. Anderson reviewed current and past practices of the Board regarding Board leadership, Committee structure, and ad hoc task forces, including review of Board by-laws and resolutions on these topics. She then led the Board through a spirited discussion of these topics with all Board members participating. In the course of that discussion, the following consensus developed:

- The Board Chair should create a task force of three (3) Board members, including the Board Chair, to lead the negotiations on the lease renewal with the Seattle Mariners. The task force would be charged with keeping the Board fully apprised of its progress and any concerns. Decision-making authority on all lease renewal matters would remain with the full Board.
- Focused task forces should be created by the Board Chair on an ad hoc basis to address specific issues as they arise. These task forces would typically have 3 or fewer members and would be set up to provide advice or information to the Board. Unless specifically stated, these task forces would *not* be set up to act on behalf of the Board.
- The Board Chair should immediately set up a task force to review the results of the Strategic Communications/Government Relations RFQ. This task force would provide advice to the Board on which firms to consider adding to the existing roster of firms eligible to provide services. Board decision on the roster to be made at its March Board meeting (or earlier). Volunteers for the task force included Stacy Graven & Dale Sperling.
- The Board Chair should consider creating the following task forces:
 - **Community Partnerships:** could provide advice to the Board regarding potential partnerships with neighbors and outside communities, such as Pioneer Square, the International District, the Port of Seattle, the Waterfront, CenturyLink Field, etc.
 - **Capital Improvements/Maintenance:** could provide advice to the Board regarding the Mariners' annual reporting and the every-third-year "applicable standards" review
- The Board Chair should establish the position of Vice-Chair of Finance, to serve as the Board leader on financial matters such as voucher review and annual budget.
- The Board Chair should establish a nominating task force at the September 2017 Board meeting to vet and advise the Board on appropriate candidates for the Board Chair, Vice-Chair, and Vice-Chair of Finance positions. The nominating task force would report to the Board at the December Board meeting and the Board would then elect these positions. The term for each position (1 or 2 years) would be determined by the Board. No changes to board leadership during or prior to lease negotiations in 2017.
- The nominating task force should also consider Board member terms that are expiring and appropriate succession planning for the Board. As appropriate, the Board could then make recommendations to the relevant appointing bodies.
- Board members should feel free to keep in touch with former Board members so that the PFD might benefit from their past experience.

By voice vote, the Board adopted these consensus recommendations, 6-0.

EXECUTIVE SESSION:

At 11:40 a.m. Board Chair Royer announced 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 regarding such consideration would cause a likelihood of decreased price. RCW 42.30.110. The Executive Session was expected to last about 30 minutes. Chair Royer announced that the Board was not expected to take action following the Executive Session.

ADJOURNMENT

At 12:15 p.m. Chair Royer concluded the Executive Session. There being no further business before the Board, Chair Royer declared the meeting adjourned.

Kevin Callan
Recording Clerk

Charley Royer, Board Chair
Board of Directors, Public Facilities District

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT

Friday, February 24, 2017 8:30 A.M. to 2:30 P.M.
Courtyard Marriott—Alaska Bldg., Kodiak Rm., 15th Floor
612 Second Avenue
Seattle, Washington 98104

SPECIAL BOARD MEETING MINUTES

CALL TO ORDER:

Board Chair Charley Royer called the special meeting of the Board to order at 9:00 a.m. pursuant to notice. Board members present: Charley Royer, Dale Sperling, and Virginia Anderson. Craig Kinzer, Paul Mar, and Stacy Graven joined the meeting by phone. Stacy Graven participated from 9:00 a.m. to 11:00 a.m. and Craig Kinzer participated from 10:00 a.m. to 11:00 a.m. Paul Mar participated for the entire duration of the meeting. Jesus Sanchez was absent. Staff present: Kevin Callan (Executive Director), Tom Backer (Legal Counsel), Pat Dunn (Legislative), Dan Barrett (Sports Consultant), and Jay Reich (Outside Finance Counsel).

ITEMS FROM THE AUDIENCE/PUBLIC COMMENTS: None.

EXECUTIVE SESSION:

Board Chair Royer announced 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 regarding such consideration would cause a likelihood of decreased price. RCW 42.30.110. The Executive Session was expected to last until 4:00 p.m. Chair Royer announced that the Board was not expected to take action following the Executive Session.

At 2:24 p.m. Charley Royer concluded the Executive Session and reconvened the special meeting of the Board of Directors. No action was taken by the Board.

ADJOURNMENT

Board Chair Charley Royer, there being no further business before the Board, declared the meeting adjourned at 2:25 p.m.

Kevin Callan
Recording Clerk

Charley Royer, Board Chair
Board of Directors, Public Facilities District

**Washington State Major League Baseball Stadium Public Facilities
District**

Board Meeting Agenda

Agenda Item D 4

Review of Vouchers

BOARD EXPENSE APPROVAL

Auditing Officer Certification: I, the undersigned, do hereby certify under perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is just, and due, against the Washington State Major League Baseball Stadium Public Facilities District, and I am authorized to authenticate and certify to said claim.


Signature

Director of Finance & Administration

Title

Vouchers audited and certified by the auditing officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required under 42.24.090 and payroll expenditures, have been review and approved by the PFD Auditing Officer, a summary of which is included below. The motion to approve the vouchers subject to audit was moved by _____ and seconded by _____. The motion carried by a vote of _____.

Finance Committee Approval: The Finance Committee of the PFD approved/ratified by motion the following classifications of expenditures on _____.

Virginia Anderson

The following is a summary of vouchers 20161202054701, 20161207105207, 20161215074615, 20161219113057 and 20161219113552 all paid in the month of December 2016.

Classification	Amount
Legal & Administrative	45,565
Earthquake Insurance Annual Premium	
Parking Garage	
PFD Capital Expenditures	
Excess Revenue Fund	
PFD Payroll	
Total for the period	45,565

Payment Summary - Special Districts

Report ID: AP_RPRT_181D
 Report Date: 1/3/2017
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12/01/2016 to 12/31/2016

DISTRICT WSMILBS
FUND 280010020 WSMILBS-PFD OPERATING FUND

Issues

Payee	Payment Type	Number	Amount	Issue Date	Cleared Date	Invoice Number	Invoice Amount
A SPARKLE HOME CLEANING SERVICE	Warrant	9517006	260.00	12/07/2016	12/15/2016	I-0702	260.00
FLEETFOOT MESSENGER SERVICE	Warrant	9517007	85.86	12/07/2016	12/16/2016	192866	85.86
INTEGRA	Warrant	9517008	169.50	12/07/2016	12/13/2016	14270080	169.50
JAN SIMONS	Warrant	9517009	1,935.00	12/07/2016	12/12/2016	INV113016	1,935.00
KEVIN CALLAN	Warrant	9517010	5,500.00	12/07/2016	12/08/2016	PFD1116	5,500.00
MARX OKUBO ASSOCIATES INC	Warrant	9517011	11,512.50	12/07/2016	12/12/2016	REPLACEMENT	11,512.50
PACIFIC OFFICE AUTOMATION	Warrant	9517012	410.85	12/07/2016	12/12/2016	52205730	410.85
PATRICK DUNN & ASSOCIATES LTD	Warrant	9517013	3,200.00	12/07/2016	12/13/2016	PFD-11-16	3,200.00
THOMAS ELI BACKER	Warrant	9517014	13,774.00	12/07/2016	12/12/2016	20644	13,774.00
MARX OKUBO ASSOCIATES INC	Warrant	9518852	17,050.00	12/12/2016	12/21/2016	117133	17,050.00
PACIFICA LAW GROUP	Warrant	9518853	1,350.00	12/12/2016	12/21/2016	33173	1,350.00
TEAL GROUP TECHNOLOGIES LLC	Warrant	9518854	260.00	12/12/2016		86102	260.00
CITY OF SEATTLE - RCA	Warrant	9521304	55.00	12/20/2016		2017 RENEWAL	55.00
CRYSTAL SPRINGS	Warrant	9521305	3.28	12/20/2016		5314663120116	3.28
LIBERTY MUTUAL INSURANCE	Warrant	9521306	789.00	12/20/2016		2017 INS RENEWAL	789.00
INTEGRA	Warrant	9522297	172.04	12/23/2016		14332819	172.04
PACIFIC OFFICE AUTOMATION	Warrant	9522298	410.85	12/23/2016		52654880	410.85
STATE AUDITOR'S OFFICE	Warrant	9522299	139.65	12/23/2016		L117765	139.65
Total Issues for Fund 280010020			57,077.53				

Cancel

Payee	Payment Type	Number	Amount	Issue Date	Cancel Date	Invoice Number
MARX OKUBO ASSOCIATES INC	Warrant	9503670	(11,512.50)	10/14/2016	12/13/2016	116245
Total Cancels for Fund 280010020			(11,512.50)			
Total for Fund 280010020			45,565.03			
Total for District WSMILBS			45,565.03			

BOARD EXPENSE APPROVAL

Auditing Officer Certification: I, the undersigned, do hereby certify under perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is just, and due, against the Washington State Major League Baseball Stadium Public Facilities District, and I am authorized to authenticate and certify to said claim.



 Signature

Director of Finance & Administration

 Title

Vouchers audited and certified by the auditing officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required under 42.24.090 and payroll expenditures, have been review and approved by the PFD Auditing Officer, a summary of which is included below. The motion to approve the vouchers subject to audit was moved by _____ and seconded by _____. The motion carried by a vote of _____.

Finance Committee Approval: The Finance Committee of the PFD approved/ratified by motion the following classifications of expenditures on _____.

 Virginia Anderson

The following is a summary of vouchers 20170105070359, 20170117065028 and 20170127070415 all paid in the month of January 2017.

Classification	Amount
Legal & Administrative	41,241
Earthquake Insurance Annual Premium	
Parking Garage	
PFD Capital Expenditures	
Excess Revenue Fund	
PFD Payroll	
Total for the period	41,241

Payment Summary - Special Districts

Report ID: AP_RPRT_181D
 Report Date: 2/1/2017
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01/01/2017 to 01/31/2017

DISTRICT WSMILBS
FUND 280010020 WSMILBS-PFD OPERATING FUND

Payee	Payment Type	Number	Amount	Issue Date	Cleared Date	Invoice Number	Invoice Amount
JAN SIMONS	Warrant	9525431	2,500.00	01/03/2017	01/06/2017	PFD123116	2,500.00
KEVIN CALLAN	Warrant	9525432	5,500.00	01/03/2017	01/11/2017	PFD12-16	5,500.00
PATRICK DUNN & ASSOCIATES LTD	Warrant	9525433	3,200.00	01/03/2017	01/13/2017	PFD12-16	3,200.00
A SPARKLE HOME CLEANING SERVICE	Warrant	9528117	325.00	01/12/2017	01/20/2017	I-0704	325.00
AON RISK SERVICES	Warrant	9528118	11,293.00	01/12/2017	01/25/2017	2017 RENEWAL	11,293.00
FLEETFOOT MESSENGER SERVICE	Warrant	9528119	111.24	01/12/2017	01/27/2017	193458	111.24
TEAL GROUP TECHNOLOGIES LLC	Warrant	9528120	291.25	01/12/2017		86152	291.25
THOMAS ELI BACKER	Warrant	9528121	10,650.00	01/12/2017		20651	10,650.00
CHARLES GIBBS	Warrant	9529730	100.00	01/20/2017		2016 BOARD COMP	100.00
CHARLES ROYER	Warrant	9529731	1,150.00	01/20/2017		2016 BOARD COMP	1,150.00
CRAIG KINZER	Warrant	9529732	300.00	01/20/2017		2016 BOARD COMP	300.00
CRYSTAL SPRINGS	Warrant	9529733	3.28	01/20/2017		5314663010117	3.28
DALE SPERLING	Warrant	9529734	350.00	01/20/2017		2016 BOARD COMP	350.00
JAN SIMONS	Warrant	9529735	144.65	01/20/2017		NOV-DEC 2016 SUPPLIES	144.65
JESUS SANCHEZ	Warrant	9529736	250.00	01/20/2017		2016 BOARD COMP	250.00
JOAN ENTICKNAP	Warrant	9529737	150.00	01/20/2017		2016 BOARD COMP	150.00
PACIFIC OFFICE AUTOMATION	Warrant	9529738	431.40	01/20/2017	01/31/2017	52952174	431.40
PAUL MAR	Warrant	9529739	300.00	01/20/2017		2016 BOARD COMP	300.00
STACY GRAVEN	Warrant	9529740	150.00	01/20/2017		2016 BOARD COMP	150.00
VIRGINIA ANDERSON	Warrant	9529741	250.00	01/20/2017		2016 BOARD COMP	250.00
DAILY JOURNAL OF COMMERCE	Warrant	9532560	528.00	01/31/2017		3321051	528.00
INTEGRA	Warrant	9532561	169.50	01/31/2017		14396958	169.50
THOMAS ELI BACKER	Warrant	9532562	842.19	01/31/2017		MTG 01/13/17	842.19
THOMAS ELI BACKER	Warrant	9532563	2,251.28	01/31/2017		SEATTLE TIMES	2,251.28

Total Issues for Fund 280010020

Total for Fund 280010020

Total for District WSMILBS

41,240.79
41,240.79
41,240.79

BOARD EXPENSE APPROVAL

Auditing Officer Certification: I, the undersigned, do hereby certify under perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is just, and due, against the Washington State Major League Baseball Stadium Public Facilities District, and I am authorized to authenticate and certify to said claim.


Signature

Director of Finance & Administration

Title

Vouchers audited and certified by the auditing officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required under 42.24.090 and payroll expenditures, have been review and approved by the PFD Auditing Officer, a summary of which is included below. The motion to approve the vouchers subject to audit was moved by _____ and seconded by _____. The motion carried by a vote of _____.

Finance Committee Approval: The Finance Committee of the PFD approved/ratified by motion the following classifications of expenditures on _____.

Virginia Anderson

The following is a summary of vouchers 20170201071118, 20170206115759, 20170221112448 and 20170221101349 all paid in the month of February 2017.

Classification	Amount
Legal & Administrative	29,187
Earthquake Insurance Annual Premium	
Parking Garage	
PFD Capital Expenditures	
Excess Revenue Fund	
PFD Payroll	
Total for the period	29,187

Payment Summary - Special Districts

Report ID: AP_RPRT_181D
 Report Date: 3/3/2017
 Page: 1 of 1

02/01/2017 to 02/28/2017

DISTRICT WSMILBS
 FUND 280010020

WSMILBS-PFD OPERATING FUND

Issues

Payee	Payment Type	Number	Amount	Issue Date	Cleared Date	Invoice Number	Invoice Amount
JAN SIMONS	Warrant	9533316	2,280.00	02/03/2017	02/09/2017	PFD013117	2,280.00
KEVIN CALLAN	Warrant	9533317	5,500.00	02/03/2017	02/08/2017	PFD 01-17	5,500.00
PATRICK DUNN & ASSOCIATES LTD	Warrant	9533318	3,200.00	02/03/2017	02/15/2017	PFD 01-17	3,200.00
THE HARTFORD	Warrant	9533319	1,496.00	02/03/2017	02/15/2017	13682606 2017	1,496.00
A SPARKLE HOME CLEANING SERVICE	Warrant	9534336	260.00	02/09/2017	02/15/2017	I-0705	260.00
FLEETFOOT MESSENGER SERVICE	Warrant	9534337	102.00	02/09/2017	02/21/2017	194120	102.00
TEAL GROUP TECHNOLOGIES LLC	Warrant	9534338	332.27	02/09/2017		86197	332.27
THOMAS ELI BACKER	Warrant	9534339	15,229.50	02/09/2017	02/17/2017	20655	15,229.50
CRYSTAL SPRINGS	Warrant	9539064	3.28	02/24/2017		5314663020117	3.28
INTEGRA	Warrant	9539065	169.50	02/24/2017		720291	169.50
NEWTEK TECHNOLOGY SERVICES	Warrant	9539066	203.40	02/24/2017		4762169	203.40
PACIFIC OFFICE AUTOMATION	Warrant	9539067	410.85	02/24/2017		53350835	410.85

Total Issues for Fund 280010020

29,186.80

Total for Fund 280010020

29,186.80

Total for District WSMILBS

29,186.80

**Washington State Major League Baseball Stadium Public Facilities
District**

Board Meeting Agenda

Agenda Item D 5

2017 PFD Budget Update – Kevin Callan

PFD Operations Budget Vs Actual

Through February 28, 2017

BUDGET ENTERED THROUGH February 28, 2017

BEGINNING CASH BALANCE:

Rent Due From Mariners:

Interest Income:

Total Income

1. Outside Consultants:

Accounting / Auditing Fees

Legal

Consulting Services

Subtotal Outside Consultants:

2. PFD Staff :

Total PFD Staff

3. General and Administrative:

Office Expense

Meeting Expense

Travel

Insurance

Other Miscellaneous

Subtotal General and Administrative:

Subtotal Expenses (Categories 1-3)

TOTALS OPERATING EXPENSES

ENDING CASH BALANCE:

Year to Date Totals

	Budget	Actual	Variance (Under)/Over Budget
BEGINNING CASH BALANCE:	5,900,000	5,886,301	(13,699)
Rent Due From Mariners:	-	-	-
Interest Income:	5,372	6,246	874
Total Income	5,905,372	5,892,547	(12,825)
1. Outside Consultants:			
Accounting / Auditing Fees	-	-	-
Legal	66,667	30,175	(36,492)
Consulting Services	46,167	6,400	(39,767)
Subtotal Outside Consultants:	112,834	36,575	(76,259)
2. PFD Staff :			
Total PFD Staff	16,000	15,380	(620)
3. General and Administrative:			
Office Expense	4,000	2,686	(1,314)
Meeting Expense	4,000	5,694	1,694
Travel	200		(200)
Insurance	14,000	10,838	(3,162)
Other Miscellaneous	200		(200)
Subtotal General and Administrative:	22,400	19,218	(3,182)
Subtotal Expenses (Categories 1-3)	151,234	71,173	(80,061)
		-	-
TOTALS OPERATING EXPENSES	151,234	71,173	(80,061)
ENDING CASH BALANCE:	5,754,138	5,821,374	67,236

**Washington State Major League Baseball Stadium Public Facilities
District**

Staff Report

Agenda Item Number: F1

Date: March 13, 2017

TITLE:

Proposed Resolution 17-001: A resolution approving PFD vouchers for the period December 2016 through February 2017. Approval of vouchers occurs at quarterly Board meetings following review and submission by staff and approval of the Finance and Administration Committee.

1 **March 13, 2017**

Proposed No.: 17-001

2
3
4 **RESOLUTION NO 457**

5
6 A RESOLUTION to approve payment vouchers.

7
8 WHEREAS, pursuant to the provisions of Chapter 36.100 RCW, as amended, the
9 Washington State Major League Baseball Stadium Public Facilities District, hereinafter
10 referred to as the "District," has been created and possesses all the powers of a public
11 facilities district; and

12 WHEREAS, Resolution No. 262 designated the Finance and Administration
13 Committee to review and approve payment vouchers, subject to final review and approval
14 by the Board; and

15 WHEREAS, Resolution No. 262 appointed the District Director of Finance, Kevin
16 Callan, as Auditing Officer; and

17 WHEREAS, the Finance and Administration Committee and Auditing Officer have
18 reviewed and approved ballpark vouchers # as summarized follows: 20161202054701,
19 20161207105207, 20161215074615, 20161219113057, 20161219113552, 20170105070359,
20 20170117065028, 20170127070415, 20170201071118, 20170206115759, 20170221112448 and
21 20170221101349 as summarized as follows:

22
23 December 2016:

<u>Classification</u>	<u>Amount</u>
24 1. Legal & Administrative	\$ 45,565
25 2. Earthquake Ins. Annual Premium	\$ 0
26 3. Parking Garage	\$ 0
27 4. Excess Revenue Fund	\$ 0
28 5. PFD Capital Expenditures	\$ 0
29 TOTAL FOR THE PERIOD	\$ 45,565

30
31
32
33
34
35 January 2017:

<u>Classification</u>	<u>Amount</u>
36 6. Legal & Administrative	\$ 41,241

38	7. Earthquake Ins. Annual Premium	\$	0
39	8. Parking Garage	\$	0
40	9. PFD Capital Expenditures	\$	0
41	10. Excess Revenue Fund	\$	0
42	TOTAL FOR THE PERIOD	\$	41,241

45	<u>February 2017:</u>		
46	<u>Classification</u>	<u>Amount</u>	
47	11. Legal & Administrative	\$	29,187
48	12. Direct Project Costs	\$	0
49	13. Parking Garage	\$	0
50	14. PFD Capital Expenditures	\$	0
51	15. Excess Revenue Fund	\$	0
52	TOTAL FOR THE PERIOD	\$	29,187

55 NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
 56 THE WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC
 57 FACILITIES DISTRICT:

58
 59 Vouchers # 20161202054701, 20161207105207, 20161215074615, 20161219113057,
 60 20161219113552, 20170105070359, 20170117065028, 20170127070415, 20170201071118,
 61 20170206115759, 20170221112448 and 20170221101349 as approved by the Finance and
 62 Administration Committee (monthly summaries attached) are hereby approved.

63
 64 PASSED by a vote of ___ to ___ this 13 of March 2017.

65 BOARD OF DIRECTORS
 66 WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM
 67 PUBLIC FACILITIES DISTRICT
 68

69 _____
 70 Charley Royer, Board Chair

71 ATTEST:

72 _____
 Clerk Jan Simons

**Washington State Major League Baseball Stadium Public Facilities
District**

Board Meeting Agenda

Agenda Item F 2

Approval of 2017 Earthquake Insurance Premium



TO: Kevin Callan
 FROM: Tim Kornegay
 RE: 2017 Shared Earthquake Premium
 Date: March 1, 2017
 CC: Kevin Mather
 Fred Rivera

Enclosed is the standard “Letter of Agreement” on Earthquake Insurance for the 2017 calendar year. Through MLB’s combined purchasing power we were able to continue to obtain favorable terms, conditions and pricing.

As you know, we are part of a MLB insurance program that helps all clubs, via combined purchasing power, buy insurance as a group. This buying power has helped reduce our premium cost and improve terms and conditions in a number of areas over the past 16 years, and Earthquake Insurance has been no exception.

The Insurance market for catastrophic coverage has been difficult since roughly 2001. We have purchased, at “commercially reasonable” rates, \$125 million in coverage for the period 2/1/17 to 1/31/18. As you know, the current 2% deductible requires us to pay roughly the first \$13.4 million of damage resulting from an earthquake. If the market ever forces us to a 3% deductible, we will have a deductible above our Lease required maximum contribution of \$15 million.

The “Standard Letter of Agreement”, similar to prior years’ understanding and process, is included here. The premium calculation is as follows. I have shown 2016 for comparison purposes:

	<u>2016</u>	<u>2017</u>
Seattle Mariners Earthquake Insurance	\$299,688	\$315,712
Lease Required Premium	<u><88,907></u>	<u><91,218></u>
Premium to Share	\$210,781	\$224,494
	<u>50%</u>	<u>50%</u>
	<u>\$105,390</u>	<u>\$112,247</u>

Please call to discuss at your convenience.





March 1, 2017

Mr. Kevin Callan
Executive Director
Washington State Major League Baseball Stadium
Public Facilities District
Safeco Field
Seattle, WA 98134

Re: Letter of Agreement on Earthquake Insurance

Dear Kevin:

The purpose of this letter is to memorialize the agreement reached between the PFD and the Mariners on how we handle earthquake insurance and earthquake claims adjustment for the period February 1, 2017 to January 31, 2018.

Background

Article 9.3.2 of our Ballpark Operations and Lease Agreement ("Lease") requires that the Club purchase earthquake insurance ("EQ Insurance"), with a deductible in the range of \$100,000 to \$1,000,000, at the Club's option. The Club is required to maintain the amount of insurance that can be purchased for an annual premium of \$60,000, increased each year by the change in the CPI. For the coming year, this required expenditure level is \$91,218. The Lease gives the PFD the option of purchasing additional amounts of insurance, over the Club's commitment.

The renewal process this year showed an increase in the rate of Catastrophic Insurance. Most of the increase was due to a significant increase in the appraised value of SAFECO Field and Parking Garage – from \$574MM to \$671MM – resulting from a certified Property Insurance Replacement Cost Valuation – conducted in late 2016. Catastrophic, or CAT coverages; that is, earthquake, wind and flood; are all reinsured in the same principal markets. As you know we have used the purchasing power of Major League Baseball's insurance program to buy most, if not all, of our insurance coverages over the past 16 years. This program has saved the industry significant premium dollars over the years. The Public Facilities District and the Seattle Mariners are buying earthquake insurance for less than either one of us could obtain the same coverage individually in the marketplace.

As we have discussed the last 13 years, deductibles in the range prescribed by the Lease are unavailable. Deductibles that are available in the Puget Sound marketplace range from two percent to 10 percent of total value. Thankfully, as a newer building with many seismic protection features, Safeco Field qualifies for the lowest available deductible, which is two percent of the total insurable values at each location involved in loss or damage.



Mr. Kevin Callan

March 1, 2017

Page 2

As we did last year, to protect both the public's investment in the building and the Mariners' property and business interruption exposure, we continue to purchase EQ Insurance with our property coverage.

This letter summarizes what we have agreed is the best approach, in today's marketplace, to protect the public's investment in the building and the Mariners' ability to survive an earthquake-related business interruption. This agreement is consistent with the way we have handled this over the past 16 years.

Proposed Course of Action and Agreement on Allocating Proceeds

1. The Club will place and maintain EQ Insurance with combined limits of \$125 million. What is meant by "combined" is that the policy will cover property damage from earthquake for both the PFD Property and the Club Property, and will provide the Club with Business Interruption insurance. The "PFD Property" shall be considered to include the Ballpark (base building and roof), the Parking Garage and related appurtenances such as the scoreboard, concessions equipment, audio/visual equipment, suite furnishings, and those furnishings, fixtures and equipment necessary to maintain the Applicable Standard as defined in the Lease. The "Club Property" shall include the fixtures, furnishings, equipment and inventory owned and/or maintained by the Club in its offices, clubhouse and team stores.
2. The deductible level on this combined policy will be two percent of the total insurable value at each location involved in loss or damage. This total combined insurable value for the Safeco Field and Parking Garage locations is now approximately \$ 671 million (exclusive of Mariners' property at Spring Training, minor league affiliates, NW Sports Net and team store locations), producing a deductible of approximately \$ 13.4million at the Safeco Field and Parking Garage locations.
3. The Club will be responsible for repairs to the Ballpark or Parking Garage falling within the deductible range, even though this deductible is now many times the size of the deductible contemplated in the Lease. This responsibility is subject to the procedures and limitations contained in the Lease pertaining to Catastrophic Damage, and the agreements between the parties pertaining to the Excess Revenues Fund and its use to fund unanticipated capital costs.
4. The Club will pay the first \$91,218 of this EQ premium, consistent with its Lease obligation. The Club and PFD will each pay one-half of the remainder of this EQ premium, recognizing that each party equally benefits from this additional insurance.
5. If there is a claim under the EQ Insurance policy, in excess of the deductible level, the proceeds of insurance shall be applied to cover (a) property damage to the PFD Property; and (b) property damage to the Club property and any Club business interruption losses. If the proceeds of insurance are insufficient to cover all damages and losses described in clauses (a) and (b) above, then the proceeds of insurance shall be applied one dollar to (a) followed by one dollar to (b), until the lesser of (a) or (b) is satisfied; then the remaining proceeds shall be applied to the greater of (a) or (b) until all insurance proceeds have been exhausted.

Mr. Kevin Callan

March 1, 2017

Page 3

6. If there is more than one compensable event under the EQ Insurance policy during the policy year, and a subsequent event places the total damage/loss claim beyond the insurance limits, the allocation of proceeds described in paragraph 5 above shall be adjusted retroactively such that all damages/losses are compensated as if the multiple events were a single event.

7. This agreement only applies to EQ Insurance coverage during the time period described above. Since we cannot anticipate how the insurance market will react in the next 12 months, we will re-visit these agreements for the next insurance year.

8. For the time period covered by this agreement, the PFD agrees that the Mariners' proceeding on this basis will satisfy its obligations under Article 9.3.7 of the lease. Any dispute between the parties over the terms of this Letter of Understanding, or the agreement on allocating insurance proceeds, shall be submitted to dispute resolution in accordance with the provisions of Article 22 of the Lease.

If this approach is consistent with your understanding and agreement, please have your Board Chairman sign below to acknowledge this agreement on behalf of the PFD and return one copy to me.

Sincerely,



Tim Kornegay

Senior Vice President, CFO

Agreed on behalf of PFD

By: _____

Chairman

CC: Kevin Mather

Fred Rivera

Seattle Mariners - PFD
Maximum Annual Earthquake/Flood Premium
1999-2017

	CPI % Change	Premium
1999	3.00	60,000.00
2000	4.10	61,800.00
2001	2.50	64,333.80
2002	2.10	65,942.15
2003	0.50	67,326.93
2004	2.10	67,663.56
2005	3.00	69,084.50
2006	4.20	71,157.03
2007	4.60	74,145.63
2008	1.70	77,556.33
2009	1.40	78,874.79
2010	0.60	79,979.03
2011	3.50	80,458.91
2012	1.40	83,274.97
2013	1.30	84,440.82
2014	1.70	85,538.55
2015	2.20	86,992.71
2016	2.60	88,906.54
2017		91,218.11

2017 Premium	315,712
Less: Lease-required premium	(91,218)
Premium to share	<u>224,494</u>
	50%
Amount to invoice PFD	<u><u>112,247</u></u>