



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES- August 2008

Thursday, August 28th, 2008
4:00 p.m. to 6:00 p.m.
PDA Conference Room

Council Members: Jim Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig

Staff Present: Carol Binder, Anita Neill, Tamra Nisly, James Haydu, David Dickenson, Joe Paar, Matt Holland, Sabina Proto, Bill Stalder, Cecilia Hall

Others Present: Ernie Sherman, Dale Wittner, Leanne Clarke, Haley Land, Sharon Mukai, Marlys Erickson

The meeting was called to order at 4:03 p.m. by Jim Savitt for Jackson Schmitt who was unable to attend.

I. Administration

A. Adoption of Agenda

Bruce moved and Ann seconded

For: Jim Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig

Against:

Abstain:

The agenda was approved unanimously.

B. Review and Approval July 31st, 2008 Minutes

Bruce L. moved and Patrick seconded.

For: Jim Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig

Against:

Abstain:

The minutes were approved unanimously.

II. Comments of the Market Community

A. Pike Place Market Merchants Association

B. Constituency

C. Daystall Tenants Association

Haley Land expressed his gratitude for the 10 year extension to the Hildt agreement with no amendments.

D. United Farmers Coalition

E. Market Area Merchants Association

Darrell Strand noted that there was not a lot going on with the Merchants Association but was looking forward to the November election.

- F. Pike Market Performers Guild
Carol noted that the Buskers Festival was scheduled for Sunday September 14th from 12 p.m. – 5 p.m. This year the festival was dedicated to Jim Hinde.
- G. Other Public Comment

III. **Consent Agenda**

Two items were on the consent agenda, The Medical and Dental Coverage for 2008/2009 and the lease proposals from OPSCOM.

Patrick moved and Ann seconded.

For: Jim Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig

Against:

Abstain:

The consent agenda passed unanimously.

IV. **Executive Director's Report – Carol Binder**

A. Report Items/Response to Questions

Carol handed out a copy of the monthly Renovation Update Newsletter that was distributed to tenants as part of the tenant communication plan. She also handed out a letter from Rotary Grocery that addressed their concerns about the renovations, specifically the location of the elevator. Carol noted that while they did not voice any concerns objections at the time of the Historic meeting on August 20th, according to their letter they now felt differently. Carol would be meeting with tenants next week to discuss options for their lost space and finding alternate solutions.

Bruce L noted that the Historic commission should be made aware of the tenant's objections to the location of the elevator before it was voted on. Carol replied that tenants are aware that they can present their objections to the Historic Commission. Bruce L noted concern that if the tenants were successful in swaying the Historic Commission to vote against the elevator location all this work would be a waste of time and money.

There was a discussion of whether or not the tenants and the Historic Commission fully understood the impacts of the elevator location.

Bruce B. questioned does if it made sense to seek a formal approval from the Historic Commission so that excess money was not spent needlessly. Carol explained that the design needs to be developed further before Historic would give any kind of approval.

Carol continued with her report. She handed out a memo that was distributed to all PDA staff in regards to the Pike Place Market Levy Campaign Do's and Don'ts. She announced that Sabina Proto had been named the new Director of Finance. The Yardi upgrade has been installed and besides some minor issues it has been a relatively smooth transition. The 2009 budget process has begun. This year's budget would reflect some differences from prior years because of construction, the economy was in a downturn, a slowdown in sales and was expected to continue, and some vacancies will remain open to accommodate tenants during the construction. The Strategic Plan Report was included in the Council packets. She reviewed some of the benchmark and operation goals that were set and the measurement of those goals and status. Some of the highlights of that report were as follows, the Market was featured on Evening Magazine last Thursday which was filmed here and featured the Pike Place Palate. The design development of the first phase of the renovations would be completed on September 12th. Carol and Marlys traveled to Olympia last week to request a grant for a building upgrade to the Livingston Baker. In recap, goals were set and met and are doing very well.

Executive Committee Report – Jackson Schmidt

- A. Jackson Schmidt was not present at the Full Council meeting. Jim noted that he was not present at the executive meeting and called on Gloria and Patrick to add anything that they felt the minutes did not cover. Patrick noted that the minutes were sufficient. Carol briefly reviewed where Gerry Kumata and the new Mayoral candidate were in the re-appointment process. Ann inquired whether there had been resolution regarding who was the Vice Chair of the Strategic Planning Committee. Carol responded that Theresa would be the Vice Chair of that committee.
- B. Report Items/Response to Questions

V. Operations and Communications Report – Patrick Kerr

Patrick reported on the Trademark Licensing Agreement with Jewel Hospitality, the PDA and Microsoft. He further noted that at a future OPSCOM meeting he would like to discuss further what would happen to the money made from the agreement. There was a couple of hardship issues discussed in closed session. There was a discussion in regards to the Farm Program and some proposed changes to the rules to better compete with other local markets. Carol reported that the increase in sales was declining from the first quarter, and while sales were still up, the rate of increase was slowing and this was most pronounced in the mercantile area. There were two resolutions voted on and passed at the OPSCOM meeting.

- A. **Proposed Resolution 08-44:** Authorization for Non-Exclusive Trademark Licensing Agreement with Jewel Hospitality.

Patrick moved and Ann seconded.

For: Jim Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig

Against:

Abstain:

Proposed Resolution **08-44** passed unanimously.

- B. **Proposed Resolution 08-45:** Authorization for Renewal of the Hildt-Licata Agreement as published with no amendments.

Patrick moved and David seconded.

For: Jim Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig

Against:

Abstain:

Proposed Resolution **08-45** passed unanimously.

- C. Report Items/Response to Questions.

VI. Finance & Asset Management Report – Jim Savitt

Jim wanted to clarify the process issue that occurred at the meeting in regards to the resolutions. It was decided that the Finance committee would vote on the resolutions with the caveat that the Capital Renovations committee would discuss and vote on the proposed resolutions before being brought to Full Council.

- A. **Proposed Resolution 08-39:** Approval of 2007 Audited Financial Statements.
Jim noted that this was on the agenda last month but was deferred to this month until all Council members had been distributed a copy, and had opportunity to review the audited financial statements.

Ann moved and Gerry seconded.

For: Jim Savitt, Ann Magnano, Gloria Skouge, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig

Against:

Abstain: Patrick Kerr

Proposed Resolution **08-39** passed.

B. Proposed Resolution 08-42: Authorization for Contract Authority – Utility and Footings Potholing Survey for the Hillclimb.

Ann moved and Gerry seconded.

Bruce B inquired if this work was related to the new elevator. Carol explained the process and that the purpose was to map out existing utilities and footing in the Hillclimb so when excavation began in that area it would be known where the footings the utilities were.

Patrick inquired as to what staff found out about Potholing that had been completed with the pre-school renovations. Carol replied that she had not been able to reach the contractors however only two holes were needed to be drilled in that area so the impact of a previous report was not so critical. Joe noted that he would be happy to explain and review the plans with Patrick.

Ann noted that Joe Parr did an excellent presentation on Potholing at the Finance meeting.

Jim inquired if the amount could be reduced. Joe responded that it might be possible but with other added expenses it was best to leave as it. Carol noted that the proposed resolution were not to exceed \$40,000 and would submit a report to Council when the invoice came in.

For: Jim Savitt, Ann Magnano, Gloria Skouge, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig

Against: Patrick Kerr

Abstain:

Proposed Resolution **08-42** passed.

C. Proposed Resolution 08-46: Authorization for Contract Amendments – Architectural & Engineering Services for the Renovation of the Market.

Ann moved and Gerry seconded.

Carol gave a summation of the resolution. There were three amendments to the contract. Two were for additional services and one omission from the original resolution for a total amended amount of an additional \$29,900. Bruce B. inquired if the structural engineering could be deferred until after the Historic Commission has approved the design of the elevator. Carol explained that this was a necessary requirement of the design before the Historic Commission would vote on it. Patrick exclaimed that this was needless work and waste of money. Bruce L. further explained that the Historic Commission made it clear that they would not vote on the elevator until the design requirements were met. Jim noted that there appeared to be a lack of process and this issue had been brought up at several meetings to be resolved but has never been addressed. There was a lengthy discussion regarding the process, or lack there of, between the Historic Commission and the PDA.

Bruce B. would like on record a verbal understanding that if possible, work would be deferred until after Historical Commission approval and the minimum would be done to satisfy Historical before proceeding.

For: Jim Savitt, Ann Magnano, Gloria Skouge, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig
Against: Patrick Kerr
Abstain:
Proposed Resolution **08-46** passed.

D. Proposed Resolution 08-47: Authorization for Contract Authority – Hazardous Material Survey, Testing and Consulting Work.

The Capital Renovations committee decided to postpone this proposed resolution until after the Levy vote in November. Therefore the contingency from the Finance meeting was not satisfied and the proposed resolution was pulled from the table.

E. Proposed Resolution 08-48: Authorization for Contract Authority – Investigative Work for Phase One Design Development – Turner Construction.

Joe gave a synopsis of the investigative work to be completed before completion of the design development portion of Phase I. Joe noted that it was important to address any issues before continuing with the construction drawings phase. John questioned how long it would take to complete and when would there be a report. Joe responded that work would begin after the tenant notification process which takes 30 days. The duration of the work would last about a month. Work would not be completed until around November 15th. Staff will investigate accelerating this to have the report sooner.

Ann moved and Gerry seconded

For: Jim Savitt, Ann Magnano, Gloria Skouge, John Finke, Bruce Burger, David Ghoddousi, Gerry Kumata, Bruce Lorig
Against: Patrick Kerr
Abstain:

Proposed Resolution **08-48** passed.

It was noted that the amount of the proposed resolution was reduced from \$75,000 to \$40,000 after the Full Council packets had been distributed and before the Capital Renovations committee met.

Ann noted that Sabina has done a good job in the past and was looking forward to seeing her in her new position as Director of Finance.

F. Review of Financial Statements

G. Report Items/Response to Questions.

VII. Capital Renovation Committee – Bruce Lorig

Bruce L reported that proposed resolution 08-47 would be postponed until after the Levy election. The Monthly Progress Report was reviewed paying particular attention to the Renovation Total Project Summary Budget Report. It was noted the design development phase would be completed on September 12th. Mid to end of October Turner would have a cost estimate of the Phase One work some time after that. Between this time period it was decided that it would be most cost effective to continue with projects judiciously. This would minimize the impact of the timing of the projects and there wouldn't be a risk the consultants being pulled away to other projects and have to start from scratch with new consultants.

Bruce B. questioned if the budget report included tenant coordination for tenant relocation due to the renovations. Carol responded that tenant disruption was taken into account but this did not include lost sales amounts as this was too subjective. Carol noted that she would email Bruce B. a budget in a format that separated budget line items out.

A. Report Items/Response to Questions

VIII. Strategic Planning Committee – Bruce Burger

The next Strategic Planning Committee meeting was scheduled for September 10th. The housing and parking garage strategies would be discussed along with topics that should be addressed next year. Bruce invited Council members for their input on items they would like to see added to the list.

A. Report Items/Response to Questions

IX. Public Comment

Dale wanted clarification if Historic had approved the Hillclimb design and placement of the transformers. Jim responded that nothing had been approved by Historic.

Ernie inquired if there had been any follow up with the two hardship cases Patrick mentioned in his report of OPSCOM. Patrick responded that it was discussed in closed session and the Property Manager followed up with the tenants.

Carol noted that the entire Hillclimb design would be presented to the Historic Commission as one proposal. The anticipated application date was the end of September. She would let Council know when this would take place and put it on the agenda.

X. Concerns of Committee Members

XI. Adjournment

The meeting was adjourned at 5:25 p.m. by Jim Savitt, chair.

Meeting minutes submitted by:
Anita Neill, Executive Assistant