



Finance & Asset Management Committee Meeting Minutes

Tuesday, May 20th, 2014
4:00 p.m. to 6:00 p.m.
Elliott Bay Room

Committee Members Present: Gloria Skouge, David Ghoddousi, Patrick Kerr, Ann Magnano, Jim Savitt, Betty Halfon, Patrice Barrentine

Other Council Members Present:

Staff Present: Ben Franz-Knight, Sabina Proto, Jay Schalow, John Turnbull, Jennifer Maietta, Matt Holland, Brady Morrison, Jeff Jarvis, Bob Beckstrom, Dianna Goodsell

Others Present: Howard Aller, Mark Brady, Ruby Francisco, Gail Elliott, Brian Stueland

The meeting was called to order at 4:04 p.m. by Gloria Skouge, Chair.

I. Administration

- A. Approval of the Agenda
The agenda was approved by Acclamation
- B. Approval of the Market Programs April 15th, 2014 Meeting Minutes.
The minutes were approved by Acclamation

II. Announcements and Community Comments

Mark Brady, Market Rummage hall tenant provided a written letter and petition the committee to submit into the meeting records.

Brian Stueland noted that he has been coming to the rummage for a few years. He added that the most interesting store in the Market is Mark's rummage space, which hosts incredible prices. He hopes that Mark Brady could get permission to continue operating what he has been doing in his current space.

Ruby Francisco stated that she has been in the market 35 years. She thinks that another rummage space is a good idea. She stated that it brings people to the Market. She added that she herself checks the rummage hall frequently for what's new.

III. Presentation and Discussion Items

- A. Review of the Financial Statements for April 2014
Sabina Proto, Director of Finance presented a brief overview of the Financial Statements for April 2014. The following content was included under the Financial Statements for April 2014. Current Assets increased by \$184,739. Designated Cash showed a decrease due to capital expenditures. Fixed Assets increased because of the work performed in different capital projects. Current Liabilities showed a slight decrease from the prior month in Accounts Payable, Other Liabilities and Deferred Revenue. Long Term Debt

decreased due to the payments on our long term obligations and our Net Position for the current year operating result was \$1,311,879. Under the Accounts Receivable Report, the accounts receivable increased slightly in commercial and daystall categories.

Under the PDA Operating Statement, the Total Revenue for the end of April 2014 was \$5,169,057 or over budget by \$239,751. The Total Operating Expense YTD was \$3,660,791 or \$219,000 under budget. The Net Operating Result YTD for the end April was \$1,568,534 or \$458,841 over budget. Under the Net Result after Debt Service & Reserves, the Annual Budget was \$ 1,745,408; for the end of April the actual amount was \$568,534.

Footnotes on the Operating Expenses noted the following: Commercial Revenue was over budget mainly in Base Rent and Percent Rent and Direct Utilities; Percent Rent was \$48,852 over budget and \$85,448 over the actuals of the same period last year. Residential Revenue was over budget overall by \$ 13,699. Surface Revenue was over budget by \$13,699; there had been consideration during the 2014 budget process in closing the Desimone lot, but this was postponed for this year. Garage Revenue was over budget by \$82,126 because on Early Bird customers and increases in the number of construction workers parking in our garage. Miscellaneous Revenue was slightly under budget overall. Under Operating Expenses, expenses were under budget in most departments.

I. Checking Account Activity Report

The Checking Account Activity Report was distributed to Dianna Goodsell, Administrative Services Coordinator.

B. Rummage Hall Update

John Turnbull presented the Rummage Hall Update with the Finance and Asset Management Committee. He reported that the

There was a brief discussion that followed.

C. Update on Seattle City Light Rates

Ben Franz-Knight provided an update on the Seattle City Lights (SCL) rates with the committee. He noted that we had our first meeting with several Constituency representatives and the Energy Committee Chair Sawant, to discuss the SCL rate issues on May 13th. He stated that we are working diligently with the Energy Committee toward resolution of the rate issue.

D. Report on Summer Security Planning

Randy Stegmeier, PDA Security Manager reported on the summer security planning for the Market. A copy of the summer security planning report was included with the meeting minute's record. Randy stated that the summer months have a tendency to be the busiest time for the Market and Market security, especially weekend days. He reported that there are frequent closures on Pike Place due to vehicular traffic on weekend; this common scenario occupies two to three security officers on detail, removing them from

their regular patrol. Randy discussed a proposal for security staffing during the summer months. The summary of the Summer Security Proposal was noted as follows:

The Western Washington University Department of Public Safety employs approximately 20 students during the academic year as Public Safety Assistants. These students are “back-grounded,” trained and experienced in radio usage and accustomed to wearing a jacket or shirt identifying them as Public Safety Assistants. They also have experience patrolling parking lots, locking and unlocking buildings and doing some traffic control details. Many of the PSAs from Western are residents of the Seattle area and would possibly be available for temporary work at the Market during their summer break. Western Washington University’s summer break begins after Spring Commencement on June 14th and extends through September 20th, 2014; a fourteen week period. This time period is under 100 days, so does not approach the 120 day maximum for temporary employees.

As an additional benefit, the temporary employment of these students could become a source of recruitment for fulltime security officers, when vacancies or expansion occur.

Proposals for summer Public Safety Assistants for Market Security:

Hire three students as temporary Public Safety or Security Assistants on or about June 16th and employ them until approximately September 21st, 2014. Two of the three would work forty hours per week on a 4-10 schedule, working from 9:00 AM until 7:00 PM. One employee would work Friday through Monday and the other would work Thursday through Sunday. There would be no temporary staff on Tuesdays or Wednesdays. The third Security Assistant would work Saturdays and Sundays only from 9:00 AM until 7:00 PM, or twenty hours per week. This proposal amounts to 100 hours worked each week at \$13.65/hour or \$1365.00. Multiplying that total of \$1365 by the fourteen week period yields an expenditure of \$19, 110 for the summer.

There was a discussion that followed with the committee.

David Ghoddousi motioned to approve the Summer Security proposal as noted as **Action Item: Proposed Resolution 14-39: Authorization for Budget Allocation for Temporary Summer Staffing - PDA Security, Exhibit A.** The proposals would include the authorization of an additional annual expense not to exceed \$19,110 to the 2014 PDA Annual Operating Budget to allow for salary, taxes and benefits for the temporary Summer Staffing for PDA Security as seen in the attachment Exhibit A, Summer Staffing for PDA Security.

David Ghoddousi moved, Ann Magnano seconded

For: Gloria Skouge, David Ghoddousi, Ann Magnano, Patrice Barrentine, Jim Savitt, Betty Halfon, Patrick Kerr

Against: 0

Abstained: 0

There was a brief discussion that followed.

Resolution **14-39**: Authorization for Budget Allocation for Temporary Summer Staffing - PDA Security passed unanimously

IV. Reports and Action Items

- A. **Action Item:** Proposed Resolution **14-36**: Management fee payable to Market Foundation for their services during Arcade Lights Event

Sabin Proto introduced the resolution which states that the PDA Council hereby approves to pay Market Foundation a Management Fee in the amount of \$13,390 for their services provided during the Arcade Lights event in April 2014. The calculation of the Management Fee is done based on the Management Agreement between PDA and Market Foundation for this event which states: For the services provided PDA will pay Market Foundation a Management Fee which will be calculated \$1 for each token collected by the vendors less applicable taxes.

Tokens from vendors 14,767	\$14,767
Less taxes	<u>(\$ 1,377)</u>
Total Due to Market Foundation	\$13,390

Patrice Barrentine moved, Betty Ann Magnano seconded

For: Gloria Skouge, David Ghoddousi, Ann Magnano, Patrice Barrentine, Jim Savitt, Betty Halfon, Patrick Kerr

Against: 0

Abstained: 0

Resolution **14-36**: Management fee payable to Market Foundation for their services during Arcade Lights Event passed unanimously

- B. **Action Item:** Proposed Resolution **14-35**: Authorization for Contract Authority - Pressure Wash All Garage Interior Floors

Jeff Jarvis introduced the resolution which states that the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses, and the expansion of services to the public market and community; and, WHEREAS, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that each year, the garage floors require extensive cleaning, WHEREAS, the PPMPDA has executed a competitive bid to pressure wash all interior floor levels of the

garage. Therefore, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Mr. PressureWash, in an amount not to exceed \$11,519.40 for the execution of work necessary to accomplish scope. The funds for this project will be drawn from the Garage Operations Budget, 499010-01 2014 COMGAR Garage Yearly Operational Budget

David Ghoddousi moved, Betty Halfon seconded

For: Gloria Skouge, David Ghoddousi, Ann Magnano, Patrice Barrentine, Jim Savitt, Betty Halfon, Patrick Kerr

Against: 0

Abstained: 0

There was a brief discussion that followed.

Resolution **14-35**: Authorization for Contract Authority - Pressure Wash All Garage Interior Floors passed unanimously. .

C. **Action Item:** Proposed Resolution **14-37**: Authorization for Contract Authority - Upgrade Metasys Server Software

Brady Morrison introduced the resolution which states that the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses, and the expansion of services to the public market and community; and, WHEREAS, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that the current Metasys software system is out of date, and needs to be updated. WHEREAS, the PPMPDA has executed a bid to upgrade the current Metasys System. BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Johnson Controls, Inc., in an amount not to exceed \$26,838.45 for the execution of work necessary to accomplish scope. The funds for this project will be drawn from the Capital Inventory Budget, 160780-00 2014 PDA Capital Inventory HVAC

David Ghoddousi moved, Patrice Barrentine seconded

For: Gloria Skouge, David Ghoddousi, Ann Magnano, Patrice Barrentine, Jim Savitt, Betty Halfon, Patrick Kerr

Against: 0

Abstained: 0

There was a brief discussion that followed.

Resolution **14-37**: Authorization for Contract Authority - Upgrade Metasys Server Software passed unanimously

V. Property Management

A. Residential Property Management Report

John Turnbull presented the Residential Property Management Report for the month of April 2014; a copy of the report was included with the meeting minute's record.

VI. Public Comment

None

VII. Closed Session

The Committee entered into Closed Session at 5:30p.m

- I. Property Management Report - *Closed Session (RCW 42.30.110[c])*
- II. Review of Lease Proposals
 - New Lease - Lamplight Books - 1514 Pike Place #14
 - New Lease - Maria's - 97B Pike Street
- III. Review of Delinquency Report
 - a. Vacancy Report
 - b. Current Lease Negotiations

The Committee entered into Open Session at 6:10p.m

IV. Open Session

Action Item: Proposed Resolution **14-38**: Lease Proposals - May 2014

Jennifer Maietta introduced the resolution which states the lease proposals for April 2014 as follows:

<u>Tenant</u>	<u>Term</u>	<u>Start Date</u>
Lamplight Books Joseph Fridlund	Three (3) Years	June 1, 2014
Maria's Maria Cristina Estrada Villa	One (1) Year	June 1, 2014

David Ghoddousi moved, Patrick Kerr seconded

For: Gloria Skouge, David Ghoddousi, Ann Magnano, Patrice Barrentine, Jim Savitt, Betty Halfon, Patrick Kerr

Against: 0

Abstained: 0

Resolution **14-38**: Lease Proposals - May 2014 passed unanimously

VIII. Resolutions to be added to the Consent Agenda

Resolutions 14-35, 14-36, 14-37 and 14-38 were added to the Consent Agenda.

IX. Concerns of Committee Members

None

X. Adjournment

The meeting was adjourned at 6:16 pm by Gloria Skouge, Chair

Meeting minutes submitted by:

Dianna Goodsell, Administrative Services Coordinator