

MEETING MINUTES
Board of Directors
Fort Worden Public Development Authority
Cotton Building, 601 Water Street

Business Meeting

8:30 a.m.

June 6, 2012

I. Call to Order

II. Roll Call:

Present: Bill Brown, Gee Hecksher, Lela Hilton, Cindy Finnie, Scott Wilson, Norm Tonina on phone. Anne Murphy arrives at 9:50 a.m. Also Dave Robison, Kate Burke, Rodger Schmitt, David King, staff and ex officio.

III. Changes to the Agenda

IV. Public Comment (on items not on the agenda)

- Ted Shoulberg: Who is making contributions through the FW Conservancy? We need total transparency to make sure that these donations don't have strings attached.
- Dave Robison: I will check with the Conservancy to see if the donors are willing to be publicly identified. We cannot compel that they are. My understanding is that all the donors are retired, live in Port Townsend and have no business interests at Fort Worden.
- Ted Shoulberg: I have concerns about the Scope of Work—especially regarding the emphasis on heads in beds, and the comment of Centrum director that we need 400 hotel rooms in 10 years.
- Dave Robison: John MacElwee said he never said 400 hotel rooms. But heads in beds remains a goal of the Fort Worden Plan that was adopted by the Commission.
- Ted Shoulberg: You were using transfer of title as baseline for economic analysis. What is your baseline? It should be a “no change” baseline.
- Dave Robison: State Parks will prepare a white paper of what Fort Worden would look like with no change. It is due to be released in August.

V. Consent Agenda: Unanimous approval of the consent agenda by the Board.

- A. Approval of Minutes
 - a. April 11 PDA Special Meeting minutes
 - b. May 7 PDA Board Retreat Notes
 - c. May 15 Public Meeting Notes (not included in Packet)

VI. Action Items

- A. ***Motion to approve chair to enter into negotiations to refine a scope of services and to sign an agreement with the recommended consultant PROS, Inc., to prepare the business plan***
 - a. **Review Consultant Request for Qualifications**
 - b. **Discuss Executive Committee recommendation**
 - c. **Public comment**
 - d. **Motion to approve**

- Dave Robison: RFQ was published in the Dailey Journal of Commerce on May 15. We only received one response--PROS Consulting.
- Scott Wilson: PROS' examples are generalized, system-wide studies and recommendations for entire state parks' systems; we need them to be specific about Fort Worden. We need to focus their work so we get a tangible business plan that can be implemented. It helps that they have prior experience here, can hit the ground running. But we must be specific with them so we get a usable report.
- Scott presents Discussion Paper for Destination Learning Programs.

- Francesca Knowles: The business plan should include Commissioner Milner’s four points he made at the Commission meeting in Yakima. (Francesca passed around the four points—see bullets below).
 - Mutually agreed upon definition of success toward which business model drives
 - Financial strength of the model driven by partners’ business performance. Cash flow carries the financial case.
 - Make business case from individual businesses perspectives, rather than via “shared economy” viewpoint that obscures information about individual sustainability.
 - Fairleigh must ensure just-in-time communications; need ample communications.
- Gregg Knowles: Good idea, but keep the business plan open. If a corporation wants to locate there and pay rent, let them. Idea is for Fort Worden to be profitable
- Charlotte Goldman: The Arts are important. Paint Experience is an example. Should seek people who do their programs here 2-3 times per year. Also recruit jewelry makers in Seattle, which could move here and do their workshops. Also pottery making, kilns. Programs could also include digital design, photography, Photoshop, media.
- Dave Robison: There is a good example of those type of programs at the John Campbell Folk School in North Carolina. Preserve folk culture and technology.
- Gary Cummings: Another example is the North House Folk School, Minnesota
- Ted Shoulberg: What’s Kate’s role with PROS? She worked for PROS in 2002. She worked with them when they did FW Plan in 2008. Selection process was one problem I had. PROS was chosen before hand. Not an open selection process; public was not involved in scope of work. I suggested not putting in monetary amount for the job. I recommend that you reopen the scoping process; might come to conclusion that you can’t do the job for the money allocated. Let other consultants come, say complexity requires more time and money. Kate: Scott Wilson: We advertised this broadly. This is the only qualified applicant. It helps that PROS has background at Fort Worden. If you want to be involved in revising the scope, come to the Executive Committee meeting tomorrow.
- Dave Robison: There are also public meetings written in as part of this business plan process.
- Ted Shoulberg: PDA’s business plan independent reviewer will be chosen by whom? Why should independent reviewer be chosen in part by PDA? Should be independent.
- Rodger Schmitt: The independent consultant will be chosen by Commission, in consultation with PDA.
- Dave Robison: That language for peer review was written in by the governor’s budget proviso.
- David Goldman: State Parks entered into commitment in 2007-08; now it’s 2012 and we’re in a different world. People who had ideas a few years ago are totally wrong. Look at the European Union. We may have entered into commitment for concept that has no legs or wings in 2012. Can’t imagine that people could put \$25,000 into this and come up with something that is valuable. To Parks: Be mindful as to whether concept of LLC is viable in 2012 without enormous foundational support. Plan adopted by Parks in 2008 called for \$45m to support LLC and another \$32m in renovations to FW. Do you want to stay with this commitment?
- Rodger Schmitt: We are only going forward with the business plan. One question of business plan, is it viable to move ahead? Parks will decide based on their confidence in the plan whether we should move ahead.
- Francesca Knowles: PDA/LLC should be part of Fort Worden, but it may not be all of what happens there. My concern is that if an opportunity for a state agency (Fish and Wildlife) to locate there, they should be allowed. Don’t want all uses to have to restricted to LLC.
- Julie Jaman: Questions about the youth hostel, Commanding Officer’s House, the funding for Building 202. Peninsula College is your primary partner, building a larger branch. But you are misrepresenting whether this is a world-class education. This is a community college.

MOTION: To have Chair enter into discussions with consultant to refine a scope of services and enter into a contract.

- Moved, Gee Hecksher, second by Scott Wilson
- Unanimous vote of the board

VII. Committee Reports, Discussion and Board Direction

A. Executive

a. Financial report

- Dave Robison provided a financials report, based on “Finances 5/31/2012” document. We have the funding for the Business Plan and our staffing through the end of June. After that our funds are down to \$946.45.
- Ted Shouldberg: What is the PDA funding related to Building 202?
- Dave Robison: PDA has agreed to help raise the \$500,000 gap for Building 202. Conservancy has provided \$20,000 to pay for PDA to raise funds to complete 202.
- Francesca Knowles: The city’s \$500,000, is it being used for PDA purposes?
- Dave Robison: No. That the \$500K will be transferred to Peninsula College; it is only for capital costs.

b. Staffing

- Dave: Right now we don’t have staffing for the summer, so your staff will switch to volunteer status.

B. Operations: No report

C. Communications: No report

D. Capital Projects: No report

VIII. New Business

A. Partner’s Report and Update (Tim Lawson)

Tim Lawson report presented. Full report will be posted on FWPPDA website.

B. Review Parks Transformative Strategy Framework

a. Discuss June 11 Parks Meeting at Fort Worden, 6:30 pm at Commons

- Rodger Schmitt: State Parks will hold hearing at Fort Worden on its “Transformation Plan.”
 1. Parks as enterprise: Will people pay? Can there be profit centers to subsidize operations?
 2. Parks as community nonprofit: Will nonprofits partner with parks?
 3. Parks as a public assetRodger noted that the PDA at Fort Worden fits into all three of these models.

IX. Park Manager’s Report

Allison was not present.

X. Executive Director’s Report

Deferred in the interest of time, most issues already covered.

XI. Public Comment

- Ted Shouldberg: We had discussed expanding the board. What happened to that?
- Cindy Finnie: We determined at the board retreat that we would wait until we got through this planning process, then we will know what structure or skills to invite.

XII. Executive Session (if needed)

10:18: Teleconference with attorney on possible litigation issue.

XIII. Adjourn: at 11:05am