



**WASHINGTON STATE  
MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

**BOARD MEETING**

**SPECIAL MEETING NOTICE**

**Monday, July 29, 2019 – 9:00 a.m. to noon  
Pacifica Law Group, 1191 Second Avenue, Suite 2000, Rainier Conf. Rm.  
Seattle, Washington 98101**

**A G E N D A**

- A. Call to Order** (Dale Sperling)
- B. New Board Member Introductions** (All)
- C. Items from the Audience / Public Comment** (3 minutes)
- D. Staffing and Other Resource Needs: Executive Director search process**  
(Jim Reid / Kevin Callan / Board)
  - Search Committee?
  - Essential qualifications
  - Process alternatives
- E. Follow-on from the Board Retreat: Board Organization, Committee Structure, Responsibilities, and Leadership** (Jim Reid, Falconer Group / Board)
- F. Prepping for the Next Steps in the Lease Compliance Process:** (Tom Backer / Kevin Callan)
  - September Submittals from the Club
  - Operations & Maintenance Review
  - CapEx Final Approval
- G. Stadium District Update** (Stacy Graven / Paul Mar / Charley Royer)

- H. Other Updates**
- I. Board Chair Report** (if needed)
- J. Executive Director Report** (if needed)
- K. Executive Session** (if needed):

The Board will meet in Executive Session to “review contract performance of publicly bid contracts” RCW 42.30.110 (1)(d); to “review performance of a public employee” RCW 42.30.110 (1)(g), and/or 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 (1)(i). The duration of the session will be announced at the meeting.

- L. Adjournment.**

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT  
Wednesday, May 1, 2019, 8:30 A.M.  
Pike Place Market, Goodwin Library, Economy Bldg., 3<sup>rd</sup> Floor, Rm. 303  
Seattle, Washington 98104

## **SPECIAL BOARD MEETING MINUTES**

### **CALL TO ORDER**

Board Vice-Chair Dale Sperling called the meeting to order at 8:30 a.m. pursuant to notice. Board members present: Charley Royer, Stacy Graven, Paul Mar, and Craig Kinzer. Staff present: Tom Backer (Legal Counsel). Consultant present: Jim Reid, The Falconer Group, facilitator.

### **ITEMS FROM THE AUDIENCE/PUBLIC COMMENTS:**

None.

### **EXECUTIVE SESSION:**

Vice-Chair Sperling asked for permission of the Board to invert the order of the planned agenda in order to hold the Executive Session first. The Board agreed and proceeded into Executive Session at 8:35 a.m. to “review contract performance of publicly bid contracts” RCW 42.30.110 (1)(d) and to “review performance of a public employee” RCW 42.30.110 (1)(g). The Executive Session was expected to last 30 minutes. Vice-Chair Sperling announced that the Board was not expected to take action following the Executive Session. Jim Reid was asked to stay for the Executive Session.

At 9:03 a.m., the Board adjourned the Executive Session and returned to the special public meeting. Vice-Chair Sperling welcomed Tom Backer and Gerry Johnson, outside legal counsel, to the meeting.

### **BOARD DEVELOPMENT, PROCESSES, AND RESPONSIBILITIES**

Dale Sperling opened the public meeting by thanking Board member Graven for making all the arrangements to get our facilitator, Jim Reid, involved, and he thanked Jim for all of his work leading up to this meeting. Dale noted that the Board had worked through a tough couple of years with the lease negotiations with the Club, and he noted that our responsibilities were now changing under the new lease. He hoped that we could reset our systems of good Board governance and get back on track as a high-performing Board. He had two requests for the meeting: 1) that we all look forward to the future, and not back at the past; and, 2) that we all put aside any biases or agendas that we all have. He expressed his view that the sole purpose

of this Board is to use our collective sound judgment to oversee the ballpark as a public asset. Dale then turned the meeting over to Jim Reid.

Jim started the meeting by reviewing the Proposed Ground Rules for the Meeting. **The Board agreed on the ground rules. Board members suggested that they should be used to guide the Board’s decision-making at future Board meetings.**

**GROUND RULES**  
TO GUIDE THE BOARD’S DISCUSSIONS AND DECISION-MAKING

1. The success of our meetings depends on all of us being equally engaged and equally responsible. Every opinion is equally valuable. Everyone abides by these ground rules and the spirit of constructive problem solving.
2. To create an environment of learning and exploration, we intend to have open, honest, candid, and respectful discussions.
3. We want and expect robust discussions with differences of opinion. To ensure that differences produce more creative discussions and agreements, we will focus them on issues, not on personalities.
4. Assume the best intentions of others. If you find yourself making an assumption about someone’s position, logic, or motivations, share that assumption. Give the person the opportunity to confirm or correct it.
5. It is as important to be a good listener as an effective advocate.
6. We will seek consensus—agreement of everyone—to reach conclusions and decisions.
7. If the agenda or facilitation techniques are not working, please say so. This will allow us to make changes so that everyone remains supportive of the structure and engaged in the discussions.

Jim then reviewed the “Mutual Interests of the PFD Board and Staff” that he identified following his interviews. **Board members acknowledged and used them as a starting point for moving forward together to strengthen the organization and the Board’s culture. Board members suggested that these mutual interests should guide the Board in the future.**

**MUTUAL INTERESTS OF THE PFD BOARD AND STAFF**

- Understand and perform our roles and responsibilities, particularly in light of the requirements or mandates of the new lease.
- Have in place the structure, processes, and resources necessary to be successful.
- Ensure that the Board’s decision-making and interactions are transparent.
- Trust and respect.
- Disagree agreeably, and keep differences of opinion focused on substantive issues.

- Teamwork: work together effectively; present a united front to our partners, stakeholders, and the public; after a vote is taken or a decision made, everyone accepts the decision and moves on.
- Strengthen relationships with the Seattle Mariners and other partners and stakeholders.

## **THE BOARD’S CONSENSUS AGREEMENTS**

The Board is also interested in modernizing its operations and resources to reflect the expanded role and responsibilities of the PFD that are mandated by the new lease with the Mariners. Tom Backer and Gerry Johnson presented a summary of the PFD’s expanded role and responsibilities. (See attachment A.)

Therefore, in addition to agreeing on ground rules and the “Mutual Interests of the Board and Staff,” the Board achieved these consensus agreements during the meeting:

### **1. Become a high functioning Board of Directors, which the current members define as having these qualities and characteristics:**

- The Board is forward thinking and united by long-term strategic objectives that the members and staff are jointly implementing.
- The Board is supported by the structures, policies, procedures, and staffing that are needed to fulfill its role and responsibilities on behalf of the public.
- Board members trust and respect one another, and take advantage of and utilize their diverse experiences, expertise, talents, and skills to develop the forward-looking policies that make the PFD a respected organization.
- All members are equitably engaged in decision-making.
- Decisions and actions are transparent to and supported by Board members, staff, and constituencies.
- The Board helps the PFD to be a learning organization.
- The Board works with the Executive Director and staff to build and maintain strong and productive relationships with the Seattle Mariners, governmental entities, neighborhood representatives, and other partners and stakeholders.
- The Board works with the Executive Director to position the PFD as a liaison who helps the Seattle Mariners and neighborhoods work effectively together.
- The Board is willing to be held accountable and holds others accountable as appropriate.

Board members said that they undertake the process of creating this culture with these strengths: a) the commitment to making the Board stronger and a positive, constructive experience for all Board members; b) diverse experiences, expertise, and perspectives that if fully utilized will take the Board and PFD to a new level of success; and c) power and influence that comes from the PFD being a major property owner that represents the public interest.

## **2. Hire a full-time Executive Director.**

- The Board authorized Jim Reid to draft a job description for a full-time Executive Director and bring the draft to the Board for review, discussion, and agreement.
- Jim will also research comparable organizations to identify the potential salary range of the full-time Executive Director.
- Potential comparable job descriptions to learn from include the Executive Directors of the Public Stadium Authority (PSA) and Friends of the Seattle Waterfront.

## **3. Hire an Executive Director who possesses these qualifications:**

- Experience serving a Board or Council. For example, a City Manager or CEO who has helped high-level elected or appointed officials to advance a common vision of the future would be an appealing candidate.
- Expertise in the political arena. Understands how government and politics work, and could advance the PFD's interests, vision, mission, and goals with governmental partners.
- Is credible with and respected and trusted by the Seattle Mariners while being an independent advocate for the PFD.
- Possesses the experience, desire, and energy to engage the neighborhoods that surround the ballpark and the PFD's other partners and stakeholders.
- Experienced in the management of major public or private facilities.
- Knowledgeable of land use, zoning, and transportation issues given the PFD's role in Stadium District planning.
- Knowledgeable of public finance and budgeting.
- Experience with program management and grant-making to ensure that the Ballpark Neighborhood Improvement Program benefits the neighborhoods surrounding the stadium.
- A self-starter who can get things done without any or just a few other staff and who can work cooperatively with consultants and others who serve the Board.

These qualifications will be included in the initial draft of the Executive Director job description. Jim advised the Board that before a hiring announcement is publicly released, the Board should reach agreement on three or four essential qualifications of the new Executive Director given the issues, challenges, and opportunities that the PFD will address in the next three to five years.

The Board also said that the PFD should reach out to King County Finance Director Dwight Dively to designate a staff person in his office to work with the PFD on the complex financial and accounting responsibilities that are identified in the new financing agreement between the PFD and King County. The Board's interest is to ensure that the

County recognizes that the PFD is fulfilling its responsibilities under the terms of the agreement and the new lease with the Seattle Mariners.

4. **Put into place an annual performance evaluation process by which the Board assesses the performance of the Executive Director and establishes performance goals for the next year.**
  
5. **Improve operations, processes, and procedures.** Examples of potential improvements to discuss: a) establish Board committees; b) update the Board Manual; c) improve new Board member orientation/on-boarding; d) define communications protocols; e) revise the format of financial reports; f) identify criteria to guide procurement decisions, such as when to issue Requests for Proposals (RFPs); and g) develop a dashboard with metrics by which the Board can measure progress in advancing its vision, mission, and strategic objectives. As part of this process, the Board also said that it should periodically review contracts with existing consultants and advisors.
  - Stacy Graven volunteered to lead the effort to develop or update the Board Manual and to produce a briefing book for new Board members (and perhaps for the new Executive Director once she/he is hired).
  
6. **Strengthen the relationship with the Seattle Mariners, neighborhoods, and King County.**
  - To strengthen the relationship with the Mariners, consider these strategies:
    - a. In addition to working with the Mariners' attorney, invite John Stanton to engage with the Board so that he better understands the PFD's interests, needs, and concerns, and the Board better understands his. A starting point could be to brief him on Stadium District Planning.
    - b. With Mariners' executives, tour some of the ten ballparks that the lease identifies as the standards to which the ballpark must be compared.
    - c. Partner with the Mariners in working with the neighborhoods.
    - d. Help pave the way for the Mariners in working with the City on land use, transportation, and permitting issues.
  
  - To strengthen the relationships with organizations in Pioneer Square, Chinatown/International District, and SODO, consider these strategies:
    - a. Hire an Executive Director who is interested in investing the time and effort to engage with the neighborhoods.
    - b. Use the Stadium District Planning forums to help the neighborhoods understand, appreciate and support the PFD's role.

- c. Involve representatives of the neighborhoods in developing criteria for evaluating proposals for spending Ballpark Neighborhood Improvement Program funding , and involve them in helping to make those decisions.
- To strengthen relationships with King County, consider these strategies in addition to reaching out to King County Finance Director Dwight Dively:
  - a. Build relationships with the County Executive and Council members.
  - b. Brief the Executive’s Office, Council, and Finance Department on how the PFD is planning to spend the County’s money, consistent with the financing agreement.

**7. Allow the new Executive Director to fill the vacant Administrative Assistant position.**

Finally, the Board agreed that there is a “sense of the Board” to hire Dan Barrett of CAA/ICON to assist the Board in its review of the Mariners’ 2020 CapEx plan and 10-year rolling CapEx plan. The Board will communicate to Executive Director Kevin Callan that he should prepare the necessary contract materials, to be reviewed and ratified at the next regular Board meeting in June.

**ADJOURNMENT:**

There being no further business before the Board, Vice-Chair Sperling declared the meeting adjourned at 12:06 p.m.

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Jim Reid  
Recording Clerk

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Dale Sperling, Vice-Chair  
Board of Directors, Public Facilities District

## Attachment A

### New Lease / PFD 2019 Calendar

March 1	Club's 1 <sup>st</sup> rent payment due (50%)((\$750K)
March 11	Quarterly PFD Board Mtg.
May 1	Club submits Initial CapEx Plan to PFD for review
May 1-June 30*	PFD <i>provisional</i> review/ approval of Initial CapEx Plan
June 10	Quarterly PFD Board Mtg.
August 1	Club's 2 <sup>nd</sup> rent payment due (50%)((\$750K)
Sept. 1	Club submits Operations Plan, Ballpark Management Plan (comprising Maintenance Plan and Final CapEx Plan)
September 9	Quarterly PFD Board Mtg.
Sept. 1-Oct. 31*	PFD review/approval of Ballpark Mgmt. Plan PFD review/comment on Operations Plan
December 9	Quarterly PFD Board Mtg.
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Every 5 years, starting in 2025	Determine Reference Ballparks and monitor performance against them
Within first 10 years, starting in 2019, and at least every 10 years thereafter	Conduct a new Facility Assessment (B&D Report)

\*90 days for PFD review/approval in years when new Reference Ballparks are determined and when new Facility Assessments are conducted; clock on review of CapEx Plan does not start until PFD receives a complete submission, including plans and drawings as requested

## New Roles / Responsibilities for Board:

- CapEx improvements review and approval (1 yr./10 yr. rolling plans), against “applicable standard” (top 1/3 of all MLB parks)
- Maintenance Plan review and approval (1<sup>st</sup> class manner/top-tier ballparks)
- Operations Plan review and comment (same)
- Perform facility inspections (as needed) to ensure compliance with plans and standards
- Audit financial records, as needed
- Review compliance with Public Benefit programs, including community use and affordable ticket requirements, and new WMBE goals, labor harmony/community workforce agreements, and prevailing wage requirements
- Decide on (in consultation with the Club) and fund Neighborhood Improvements from the Ballpark Neighborhood Improvement Fund
- Continue involvement in Stadium District planning / implementation
- Consider increased community involvement, through existing mechanisms, such as the PSA’s Community Partnership Forum
- Review and approve eligible investment of County CapEx funds (begins 2021), with reporting obligations to the County
  
- **Oversee/Manage Five Funds:**
  - Operating Fund (no cap)
  - Operating Reserve Fund (\$2M initial / \$3M maximum + CPI)
  - Ballpark Neighborhood Improvement Fund (\$2M initial / no cap)
  - CapEx Fund (\$3M minimum)
  - King County Lodging Tax Fund (begins 2021)