

**CAPITAL AREA REGIONAL - PUBLIC FACILITIES DISTRICT
BOARD MEETING**

SEPTEMBER 13, 2019

4:00 – 5:00 P.M.

*Lacey City Hall, Council Chambers
420 College Street*

AGENDA

1. **CALL TO ORDER**
Nancy Clauson, President
2. **APPROVAL OF AUGUST 29, 2018 MINUTES**
3. **PUBLIC COMMENT**
4. **PRESIDENT'S REPORT**
5. **2018 ANNUAL FINANCIAL REPORT**
Kristy Wolf, Accounting Manager - Finance
6. **REGIONAL ATHLETIC COMPLEX PRESENTATION**
Jen Burbidge, Parks & Recreation Director
7. **HANDS ON CHILDREN'S MUSEUM PRESENTATION**
Patty Belmonte, HOC Museum Director
8. **2019-2020 ELECTION OF OFFICERS**
 - *President*
 - *Secretary/Treasurer*
9. **2020 Board Appointment**
 - *Nancy Clauson, Regional Representative*
10. **Adjourn**

CAPITAL AREA REGIONAL - PUBLIC FACILITIES DISTRICT (CAR-PFD)
BOARD OF DIRECTORS MEETING
AUGUST 29, 2018
LACEY CITY HALL - 420 COLLEGE STREET - LACEY WA

The CAR-PFD Board of Directors convened at 4:03 p.m. on August 29, 2018.

BOARD MEMBERS PRESENT: Nancy Clauson, President; Ken Parsons,
Secretary/Treasurer; David Brine; Chris Leicht

BOARD MEMBERS EXCUSED: Trent Grantham; Dennis Reed

STAFF PRESENT: City of Lacey:
Kristi Wolfe, Accounting Manager; Jen Burbidge,
Parks & Recreation Director; Peri Edmonds, City
Clerk

City of Olympia:
Patty Belmonte, Executive Director, Hands on
Children's Museum; Jay Burney, Assistant City
Manager

APPROVAL OF SEPTEMBER 18, 2017 MINUTES

BOARD MEMBER BRINE MOVED TO APPROVE THE MINUTES OF SEPTEMBER 18, 2017. BOARD MEMBER LEICHT SECONDED. MOTION CARRIED.

2017 ANNUAL FINANCIAL REPORT

Board Member Parsons attended the Audit Entrance and Exit Conferences. He noted they had a clean audit and were complimented for six years without any notations.

Kristy Wolfe, Accounting Manager, presented the CAR-PFD Financial Activities Report for the period January 1, 2017 – December 31, 2017. CAR-PFD Funds are accounted for by the City of Lacey in an Agency Fund which is a separate fund within the financial system of the City. Sales tax revenues are received from the State of Washington by the City on behalf of the CAR-PFD and distributed to the two approved projects based

on the proportionate share determined by the Interlocal Agreements between the CAR-PFD and the cities of Olympia and Lacey.

Total sales tax revenue and interest received by the CAR-PFD in 2017 was \$1,731,567. Interest earned on the undistributed fund balance totaled \$604, for a combined total of \$1,732,171. The expenditures and distributions for 2017 were \$1,734,336, of which \$1,242,818 was for support of the City of Lacey project, \$488,749 for the City of Olympia project, and \$2,769 for administrative expenses, which are reimbursed by the cities of Olympia and Lacey. The end of the year fund balance was \$71,499.

BOARD MEMBER PARSONS MOVED TO APPROVE THE CAR-PFD FINANCIAL REPORT FOR THE FISCAL YEAR ENDING DECEMBER 31, 2017. BOARD MEMBER LEICHT SECONDED. MOTION CARRIED.

REGIONAL ATHLETIC COMPLEX UPDATE

Jen Burbidge, Parks & Recreation Director, provided an update on sports activities played in 2018 at the Regional Athletic Complex (RAC). The RAC features five softball/baseball/fast pitch fields and six regulation-size soccer/football/rugby fields and is reserved 52 weekends of the year.

More than 77,000 people participated in league and tournament play in 2017.

- USSSA Super Draft (softball)
- NW Regional Quidditch Tourney
- USSSA King of NW (softball)
- NWAACC Inter-regional Fastpitch
- Bus Rodeo
- WA Cup (soccer)
- Doggie Easter Egg (Pet Connection)
- Mixx 96 Easter Egg Hunt
- Conference Playoffs (baseball and softball)
- District Fastpitch Playoffs
- Lacrosse Regionals
- WIAA 3A State Fastpitch
- Multiple Ultimate Frisbee, including Masters/Grandmasters Regionals
- Cal Ripken Baseball Regionals
- USSSA Baseball World Series
- Lakefair Volleyball

- Senior Games
- 3on3 Hoops Tourney
- GSL Men's State (soccer)
- NW Regional Ultimate Frisbee
- GSL Men's World (soccer)
- City sports leagues

Park shelters were reserved 168 times throughout 2017. Highlights of activities included 3 on 3 Hoops Tourney, Quidditch Tournament, Bus Rodeo, and a 3-day District Tournament for High School Fast Pitch.

The covered bleachers projects are now finished, and replacement of softball infields 1 and 2 are scheduled at the end of October 2018. Replacement of softball infields 3 and 4 will occur in 2019.

The Parks and Recreation Comprehensive Plan identified the need for additional fields, a baseball/soccer stadium as part of Phase 3 of the RAC, and a Phase 4 that may include the use of Bucknell and Nisqually Fields. The Lacey City Council authorized moving forward with performing an indoor sports feasibility study.

HANDS ON CHILDREN'S MUSEUM

Patty Belmonte, Executive Director, Hands on Children's Museum (HOCM), provided a summary of 2017 community events:

- Cork Boat Regatta
- Canoe Carving Demo
- Stilts & Fire Spinning
- Clime the Rock Wall
- Meet a Mermaid
- Solar Days
- T-28 Airplane
- Giant Painted Castle & Splash Ball
- Mud Pie Mondays

Overnight visitors stayed at various hotels within the region, and came from many different states and countries.

Recent honors include:

- Certificate of Excellence (TripAdvisor)
- King 5 Best of Western Washington - 1st Place
- South Sound Magazine - Best Birthday Party Place
- The Olympian – Best of South Sound
- Weekly Volcano – Best of Olympia
- Most Visited Children's Museum in the Pacific NW

The Megan D, a vintage 56' schooner exhibit, will open in 2019. The new exhibit will have activities designed for all children.

Key economic impacts in 2017 included a \$9 million tourism impact with 3,941 estimated room nights valued at \$433,510. The HOCM store and parking sales tax was \$37,922. The HOCM served 322,906 visitors, including 2,449 distinct zip codes from Washington, other states and countries.

The HOCM provides free and reduced access programs, free and reduced field trips for rural and Title I schools, military family support programs, and parent/child classes and support programs. In 2017, there were 119,653 total visitors served through the access programs.

The Board asked if the Lacey Parks Department could capture similar dashboard information about the RAC, similar to what the HOCM provided.

Ms. Burbidge noted this is a 2019 goal. They are working with the Visitor & Convention Bureau on communication with the public, and a Sports Commission report.

2018-2019 ELECTION OF OFFICERS

BOARD MEMBER PARSONS MOVED TO NOMINATE BOARD MEMBER CLAUSON AS PRESIDENT. BOARD MEMBER BRINE SECONDED. MOTION CARRIED.

BOARD MEMBER CLAUSON MOVED TO NOMINATE BOARD MEMBER PARSONS AS SECRETARY-TREASURER. BOARD MEMBER LEICHT SECONDED. MOTION CARRIED.

2019 BOARD APPOINTMENTS & TERMS OF OFFICE

The following CAR-PFD Board Members' terms will expire on March 1, 2019:

- Ken Parsons, Thurston County
- Dennis Reed, City of Lacey
- David Brine, City of Olympia
- Trent Grantham, City of Tumwater

The City of Lacey will contact each jurisdiction to move forward with the re-appointments to their elected officials for consideration.

Nancy Clauson, President, adjourned the meeting at 4:42 p.m.

Peri Edmonds, City Clerk

Capital Area Regional
Public Facilities District

2018 Annual Financial Report
For the Year Ended December 31, 2018

Capital Area Regional
Public Facilities District

2018 Board of Directors

President

Nancy Clauson

Secretary/Treasurer

Ken Parsons

Board members

Chris Leicht, Regional
Trent Grantham, Tumwater
David Brine, Olympia
Dennis Reed, Lacey

Capital Area Regional Public Facilities District Report for the year ended December 31, 2018

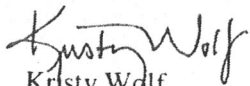
June 25, 2019

Board of Directors
Capital Area Regional Public Facilities District

I am submitting this report on the financial activities of the Capital Area Regional Public Facilities District (CARPFD), for the period January 1, 2018 – December 31, 2018. CARPFD funds are accounted for by the City of Lacey in an Agency Fund, which is a separate fund within the financial system of the City. Sales tax revenues are received from the State of Washington by the City on behalf of the CARPFD and distributed to the two approved projects based on the proportionate share determined by the Interlocal agreements between the CARPFD and the cities of Olympia and Lacey.

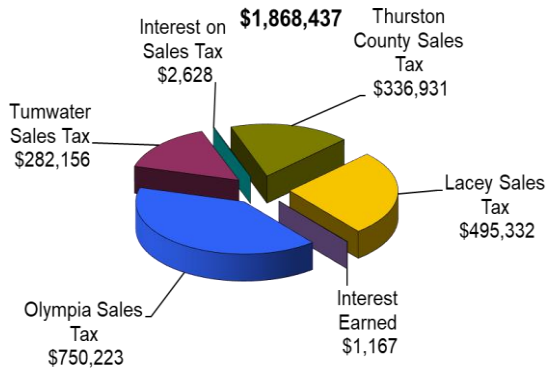
The total sales tax revenue and interest received by the CARPFD in 2018 was \$1,867,270. Interest earned on the undistributed fund balance totaled \$1,167 for a combined total of \$1,868,437. The expenditures and distributions of the CARPFD for 2018 were \$1,873,619, of which \$1,340,218 was for support of the City of Lacey project, \$527,052 for the City of Olympia project and \$6,349 for administrative expenses, which are reimbursed by the cities of Olympia and Lacey. The accompanying financial report displays further information regarding the financial activities of the CARPFD. Financial information presented in this report is unaudited. The CARPFD is subject to audit by the State of Washington, Auditor's Office.

Respectfully,

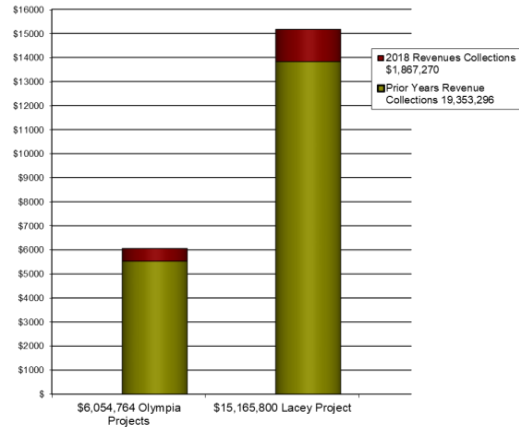


Kristy Wolf
Financial Services Manager
City of Lacey

2018 Capital Area Regional Public Facilities District Revenue Collections

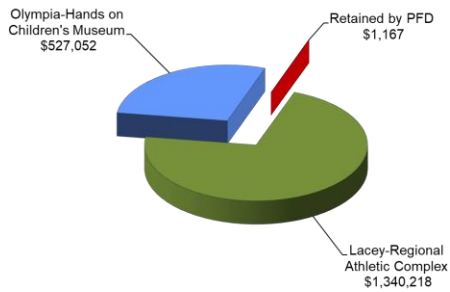


Life-to-Date Allocation of CARPFD Distribution of Revenues to Projects \$21,220,564



2018 CARPFD Distribution of Revenues

\$1,867,270 to Projects
\$1,167 Retained in Fund balance



Capital Area Regional Public Facilities District
Balance Sheet/Statement of Net Position
As of December 31, 2018

	<u>General Fund / Governmental Activities</u>
Assets	
Cash	\$ 49,482
Investments	23,094
Accounts Receivable	-
Interest Receivable	90
Due from other governmental units	<u>334,554</u>
Total assets	<u><u>407,220</u></u>
Liabilities	
Due to other governmental units	<u>334,554</u>
Total Liabilities	<u><u>334,554</u></u>
Fund balance/net position:	
Unreserved/unrestricted	<u>72,666</u>
Fund balance/net position	\$ <u><u>72,666</u></u>

See accompanying notes to the financial statement

Capital Area Regional Public Facilities District
Statement of Governmental Fund Revenues, Expenditures,
and Changes in Fund Balances/Net Position
For the period ended December 31, 2018

		General Fund / Governmental Activities
Revenues		
Sales taxes	\$	1,864,642
Interest on sales tax		2,628
Investment earnings		1,167
Total revenues		1,868,437
Expenditures		
PFD project payments		1,867,270
Audit fees		3,519
Insurance		2,830
Total Expenditures		1,873,619
Excess (deficiency) of revenues over (under) expenditures		(5,182)
Other Financing Sources		
Contributions in - administrative support reimbursement		6,349
Net change in fund balance/net position		1,167
Fund balance/net position January 1, 2018		71,499
Fund balance/net position December 31, 2018	\$	72,666

See accompanying notes to the financial statement

Capital Area Regional Public Facilities
Notes to the Financial Statements
December 31, 2018

Note 1 – Summary of significant accounting policies

The financial statements of the Capital Area Regional Public Facilities District (PFD) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

A. Reporting entity

The Capital Area Regional Public Facilities District, a municipal corporation was organized June 26, 2002 by an Interlocal Agreement entered into by the City of Olympia, the City of Lacey, the City of Tumwater and Thurston County and operates pursuant to the laws of the State of Washington. The Capital Area Regional Facilities District is served by members appointed by the City Councils of Olympia, Lacey, Tumwater and the Thurston County Board of Commissioners. The District was created for the purpose of financing, acquiring, constructing, owning, and/or operating one or more regional centers. These centers are defined as a convention, conference, museum or special events center, or any combination of such facilities, and related parking facilities serving a regional population at a development cost of at least ten million dollars, including debt service. The City's of Olympia and Lacey prepare a separate report on the use of PFD funds for their projects.

In 2003 the PFD contracted with the City of Lacey to develop an Athletic, Recreation and Special Events complex and the City of Olympia to build an Arts and Conference center. During 2004, the City of Olympia terminated the Arts and Conference center project. In 2006 the PFD agreed to contract with the City of Olympia to develop the Hands on Children's Museum project. In November of 2006 amended Interlocal agreements were entered into with the cities of Olympia and Lacey to provide funding for both projects and to divide the balance of unallocated funds as of the amended agreement date, as well as future PFD revenues between Lacey at 71.77% and Olympia at 28.23%.

B. Government-wide fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information for all fiduciary activities of the District. There is no interfund activity or component units within these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The District has no indirect costs. Program revenues include only sales tax collected.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered collectible within the current period or soon enough thereafter to pay for liabilities of the current period. Expenditures are generally recorded when a liability is incurred as, as under Capital Area Regional Public Facilities District accrual accounting.

There are no reconciling differences between “Net Position” or “Changes in Fund Balance” as presented in the fund statements and the “Net Position” or “Changes in Fund Balance”. As a result, one set of statements presents information for the fund statements and government wide activity.

Note 2 – Budget, compliance and accountability

The District is not statutorily required to adopt a budget.

Note 3 – Cash, deposits and investments

The Capital Area Regional Public Facilities District’s deposits at December 31, 2018 are entirely covered by the Federal Depository Insurance Corporation (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (WPDPC). The WPDPC is a statutory authority established under Chapter 39.58 of the Revised Code of Washington.

As required by state law, all investments of the Capital Area Regional Public Facilities District’s funds (except as noted below) are obligations of the U.S. Government, U.S. agency issues, obligations of the State of Washington, general obligations of Washington State municipalities, the State Treasurer’s Local Government Investment Pool (LGIP), or certificates of deposit with commercial banks and savings and loan association that are approved by the Washington Public Deposit Protection Commission (WPDPC).

As of December 31 2018, the Capital Area Regional Public Facilities District held the following investments at amortized cost:

2018			
<u>Investment Type</u>	<u>Maturity</u>	<u>Investments</u>	<u>Total</u>
Washington State Local Government Investment Pool	60 Days	<u>34,151</u>	<u>34,151</u>
Total		<u>34,151</u>	<u>34,151</u>

The State Treasurer’s Local Government Investment Pool (LGIP) operates in accordance with appropriate state laws and regulations (RCW 43.250.020). The LGIP is comparable to a Rule 2a-7 money market fund, as currently recognized by the Securities and Exchange Commission (17CFR.270.2a-7). Rule 2a-7 funds are limited to high quality obligations with limited maximum and average maturities, the effect of which is to minimize both market and credit risk. As such, investments are reported at amortized cost (which approximates fair value). Investments or deposits held by the LGIP are either insured or held by a third-party custody provider in the LGIP’s name. For bank deposits and repurchase agreements, this cost-based measure equals their carrying value amount. Fair value is determined monthly. The reported value of City investment in the LGIP is dollar for dollar equal to the fair value of pool shares.

The LGIP transacts with its participants at a stable net asset value per share of \$1.00, the same method used for reporting. Participants may contribute and withdraw funds on a daily basis. Participants must inform the Office of the State Treasurer (OST) of any contribution or withdrawal over one million dollars no later than 9 a.m. on the same day the transaction is made. Contributions or withdrawals for one million dollars or less can be requested at any time prior to 10 a.m. on the day of the transaction. However, participants may complete transactions greater than one million dollars when notification is made between 9 a.m. and 10 a.m. at the sole discretion of OST. All participants are required to file with the State Treasurer documentation containing the names and titles of the officials authorized to contribute or withdraw funds. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event a depository institution or counterparty fails, the LGIP will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party. Investments held as deposits in financial institutions are insured by the FDIC and / or collateralized. Collateral protection is administered by the (PDPC). The PDPC, created by the Legislature per Chapter 39.58 of the

Revised Code of Washington, constitutes a multiple financial institution collateral pool comprised of securities pledged to secure uninsured public deposits. Pledged securities are held by the PDPC’s agent in the name of the collateral pool.

The LGIP investment policy requires that securities purchased be held by the master custodian, acting as an independent third party, in its safekeeping or trust department. Securities utilized in repurchase agreements are subject to additional restrictions. These restrictions are designed to limit the LGIP's exposure to risk and insure the safety of the investment. All securities utilized in repurchase agreements were rated AAA by Moody's and AA+ by Standard & Poor's. The fair value of securities utilized in repurchase agreements must be at least 102 percent of the value of the repurchase agreement. The Capital Area Regional Public Facilities District does not have a specific deposit policy for custodial risk.

Interest rate risk. In accordance with its investment policy, under the City of Lacey's investment policy, the Capital Area Regional Public Facilities District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five (5) years or less from the date of purchase, unless matched to a specific cash flow. The interest rate risks of participant's balances in the LGIP are limited as the weighted average maturity of the portfolio will not exceed 60 days. As of December 31, 2018, the LGIP had a weighted average maturity of 37 days. The Capital Area Regional Public Facilities District does not have a specific deposit policy for custodial risk.

2018

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>				
	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
<u>Debt Securities</u>					
U.S. Treasury Obligations	\$ 13,948	\$ 6,167	\$ 7,781	\$ -	\$ -
U.S. Agency Obligations	\$ 9,146	\$ 1,239	7,907	-	-
Municipal Debt Obligations	-	-	-	-	-
Total Debt Securities	\$ 23,094	\$ 7,406	\$ 15,688	\$ -	\$ -
<u>Other Securities</u>					
WA State Local Government Investment Pool	34,151	34,151	-	-	-
Total Other Securities	\$ 34,151	\$ 34,151	\$ -	\$ -	\$ -
 Total Investments	 \$ 57,245	 \$ 41,557	 \$ 15,688	 \$ -	 \$ -

Credit risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As required by state law, it is the Capital Area Regional Public Facilities District's policy, under the City of Lacey's investment policy, to limit its investments in debt securities to the obligations of U.S. Government, U.S. agency issues, obligations of the State of Washington, general obligations of Washington State municipalities and the LGIP. The Capital Area Regional Public Facilities District's exposure to credit risk is limited to the investments of the Washington State Local Government Investment Pool (LGIP). The credit risk of LGIP is limited as most investments are either obligations of the US government or state of Washington or its political subdivisions, government-sponsored enterprises, certain limited banker's acceptances or commercial papers, or insured demand deposit accounts and certificates of deposits. The LGIP is not rated by an outside agency.

Concentration of credit risk: This is the risk of loss attributed to the magnitude of the Capital Area Regional Public Facilities District's investment in a single issuer. The Capital Area Regional Public Facilities District's policy, under the City of Lacey's investment policy, states within the exception of US Treasury securities and authorized pools, no more than fifty (50) percent of total portfolio may be invested in a single security or with a single financial institution. The Capital Area Regional Public Facilities District does not have a formal policy for concentration of credit risk.

Cash, deposits and investments for the year ended December 31, 2018 are as follows:

	<u>2018</u>
Checking	13,678
Investment <90days	1,653
Washington State Investment Pool (LGIP)	<u>34,151</u>
Cash & Deposits Subtotal	49,482
Investments	<u>23,094</u>
Cash, Deposits & Investment Total	<u>\$ 72,576</u>

Note 4 – Risk management

Capital Area Regional PFD is a member of Enduris. Chapter 48.62 RCW provides the exclusive source of local government entity authority to individually or jointly self-insure risks, jointly purchase insurance or reinsurance, and to contract for risk management, claims, and administrative services. Enduris was formed July 10, 1987 pursuant to the provisions of Chapter 48.62 RCW, Chapter 200-100 WAC, and Chapter 39.34 RCW. Two (2) counties and two (2) cities in the State of Washington joined together by signing an interlocal governmental agreement to fund their self-insured losses and jointly purchase insurance and administrative services. As of August 31, 2018, there are 549 Enduris members representing a broad array of special purpose districts throughout the state. Enduris provides property and liability coverage as well as risk management services and other related administrative services.

Members make an annual contribution to fund Enduris and share in the self-insured retention of the jointly purchased excess and/or reinsurance coverage. The self-insured retention is:

\$1,000,000 self-insured retention on liability loss - the member is responsible for the first \$1,000 of the amount of each claim, while Enduris is responsible for the remaining \$999,000 on a liability loss.

Enduris acquires reinsurance from unrelated insurance companies on a “per occurrence” basis to cover all losses over the self-insured retentions as shown on the policy maximum limits. Liability coverage is for all lines of liability coverage including Public Official’s Liability. The Property coverage is written on an “all risk”, blanket basis using current Statement of Values. The Property coverage includes but is not limited to mobile equipment, boiler and machinery, electronic data processing equipment, business interruption, course of construction and additions, property in transit, fine arts, cyber and automobile physical damage to insured vehicles. Liability coverage limit is \$20 million per occurrence and property coverage limit is \$1 billion per occurrence. Enduris offers crime coverage up to a limit of \$1 million per occurrence.

Since Enduris is a cooperative program, there is a joint liability among the participating members.

The contract requires members to continue membership for a period of not less than one (1) year and must give notice 60 days before terminating participation. The Master Agreement (Intergovernmental Contract) is automatically renewed after the initial one (1) full fiscal year commitment. Even after termination, a member is still responsible for contribution to Enduris for any unresolved, unreported and in-process claims for the period they were a signatory to the Master Agreement.

Enduris is fully funded by its member participants. Claims are filed by members with Enduris and are administered in house.

A Board of Directors consisting of seven (7) board members governs Enduris. The Pool’s members elect the Board and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for conducting the business affairs of Enduris.

Enduris did not have any claim settlements that exceeded limits in the last three years.

CAPITAL AREA REGIONAL – PUBLIC FACILITIES DISTRICT

ESTABLISHED IN 2003

BOARD OF DIRECTORS (2018-2019)

FOUR YEAR TERM - NO TERM LIMITS

<p>Nancy Clauson, President (2018-2019) <i>Regional Representative</i> 2103 Alonda Ln NE Olympia WA 98516 (H) 360.491.6344 nancypetey@comcast.net Appointed: 03.03.2012 Reappointed: 03.01.2016 Term Expiration: 03.01.2020</p>	<p>Ken Parsons, Secretary/Treasurer (2018-2019) <i>Thurston County Representative</i> 4747 Shincke Rd NE (H) 360.791.4433 wa.kenparsons@gmail.com Appointed: 02.25.2003 Reappointed: 03.01.2007, 2011, 2015, 2019 Term Expiration: 03.01.2023</p>
<p>Chris Leicht <i>Regional Representative</i> 920 East Bay Dr NE, 3D-301 Olympia WA 98506 (H) 360.352.1949 (C) 360.239.2179 leichtc@comcast.net Appointed: 04.01.2006 Reappointed: 03.01.2010, 2014, 2018 Term Expiration: 03.01.2022</p>	<p>Dennis Reed <i>City of Lacey Representative</i> 609 Enterprise Dr NE Lacey WA 98516 (H) 360.438.1352 (F) 360.438.9119 liondennis6@gmail.com Appointed: 02.25.2003 Reappointed: 03.01.2007, 2011, 2015, 2019 Term Expiration: 03.01.2023</p>
<p>John Grausam <i>Regional Representative</i> 4708 Belair Drive SE Lacey, WA 98503 (C) 360.456.6857 jwgrausam@gmail.com Appointed: 05.07.2019 (unexpired term) Term Expiration: 03.01.2021</p>	<p>David Brine <i>City of Olympia Representative</i> 1716 Camelot Park SW Olympia WA 98512 (H) 360.280.9898 d.brine@comcast.net Appointed: 12.04.2007 Reappointed: 03.01.2011, 2015, 2019 Term Expiration: 03.01.2023</p>
<p>City of Lacey Administrative Support City Clerk's Office Lacey City Hall 420 College St SE Lacey WA 98503 360.486.8704 pedmonds@ci.lacey.wa.us</p>	<p>Trent Grantham <i>City of Tumwater Representative</i> 902 "G" Street SW Tumwater WA 98512 (H) 360.556.3299 (W) 360.357.6972 trent.grantham@scjalliance.com Appointed: 03.01.2011 Reappointed: 03.01.2015, 2019 Term Expiration: 03.01.2023</p>

RCW 35.57.010

Creation—Board of directors—Corporate powers.

(1)(a) The legislative authority of any town or city located in a county with a population of less than one million may create a public facilities district.

(b) The legislative authorities of any contiguous group of towns or cities located in a county or counties each with a population of less than one million may enter an agreement under chapter **39.34** RCW for the creation and joint operation of a public facilities district.

(c) The legislative authority of any town or city, or any contiguous group of towns or cities, located in a county with a population of less than one million and the legislative authority of a contiguous county, or the legislative authority of the county or counties in which the towns or cities are located, may enter into an agreement under chapter **39.34** RCW for the creation and joint operation of a public facilities district.

(d) The legislative authority of a city located in a county with a population greater than one million may create a public facilities district, when the city has a total population of less than one hundred fifteen thousand but greater than eighty thousand and commences construction of a regional center prior to July 1, 2008.

(e) At least three contiguous towns or cities with a combined population of at least one hundred sixty thousand, each of which previously created a public facilities district under (a) of this subsection, may create an additional public facilities district. The previously created districts may continue their full corporate existence and activities notwithstanding the creation and existence of the additional district within the same geographic area.

(2)(a) A public facilities district is coextensive with the boundaries of the city or town or contiguous group of cities or towns that created the district.

(b) A public facilities district created by an agreement between a town or city, or a contiguous group of towns or cities, and a contiguous county or the county in which they are located, is coextensive with the boundaries of the towns or cities, and the boundaries of the county or counties as to the unincorporated areas of the county or counties. The boundaries do not include incorporated towns or cities that are not parties to the agreement for the creation and joint operation of the district.

(3)(a) A public facilities district created by a single city or town shall be governed by a board of directors consisting of five members selected as follows: (i) Two members appointed by the legislative authority of the city or town; and (ii) three members appointed by legislative authority based on recommendations from local organizations. The members appointed under (a)(i) of this subsection, shall not be members of the legislative authority of the city or town. The members appointed under (a)(ii) of this subsection, must be based on recommendations received from local organizations that may include, but are not limited to the local chamber of commerce, local economic development council, and local labor council. The members shall serve four-year terms. Of the initial members, one must be appointed for a one-year term, one must be appointed for a two-year term, one must be appointed for a three-year term, and the remainder must be appointed for four-year terms.

(b) A public facilities district created by a contiguous group of cities and towns must be governed by a board of directors consisting of seven members selected as follows: (i) Three members appointed by the legislative authorities of the cities and towns; and (ii) four members appointed by the legislative authorities of the cities and towns based on recommendations from local organizations. The members appointed under (b)(i) of this subsection shall not be members of the legislative authorities of the cities and towns. The members appointed under (b)(ii) of this subsection, must be based on recommendations received from local organizations that include, but are not limited to the local chamber of commerce, local economic development council, local labor council, and a neighborhood organization that is directly affected by the location of the regional center in their area. The members of the board of directors must be appointed in accordance with the terms of the agreement under chapter **39.34** RCW for the joint operation of the district and shall serve four-year terms. Of the initial members, one must be appointed

for a one-year term, one must be appointed for a two-year term, one must be appointed for a three-year term, and the remainder must be appointed for four-year terms.

(c) A public facilities district created by a town or city, or a contiguous group of towns or cities, and a contiguous county or the county or counties in which they are located, must be governed by a board of directors consisting of seven members selected as follows: (i) Three members appointed by the legislative authorities of the cities, towns, and county; and (ii) four members appointed by the legislative authorities of the cities, towns, and county based on recommendations from local organizations. The members appointed under (c)(i) of this subsection shall not be members of the legislative authorities of the cities, towns, or county. The members appointed under (c)(ii) of this subsection must be based on recommendations received from local organizations that include, but are not limited to, the local chamber of commerce, the local economic development council, the local labor council, and a neighborhood organization that is directly affected by the location of the regional center in their area. The members of the board of directors must be appointed in accordance with the terms of the agreement under chapter **39.34** RCW for the joint operation of the district and shall serve four-year terms. Of the initial members, one must be appointed for a one-year term, one must be appointed for a two-year term, one must be appointed for a three-year term, and the remainder must be appointed for four-year terms.

(d)(i) A public facilities district created under subsection (1)(e) of this section must provide, in the agreement providing for its creation and operation, that the district must be governed by an odd-numbered board of directors of not more than nine members who are also members of the legislative authorities that created the public facilities district or of the governing boards of the public facilities districts previously created by those legislative authorities, or both.

(ii) A board of directors formed under this subsection must have an equal number of members representing each city or town participating in the public facilities district. If there are unfilled board member positions after each city or town has appointed an equal number of board members, the members so appointed must appoint a number of additional board members necessary to fill any remaining positions. For a board formed under this subsection to submit a proposition to the voters under RCW **82.14.048**, a majority of the members representing or appointed by each legislative authority participating in the public facilities district must agree to submit the proposition to the voters; however, the board may not submit a proposition to the voters prior to January 1, 2011.

(4) A public facilities district is a municipal corporation, an independent taxing "authority" within the meaning of Article VII, section 1 of the state Constitution, and a "taxing district" within the meaning of Article VII, section 2 of the state Constitution.

(5) A public facilities district constitutes a body corporate and possesses all the usual powers of a corporation for public purposes as well as all other powers that may now or hereafter be specifically conferred by statute, including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, and to sue and be sued.

(6) A public facilities district may acquire and transfer real and personal property by lease, sublease, purchase, or sale. No direct or collateral attack on any public facilities district purported to be authorized or created in conformance with this chapter may be commenced more than thirty days after creation by the city and/or county legislative authority.

[**2010 c 192 § 1; 2009 c 533 § 1; 2007 c 486 § 1; 2002 c 363 § 1; 1999 c 165 § 1.**]

RCW 35.57.020

Regional centers, recreational facilities—Charges and fees—Powers.

*** CHANGE IN 2019 *** (SEE 1499.SL) ***

(1)(a) A public facilities district is authorized to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more regional centers. For purposes of this chapter, "regional center" means a convention, conference, or special events center, or any combination of facilities, and related parking facilities, serving a regional population constructed, improved, or rehabilitated after July 25, 1999, at a cost of at least ten million dollars, including debt service. "Regional center" also includes an existing convention, conference, or special events center, and related parking facilities, serving a regional population, that is improved or rehabilitated after July 25, 1999, where the costs of improvement or rehabilitation are at least ten million dollars, including debt service. A "special events center" is a facility, available to the public, used for community events, sporting events, trade shows, and artistic, musical, theatrical, or other cultural exhibitions, presentations, or performances. A regional center is conclusively presumed to serve a regional population if state and local government investment in the construction, improvement, or rehabilitation of the regional center is equal to or greater than ten million dollars.

(b) A public facilities district created under RCW 35.57.010(1)(e):

(i) Is authorized, in addition to the authority granted under (a) of this subsection, to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more recreational facilities other than a ski area;

(ii) If exercising its authority under (a) or (b)(i) of this subsection, must obtain voter approval to fund each recreational facility or regional center pursuant to *RCW 82.14.048(3); and

(iii) Possesses all of the powers with respect to recreational facilities other than a ski area that all public facilities districts possess with respect to regional centers under subsections (3), (4), and (7) of this section.

(2) A public facilities district may enter into contracts with any city or town for the purpose of exercising any powers of a community renewal agency under chapter 35.81 RCW.

(3) A public facilities district may impose charges and fees for the use of its facilities, and may accept and expend or use gifts, grants, and donations for the purpose of a regional center.

(4) A public facilities district may impose charges, fees, and taxes authorized in RCW 35.57.040, and use revenues derived therefrom for the purpose of paying principal and interest payments on bonds issued by the public facilities district to construct a regional center.

(5) Notwithstanding the establishment of a career, civil, or merit service system, a public facilities district may contract with a public or private entity for the operation or management of its public facilities.

(6) A public facilities district is authorized to use the supplemental alternative public works contracting procedures set forth in chapter 39.10 RCW in connection with the design, construction, reconstruction, remodel, or alteration of any regional center.

(7) A city or town in conjunction with any special agency, authority, or other district established by a county or any other governmental agency is authorized to use the supplemental alternative public works contracting procedures set forth in chapter 39.10 RCW in connection with the design, construction, reconstruction, remodel, or alteration of any regional center funded in whole or in part by a public facilities district.

(8) Any provision required to be submitted for voter approval under this section, may not be submitted for voter approval prior to January 1, 2011.

[2010 c 192 § 2; 2009 c 533 § 2. Prior: 2002 c 363 § 2; 2002 c 218 § 25; 1999 c 165 § 2.]

NOTES:

***Reviser's note:** RCW **82.14.048** was amended by 2012 c 4 § 6, changing subsection (3) to subsection (4).

Severability—Savings—Construction—2002 c 218: See notes following RCW **35.81.005**.