Committee Members Present: Matt Hanna, Bruce Lorig, Ann Magnano, David Ghoddousi, Gloria Skouge

Other Council Members Present: Betty Halfon

Staff Present: Ben Franz-Knight, Sabina Proto, Jay Schalow, John Turnbull, Erica Bates, John Macklin, Brad Reinke, Steve Nelson, Dianna Goodsell

Others Present: Howard Aller, Sharon Mukai, Chris Scott, Thomas Bell

The meeting was called to order at 4:32 p.m. by Matt Hanna, Chair.

I. Administrative
   A. Approval of Agenda
      The agenda was approved by acclamation.

   B. Approval of July 17th, 2012 Minutes
      The minutes were approved by acclamation.

   C. Announcements and Community Comments
      None

David Ghoddousi entered at 4:34pm

II. Review of the Financial Statements for July 2012
   A. PDA Operating Statements
      Sabina Proto discussed the Balance Sheet and PDA Operating Statement ending for the Month of July. Under Current Assets, the start of the busy season for the Market means more cash coming in. She reported the following: The Designated Cash increased because of the monthly contribution to the CRRF. The Restricted Cash increased because of the monthly contribution to debt service account. Our Current Liabilities increased mainly in the Accounts Payable category. Our Long Term Debt decreased due to the monthly payments on loans, mortgage and bonds. Our Net Operating Capital had increased overall. Current Operating Result increased from the prior month and the Levy Funds received in total as of today is $64.67 million; amount received in 2012 YTD is $6.12 million. Under the Accounts Receivable Activity Report accounts receivable decreased during July, mainly in the Commercial category.

      Sabina Proto reported that the Total Revenue for the end of July 2012 was $8,077,676, or over budget by $203,255. The Total Operating Expense was $5,879,655 or under budget by $277,771. The Net Result for the end of July is $2,198,021, which is $481,026 over budget. The Net Result after Debt Service & Reserves: Annual Budget is $725,335, and the actual YTD amount exceeds the budget by $481,034.
Sabina Proto presented the Revenue in the Operating Statement and stated that the Commercial Revenue is over budget by $85,291. She added overall there was good performance of the Percent Rent. She had noted that however, the Office Rent is under budget because of the unanticipated construction impacts of the Levy Phase III. She also noted that one of the ATM’s in not operational and that no rent has been collected for this year for the machine. The Daystall Revenue had better sales in the Crafts area resulting in less days needed. The Surface and Miscellaneous Revenue is in track and the Garage Revenue is over budget by $79,000 which is better than expected.

Sabina Proto reported that the Operating Expenses are on track in some departments and under budget in others. She reported there have been some staffing vacancies, as well as the timing of invoices was different from the budget trending. She noted that the Percent Rent spreadsheet presents the performance of the percent rent, concluding that the Percent Rent is over budget by $72,000. She lasted reported that the Capital Reserve Status Report represents the amount contributed to the reserve, and the amount spent year to date out of the capital reserve.

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

V. Other Reports and Action Items
A. Action Item: Proposed Resolution 12-73: Medical and Dental Coverage 2012-2013

Ben Franz-Knight introduced the resolution which states that the PDA Council authorizes the PDA Executive Director or his designee, to enter into contracts with Regence BlueShield for employee medical coverage, SunLife Insurance for employee life insurance and Washington Dental Service for employee dental coverage for 2012-2013 policy year in the amount not to exceed $670,000. Medical Coverage $566,834, Life Insurance $ 35,747 and Dental $ 58,842 totaling $661,423. *A cushion to account for a flux in number of employees was taken into account.

Ann Magnano moved, David Ghoddousi seconded
For: Ann Magnano, Bruce Lorig, Gloria Skouge, David Ghoddousi,
Against 0
Abstain: 0

Resolution 12-73 passes unanimously

Matt Hanna commented regarding next year’s budget planning in looking at options in increasing more insurance coverage for dependents of PDA employees.

Ann Magnano inquired about the process of offering insurance benefits to the market community and tenants.

VI. Staff Reports
A. Budgetary Review of Proposed Spending Resolutions

Ben Franz-Knight reviewed Proposed Resolution 12-67. He noted that modernizing the elevators was a project that needed to be undertaken for several years. There was a consultant hired to assess the condition of the elevators, which concluded that the elevators were at the end of their useful life.

There was a brief discussion that followed.

Steve Nelson stated that the newer elevators would include less moving parts, newer technology and a standard first year warranty on parts and labor.
Bruce Lorig noted that it was appropriate to hire a consultant to review the elevators. He had requested a copy of the report from Schindler.


Ben Franz-Knight reviewed Proposed Resolution 12-70. Ben discussed the influential factors of pursuing the Fire and Life Safety project now for the Livingston Baker building, including the main element of added safety for the residents. He noted that there is a grant that will cover roughly half of the costs of the project, but would expire in the spring. He discussed the budgetary elements of the project costs; the remaining costs after the grant allotment would be taken out of next year’s budget under the capital reserve funds.

Matt Hanna discussed his concerns with proceeding with the project from a budgetary and capital replacement priority standpoint. He asked Ben for elaboration on the details regarding the expiration of the grant and the flexibility of the grant terms. He discussed the importance in having a capital replacement study done in the Market; this would determine the priority of projects needing attention and the estimated total costs of the capital replacement projects.


Ben Franz-Knight reviewed Proposed Resolution 12-71. He discussed the details of reconfiguring the current food bank space. He noted the complexities of leaving the food bank space as is, including the inability of delivering products to the food bank during construction on the PC1-North site. He also discussed potential uses of the reconfigured space if the food bank were to relocate.

David Ghoddousi was concerned about the investment of reconfiguring the food bank space in relation to its future uses. He inquired about temporarily relocating the food bank offsite to reduce costs and allow normal delivery operations during the PC1-North construction period.

Matt Hanna inquired about the estimation of costs for relocation of the food bank for informational purposes.

B. Discussion about Residential Vacancies

John Turnbull distributed a report on the Residential Vacancies in the Market for 2012. The report included vacancy trends for this year as well as highlights from the recent activities and updates in the residential department.

C. Capital Projects Spending Status

This item was postponed to next month’s agenda due to timing complexities.

D. Update on Security Costs

John Macklin gave a brief report on the PDA’s security costs and distributed a report on Security Department Comparisons. He noted that many of the local agencies he had reached out to were reluctant to share their security data. The Security Department Comparison Report included data from several local businesses. He stated overall, the PDA is doing an incredible job with security operations. A summary of the Pike Place Market’s security data is as follows:

- Security is onsite 24 hours and day, 365 days a year
- There are currently 19 Full Time Employees
- There are 15 off-duty SPD Officers on payroll; split up between day and night shifts
- There are approximately 210 commercial tenants
- There are five residential buildings and 340 units total

There was a brief discussion that followed.

VII. Items for the Consent Agenda
Proposed Resolution 12-73 was moved to the Consent Agenda.

VIII. Public Comment
Howard Aller commented on the food bank lobby and the proposed reconfiguration of the space. He mentioned a concern in the new lobby layout and the lining up of people. Ben Franz-Knight gave clarification of the proposed changes for the food bank lobby.

Betty Halfon noted her concern with proper PDA security protocols and the awareness of those protocols within the Market community.

IX. Concerns of Committee Members
None

X. Adjournment
The meeting was adjourned at 6:14 p.m. by Matt Hanna

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator