

**WSCC Addition Committee Meeting**  
**Working Notes**  
**August 25, 2015, 10:30 a.m.**  
**WSCC Room 208**

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WSCC Board Attendance:

Frank Finneran, Chair – WSCC Board Addition Committee  
Deryl Brown-Archie, WSCC Board Addition Committee  
Jerry Hillis, WSCC Board Addition Committee  
Craig Schafer, WSCC Board Addition Committee  
Bob Flowers, Chair – WSCC Board Finance Committee

WSCC Staff / Consultants in Attendance:

Jeffrey A. Blosser, WSCC President / CEO  
Chip Firth, WSCC CFO  
Daniel Johnson, WSCC Administrative Services Manager  
Michael Murphy, WSCC Project Coordinator  
Matt Hendricks, General Counsel (Hendricks & Bennett)  
Becky Bogard, Bogard & Johnson, LLC  
Fred Eoff, Public Financial Management, Inc.  
Jane Lewis, Pine Street Group  
Arnetta Libby, Pine Street Group  
Matt Rosauer, Pine Street Group

Visitors

Sherilyn Anderson, Wells Fargo

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Finneran called the meeting to order at 10:30 a.m.

From the consent agenda, the Committee unanimously voted for the following:

1. Approval of the minutes from the 7/28/15 Addition Committee meeting.
2. Ratification or approval of contracts: Note: no contracts for action by the Committee, but there are two groups that require action at the next board meeting.
3. Approval of the Draw Funding Request #9 dated 8/12/2015 for \$1,562,674.

Finneran introduced Michael Murphy as the new WSCC Project Coordinator and commented on the big picture focus on the construction budget. Rosauer led a report on the status of the project, starting with progress on the various land transactions. He noted that new progress has been made with King County on the CPS site and none of the land transactions should be on the critical path.

Lewis gave a brief overview on entitlements, including work on the environmental impact statement and the planned community development. She reported that the Memorandum of Agreement with the City for additional resources should be ready for signature this week.

Libby commented on relatively small moves in the sources and uses. Approval of an updated budget was deferred. Firth commented that lodging tax collections were 18 percent higher in July 2015 compared to July 2014, year-to-date up about 14 percent over last year and higher than the PKF projection. Eoff commented that a PKF update to their forecast is due in the next week or two and noted recent favorable moves in bond rates.

Finneran asked if the construction amount in the project budget reflects the contractor's current construction estimate. Rosauer said it did not, and that the estimate needs more work and validation prior to incorporation in the project budget. Rosauer also noted that the team is compiling a budget options list that can be used to flex the budget up or down to align sources and uses. As part of the budgeting, cost-cutting options are being explored with the WSCC team. It was also noted that LMN's schematic design may be behind schedule, due to resolving budget and entitlement issues. At this time, the added time is needed and doesn't impact the critical path to start of construction, which currently runs through entitlements. WSCC noted they may consider delaying issuing bonds if it helps balance the sources and uses, and achieve the desired program.

Libby commented that the Phase 1 report from the Department of Commerce is projected to be completed by mid September. Bogard said there were no updates on the tax deferral request of the legislature, although there have been leadership changes that should help.

On co-development, design is evolving on the two potential buildings. Finneran is negotiating an amendment to the PSG development agreement to cover the co-development scope and will bring that to the Addition Committee for review and to the board for approval.

In September, PSG, Skanska Hunt and LMN will meet with the Outreach Committee to set goals and confirm metrics.

On contracts, WSCC plans to hire Chris Raftery to provide third-party billing oversight. For the PLA, Rosauer expects a sample from the union representatives to start the process. Rosauer commented on messaging and the need to make elected and appointed officials understand the jobs and taxes that the project will generate.

Hillis commented about an affordable housing component for the project. As a significant focus at the City, it will be important for the project to make a contribution.

The meeting was adjourned at 11:20 a.m.