

CITY MANAGER WEEKLY UPDATE REPORT ~ KENT MYERS

December 23, 2009

I wanted to mention several items that are scheduled for the next Council meeting on January 5. Following selection of the new Mayor and Deputy Mayor we will have a presentation by Karen Gustin, Superintendent of Olympic National Park. This will include an update on the many projects that they are planning for the coming year. Also, Eric Davenport with the Census Bureau will provide a report on their preparation for the April Census and how they would like to work with the local community to insure an accurate census count. We also hope to have the final contract with the Farmers' Market, as well as the Shoreline Master Plan agreement with the County, ready for the Council's consideration at this meeting.

The City has selected a consultant to conduct a traffic study for the Maloney Heights Subdivision that will be funded by Habitat for Humanity. It is expected that this study will get underway around the first of the year and we should have the final report completed sometime in January.

In the next several weeks I will participate in the second meeting of the local public managers. This group was formerly known as Agencies Working Together (AWT) and includes representatives from Olympic Medical Center, Port Angeles School District, County, Port, Cities of Sequim and Port Angeles, Clallam Transit and other agencies. The purpose of the group is to identify and implement specific cooperative projects involving some or all of the local agencies in order to reduce costs and eliminate duplication. Please let me know if you have any items that we should include for discussion at our next meeting.

During the past several months, the Clallam Business Incubator has been involved in a number of changes in an effort to create more long-range financial sustainability for this organization. There have been some recent changes on the Incubator Board. Also, the Economic Development Council (EDC) has agreed to manage the Incubator and Lincoln Center for the next several months. I have attached a copy of the minutes from this week's Incubator Board meeting that covers some of the recent activity. Additional information will be presented as part of the Council discussion on economic development strategies at the upcoming Council Retreat.

Have a great holiday with family and friends.

- Kent Myers

Clallam Business Incubator
Board of Directors Meeting
December 21, 2009, Lincoln Center
Minutes

Meeting was called to order at 3:05 p.m. by Interim Chair Mike Rauch.

Attendance: Jeff Robb, Port or Port Angeles; Mike Rauch, ACTI; Jim Jones, Clallam County; Kent Myers, City of Port Angeles; Linda Rotmark, Clallam EDC; Mike McAleer, Clallam EDC Board 2010 President.

Not present: Jane Pryne, Port Angeles School District; Tom Keegan, Peninsula College; Craig Johnson, CPI.

The Agenda was approved with a motion by Kent Myers and second by Jeff Robb.

1. Financials/Minutes/Agenda

Minutes. The November 23, 2009 CBI Board of Directors' minutes were approved with a motion by Kent Myers and second by Jeff Robb.

Financials. Linda Rotmark handed out a financial reports dated 12/21/09. Kent Myers asked about "sinking fund" owed (ref: CBI Balance Sheet Account 1610 titled Lincoln Center Capital). Linda reported discussions with Jim Schwob, PASD Executive Director of Business and Operations, are ongoing regarding billing documentation and current status of this capital maintenance fund. Jim Jones explained how the capital maintenance fund (Lincoln Center Capital) is the CBI's way of supporting capital projects within the condominium relationship. Jim also explained that Peninsula College and PASD do not have a comparable fund, because as educational institutions they are able to go to the Legislature when capital maintenance funding is required. The CBI's portion of this capital maintenance fund comes from a portion of the non-participants' per square foot lease amount.

Mike Rauch asked that December 31, 2009 Financials be included in the January Board Packet and accepted as the end of the month documents at that time.

Bank Signature Card. Presently, the only signatory on the CBI's First Federal accounts is Mike Rauch. Jeff Robb made the motion to add Kent Myers to the signature card, with a second by Jim Jones. Approved.

Jim Jones then made a motion to also add Jeff Robb as a signatory with a second by Kent Myers. Mike Rauch will arrange with First Federal to include Jeff Robb and Kent Myers to the account as signatories.

POE copies lease. Linda Rotmark reported that EDC staff had met with a representative from POE to talk about lease options on the CBI copier located in the reception area upstairs. Mike Rauch will be talking to Tom Baermann, POE, with regards to the possibility of purchasing the machine outright. He will get back to the Board with his report.

D & O Insurance. Mike Rauch reported that Ray Gruver, State Farm representative, will be coming to the Board with a quote for the 2010 Directors and Omissions Insurance coverage. Mike directed him to Charles McClain for required financial information. Action was tabled until the quote is delivered.

2. Status of CBI Clients.

Linda Rotmark reported that she has met with the resident clients often to ask if there is anything that the EDC and its service providers (SCORE/SBDC/WorkSource) can do for them. As part of Agenda Item #5, Jim Jones handed out the up-to-date accounts receivable report. Jim will meet with the past due tenants to see if a payback plan can be put together. Kent Myers suggested that the past due tenants at least address paying for copies and telecommunications because those accounts represent real expenses for the CBI. EDC staff will research a breakdown of A/R amounts with lease/telecommunications/copies separated.

Additionally, the Board decided to invite all of the tenants of the CBI, non-participants and participants to the next CBI Board Meeting in order to introduce the Board and the tenants to each other.

3. GAP Board Discussion. Linda Rotmark explained that some of the members of the GAP Board have questioned if they will be or have been disbanded. The Board indicated that there is no need to take any action regarding the GAP Board at this time. Mike Rauch indicated that during his tenure on the previous CBI Board, the GAP Board was never mentioned in the context of new participant consideration.

4. Communications with Media. Discussion followed. Kent Myers suggested that a reasonable statement would be that the high vacancy rate is indicative of the challenging economy. He also added that the CBI Board is in process of seeking new funding. Another positive comment would be that the current board has public/private partners seeking funding solutions together. It was agreed that any questions that were difficult to answer, the Board member could request the question by email and other Board members could assist in the answers.

5. (see report under Minutes Item #2).

6. Discuss Foster/Pepper Billing. Jim Jones explained a \$3200+ invoice from Att. Hugh Spitzer. Mr. Spitzer worked with Supt. Gary Cohn on specific CBI Board representation wording. Jim Jones, Tom Keegan, and Jane Pryne have been discussing the bill and may come to the CBI Board at a later date to address the payment participation.

7. Letter of Intent from EDC. Linda Rotmark and Mike McAleer discussed the specifics of the Letter Intent approved by the EDC Board of Directors at their December 17, 2009 meeting. This Letter of Intent's Scope of Work in the caretaker position for the CBI was an outcome from a meeting with Kent Myers, Jim Jones, Patti Morris, Mike McAleer, Nathan West, and Linda Rotmark on December 4, 2009. The motion was made by Kent Myers and seconded by Jim Jones to accept the Scope of Work describing the EDC's caretaker role within the CBI during this transition. The first review date as stated in the L of I will be March 31, 2010. Approved.

8. Discussion of City of PA 4th Quarter Deliverables. Kent Myers presented the contractual agreement with CBI for 4th quarter activities. Discussion followed regarding status of contractual activities. Kent Myers will contact Jim Haguewood, ONE Group Consulting, to request a report. CBI Board will invoice City of Port Angeles for a reduced amount of \$15,000 for 4th Quarter. Motion made by Jim Jones and seconded by Mike Rauch to follow through on 4th Quarter report to PA City Council on January 19th with a request for \$15,000. Approved.

9. Next meeting date/time. There was discussion about identifying a standing meeting date so that all Board Members would be able to consistently attend. Mike Rauch will send out an email immediately asking for meeting dates availability. The length of the January meeting will have to include the tenant introduction so there is an expectation that the January meeting will have to be three hours long.

There was also general discussion on the need for a dedicated strategic planning meeting for the CBI Board outside of the usual business meeting. Kent Myers indicated that he and Tom Keegan had been talking about a community leaders' facilitated planning meeting. Also, Jeff Robb asked about the possibility of a contract partners' economic development plan that could potentially become part of the Port's marketing effort in 2010/2011. Linda Rotmark also reported that the Clallam EDC and the Innovation Partnership Zone members (Battelle, Pacific Northwest National Laboratories, Peninsula College and EDC) have discussed future strategies planning.

Meeting adjourned at 5:20 p.m.



RECEIVED
DEC 14 2009
City of Port Angeles

December 10, 2009

Kent Myers
City of Port Angeles
P.O. Box 1150
Port Angeles, WA 98362

Dear Kent,

Bruce Skinner, director of International Festival and Events Foundation and co-author of "Event Sponsorship" states in his book that "Nothing has made a greater impact on the festival & events industry than corporate sponsorship." As the producers of the Dungeness Crab and Seafood Festival we heartily echo this truth and thank you for your participation.

Without your support, the 2009 Dungeness Crab and Seafood Festival would not have had such tremendous success; a new record for attendance, increased national media attention, much more community support and involvement, new educational programs, much improved cooking demonstration area thanks to the Gateway Plaza being available, closing Lincoln Street provided much needed additional space plus we had new partners, new staff and volunteers. Because of your commitment to community and the importance of celebrating our wondrous resources, we finished the 2009 event with a much stronger financial base for the future.

This year has firmly established Port Angeles as the "Home of the Dungeness Crab" and this branding will help shape and kick off our marketing for the 2010 Dungeness Crab and Seafood Festival, which is confirmed for October 9-10.

We are already in the planning stages and have some new ideas cooking which will allow the event to continue to grow. We encourage you to continue to include this festival in your 2010 budget and we will be in contact with you within the next few months as to how best to position and market your company, and to build a strong relationship between those who produce this unique celebration and those who support it through their sponsorship. Comments are always welcome so if you have any suggestions you think might help improve the event please let us know.

Warmly,

Scott Nagel
Producing Director
Dungeness Crab & Seafood Festival

Russ Veenema
Executive Director
Port Angeles Regional Chamber of Commerce

The 2009 Dungeness Crab & Seafood Festival was reported, announced or mentioned in more than 50 different local and national medias, including the ones listed below.

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| USA Today |  | Events in America.com |
| Army Times | | Puget Sound Maritime.com |
| Coastal Living | | American Towns.com |
| Calgary Herald | | Q13 Fox.com |
| Miami Herald | | Zimbio |
| San Francisco Chronicle | | Planet Eye Traveler |
| Eat Magazine | | The Olympian |
| Kitsap Sun | | The News Tribune |
| HeraldNet | | Bellingham Herald |
| Topix | | Northwest Source |
| Sequim Gazette | | Seattle Weekly |
| KONP Radio | | The Weekly Volcano |
| Olympic Peninsula Leader | | KOMO News.com |
| Peninsula News Review | | Puget Sound Magazine |
| Current.com | | Going Seattle.com |
| KONP Radio | National Fisherman | |
| Crabbing in the Hood | Star101.5 | |
| | Peninsula Daily News | |

And many more blogs, calendars, and mentions on social media such as Facebook and Twitter.

