



## STATE OF WASHINGTON PUBLIC DISCLOSURE COMMISSION

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### BEFORE THE PUBLIC DISCLOSURE COMMISSION OF THE STATE OF WASHINGTON

In RE COMPLIANCE WITH  
RCW 42.17A

Corey Pearson, Executive Director,  
VenuWorks; and Barbara Johnson,  
then-President, Kennewick Public  
Facilities District

Respondents.

PDC Case 28028

Report of Investigation

#### I. BACKGROUND

- 1.1 Kennewick Public Facilities District (hereafter, Kennewick PFD, KPFM, PFD, or District) is a Washington public facilities district which owns and operates the Three Rivers Convention Center and manages the City of Kennewick's Toyota Center, an indoor stadium in Kennewick, Washington. At the time the complaint was filed, the board members of Kennewick PFD were Barbara Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; Renee Brooks, Board Member; and Calvin Dudney, Board Member.
- 1.2 Kennewick PFD has no employees, and contracts with VenuWorks of Kennewick, LLC (VenuWorks), an Iowa Limited Liability Company with its head office in Ames, Iowa, and a local office in Kennewick, Washington, for the management of Three Rivers Convention Center and the Toyota Center. Corey Pearson is an employee of VenuWorks and serves as the Executive Director for the facilities operated by KPFM. VenuWorks is a wholly owned subsidiary of VenuWorks, Inc., and is supported by a consulting and support services agreement with VenuWorks, Inc.
- 1.3 In 2016, KPFM placed Proposition 16-8 on the August 2, 2016 primary election ballot. Voters rejected the initiative with 52.46 percent voting "no." On June 1, 2016. Victor Epperly filed a complaint against officials of Kennewick Public Facilities District, alleging violations of RCW 42.17A.555 for promoting Proposition 16-8. Following a PDC staff investigation, in a letter dated May 30, 2018, PDC Executive Director Peter

Lavallee, with the concurrence of the Chair, dismissed the alleged violations, stating staff found insufficient evidence to demonstrate KPFM officials authorized use of the District's facilities for the purpose of promoting Proposition 16-8 in violation of RCW 42.17A.555. (**Exhibit 1**)

- 1.4 In 2017, following the rejection of Proposition 16-8 in 2016, KPFM placed Proposition 17-4 on the November 7, 2017 general election ballot. Proposition 17-4 was to fund "The Link," a facility that would include a Broadway-style theater, Toyota Center improvements, and other entertainment and event space, plus expansion of the Convention Center and other improvements authorized for the Three Rivers campus.
- 1.5 A Sample Ballot prepared by KPFM stated, "*The Board of Directors of the Kennewick PFD adopted Resolution 118-17 concerning improvement and expansion of the Convention and Toyota Centers. The proposition would authorize a sales and use tax increase of 2/10<sup>th</sup> of 1% (2 cents per \$10.00 purchased) to fund improvements to the Toyota Center and expansion of the Convention Center of the Three Rivers campus designated as the "Link" including additional parking and multi-purpose entertainment facilities. The tax would sunset upon repayment of any bonds issued to fund these improvements.*"
- 1.6 Proposition 17-4 required a simple majority of 50% plus one vote to pass. City of Kennewick voters rejected Proposition 17-4.

## II. ALLEGATIONS IN COMPLAINT

- 2.1 On September 11, 2017, Roger Lenk filed a complaint with the Public Disclosure Commission (PDC) alleging Corey Pearson, General Manager of VenuWorks of Kennewick, LLC, and Barbara Johnson, [former] President of the Kennewick Public Facilities District Board of Directors, violated RCW 42.17A.555 by using the public facilities of the District to support Proposition 17-4, a ballot measure on the November 7, 2017 general election ballot. On October 16, 2017, Mr. Lenk supplemented his complaint, and on December 3, 2017, he provided the attachments to the complaint supplement. On December 3, 2017, PDC staff provided the complaint, and the October 16, 2017 supplement and December 3, 2017 attachments, to KPFM officials. Staff discovered later that the October 16, 2017 supplemental material was Mr. Lenk's 3<sup>rd</sup> Amendment to his complaint. The original complaint and 3<sup>rd</sup> Amendment included 35 pages of material. (**Exhibit 2**)
- 2.2 On January 2, 2020, PDC staff dismissed Allegation 2, the portion of the complaint alleging violations of RCW 42.17A.205, .235, and .240 by Perfect Privacy, LLC, Dave Retter, Kris Watkins, and Citizens for the Link Entertainment Center. That portion of the complaint alleged violations for creating and operating an unregistered political committee (Citizens for the Link Entertainment Center) that sponsored political advertising and promoted passage of Proposition 17-4. PDC staff dismissed those allegations in accordance with RCW 42.17A.755(1) and declined to conduct a more formal investigation or take enforcement action. Those allegations are not addressed in this Report of Investigation.

2.3 The remainder of the complaint included Allegations 1, 3, and 4, and three additional allegations, as noted below:

- Allegation 1: Violation of RCW 42.17A.555 for using public facilities as the agency of record for political advertising through a marketing entity called Focal Point Marketing;
- Allegation 3: Violation of RCW 42.17A.555 for using public funds to pay for the website [www.thelinktc.com](http://www.thelinktc.com) that was directed using public funds;
- Allegation 4: Violation of RCW 42.17A.555 for using a public office to review ad buys made by Focal Point Marketing in support of a ballot measure.
- Additional Allegation (included in complaint but not assigned a separate allegation number by Mr. Kerr): A partisan campaign video (Vote Yes for the Link), paid for by Citizens for the Link Entertainment Center, that was posted on the District's website, [www.thelinktc.com](http://www.thelinktc.com).
- Additional Allegation (identified visually in the complaint but not addressed in the narrative portion of the complaint): The District's website, [www.thelinktc.com](http://www.thelinktc.com), included a list of organizations that endorsed Proposition 17-4;
- Additional Allegation (part of District's website identified in the complaint, but not addressed in the narrative portion of the complaint): The District's website, [www.thelinktc.com](http://www.thelinktc.com), included articles/editorial/letter-to-the-editor from the Tri-City Herald that supported Proposition 17-4.

2.4 In addition to the original complaint and 3<sup>rd</sup> Amendment to the complaint, Mr. Lenk filed the following complaint amendments:

- 1<sup>st</sup> Amendment, filed October 1, 2017 (81 pages) (**Exhibit 3**)
- 2<sup>nd</sup> Amendment, filed October 6, 2017 (4 pages) (**Exhibit 4**)
- 4<sup>th</sup> Amendment, filed October 21, 2017 (5 pages) (**Exhibit 5**)
- 5<sup>th</sup> Amendment, filed December 10, 2017 (83 pages)
- 6<sup>th</sup> Amendment, filed December 19, 2017 (3 pages)
- 7<sup>th</sup> Amendment, filed December 19, 2017 and 8<sup>th</sup> Amendment, filed December 24, 2017 (3 pages) (**Exhibit 6**)
- Extended Facilities Management Agreement – Attachment to 8<sup>th</sup> Amendment, filed December 24, 2017 (58 pages) (**Exhibit 7**)

## II. FINDINGS

### *Response from Lee Kerr on Behalf of KPDF to Allegations in Complaint*

3.1 On January 22, 2018, the PDC received a response dated January 16, 2018, to the complaint, from Leland Kerr, an attorney with the Kerr Law Group, representing officials of the KPDF. Mr. Kerr has since retired, and Eric Ferguson of Kerr Ferguson Law assumed responsibility for representing KPDF officials. Mr. Ferguson then gave attorney Craig Briggs primary responsibility for working with PDC. (**Exhibit 8**)

3.2 Mr. Kerr responded to the allegations addressed in this investigation as noted below:

*Allegation 1: Violation of RCW 42.17A.555 for using public facilities as the agency of record for political advertising through a marketing entity called Focal Point Marketing;*

3.3 Mr. Kerr stated the allegation that District officials used Focal Point Marketing and Multimedia to produce “political advertising” is incorrect and unfounded. He said one of the hard recognitions following the 2016 defeat of Proposition 16-8 (a similar ballot proposition that failed in 2016) was the message that the District had failed to provide enough educational information to apprise voters of the nature of the project. He said District officials engaged a Multi-Media Consultant to assist with the preparation and dissemination of the educational piece, as they did for the 2016 election. He said in June 2017, the District hired Focal Point Marketing, LLC, to provide the District’s educational presentation for Proposition 17-4. Mr. Kerr said the District’s Engagement Agreement with Focal Point Marketing identified the purpose of the agreement as “educational.” He said the District emphasized the educational role and monitored Focal Point’s work to ensure none of it called for or suggested a “Yes” vote at the election. He said Focal Point Marketing secured the website, [www.thelinktc.com](http://www.thelinktc.com), to make the educational presentation for the District.

3.4 Mr. Kerr’s response referenced his prior response to similar allegations in PDC Case 26814 (a complaint filed by Victor Epperly, former Kennewick Mayor) concerning the District’s website, which stated the District operated its website to fulfill its responsibility to create a single jurisdiction-wide objective and fair presentation of facts concerning Proposition 17-4, including a summary of the “agency needs” and “anticipated impacts” of the ballot measure. Mr. Kerr said the complainant provided no evidence the website was used for anything other than its intended purpose of providing an informational platform consistent with the Commission’s guidelines (Interpretation 04-02).

3.5 Mr. Kerr stated the District’s aggressive public outreach approach concerning Proposition 17-4 was normal and regular conduct for the agency, citing its ongoing aggressive approach to marketing the mission and activities of the coliseum and convention center it manages. He said the 2017 informational activity is the same as the District’s activities during the 2012 and 2016 elections. He said the District’s 2017 informational outreach was “an objective and fair presentation of facts about the ballot measure” without urging support or opposition.

*Allegation 3: Violation of RCW 42.17A.555 for using public funds to pay for the website [www.thelinktc.com](http://www.thelinktc.com) under the direction of public funds; (Violation 2 concerned Citizens for the Link Entertainment Center, and is not addressed in this Report of Investigation.)*

3.6 Mr. Kerr stated the District's purchase of [www.thelinktc.com](http://www.thelinktc.com) was not a violation of RCW 42.17A.555. He said in June 2017, the District evaluated the results of the 2016 election and considered whether to run The Link expansion project as a ballot measure in November 2017. He said the District secured the services of Focal Point Marketing on June 6, 2017 to evaluate past efforts and to assist in the educational presentation if the District decided to pursue another election. He said Focal Point Marketing secured the website through Wix.com to preserve the project name "The Link." Mr. Kerr said as a result of the evaluation and deliberations, the District adopted Resolution 118-17 on July 27, 2017, calling for the Benton County Auditor to place Proposition 17-4 on the November 7, 2017 general election ballot.

*Allegation 4: Violation of RCW 42.17A.555 for using a public office to review ad buys made by Focal Point Marketing in support of a ballot measure.*

3.7 Mr. Kerr stated it is the District's right and responsibility to provide an "objective and fair presentation of the facts for each ballot measure." He said the media buys identified by the complainant were the District's obligatory educational presentation. Mr. Kerr said the complainant did not allege or prove that any of the "ad buys" requested, urged, or suggested an affirmative vote in the election. He said the District was faithful to its obligation to provide an objective and fair presentation of the facts concerning the ballot measure. He said an analysis of each ad demonstrates that the District was faithful to that charge. Mr. Kerr said the District acted appropriately in determining whether to place Proposition 17-4 before the voters, and in providing a complete, fair and objective presentation of the facts for the consideration of voters.

*Additional Allegation (included in complaint but not assigned a separate allegation number by Mr. Kerr): A partisan campaign video (Vote Yes for the Link), paid for by Citizens for the Link Entertainment Center, was posted on the District's website, [www.thelinktc.com](http://www.thelinktc.com).*

3.8 Mr. Kerr stated Mr. Lenk's allegation that a campaign video of Citizens for the Link Entertainment Center was posted on the District's informational website is false.

*Additional Allegation (identified visually in the complaint but not addressed in the narrative portion of the complaint): The District's website, [www.thelinktc.com](http://www.thelinktc.com), included a list of organizations that endorsed Proposition 17-4;*

*Additional Allegation (part of the District's website, identified in the complaint, but not addressed in the narrative portion of the complaint): The District's website, [www.thelinktc.com](http://www.thelinktc.com), included articles and editorials from the Tri-City Herald that supported Proposition 17-4.*

3.9 Mr. Kerr did not address this allegation directly, but did respond to similar allegations when answering Case 26814, which alleged: (1) the District's informational webpage included a

tab listing six entities that expressed support for Proposition 17-4; and (2) the website included a second tab with links to editorials or articles from the Tri-City Herald that supported the project. The entities listed as endorsing Proposition 17-4 were:

- The Tri-Cities Americans hockey team;
- The Tri-Cities Visitors and Convention Bureau (Visit Tri-Cities);
- TRIDEC - The Tri-City Development Council;
- The Tri-Cities Regional Chamber of Commerce;
- The Tri-City Herald Newspaper; and
- The Entertainer magazine.

3.10 In Mr. Kerr's response to these allegations, he characterized the two tabs as "minor pages" on the District's informational website. He acknowledged the six listed entities expressed support for Proposition 17-4, but noted the list contained no statements, links, or contact information that would lead to information in favor of, or in opposition to, the ballot measure. He said the six entities listed as endorsing Proposition 17-4 were agencies or vendors that normally transact business with the KPDF, and said their names are available as public records. Mr. Kerr said the tab with a reference to "articles" includes links to all letters to the editor and articles published in the area's single newspaper, The Tri-City Herald. He said the articles contain everything written both for and against The Link, without distinction and without editorializing. He said the list contained links to allow a complete, unbiased, and neutral forum showing all opinions expressed, either for, or against, Proposition 17-4, without any endorsement or support by the District given to any of the articles.

3.11 The District's website included links to three articles written by Wendy Culverwell for the Tri-City-Herald, a link to an editorial written by the editorial board of the Tri-City Herald, and a link to a letter-to-the-editor written by Nolan Kadinger. Following is a brief summary of each article/editorial/letter.

- Article written by Wendy Culverwell, May 10, 2017. (Exhibit 9) The article explains the District's plans to place a measure on the ballot that would be very similar to the 2016 proposal that failed, Proposition 16-8, with one notable exception. The 2017 proposal included a third sheet of ice in support of the area's youth hockey program. The article explained the District's plan to use the new ice rink for parallel uses when not being used for youth hockey, such as curling, figure skating, girl's hockey, and adult hockey. The article was written before the KPDF board made a final decision to place Proposition 17-4 on the 2017 general election ballot. However, it provided readers with positive comments about what became Proposition 17-4, by Corey Pearson and Barbara Johnson of KPDF, and Kris Waltze, President of the Tri-Cities Amateur Hockey Association, the group identified as the driving force behind the addition of an ice rink.

- Article written by Wendy Culverwell, June 29, 2016. (Exhibit 10) The article described The Link as a proposed \$35 million, 100,000-square-foot addition to the Three Rivers Convention Center campus that included a 2,300-seat Broadway-style theater, a convention center addition and a new lobby facing Vista Field. While the article was written in 2016 to describe Proposition 16-8 that failed, it was relevant to voters of Proposition 17-4 because of the similarity between the 2016 and 2017 proposals. The article described how the Kennewick City Council pledged in 2016 to build up to 1,000 new parking spots near the Three Rivers Convention Center complex if the 2016 measure passed, a feature included in the 2017 proposal.
- Article written by Wendy Culverwell, July 7, 2017. (Exhibit 11) The article explained that the Kennewick Public Facilities District was emboldened by the relatively narrow margin of defeat in 2016, and would be considering later in July whether to resubmit a request to voters for The Link project to expand Three Rivers Convention Center. The article explained how voters rejected earlier versions in 2013 and again in 2016, when it fell 292 votes short of a simple majority. The article noted how the Kennewick City Council must concur with the KPDF's decision before it can be submitted to voters. Kennewick Mayor Steve Young said the City Council would like to see voters get another chance to invest in the convention center. He said city officials fear Three Rivers will lose convention and meeting business to other communities without an expansion and new amenities. He challenged the public facilities district to better educate the public about the request.
- Editorial written by Editorial Board of the Tri-City Herald, July 15, 2017. (Exhibit 12) The article written by the editorial board of the Tri-City Herald said it would take thorough preparation, time and a more ambitious campaign than the 2016 effort to ensure the public has the right information, and to get the votes needed to publicly fund improvements to the Three Rivers campus. The editorial noted that Kennewick mayor Steve Young, while not endorsing the plan, said organizers will have to do a better job educating the public about the request. The editorial board said they agreed. The editorial said, after the 2016 loss, the board encouraged backers of The Link to try again because expansion at the Three Rivers Convention Center has been needed for a long time. The editorial board said they could not make a recommendation on a proposal that was still in the planning stages, but said if the KPDF board tries to put a measure on the ballot, it won't stand a chance without a strong marketing plan behind it.
- Letter-to-the-Editor written by Nolan Kadinger in 2017. (Exhibit 13) In a letter-to-the-editor, Nolan Kadinger, a Kennewick resident, said he was glad the people pushing The Link project were trying again to get this measure passed. Mr. Kadinger said he really believed it could pass, but said the biggest obstacle to focus on was building up a large voter base. The letter said not very many Kennewick citizens vote, and the ones that do are ultimately too conservative and suffer from, as he said he would put it, "tax phobia." He said KPDF needed to focus on encouraging people who would support the effort to vote. The letter concluded with a statement that if

KPFD does these things along with what they are doing now, it would not be hard to see the District riding the wave to victory.

Reply by Complainant Roger Lenk to KPFD's Response to Allegations (**Exhibit 14**)

(Concerning Response to Allegation 1)

- 3.12 First, Mr. Lenk contended the District's website, [www.thelinktc.com](http://www.thelinktc.com), had the look and feel of a proponent's campaign website, not a public agency's educational website.
- 3.13 Second, Mr. Lenk stated the District's response implies all articles (both proponent and opponent) were included on the District's website. He said nearly 60 articles and letters to the editor were published during the campaign, but the District only included supportive endorsements, letters, and articles on its website.
- 3.14 Third, Mr. Lenk contended the District's representation that officials operated in 2017 as they had operated during the 2016 and 2012 elections was a false assertion. He pointed out that on June 9, 2017, Respondent Corey Pearson, who manages the Toyota Center and the Three Rivers Convention Center for the District, made statements to VenuWorks, Inc. CEO Steve Peters confirming District officials would be implementing a more aggressive marketing campaign during the 2017 election. In a June 9, 2017 letter to Mr. Peters, Mr. Pearson stated: (**Exhibit 14, Page 3**)
- “In the past the board has been reluctant to take any steps to help other than the open houses, so I have taken it on myself to hire a marketing company to put the entire educational portion of the campaign together. I have also secured \$20,000 from the VCB to pay for TV and radio commercials which the TRCC will be creating. I have all of the unions in the wings again wanting to help and they are just waiting for the signal to go.”
- 3.15 Fourth, Mr. Lenk stated Mr. Kerr's letter on behalf of the District does not address Mr. Pearson's proponent campaign activities, such as organizing a “walk the block” effort with the amateur hockey association and the unions, and a summer long push to educate the community on the impact of The Link on the average household.
- 3.16 Fifth, Mr. Lenk stated Mr. Kerr's letter failed to address why Mr. Pearson and his Executive Assistant Liz Lutz obtained “walking lists” from the Benton County Auditor of registered voters who live within the City of Kennewick and have only voted in the 2016 Primary Election, 2016 February Special Election, and 2014 Primary Election.
- 3.17 Sixth, Mr. Lenk points out Mr. Kerr's response, without evidence, denies the allegation that the District's website contained a one-minute television commercial of Citizens for the Link Entertainment Center, which promoted Proposition 17-4. Mr. Lenk included a screenshot of what he said was a video image of the one-minute television commercial as it

appeared on October 16, 2017, on the District's website. This is the same image Mr. Lenk provided with his October 16, 2017 complaint supplement.

3.18 Seventh, Mr. Lenk stated the District's response failed to address the numerous points exhibiting the "hand-in-glove" relationship between the proponent committee and the District, as enumerated in the complaint and supplements to the complaint.

3.19 Mr. Lenk also alleged Mr. Pearson used public facilities of the District to support Proposition 17-4, including work time, email systems, and equipment, to conduct a July 24, 2017 meeting with: Eric Van Winkle, Campaign Manager of Citizens for the Link Entertainment Center; television staff members; and a member of pixlesoftfilms, a video, photo, and website developer, to coordinate campaign activities. Mr. Lenk referenced a complaint supplement dated October 1, 2017, Exhibit 10.

3.20 Concerning the District's response to Allegation 3, Mr. Lenk re-stated his assertion that the content of the District's website was a violation of RCW 42.17A.555. He said it is noteworthy that the District hired Focal Point Marketing for the November 7, 2017 Election campaign on June 7, 2017.

3.21 Concerning the District's response to Allegation 4, Mr. Lenk cited multiple examples of what he described as "attractive phrases that are opinion, not fact-based statements," that served to support Proposition 17-4. For example: (**Exhibit 14, Page 7**)

"Together, we can make the Tri-Cities a destination for athletes, artists, conventions & more!"; "The positive economic impact of revenue and visitors to the area is then not relinquished to surrounding cities such as Spokane or Yakima"; SALES TAX IMPACT - ONLY 2 cents ON EVERY \$10!"; "That's only 2 cents on every \$10!"; "The Link will serve as a venue for national caliber recording artists, comedians, Broadway shows, conferences, conventions and more"; "and that's a big deal!"; and "The Link will serve as a venue to attract concerts, conventions, shows and sporting events where each additional attendee will contribute tax revenue to our economy. In other words, The Link will more than pay for itself."

3.22 Mr. Kerr' response on behalf of the District stated the District's website included links to all letters to the editor and articles published in the area's single newspaper, The Tri-City Herald, and this disclosure provided a complete, unbiased, and neutral forum showing all opinions expressed, either for, or against, Proposition 17-4. Following is a list of articles or letters provided by Mr. Lenk, concerning Proposition 17-4, not included by the District on its website. Of the 17 articles provided, 16 were in opposition and one in support of Proposition 17-4.

- Letter to the Editor: (**Opposition**) Vote no (again) on Link project; Marvin Raymond, Richland; 7/29/17 (**Exhibit 14, Page 9**)

- Letter to the Editor: (**Opposition**) Where will the money come from? Evan Meacham, Kennewick; 7/29/17 (**Exhibit 14, Page 10**)
- Letter to the Editor: (**Opposition**) No on Link: Don't spend emergency funds on 'vacation'; Jerry Martin, Kennewick; 9/10/17 (**Exhibit 14, Page 11**)
- Letter to the Editor: (**Opposition**) Private business should foot the bill for The Link; Roger Lenk, Franklin County; 10/9/17 (**Exhibit 14, Page 12**)
- Letter to the Editor: (**Opposition**) Look Who's backing Link, and you'll vote 'no'; Jim Wade, Kennewick; 10/13/17 (**Exhibit 15, Page 13**)
- Letter to the Editor: (**Opposition**) Link just another white elephant that will cost taxpayers; Phil Church, West Richland; 10/19/17 (**Exhibit 14, Page 14**)
- Letter to the Editor: (**Opposition**) Many reasons to vote against Link; Linnea Williams, Kennewick; 10/20/17 (**Exhibit 14, Page 15**)
- Letter to the Editor: (**Opposition**) Just say 'no' to Link, corporate welfare; R. Leo Guillen, Kennewick; 10/23/17 (**Exhibit 15, Page 16**)
- Letter to the Editor: (**Opposition**) Link tax part of regressive system that hurts the poor; Vincent Rundhaug, Kennewick; 10/24/17 (**Exhibit 14, Page 17**)
- Letter to the Editor: (**Support**) The Link a win on revenue, culture; Sharla Marshall, Kennewick; 10/24/17 (**Exhibit 14, Page 18**)
- Letter to the Editor: (**Opposition**) Link tax will hit hardest those who benefit the least; Susan Bailey, Kennewick; 10/26/17 (**Exhibit 14, Page 19**)
- Letter to the Editor: (**Opposition**) Government should stay out of entertainment; Loren Anderson, Kennewick; 10/27/17 (**Exhibit 14, Page 20**)
- Letter to the Editor: (**Opposition**) When it comes to The Link, no means no; Grace Jackson, Kennewick; 10/27/17 (**Exhibit 14, Page 21**)
- Letter to the Editor: (**Opposition**) Taxes are for essentials, not recreation for the few; John Trumbo, Kennewick; 9/28/17 (**Exhibit 14, Page 22**)
- Letter to the Editor: (**Opposition**) Voters should keep saying 'no to Link; Susan Bailey, Kennewick; 10/3/17 (**Exhibit 14, Page 23**)
- Point/Counterpoint: (**Opposition**) No on The Link; John Trumbo, Kennewick; 10/7/17 (**Exhibit 14, Page 24-27**)

- Letter to the Editor: (**Opposition**) Local governments need to get in the right state of mind; Marsha Rehfeld, Kennewick; 11/24/17 (**Exhibit 14, Page 28**)

**Additional information from Roger Lenk Concerning One-Minute Campaign Video Available by a Link on KPFD's website**

3.23 On March 22, 2018, Roger Lenk replied to Lee Kerr's March 16, 2018 letter to Mr. Lenk concerning Mr. Lenk's January 20, 2018 Public Records Request issued to Kennewick Public Facilities District. (**Exhibit 15**) Mr. Kerr states in his letter to Mr. Lenk (**Exhibit 15, Pages 4-5**), according to KPFM's website management software, Wix, the District's website included "Apps" which might be called "applets" or "widgets" in other software programs, that allow various functions to be performed (e.g. adding links to social media profiles). Mr. Kerr told Mr. Lenk, KPFM used a social media "App" on its [www.thelinktc.com](http://www.thelinktc.com) website to link its various social media profiles. He said, for a short period of time, the App mistakenly linked to a third-party Facebook page, not affiliated with KPFM. He said when KPFM realized the error, it ensured the App was removed from its website. Mr. Kerr was describing the one-minute campaign video Mr. Lenk alleged was available by a link on the District's website.

3.24 Mr. Lenk responded to Mr. Kerr, and copied the PDC, stating Wix technical support advised, it is impossible for the algorithms contained within an "App" to autonomously link to a third-party Facebook page. He said, as such, the App cannot mistakenly link to a third-party Facebook page. Mr. Lenk said only an individual user with proper permissions would be able to perform that function. (**Exhibit 15, Page 3**)

**Additional Findings**

PDC staff asked questions of KPFM on June 15, 2020, by submitting the questions to Craig Briggs of Kerr Ferguson Law. Mr. Briggs responded on behalf of KPFM on July 16, 2020. (**Exhibit 16**)

Following are **Corey Pearson answers**, provided through Craig Briggs, legal counsel for KPFM, unless noted as being from Kerr Ferguson Law.

3.25 Mr. Pearson said the links to the articles referenced by Roger Lenk, that were mostly in opposition to Proposition 17-4, were not included on the District's website because the link to articles included on the District's website was to the Tri-City Herald editorial board, and not to specific letters to the editor, such as those referenced by Mr. Lenk.

3.26 The nature of the relationship between Corey Pearson and KPFM is that of an employee of an independent contractor, VenuWorks of Kennewick, LLC, performing contracted services at the direction of his employer for the District. The nature of the relationship of Mr. Pearson and VenuWorks of Kennewick, LLC is that of an employee who is accountable to his employer. The nature of the relationship of Corey Pearson to VenuWorks, Inc. is that of an employee of a subsidiary entity receiving support services from the parent entity. These relationships remain the same now as they were in 2017, when the complaint was

filed. There is no separate agreement between Corey Pearson and KPFD. The agreement between KPFD and VenuWorks of Kennewick, LLC governs the relationship between the Three Rivers Convention Center Executive Director (Corey Pearson) and KPFM.

3.27 [Answered by Kerr Ferguson Law] Mr. Pearson is only authorized to manage the facilities at Three Rivers Convention Center per the service contract. He is not authorized to act as a Municipal Officer based on a review of RCW 36.100 detailing the powers of Municipal Officers which comprise the Board of Directors. RCW 42.23.020 states that a Municipal Officer: "shall include all elected and appointed officers of a municipality, together with all deputies and persons exercising or undertaking to exercise any of the powers or functions of a municipal officer." The powers of the board under RCW 36.100 are generally the power to hire, fire, spend, tax, acquire property (real and personal), and insurance, and issue bonds. Since Mr. Pearson is not exercising or undertaking to exercise any of these functions or powers on behalf of the District, he is not a Municipal Officer. Mr. Pearson, VenuWorks of Kennewick, LLC, and VenuWorks, Incorporated are "contracting parties" under RCW 42.23.020(4). Kerr Ferguson Law represents KPFM. It does not represent Mr. Pearson directly as a client.

#### Concerning 7<sup>th</sup> and 8<sup>th</sup> Amendments to Complaint

#### **Citizens for the Link Entertainment Center Video**

3.28 Mr. Lenk's complaint alleged the KPFM's website, [www.thelinktc.com](http://www.thelinktc.com), included a link to a one minutes partisan campaign video (Vote Yes for the Link), paid for by Citizens for the Link Entertainment Center. (**Exhibit 2, Page 23 and Exhibit 14, Page 32**) In responding on behalf of the District, Lee Kerr stated Mr. Lenk's allegation that a campaign video of Citizens for the Link Entertainment Center was posted on the District's informational website was false. (**Exhibit 8, Page 3**)

3.29 According to Corey Pearson, the "App" on the District's website that provided a link to Citizens for the Link Entertainment Center was an error by Focal Point which was brought to the attention of Liz Lutz, Executive Assistant to Mr. Pearson, and was thereafter immediately removed under her authority. The error occurred without KPFM involvement. The link was not authorized by the KPFM Board or by VenuWorks of Kennewick, LLC, or VenuWorks, Inc. employees. (**Exhibit 15, Page 4-5**)

3.30 Focal Point was given administrative authority to place informational content on KPFM's webpage because of the volume of changes and content suggestions they were making. There was no pre-approval process for VenuWorks of Kennewick, LLC other than to review the pieces created and either post them or have them printed. The KPFM board was involved in the messaging, and VenuWorks of Kennewick, LLC determined how such content was made available to the public.

3.31 Neither KPFM nor VenuWorks employees ever authorized Focal Point to create the App and then place the link to the campaign video on the District's website. This was an unfortunate error by Focal Point that once discovered was removed immediately. Focal Point

had full control of the website and they were responsible for placing all content on the site. VenuWorks of Kennewick, LLC did not have the necessary knowledge in this area, so it was contracted out to Focal Point.

3.32 It is VenuWorks' understanding the link to the campaign video would have allowed anyone who clicked on it to view the one-minute YouTube campaign video, sponsored by Citizens for the Link Entertainment Center. Mr. Pearson's recollection is the link was "active" for a short period of time, and while he is not certain how long it was up, his best recollection is that it may have been up for a couple of days before it was discovered and removed. Mr. Pearson does not know how many times the link was accessed before it was removed.

3.33 Mr. Pearson said the link to the campaign video may have been removed in response to Mr. Lenk's complaint, but he is not sure. He confirmed Ms. Lutz received a phone call noting the link, and then directed its immediate removal. KPDF said the website was a work-in-progress at that point, but acknowledged the link should not have been present on the District's website.

### **Walk the Block Activities & Other Additional Findings**

3.34 Mr. Pearson, in his personal capacity, was engaged in the organizing efforts related to "walk the block" activities and did attend a rally at the Three Rivers Convention Center, but did not participate in the actual walks. Mr. Pearson uses personal email accounts and computers for non work-related activities, such as the "walk the block" activities.

3.35 Mr. Pearson uses personal email accounts and devices to conduct his non work-related activities, such as the baseball organization board with which he is involved, and continuing education courses in which he is enrolled. The personal devices Mr. Pearson uses to conduct these non work-related activities include a desktop computer at his home and an I-Pad. VenuWorks of Kennewick, LLC bills KPDF for the business use of Mr. Pearson's personal devices as an "approved expense" under its contract with KPDF.

3.36 The "walking list" was received electronically on KPDF computers from the Benton County Auditor's website, and there was no cost associated with such retrieval. The information was downloaded and sorted through an Excel application. The "voter information" was used to develop a targeted mailing list to effectively use limited District resources for the informational campaign. The "walking lists" were used to identify where the most engaged voting precincts were located so KPDF could most effectively use the resources at its disposal, by sending its informational-only mailer to those voters most likely to show up and vote in the 2017 election.

3.37 The "walking list" was requested by Liz Lutz, and forwarded to Barbara Johnson, KPDF Board President, and Kris Watkins, Visit Tri-Cities. (**Exhibit 3, Pages 49-52**)

3.38 KPDF approved a budget for sending the District's informational mailer, but based on Mr. Pearson's recollection, obtaining "walking lists" may not have been itemized.

- 3.39 Liz Lutz, an employee of VenuWorks, provided the District's informational flyer by email to Kris Watkins, a supporter of Proposition 17-4, in response to an informal request for the flyer. This is the same informal process VenuWorks has employed as part of its normal and regular conduct when responding to requests for information made by private individuals and various entities such as the Tri-City Herald.
- 3.40 VenuWorks provided information that was in the public domain, including architectural drawings and other work product of KPFD, to anyone who made an informal request for the information, including Citizens for the Link Entertainment Center. VenuWorks did not tell the informal requester to file a formal public records request. Rather, VenuWorks provided the information when such information was in the public domain.

Following are **Barbara Johnson answers**, provided through Craig Briggs, legal counsel for KPFD. At the time the complaint was filed and during the period covered by the allegations, Barbara Johnson was President of the KPFD board.

#### Allegations 1 & 4 in Complaint

In a reply by Mr. Lenk to Mr. Kerr's response to the compliant, Mr. Lenk quoted Corey Pearson from correspondence dated June 9, 2017 to VenuWorks CEO Steve Peters, saying, in part, "*In the past the board has been reluctant to take any steps to help other than the open houses, so I have taken it on myself to hire a marketing company to put the entire educational portion together...*"

3.41 Ms. Johnson stated, the KPFD board did not authorize VenuWorks to hire Focal Point Marketing to develop a "marketing plan." She said, in July 2017 KPFD formally approved a resolution providing for the submission of a Proposition to impose a two tenths of one percent sales tax increase for the purpose of expanding KPFD's facilities. Ms. Johnson said Focal Point Marketing was a qualified vendor for the KPFD campus and had produced several marketing materials for the District. She said VenuWorks worked with Focal Point Marketing to develop an education-only strategy to educate Kennewick voters on the purpose and content of Proposition 17-4. Ms. Johnson said Corey Pearson, Executive Director for VenuWorks, discussed these strategies and updated KPFD board members at the monthly KPFD board meetings. Ms. Johnson said Focal Point was never contracted by anyone to produce or execute a "marketing plan," but rather was only ever hired to provide information for the educational plan.

3.42 Ms. Johnson said she was not aware of any KPFD Board action concerning "walk the block" activities as part of the District's Educational Campaign.

3.43 Ms. Johnson stated, as part of producing the educational mailer, the KPFD board was made aware by VenuWorks that a list of registered voters existed on the Benton County Auditor's website at no cost. Ms. Johnson said Mr. Pearson and Ms. Lutz reported to the board that this list of likely voters would be used to pare down the number of households for the education-only mailer, to stay within the allotted resources of the educational plan.

3.44 Ms. Johnson said she does not recall ever receiving the actual “walking lists” but is aware they were easily obtained from the Benton County Auditor website. Ms. Johnson said she is not aware of any District facilities used to provide “walking lists” to Kris Watkins.

#### **KPFD Informational Material (Door Hanger/Flyer, Mailer, Newspaper Ad, and Banner)**

3.45 On November 3, 2020, Craig Briggs responded on behalf of KPFD to staff questions about KPFD informational materials, including its door hanger/flyer, mailer, newspaper ad, and banner. (**Exhibit 19**)

3.46 **Door Hanger/Flyer – (Exhibit 16, Pages 11 & 12, Exhibit 19, and Exhibit 20, Page 2)**  
KPFD produced a door hanger/flyer that was used to provide information about Proposition 17-4 to residents in the City of Kennewick. KPFD purchased 3,000 door hangers/fliers at a cost of \$1,113.63. The flyers were distributed at KPFD open houses and informational presentations to service groups and other groups. They were made available at the Toyota Center, Toyota Arena and the Convention Center at all events. Some were distributed to households by the Tri City Amateur Hockey Association (TCAHA). Several youth hockey teams volunteered to hand them out as well as potentially other groups. Mr. Pearson does not know how those groups determined what areas they focused on or how they identified homes, and KPFD did not provide direction on that point. Mr. Pearson recalls that there were fewer than *fifteen hundred* (1,500) flyers distributed door-to-door.

3.47 The door hanger included an architectural rendering of the proposed expansion, and the words “ENTERTAINMENT The Link will serve as a venue for recording artists, comedians, Broadway shows, conventions, and more! YOUTH SPORTS Plans include featuring a facility for indoor sports like youth soccer, gymnastics, hockey, and figure skating. Together, we can make the Tri-Cities a destination for **athletes, artists, conventions & more!** SALES TAX IMPACT – **ONLY 2 CENTS ON EVERY \$10!** – From **everyone** from **all communities** who spend in Kennewick – TO LEARN MORE VISIT – **THE LINKTC.COM.**” The backside of the door hanger/flyer included an architectural rendering of the proposed expansion with a chart describing the components of the proposed expansion. It included a statement about keeping up with the demand for entertainment and events, a statement about the size of the facility, and a statement about project funding, which states, “The project will be 100% funded by a proposed 0.2% sales tax increase. That’s only 2 cents on every \$10!” It says, “TO LEARN MORE VISIT – **THE LINKTC.COM**, and concludes with, “**IT’S YOUR 2 CENTS – REMEMBER TO VOTE - PROPOSITION 17-4**” with a check mark inside a circle.

3.48 **Mailer – (Exhibit 16, Pages 13 & 14, Exhibit 19, and Exhibit 20, Page 3)** KPFD paid for the printing of 14,000 mailers at a cost of \$3,971.63. The mailer was targeted to registered voters who had voted in the 2016 Primary Election, 2016 February Special Election, and 2014 Primary Election, rather than being sent to all households in the City of Kennewick. KPFD said they focused their efforts on areas in which households were more likely to vote based on previous elections. KPFD stated it did not have funds to send out the mailer to every household, so they tried to make the most of their effort. KPFD also used the mailers for presentations and at the facilities for attendees of their events. KPFD said certain

groups also distributed the mailer (and the door hanger/flyer). For instance, the Tri City Americans circulated the mailer and flyer to the booster club and their season ticket holders. Toyota of Tri Cities and Retter and Company Realty took mailers/fliers for their staff and customers. During open houses at the convention center, the flyers and mailers were distributed to attendees. Mr. Pearson recalls that one box of mailers/fliers was left after the election.

3.49 The mailer showed an architectural rendering of the proposed facility, the statement, “**SOMETHING FOR EVERYONE, VISIT THE LINKTC.COM**,” the statement, “**REMEMBER TO VOTE – PROPOSITION 17-4**,” the statement, “Together we can make the Tri-Cities a destination for **athletes, artists, conventions & more!**” The backside of the mailer included an overview of the proposed expansion, in chart form, with an explanation of the proposed funding for the expansion. The backside of the mailer also included the statement, “**SALES TAX IMPACT – ONLY 2 CENTS ON EVERY \$10!** – From **everyone** from **all communities** who spend in Kennewick – IT’S YOUR 2 CENTS – **REMEMBER TO VOTE - PROPOSITION 17-4**,” with a check mark inside a circle – “TO LEARN MORE VISIT – **THE LINKTC.COM**.”

3.50 Newspaper Advertising – (**Exhibit 16, Page 16, Exhibit 19, and Exhibit 21**) KPFM produced a newspaper advertisement concerning Proposition 17-4. The one quarter page, full color ad, ran in the Tri-City Herald on six separate dates for a total cost of \$3,888.03. The ad ran on Wednesday, September 27, 2017, Sunday, October 1, 2017, Tuesday, October 3, 2017, Wednesday, October 11, 2017, Sunday, October 15, 2017, and Tuesday, October 17, 2017.

3.51 The newspaper ad, produced by Focal Point Marketing, showed an architectural rendering of the proposed expansion with an overlay that said, “**THE LINK ENTERTAINMENT CENTER – KENNEWICK PUBLIC FACILITIES DISTRICT 17-4**. Under the image of the facility were the words, “The Link is a proposition of the **Kennewick Public Facilities District** to renovate, expand and connect the Toyota Center and add a **2,300 seat performance-style theater**, youth hockey and sports arena, along with a lighted parking area and **1,000 additional parking spaces**. It includes an image of two coins, and includes the words “**SALES TAX IMPACT – 2 CENTS ON EVERY \$10!** – From **everyone** from **all communities** who spend in Kennewick.” The last section of the ad includes a recap of what the project will produce, and closes with, “**REMEMBER TO VOTE – NOVEMBER 7, 2017**” and ““TO LEARN MORE, VISIT **THELINKTC.COM**.”

3.52 Banner – (**Exhibit 16, Page 16, Exhibit 19, and Exhibit 20, Page 1**) KPFM produced a banner for use in its effort to provide information to the public about Proposition 17-4. KPFM purchased six banners for a total cost of \$2,280.60. The banners were used on-site at the Three Rivers Convention Center, and were set up in booths during events, such as a chamber of commerce event or a bridal show.

3.53 The banner included an architectural rendering of the proposed expansion, with an overlay that says, “The Link Entertainment Center – **SOMETHING FOR EVERYONE**.” It includes a facility update, listing the three major outcomes of Performance Stage,

Renovations, and Youth Sports Arena. It then says, “Together we can make the Tri-Cities a destination for athletes, artists, conventions and more! The banner also includes the statement, “**SALES TAX IMPACT – ONLY 2 CENTS ON EVERY \$10!** and “REMEMBER TO VOTE – AUGUST 2017” and “TO LEARN MORE VISIT [WWW.THELINKTC.COM](http://WWW.THELINKTC.COM).”

### Focal Point’s Marketing Budgets for TV and Radio

3.54 Before placing the TV and radio ads, Focal Point completed the National Association of Broadcasters Form PB-18, representing that payment for the broadcast ads had been furnished by Kennewick Public Facilities District, Corey Pearson, Chief Executive Officer, and Barbara Johnson, Board of Directors. (**Exhibit 2, Pages 28-31**) Following is a summary of KPFD’s TV and radio ad purchases: (**Exhibit 16, Pages 8-10**)

Date	TV Ad Cost	Number of Ads	Radio Ad Cost	Number of Ads	TV & Radio Combined Cost	Number of Ads – TV & Radio Combined
9/8/2017	\$2,545	26	\$575	35	\$3,120	61
10/3/17	\$1,250	29	\$300	23	\$1,550	52
10/16/17	\$1,800	9	\$1,999	87	\$3,799	96
Total	\$5,595	64	\$2,874	145	\$8,469	209

### Content of Radio and TV Advertising

#### Radio & TV Ads Purchased by Focal Point Marketing on Behalf of KPFD

3.55 The content of the radio and TV ads included a script similar to text and material in the District’s informational mailer and website. The radio and TV ads were developed by Focal Point Marketing and Multimedia on behalf of the District.

3.56 Focal Point Marketing purchased 64 TV spots and 145 Radio spots on behalf of KPFM to inform the public about Proposition 17-4. The TV and Radio spots were 30 seconds in length. The content of the Radio ad was as follows: (**Exhibit 17**)

“Imagine, watching hit Broadway musicals, [Sound of Broadway music playing] or popular music, [Sound of a crowd at a popular music concert] all without leaving town. That’s the goal of The Link, a proposed facility to connect Toyota and Convention Centers with a performance stage [Sound of a performance]. Perform some

renovations [Sound of hammering] and construct a new youth sports arena [Sound of a referee's whistle and children cheering]. The project would be funded by a sales tax increase of two cents on every ten dollars [Sound of coins dropping]. Show your support by remembering to vote this November [Sound of upbeat music]. To learn more, visit [TheLinkTC.com](http://TheLinkTC.com).”

The content of the TV ad was as follows: (**Exhibit 18**)

“Imagine, watching hit Broadway musicals, [Sound of Broadway music playing with images of an audience watching a Broadway Musical performance] or popular music, [Sound of a crowd at a popular music concert with images of a band performing and sounds registering on a soundboard] all without leaving town. That’s the goal of The Link, [Image of an architectural rendering of the proposed facility] a proposed facility to connect the Toyota and Convention Center with a performance stage [Sound of a performance]. Perform some renovations [Sound of hammering and an image of construction tools] and construct a new Youth Sports Arena [Sound of a referee’s whistle and children cheering, along with an image of a sports arena with athletes playing hockey, volleyball, basketball, and soccer]. The project would be funded by a sales tax increase of two cents on every ten dollars [Sound of coins dropping, and an image of two coins next to the words, ‘THAT’S ONLY 2 CENTS ON \$10!’ and the words ‘From **everyone from all communities** who spend in Kennewick’]. Remember to vote this November [Sound of upbeat music playing with the words, ‘It’s your 2 cents – **REMEMBER TO VOTE – PROPOSITION 17-4. The Link is a Public Facilities District project**’] [With the words ‘visit **THELINKTC.COM**’.]”

3.57 On September 8, 2017, Focal Point purchased 26 TV spots for \$2,545, and 35 radio spots for \$575, for a total cost of \$3,120. The 26 TV spots were shown during a variety of time slots in the early morning, afternoon, and evening, during the following shows: CBS This Morning; Dr. Phil; Judge Judy; Bull; Wake Up Northwest; NBC Right Now Local News at 5:00 p; NBC Right Now Local News at 6:00 p; Good Morning NW; Good Morning America; Shark Tank; Celebrity Family Feud; Entertainment Tonight; and Modern Family. The 35 radio spots aired in the morning, afternoon, and evening hours on stations with program content of news talk, adult contemporary, and variety.

3.58 On October 3, 2017, Focal Point purchased 29 TV ad spots for \$1,250 and 23 radio ad spots for \$300, for a total cost of \$1,550. These ads were aired during morning news and variety programs, Ellen DeGeneres in the afternoon, and Hallmark in the evening. The radio spots aired during news talk and adult contemporary programs.

3.59 On October 16, 2017, Focal Point Marketing purchased nine TV spots for \$1,800 and 87 radio spots for \$1,999 for a total cost of \$3,799. The nine TV ads aired during Wisdom of the Crowd, Bull, Local News, CBS Morning This Saturday, SEC Football, Will &

Grace/Superstore Encore, Chicago Fire, and College Football. The 87 radio spots aired during Variety, Country, Classic Rock, The Wolf, New Talk, and Adult Contemporary programs.

### **KPFD Training on the Prohibitions in RCW 42.17A.555**

3.60 Craig Briggs inquired of KPFD concerning whether VenuWorks of Kennewick LLC was trained on the statutory limits contained in RCW 42.17A concerning ballot proposition 17-4. He stated, while no record exists documenting this training, KPFD does recall Lee Kerr of the Kerr Law Group holding a training session with KPFD and Corey Pearson where the prohibitions on advocating for or against a ballot proposition and use of public facilities was explained. This training session was confirmed through Barbara Johnson, then KPFD President and current KPFD Board Member, and Mr. Pearson, VenuWorks of Kennewick, LLC Employee and Executive Director for the Three Rivers Convention Center.

### **KPFD Board Meetings**

3.61 June 22, 2017 Board Meeting – Board members in attendance included: Barbara Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; Calvin Dudney, Board Member; and Renee Brooks, Board Member. Corey Pearson discussed the options concerning when to put the Link project back on the ballot and creating a Link committee to present and make a recommendation at the July Board meeting. (**Exhibit 22**)

3.62 July 20, 2017 Board Meeting - Board members in attendance included: Barbara Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; and Renee Brooks, Board Member. Calvin Dudney, Board Member, was excused. Corey Pearson approached the Board for putting the Link back on the November ballot. Discussion was held on the educational side of the campaign with options on moving forward with the November election. Resolution 118-17: A resolution providing for the submission of a proposition to the qualified voters of the Kennewick Public Facilities District imposing a 2/10 of 1% sales and use tax for the purpose of funding the expansion and improvements to the Three Rivers Campus; and requesting that the Benton County Auditor place the proposition on the November ballot was approved unanimously by the Board. Barbara Johnson presented Resolution 119-17, establishing pro and con committees required by law. The statements by these committees will be placed on the November 7th ballot for Kennewick voters to view. (**Exhibit 23**)

3.63 August 24, 2017 Board Meeting - Board members in attendance included: Barbara Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; and Renee Brooks, Board Member. Calvin Dudney, Board Member, was excused. Corey Pearson discussed how the educational campaign was going with commercials, a booth at the local fair, and materials, and said they are shaping up for the November ballot. (**Exhibit 24**)

3.64 September 20, 2017 Board Meeting - Board members in attendance included: Barbara Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; and Renee Brooks, Board Member. Calvin Dudney, Board Member, was excused. Corey Pearson gave an update on the educational campaign with open houses in the process. (**Exhibit 25**)

3.65 October 26, 2017 Board Meeting - Board members in attendance included: Barbara Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; and Renee Brooks, Board Member. Calvin Dudney, Board Member, was excused. The Board met with Eric Ferguson, attorney for the District, in Executive Session, to discuss pending litigation. Corey Pearson gave an update on the educational campaign. (**Exhibit 26**)

3.66 November 21, 2017 Board Meeting - Board members in attendance included: Barbara Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; Calvin Dudney, Board Member; and Renee Brooks, Board Member. Corey Pearson discussed with the Board the failed measure. (**Exhibit 27**)

3.67 During the period when the alleged violations occurred, Mr. Pearson worked closely with Barbara Johnson, KPFM Board President. Mr. Pearson regularly updated the KPFM board concerning the operations and activities of the District, including its informational campaign to inform the public about Proposition 17-4. However, Board members John Neill, Ron Hue, Renee Brooks, and Calvin Dudney contend the extent of their knowledge concerning Mr. Pearson's informational campaign was limited to status updates/progress reports, and they were never made aware of the content of the various media which VenuWorks and Focal Point had produced in advance of their publication for the informational campaign. Board members John Neill, Ron Hue, Renee Brooks, and Calvin Dudney contend they did not involve themselves in the day-to-day efforts of the informational campaign, and did not have knowledge of the content of the various media until publication, and thus did not have a basis upon which to object during the August, September, or October board meetings.

### III. SCOPE

4.1 PDC staff reviewed the complaint filed by Mr. Lenk, including multiple complaint supplements; the response submitted on behalf of Kennewick Public Facilities District Officials by Lee Kerr; Mr. Lenk's reply to Mr. Kerr's response to the complaint; and supporting documents obtained from the Respondent and vendors used by the Respondent.

### IV. LAW

**RCW 42.17A.555** states, in part: No elective official nor any employee of his or her office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition. Facilities of a public office or agency include, but are not limited to, use of stationery, postage, machines, and equipment, use of employees of the office or agency during working hours, vehicles, office space, publications of the office or agency, and clientele lists of persons served by the office or agency. However, this does not apply to the following activities: ... (3) Activities which are part of the normal and regular conduct of the office or agency." during the previous seven days.

**WAC 390-05-271(2)** states that RCW 42.17A.555 does not prevent a public office or agency from (a) making facilities available on a nondiscriminatory, equal access basis for political uses or (b) making an objective and fair presentation of facts relevant to a ballot proposition, if such action is part of the normal and regular conduct of the office or agency.

**WAC 390-05-273** defines “normal and regular conduct” as conduct that is (1) lawful, i.e., specifically authorized, either expressly or by necessary implication, in an appropriate enactment, and (2) usual, i.e., not effected or authorized in or by some extraordinary means or manner. The rule states that no local office or agency may authorize a use of public facilities for the purpose of assisting a candidate's campaign or promoting or opposing a ballot proposition, in the absence of a constitutional, charter, or statutory provision separately authorizing such use.

**PDC Interpretation 04-02 (Exhibit 28)** Guidelines for Local Government Agencies in Election Campaigns, Basic Principles, Number 7, states, “**7a.** Historically, the PDC has routinely advised and held that with respect to election related publications, one jurisdiction-wide objective and fair presentation of the facts per ballot measure is appropriate. In addition, if an agency\* has also customarily distributed this information through means other than a jurisdiction-wide mailing (e.g. regularly scheduled newsletter, website, bilingual documents, or other format), that conduct has also been permitted under [RCW 42.17A.555](#) so long as the activity has been normal and regular for the government agency. **7b.** The PDC will presume that every agency may distribute throughout its jurisdiction an objective and fair presentation of the facts for each ballot measure. If the agency distributes more than this jurisdiction-wide single publication, the agency must be able to demonstrate to the PDC that this conduct is normal and regular for that agency. In other words, the agency must be able to demonstrate that for other major policy issues facing the government jurisdiction, the agency has customarily communicated with its residents in a manner similar to that undertaken for the ballot measure. **7c.** Agencies are urged to read the definitions of "normal and regular" at [WAC 390-05-271](#) and [WAC 390-05-273](#). **Agencies need to be aware, however, that in no case will the PDC view a marketing or sales effort related to a campaign or election as normal and regular conduct.”**

Respectfully submitted this 7<sup>th</sup> day of January 2021.

*Electronically Signed Phillip E. Stutzman*

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Philip E. Stutzman  
Compliance Officer

#### **EXHIBIT LIST**

**Exhibit 1** Staff dismissal letter for PDC Case 5562, Officials of Kennewick Public Facilities District, Proposition 16-8, August 2, 2016 Primary Election

**Exhibit 2** Original complaint and Exhibits filed by Roger Lenk on September 11, 2017, and 3<sup>rd</sup> amendment to original complaint, filed October 16, 2017 with attachments sent

December 3, 2017 (35 pages). Staff later discovered additional amendments to the complaint, identified as follows: 1<sup>st</sup> amendment sent 10/1/17; 2<sup>nd</sup> amendment sent 10/6/17; 4<sup>th</sup> amendment sent 10/21/17; 5<sup>th</sup> amendment sent 12/10/17; 6<sup>th</sup> amendment sent 12/19/17; 7<sup>th</sup> amendment sent 12/19/17; and 8<sup>th</sup> amendment sent 12/24/17.

- Exhibit 3** 1<sup>st</sup> amendment to complaint, received 10/1/17 (81 pages).
- Exhibit 4** 2<sup>nd</sup> amendment to complaint, received 10/6/17 (4 pages).
- Exhibit 5** 4<sup>th</sup> amendment to complaint, received 10/21/17 (5 pages)
- Exhibit 6** 7<sup>th</sup> and 8<sup>th</sup> amendment to complaint, received 12/19/17 (3 pages).
- Exhibit 7** Extended Facilities Management Agreement – Attachment to 8<sup>th</sup> complaint amendment, received 12/24/17 (58 pages).
- Exhibit 8** Response to complaint from Lee Kerr on behalf of the KPFM, dated January 16, 2018 and received January 22, 2018.
- Exhibit 9** Article written by Wendy Culverwell, May 10, 2017.
- Exhibit 10** Article written by Wendy Culverwell, June 29, 2016.
- Exhibit 11** Article written by Wendy Culverwell, July 7, 2017.
- Exhibit 12** Editorial written by Editorial Board of the Tri-City Herald, July 15, 2017.
- Exhibit 13** Letter-to-the-Editor written by Nolan Kadinger in 2017.
- Exhibit 14** Reply by complainant Roger Lenk to KPFM's response to original complaint and 3<sup>rd</sup> amendment, received January 21, 2018.
- Exhibit 15** Roger Lenk letter to Lee Kerr Re: Lenk's Public Records Request to KPFM
- Exhibit 16** Response to additional PDC staff questions, received July 16, 2020 from Craig Briggs, on behalf of KPFM.
- Exhibit 17** Radio Advertisement (Audio File) paid for by Kennewick Public Facilities District.
- Exhibit 18** TV Advertisement (Video File) paid for by Kennewick Public Facilities District.
- Exhibit 19** Response to Questions 11/3/20
- Exhibit 20** Banners-Door Hangers-Mailers Invoices

Corey Pearson, Executive Director, VenuWorks; and  
Barbara Johnson, then-President, Kennewick Public Facilities District, PDC Case 28028  
Report of Investigation  
Page - 23 -

**Exhibit 21** Newspaper Ad Invoices

**Exhibit 22** KPFD Board Meeting Minutes 6/22/17

**Exhibit 23** KPFD Board Meeting Minutes 7/20/17

**Exhibit 24** KPFD Board Meeting Minutes 8/24/17

**Exhibit 25** KPFD Board Meeting Minutes 9/20/17

**Exhibit 26** KPFD Board Meeting Minutes 10/26/17

**Exhibit 27** KPFD Board Meeting Minutes 11/21/17

**Exhibit 28** PDC Interpretation 04-02



STATE OF WASHINGTON  
PUBLIC DISCLOSURE COMMISSION

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May 30, 2018

[vepperly@charter.net](mailto:vepperly@charter.net)

Victor Epperly  
8930 W Canyon PL  
Kennewick, WA 99336-7961

Subject: Complaint filed against Officials of Kennewick Public Facilities District, PDC Case 5562

Dear Mr. Epperly:

Public Disclosure Commission (PDC) staff has completed its investigation of your complaint received June 1, 2016, alleging that officials of Kennewick Public Facilities District (Kennewick PFD, PFD, District, or KPFM) authorized the use of public facilities for the purpose of promoting Proposition 16-8, an alleged violation of RCW 42.17A.555. As evidence of this authorization, your complaint cited promotional activities undertaken by Tyler Borders and "Go-Big Tri-Cities" that you believed were carried out with the support and assistance of Corey Pearson, Executive Director of VenuWorks, the company under contract with the Kennewick PFD to manage the facilities under its control.

Your complaint stated that Kennewick PFD officials were made aware of this promotional activity, at a minimum, from statements made by Corey Pearson at a March 24, 2016 KPFM board meeting. Your view was that to the extent PFD officials authorized information being communicated in support of the ballot proposition, that authorization constituted a violation of RCW 42.17A.555 because it failed to accurately portray the anticipated impacts of Proposition 16-8.

The complaint was considered in light of the following statute:

**RCW 42.17A.555** states, in part: "No elective official nor any employee of his or her office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition. Facilities of a public office or agency include, but are not limited to, use of stationery, postage, machines, and equipment, use of employees of the office or agency during working hours, vehicles, office space, publications of the office or agency, and clientele lists of persons served by the office or agency. However, this does not apply to the

following activities: ... (3) Activities which are part of the normal and regular conduct of the office or agency."

PDC staff reviewed your complaint and responses submitted by or on behalf of the Respondent. Staff also reviewed: contracts between the KPFD and two facilities management companies; emails, communications, and other documents sent or received by KPFD staff or officials, or by the District's contractor, VenuWorks, that refer or relate in any way to Go Big Tri-Cities or Tyler Borders; minutes of the April 28, 2016 KPFD board meeting; PDC Campaign Finance reports and data submitted by Go Big Tri-Cities; and a preliminary response to a separate complaint that you filed concerning Tyler Borders and Go Big Tri-Cities. Staff also interviewed Tyler Borders, Director of Go Big Tri-Cities; Rustin Hall of ALSC Architects; Barbara Johnson President of the PFD board; and Corey Pearson, Executive Director of VenuWorks.

As a result of the investigation, staff found the following:

- The minutes of the March 24, 2016 Kennewick PFD board meeting reflected a description by Corey Pearson of past experiences of Tyler Borders when he provided consulting services for campaigns. The statements in the minutes did not reflect campaign work done for Proposition 16-8. The PFD did not vote to place Proposition 16-8 on the ballot until April 28, 2016, and the campaign to support the measure started after that date.
- A Facebook page located at [www.facebook.com/linktc](http://www.facebook.com/linktc) included a significant level of overtly promotional content related to the Proposition 16-8 expansion proposal. The author of the page spoke as a person deeply involved in the expansion proposal, making statements such as "we are working with bond council," (sic) and referring to "our architecture firm," and "our executive director." The author of the page was Tyler Borders. It was part of the promotional activities of Mr. Borders and Go Big Tri-Cities. No evidence was found that Kennewick PFD officials participated in or approved of the content on the page, or that PFD public facilities were used to create the page. Kennewick PFD officials are not responsible for the accuracy of the content of the page.
- Staff assessed whether PFD officials provided any concrete support for Proposition 16-8 campaign activity conducted by VenuWorks or "Go-Big Tri Cities." Staff reviewed copies of all contracts Kennewick PFD entered into with VenuWorks, and found no evidence that VenuWorks was being paid to promote ballot propositions benefiting the PFD.
- To assess whether Kennewick PFD provided any tacit support for activities to promote Proposition 16-8, PDC staff requested copies of all emails, communications, or other documents sent or received by Kennewick PFD staff or officials that refer or relate in any way to "Go Big Tri-Cities" or Tyler Borders. The District responded with 89 email conversations that included Mr. Borders as a sender or recipient. The District also provided communications in the possession of VenuWorks.
- The messages reviewed by PDC staff showed that Mr. Borders, in his role as a consultant with VenuWorks, was involved in the PFD's efforts to develop The Link expansion proposal. No evidence was found that the email exchanges included discussions between

PFD officials and Mr. Borders about Mr. Borders' Facebook page that promoted Proposition 16-8.

- The email correspondence showed that Mr. Borders engaged in multiple conversations about the ballot measure with representatives of the PFD's architectural firm, ALSC Architects. These conversations were separate from the contacts ALSC had with the PFD for initial conceptual design work. The emails showed that ALSC provided animation services to Mr. Borders that he used in marketing the expansion on Facebook.
- Staff determined that ALSC provided Go Big Tri-Cities with animation services to assist its political advertising that constituted in-kind contributions totaling \$7,522.50. ALSC was not paid for these services by the Kennewick PFD. Rustin Hall stated that ALSC had an interest in the ballot proposition passing, and decided to provide these services to Mr. Borders at no cost to assist the efforts of Go Big Tri-Cities. The failure to timely report this in-kind contribution was addressed during a PDC enforcement hearing held April 26, 2018 for Go Big Tri-Cities.
- Staff interviewed Barbara Johnson, President of the Kennewick PFD, and found that the PFD had no formal relationship with Tyler Borders. The research presented by Mr. Borders to the PFD board was done at the request of VenuWorks through a contract Mr. Borders had with VenuWorks. The PFD included information on its website about the proposed facility, distributed fact sheets at an open house for the public, and made presentations to the Chamber and for media that requested information. Ms. Johnson stated that PFD officials did not work with Mr. Borders to create his promotional Facebook page.
- Staff interviewed Corey Pearson, and found that VenuWorks hired Tyler Borders to conduct survey work on its behalf, to determine what the residents of Kennewick felt the community was lacking, and what they were looking for in public facilities. Mr. Pearson said the research work was paid for by VenuWorks because it hoped to benefit from expanded facilities to manage. Mr. Pearson confirmed that Tyler Borders attended the PFD meetings on behalf of VenuWorks.
- Mr. Pearson said VenuWorks used some of the visual representations of what was being proposed in the ballot proposition on its website, at the local fair, in its materials promoting use of the facility, and in a press kit to show their intentions to the public. He said this work was separate from any campaign work done by Go Big Tri-Cities.

As noted above, Tyler Borders conducted research on behalf of VenuWorks and assisted in making presentations to the PFD board about a potential ballot proposition. In addition, Mr. Borders and Go Big Tri-Cities promoted passage of Proposition 16-8. None of these activities involved the use of PFD resources.

After a careful review of the alleged violations and relevant facts, PDC staff have concluded the investigation. Staff found insufficient evidence to demonstrate that officials of the Kennewick Public Facilities District authorized the use of public facilities for the purpose of promoting Proposition 16-8, in violation of RCW 42.17A.555.

Victor Epperly  
PDC Case 5562  
Page 4

Because staff's investigation has not revealed sufficient evidence to establish a violation of any laws under the PDC's jurisdiction, with the concurrence of the Chair of the Commission, I am dismissing your complaint against the officials of the Kennewick Public Facilities District serving on the PFD board in June 2016.

If you have questions, please contact Phil Stutzman, Sr. Compliance Officer, at 360-664-8853, or toll-free at 1-877-601-2828 or by e-mail at [phil.stutzman@pdc.wa.gov](mailto:phil.stutzman@pdc.wa.gov).

Sincerely,



Peter Lavallee  
Executive Director

cc: Leland B. Kerr, Counsel for Kennewick PFD Officials  
Corey Pearson, VenuWorks  
Tyler Borders, Go Big Tri-Cities

## **COMPLAINT TO THE PUBLIC DISCLOSURE COMMISSION**

### **City of Kennewick/Kennewick Public Facilities District - Proposition 17-4 "The Link"**

#### **RESPONDENTS**

Perfect Privacy, LLC; 12808 Gran Bay Parkway West, Jacksonville Florida 32258; (902) 749-2701.

Corey Pearson, Manager Kennewick Public Facilities District; 7016 West Grandridge Boulevard Kennewick, Washington 99336, (509) 737-3701; [cpearson@3riverscampus.com](mailto:cpearson@3riverscampus.com); (see Exhibit 3, page 2).

Barb Johnson, President Kennewick Public Facilities District; 7016 West Grandridge Boulevard Kennewick, Washington 99336, (509) 737-3701; (see Exhibit 3, page 2).

Dave Retter, Owner Retter & Company Sotheby's International Realty; 329 N. Kellogg Kennewick, Washington 99336; (509) 783-8811; (see Exhibit 3, page 2).

Kris Watkins, President Visit Tri-Cities; 7130 W. Grandridge Blvd., Suite B, Kennewick, Washington 99336; (509) 735-8486; (see Exhibit 3, page 2).

#### **COMPLAINT**

On July 7, 2017, Respondent Perfect Privacy, LLC registered the web domain name [www.thelinktc.com](http://www.thelinktc.com) (see Exhibit 1). Perfect Privacy, LLC is a company with the sole purpose of establishing covert websites which avoid allowing the public to determine who is responsible for the content of said website. Simultaneously, Perfect Privacy, LLC established the hosting mechanism, designed the content, and published the website. Exhibit 2 is a copy of the website [www.thelinktc.com](http://www.thelinktc.com) which has a sole purpose of promoting Proposition 17-4 by way of content and endorsements.

On or about July 27, 2017, the Kennewick Public Facilities District adopted a resolution placing Proposition 17-4 on the November 7, 2017 General Election Ballot. Proposition 17-4 proposes increases the sales tax for City of Kennewick Residents by 0.2% for the purposes of funding the Link entertainment Center.

No Committee for the purposes of supporting Proposition 17-4 has been filed with the Public Disclosure Commission. By their failure to file for the November 7, 2017, and expending funds to support it, Respondents violated RCW 42.17A.205, RCW 42.17A.215, RCW 42.17A.220, RCW 42.17A.235 and RCW 42.17A.240.

Respondent Watkins has publicly stated that her Committee (Respondents) has \$70,000.00 to spend in support of the campaign for proposition 17-4 (see Exhibit 3, page 3).

By their use of public resources for supporting the Proposition 17-4 ballot measure, Corey Pearson, Manager Kennewick Public Facilities District and Barb Johnson, President Kennewick Public Facilities District violated RCW 42.56.555, use of public resources.

# **EXHIBIT 1**



thelinktc.com

Lookup

*Showing results for: thelinktc.com*

Original Query: thelinktc.com

## Contact Information

### Registrant Contact

Name: PERFECT PRIVACY, LLC

Organization:

Mailing Address: 12808 Gran Bay Pkwy West, Jacksonville FL 32258 US

Phone: +1.9027492701

Ext:

Fax:

Fax Ext:

Email:6akjsvvboehnm8nb7t5c6va3t0@domaindiscreet.com

### Admin Contact

Name: PERFECT PRIVACY, LLC

Organization:

Mailing Address: 12808 Gran Bay Pkwy West, Jacksonville FL 32258 US

Phone: +1.9027492701

Ext:

Fax:

Fax Ext:

Email:6akjsvvboehnm8nb7t5c6va3t0@domaindiscreet.com

### Tech Contact

Name: PERFECT PRIVACY, LLC

Organization:

Mailing Address: 12808 Gran Bay Pkwy West, Jacksonville FL 32258 US

Phone: +1.9027492701

Ext:

Fax:

Fax Ext:

Email:6akjsvvboehnm8nb7t5c6va3t0@domaindiscreet.com

## Registrar

WHOIS Server: whois.networksolutions.com

URL: http://www.networksolutions.com/en\_US/

Registrar: NETWORK SOLUTIONS, LLC.

IANA ID: 2

Abuse Contact Email:abuse@web.com

Abuse Contact Phone: +1.8003337680

## Status

Domain Status:clientTransferProhibited http://icann.org/epp#clientTransferProhibited

## Important Dates

Updated Date: 2017-07-07

Created Date: 2017-07-07

Registrar Expiration Date: 2018-07-07

## Name Servers

ns7.wixdns.net

ns6.wixdns.net

## Raw WHOIS Record

Domain Name: thelinktc.com

Registry Domain ID: 2141008674\_DOMAIN\_COM-VRSN  
Registrar WHOIS Server: whois.networksolutions.com  
Registrar URL: http://www.networksolutions.com/en\_US/  
Updated Date: 2017-07-07T18:54:28Z  
Creation Date: 2017-07-07T18:54:27Z  
Registrar Registration Expiration Date: 2018-07-07T18:54:27Z  
Registrar: NETWORK SOLUTIONS, LLC.  
Registrar IANA ID: 2  
Registrar Abuse Contact Email: abuse@web.com  
Registrar Abuse Contact Phone: +1.8003337680  
Reseller:  
Domain Status: clientTransferProhibited  
<http://icann.org/epp#clientTransferProhibited>  
Registry Registrant ID:  
Registrant Name: PERFECT PRIVACY, LLC  
Registrant Organization:  
Registrant Street: 12808 Gran Bay Pkwy West  
Registrant City: Jacksonville  
Registrant State/Province: FL  
Registrant Postal Code: 32258  
Registrant Country: US  
Registrant Phone: +1.9027492701  
Registrant Phone Ext.:  
Registrant Fax:  
Registrant Fax Ext.:  
Registrant Email: 6akjsvvboehnm8nb7t5c6va3t0@domaindiscreet.com  
Registry Admin ID:  
Admin Name: PERFECT PRIVACY, LLC  
Admin Organization:  
Admin Street: 12808 Gran Bay Pkwy West  
Admin City: Jacksonville  
Admin State/Province: FL  
Admin Postal Code: 32258  
Admin Country: US  
Admin Phone: +1.9027492701  
Admin Phone Ext.:  
Admin Fax:  
Admin Fax Ext.:  
Admin Email: 6akjsvvboehnm8nb7t5c6va3t0@domaindiscreet.com  
Registry Tech ID:  
Tech Name: PERFECT PRIVACY, LLC  
Tech Organization:  
Tech Street: 12808 Gran Bay Pkwy West  
Tech City: Jacksonville  
Tech State/Province: FL  
Tech Postal Code: 32258  
Tech Country: US  
Tech Phone: +1.9027492701  
Tech Phone Ext.:  
Tech Fax:  
Tech Fax Ext.:

Tech Email: 6akjsvvboehnm8nb7t5c6va3t0@domainindiscreet.com  
Name Server: ns7.wixdns.net  
Name Server: ns6.wixdns.net  
DNSSEC: Unsigned  
URL of the ICANN WHOIS Data Problem Reporting System:  
<http://wdprs.internic.net/>  
>>> Last update of WHOIS database: 2017-09-10T17:42:09Z <<<

For more information on Whois status codes, please visit  
<https://www.icann.org/resources/pages/epp-status-codes-2014-06-16-en>.

The data in Networksolutions.com's WHOIS database is provided to you by Networksolutions.com for information purposes only, that is, to assist you in obtaining information about or related to a domain name registration record. Networksolutions.com makes this information available "as is," and

does not guarantee its accuracy. By submitting a WHOIS query, you agree that you will use this data only for lawful purposes and that, under no circumstances will you use this data to: (1) allow, enable, or otherwise support the transmission of mass unsolicited, commercial advertising or solicitations via direct mail, electronic mail, or by telephone; or (2) enable high volume, automated, electronic processes that apply to Networksolutions.com (or its systems). The compilation, repackaging, dissemination or other use of this data is expressly prohibited without the prior written consent of Networksolutions.com. Networksolutions.com reserves the right to modify these terms at any time.

By submitting this query, you agree to abide by these terms.

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[WHOIS Service Complaint Form](#)

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## **EXHIBIT 2**

# OVERVIEW


[Learn More](#)

## TOYOTA CENTER RENOVATIONS

- New arena seating
- Handrails added to arena
- Expanded concourse
- Additional ADA seating

## CONVENTION CENTER EXPANSION

- Multipurpose room
- Added community trade shows

## YOUTH HOCKEY & SPORTS

- Hockey for youth
- Multipurpose area for all sports (volleyball, gymnastics, soccer and more)
- Ice skating

## PARKING EXPANSION

- New lighted parking lot

## ECONOMIC IMPACT

- \$66M economic impact
- Generates new tax revenue providing additional money for roads, parks, police and fire departments

## PERFORMANCE THEATER

- Concerts
- Lectures
- Comedy
- Broadway

**REMEMBER TO VOTE – PROPOSITION 17-4**



**SALES TAX IMPACT –  
ONLY 2¢ ON EVERY \$10!**

– From everyone from all communities who spend in Kennewick –

## What are the benefits you will receive with The Link Entertainment Center?

### Toyota Center Renovations-

- New arena seating
- Handrails added to arena
- Expanded Concourse
- Additional ADA Seating
- Concession Stand Upgrades
- New Sound System
- Aisle lighting added to arena seating
- New Video Boards

### Convention Center Expansion-

- Multipurpose Room added for community and trade shows
- New lobby connecting Convention center to Toyota Center

### Youth Hockey & Sports Arena-

- Hockey rink for youth
- Ice Skating
- Multipurpose area for all sports including ( Volleyball, Basketball, Soccer Gymnastics, etc. )

### Parking Expansion-

- 1,000 added parking spots around the Toyota Center and Convention center
- Lighted and paved parking

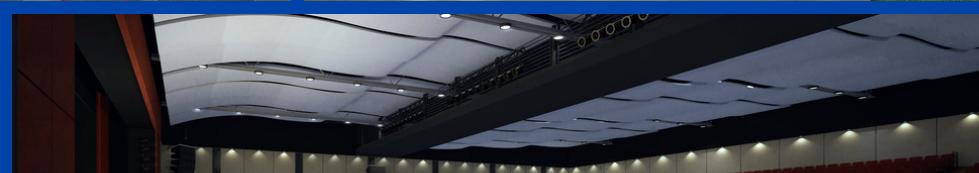
### Performance Theater-

- New 2,300 seat theater
- Bring in National touring acts such as ( Concerts, Comedy, Lectures, Broadway and many more)

### Economic Impact-

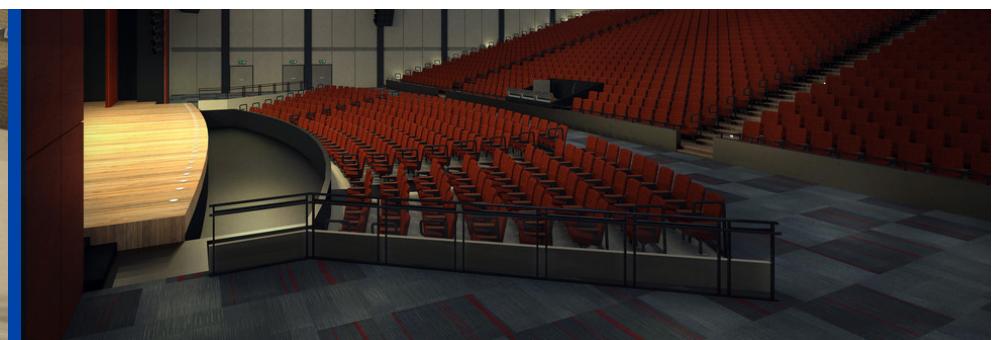
- \$66 Million dollar economic Impact
- Generated new tax revenue which provides additional money for roads, parks, police and fire departments





9/10/2017

thelinktc | Photos



ly Asked  
?

## Parking

We are thrilled to share the City of Kennewick special resolution that passed unanimously June 28th, guaranteeing additional parking for The Link if our proposition passes.

Here's an excerpt from the resolution:

"In anticipation of implementation of the master plan for the Entertainment District and support of the Vista Vision master plan, the City has approximately 29 acres of land in the vicinity of the Entertainment District that could be used to support and complement development in this area. Part of that support would be to address the existing parking concerns that have been raised and the parking needed as future development occurs. The purpose of the resolution is to provide a commitment to the Kennewick Public Facilities District and other partners in the Entertainment District that the City will work in partnership to develop a parking plan in the event that the ballot proposition for the Link project is approved. The intent is to provide a plan that will add up to 1,000 parking spaces as determined by City code to support increased parking demands created by the new facility. This parking plan will also support the existing events and businesses in the Entertainment District."

## What kind of tax is this?

The Link will be funded by a Two-Tenths of a 1% sales tax. This is 2 cents on every ten dollars spent in Kennewick. This means anyone who spends money in Kennewick will help fund The Link, not just Kennewick residents. This tax doesn't apply to groceries, medication, utilities or rent.

## Where does my Sales Tax dollars go?

Each dollar in sales tax received by the City of Kennewick is allocated to support these important services.  
 Police Services – 46 cents  
 Fire Stations – 20 cents  
 Streets and Traffic- 16 cents  
 Parks & Facilities- 11 cents  
 Planning & Development – 3 cents  
 Recreation – 4 cents

## What is this theater?

The Link Theater is designed for entertainment! The kind of entertainment that will be brought is Comedy shows, intimate concerts and Broadway plays.

## Why not have it privately funded?

Almost every convention center is owned by a public entity. Because of the major impact these facilities have on local economies, they are best suited to be able to recoup costs of the facility by way of increased taxes.

## Total cost of expansion project?

The Link would be funded by the Sale Tax of two-tenths percent, with total project cost of \$45 million dollars.

## Why is the tax only in Kennewick?

The Kennewick Public Facilities District is only able to collect within our boundaries which is the city of Kennewick.

## How long do we have to pay this tax?

This tax will expire with the repayment of the bonds in 25 years.

## How does this affect me?

As we increase visitors to Kennewick we will add more revenues to the City of Kennewick and lessening our reliance of property tax which is strictly borne by local residents. Even if you never attend an event at any of the facilities your Police, Fire, roads and parks are supported by every visitor to the city.

## Will this bring more events to the Toyota Center?

Absolutely, because of the additional performance space in the convention center, there will be more events moving to the new space. This will free up numerous dates for us to book other national touring shows and allow for better dates for the Americans hockey team.

## Why do we need a 3rd sheet of ice?

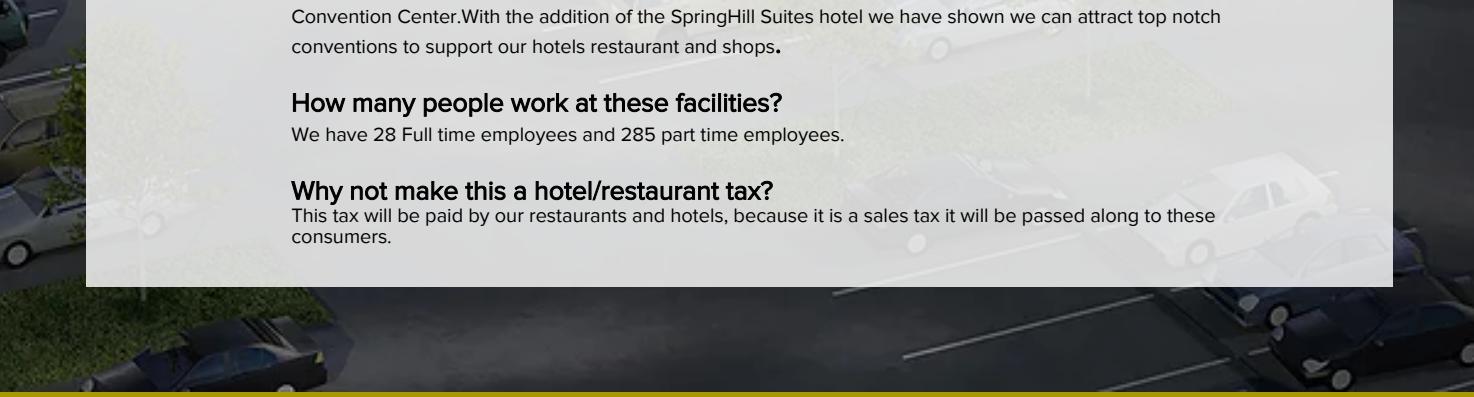
Youth hockey is a big sport in the Tri Cities and has a big impact with visiting teams in the winter months. The current rink located in Pasco has threatened to close due to ill repair and a lack of maintenance on a very old system not designed for its current use. This facility will also allow us to attract other sports such as basketball and volleyball to name a few.

## This Isn't Just a Broadway theater

The performance space will allow for much more than just plays. This space can support lecture series, comedy shows and intimate concerts as well as family shows such as Sesame Street, Dora the explorer and Disney Live.

## Why do we need more convention space?

The Tri Cities is in danger of losing several of the larger conventions and conference that utilize our city every year. Larger cities like Spokane and Boise are attempting to attract our events as they outgrow the Three Rivers



Convention Center. With the addition of the SpringHill Suites hotel we have shown we can attract top notch conventions to support our hotels restaurant and shops.

**How many people work at these facilities?**

We have 28 Full time employees and 285 part time employees.

**Why not make this a hotel/restaurant tax?**

This tax will be paid by our restaurants and hotels, because it is a sales tax it will be passed along to these consumers.

HOME What's in it for me? About the LINK Frequently Asked Questions Photos Articles Contact/ Suggestions Endorsements



### ***Something for Everyone***

Due to our small, aging and over-booked facilities, the Tri-Cities has frequently missed the opportunity to host large entertainment and sports events. The positive economic impact of revenue and visitors to the area is then relinquished to surrounding cities such as Spokane or Yakima.

The construction of the The Link, a 110,000-square foot multi-purpose facility, would connect the already existing Toyota and Convention Centers and would allow the Tri-Cities to not be overlooked when opportunities arise.

With your support, The Link will serve as a venue for national caliber recording artists, comedians, Broadway shows, conferences, conventions and more. It will also serve as home for indoor sports like youth soccer, gymnastics, hockey, figure skating and more – and that's a big deal!

### ***Financial Impact – How It Works***

The Link project will be 100% funded by a proposed 0.2% sales tax increase. That's only 2¢ on every \$10! This is not a property tax.

In addition, funding the Link fuels commerce. Every new concert goer, convention attendee, and young athlete contributes to our local economy by frequenting shops, hotels and restaurants, which raises additional money for our roads, parks, Police and Fire Departments – and that's good business for everybody.

It's your two cents – Remember to vote before November 7th.



# **EXHIBIT 3**

**LOCAL**

## Missing Link? Battle lines drawn over controversial Kennewick project

BY WENDY CULVERWELL  
*wculverwell@tricityherald.com*

SEPTEMBER 09, 2017 3:15 PM

A Kennewick City councilman and a candidate for an open seat on the council are voicing opposition to a sales tax request to expand the Three Rivers Convention Center complex in Kennewick.

Councilman John Trumbo and candidate Bill McKay are part of a four-man committee formed to convince voters that Proposition 17-4, dubbed “The Link,” is a bad idea.

The Kennewick Public Facilities District is submitting a tax request to voters in November. Voters previously rejected a similar request in 2013 and an updated version that added a 2,300-seat Broadway-style theater in 2016.

ADVERTISING

The 2017 edition includes a new twist — a \$5 million ice rink to replace the aging one at Pasco’s TRAC. Franklin County is considering closing it for financial reasons. Without a new rink, youth hockey will not have enough ice to support its programs.

## Breaking News

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The \$45 million package of projects would add 110,000 square feet to the convention center and provide major upgrades to the Toyota Center, including better accommodations for visitors who use wheelchairs, and the theater in between them, hence the name “The Link”.

If voters say yes to The Link, the Kennewick sales tax will rise by two-tenths of a percent to 8.8 percent. It would add two cents to a \$10 purchase.

That will raise an estimated \$3.5 million annually, with proceeds dedicated to repaying debt for the \$45 million package of projects. Supporters say the tax will end when the bonds are repaid in 20 years or earlier if tax collections are higher than expected.

Opponents calculate it will cost the average household \$30 a year, half again more than the \$20 car tab fee that angered Richland residents this year. They also object to the addition of the ice rink, calling it a costly bid to win votes. Last year’s measure failed by fewer than 300 votes.

The two sides offered a preview of where the battle lines will occur as the Nov. 7 election approaches during an interview with the Tri-City Herald editorial board.

The pro side includes Dave Retter, owner of Retter & Company Sotheby’s International Realty; Corey Pearson, manager of the Three Rivers Complex; Kris Watkins, president of Visit Tri-Cities; and Barb Johnson, manager of Columbia Center mall as well as chair of the public facilities district.

Advocates contend the convention center and Toyota Center need updating to attract meetings and event business. The investment will yield \$66 million in economic activity, which will filter through the community in the form of jobs, visitor spending and tax dollars.

Retter called Proposition 17 a chance for Kennewick to demonstrate leadership.

Retter, whose company sponsors the temporary theater configuration that allows Toyota Center to host cultural performances, said it is in “appalling” shape. Locker rooms are inadequate for the many sports teams and entertainers who use the facility. Guests endure hard seats and cold conditions when they attend performances there.

“We’re better than that in the Tri-Cities,” he said.

The opposition committee includes Trumbo and McKay, as well as Jerry Martin, who is active in local Republican politics, and Vince Rundhaug, a local business owner who said raising the Kennewick sales tax will give local shoppers more incentive to take their business to sales tax-free Oregon.

Johnson emphasized she would never support the measure if she thought it would harm businesses in the mall.

But opponents argue the investment doesn’t make financial sense, and that government should confine itself to its core mission to protect public safety through police and fire service.

Mckay conducted a “breakeven analysis” that concluded Kennewick’s taxable retail sales base isn’t large enough to support the new debt. McKay is running against retired Ben Franklin Transit executive Christy Watts for an open seat on the council.

Mckay argued that the investment doesn’t break even unless Kennewick has at least \$1.75 billion in taxable retail sales. Though taxable retail sales in Kennewick in 2016 topped \$2 billion, he said that doesn’t diminish his larger point — sales tax collections rise in good times and fall in bad. The city could be left holding the bag if or when the economy turns south.

Trumbo said the higher taxable sales base doesn’t alter his opposition.

“I have confidence our argument is well founded. This is not the taxpayers’ responsibility,” he said.

Supporters pledged to do a better job of explaining The Link to the community this time. They say the 2016 campaign was waged largely on social media, and that many were ignorant of the request or confused. Many thought supporters wanted a new movie theater.

This time, they say they will spend up to \$70,000 on educational materials that will be delivered across multiple media platforms as well as at informational open houses.

"When it failed, we heard from a lot of people that the education was not there," Pearson said.

*Wendy Culverwell: 509-582-1514, @WendyCulverwell*

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## IN OTHER NEWS

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Facebook says it discovered Russian ad sales from the 2016 election



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## SITE INFORMATION

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**Roger Erich Lenk** replied to : pdc@pdc.wa.gov  
Thank you for your response.

Regarding No. 1, As noted in the ICAN whois report, Perfect Privacy owns the website supporting Proposition 17-4, including endorsements. It has not filed for a committee with the PDC, nor reported as in-kind contributions by any committee. In addition, Perfect Privacy is responsible for hosting and design. If it is a vendor, their response to the PDC will indicate how they were engaged and by whom.

Regarding item 2, I will be receiving emails from the Public Faculties District regarding Proposition 17-4 on Friday. I will provide the pertinent information shortly.

Regarding No. 3, in an editorial board with the Tri-city Herald, the proponent-respondents indicated they had \$70,000 to promote Proposition 17-4 across multiple platforms, such as that provided by Perfect Privacy, however, no PDC committee was filed for.

Thank you.

**Roger Erich Lenk**  
**1817 N. Road 76**  
**Pasco, Washington 99301**  
**(509) 542-0489**  
**[lenk.roger@gmail.com](mailto:lenk.roger@gmail.com)**

(Sun, 3 Dec at 12:37 PM)  
Merged from ticket [27983](#)

**Subject:** RE: The Link - Third Amendment

**Description:**

I was checking through my email and noticed my October 16, 2017 email did not have all the attachments. Here they are.

Thank you.

**Roger Erich Lenk  
1817 N. Road 76  
Pasco, Washington 99301  
(509) 542-0489  
[lenk.roger@gmail.com](mailto:lenk.roger@gmail.com)**

**From:** Roger Erich Lenk [mailto:[lenk.roger@gmail.com](mailto:lenk.roger@gmail.com)]  
**Sent:** Monday, October 16, 2017 11:32 AM  
**To:** PDC Support  
**Subject:** The Link - Third Amendment

Dear Mr. Ragins:

This is in follow-up to my complaint of September 11, 2017, and my amendments of October 1, 2017 and October 6, 2017.

The following partisan video (vote Yes for the Link), paid for by the Citizens for the Link Entertainment Center was posted on [www.thelinktc.com](http://www.thelinktc.com) website. See EXHIBIT 1. Said website was created on July 7, 2017. No political committee was registered with the PDC until September 15, 2017.

<https://www.youtube.com/watch?v=Sj0iaySdKxQ>

The above video has been used for advertising on local Television Stations since at least October 9, 2017. As of the date of this email, Citizens for the Link Entertainment Center show no expenditures for said advertisements, nor the design or preparation for same. The video starts with Respondent Retter and ends with Respondent Watkins., The partisan video also exclusively utilizes architectural videos paid for by the Kennewick Public Facilities District (said videos are too large to include in an email – Please advise if you would like me to send them on a compact DVD).

Respondent Pearson has been advertising for the Link Campaign for several months, absent a registered political committee. On August 31, 2017, Respondent Pearson awarded to Focalpoint a letter making it the agency of record for placing adds. Focal Point places all adds on behalf of the Kennewick Public Facilities for the Link Campaign. Such advertisements were not

“(a)ctivities which are part of the normal and regular conduct of the office or agency”. See EXHIBIT 2.

On September 13, 2017, Respondent Pearson, on behalf of the Kennewick Public Facilities District, submitted an agreement for political advertisements (The Link Campaign) signed by Respondents Pearson and Johnson. See EXHIBIT 3.

On September 21, 2017, Respondent Pearson on behalf of the Kennewick Public Facilities District, reviews add buys made by Focalpoint, for the Link Campaign to be reimbursed by the Kennewick Public Facilities District. These activities are not “(a)ctivities which are part of the normal and regular conduct of the office or agency”. See EXHIBIT 4.

It is now believed that [www.thelink.com](http://www.thelink.com) was paid for by the Kennewick Public Facilities District under the direction of Respondent Pearson. Both above facts above support that Respondent Pearson is in violation of RCW 42.17A.555, use of public facilities to support a ballot measure, which are not “(a)ctivities which are part of the normal and regular conduct of the office or agency”. In the alternative, The Link Campaign is being supported by individuals absent a properly registered political committee.

Thank you.

**Roger Erich Lenk  
1817 N. Road 76  
Pasco, Washington 99301  
(509) 542-0489  
[lenk.roger@gmail.com](mailto:lenk.roger@gmail.com)**

**From:** [Kati Schreck](#)  
**To:** [Corey Pearson](#)  
**Cc:** [Theresa Long](#)  
**Subject:** The Link Campaign Agency of Record  
**Date:** Monday, September 11, 2017 8:12:07 AM  
**Attachments:** [image001.gif](#)  
[Agency Of Record\\_3Rivers\\_Link.pdf](#)

---

Corey, can you please sign and return the attached Agency of Record? The stations need it for the Link Campaign placement.

Thank you.

Kati



**KATI SCHRECK** | Account Executive  
8551 Gage Boulevard, Suite K | Kennewick, WA 99336  
Office (509) 378-3013 | Fax (509) 378-3018  
[www.focalpointmarketing.com](http://www.focalpointmarketing.com)

August 30, 2017

Attn: Media Manager

Re: Three Rivers Convention Center – The Link Campaign

This letter is to confirm that we, Three Rivers Convention Center – The Link Campaign, have authorized the advertising agency, Focal Point Marketing and Multimedia, to handle all media placement as of August 30, 2017.

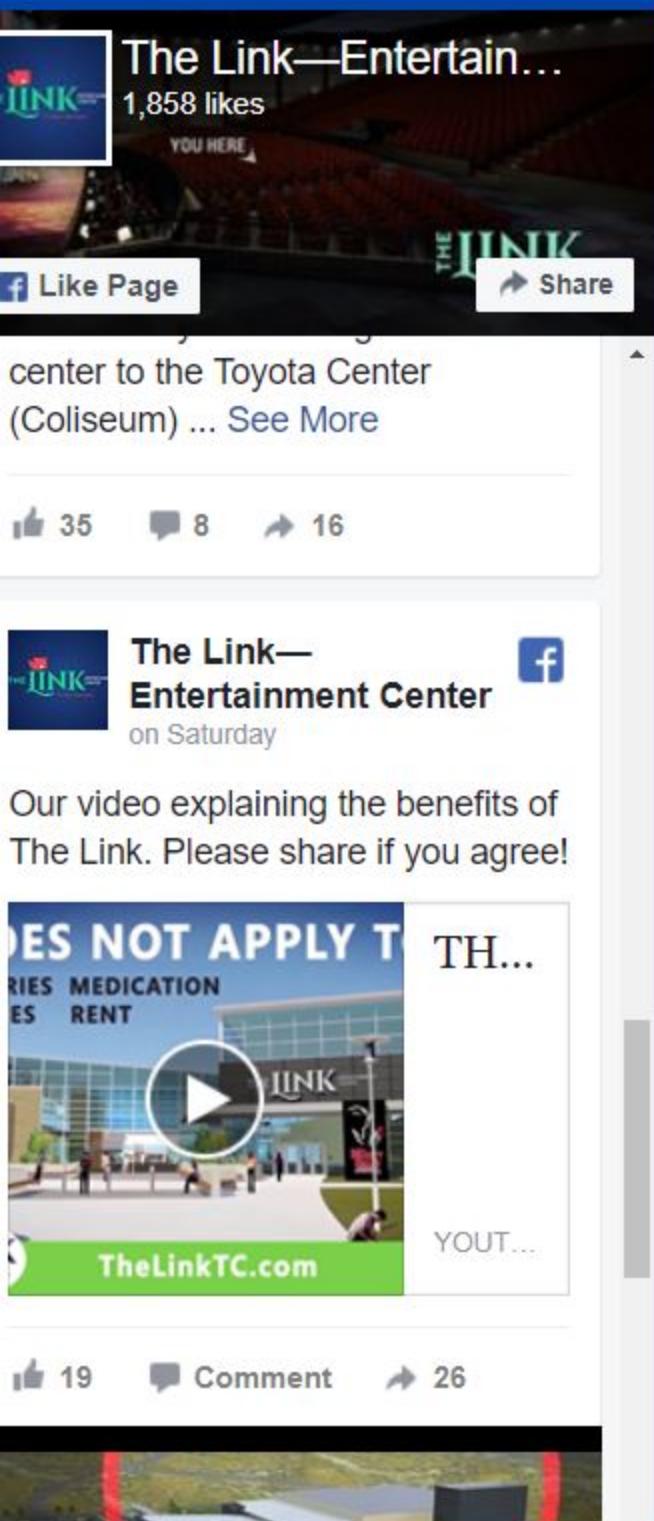
Focal Point Marketing and Multimedia is the agency of record for media buys for Three Rivers Convention Center – The Link Campaign. Please be sure all system orders reflect this.

Theresa Long and Kati Schreck will handle all media placement. All invoices should be sent to Focal Point Marketing and Multimedia at the address provided below.

Three Rivers Convention Center – The Link Campaign  
(Proposition no. 17-4)  
c/o Focal Point Marketing  
8551 Gage Blvd Suite "K"  
Kennewick, WA 99336  
509-378-3018

Thank you,

Corey Pearson  
Chief Executive Officer  
Three Rivers Convention Center – The Link Campaign  
7016 W. Grandridge Blvd.  
Kennewick, WA 99336



Have a SUGGESTION? TELL US, WE'RE LISTENING!

Your personal info remains private

Write your feedback here...

Complaint  
 Suggestion  
 Question  
 Compliment

Optional: provide an email if you'd like a response. We'll keep it secret

Add a photo (up to 2MB) Send

POWERED BY OWNERLISTENS

**From:** [Liz Lutz](#)  
**To:** [Theresa Long](#); [Corey Pearson](#)  
**Cc:** [Kati Schreck](#)  
**Subject:** RE: The Link Campaign September 2017 Pr-Pay Invoice for Radio and PB 18  
**Date:** Wednesday, September 13, 2017 10:43:12 AM  
**Attachments:** [S50C-117091309150.pdf](#)

---

Theresa,

Here is the radio paperwork. I am working with my account payable to get this bill paid over to you ASAP!

Thanks,  
Liz

---

**From:** Theresa Long [mailto:[theresa@fpm.agency](mailto:theresa@fpm.agency)]  
**Sent:** Tuesday, September 12, 2017 12:08 PM  
**To:** Liz Lutz <[lutz@3riverscampus.com](mailto:lutz@3riverscampus.com)>; Corey Pearson <[cpearson@3riverscampus.com](mailto:cpearson@3riverscampus.com)>  
**Cc:** Kati Schreck <[kati@fpm.agency](mailto:kati@fpm.agency)>  
**Subject:** The Link Campaign September 2017 Pr-Pay Invoice for Radio and PB 18

Hello Liz and Corey,  
Attached is the invoice for the pre-pay on radio. As discussed with Liz TV does not need to be pre-paid since I talked with all the GM's. Also attached is a PB18 form that we need filled out and sent back to us so that we can get it to all the media stations.

Please pay this invoice asap to Focal Point and we will get payment to the radio stations so that we can get your spots running. Please let me know that you have received this email.

Thanks,  
Theresa

**THERESA LONG** | Co-Founder & Marketing Strategist  
8551 Gage Boulevard, Suite K | Kennewick, WA 99336  
**office** (509) 378-3014 | **fax** (509) 378-3018  
[www.focalpointmarketing.com](http://www.focalpointmarketing.com)

## AGREEMENT FORM FOR NON-CANDIDATE/ISSUE ADVERTISEMENTS

<b>Station and Location:</b>	<b>Date:</b>
------------------------------	--------------

I, Coryn Pearson  
do hereby request station time concerning the following issue:

<u>The VINK Campaign</u>
--------------------------

<b>Broadcast Length</b>	<b>Time of Day, Rotation or Package</b>	<b>Days</b>	<b>Class</b>	<b>Times per Week</b>	<b>Number of Weeks</b>

This broadcast time will be used by: \_\_\_\_\_

**THIS PAGE MUST BE COMPLETED FOR PROGRAMMING THAT  
"COMMUNICATES A POLITICAL MATTER OF NATIONAL IMPORTANCE."  
FOR ALL OTHER ISSUE ADS, PLEASE GO TO PAGE 3.**

Programming that "communicates a political matter of national importance" includes (1) references to legally qualified candidates (presidential, vice presidential or congressional); (2) any election to Federal office (e.g., any references to "our next senator", "our person in Washington" or "the President"); and (3) a national legislative issue of public importance (e.g., Affordable Care Act, revising the IRS tax code, federal gun control or any federal legislation).

**Does the programming (in whole or in part) communicate "a message relating to any political matter of national importance?"**

Yes

No

For programming that "communicates a message relating to any political matter of national importance," list the name of the legally qualified candidate(s) the programming refers to, the offices being sought, the date(s) of the election(s) and/or the issue to which the communication refers (if applicable):

I represent that the payment for the above described broadcast time has been furnished by (name and address):

*Kennewick public Facility's district  
7000 W. Grandridge Blvd, Kennewick, WA 99336*

and you are authorized to announce the time as paid for by such person or entity (hereinafter referred to as the "sponsor").

List the chief executive officers or members of the executive committee or the board of directors below (or attach separately):

For programming that "communicates a message relating to any political matter of national importance," attach Agreed Upon Schedule (Page 5)

**THIS PAGE MUST BE COMPLETED FOR PROGRAMMING THAT  
DOES NOT "COMMUNICATE A POLITICAL MATTER OF NATIONAL  
IMPORTANCE"**

I represent that the payment for the above described broadcast time has been furnished by (name and address):

Kennewick Public Facilities district  
7060 W. Grandridge Blvd Kennewick, WA 99336

and you are authorized to announce the time as paid for by such person or entity (hereinafter referred to as the "sponsor").

List the chief executive officers or members of the executive committee or the board of directors below (or attach separately):

Corey Pearson  
Barbara Johnson

**From:** [Theresa Long](#)  
**To:** [Corey Pearson](#)  
**Cc:** [Kati Schreck](#)  
**Subject:** Pre-Pays  
**Date:** Thursday, September 21, 2017 12:30:11 PM  
**Attachments:** [Link\\_October\\_Pre\\_Pay.xlsx](#)  
[Link\\_October\\_Pre\\_Pay.pdf](#)  
[Link\\_September.pdf](#)

---

Corey,

Here is Sept and October. Liz already had Sept so make sure not to double pay. The checks come to Focal Point and we keep our commission and send the rest to stations. I have already paid the stations for you for September so we need to be reimbursed. I will send you the whole buy as soon as I am done. I am working frantically to get it done so we have inventory.

Thanks,

Theresa

**THERESA LONG** | Co-Founder & Marketing Strategist  
8551 Gage Boulevard, Suite K | Kennewick, WA 99336  
**office** (509) 378-3014 | **fax** (509) 378-3018  
[www.focalpointmarketing.com](http://www.focalpointmarketing.com)

<b>Spectrum</b>	<b>LENGTH</b>	<b>DAYPART</b>	<b>PROGRAM</b>	<b>RATE</b>	<b>9/25</b>	<b>10/2</b>	<b>10/9</b>	<b>10/16</b>	<b>10/23</b>	<b>SPOTS</b>	<b>TOTAL</b>
SA-Su	:30	9:00a - 7:00p	ESPN	\$50	5	5	5	5	25	\$1,250.00	
M-F	:30	4:00p-6:00p	MNBC	\$16	10	0	10	0	10	30	\$480.00
M-F	:30	4:00p-6:00p	FXNC	\$45	0	10	0	10	0	20	\$900.00
<b>KVEW Total</b>					15	15	15	15	15	75	\$2,630.00

<b>CHERRY CREEK RADIO - TC</b>	<b>LENGTH</b>	<b>DAYPART</b>	<b>PROGRAM</b>	<b>RATE</b>	<b>9/25</b>	<b>10/2</b>	<b>10/9</b>	<b>10/16</b>	<b>10/23</b>	<b>SPOTS</b>	<b>TOTAL</b>
M-F	:30	6:00a-7:00p	AM 610 (Ne)	\$10	3	3	3	3	3	15	\$150.00
Sa	:30	6:00a-7:00p	AM 610 (Ne)	\$8	0	5	0	5	0	10	\$80.00
M-F	:30	6:00a-7:00p	05.3 (Adult)	\$10	3	3	3	3	3	15	\$150.00
Sa	:30	6:00a-7:00p	05.3 (Adult)	\$8	5	0	5	0	5	15	\$120.00
<b>CCRTC Total</b>					11	11	11	11	11	55	\$500.00

<b>Townsquare Media - TC</b>	<b>LENGTH</b>	<b>DAYPART</b>	<b>PROGRAM</b>	<b>RATE</b>	<b>9/25</b>	<b>10/2</b>	<b>10/9</b>	<b>10/16</b>	<b>10/23</b>	<b>SPOTS</b>	<b>TOTAL</b>
M-F	:30	6:00a-10:00p	FM 98.3 (V)	\$27	0	3	0	3	0	6	\$162.00
M-F	:30	3:00p-7:00p	FM 98.3 (V)	\$27	0	3	0	3	0	6	\$162.00
Sa	:30	0:00a-3:00p	FM 98.3 (V)	\$19	3	0	3	0	3	9	\$171.00
<b>TSM Totals</b>					3	6	3	6	3	21	\$495.00

<b>Radio Tri-Cities</b>	<b>LENGTH</b>	<b>DAYPART</b>	<b>PROGRAM</b>	<b>RATE</b>	<b>9/25</b>	<b>10/2</b>	<b>10/9</b>	<b>10/16</b>	<b>10/23</b>	<b>SPOTS</b>	<b>TOTAL</b>
M-F	:30	6:00a-9:00a	99.1 (KUJ)	\$40	2	0	2	0	2	6	\$240.00
M-F	:30	4:00p-6:00p	99.1 (KUJ)	\$40	0	3	0	3	0	6	\$240.00
<b>RTC Totals</b>					2	3	2	3	2	12	\$480.00

Total \$4,105.00

# Invoice



8551 Gage Blvd, Suite K  
Kennewick, WA 99336  
(509) 378-3018  
[focalpointmarketing.com](http://focalpointmarketing.com)

Three Rivers Campus

Attention: Jamie Kincaid/Acct Assist  
7016 W. Grandridge Blvd  
Kennewick, WA 99336

Date	Invoice No.	P.O. Number	Terms	Project
09/12/17	4792		Net 10	

Item	Description	Quantity	Rate	Amount
Advertising Place-Radio	Advertising Place-Radio-Sept 2017 Cherry Creek Radio TC -Link- Pre-Pay		196.00	196.00
Advertising Place-Radio	Advertising Place-Radio-Sept 2017- Townsquare Media TC- Link - Pre-Pay		219.00	219.00
Advertising Place-Radio	Advertising Place-Radio- Sept @017 - Radio Tri-Cities- Link- Pre-Pay		150.00	150.00
Thank you for your business.				Total \$565.00

# Invoice



8551 Gage Blvd, Suite K  
Kennewick, WA 99336  
(509) 378-3018  
[focalpointmarketing.com](http://focalpointmarketing.com)

Three Rivers Campus

Attention: Jamie Kincaid/Acct Assist  
7016 W. Grandridge Blvd  
Kennewick, WA 99336

Date	Invoice No.	P.O. Number	Terms	Project
09/21/17	4812		Due on receipt	

Item	Description	Quantity	Rate	Amount
Advertising Place-TV-	Ad Place-TV- October 2017- Pre-Pay-Link Campaign-Spectrum		2,630.00	2,630.00
Advertising Place-Radio	Ad Place-Radio- October 2017- Pre-Pay-Link Campaign-Cherry Creek Radio		500.00	500.00
Advertising Place-Radio	Ad Place-Radio-October 2017- Pre-Pay Link Campaign- Townsquare Media		495.00	495.00
Advertising Place-Radio	Ad Place-Radio-October 2017- Pre-Pay Link Campaign- Radio TC		480.00	480.00
Thank you for your business.				Total \$4,105.00

VIA ELECTRONIC TRANSMISSION

Roger Erich Lenk  
1817 N. Road 76  
Pasco, Washington 99301-1830  
[lenk.roger@gmail.com](mailto:lenk.roger@gmail.com)

October 1, 2017

Micah Titus Ragins, Compliance Coordinator  
State of Washington Public Disclosure Commission  
711 Capitol Way Room 206  
Post Office Box 40908  
Olympia, Washington 98504-0908  
[pdc@pdc.wa.gov](mailto:pdc@pdc.wa.gov)

**Re: CITY OF KENNEWICK/KENNEWICK PUBLIC FACILITIES DISTRICT  
PROPOSITION 17-4 "THE LINK" - VIOLATION OF RCW 42.17A. et. seq.**

Dear Mr. Ragins:

In follow-up to your email of September 26, 2017 and my original complaint of September 11, 2017.

Thank you in advance for your assistance. Please keep me apprised of your progress and final determination in this important community matter.

**AMENDED RESPONDENTS/ADDITIONAL RESPONDENTS**

**Corey Pearson** (amended) – Full-time Executive Director Kennewick Public Facilities District (see Original Complaint, Exhibit 1); Governor, Venuworks, an Iowa corporation (see Exhibit 1 attached hereto); 7016 West Grandridge Boulevard Kennewick, Washington 99336; (509) 737-3701; [cpearson@3riverscampus.com](mailto:cpearson@3riverscampus.com).

**Go Big Tri Cities/Tyler Borders (Agent/Governor)** - 3801 E Lattin Road, West Richland, Washington 99353-7737. Erich Van Winkle, Governor (see Exhibit 2, attached hereto). Also Respondent in PDC Ticket No. 6954.

**Eric Van Winkle** – Chair Citizens For The Link Entertainment Center, Governor Go Big Tri Cities, , 5812 West Yellowstone Avenue, Kennewick Washington 99336; 509-727-3327 (see Exhibit 3, attached hereto).

**STATEMENT OF MATERIAL FACTS**

For all included dates herein, the public was on notice that the Kennewick Public Facilities District intended to run a proposition to increase the local sales tax for The Link Project on August 1, 2017, November 7, 2017, or Spring, 2018 which was similar to The Link Proposition on the August 2, 2016 Ballot (Proposition 16-8 – failed) and The Aquatics Center on the August 6, 2013 Ballot (Proposition 1 – Failed).

On June 9, 2017, Respondent Pearson replied to his Venueworks Supervisor Steve Peters (see Exhibit 5, attached hereto). Steve Peters is the President of Venuworks of Ames, Iowa (see Exhibit 6, attached hereto). The Kennewick Public Facilities District contracts with Venuworks for management of District, its facilities and rentals. Mr. Peters inquired of Respondent Pearson “Any update on the next LINK campaign?”

In his capacity as Executive Director for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment, Respondent Pearson responds as follows:

“Steve,

I am working right now to get all of the collateral materials together to begin the educational part of the campaign. *In the past the board has been reluctant to take any steps to help other than the open houses*<sup>1</sup> (emphasis added), *so I have taken it on myself to hire a marketing company to put the entire educational portion of the campaign together. I have also secured \$20,000 from the VCB<sup>2</sup> to pay for TV and radio commercials which the TRCC will be creating. I have all of the unions in the wings again wanting to help and they are just waiting for the signal to go.* (Emphasis added).

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<sup>1</sup> The Kennewick Public Facilities District has previously run propositions for an aquatics center, and the Link. Kennewick Public Facilities District has no prior record of website, radio, television, direct mail or door to door voter encounters as a regular part of its communications with the community. Heretofore, the Kennewick Public Facilities District has not deviated from "(a)ctivities which are part of the normal and regular conduct of the office or agency".

<sup>2</sup> Visitors and Convention Bureau, Respondent Kris Watkins CEO – See Original Complaint. Despite the \$20,000 campaign donation, the VCB and Respondent Watkins failed to file any forms initiating a campaign committee with the PDC for The Link.

I am currently pushing the board hard to go this November and Barb is pushing back because she wants to wait until spring. Regardless of when we go *I am organizing a "walk the block" with the amateur hockey association and the unions* (emphasis added) again as well as a summer long push to educate the community on the impact of the Link to the average household. I have decided to change the message to include what every new dollar coming to the community does for the average person. The basis of the message will be "If you want better roads, more cops and nicer parks, this will help...".

*The real "Vote Yes" part of the campaign will have to start September 1st and the campaign will need some funds from VW (Venuworks)<sup>3</sup> and the unions<sup>4</sup> (emphasis added). The Board will need to decide a date at the June or July, at the latest, board meeting. Once we decide a date we will need to start the hard push and that will be the first official announcement of the campaign. I have a meeting with about 100 amateur hockey parents on Monday night to get them motivated behind the new rink portion of the Link. As I talk to media right now they are all solidly behind this attempt and I will leverage them to the hilt. I am doing everything possible to lead as much of this as I can and spend "other peoples" money to keep as much pressure off of you because you have funded the lions share up until now<sup>5</sup>. We may have to pay Tyler<sup>6</sup> a bit to help (hourly basis) and the rest will be direct marketing impact. I have aligned with the campaign managers of the school bond initiative and the latest criminal justice tax that passed in 2016 for their advice and help. This has been very valuable and they are helping me strategize which neighborhoods to focus on during the next push.* (Emphasis added).

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3 Venuworks contributed \$15,000.00 to Citizens For The Link Entertainment Center on September 21, 2017, see Exhibit 7.

4 Respondent Pearson makes good on his pledge for union money starting September 29, 2017 with a \$5,000.00 contribution to Citizens For The Link Entertainment Center from Plumbers and Steamfitters Local Union 598 (See Exhibit 8).

5 No campaign committee registered on behalf of Venuworks. No donations registered by Venuworks until September 21, 2017.

6 Respondent Tyler Bolder, Agent/Governor Go Big Tri-Cities.

**Re: CITY OF KENNEWICK/KENNEWICK PUBLIC FACILITIES DISTRICT  
PROPOSITION 17-4 "THE LINK" - VIOLATION OF RCW 42.17A. et. seq.**

**Page: 4**

*Bottom-line, we have a lot of momentum we can capitalize on from the last run and the addition of a 3rd ice sheet will certainly help us close the 550 vote margin. I planned to talk to John next week to discuss when and how VW (Venuworks) funding may have to come into play, so I am certain he will be talking to you later in the week. (Emphasis added).*

Please let me know if there is any other info you need! I have attached a copy of the Power Point I shared with the VCB board 2 weeks ago which shows the location of the additional rink. Just envision me talking real smart as you scroll through the pictures..."

In his role as Executive Director of the Kennewick Public Facilities District, Respondent Pearson designed and implemented political campaigns to support the Link, Proposition 17-4. Respondent Pearson devotes the majority of his email to the real "Vote Yes" campaign, and discloses his intimate involvement with developing materials, soliciting funds, garnering supporters, and efforts to overcome the 550 vote margin which the same measure last lost. None of Respondent's reported activities are considered "(a)ctivities which are part of the normal and regular conduct of the office or agency".

On July 24, 2017, in his capacity as Executive Director for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment, Respondent Pearson coordinates a meeting concerning the Link with Respondent Van Winkle, television staff members and a member of pixlesoftfilms, a video, photo and website developer (see Exhibit 10, attached hereto). Respondent Van Winkle later becomes Chair of Citizens for the Link Entertainment Center (see Exhibit 3, attached hereto).

On August 24, 2017, Respondent Pearson is presented with a budget for the campaign from Focalpoint Marketing (see Exhibit 11, attached hereto). Respondent Pearson approves the budget, and Focal Point becomes responsible for the extensive marketing effort. See footnote 1 where Respondent Pearson discloses that the Kennewick Public Facilities has never run marketing campaign for its ballot measures. In his capacity as Executive Director for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment, Respondent Pearson should not be involved with reviewing such a budget as these activities are not "(a)ctivities which are part of the normal and regular conduct of the office or agency".

On August 3, 2017, Respondent Pearson's Executive Assistant Liz Lutz in her capacity as Executive Assistant for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment receives the following email from the Benton county Elections Manager (see Exhibit 12, attached hereto):

"Per your request I am attaching a list of registered voters that live within the City of Kennewick ***that have only voted for the following elections*** (emphasis added)..."

- 2016 Primary Election<sup>7</sup>
- 2016 February Special Election<sup>8</sup>
- 2014 Primary Election<sup>9</sup>

If you need anything else or would like all of City of Kennewick voters regardless if they voted or not please let me know."

On August 4, 2017, Respondent Pearson's Executive Assistant Liz Lutz in her capacity as Executive Assistant for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment, forwards the list of registered voters that live within the City of Kennewick that have only voted for the following elections to Respondent Johnson (original complaint), and Respondent Watkins (see Exhibit 13, attached hereto), as follows:

"RE: Walking lists

Here is the information I received from the auditor's office regarding the walking list."

The attachments to Exhibits 12 and 13 are to large to provide in this format.

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<sup>7</sup> Kennewick Public Facilities District Proposition 16-8, The Link sales tax increase (failed).

<sup>8</sup> Richland, Kennewick School District Maintenance and Operations Levies (passed).

<sup>9</sup> Proposition 14-5; increase in Sales Tax for Criminal Justice purposes (Passed).

**Re: CITY OF KENNEWICK/KENNEWICK PUBLIC FACILITIES DISTRICT  
PROPOSITION 17-4 “THE LINK” - VIOLATION OF RCW 42.17A. et. seq.**

**Page: 6**

The above “*list of registered voters that live within the City of Kennewick that have only voted for the following elections*” would not assist in furthering “(a)ctivities which are part of the normal and regular conduct of the office or agency” and is only useful in a targeted proponent campaign to individuals who voted in the previous elections. The term “walking list” clarifies the partisan use to promote Proposition 17-4. At all times herein, Respondent Watkins failed to file for a political committee with the PDC to promote Proposition 17-4, the Link.

On August 30, 2017, Kathy Balcom requested that the Tri-City Herald invoice Respondent Go Big Tri Cities \$816.90 for sticky notes placed on the Tri-City Herald for the dates of Wednesday October 18, 2017 and Friday, October 25, 2017 (see Exhibit 14, attached hereto). Neither Kathy Balcom or Go Big Tri Cites ever filed for a political committee with the PDC for the purposes of supporting the Link. Shortly thereafter, Balcom forwards the email to Respondent Watkins requesting that the subject invoice be paid from a \$30,000.00 account established by Respondent Go Big Tri Cities (again, Go Big Tri Cities never filed for a political committee with the PDC, and use of such funds would not be permitted or legal). Respondent Watkins subsequently forwards the email to Respondent Pearson as follows:

“Can we get the \$30k from Venue works so we can start placing TV ads? We can get our \$20k to you asap so Focal Point can start their ad placement.”

At all times herein, neither Respondents Watkins or Venuworks filed for a political committee with the PDC, so use of both the \$30,000.00 from Venuworks and \$20,000.00 from the Visitors and Convention Bureau is illegal. Furthermore, in his capacity as Executive Director for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment, Respondent Pearson should not be involved with contributions in support of the Link Campaign, and such activities are not “(a)ctivities which are part of the normal and regular conduct of the office or agency”.

On September 15, 2017, after this complaint was filed, Respondent Van Winkle forms “Citizens for the Link Entertainment Center” political committee with the PDC (see Exhibit 3, attached hereto).

On September 18, 2017, Kennewick Public Facilities Executive Assistant to Respondent Pearson emails Respondent Watkins the mailer prepared by Respondent Pearson in support of Proposition 17-4, The Link. The mailer contains editorial information which serves to support Proposition 17-4, and exceeds any informational component (highlighted in yellow – see Exhibit 15 attached hereto).

**Re: CITY OF KENNEWICK/KENNEWICK PUBLIC FACILITIES DISTRICT  
PROPOSITION 17-4 "THE LINK" - VIOLATION OF RCW 42.17A. et. seq.**

**Page: 7**

For example, partisan, supportive, non-informational language includes "Together, we can make the Tri-Cities a destination for athletes, artists, conventions & more!"; "The positive economic impact of revenue and visitors to the area is then relinquished to surrounding cities such as Spokane or Yakima"; "SALES TAX IMPACT – ONLY 2¢ ON EVERY \$10!"; "That's only 2¢ on every \$10!"; "The Link will serve as a venue for national caliber recording artists, comedians, Broadway shows, conferences, conventions and more"; "and that's a big deal!"; and "The Link will serve as a venue to attract concerts, conventions, shows and sporting events where each additional attendee will contribute tax revenue to our economy. In other words, The Link will more than pay for itself". Each of these attractive phrases are opinion, not fact based and serve to support Proposition 17-4, The Link.

The mailer also includes the website address [www.thelinktc.com](http://www.thelinktc.com) which includes information in support of Proposition 17-4, including endorsements.

The mailer was prepared under the supervision of Kennewick Public Facilities staff, utilizing on public time, using public resources, email systems and equipment. Such activities are not "(a)ctivities which are part of the normal and regular conduct of the office or agency".

As noted in Exhibit 16, attached hereto, the website [www.thelinktc.com](http://www.thelinktc.com) was updated to include hyperlinks to supportive articles, editorials and letters to the editor from the Tri-City Herald. The same website does not include hyperlinks to the multitude of letters to the editor in opposition. In addition, the website lists further lists *endorsements* similar to political campaigns (see original complaint, Exhibit 2). This proponent support is contrary to a permitted neutral informational campaign geared towards the general public. The website is used extensively in materials created by the Kennewick Public Facilities District. The website maintains materials which are not "(a)ctivities which are part of the normal and regular conduct of the office or agency".

On September 21, Venuworks contributes \$15,000.00 to the newly formed "Citizens for the Link Entertainment Center". See Exhibit 7, attached hereto. On September 29, 2017, as promised by Respondent Pearson, Union funds flow into the campaign (see Exhibit 8, attached hereto).

On September 25, 2017, Respondent Pearson received an email from Nick Gonzales, Senior Project Manager with Bouten Construction Company as follows:

Hi Corey,

I hope you've been well. We got involved with a donation in last years awareness campaign for the Link vote<sup>10</sup> and would like to do so again.

Who best to talk to about this? We can put some signs up on our office on Geo Way that get's lots of traffic and can donate, ect.

See Exhibit 17, attached hereto. In his capacity as Executive Director for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment, Respondent Pearson should not be involved with facilitating contributions of time, money or effort, as these activities are not "(a)ctivities which are part of the normal and regular conduct of the office or agency".

### **LAW AND REGULATIONS**

#### **RCW 42.17A.205 Statement of organization by political committees.**

- (1) Every political committee shall file a statement of organization with the commission. The statement must be filed within two weeks after organization or within two weeks after the date the committee first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier. A political committee organized within the last three weeks before an election and having the expectation of receiving contributions or making expenditures during and for that election campaign shall file a statement of organization within three business days after its organization or when it first has the expectation of receiving contributions or making expenditures in the election campaign.
- (2) The statement of organization shall include but not be limited to:
- (a) The name and address of the committee;
  - (b) The names and addresses of all related or affiliated committees or other persons, and the nature of the relationship or affiliation;
  - (c) The names, addresses, and titles of its officers; or if it has no officers, the names, addresses, and titles of its responsible leaders;
  - (d) The name and address of its treasurer and depository;
  - (e) A statement whether the committee is a continuing one;
  - (f) The name, office sought, and party affiliation of each candidate whom the committee is supporting or opposing, and, if the committee is supporting the entire ticket of any party, the

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<sup>10</sup> No campaign committee was registered with the PDC for this proposition.  
Perhaps the funds went to Go Big Tri Cities for their undeclared campaign  
in support enumerated in PDC Ticket 6954.

name of the party;

(g) The ballot proposition concerned, if any, and whether the committee is in favor of or opposed to such proposition;

(h) What distribution of surplus funds will be made, in accordance with RCW 42.17A.430, in the event of dissolution;

(i) The street address of the place and the hours during which the committee will make available for public inspection its books of account and all reports filed in accordance with RCW 42.17A.235;

(j) Such other information as the commission may by regulation prescribe, in keeping with the policies and purposes of this chapter;

(k) The name, address, and title of any person who authorizes expenditures or makes decisions on behalf of the candidate or committee; and

(l) The name, address, and title of any person who is paid by or is a volunteer for a candidate or political committee to perform ministerial functions and who performs ministerial functions on behalf of two or more candidates or committees.

(3) No two political committees may have the same name.

(4) Any material change in information previously submitted in a statement of organization shall be reported to the commission within the ten days following the change.

(5) As used in this section, the "name" of a sponsored committee must include the name of the person that is the sponsor of the committee. If more than one person meets the definition of sponsor, the name of the committee must include the name of at least one sponsor, but may include the names of other sponsors. A person may sponsor only one political committee for the same elected office or same ballot measure per election cycle.

(6)

**RCW 42.17A.235 Reporting of contributions and expenditures—Public inspection of accounts.**

(1) In addition to the information required under RCW 42.17A.205 and 42.17A.210, on the day the treasurer is designated, each candidate or political committee must file with the commission a report of all contributions received and expenditures made prior to that date, if any.

(2) Each treasurer shall file with the commission a report containing the information required by RCW 42.17A.240 at the following intervals:

(a) On the twenty-first day and the seventh day immediately preceding the date on which the election is held;

(b) On the tenth day of the first month after the election; and

(c) On the tenth day of each month in which no other reports are required to be filed under this section only if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed two hundred dollars.

**Re: CITY OF KENNEWICK/KENNEWICK PUBLIC FACILITIES DISTRICT  
PROPOSITION 17-4 "THE LINK" - VIOLATION OF RCW 42.17A. et. seq.**

**Page: 10**

The report filed twenty-one days before the election shall report all contributions received and expenditures made as of the end of one business day before the date of the report. The report filed seven days before the election shall report all contributions received and expenditures made as of the end of one business day before the date of the report. Reports filed on the tenth day of the month shall report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month preceding the date of the current report.

(3) For the period beginning the first day of the fourth month preceding the date of the special election, or for the period beginning the first day of the fifth month before the date of the general election, and ending on the date of that special or general election, each Monday the treasurer shall file with the commission a report of each bank deposit made during the previous seven calendar days. The report shall contain the name of each person contributing the funds and the amount contributed by each person. However, persons who contribute no more than twenty-five dollars in the aggregate are not required to be identified in the report. A copy of the report shall be retained by the treasurer for his or her records. In the event of deposits made by a deputy treasurer, the copy shall be forwarded to the treasurer for his or her records. Each report shall be certified as correct by the treasurer or deputy treasurer making the deposit.

(4)(a) The treasurer or candidate shall maintain books of account accurately reflecting all contributions and expenditures on a current basis within five business days of receipt or expenditure. During the eight days immediately preceding the date of the election the books of account shall be kept current within one business day. As specified in the committee's statement of organization filed under RCW 42.17A.205, the books of account must be open for public inspection by appointment at the designated place for inspections between 8:00 a.m. and 8:00 p.m. on any day from the eighth day immediately before the election through the day immediately before the election, other than Saturday, Sunday, or a legal holiday. It is a violation of this chapter for a candidate or political committee to refuse to allow and keep an appointment for an inspection to be conducted during these authorized times and days. The appointment must be allowed at an authorized time and day for such inspections that is within twenty-four hours of the time and day that is requested for the inspection.

(b) At the time of making the appointment, a person wishing to inspect the books of account must provide the treasurer the name and telephone number of the person wishing to inspect the books of account. The person inspecting the books of account must show photo identification before the inspection begins.

(c) A treasurer may refuse to show the books of account to any person who does not make an appointment or provide the required identification.

(5) Copies of all reports filed pursuant to this section shall be readily available for public inspection by appointment, pursuant to subsection (4) of this section, at the principal headquarters or, if there is no headquarters, at the address of the treasurer or such other place as may be authorized by the commission.

(6) The treasurer or candidate shall preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for not less than five calendar years following the year during which the transaction occurred.

(7) All reports filed pursuant to subsection (1) or (2) of this section shall be certified as correct by the candidate and the treasurer.

(8) When there is no outstanding debt or obligation, the campaign fund is closed, and the campaign is concluded in all respects or in the case of a political committee

(9)

**RCW 42.17A.240 Contents of report.**

Each report required under RCW 42.17A.235 (1) and (2) must be certified as correct by the treasurer and the candidate and shall disclose the following:

(1) The funds on hand at the beginning of the period;

(2) The name and address of each person who has made one or more contributions during the period, together with the money value and date of each contribution and the aggregate value of all contributions received from each person during the campaign, or in the case of a continuing political committee, the current calendar year, with the following exceptions:

(a) Pledges in the aggregate of less than one hundred dollars from any one person need not be reported;

(b) Income that results from a fund-raising activity conducted in accordance with RCW 42.17A.230 may be reported as one lump sum, with the exception of that portion received from persons whose names and addresses are required to be included in the report required by RCW 42.17A.230;

(c) Contributions of no more than twenty-five dollars in the aggregate from any one person during the election campaign may be reported as one lump sum if the treasurer maintains a separate and private list of the name, address, and amount of each such contributor; and

(d) The money value of contributions of postage shall be the face value of the postage;

(3) Each loan, promissory note, or security instrument to be used by or for the benefit of the candidate or political committee made by any person, including the names and addresses of the lender and each person liable directly, indirectly or contingently and the date and amount of each such loan, promissory note, or security instrument;

(4) All other contributions not otherwise listed or exempted;

(5) The name and address of each candidate or political committee to which any transfer of funds was made, including the amounts and dates of the transfers;

(6) The name and address of each person to whom an expenditure was made in the aggregate amount of more than fifty dollars during the period covered by this report, the amount, date, and purpose of each expenditure, and the total sum of all expenditures;

(7) The name and address of each person directly compensated for soliciting or procuring signatures on an initiative or referendum petition, the amount of the compensation to each person, and the total expenditures made for this purpose. Such expenditures shall be reported under this subsection in addition to what is required to be reported under subsection (6) of this section;

(8) The name and address of any person and the amount owed for any debt, obligation, note,

**Re: CITY OF KENNEWICK/KENNEWICK PUBLIC FACILITIES DISTRICT  
PROPOSITION 17-4 "THE LINK" - VIOLATION OF RCW 42.17A. et seq.**

**Page: 12**

unpaid loan, or other liability in the amount of more than two hundred fifty dollars or in the amount of more than fifty dollars that has been outstanding for over thirty days;

(9) The surplus or deficit of contributions over expenditures;

(10) The disposition made in accordance with RCW 42.17A.430 of any surplus funds; and

(11) Any other information required by the commission by rule in conformance with the policies and purposes of this chapter.

**RCW 42.17A.255 Special reports—Independent expenditures.**

(1) For the purposes of this section the term "independent expenditure" means any expenditure that is made in support of or in opposition to any candidate or ballot proposition and is not otherwise required to be reported pursuant to RCW 42.17A.220, 42.17A.235, and 42.17A.240. "Independent expenditure" does not include: An internal political communication primarily limited to the contributors to a political party organization or political action committee, or the officers, management staff, and stockholders of a corporation or similar enterprise, or the members of a labor organization or other membership organization; or the rendering of personal services of the sort commonly performed by volunteer campaign workers, or incidental expenses personally incurred by volunteer campaign workers not in excess of fifty dollars personally paid for by the worker. "Volunteer services," for the purposes of this section, means services or labor for which the individual is not compensated by any person.

(2) Within five days after the date of making an independent expenditure that by itself or when added to all other such independent expenditures made during the same election campaign by the same person equals one hundred dollars or more, or within five days after the date of making an independent expenditure for which no reasonable estimate of monetary value is practicable, whichever occurs first, the person who made the independent expenditure shall file with the commission an initial report of all independent expenditures made during the campaign prior to and including such date.

(3) At the following intervals each person who is required to file an initial report pursuant to subsection (2) of this section shall file with the commission a further report of the independent expenditures made since the date of the last report:

(a) On the twenty-first day and the seventh day preceding the date on which the election is held; and

(b) On the tenth day of the first month after the election; and

(c) On the tenth day of each month in which no other reports are required to be filed pursuant to this section. However, the further reports required by this subsection (3) shall only be filed if the reporting person has made an independent expenditure since the date of the last previous report filed.

The report filed pursuant to paragraph (a) of this subsection (3) shall be the final report, and upon submitting such final report the duties of the reporting person shall cease, and there shall be no obligation to make any further reports.

- (4) All reports filed pursuant to this section shall be certified as correct by the reporting person.
- (5) Each report required by subsections (2) and (3) of this section shall disclose for the period beginning at the end of the period for the last previous report filed or, in the case of an initial report, beginning at the time of the first independent expenditure, and ending not more than one business day before the date the report is due:
- (a) The name and address of the person filing the report;
  - (b) The name and address of each person to whom an independent expenditure was made in the aggregate amount of more than fifty dollars, and the amount, date, and purpose of each such expenditure. If no reasonable estimate of the monetary value of a particular independent expenditure is practicable, it is sufficient to report instead a precise description of services, property, or rights furnished through the expenditure and where appropriate to attach a copy of the item produced or distributed by the expenditure;
  - (c) The total sum of all independent expenditures made during the campaign to date; and
  - (d) Such other information as shall be required by the commission by rule in conformance with the policies and purposes of this chapter.
- (di)

**RCW 42.17A.320 Identification of sponsor—Exemptions.**

- (1) All written political advertising, whether relating to candidates or ballot propositions, shall include the sponsor's name and address. All radio and television political advertising, whether relating to candidates or ballot propositions, shall include the sponsor's name. The use of an assumed name for the sponsor of electioneering communications, independent expenditures, or political advertising shall be unlawful. For partisan office, if a candidate has expressed a party or independent preference on the declaration of candidacy, that party or independent designation shall be clearly identified in electioneering communications, independent expenditures, or political advertising.
- (2) In addition to the information required by subsection (1) of this section, except as specifically addressed in subsections (4) and (5) of this section, all political advertising undertaken as an independent expenditure or an electioneering communication by a person or entity other than a bona fide political party must include as part of the communication:
- (a) The statement: "No candidate authorized this ad. It is paid for by (name, address, city, state);"
  - (b) If the sponsor is a political committee, the statement: "Top Five Contributors," followed by a listing of the names of the five persons or entities making the largest contributions in excess of seven hundred dollars reportable under this chapter during the twelve-month period before the date of the advertisement or communication; and
  - (c) If the sponsor is a political committee established, maintained, or controlled directly, or indirectly through the formation of one or more political committees, by an individual, corporation, union, association, or other entity, the full name of that individual or entity.
- (3) The information required by subsections (1) and (2) of this section shall:

**Re: CITY OF KENNEWICK/KENNEWICK PUBLIC FACILITIES DISTRICT  
PROPOSITION 17-4 "THE LINK" - VIOLATION OF RCW 42.17A. et seq.**

**Page: 14**

- (a) Appear on the first page or fold of the written advertisement or communication in at least ten-point type, or in type at least ten percent of the largest size type used in a written advertisement or communication directed at more than one voter, such as a billboard or poster, whichever is larger;
- (b) Not be subject to the half-tone or screening process; and
- (c) Be set apart from any other printed matter.

(4) In an independent expenditure or electioneering communication transmitted via television or other medium that includes a visual image, the following statement must either be clearly spoken, or appear in print and be visible for at least four seconds, appear in letters greater than four percent of the visual screen height, and have a reasonable color contrast with the background: "No candidate authorized this ad. Paid for by (name, city, state)." If the advertisement or communication is undertaken by a nonindividual other than a party organization, then the following notation must also be included: "Top Five Contributors" followed by a listing of the names of the five persons or entities making the largest contributions in excess of seven hundred dollars reportable under this chapter during the twelve-month period preceding the date on which the advertisement is initially published or otherwise presented to the public. Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement.

(5) The following statement shall be clearly spoken in an independent expenditure or electioneering communication transmitted by a method that does not include a visual image: "No candidate authorized this ad. Paid for by (name, city, state)." If the independent expenditure or electioneering communication is undertaken by a nonindividual other than a party organization, then the following statement must also be included: "Top Five Contributors" followed by a listing of the names of the five persons or entities making the largest contributions in excess of seven hundred dollars reportable under this chapter during the twelve-month period preceding the date on which the advertisement is initially published or otherwise presented to the public. Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement.

(6) Political advertising costing one thousand dollars or more supporting or opposing ballot measures sponsored by a political committee must include the information on the "Top Five Contributors" consistent with subsections (2), (4), and (5) of this section. A series of political advertising sponsored by the same political committee, each of which is under one thousand dollars, must include the "Top Five Contributors" information required by this section once their cumulative value reaches one thousand dollars or more.

(7) Political yard signs are exempt from the requirements of this section that the sponsor's name and address, and "Top Five Contributor" information, be listed on the advertising. In addition, the public disclosure commission shall, by rule, exempt from the identification requirements of this section forms of political advertising such as campaign buttons, balloons, pens, pencils, sky-writing, inscriptions, and other forms of advertising where identification is impractical.

**RCW 42.17A.555 - Use of public office or agency facilities in campaigns—Prohibition—Exceptions.**

No elective official nor any employee of his or her office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition. Facilities of a public office or agency include, but are not limited to, use of stationery, postage, machines, and equipment, use of employees of the office or agency during working hours, vehicles, office space, publications of the office or agency, and clientele lists of persons served by the office or agency. However, this does not apply to the following activities:

- (1) Action taken at an open public meeting by members of an elected legislative body or by an elected board, council, or commission of a special purpose district including, but not limited to, fire districts, public hospital districts, library districts, park districts, port districts, public utility districts, school districts, sewer districts, and water districts, to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the legislative body, members of the board, council, or commission of the special purpose district, or members of the public are afforded an approximately equal opportunity for the expression of an opposing view;
- (2) A statement by an elected official in support of or in opposition to any ballot proposition at an open press conference or in response to a specific inquiry;
- (3) Activities which are part of the normal and regular conduct of the office or agency.
- (4) This section does not apply to any person who is a state officer or state employee as defined in RCW 42.52.010.

**CONCLUSION**

Based on the revealing facts and documents provided herein and the original complaint, Respondents violated several provisions of RCW 42.17A et. seq., including but not limited to RCW 42.17A.205, RCW 42.17A.235, RCW 42.17A.240, RCW 42.17A.255, RCW 42.17A.320 and RCW 42.17A.555.

Absent a formal political committee registered with the Public Disclosure Commission, Respondents flew below the radar, utilizing funds from a variety of sources including the Kennewick Public Facilities District, Venuworks, the Visitors and Convention Center Bureau and Go Big Tri Cities to support a campaign for the public's approval of Proposition 17-4, The Link. By developing and placing television, radio, print, web and media services, without the benefit of a political registered committee, Respondents violated the RCW Chapters enumerated above.

**Re: CITY OF KENNEWICK/KENNEWICK PUBLIC FACILITIES DISTRICT  
PROPOSITION 17-4 "THE LINK" - VIOLATION OF RCW 42.17A. et. seq.**

**Page: 16**

Respondent Pearson was successful at carrying out the partisan activities enumerated in his June 9, 2017 email outlining his plan to support Proposition 17-4. Respondent Pearson, in his capacity as Executive Director for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment, coordinated funding, support, and facilitated campaigns in support of proposition 17-4. None of his actions could be considered "(a)ctivities which are part of the normal and regular conduct of the office or agency".

Kris Watkins, absent filing for a political committee with the PDC, funded, coordinated and facilitated a campaign to promote the adoption of 17-4.

Go Big Tri Cities/Tyler Borders (agent), absent filing for a political committee with the PDC, funded, coordinated and facilitated a campaign to promote the adoption of 17-4.

Respondent Van Winkle played both sides by supporting Proposition 17-4, absent a registered campaign committee, by way of Go Big Tri Cities, and after this complaint was filed, registered a political committee with the purpose of supporting Proposition 17-4, The Link.

Best Regards,



Roger E. Lenk

Exhibits (17)

cc: John McKay, KFLD Radio  
La Voz  
Tri-City Herald  
KONA News Radio  
KNDU Television  
KVEW Television  
KEPR Television  
Tri-Cities Area Journal of Business

# **EXHIBIT 1**

# Corporations Division - Registration Data Search

## VENUWORKS OF KENNEWICK, L.L.C.

Purchase Documents for this Corporation »

UBI Number	602376748
Category	LLC
Active/Inactive	Active
State Of Incorporation	IA
WA Filing Date	03/09/2004
Expiration Date	03/31/2018
Duration	Perpetual

### Registered Agent Information

Agent Name	COREY PEARSON
Address	7016 W GRANDRIDGE ST
City	KENNEWICK
State	WA
ZIP	993360000

### Governing Persons (as defined in [RCW 23.95.105 \(12\)](#))

Title	Name
Governor	PEARSON , COREY

# **EXHIBIT 2**

# Corporations Division - Registration Data Search

[PRINT PAGE](#)

## GO BIG TRI-CITIES

[Purchase Documents for this Corporation \\*](#)

UBI Number	603513368
Category	REG
Profit/Nonprofit	Nonprofit
Active/Inactive	Active
State Of Incorporation	WA
WA Filing Date	06/05/2015
Expiration Date	06/30/2018
Duration	Perpetual

### Registered Agent Information

Agent Name	TYLER BORDERS
Address	3801 E LATTIN RD
City	WEST RICHLAND
State	WA
ZIP	993537737

### Governing Persons (as defined in [RCW 23.95.105 \(12\)](#))

Title	Name
Governor	BORDERS, TYLER
Governor	VAN WINKLE, ERIC
Governor	BUMPAOUS, NICK

# **EXHIBIT 3**

 <p><b>PUBLIC DISCLOSURE COMMISSION</b>  <b>pdc</b>      711 CAPITOL WAY RM 206      PO BOX 40908      OLYMPIA WA 98504-0908      (360) 753-1111      Toll Free 1-877-601-2828   </p>		<h2 style="text-align: center;">Political Committee Registration</h2>	
		<b>C1 PC</b> (1/12)	100787733 09-15-2017
Committee Name (Include sponsor in committee name. See next page for definition of "sponsor." Show entire official name. Do not use abbreviations or acronyms in this box.) <b>CITIZENS FOR THE LINK ENTERTAINMENT CENTER</b>		Acronym: Telephone: 509-947-5383	
Mailing Address <b>7620 WEST 21ST AVENUE</b>		Fax: E-mail: <b>LCHILDERS2B@CHARTER.NET</b>	
City <b>KENNEWICK</b> County <b>BENTON</b> Zip + 4 <b>99338</b>			
NEW OR AMENDED REGISTRATION? <input checked="" type="checkbox"/> NEW. Complete entire form. <input type="checkbox"/> AMENDS previous report. Complete entire form.		COMMITTEE STATUS <input type="checkbox"/> Continuing (On-going; not established in anticipation of any particular campaign election.) <input checked="" type="checkbox"/> <u>2017</u> election year only. Date of general or special election: <u>11/07/2017</u> (Year)	
1. What is the purpose or description of the committee? <input type="checkbox"/> <b>Bona Fide Political Party Committee</b> - official state or county central committee or legislative district committee. If you are not supporting the entire party ticket, attach a list of the names of the candidates you support.			
<input checked="" type="checkbox"/> <b>Ballot Committee</b> - Initiative, Bond, Levy, Recall, etc. Name or description of ballot measure: <b>KENNEWICK PUBLIC FACILITY 17-4</b>			Ballot Number _____
<input type="checkbox"/> <b>Other Political Committee</b> - PAC, caucus committee, political club, etc. If committee is related or affiliated with a business, association, union or similar entity, specify name:			
For single election-year only committees (not continuing committees): Is the committee supporting or opposing (a) one or more candidates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, attach a list of each candidate's name, office sought and political party affiliation. (b) the entire ticket of a political party? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, identify the party:			
2. Related or affiliated committees. List name, address and relationship. <input type="checkbox"/> Continued on attached sheet.			
3. How much do you plan to spend during this entire election campaign, including the primary and general elections? Based on that estimate, choose one of the reporting options below. (If your committee status is continuing, estimate spending on a calendar year basis.) <b>If no box is checked you are obligated to use Full Reporting. See instruction manuals for information about reports required and changing reporting options.</b>			
<input type="checkbox"/> <b>MINI REPORTING</b> Mini Reporting is selected. No more than \$5,000 will be raised or spent <u>and</u> no more than \$500 in the aggregate will be accepted from any one contributor.		<input checked="" type="checkbox"/> <b>FULL REPORTING</b> Full Reporting is selected. The frequent, detailed campaign reports mandated by law will be filed as required.	
4. Campaign Manager's or Media Contact's Name and Address <b>ERIC VAN WINKLE</b> <b>5812 WEST YELLOWSTONE AVENUE, KENNEWICK WA 99336</b>		Telephone Number: <b>509-727-3327</b>	
5. Treasurer's Name and Address. Does treasurer perform <u>only</u> ministerial functions? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> See WAC 390-05-243 and next page for details. List deputy treasurers on attached sheet. <b>ELLA CHILDERS</b> <b>7620 WEST 21ST AVENUE, KENNEWICK WA 99338</b>		Daytime Telephone Number: <b>509-947-5383</b>	
6. Persons who perform only ministerial functions on behalf of this committee <u>and</u> on behalf of candidates or other political committees. List name, title, and address of these persons. See WAC 390-05-243 and next page for details.		<input type="checkbox"/> Continued on attached sheet.	
7. Committee Officers and other persons who authorize expenditures or make decisions for committee. List name, title, and address. See next page for definition of "officer." <input type="checkbox"/> Continued on attached sheet.			
8. Campaign Bank or Depository <b>HAPO</b>		Branch <b>CLEARWATER AVENUE</b>	City <b>KENNEWICK, WA</b>
9. Campaign books must be open to the public by appointment between 8 a.m. and 8 p.m. during the eight days before the election, except Saturdays, Sundays, and legal holidays. In the space below, provide contact information for scheduling an appointment and the address where the inspection will take place. It is not acceptable to provide a post office box or an out-of-area address. <b>Street Address, Room Number, City where campaign books will be available for inspection</b> <b>7620 WEST 21ST AVENUE, KENNEWICK</b> In order to make an appointment, contact the campaign at (telephone, fax, e-mail): (509) 947-5383 <b>LCHILDERS2B@CHARTER.NET</b>			
10. <b>Eligibility to Give to Political Committees and State Office Candidates:</b> A committee must receive \$10 or more each from ten Washington State registered voters before contributing to a Washington State political committee. Additionally, during the six months prior to making a contribution to a state office candidate your committee must have received contributions of \$10 or more each from at least ten Washington State registered voters.		11. <b>Signature and Certification.</b> I certify that this statement is true, complete and correct to the best of my knowledge.  <b>Committee Treasurer's Signature</b> <b>ELLA CHILDERS</b>	
		Date <b>09-15-2017</b>	
<input checked="" type="checkbox"/> A check here indicates your awareness of and pledge to comply with these provisions. Absence of a check mark means your committee does not qualify to give to Washington State political committees and/or state office candidates.			

# **EXHIBIT 4**

**INTENTIONALLY LEFT BLANK**

# **EXHIBIT 5**

**From:** [Steve Peters](#)  
**To:** [Corey Pearson](#)  
**Subject:** Re: LINK update?  
**Date:** Friday, June 9, 2017 4:06:59 PM  
**Attachments:** [Image002.png](#)

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Wow! That sounds great. Is there a time, this month or next, that I should come out for a few days?

Steven Peters, VenuWorks President  
Direct 515-509-2993; Mobile 515 -231-1249  
speters@venuworks.com

> On Jun 9, 2017, at 5:21 PM, Corey Pearson <cpearson@3riverscampus.com> wrote:  
>  
> Steve,  
>  
> I am working right now to get all of the collateral materials together to begin the educational part of the campaign. In the past the board has been reluctant to take any steps to help other than the open houses, so I have taken it on myself to hire a marketing company to put the entire educational portion of the campaign together. I have also secured \$20,000 from the VCB to pay for TV and radio commercials which the TRCC will be creating. I have all of the unions in the wings again wanting to help and they are just waiting for the signal to go.  
>  
> I am currently pushing the board hard to go this November and Barb is pushing back because she wants to wait until spring. Regardless of when we go I am organizing a "walk the block" with the amateur hockey association and the unions again as well as a summer long push to educate the community on the impact of the Link to the average household. I have decided to change the message to include what every new dollar coming to the community does for the average person. The basis of the message will be "If you want better roads, more cops and nicer parks, this will help...".  
>  
> The real "Vote Yes" part of the campaign will have to start September 1st and the campaign will need some funds from VW and the unions. The Board will need to decide a date at the June or July, at the latest, board meeting. Once we decide a date we will need to start the hard push and that will be the first official announcement of the campaign. I have a meeting with about 100 amateur hockey parents on Monday night to get them motivated behind the new rink portion of the Link. As I talk to media right now they are all solidly behind this attempt and I will leverage them to the hilt. I am doing everything possible to lead as much of this as I can and spend "other peoples" money to keep as much pressure off of you because you have funded the lions share up until now. We may have to pay Tyler a bit to help (hourly basis) and they rest will be direct marketing impact. I have aligned with the campaign managers of the school bond initiative and the latest criminal justice tax that passed in 2016 for their advice and help. This has been very valuable and they are helping me strategize which neighborhoods to focus on during the next push.  
>  
> Bottom-line, we have a lot of momentum we can capitalize on from the last run and the addition of a 3rd ice sheet will certainly help us close the 550 vote margin. I planned to talk to John next week to discuss when and how VW funding may have to come into play, so I am certain he will be talking to you later in the week.  
>  
> Please let me know if there is any other info you need! I have attached a copy of the Power Point I shared with the VCB board 2 weeks ago which shows the location of the additional rink. Just envision me talking real smart as you scroll through the pictures...  
>  
> Corey  
> VP of Western Campaign Strategies  
>  
>  
> From: Steve Peters [<mailto:speters@venuworks.com>]  
> Sent: Friday, June 09, 2017 12:42 PM

> To: Corey Pearson <cpearson@3riverscampus.com>  
> Subject: LINK update?  
>  
> Corey,  
>  
> I hope this finds you doing well. Any update on the next LINK campaign?  
>  
> [200 pixels @ 96 dpi]<<http://www.venuworks.com/>>  
>  
> Steve Peters | President  
> direct 515.509.2993 | mobile 515.231.1249  
> speters@venuworks.com<<mailto:speters@venuworks.com>>  
>  
> <image002.png>  
> <TheLink VTC.pptx>

# **EXHIBIT 6**

## OUR TEAM

With VenuWorks, you gain the services of our talented staff with years of comprehensive experience in facility operations, marketing and management. We will work along side you to set an energetic agenda for the future of your facility and provide ongoing support for your local venue staff in all phases of facility management.



(<http://www.venuworks.com/steve-peters/>)

**STEVE PETERS, CFE**

(<http://www.venuworks.com/steve-peters/>)

**PRESIDENT**

**515-232-5151**

 (<mailto:speters@venuworks.com>)



(<http://www.venuworks.com/tim-sullivan/>)

**TIM SULLIVAN**

(<http://www.venuworks.com/tim-sullivan/>)

SENIOR VICE PRESIDENT - CHIEF FINANCIAL  
OFFICER

**515-509-2992**

 (<mailto:tsullivan@venuworks.com>)

 (<https://www.linkedin.com/in/id=87978014>) /profile/view?



(<http://www.venuworks.com/romano/>)

**JOSEPH ROMANO**

(<http://www.venuworks.com/romano/>)

EXECUTIVE VICE PRESIDENT

**515-232-5151**

 (<mailto:jromano@venuworks.com>)



(<http://www.venuworks.com/john-siehl/>)

**JOHN SIEHL, CFE**

(<http://www.venuworks.com/john-siehl/>)

VICE PRESIDENT - CHIEF OPERATING OFFICER

**515-817-1735**

409 Porter Drive

Englewood, OH 45322

✉ (<mailto:jsiehl@venuworks.com>)



(<http://www.venuworks.com/randi-peters/>)

**RANDI PETERS**

(<http://www.venuworks.com/randi-peters/>)

VICE PRESIDENT - COMMUNITY RELATIONS

**515-232-5151**

✉ (<mailto:rpeters@venuworks.com>)



(<http://www.venuworks.com/john-gimenez/>)

**JOHN GIMENEZ**

(<http://www.venuworks.com/john-gimenez/>)

VICE PRESIDENT, EVENT PROGRAMMING &  
CONTENT

**515-509-2997**

✉ (<mailto:jgimenez@venuworks.com>)



(<http://www.venuworks.com/tricia-gonyo-3/>)

**TRICIA GONYO**

(<http://www.venuworks.com/tricia-gonyo-3/>)

VICE PRESIDENT - SALES & MARKETING

515-817-1736

[✉ \(mailto:tgonyo@venuworks.com\)](mailto:tgonyo@venuworks.com)



(<http://www.venuworks.com/russell-ferguson/>)

**RUSSELL FERGUSON**

(<http://www.venuworks.com/russell-ferguson/>)

VICE PRESIDENT - FOOD AND BEVERAGE SERVICES

515-817-1739

[✉ \(mailto:rferguson@venuworks.com\)](mailto:rferguson@venuworks.com)



(<http://www.venuworks.com/randy-baumeister/>)

**RANDY BAUMEISTER**

(<http://www.venuworks.com/randy-baumeister/>)

NATIONAL DIRECTOR OF OPERATIONS &  
PRODUCTION

515-509-2996

[✉ \(mailto:rbaumeister@venuworks.com\)](mailto:rbaumeister@venuworks.com)



(<http://www.venuworks.com/lindsay-peters-2/>)

**LINDSAY PETERS**

(<http://www.venuworks.com/lindsay-peters-2/>)

PROGRAMMING MANAGER

**515-817-1738**

(<mailto:lpeters@venuworks.com>)



(<http://www.venuworks.com/mike-piehl/>)

**MIKE PIEHL**

(<http://www.venuworks.com/mike-piehl/>)

CONTROLLER

**515-509-2994**

(<mailto:mpiehl@venuworks.com>)



(<http://www.venuworks.com/thomas-peters/>)

**THOMAS PETERS**

(<http://www.venuworks.com/thomas-peters/>)

DEVELOPMENT MANAGER

**515-817-1737**

(<mailto:tpeters@venuworks.com>)

([https://www.linkedin.com/profile/view?id=27472357&trk=hav\\_responsive\\_tab\\_profile](https://www.linkedin.com/profile/view?id=27472357&trk=hav_responsive_tab_profile))



(<http://www.venuworks.com/krista-dunn-2/>)

**KRISTA DUNN**

(<http://www.venuworks.com/krista-dunn-2/>)

ANALYTICS MANAGER

**515-509-2998**

(<mailto:kdunn@venuworks.com>)



(<http://www.venuworks.com/nick-tremmel/>)

**NICK TREMMEL**

(<http://www.venuworks.com/nick-tremmel/>)

MARKETING MANAGER

**515-817-1741**

(<mailto:ntremmel@venuworks.com>)



(<http://www.venuworks.com/ronda-biery/>)

**RONDA BIERY**

(<http://www.venuworks.com/ronda-biery/>)

OFFICE MANAGER

**515-509-2999**

(<mailto:rbiery@venuworks.com>)



9/29/2017

(<http://www.venuworks.com/leanna-showman-2/>)

**LEANNA SHOWMAN**

(<http://www.venuworks.com/leanna-showman-2/>)

CORPORATE ACCOUNTANT

**515-817-1742**

 (<mailto:lshowman@venuworks.com>)



(<http://www.venuworks.com/timothy-berry/>)

**TIMOTHY BERRY**

(<http://www.venuworks.com/timothy-berry/>)

SENIOR CONSULTANT

**507-995-3169**

 (<mailto:tberry@venuworks.com>)

<http://www.venuworks.com/corporate-staff/>

Corporate Staff - venuworks

(<http://www.venuworks.com/angela-wieck-2/>)

**ANGELA WIECK**

(<http://www.venuworks.com/angela-wieck-2/>)

DIRECTOR, HUMAN RESOURCES

**515-509-2353**

 (<mailto:awieck@venuworks.com>)



(<http://www.venuworks.com/carl-st-clair/>)

**CARL ST. CLAIR, CFE**

(<http://www.venuworks.com/carl-st-clair/>)

VICE PRESIDENT EMERITUS

**507-995-3169**

(<http://www.venuworks.com/diane-gawronski/>)

**DIANE M. GAWRONSKI**

(<http://www.venuworks.com/diane-gawronski/>)

EXPO MANAGER

**785-438-8673**

 (<mailto:dgawronski@venuworks.com>)



(<http://www.venuworks.com/marshall-murdaugh/>)

**MARSHALL MURDAUGH**

(<http://www.venuworks.com/marshall-murdaugh/>)

CONSULTANT TO VENUWORKS

7/8

# **EXHIBIT 7**

**CASH RECEIPTS  
 MONETARY  
 CONTRIBUTIONS**

**C3**

(1/02)

THIS SPACE FOR OFFICE USE

100788420

09-21-2017

Candidate or Committee Name (Do not abbreviate. Use full name.)

Citizens for the Link Entertainment Center

Mailing Address

7620 West 21st Avenue

City

Kennewick, WA

Zip + 4

99338

Office Sought (candidates)

Election Date

2017

**1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT**

Date Received		Amount	Total
	a. Anonymous .....		.
	b. Candidate's personal funds deposited in the bank (include candidate loans in 1c).....		
	c. Loans, notes, security agreements. Attach Schedule L.....		
	d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation .....		
	e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons)		

**2. CONTRIBUTIONS OVER \$25.00**

Date Received	Contributor's Name, Address, City, State, Zip	Contributions of more than \$100: Employer's Name, City and State	P	G	Amount	Aggregate* Total
			R	E		
09/20/17	VENUWORKS 4611 Mortensen Road Suite 111 Ames, WA 50014				15,000.00	15,000.00
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Sub-total	15,000.00			
	<input type="checkbox"/> Check here if additional pages are attached	Amount from attached pages	0.00			

\*See reverse for details.

**3. TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT**

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4.

15,000.00

**4. Date of Deposit**

09/20/17

Treasurer's Daytime Telephone No.: (509) 947-5383

I certify that this report is true and complete to the best of my knowledge

Treasurer's Signature

Date

Ella Childers

09-21-2017

# **EXHIBIT 8**



## CASH RECEIPTS MONETARY CONTRIBUTIONS

**C3**

(1/02)

THIS SPACE FOR OFFICE USE

100789308

09-29-2017

Candidate or Committee Name (Do not abbreviate. Use full name.)

Citizens for the Link Entertainment Center

Mailing Address

7620 West 21st Avenue

City

Kennewick, WA

Zip + 4

99338

Office Sought (candidates)

Election Date

2017

### 1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT

Date Received		Amount	Total
	a. Anonymous .....		.
	b. Candidate's personal funds deposited in the bank (include candidate loans in 1c).....		
	c. Loans, notes, security agreements. Attach Schedule L.....		
	d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation .....		
	e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons)		

### 2. CONTRIBUTIONS OVER \$25.00

Date Received	Contributor's Name, Address, City, State, Zip	Contributions of more than \$100: Employer's Name, City and State	P	G	Amount	Aggregate* Total
			R	E		
09/29/17	U.A. LOCAL 598 - I.A.P. 1328 Road 28 Pasco, WA 99301				5,000.00	5,000.00
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Sub-total			5,000.00	
	<input type="checkbox"/> Check here if additional pages are attached	Amount from attached pages			0.00	

\*See reverse for details.

### 3. TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4.

5,000.00

### 4. Date of Deposit

09/29/17

I certify that this report is true and complete to the best of my knowledge

Treasurer's Signature

Date

Ella Childers

09-29-2017

Treasurer's Daytime Telephone No.: (509) 947-5383

# **EXHIBIT 9**

**EXHIBIT INTENTIONALLY BLANK**

# **EXHIBIT 10**

**From:** [Brian Paul](#)  
**To:** [Corey Pearson](#); [E van winkle](#); [Gary Hansen](#)  
**Subject:** RE: Link Discussion  
**Date:** Monday, July 24, 2017 10:12:08 AM

---

I am back to back Tuesday Wednesday should be free after 1p

Brian Paul Lubanski  
Vice President General Manager  
Apple Valley Broadcasting Inc.  
KAPP 35 ABC HDTV Yakima  
KVEW 42 ABC HDTV Tri Cities  
ME-TV 35.2/42.2 Yakima/Tri Cities  
509-953-9765  
>>> Gary Hansen <[gary@pixelsoftfilms.com](mailto:gary@pixelsoftfilms.com)> 7/24/2017 10:03 AM >>>  
Gary can meet before 10 tomorrow or Wed after 2. Thursday is open. Can meet here if that works.

---

**From:** Corey Pearson [<mailto:cpearson@3riverscampus.com>]  
**Sent:** Monday, July 24, 2017 9:36 AM  
**To:** E van winkle <[winks59@gmail.com](mailto:winks59@gmail.com)>; Gary Hansen <[gary@pixelsoftfilms.com](mailto:gary@pixelsoftfilms.com)>  
**Cc:** Brian Paul Lubanski <[briancp@kvewtv.com](mailto:briancp@kvewtv.com)>  
**Subject:** RE: Link Discussion

I have to run Spokane this afternoon but I have all afternoon free tomorrow.

Corey

**From:** E van winkle [<mailto:winks59@gmail.com>]  
**Sent:** Monday, July 24, 2017 8:42 AM  
**To:** Gary Hansen <[gary@pixelsoftfilms.com](mailto:gary@pixelsoftfilms.com)>  
**Cc:** Corey Pearson <[cpearson@3riverscampus.com](mailto:cpearson@3riverscampus.com)>; Brian Paul Lubanski <[briancp@kvewtv.com](mailto:briancp@kvewtv.com)>  
**Subject:** Re: Link Discussion

Does this work for anyone else, Im available....er

Eric Van Winkle  
Van Winkle Firm LLC  
Tri Cities, Washington.....  
1-509-727-3337

On Mon, Jul 24, 2017 at 8:29 AM, Gary Hansen <[gary@pixelsoftfilms.com](mailto:gary@pixelsoftfilms.com)> wrote:

I am available today after 1pm

**From:** E van winkle [<mailto:winks59@gmail.com>]  
**Sent:** Wednesday, July 19, 2017 11:32 AM

**To:** Corey Pearson <[cpearson@3riverscampus.com](mailto:cpearson@3riverscampus.com)>; Brian Paul Lubanski <[brianp@kvewtv.com](mailto:brianp@kvewtv.com)>; Gary Hansen <[gary@pixelsoftfilms.com](mailto:gary@pixelsoftfilms.com)>

**Subject:** Link Discussion

Both Gary and Brian are out Friday....anything on Monday Tuesday?....er

Eric Van Winkle

Van Winkle Firm LLC

Tri Cities, Washington.....

[1-509-727-3337](tel:1-509-727-3337)

# **EXHIBIT 11**

**From:** [Theresa Long](#)  
**To:** [Corey Pearson](#)  
**Subject:** Here is the spreadsheet  
**Date:** Thursday, August 24, 2017 1:56:44 PM  
**Attachments:** [LINK\\_Educational campaign.xlsx](#)

---

Corey,

These are just rough numbers and start and stop times. If you want to start the campaign sooner we can do that and then add money on the backend if we need to. Let me know what you think.

Thanks,

Theresa

**THERESA LONG** | Co-Founder & Marketing Strategist  
8551 Gage Boulevard, Suite K | Kennewick, WA 99336  
**office** (509) 378-3014 | **fax** (509) 378-3018  
[www.focalpointmarketing.com](http://www.focalpointmarketing.com)

Budget	\$40,000		
Production	(\$12,000)		
TCH	(\$5,000)		
Printing	(\$10,000)	20K Direct Mail (Print & Mailing) & 4K Door Hangers	
Total Placement	\$13,000		
	September	October- Heavy beginning Oct 4th	November-Stop Nov 6
TV	\$2,500	\$4,850	\$750
Radio	\$500	\$750	\$250
Digital	\$500	\$2,000	\$200
	\$13,000.00		
	\$500	Digital Sept begin Mid	
	\$2,000	Heavy from Oct 4th on	
	\$200	Only until Nov 6	
	\$500	Radio light Sept	
	\$750	Radio Oct	
	\$250	Radio Nov	
	\$2,500	TV Sept light	
	\$4,850.00	TV Oct Heavy 4th on	
	\$750.00	Unitl Nov 6	
	\$700	Total	

# **EXHIBIT 12**

**From:** [Amanda Garcia](#)  
**To:** [Liz Lutz](#)  
**Subject:** RE: Voter Data Request  
**Date:** Thursday, August 3, 2017 11:31:59 AM  
**Attachments:** [LutzVoterData.xlsx](#)

---

Liz,

Per your request I am attaching a list of registered voters that live within the City of Kennewick that have only voted for the following elections...

- 2016 Primary Election
- 2016 February Special Election
- 2014 Primary Election

If you need anything else or would like all of City of Kennewick voters regardless if they voted or not please let me know.

Pursuant to RCW 29A.08.720, any data, lists, or information provided shall only be used for political purposes and shall not be used for commercial purposes. As such, the data, lists, or information provided shall not be used for the purpose of mailing or delivering any advertisement or offer for any property, establishment, organization, product, or service for the purpose of mailing or delivering any solicitation for money, services, or anything of value.

Amanda Garcia  
Election Manager  
Benton County Auditor's Office  
620 Market Street  
Prosser, WA 99350  
(509) 786-5620 ext 5639

\*\*Please note that effective December 1, 2016, the business hours for all Auditor's Office locations will change to 8:30am – 4:30pm.

---

**From:** Elizabeth Lutz [<mailto:noreply@jotform.com>]  
**Sent:** Thursday, August 3, 2017 10:37 AM  
**To:** Taylor Ranger <[Taylor.Ranger@co.benton.wa.us](mailto:Taylor.Ranger@co.benton.wa.us)>  
**Subject:** Voter Data Request



<u>Question</u>	<u>Answer</u>
Full Name	Elizabeth Lutz
Address	Street Address: 7000 W Grandridge Blvd City: Kennewick State / Province: WA Postal / Zip Code: 99336 Country: United States
E-mail	<a href="mailto:llutz@3riverscampus.com">llutz@3riverscampus.com</a>
Phone Number	(509) 3921110
Voters to include:	Specific District Only
Specific District:	City of Kennewick
Delivery Method:	E-mail (free)
Include Voting History?	Yes
Election(s) Requested	8/2/16 Primary 2/9/16 Special 8/5/14 Primary
File Type	Microsoft Excel - .xlsx (2010)
Additional Comments:	

# **EXHIBIT 13**

## Roger Erich Lenk

---

**From:** Liz Lutz  
**Sent:** Friday, August 4, 2017 11:44 AM  
**To:** 'Barbara Johnson (bajohnso@simon.com)'; 'Kris Watkins (kris@visittri-cities.com)'  
**Subject:** Walking lists  
**Attachments:** RE: Voter Data Request; RE: Voter Data Request

Here is the information I received from the auditor's office regarding the walking list.

Let me know if you have any questions.

Thanks,

**Liz Lutz**

Executive Assistant  
Three Rivers Convention Center  
Toyota Center and Toyota Arena  
509.737.3702



*Fulfilling promises. Creating success.*

# **EXHIBIT 14**

**From:** [Kris Watkins](#)  
**To:** [Corey Pearson](#)  
**Subject:** Fwd: Go Big Tri-cities  
**Date:** Wednesday, August 30, 2017 6:04:53 PM  
**Attachments:** [Go Big Tri-Cities 2017 Note Memo Bill.xlsx](#)  
[ATTACHMENT](#)

---

Can we get the \$30k from Venue works so we can start placing TV ads? We can get our \$20k to you asap so Focal Point can start their ad placement.

Sent from my iPhone

Begin forwarded message:

**From:** Kathy Balcom <[kbalcom8@charter.net](mailto:kbalcom8@charter.net)>  
**Date:** August 30, 2017 at 4:16:03 PM PDT  
**To:** Kris Watkins <[kris@VisitTri-Cities.com](mailto:kris@VisitTri-Cities.com)>  
**Subject: FW: Go Big Tri-cities**

Would you be able to pay this in advance out of the 30K allocated from Go Big Tri-Cities account?

**From:** Perkins, Carol [<mailto:cperkins@tricityherald.com>]  
**Sent:** Wednesday, August 30, 2017 3:56 PM  
**To:** Kathy Balcom  
**Subject:** Re: Go Big Tri-cities

Hi Kathy -

Are they intending on sending a check? I didn't include mailing address on the attached memo bill because I wouldn't know if the days are available when mail gets here. I can pick up a check or receive a call with credit card. That would be the best so I can check the schedule prior to taking payment.

Please send a mailing address for Go Big Tri-Cities. I believe the one we have on file is Coke Roth's from last year.

Thank you

**Carol Perkins**  
Project Manager  
Tri-City Herald  
[cperkins@tricityherald.com](mailto:cperkins@tricityherald.com)  
509-582-1438 Office  
509-879-4552 Cell (out of area)



On Wed, Aug 30, 2017 at 3:16 PM, Kathy Balcom <[kbalcom8@charter.net](mailto:kbalcom8@charter.net)> wrote:

Can you create an invoice for the sticky notes ? The committee is Go Big TriCities

Sent from my iPhone

**Date: August 28, 2017**

Carol Perkins 509-582-1438 office; 509-879-4552 cell email: cperkins@tricityherald.com

Account: Go Big Tri-Cities

## Memo Bill

### Sticky Note - 99336, 99337, 99338

Date	Size	CPM	Amount	Cost
Wednesday, October 18	3x3 double sided	\$64.00	6,382	\$408.45
Friday, October 25	3x3 double sided	\$64.00	6,382	\$408.45
<b>Totals</b>			<b>12,764</b>	<b>\$816.90</b>

**Phone Carol Perkins to make payment**

509-879-4552 cell

509-582-1438 office

# **EXHIBIT 15**

**From:** Liz Lutz  
**To:** [Kris Watkins \(kris@visittri-cities.com\)](mailto:Kris.Watkins(kris@visittri-cities.com))  
**Subject:** flyer  
**Date:** Monday, September 18, 2017 1:17:00 PM  
**Attachments:** [Handout](#) [image1.jpg](#)

---

Hi Kris,

Attached is the flyer we have.

Let me know if you need anything else!

Thanks,

**Liz Lutz**

Executive Assistant  
Three Rivers Convention Center  
Toyota Center and Toyota Arena  
509.737.3702



# SOMETHING FOR EVERYONE.



IT'S YOUR 2¢ - **REMEMBER  
TO VOTE NOVEMBER 2017**

Together, we can make the Tri-Cities a destination  
for **athletes, artists, conventions & more!**

## KEEPING UP WITH DEMAND

Due to our small, aging and over-booked facilities, the Tri-Cities has frequently missed the opportunity to host large entertainment and sports events. The positive economic impact of revenue and visitors to the area is then relinquished to surrounding cities such as Spokane or Yakima.

## THE FOOTPRINT

This proposal would fund the construction of The Link, a 110,000-square foot multi-purpose facility, connecting the existing Toyota and Convention Centers; would provide some much-needed

renovations to the Toyota Center; and would oversee the construction of a new youth sports arena. The proposed facility updates would allow the Tri-Cities to not be overlooked when opportunities arise.



With your support, The Link will serve as a venue for national caliber recording artists, comedians, Broadway shows, conferences, conventions and more. It will also serve as home for indoor sports like youth soccer, gymnastics, hockey, figure skating and more – and that's a big deal!

**SALES TAX IMPACT –  
ONLY 2¢ ON EVERY \$10!**



## PROJECT FUNDING

The Link project will be 100% funded by a proposed 0.2% sales tax increase. That's only 2¢ on every \$10! This is not a property tax, and it expires once the bond is repaid – returning the tax to its normal rate.

## WHO PAYS FOR THE LINK?

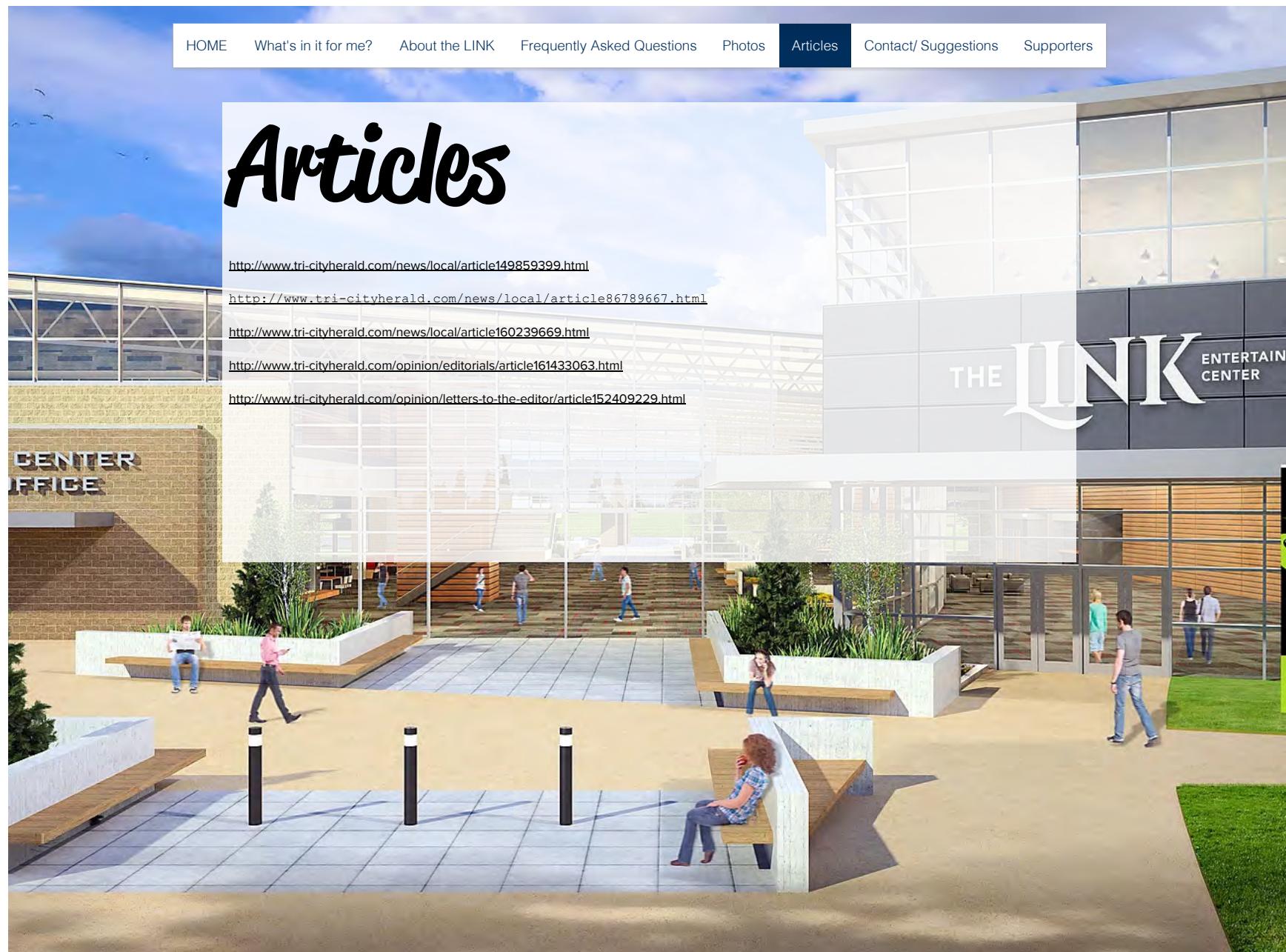
A recent survey revealed that over 63% of our retail shoppers were from areas outside of Kennewick. These visitors fuel commerce and pay the majority of the sales tax that will fund The Link as well as roads, parks, Police and Fire Departments – that's good business for everybody.

Once completed, The Link will serve as a venue to attract concerts, conventions, shows and sporting events where each additional attendee will contribute tax revenue to our economy. In other words, The Link will more than pay for itself.

TO LEARN MORE VISIT- [WWW.THELINKTC.COM](http://WWW.THELINKTC.COM)

**PERFORMANCE STAGE ➤ RENOVATIONS ➤ YOUTH SPORTS ARENA**

# **EXHIBIT 16**





**Metro Link is back** 1:03

LOCAL

## Kennewick's convention center proposal now includes third ice rink

BY WENDY CULVERWELL  
[wculverwell@tricityherald.com](mailto:wculverwell@tricityherald.com)

**MAY 10, 2017 6:40 PM**

Kennewick voters will soon hear a new pitch to expand the Three Rivers Convention Center. The \$35 million proposal now includes building a third ice rink to serve the area's growing youth hockey community.

Last August, Kennewick voters rejected "The Link," a 110,000-square-foot package of upgrades that included more space and a Broadway-style theater.

The request failed with 52.5 percent of voters in opposition in the Aug. 2 primary. A simple majority is needed for approval.



inRead invented by Teads

"We were so close last time. It makes sense to try again," said Corey Pearson, executive director of the Three Rivers complex and the Kennewick Public Facilities District.

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**WE WERE SO CLOSE LAST TIME. IT MAKES SENSE TO TRY AGAIN.**

Corey Pearson, Three Rivers Convention Center

Pearson briefed the Kennewick City Council during a workshop Tuesday on plans to bring the enhanced version of The Link back to voters.

The City Council must authorize the request before it can appear on the ballot. It made no decisions Tuesday, but indicated it supports the original expansion plan as well as the addition of a third ice rink. The facilities district board will refine its plan when it meets May 18.

The board is evaluating potential election dates, but does intend to ask voters to approve a two-tenths of a percent sales tax increase that would add two cents to a \$10 purchase in Kennewick, the maximum allowed.

Pearson said the facilities district can accomplish all the projects included from the 2016 plan, while adding in a \$5 million ice rink, if it is careful about phasing and retools bond reserve requirements.

The Tri-Cities Amateur Hockey Association is the driving force behind the addition of an ice rink. It would be the third at the Three Rivers complex, where both the Toyota Center and the Toyota Arena can be configured for skating.

TCAHA is based at Pasco's TRAC and uses the Toyota Center as an overflow, racking up more than 400 hours of ice time there last year. Franklin County, which owns TRAC, is considering closing the aging and unprofitable ice rink when its TCAHA contract expires at the end of 2018. Without a replacement, TCAHA faces a ruinous shortage of ice time.

Kris Waltze, president of the youth hockey group, said it needs more ice, not less.

“We need it even if TRAC doesn’t go away,” he said.

Waltze, along with board member Russel Del Gesso, said a third sheet of ice at Three Rivers would put Kennewick on the national map for hockey-related tournaments and events. A recent regional event drew 30 teams and generated demand for 800 hotel rooms per night for four nights.

“We could make it the mecca for hockey in Washington,” Waltze said.

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“  
**WE COULD MAKE IT THE MECCA FOR HOCKEY IN WASHINGTON.**

Kris Waltze, Tri-Cities Amateur Hockey Association

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The hockey association enthusiastically endorses adding a new rink at Three Rivers and sent a letter to members this week updating them on the ice rink situation.

“Not only will this additional sheet of ice provide necessary hours for our youth program, it could also help to provide additional resources and support for parallel activities,” Waltze wrote, noting that curling, figure skating, girls hockey and adult hockey could all benefit.

The new building could be converted to support indoor soccer matches in the summer, when the hockey program is less active and only requires a single rink.

“It’s not just a hockey thing. It would be multi-use,” Waltze said.

Barbara Johnson, president of the Kennewick Public Facilities District Board, said that as the city and district plan a second campaign for The Link, it’s important to get it right. Including hockey facilities could make the request more appealing to voters, she said.

“We’ve got a lot of people in the community that really support youth hockey,” she said.

The Link package includes a 2,300-seat Broadway-style theater capable of hosting touring productions as well as a 50,000-square foot expansion of the convention center and a 30,000-square foot lobby to connect the Toyota Center to the convention center and theater complex.

*Wendy Culverwell: 509-582-1514, @WendyCulverwell*



The Kennewick Public Facilities District is adding a new ice rink at the Three Rivers Convention Plaza to a package of upgrades it plans to resubmit to voters this year. [File - Tri-City Herald](#)

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## IN OTHER NEWS

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The Real Salaries of 6 TV Characters



LOCAL

## Kennewick ties Three Rivers parking plan to Aug. 2 vote

BY WENDY CULVERWELL  
*wculverwell@tricityherald.com*

JUNE 29, 2016 6:12 PM

The Kennewick City Council pledged this week to build up to 1,000 new parking spots near the Three Rivers Convention Center complex.

In an unusual session following its scheduled workshop Monday night, the city council passed a resolution declaring support for developing new parking on city-controlled land.

The city owns about 15 acres near the coliseum and convention center and has an agreement to buy 14 acres on three parcels from the Kennewick Irrigation District.

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The city will pay nearly \$2.4 million for the land. The deal is part of a larger transfer under which the city will begin providing domestic water service to the Elliott Lake neighborhood.

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The parking resolution commits the city to partner with the Kennewick Public Facilities District and the Port of Kennewick to provide more parking to support both the convention complex and the proposed Vista Field redevelopment.

The resolution explicitly links the city's parking commitment to voters approving a two-tenths of a percent sales tax increase to upgrade the convention center complex in the Aug. 2 primary election. Ballots will be mailed by mid-July.

"In the event of a majority approval of ballot proposition 16-8 for the Link Theater, Toyota Center improvements and Convention Center expansion, the city of Kennewick affirms its commitment to provide additional parking for the growing needs of this entertainment district," it reads.

The proposed \$35 million, 100,000-square-foot expansion is called The Link.

It would modernize the Three Rivers campus with a 2,300-seat Broadway-style theater, a 50,000-square-foot convention center addition and a 30,000-square-foot new lobby that would reorient Toyota Center to face Vista Field.

The proposal needs a simple majority to pass. It would add two cents of sales tax to a \$10 purchase, raising an estimated \$3.5 million per year. The council previously supported the Kennewick Public Facilities District's move to submit the plan to voters.

Council members said even without the expansion, parking is a longstanding issue at Three Rivers — it's frequently in short supply when the convention center and Toyota Center hold events at the same time. Attendees are forced to use parking lots of nearby businesses.

Mayor Steve Young said the problem has become worse in the year since the 116-room SpringHill Suites hotel opened adjacent to the convention facility. On behalf of the city, he apologized to visitors forced to park off-site.

"We recognize it has been a problem. Sometimes, the huge problems take time to solve."

The resolution passed unanimously, with four of the seven council members present. Council members John Trumbo, Greg Jones and Bob Parks were excused.

*Wendy Culverwell: 509-582-1514, @WendyCulverwell*

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LOCAL

## Kennewick wants voters to rethink The Link

BY WENDY CULVERWELL  
*wculverwell@tricityherald.com*

JULY 07, 2017 6:19 PM

Nearly a year after Kennewick voters last rejected a sales tax increase to expand the Three Rivers Convention Center complex, supporters are making plans for a third try.

Emboldened by the relatively narrow margin of defeat, the Kennewick Public Facilities District board will consider asking voters to approve the project it calls “The Link” when it meets this month.

Voters rejected earlier versions in 2013 and again in 2016, when it fell 292 votes short of a simple majority.

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“We felt like we were so close,” said Barbara Johnson, the board’s chairwoman.

The board asked a subcommittee to study the plan and recommend what it put before voters. Link supporters signaled their revived interest by updating the campaign profile photo on its Facebook page in late June.

The proposal could appear on the Nov. 7 ballot this year or on the April or August 2018 ballot, said Corey Pearson, executive director for the facilities district and the Three Rivers campus.

The board’s next regular meeting is at 5 p.m. July 27 at the Three Rivers Convention Center. It could discuss the plan then, or hold a separate session to review it in depth. It is up to the district’s board to put the measure before voters, but the Kennewick City Council must concur with its decision.

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Mayor Steve Young said the seven-member elected City Council would like to see voters get another chance to invest in the convention center. Without endorsing the plan, he said city officials fear Three Rivers will lose convention and meeting business to other communities without an expansion and new amenities.

That said, Young challenged the public facilities district to better educate the public about the request. Many voters were confused about the nature of the tax, many confusing it with the property tax, when it was included in the August 2016 primary.

The new proposal will probably echo the 2016 version, but with the notable addition of a new ice rink.

As Franklin County contemplates closing its aging and unprofitable ice rink at TRAC in Pasco, the Tri-Cities Amateur Hockey Association is pushing Kennewick to add another ice rink at Three Rivers to keep up with growing demand for ice time.

Backers believe the \$5 million ice rink could be added to The Link package without added cost by shifting the construction schedule and adjusting reserves required for the overall project.

Johnson, the chair, said the board is evaluating if an ice rink will pencil out. If it does, she said support from fans of youth hockey could help when ballots are counted.

The 2016 package included the addition of 50,000 square feet to the convention center and 30,000 square feet to the Toyota Center. The project takes its name from its key feature, a 2,300-seat “Broadway-style” theater linking the two existing buildings. The package carries a \$35 million price tag.

The Link is distinct from the proposed Vista Arts Center, an 800-seat theater complex envisioned for nearby Vista Field by the nonprofit Arts Center Task Force..

Under Washington law, public facilities districts are authorized to ask voters to authorize a sales tax increase of up to 0.2 percent, or two cents on a \$10 purchase. If approved, the tax applies to most retail sales and services within the jurisdiction. For the Kennewick district, that's the city of Kennewick. Some transactions, chiefly sales to Oregonians with proof of residence, are exempt.

It would generate about \$3.5 million per year. The money would be used to repay bonds issued to pay for the project up front. The 2016 version included a provision to end collections after 20 years. That provision would likely remain in any new package.

The Washington Legislature authorized cities, towns, metro areas and counties to form public facilities districts to promote economic development by giving them a revenue source to finance, design, construct, remodel, maintain or operate public facilities.

Kennewick established its district in December 2000. Richland and Pasco both have districts and a separate regional district covers all three cities.

Local voters have not been friendly to the concept.

A 2013 ballot measure advanced by the regional facilities district for an aquatics center in Pasco failed despite wide support in Pasco itself. Pasco considered moving ahead with the idea, but the concept lost steam this spring when the Legislature failed to act on a bill that would have helped clarify roles and responsibilities.

Kennewick voters, of course, rejected the convention center expansion twice. With 11,845 votes cast last summer, The Link needed 5,923 "yes" votes to pass. It fell 292 votes short, failing by a margin of 52.5 percent to 47.54 percent.

Richland's public facilities district is focused on The Reach interpretive center and has not pitched a sales tax to its voters.

*Wendy Culverwell: 509-582-1514, @WendyCulverwell*

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**EDITORIALS**

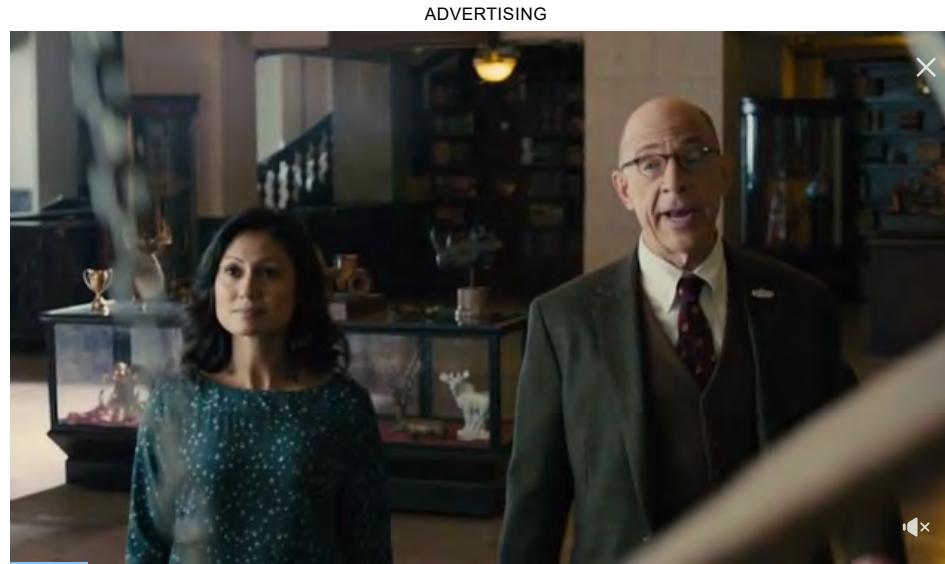
## Our Voice: The Link will require better marketing

*By the Herald Editorial Board*

**JULY 15, 2017 2:16 PM**

Supporters of expanding the Three Rivers Convention Center may be thinking of that proverbial phrase, “three is a charm.”

But it will take more than luck to get the votes needed to approve yet another attempt to publicly fund improvements to the Three Rivers campus. It will take thorough preparation, time and a more ambitious campaign to ensure the public has the right information about whatever plan ends up being put forth to the community.



The Kennewick Public Facilities District Board is scheduled to meet July 27 to discuss the possibility of asking voters to once again approve the idea.

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Last year's proposal would have added 50,000 square feet to the convention center and 30,000 square feet to the Toyota Center, and built a 2,300-seat Broadway-style theater called "The Link" connecting the two buildings.

The rub, of course, was that to make the \$35 million project a reality, Kennewick voters needed to approve a two-tenths of 1 percent sales tax increase. The measure failed 292 votes shy of a simple majority. In 2013, an effort to expand the convention center also failed at the ballot box.

While the loss last August was disappointing to those pushing for it, the close margin has encouraged them to try again.

It will be up to the board to put the measure before voters, but the Kennewick City Council will have to concur with the decision.

Mayor Steve Young, while not endorsing the plan, said organizers will have to do a better job educating the public about the request. We agree.

Last year there were people who questioned on Facebook why the Tri-Cities needed another movie theater and why the public should pay for it. Young said many people did not understand the nature of the sales tax, confusing it with a property tax.

After the loss, we said that lessons can be learned from failure and we encouraged the backers of The Link to regroup and try again.

Expansion at the Three Rivers Convention Center has been needed for a long time.

Events at our Tri-City facility have been on the decline because groups opt instead to go to Yakima or Spokane where there is more capacity, and that means our community is losing out on tourism dollars.

Convention attendees fan out to hotels, restaurants and shops whenever they visit, benefiting that community's economy. The Tri-Cities could have a bigger slice of the convention pie if our center were able to hold larger groups.

But that argument does not sway some people. There were plenty of citizens who completely understood the proposal last year, and were adamantly opposed.

Some said it wasn't right for all Kennewick shoppers to pay for something not everyone can afford to use, and that those with lower incomes would be unfairly burdened.

Others thought the proposal didn't do enough to address potential traffic congestion. And there always will be people philosophically opposed to more taxes regardless of the project or public service provided.

Still, the vote was close last year, despite some confusion over the issue.

If Kennewick PFD Board members decide to make another run at The Link project, they need to have a response ready to counter all the arguments against it they know will come up during the campaign.

We can't make a recommendation on a proposal that is still in the planning stages. But we can say that if the board tries to put a measure on the ballot, it won't stand a chance without a strong marketing plan behind it.

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**LETTERS TO THE EDITOR**

## Letter: Build voter support for Link project

**MAY 24, 2017 12:53 PM**

I am glad that the people pushing The Link project are trying again to get this measure passed, and I really do believe it can pass. But, the biggest obstacle that they should be focused on is building up a large voter base.

As it stands, not very many Kennewick citizens vote, and the ones that do are ultimately too conservative and suffer from “tax phobia,” as I would put it. You need to focus on encouraging people who would support you to vote (I know plenty of people who would support you), and letting the uber-conservatives know (I really should say drilling it into their heads) what the taxes are like, because as it stands they will hear the word “tax” and cower in fear.

Do these things along with what you are doing now, and it is not hard to see you riding the wave to victory.

*NOLAN KADINGER, KENNEWICK*

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# **EXHIBIT 17**

**From:** [Nick Gonzales](#)  
**To:** [Corey Pearson](#)  
**Subject:** Campaign Involvement  
**Date:** Monday, September 25, 2017 1:01:50 AM

---

Hi Corey,

I hope you've been well. We got involved with a donation in last years awareness campaign for the Link vote and would like to do so again.

Who best to talk to about this? We can put some signs up on our office on Geo Way that get's lots of traffic and can donate, ect.

Nick Gonzales | Senior Project Manager  
LEED Green Associate | CHC | Assoc. DBIA  
BOUTEN CONSTRUCTION COMPANY  
P. 509.943.7677 | C. 509.713.0837 | F. 509.943.7877

Roger Erich Lenk

reported via email, 3 years ago (10/6/2017) 2<sup>nd</sup> Amendment to Original Complaint that was filed  
9/11/2017

to:

pdc@pdc.wa.gov

Dear Mr. Ragins

This is in follow-up to my complaint of September 11, 2017 and Amendment of October 1.

Please add violation of RCW 42.17A.320, Identification of sponsor.

As noted in my original complaint, the website fails to note the sponsor of the website. In addition, the amendment to that complaint, the direct mailer in Exhibit 15 fails to identify a sponsor. Furthermore, radio and television advertisements being played at this time on local radio and television stations fail to include any information concerning the sponsor.

In addition, in the October 1 amendment, Exhibit 17 reveals the coordination of contributions between BOUTEN CONSTRUCTION COMPANY and Respondent Pearson. The attached file verifies the consummation of that donation.

Furthermore, the second attachment revels that Mr. Pearson's employer, Venuworks contributed another \$15,000 to Citizens for the Link Entertainment Center.

Moreover, the third attachment shows Respondent Pearson making good on his claim "I have all of the unions in the wings again wanting to help and they are just waiting for the signal to go" with the \$5,000.00 contribution from the Central Washington Building and Construction Council.

No expenditures have been recorded to date by Citizens for the Link Entertainment Center.

Thank you, and let me know if you need any further information.

**Roger Erich Lenk  
1817 N. Road 76  
Pasco, Washington 99301  
(509) 542-0489  
[lenk.roger@gmail.com](mailto:lenk.roger@gmail.com)**

**CASH RECEIPTS  
 MONETARY  
 CONTRIBUTIONS**

**C3**

(1/02)

THIS SPACE FOR OFFICE USE

100790533

10-05-2017

Candidate or Committee Name (Do not abbreviate. Use full name.)

Citizens for the Link Entertainment Center

Mailing Address

7620 West 21st Avenue

City

Zip + 4

Kennewick, WA

99338

Office Sought (candidates)

Election Date

2017

**1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT**

Date Received		Amount	Total
	a. Anonymous .....		.
	b. Candidate's personal funds deposited in the bank (include candidate loans in 1c).....		
	c. Loans, notes, security agreements. Attach Schedule L.....		
	d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation .....		
	e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons)		

**2. CONTRIBUTIONS OVER \$25.00**

Date Received	Contributor's Name, Address, City, State, Zip	Contributions of more than \$100: Employer's Name, City and State	P	G	Amount	Aggregate* Total
			R	E		
10/05/17	BOUTEN CONSTRUCTION COMPANY 295 Bradley Street Suite 202 Richland, WA 99352				300.00	300.00
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Sub-total			300.00	
	<input type="checkbox"/> Check here if additional pages are attached	Amount from attached pages			0.00	

\*See reverse for details.

**3. TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT**

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4.

300.00

**4. Date of Deposit**

10/05/17

Treasurer's Daytime Telephone No.: (509) 947-5383

I certify that this report is true and complete to the best of my knowledge

Treasurer's Signature

Date

Ella Childers

10-05-2017



## CASH RECEIPTS MONETARY CONTRIBUTIONS

**C3**

(1/02)

THIS SPACE FOR OFFICE USE

100790270

10-03-2017

Candidate or Committee Name (Do not abbreviate. Use full name.)

Citizens for the Link Entertainment Center

Mailing Address

7620 West 21st Avenue

City

Kennewick, WA

Zip + 4

99338

Office Sought (candidates)

Election Date

2017

### 1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT

Date Received		Amount	Total
	a. Anonymous .....		.
	b. Candidate's personal funds deposited in the bank (include candidate loans in 1c).....		
	c. Loans, notes, security agreements. Attach Schedule L.....		
	d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation .....		
	e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons)		

### 2. CONTRIBUTIONS OVER \$25.00

Date Received	Contributor's Name, Address, City, State, Zip	Contributions of more than \$100.* Employer's Name, City and State	P	G	Amount	Aggregate* Total
			R	E		
10/03/17	VENUWORKS 4611 Mortensen Road Suite 111 Ames, WA 50014				15,000.00	30,000.00
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Sub-total	15,000.00			
	<input type="checkbox"/> Check here if additional pages are attached	Amount from attached pages	0.00			

### 3. TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4.

15,000.00

\*See reverse for details.

### 4. Date of Deposit

10/03/17

Treasurer's Daytime Telephone No.: (509) 947-5383

I certify that this report is true and complete to the best of my knowledge

Treasurer's Signature

Date

Ella Childers

10-03-2017

**CASH RECEIPTS  
 MONETARY  
 CONTRIBUTIONS**

**C3**

(1/02)

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100790681

10-06-2017

Candidate or Committee Name (Do not abbreviate. Use full name.)

Citizens for the Link Entertainment Center

Mailing Address

7620 West 21st Avenue

City

Kennewick, WA

Zip + 4

99338

Office Sought (candidates)

Election Date

2017

**1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT**

Date Received		Amount	Total
	a. Anonymous .....		.
	b. Candidate's personal funds deposited in the bank (include candidate loans in 1c).....		
	c. Loans, notes, security agreements. Attach Schedule L.....		
	d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation .....		
	e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons)		

**2. CONTRIBUTIONS OVER \$25.00**

Date Received	Contributor's Name, Address, City, State, Zip	Contributions of more than \$100.* Employer's Name, City and State	P	G	Amount	Aggregate* Total
			R	E		
10/06/17	CENTRAL WA BUILDING AND PO Box 2381 Pasco, WA 99301				5,000.00	5,000.00
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Occupation				
		Sub-total			5,000.00	
	<input type="checkbox"/> Check here if additional pages are attached	Amount from attached pages			0.00	

\*See reverse for details.

**3. TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT**

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4.

5,000.00

**4. Date of Deposit**

10/06/17

I certify that this report is true and complete to the best of my knowledge

Treasurer's Signature

Date

Ella Childers

10-06-2017

Treasurer's Daytime Telephone No.: (509) 947-5383

Roger Erich Lenk

reported via email, 3 years ago (10/21/2017) (4<sup>th</sup> Amendment to original complaint that was filed 9/11/1017)

to:

pdc@pdc.wa.gov

Dear Mr. Ragins:

This is in follow-up to my complaint of September 11, 2017, and my amendments of October 1, 2017, October 6, 2017, October 16, 2017, and serves to provide facts which support the violations of RCW 42.17 et. seq.

First, in my October 1, 2017 amendment, Exhibit 14 provides information concerning the pre-payment of \$816.90 for sticky notes supporting The Link, Proposition 17-4, to be placed in the Tri-City Herald. The sticky notes were purchased on August 30, 2017, prior to any political committee being formed in relation to the Link, Proposition 17-4.

In his capacity as Executive Director for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment, Respondent Pearson coordinated the payment of \$816.90. Ultimately, Respondent Pearson obtained the \$816.90 advertisement payment from Citizens for the Link Entertainment Center within days of its formation (see Exhibit 1 attached hereto, page 2). Respondent Pearson should not be involved with obtaining payment for such advertising as such activities are not “(a)ctivities which are part of the normal and regular conduct of the office or agency”.

Second, on September 26, 2017, within days of its formation and receiving contributions, Citizens for the Link Entertainment Center paid for an advertisement in the September Tri-Cities Journal of Business. The advertisement was attributed to Respondent “Go Big Tri Cities” which has no political committee registered with the Public Disclosure Commission (See Exhibit 2, page 1).

Third, on October 3 and 16, 2017, Citizens for the Link Entertainment Center paid Clearbags \$163.67 for 5,000 door knocking bags, and MediaMax \$715.56 for 1,120 mailers (see Exhibit 1, page 3 attached hereto). Combined, the 5,000 door knocker bags and 1,120 mailers approximately equals the number of voters contained in the “list of registered voters that live within the City of Kennewick that have only voted for the following elections 2016 Primary Election 2016 February Special Election and 2014 Primary Election”. As noted in Exhibit 12 of my October 1, 2017 Amendment to Complaint, that list was obtained by Respondent Pearson’s Executive Assistant in her capacity as an employee of the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment. Employees and officers of the Kennewick Public Facilities District should not be involved with gathering such information which was used in a campaign to support Proposition 17-4 as these activities are not “(a)ctivities which are part of the normal and regular conduct of the office or agency”.

If you have additional questions, please advise.

Thank you.

**Roger Erich Lenk**

**1817 N. Road 76**

**Pasco, Washington 99301**

**(509) 542-0489**

**lenk.roger@gmail.com**



PUBLIC DISCLOSURE COMMISSION  
711 CAPITOL WAY RM 206  
PO BOX 40908  
OLYMPIA WA 98504-0908  
(360) 753-1111  
TOLL FREE 1-877-601-2828

SUMMARY, FULL REPORT  
RECEIPTS AND  
EXPENDITURES

C4  
(3/97)

PDC OFFICE USE  
100793898

10-17-2017

Candidate or Committee Name (Do not abbreviate. Include full name)

Citizens for the Link Entertainment Center

Mailing Address  
7620 West 21st Avenue

City  
Kennewick, WA

Zip + 4 99338	Office Sought (Candidates)	Election Date 2017
Report Period Covered	From (last C-4) 09/01/17	To (end of period) 10/16/17

\*For PACs, Parties & Caucus Committees: During this report period, did the committee make an independent expenditure (i.e., an expense not considered a contribution) supporting or opposing a state or local candidate?

RECEIPTS

\*See next page Yes No

1. Previous total cash and in kind contributions (From line 8, last C-4) (if beginning a new campaign or calendar year, see instruction booklet)	\$ 0.00
2. Cash received (From line 2, Schedule A)	\$ 40,300.00
3. In kind contributions received (From line 1, Schedule B)	0.00
4. Total cash and in kind contributions received this period (Line 2 plus 3)	40,300.00
5. Loan principal repayments made (From line 2, Schedule L)	0.00
6. Corrections (From line 1 or 3, Schedule C) Show + or (-)	0.00
7. Net adjustments this period (Combine line 5 & 6) Show + or (-)	0.00
8. Total cash and in kind contributions during campaign (Combine lines 1, 4 & 7)	40,300.00
9. Total pledge payments due (From line 2, Schedule B)	0.00

EXPENDITURES

10. Previous total cash and in kind expenditures (From line 17, last C-4) (If beginning a new campaign or calendar year, see instruction booklet)	0.00
11. Total cash expenditures (From line 4, Schedule A)	28,893.12
12. In kind expenditures (goods & services) (From line 1, Schedule B)	0.00
13. Total cash and in kind expenditures made this period (Line 11 plus line 12)	28,893.12
14. Loan principal repayments made (From line 2, Schedule L)	0.00
15. Corrections (From line 2 or 3, Schedule C) Show + or (-)	0.00
16. Net adjustments this period (Combine lines 14 & 15) Show + or (-)	0.00
17. Total cash and in kind expenditures during campaign (Combine lines 10, 13 and 16)	28,893.12

CANDIDATES ONLY				CASH SUMMARY	
	Won	Lost	Unopposed	Name not on ballot	
Primary election	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	18. Cash on hand (Line 8 minus line 17) ..... [Line 18 should equal your bank account balance(s) plus your petty cash balance.]
General election	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	19. Liabilities: (Sum of loans and debts owed) ..... 0.00
Treasurer's Daytime Telephone No.:				20. Balance (Surplus or deficit) (Line 18 minus line 19) ..... 11,406.88	
(509) 947-5383					

CERTIFICATION: I certify that the information herein and on accompanying schedules and attachments is true and correct to the best of my knowledge.

Candidate's Signature	Date	Treasurer's Signature	Date
		Ella Childers	

# CASH RECEIPTS AND EXPENDITURE

## SCHEDULE to C4

**A**  
(11/93)

2

Report Date

Candidate or Committee Name (Do not abbreviate. Use full name.)

09/01/17 10/16/17

1. CASH RECEIPTS (Contributions) which have been reported on C3. List each deposit made since last C4 report was submitted.

Date of deposit	Amount	Date of deposit	Amount	Date of deposit	Amount	Total deposits	
09/20/2017	15,000.00	10/05/2017	300.00				
09/29/2017	5,000.00	10/06/2017	5,000.00				
10/03/2017	15,000.00						
2. TOTAL CASH RECEIPTS		Enter also on line 2 of C4 \$ 40,300.00					

**CODES FOR CLASSIFYING EXPENDITURES:** If one of the following codes is used to describe an expenditure, no other description is generally needed. The exceptions are:

- 1) If expenditures are in-kind or earmarked contributions to a candidate or committee or independent expenditures that benefit a candidate or committee, identify the candidate or committee in the Description block;
- 2) When reporting payments to vendors for travel expenses, identify the traveler and travel purpose in the Description block; and
- 3) If expenditures are made directly or indirectly to compensate a person or entity for soliciting signatures on a statewide initiative or referendum petition, use code "V" and provide the following information on an attached sheet: name and address of each person/entity compensated, amount paid each during the reporting period, and cumulative total paid all persons to date to gather signatures.

CODE DEFINITIONS ON NEXT PAGE	C - Contributions (monetary, in-kind & transfers) I - Independent Expenditures L - Literature, Brochures, Printing B - Broadcast Advertising (Radio, TV) N - Newspaper and Periodical Advertising O - Other Advertising (yard signs, buttons, etc.) V - Voter Signature Gathering	P - Postage, Mailing Permits S - Surveys and Polls F - Fundraising Event Expenses T - Travel, Accommodations, Meals M - Management/Consulting Services W - Wages, Salaries, Benefits G - General Operation and Overhead
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### 3. EXPENDITURES

- a) Expenditures of \$50 or less, including those from petty cash, need not be itemized. Add up these expenditures and show the total in the amount column on the first line below..
- b) Itemize each expenditure of more than \$50 by date paid, name and address of vendor, code/description, and amount.
- c) For each payment to a candidate, campaign worker, PR firm, advertising agency or credit card company, attach a list of detailed expenses or copies of receipts/invoices supporting the payment.

Date Paid	Vendor or Recipient (Name and Address)	Code	Purpose of Expense and/or Description	Amount
N/A	Expenses of \$50 or less	N/A	N/A	
09/22/17	STEVENSON ADVERTISING 19231 36th Avenue W #B-202 Lynnwood, WA 98036		KEPR and Spectrum	12,400.00
09/26/17	TRI-CITY HERALD Canal Drive Kennewick, WA 99336		sticky notes	816.90
09/26/17	TRI-CITIES JOURNAL OF BUSINESS 8919 West Grandridge Blvd Kennewick, WA 99336		Sept ad - listed under Go Big Tri-Cities	1,150.00
10/03/17	MEDIAMAX 213 Ontario Court Richland, WA 99352		flyers, printing, postage etc	5,088.66
10/03/17	MEDIAMAX 213 Ontario Court Richland, WA 99352		layout and printing	1,162.02
10/03/17	TRI-CITIES JOURNAL OF BUSINESS 8919 West Grandridge Blvd Kennewick, WA 99336		October ad	1,150.00
4. TOTAL CASH EXPENDITURES				Total from attached pages \$ 7,125.54 Enter also on line 11 of C4 \$ 28,893.12

**EXPENDITURES CONTINUATION SHEET (Attachment to Schedule A)**

Page 3

Candidate or Committee Name (Do not abbreviate. Use full name.)

**Report Date**

09/01/17 10/16/17

Page Total \$ 7,125.54

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CIT FOR THE LINK ENTERTAINMENT CENTER - 2017 - expenditures - Wednesday, October 18, 2017

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Total Raised	Total Spent		
\$45,300.00	\$28,893.12		
Detailed Expenditures		Inkind Contributions	
\$28,893.12		0.00	
Name	Date	Amount	Description
STEVENSON ADVERTISING	2017-09-22	\$12,400.00	KEPR AND SPECTRUM
MEDIAMAX	2017-10-03	\$5,088.66	FLYERS, PRINTING, POSTAGE ETC
ATOMIC SIGNS AND BANNERS	2017-10-06	\$4,533.25	SIGNS
STEVENSON ADVERTISING	2017-10-16	\$1,708.36	VIDEO SHOOT KENNEWICK
MEDIAMAX	2017-10-03	\$1,162.02	LAYOUT AND PRINTING
TRI-CITIES JOURNAL OF BUSINESS	2017-09-26	\$1,150.00	SEPT AD - LISTED UNDER GO BIG TRI-CITIES
TRI-CITIES JOURNAL OF BUSINESS	2017-10-03	\$1,150.00	OCTOBER AD
TRI-CITY HERALD	2017-09-26	\$816.90	STICKY NOTES
MEDIAMAX	2017-10-16	\$715.56	MAILERS TO 1120 HOUSEHOLDS
CLEARBAGS	2017-10-03	\$168.37	5000 BAGS FOR DOOR KNOCKING
EXPENSES OF \$50 OR LESS	2017-09-01	\$0.00	

(7<sup>th</sup> Amendment to 9/11/17 Compliant – Received 12/19/17)

Supplement to PDC Case 28028

Roger Erich Lenk

reported via email

Overdue

R

Roger Erich Lenk

reported via email, 2 years ago (Tue, 19 Dec 2017 at 3:45 pm)

to:

pdc@pdc.wa.gov

In anticipation of the Kennewick Public Facilities District asserting its Executive Director is not an agent of the Kennewick Public Facilities District, the provisions of Chapter 42.23.020 are provided:

RCW 42.23.020

Definitions.

For the purpose of chapter 268, Laws of 1961:

- (1) "Municipality" shall include all counties, cities, towns, districts, and other municipal corporations and quasi municipal corporations organized under the laws of the state of Washington;
- (2) "Municipal officer" and "officer" shall each include all elected and appointed officers of a municipality, together with all deputies and assistants of such an officer, ***and all persons exercising or undertaking to exercise any of the powers or functions of a municipal officer*** (emphasis added);
- (3) "Contract" shall include any contract, sale, lease or purchase;
- (4) "Contracting party" shall include any person, partnership, association, cooperative, corporation, or other business entity which is a party to a contract with a municipality.

The Kennewick Public Facilities District is a municipal corporation under RCW 36.100.010(3) (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).

A Municipal officer may be an employee, contract employee, or volunteer. The key is exercising or undertaking any powers of a municipal officer. In his capacity as Executive Director Respondent Pearson meets the definition of a municipal officer.

Thank you.

**Roger Erich Lenk  
1817 N. Road 76  
Pasco, Washington 99301  
(509) 542-0489  
[lenk.roger@gmail.com](mailto:lenk.roger@gmail.com)**

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(8<sup>th</sup> Amendment to 9/11/17 Compliant – Received 12/24/17)

Supplement to PDC Case 28028 and PDC Case 6954

Roger Erich Lenk

reported via email

Overdue

R

Roger Erich Lenk

reported via email, 2 years ago (Sun, 24 Dec 2017 at 2:14 pm)

to:

pdc@pdc.wa.gov

Please consider this a supplement to PDC Case 28028 and PDC Case 6954, in supplement to those dated September 11, 2017, October 1, 2017, October 6, 2017, October 16, 2017, October 21, 2017, December 10, 2017 and December 19, 2017. Mr. Stuzman is responsible for this review. After the commencement of litigation, the Kennewick Public Facilities District is beginning to produce documents associated with this matter.

**EXHIBIT 1**, attached hereto, is a copy of the “Extended Facilities Management Agreement” between the Kennewick Public Facilities District and VenuWorks. The Kennewick Public Facilities District employs no staff, and contracts for the services of its municipal oversite (including staff to the Board of Directors by way of the Executive Director) with VenuWorks, LLC of Ames Iowa.

Section 1.1, page 3 provides “The parties further acknowledge that the District, as a municipal corporation, is a public entity, and that this Agreement conveys with it the expectation that both parties will protect the public trust.”

Section 3.4, page 6 provides “VenuWorks **Management** (emphasis added) Responsibilities. District hereby retains VenuWorks to **manage** (emphasis added), market, promote, operate and maintain the Facilities, and, subject to District approval, to sell sponsorships and advertising at the Facilities. VenuWorks will maintain **management** (emphasis added) responsibilities which will include, though not necessarily be limited to, the obligations set forth below.”

Section 3.4.19, page 12 provides “**Additional Duties**. VenuWorks shall also be required to provide, on a timely basis, information, data, and solutions to project issues as may be reasonably requested by the District, together with such other services consistent herewith as the District may reasonably require.”

Section 3.5, page 13 provides: “**Written Powers Reserved to the District**. The District shall have right of prior written approval in connection with the following: (a) The Annual Budget; and (b) The Business Plan, as defined below; and (c) **The selection and retention of the Executive Director of the Location** (Kennewick Public Facilities District Executive Director (Respondent) Corey Pearson - emphasis added). (d) The approval of subcontractors for food and beverage. (e) The booking policy (f) The promotion plan. (g) The standard rental rates.

Section 7.15, page 35 provides “**Compliance with Laws**. VenuWorks will comply with all federal, state and local ordinances, statutes, rules and regulations as they relate to the operation of the Facilities.”

The above provisions clearly provide that VenuWorks ***management*** responsibilities are consistent with that of a municipal officer as defined by RCW 42.23.20 as the Executive Director is “exercising or undertaking to exercise any of the powers or functions of a municipal officer”. Executive Director (Respondent) Corey Pearson is the municipal officer carrying out the executive duties for the Legislative Body (Board of Directors) for the Kennewick Public Facilities District.

Section 2, page 54, **Commencement Date and Term** was amended as follows “2.1 Base Term. This Agreement shall be for a term of sixty (60) months, commencing the 1st day of June, 2014 (the "Commencement Date"). This Agreement shall terminate on the 31st day of May, 2019, unless otherwise terminated or extended as set forth herein. ***2.2 Expansion Extension. In the event VenuWorks participates in the funding and management of a campaign, as permitted by Title 72.17 A RCW and Title 390 WAC, for the expansion of a convention center pursuant to a ballot item approved by the District and contingent upon approval of the expansion, this Agreement shall be extended to May 31, 2022, to facilitate the expansion*** (emphasis added).”

The amendment to Section 2 clearly provides a publicly funded monetary incentive from the Kennewick Public Facilities District (extended contract, additional booking commissions, etc.) to its management company, VenuWorks and the Kennewick Public Facilities District Executive Director to mount a political campaign in support of a ballot proposition which serves to expand the convention center. Although the District, as a municipal corporation, conveys the contract with the expectation that both parties will convey the public trust (Section 1.1) and requires that its management company, VenuWorks comply with all local, state and federal laws (section 7.15), the District provides incentives for its management company to violate RCW 42.17A.555.

**Roger Erich Lenk**  
**1817 N. Road 76**  
**Pasco, Washington 99301**  
**(509) 542-0489**  
**lenk.roger@gmail.com**

Exhibit 1.pdf  
7 MB  
(Extended Facilities Management Agreement)

KENNEWICK PUBLIC FACILITIES DISTRICT

Extended Facilities Management Agreement

THIS EXTENDED FACILITIES MANAGEMENT AGREEMENT ("Agreement"), made and entered into this 1<sup>st</sup> day of June, 2009, between The KENNEWICK PUBLIC FACILITIES DISTRICT, a Washington Municipal Corporation, located at 7016 Grandridge Blvd., Kennewick, Washington, 99336 ("District"), and VENUWORKS OF KENNEWICK, LLC, formerly COMPASS OF KENNEWICK, LLC, an Iowa Limited Liability Company, with its head office at 4611 Mortensen Road, Suite 111, Ames, Iowa, 50014, and a local office at 7016 Grandridge Blvd., Kennewick WA 99336 ("VenuWorks").

**WITNESSETH**

**WHEREAS**, the District is the Owner of a Regional Center, as defined by RCW 35.57.020, known as *The Three Rivers Convention Center* (hereinafter referred to as the "Convention Center"); and

**WHEREAS**, the District has, pursuant to an Interlocal Agreement with the City of Kennewick, Washington (the "City"), dated the 27th day of April, 2004, been granted full operational rights of management and possession of a multi purpose coliseum facility, known as The Toyota Center, and practice ice rink designated as "Rink B" and known as The Toyota Arena, located at 7100 West Quinault Avenue, Kennewick, Washington, (hereinafter referred to collectively as "Coliseum"); and

**WHEREAS**, the City and the District financed the Convention Center in 2003 with the issuance of bonds (collectively, the "Bonds") in the aggregate principal amount of \$16,825,000, the interest on which is intended to be exempt from federal income taxation under Section 103 of the Internal Revenue Code of 1986, as amended; and

**WHEREAS**, the District is seeking to maintain management assistance for the

Convention Center and Coliseum, (hereinafter referred to collectively as "Facilities") as originally contracted for between the District and VenuWorks (then called Compass Facility Management) in an agreement dated June 1, 2004; and

**WHEREAS**, VenuWorks is in the business of providing management, operation and marketing services to public assembly facilities such as the Convention Center and Coliseum and possesses the knowledge and expertise to manage and market these Facilities; and

**WHEREAS**, VenuWorks is a wholly owned subsidiary of VenuWorks, Inc (hereinafter referred to as "VWI") and is supported by a consulting and support services agreement with VWI; and

**WHEREAS**, VenuWorks' Consulting and Support Services Agreement with VWI and the availability of its resources constitutes an inducement upon which the District is relying in seeking management services from VenuWorks; and

**WHEREAS**, the District is authorized by law to contract for management and marketing services for the Facilities and further is desirous of having VenuWorks provide said management and marketing services, and VenuWorks desires to accept such engagement on the terms and conditions set forth herein.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein and other consideration the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

## ARTICLE 1

### RETENTION OF VENUWORKS

1.1 Retention. The District hereby retains VenuWorks as an independent contractor for the purpose of performing the services described in this Agreement. Subject to the terms and conditions set forth herein, VenuWorks agrees to provide management services for the operation of (a) the Three-Rivers Convention Center (Convention Center); and (b) the Toyota Center and Toyota Arena (Coliseum) in accordance with the terms of this Agreement as applies to each of these Facilities, and consistent with the policies approved by District. VenuWorks agrees to use its best efforts to maximize revenues from use of the Facilities, including, without limitation, marketing and sales, event production and promotion, and overall management of the Facilities in accordance with this Agreement. In conducting such services VenuWorks hereby acknowledges and agrees that it owes a fiduciary obligation to the District. District acknowledges that it will allow VenuWorks to operate the Facilities according to sound business practices and industry standards.

The parties to this agreement acknowledge that the District will retain title, ownership and exclusive control of the Facilities and that VenuWorks will not acquire title to, any security interest in, or any rights of any kind in or to the Facilities (or any income, receipts or revenues therefrom). The parties further acknowledge that the District, as a municipal corporation, is a public entity, and that this Agreement conveys with it the expectation that both parties will protect the public trust.

1.2 Relationship of Parties. VenuWorks is an independent contractor of the District and shall not be deemed to be an employee, agent, joint venture, or partner of the District. The authority of VenuWorks shall be limited to those matters which are

specifically addressed in this Agreement.

1.3 Reassumption by City. VenuWorks acknowledges that the District's right of possession, management and control of the Coliseum is subject to the terms of the Interlocal Agreement dated the 27th day of April, 2004, between the District and the City, which provides that the City may, upon the District's failure to meet annual financial performance targets, terminate the District's possessory rights to the Coliseum and reassume full operation and responsibility at the end of any calendar year in which those performance targets have not been met. In the event the City reassumes operating responsibilities for the Coliseum, the retention of VenuWorks by the District for the management of the Coliseum may be terminated. In such event, all provisions of this Agreement applying to VenuWorks's management of the Coliseum shall terminate. All provisions for VenuWorks's management of the Convention Center shall remain in full force and effect subject to the modifications provided in Section 5.3 below. Should the City re-assume operating responsibilities for the Coliseum, VenuWorks shall be entitled to pursue a separate management agreement with the City for the management of the Coliseum. In which case, the Coliseum shall not be considered a "Competing Facility" and VenuWorks management of the Coliseum shall be exempt from the restrictions defined in Section 7.26 of this Agreement. In the event that VenuWorks would enter into a separate agreement with the City for the management of the Coliseum facilities, VenuWorks shall first submit to the District for its approval an operating plan for the Convention Center that demonstrates that the Convention Center shall suffer no ill effects, operationally or financially, as a consequence of VenuWorks' contract with the City.

## ARTICLE 2

### COMMENCEMENT DATE AND TERM

This Agreement shall be for a term of sixty (60) months, commencing the 1st day of June, 2009 (the "Commencement Date"). This Agreement shall terminate on the 31st day of May, 2014, unless earlier terminated as set forth herein. This Agreement may be renewed from time to time as may be mutually agreed between the Parties.

## ARTICLE 3

### MANAGEMENT SERVICES

3.1 Provision of Services. During the term and any renewal term of this Agreement, VenuWorks shall provide the District with the services set forth in this Article

3.2 Reserved

3.3 Reserved

3.4 VenuWorks Management Responsibilities. District hereby retains VenuWorks to manage, market, promote, operate and maintain the Facilities, and, subject to District approval, to sell sponsorships and advertising at the Facilities. VenuWorks will maintain management responsibilities which will include, though not necessarily be limited to, the obligations set forth below.

VenuWorks shall maintain and provide to the District separate schedules, books of account, and reports of management services rendered to The Toyota Center, The Toyota Arena, and the Convention Center.

It is understood and agreed that, as to any obligation set forth below, where VenuWorks is required to direct or arrange for services, supplies and materials, VenuWorks shall employ all persons performing such services or shall contract with a third party for the performance of such services. However, no such contract shall be negotiated or entered into pursuant to this Section that jeopardizes the tax-exempt status of interest on the Bonds. With the exception of event contracts, service contracts that exceed \$10,000 annually must be reviewed with the District's budget committee.

Intellectual property developed on behalf of the District by VenuWorks personnel while working under this contract including, without limitation, facility operating and procedure manuals, advertising materials, and the web page and

the contents thereof, shall be the property of the District.

3.4.1 Marketing and Promotion. VenuWorks shall direct all marketing activities which shall be undertaken so as to maximize the use of the Facilities so as to provide maximum Revenue, as defined in Paragraph 3.4.14 below for each Facility and accessibility for the community. VenuWorks will conduct a promotional campaign for the Facilities in accordance with a plan for promotion which shall be prepared and submitted to the District for approval. The plan for promotion shall be reviewed and updated at least once each year with the proposed update delivered to the District simultaneously with the delivery of the annual budgets for each Facility.

3.4.2 Scheduling. VenuWorks shall develop and maintain all schedules for events held at the Facilities subject to the booking policy approved by the District. VenuWorks shall use best efforts to maximize scheduling of both Facilities and shall not discriminate between the Facilities for the purpose of increasing its compensation under the terms of this Agreement. VenuWorks shall use an event rental agreement acceptable in form to the District. The parties understand and agree that VenuWorks shall be empowered to negotiate rental agreements as the District's agent, subject to the District's reasonable approval, which may deviate from the standard rental rate, when such negotiation is deemed by both parties to this agreement to be in the best interests of the District. However, no contract shall be negotiated or entered into pursuant to this Section that jeopardizes the tax-exempt status of interest on the Bonds.

3.4.3 Business Plan and Budget. VenuWorks shall prepare, develop and update as needed an annual Business Plan, including an Annual Budget, as defined below, which shall be submitted to the District for approval each year by a date to be determined by the District for the following year. To the extent possible, the goals of

the Business Plan shall be reflected in the Annual Budget. VenuWorks will cooperate and will work with the District to ensure that the operations plan meets the reasonable requirements and expectations of the District and meet its public reporting requirements.

3.4.4 Grounds Keeping: VenuWorks shall provide for the ongoing maintenance of the exterior grounds surrounding the Facilities, including mowing, trimming and litter collection as an operating expense of the Facilities.

3.4.5 Facilities Maintenance. VenuWorks will be responsible for the performance of all facilities maintenance work, which shall be limited to maintenance and repairs incident to ordinary use as an operating expense of the Facilities.

3.4.6 Custodial and Cleaning Services. VenuWorks shall provide or cause to be provided all routine cleaning and janitorial services at the Facilities as an operating expense of the Facilities.

3.4.7 Pest Control. VenuWorks shall direct all necessary pest control services, whether performed by VenuWorks or a pest control service engaged by VenuWorks as an operating expense of the Facilities.

3.4.8 Snow Removal. VenuWorks shall direct all snow removal services on the parking lots, pathways and sidewalks adjacent to the Facilities as an operating expense of the Facilities.

3.4.9 Trash Removal. VenuWorks shall direct removal of all trash from the Facilities and agrees that it shall not permit any employee, concessionaire or caterer to place refuse outside the buildings or adjacent to the kitchen area, except in designated trash containers, the location of which shall be approved by the District. The costs of all trash removal shall be an operating expense of the Facilities.

3.4.10 Operational Services. VenuWorks shall direct all services

required to stage (set up and tear down) the Facilities for each event, including but not limited to, services involving the set up, sound system, lighting system, exhibitions, stage equipment, loading in and loading out. VenuWorks shall hire and manage all management staff, ticket sales personnel, ushers and other personnel required for the operation of the Facilities as an operating expense of the Facilities.

3.4.11 Ticket Sales. VenuWorks shall direct all aspects of ticket sales for events and activities including computerized tickets. Ticket sales services shall include ordering, selling and accounting for tickets, reporting ticket revenues for a given event for each user of the Facilities, cash and credit card processing, complete auditing and accounting for each event, and providing to the District an accounting of the event income and expenses within ten days after each event is held.

3.4.12 Security. VenuWorks shall arrange for proper security for events at the Facilities and for general security when events are not in progress. Such security may be provided by VenuWorks or by contract with an appropriately licensed security provider, in its discretion as an operating expense of the Facilities.

3.4.13 Licenses and Permits. VenuWorks shall obtain and maintain all licenses and permits necessary for management and operation of the Facilities, subject to the City and State procedures for the granting of such licenses and permits and require the same of all subcontractors, agents and third party service providers as an operating expense of the Facilities.

3.4.14 Revenues; Bank Accounts and Payment of Operating Expenses. VenuWorks shall be responsible for the collection of all Revenues and payment of Operating Expenses, as defined in Exhibit A, including payment and remittance of applicable sales taxes. As used herein, "Revenue" is defined as the total

amount received by VenuWorks or any other person or entity operating on VenuWorks's behalf from third parties, directly or indirectly arising out of or connected with and on behalf of the Facilities, including without limitation, transactions for cash, credit and credit card sales, less applicable taxes. VenuWorks shall establish separate interest-bearing commercial bank accounts and one commercial interest bearing money market savings account. These accounts shall be in the name of the "Kennewick Public Facilities District" and utilize the District's federal identification number. Signatories shall include those individuals as deemed appropriate by the District and VenuWorks. The names of the interest-bearing commercial accounts shall be the "Operating Account" and the "Box Office Account." The money market savings account shall be titled the "Savings Account." Revenues from the sale of tickets to events at the Location shall be deposited by VenuWorks in the Box Office Account. After payment from such ticket sales Revenues of all event-related expenses, and within twenty-four hours after the end of the event, VenuWorks shall transfer the remaining event ticket sales Revenues to the Operating Account.

All other Revenues generated by use of the Location and collected by VenuWorks shall be deposited in the Operating Account. VenuWorks is authorized to make disbursements from the Box Office Account to promoters or event sponsors in any amount due per contracts with them, and to pay budgeted Operating Expenses from the Operating Account. The District shall be authorized at any time, to obtain information and records from the bank concerning such accounts and to inspect the same. It shall be an Event of Default, as defined below, entitling the District to terminate this Agreement, if VenuWorks withdraws any money from the Operating Account or the Box Office Account except in accordance with this Agreement. Interest

accrued in these accounts shall be revenue to the location and belong to the District.

3.4.15 Petty Cash and Change Funds: VenuWorks may maintain a petty cash fund at the Location, which shall be the property of the District, to be returned to the District at the end of the contract term.

3.4.16 Cash Discrepancies: The nature of this business is such that it is inevitable that there will be variances in sales reported and cash deposited. In recognition of this, the District will allow a calculated percentage figure difference between reported sales and cash deposited. The variance will be classified as an operating cost. The accepted difference must be less than 0.5% of sales. Should cash deposited from the on site cash transactions for the sales of event tickets, concessions, merchandise or parking vary more than this calculated amount, the difference will be not be an allowable operating cost and will be deducted from the Base Coliseum Management Fee or the Variable Convention Center Fee, depending upon the Facility for which the difference relates, paid to VenuWorks.

3.4.17 Staffing: VenuWorks shall be responsible for supervision and direction of all personnel staffing at the Facilities. All Facilities staff will be in the employment of VenuWorks. All actual employee expenses will be considered operating expenses of the Facilities. All management staff compensation as identified in Sections 5.1.1 and 5.2.1 shall be expenses attributed to the Base Convention Center Management Fee and the Base Coliseum Management Fee, respectively, as provided therein. All non-management employee expenses shall be reimbursable operating expenses as provided in Sections 5.1.4 and 5.2.5 below. VenuWorks shall work to maintain maximum efficiencies in the scheduling and supervising of personnel, including part time work crews. This will include placing time limits on crew calls for the completion of standard

tasks such as converting from hockey to football, resetting a meeting room, or providing ushering services for a typical hockey game. At the request of the District, VenuWorks shall compare the man hours involved for standard tasks against industry standards and report back to the District as an indicator of operating efficiency.

3.4.18 Food and Beverage Service Coordination. VenuWorks shall be responsible for providing as a part of the overall operation of the Facilities all food and beverage services, including concessions and catering. The food and beverage services manager at each Facility will be accountable to VenuWorks's Executive Director (or his designee) for that Facility for meeting service, quality, and financial standards set by the District. In the event VenuWorks should desire to have the food and beverage services provided by a subcontractor, VenuWorks shall, subject to the approval of the District, select a food and beverage contractor using a Request for Proposal (RFP) selection process acceptable to the District and within Washington State Law. The District shall have final approval of any third party food and beverage contractor recommended by VenuWorks as a result of the RFP process.

3.4.19 Additional Duties. VenuWorks shall also be required to provide, on a timely basis, information, data, and solutions to project issues as may be reasonably requested by the District, together with such other services consistent herewith as the District may reasonably require.

3.4.20 Use of Equipment. VenuWorks shall have use of all equipment at the Facilities in performance of its obligations hereunder. At the end of this Agreement or any renewal terms, VenuWorks will return the equipment in satisfactory condition, allowing for normal wear and tear. VenuWorks shall repair or replace, at its own expense, any equipment damaged or destroyed as a result of negligence or willful

acts on behalf of VenuWorks staff. VenuWorks shall provide to the District at the start of each calendar year, an updated inventory of equipment, fixtures and small wears.

**3.5    Written Powers Reserved to the District. The District shall have right of prior written approval in connection with the following:**

- (a)      The Annual Budget; and
- (b)      The Business Plan, as defined below; and
- (c)      **The selection and retention of the Executive Director of the Location.**
- (d)      The approval of subcontractors for food and beverage.
- (e)      The booking policy
- (f)      The promotion plan
- (g)      The standard rental rates

## ARTICLE 4

### ANNUAL BUDGET

4.1 Delivery of Budget. On or before October 1<sup>st</sup> of each calendar year during the term and any renewal term of this Agreement thereafter, at the September meeting of the District, VenuWorks shall submit to the District a proposed annual business/marketing plan and operating budget for each Facility for the ensuing year, listing all projected Revenues and Operating Expenses by category, broken down by month, with explanations and assumptions for each Revenue and Operating Expense line item. The proposed annual budget shall include a proposed rent structure for events proposed to take place in each of the Facilities for the ensuing year.

4.2 Review of Budget. The proposed annual budget shall be reviewed by the District in accordance with the District's budget development schedule. Upon approval by the District, the proposed annual budget shall become the final annual budget (the "Annual Budget") for the coming year. It is understood and agreed that if the District objects to the proposed annual budget or any part thereof, VenuWorks shall be obligated to promptly respond to each such objection and revise the proposed annual budget in connection therewith.

4.3 Revision of Annual Budget. VenuWorks and the District may revise the Annual Budget at any time by mutual written agreement and in compliance with Washington laws and regulations.

4.4 Monthly Statements. VenuWorks shall deliver to the District, within twenty (20) days after the end of each calendar month and within forty-five (45) days after the end of each year or such shorter period as may be necessary for the District to meet

its public reporting requirements, a true and correct statement of all Revenues and Operating Expenses of the preceding calendar month and/or year, together with any reasonable supporting documentation requested by the District.

## ARTICLE 5

### **MANAGEMENT FEES; REIMBURSEMENT OF EXPENSES**

The parties intend that the fees and reimbursements payable to VenuWorks hereunder for services relating to the Convention Center be calculated in a different manner than the fees and reimbursements payable to VenuWorks hereunder for services relating to the Coliseum. The parties acknowledge that this separate treatment is intended to preserve the tax-exempt status of interest on the Bonds, and that the fees and reimbursements with respect to the management services for the Convention Center qualify for the management contract safe harbor provided by Section 5.03(4) of Internal Revenue Service Revenue Procedure 97-13.

5.1 Convention Center Management Fees.

5.1.1 Base Convention Center Management Fee. VenuWorks shall be paid a fixed management fee for each month, prorated for any partial months, as compensation for services provided hereunder with respect to the Convention Center (the "Base Convention Center Management Fee") as compensation for the management services provided in Section 3.4 above, in the aggregate sum of \$[48,139.00] for the first seven (7) months of the Agreement, calculated and payable at the rate of \$[6,877.00] per month, which monthly sum shall be increased as of January 1, 2010, and as of each successive January 1<sup>st</sup> of the Agreement term, by a percentage equal to the increase in the Consumer Price Index over the preceding 12-month period, as determined by the Federal Department of Labor, Bureau of Labor Statistics, for the nearest region; however, in no event shall such increase exceed 3% per year; and, as part of the Base Convention Center Management Fee, an amount equal to the total expense for salaries, benefits, and taxes for VenuWorks full time employees at the Convention Center, said amount to be determined each year and included as a supplement to this Agreement with the approved annual budget as provided in Section 4.2, and paid bi-weekly per the standard VenuWorks payroll cycle. Upon approval by the District of the annual operating budget each year, the amount budgeted for the year for full time compensation, taxes and benefits shall be deemed to be incorporated for that year as part of the Base Convention Center Management Fee per this Agreement

5.1.2 Variable Convention Center Fee. VenuWorks shall be paid a variable fee (the "Variable Convention Center Fee"), over and above the Base Convention Center Management Fee in each contract year (i.e., the 12-month period ending each May 31), in an amount equal to the lesser of (i) sum payable to VenuWorks as the Base Convention Center Management Fee during such contract year, and (ii) the sum of the amounts determined pursuant to Sections 5.1.2 and 5.1.3 for such contract year. No portion of the Variable Convention Center Fee shall be based, in whole or in part, on a share of the net profits from the operation of the Convention Center.

5.1.3 Commissions Payable to VenuWorks: VenuWorks shall receive commissions equal to fifteen percent (15%) of gross revenues realized by the Convention Center from naming rights, display advertising fees, and sponsorships arranged by VenuWorks, excluding such revenues as may be received from beer and liquor distributors, for the Convention Center, and (8%) of the gross revenues realized

by the Convention Center from food and beverage sales.

The District shall pay commissions to VenuWorks on a quarterly basis for commissionable revenues received in the prior quarter. Commissions shall be paid to VenuWorks within thirty days of the District having received an accurate and complete accounting of commissionable receipts for the preceding quarter.

VenuWorks shall be entitled to receive commissions on advertising and sponsorship fees only for the period of this Agreement and any renewals. In the event a sponsorship arranged by VenuWorks continues in effect after the end of this Agreement or any renewals, VenuWorks will not be entitled to receive ongoing commissions on the sponsorship revenues realized following the end of the VenuWorks Agreement period.

**5.1.4 Payment of Operating Expenses.** The District shall pay those operating expenses of the Convention Center incurred in the performance of the functions identified in Section 3.4 (and described in Exhibit A) and the Convention Center's portion of the cost of insurance as provided in subsections 7.8.2.2, 7.8.2.4, 7.8.2.5 and 7.8.7. The District shall pay for the actual cost of compensation expenses for all non-management employees, within the normal payroll cycle established by VenuWorks. However, effective June 1, 2009 with the commencement of this Agreement, the following expenses shall be borne entirely by VenuWorks, and will not be the responsibility of the District: the cost of VenuWorks staff bonuses and commissions; the travel and accommodation expenses incurred by VenuWorks corporate staff in servicing the Agreement; and any expenses incurred by VenuWorks involving the promotional hosting for the Facilities for marketing purposes. Notwithstanding anything in this Section 5.1.4 to the contrary, the operating expenses to be reimbursed pursuant to this Section 5.1.4 shall not include the compensation expense for VenuWork's full time employees (which expense is intended by the parties to be paid by means of the Base Convention Center Management Fee).

**5.1.5 Limitation on Compensation Other Than Base Convention Center Management Fee and Variable Convention Center Fee.** The parties acknowledge that the Convention Center has been financed with tax-exempt Bonds. The parties intend that this Agreement qualify for the Management Contract safe harbor provided by Section 5.03(4) of Internal Revenue Service Revenue Procedure 97-13. Accordingly,

the aggregate sum of the amounts payable to VenuWorks under Sections 5.1.2, 5.1.3 and 5.1.4 of this Agreement during any contract year (i.e., the 12-month periods each ending May 31) shall not exceed the Base Convention Center Management Fee as provided in Section 5.1.1 for such contract year. No portion of the operating expenses or commissions attributable to the Convention Center shall be reimbursed or paid to VenuWorks under Section 5.2 as a means of avoiding the limitations of this Section 5.1.

5.1.6 Reimbursement of Third-Party Costs. The District shall reimburse VenuWorks for the actual operating expenses incurred in the performance of the functions identified in Section 3.4 (or described in Exhibit A hereto) for services rendered by (or goods and supplies purchased from) unrelated third-parties with respect to the management of the Convention Center, as authorized in the current annual budget, within thirty (30) days from the date of an invoice from VenuWorks itemizing the expenses to be reimbursed. Amounts equal to the actual and direct operating expenses paid with respect to the Convention Center from (or on account of) the Operating Account and the Box Office Account hereunder by VenuWorks to unrelated third parties shall not represent compensation subject to the limitations set in Section 5.1.5 of this Agreement. For purposes of this Section, the phrase "unrelated third parties" means persons who are not "related persons" of VenuWorks within the meaning of Section 144(a)(3) of the Internal Revenue Code of 1986, as amended. Expenses properly reimbursed pursuant to this Section 5.1.6 shall not be considered as having been reimbursed pursuant to Section 5.1.4.

## 5.2 Coliseum Management Fee

5.2.1 Base Coliseum Management Fee. VenuWorks shall be paid a Base Coliseum Management Fee each month, prorated for any partial months, as compensation for services provided hereunder with respect to the Coliseum (the "Base Coliseum Management Fee"). This Base Coliseum Management Fee shall be compensation for providing those management services described in Section 3.3 above.

- (a) For the first seven (7) months of the Agreement, the sum of \$54,558.00, calculated and payable at the rate of \$7794 per month, which sum shall be increased January 1, 2010, and each successive January 1<sup>st</sup> of the Agreement term, by a percentage equal to the increase in the Consumer Price Index as determined by the Federal Department of Labor, Bureau of Labor Statistics, for the nearest region; however, in no event shall such increase exceed 3% per year.
- (b) An amount equal to the actual compensation expense for all full time salaried employees, or any proration of actual compensation expenses for this group, that is allocated to the operation of the Coliseum, and paid bi-weekly per the standard VenuWorks payroll cycle. All compensation expenses for other employees, not calculated as a portion of the Base Coliseum Management Fee, shall be operating expenses as described in Exhibit A attached to this Agreement.

5.2.2 Elimination of Variable Coliseum Fees. Effective retroactively to January 1, 2009, and continuing throughout the term of the Agreement, VenuWorks shall no longer earn Variable Coliseum Fees.

5.2.4 Commissions Payable to VenuWorks: VenuWorks shall receive annual commission on revenues realized by the Coliseum from naming rights, display advertising fees, suite leases, pour rights, club seats and sponsorships arranged by VenuWorks for the Coliseum.

The commission would be equal to fifteen percent (15%) of annual gross revenues from naming rights, display advertising fees, suite leases, pour rights, club seats and sponsorships arranged by VenuWorks, excluding any such revenues as may be received from beer or liquor distributors. District shall pay commissions to VenuWorks on a quarterly basis for commissionable revenues received in the prior quarter. Commissions shall be paid to VenuWorks within thirty days of the District having received an accurate and complete accounting of commissionable receipts for the preceding quarter..

VenuWorks shall be entitled to receive commissions on advertising and sponsorship fees only for the period of this Agreement and any renewals. In the event a sponsorship arranged by VenuWorks continues in effect after the end of this Agreement or any renewals, VenuWorks will not be entitled to receive ongoing commissions on the sponsorship revenues realized following the end of the VenuWorks Agreement period.

5.2.5 Payment of Operating Expenses. The District shall pay for those operating expenses incurred in the performance of the functions identified in Section 3.4 above, and included in Exhibit A attached. The District will pay for the actual cost of compensation expenses for all non-management employees, and the Coliseum's portion of costs of insurance as provided by subsections 7.8.2.2, 7.8.2.4, 7.8.2.5 and 7.8.7. However, beginning June 1, 2009 with the commencement of this Agreement, and continuing throughout the Term of the Agreement, the following expenses shall be borne entirely by VenuWorks, and will not be the responsibility of the District: the cost of VenuWorks staff bonuses and commissions; the travel and accommodation expenses incurred by VenuWorks corporate staff in servicing the Agreement; and any expenses incurred by VenuWorks involving the promotional hosting of the Facilities venues for marketing purposes.

5.2.6 Reimbursement of Third-Parties Costs. The District shall reimburse VenuWorks for the actual operating expenses incurred in the performance of functions identified in Section 3.4, and included in Exhibit A attached, rendered by unrelated third-parties to VenuWorks, as authorized in the current annual budget, within thirty (30) days from the date of invoice by VenuWorks. Amounts equal to the actual and direct operating expenses paid with respect to the Coliseum from (or on account of ) the Operating Account and the Box Office Account hereunder by VenuWorks to unrelated third parties shall not represent compensation subject to the limitations of Section 5.1.5 of this Agreement. For purposes of this Section, the phrase "unrelated third parties" means persons who are not "related persons" of VenuWorks within the meaning of Section 144(a)(3) of the Internal Revenue Code of 1986, as amended.

5.3 Re-assumption by City of Coliseum Management. In the event the City reassumes full operation and responsibility for the Coliseum, the management fee provided in Section 5.2 above shall terminate. The parties acknowledge that the

management fees provided in Section 5.1 above are based in part on the efficiencies for the management of both Facilities. Therefore, in the event of a re-assumption by the City of the full operating responsibilities for the Coliseum, the management fee provided in Section 5.1.1 above shall be renegotiated to reflect that change of circumstances. Notwithstanding the foregoing, no portion of the fees payable by the District to VenuWorks under Section 5.2 are intended to compensate VenuWorks for any services rendered with respect to the Convention Center.

5.4 Reserved.

5.5 Food and Beverage Commissions–Coliseum. It is acknowledged by both the District and VenuWorks that the existing contract between VenuWorks and CenterPlate for concessions and catering services at the Convention Center and the Coliseum shall be terminating May 31, 2009. Effective June 1, 2009, VenuWorks shall assume full responsibility for managing and executing the day to day operations of the concessions, catering and vending in the Coliseum. VenuWorks will receive a Food and Beverage Commission equal to 20% of Annual Net food and beverage sales.

"Annual Net" shall be defined as combined total food and beverage sales occurring annually in the Coliseum, less applicable sales taxes and operating expenses associated with the operation of food and beverage services in the Coliseum. Annual net returns shall be calculated on a contract year, beginning June 1 and ending May 31 of each year of the term of this Agreement and any renewal periods. Food and beverage commissions shall be paid to VenuWorks on a quarterly basis, within thirty days of the District having received an accurate and complete accounting of food and beverage income and expense for the preceding quarter.

## ARTICLE 6

### PAYMENT OF MANAGEMENT FEES, ADDITIONAL FEES AND OPERATING EXPENSES

6.1     Deposit of Funds. By the 10th business day of each month during the term and any renewal term of this Agreement, the District will deposit the following sums into the Operating Account:

- (a) An amount equal to the estimated deficit, if any, as defined below, for such month as set forth in the Annual Budget;
- (b) The Base Convention Center Management Fee, and the Base Coliseum Management Fee;
- (c) The Variable Convention Center Fee; and
- (d) Commissions, if any, payable on account of the Coliseum with respect to the preceding quarter.

6.2     Management Fees     VenuWorks will invoice District and District will immediately pay VenuWorks all management fees payable with respect to the preceding calendar month.

6.3     Insufficient Funds. In the event that Operating Account is insufficient to cover the Operating Expenses plus the Base Convention Center Management Fee, the Variable Convention Center Fee, the Base Coliseum Management Fee and the Variable Coliseum Center Fee, if any, due and payable during a month (the "Monthly Deficiency"), then the Monthly Deficiency shall be paid by the District into the Operating Account not later than ten (10) working days after the District's receipt of the Monthly Statement. If the amounts deposited by the District in the Operating Account exceeded the amounts required to pay the Operating Expenses plus the Base Convention Center Management Fee, the Variable Convention Center Fee and the Base Coliseum Management Fee, in any month such positive balance shall be credited against the District's obligation to make future deposits into Operating Account.

6.4     Monthly Meetings. Representatives of VenuWorks's on-site management and the District Board shall meet each month to review revenues and operating expenses for the prior calendar month.

## ARTICLE 7

### GENERAL TERMS AND CONDITIONS

7.1 Representation of the District. The District hereby represents and warrants to VenuWorks, as an inducement to VenuWorks entering into this Agreement, that it is the District's intent that the Facilities will be permitted to be open to the paying public on a daily basis in a manner consistent with industry practices.

7.2 Representation of VenuWorks. VenuWorks hereby represents and warrants to District on its own behalf and on behalf of its shareholders, officers, directors and employees, that VenuWorks is fully capable of providing services as outlined in this Agreement.

7.3 Standard of Operation. VenuWorks represents and warrants to the District that it shall maintain an efficient and high quality operation at the Facilities comparable to other similar locations and containing facilities similar to those of the Facilities.

#### 7.4 Accounting Records, Reports and Practices.

7.4.1 Maintain Records. VenuWorks shall maintain accounting records relating to the Facilities using accounting practices in accordance with generally accepted accounting principles consistently applied. VenuWorks shall not disclose, permit or allow the disclosure of records, information, data bases, accounts or other information of the District, regardless of its form or format, without the prior written consent of the District.

7.4.2 Internal Financial Controls. VenuWorks shall establish internal financial control policies and practices which are in accordance with generally accepted standards in the industry and reasonably acceptable to the District. Internal financial control policies and practices employed by VenuWorks shall be subject to review and approval of the District.

7.4.3 District Access. The District shall have unlimited access to all accounting records and supporting documentation of VenuWorks relating to the Facilities during the term and any renewal term of this Agreement and for a period of three (3) years thereafter. Such right to access shall be exercised in a reasonable manner.

7.5 Default, Right to Cure

7.5.1 Event of Default. It shall be an event of default ("Event of Default") hereunder if either party hereto:

- (i) fails to pay or deposit sums due by one party to or for the benefit of the other party within seven (7) days after written notice by the other of such failure, or
- (ii) fails to perform or comply with any other obligation of such party hereunder within thirty (30) days after written notice by the other of such failure (which notice shall specify, in sufficient detail, the specific circumstances so as to give the defaulting party adequate notice and the opportunity to cure the same); provided however, that if the default is of a nature that it cannot be cured within thirty (30) days, then the defaulting party shall not be deemed in default hereunder if it commences to cure the default within ten (10) days after the effective date of the notice of such default and diligently proceeds to cure such default within ninety (90) days after the effective date of notice.

7.6 Alternative Dispute Resolution. The parties agree that it is in their best interests to resolve any disputes or defaults, other than the failure to make payments required under this Agreement, and, accordingly, agree, that prior to the exercise of any remedy granted hereunder, at law or in equity, upon an Event of Default, the parties may, in good faith, consider alternative dispute resolution procedures, including, without

of this Agreement. The prevailing party shall be granted an award of its attorney fees as additional judgment against the other.

7.8 Insurance.

7.8.1 Employment Matters. In connection with the employment of its employees, VenuWorks shall pay all applicable social security, re-employment, worker's compensation or other employment taxes or contributions of insurance, and shall comply with all federal and state laws and regulations relating to employment generally, minimum wages, social security, re-employment insurance and workers' compensation. VenuWorks shall indemnify and hold harmless the District from all costs, expenses, claims or damages resulting from any failure of VenuWorks to comply with this Section.

7.8.2 Insurance Requirements:

7.8.2.1 Workers Compensation Insurance: It is VenuWorks' responsibility to see that all persons carrying out the work involved in this contract are covered by workers compensation and employers liability insurance. VenuWorks shall contribute to the State of Washington's Workers compensation fund during this contract, in accordance with Washington statutory requirements and employers liability insurance with limits of not less than \$500,000 per accident and per employee for bodily injury.

7.8.2.2 General Liability Insurance: VenuWorks shall purchase and maintain during this contract, commercial general liability insurance on a per occurrence basis with limits of liability not less than \$5,000,000 per occurrence for Bodily Injury, Personal Injury, and Property Damage. Policy coverages shall include Premises and Operations, Products and Completed Operations in a form as approved by the Office of the Insurance Commission of the State of Washington.

7.8.2.3 Automobile Liability Insurance: VenuWorks shall purchase

limitation, arbitration and mediation. The party who wishes to exercise its remedies shall notify the other party thereof, which notice shall specify the alternative dispute resolution mechanism that the exercising party wishes to employ .(the "Exercise Notice"). The parties shall attempt in good faith to resolve the default by the alternative dispute resolution mechanism to which they agree, (including, without limitation the binding nature of any such alternative dispute resolution proceeding) ; provided however that if no such resolution has been achieved within ninety (90) days after the effective date of the Exercise Notice, the exercising party may proceed to exercise its other remedies, including without limitation, termination of this Agreement.

7.7 Jurisdiction. The parties and each of them hereby irrevocably submits to the jurisdiction of any Washington state court or the federal district court for the Eastern District of Washington over any action or proceeding arising out of or relating to this Agreement any other document evidencing the transaction contemplated by this Agreement and hereby irrevocably agree that all claims in respect of such action or proceeding may be heard and determined in such Washington state or federal court. The parties hereby irrevocably waive, to the fullest extent such party may effectively do so, the defense of any inconvenient forum to the maintenance of such action or proceeding and agree that any such action or proceeding shall be venued in Benton County, Washington.

The parties agree that a judgment final by appeal or expiration of time to appeal without an appeal being taken in any such action or proceeding shall be conclusive and may be enforced in any other jurisdictions by suit on the judgment or in any other manner provided by law. The specific remedies to which the parties may resort hereunder are cumulative and are not intended to be exclusive of any other remedies or means of redress at law or in equity to which such party may be lawfully entitled in case of breach

and maintain during this contract, automobile liability insurance on a per occurrence basis with either a combined limit of at least \$2,000,000 per occurrence for bodily injury and property damage. Coverage shall include all owned, hired and non-owned motor vehicles used in the performance of this contract by VenuWorks or its employees.

7.8.2.4 Umbrella and Excess Liability Insurance: The coverages specified above may be satisfied with a combination of primary and umbrella or excess liability insurance. Any umbrella and excess insurance shall be written on a per occurrence basis on a pay on behalf form providing the same coverage and endorsements required of the primary policies.

7.8.2.5 Property Insurance: The District will purchase and maintain property insurance on the Facilities in the amount of their full replacement cost subject to an appropriate deductible per claim as determined by the District. This insurance shall include coverage for physical loss or damage caused by the perils of fire, lightning, explosion, windstorm, hail, smoke, aircraft, vehicles, riot, civil commotion, vandalism, sprinkler leakage, sinkhole collapse, volcanic action, falling objects, weight of snow or ice, accidental discharge or leakage of water or steam system, glass breakage, building collapse, theft by forceful entry with visible damage to gain entry and by water with Causes of Loss exclusion "g Water" removed from policy. The District will also purchase and maintain boiler and equipment breakdown insurance coverage on the Facilities subject to a \$5,000 deductible per claim. The cost of this insurance and deductible will be an Operating Expense. VenuWorks shall assume all risks for loss of or damage to its owned property at the Facilities, and VenuWorks may maintain such insurance, at its sole expense, as it deems necessary to protect its own property.

7.8.2.6 Subcontractors: VenuWorks shall require all subcontractors

who perform work and/or services under this contract to maintain and produce evidence of policies of insurance of sufficient limits to protect the District from any reasonably foreseeable risks posed by the services or work to be performed by that subcontractor. Failure of any subcontractor to comply with these requirements shall constitute a liability of VenuWorks.

7.8.2.7     Deductibles and Self-Insured Retention: Any policy deductible or self-insured retention must be declared on the Certificate of Insurance and shall be subject to the approval of the District. If not approved, the District may either require the reduction or elimination of such deductible or self-insured retention as respects the District, its officers and employees or require VenuWorks to procure a bond guaranteeing payment of losses and related claims investigation, administration and defense expenses.

7.8.2.8     Qualifying Insurance: The insurance required by this contract shall be written by non-assessable insurance companies licensed to do business in the State of Washington and currently rated "B" or better by the A.M. Best Company. All policies shall be written on an occurrence basis.

7.8.2.9     Additional Insured: The District, its officers and employees shall be named as additional insured on VenuWorks' and any subcontractor's liability insurance policies and certificates of insurance.

7.8.2.10    Proof of Insurance: VenuWorks shall furnish the District with Certificates of Insurance and a copy of the policies if requested by the District. The name of the project or contract shall be listed on the certificates of insurance along with any deductible or self-insured retention. All insurance shall remain in effect during the life of the contract.

7.8.3 Insurance Cancellation or Material Change Notice: The certificates of insurance shall state that the insurance company will provide thirty (30) days written notice prior to cancellations, non-renewal, or material change including reduction of insurance coverage or limits. The notice will be sent to the District at 7016 Grandridge Blvd., Kennewick, Washington, 99336 (or such other address as may hereafter be provided in writing by District) via certified mail.

7.8.4 Certificates of Insurance Signature: All certificates of insurance shall be subject to District approval.

7.8.5 Cooperation: Each party agrees to cooperate fully with the other in promptly providing such insurance underwriting and other information as may be necessary or appropriate to obtaining and maintaining the insurance described herein. The parties further agree to cooperate with the insurance companies and agents by responding promptly to their reasonable requests.

7.8.6 Releases: Each party hereby releases the other party, its officials, directors, officers, employees, agents and others acting on the other party's behalf (hereinafter referred to collectively as the "released parties"), from all claims, and all liability or responsibility to the releasing party, and to anyone claiming through or under the releasing party, by way of subrogation or otherwise, for any loss of or damage to the releasing party's business or property caused by fire or other peril or event, even if such fire or other peril or event was caused in whole or in part by the negligence or other act or omission of one or more of the released parties. Notwithstanding the foregoing, the release from liability and waiver of subrogation provided for herein shall: (a) only be effective to the extent that the loss or damage to the releasing party's business or property is actually covered by insurance; (b) not apply to the extent of any deductible

(or deductibles) applying under such insurance; and (3) only apply if such insurance includes the right to effect the full release and waiver contemplated by this provision without jeopardizing the rights of the releasing party to recover under such insurance.

7.8.7 Crime Insurance. During the term of this Agreement VenuWorks shall maintain Crime Insurance, with an insurer acceptable to District (such acceptance by District not to be unreasonably withheld or delayed), providing at least the following coverages in at least the amounts set forth below for each coverage:

- (a) Employee Dishonesty: \$500,000;
- (b) Depositor's Forgery: \$500,000;
- (c) Money & Securities: \$500,000 (each, "Inside" &"Outside")
- (d) Computer Theft: \$500,000;
- (e) Wire Transfer Fraud: \$500,000;

provided, however, that if such coverages are provided on a "blanket" limit basis, a blanket limit of \$500,000 shall be considered to be sufficient to comply with this provision.

7.8.8 Insurance Cost. The cost of providing coverage provided under Section 7.8.2.2, 7.8.2.4, 7.8.2.5 and 7.8.7 shall be Operating Expenses of the Facilities and shall either be paid by the District or, in the event VenuWorks makes payment thereof, District shall reimburse VenuWorks as provided in Section 5.1.4 and 5.2.5.

7.8.9 Insurance Terms. Insurance terms not otherwise defined in this Agreement shall be interpreted consistent with insurance industry usage.

7.8.10 Tort Liability Limit. Insurance referenced in this Agreement, except Workers Compensation/Employers Liability, shall name District as an additional insured.

7.9 Indemnity. VenuWorks agrees to indemnify, hold harmless, protect, and

defend the District, its agents, representatives and any Affiliated or related entities against any and all claims, loss, liability, damage, costs and expenses, including reasonable attorney's fees, that are alleged to have occurred as a result of or due to the breach of contract, negligence or willful misconduct of VenuWorks, its agents, consultants, subcontractors, employees or representatives, or a breach of VenuWorks' representations as set forth in Sections 7.2 and 7.3 hereof to the extent that such claim, loss, liability, damage, cost or expense is alleged to have been caused by VenuWorks its agents, consultants, subcontractors, employees or representatives.

7.10 Damage to and Destruction of the Facilities. If all or part of either of the Facilities are rendered unusable by damage from fire or other casualty, the Base Management Fee for the damaged facility shall be reduced by 38% until such time as the damaged facility is returned to its usable condition. VenuWorks and the District shall jointly decide on an operating budget for the damaged facility during the duration of their repair period and shall jointly determine whether to retain personnel during the repair period. Solely with respect to the Coliseum, the term of this Agreement shall be extended by the amount of time in which the Coliseum is closed to the general public due to said damage.

7.11 Employees. Employees at the Facilities, whether management employees or non-management employees, shall be employed by VenuWorks.

7.11.1 Employees of VenuWorks. All persons engaged at the Facilities in operating any of the services hereunder shall be the sole and exclusive employees of VenuWorks and shall be paid by VenuWorks, except for those individuals employed or utilized by subcontractors of VenuWorks, as provided for in this Agreement but in no event deemed an employee of the District. In connection with the employment

of its employees, VenuWorks shall pay all applicable social security, reemployment insurance, worker's compensation or other employment taxes or contributions to insurance plans, and retirement benefits, and shall comply with all federal and state laws and regulations relating to employment generally, minimum wages, social security, reemployment insurance and worker's compensation, and shall defend, indemnify and save the District harmless from any responsibility therefore. VenuWorks shall comply with all applicable laws, ordinances and regulations including, without limitation, those pertaining to human rights and non-discrimination. Notwithstanding any provision of this Agreement to the contrary, this Agreement may be canceled or terminated by the District for a violation of this paragraph, in addition to the penalty provisions which may be invoked by the District pursuant to the above cited statutes and ordinances.

7.11.2 Employee Standards. VenuWorks will employ trained and neatly uniformed employees and said employees shall conduct themselves at all times in a proper and respectful manner. Any dismissal shall be in accordance with VenuWorks' corporate policy and applicable federal, state or local laws which may be in effect and, further, shall be in compliance with applicable union or labor organizational agreements which may be in effect at the time of said dismissal and VenuWorks shall defend, indemnify and save the District harmless from any claim, cause of action, expense (including attorneys' fees) lost, cost or damage of any kind or nature arising there from, except in the case of express written direction from the District.

7.12 Availability of Facilities. VenuWorks agrees that, except as a result of full or partial destruction of either of the Facilities, each Facility will be made available for all events scheduled therein and VenuWorks agrees to defend, indemnify and save the District harmless from and against any and all claims, causes of action, expenses

(including attorneys' fees) losses, costs and damages arising from the failure of the Facilities to be available in the condition necessary for the conduct of such events for scheduled events due to the negligence or willful misconduct of VenuWorks, its agents or employees.

7.13 Proprietary Nature of Facilities Records and Information: VenuWorks shall respect the proprietary nature of records, files and data accumulated at the Facilities as the property of the District, and shall not use this proprietary information for any purpose other than for the management and marketing of the Facilities.

7.14 Termination for Convenience. Notwithstanding anything herein contained to the contrary, either party may terminate this agreement with 90 days written notice without cause.

7.15 Compliance with Laws. VenuWorks will comply with all federal, state and local ordinances, statutes, rules and regulations as they relate to the operation of the Facilities. VenuWorks' failure to comply with such ordinances, statutes, rules and regulations relating to the Facilities shall be an Event of Default under this Agreement and shall entitle the District to terminate this Agreement pursuant to the provisions herein. VenuWorks agrees that it shall not be entitled to claim litigation costs (including attorneys' fees) as Operating Expenses pursuant to Subparagraph (1) of Exhibit A with regard to its rules and obligation to comply with ordinances, statutes, or regulations as set forth herein.

7.16 Nonwaiver. The failure of either party at any time to enforce a provision of this Agreement shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Agreement or any part hereof, or the right of such party thereafter to enforce each and every provision hereof.

7.17 Amendment. The parties may amend this Agreement only by written agreement executed by the parties.

7.18 Choice of Law. The laws of the State of Washington shall govern the rights and obligations of the parties under this Agreement.

7.19 Severability. Any provision of this Agreement decreed invalid by a court of competent jurisdiction shall not invalidate the remaining provisions of this Agreement.

7.20 Notices. Any notice required herein shall be in writing and shall be deemed effective and received (a) upon personal delivery; (b) five (5) days after deposit in the United States mail, certified mail, return receipt requested, postage prepaid; or (c) one (1) business day after deposit with a national overnight air courier, fees prepaid, to VenuWorks or District at the following addresses:

If to District:	President Kennewick Public Facilities District 7016 Grandridge Blvd. Kennewick, WA. 99336
-----------------	--

District's Attorney	Leland B. Kerr Kerr Law Group 7025 Grandridge Blvd., Suite A Kennewick, WA. 99336
---------------------	--

If to VenuWorks:	Executive Director VenuWorks of Kennewick, LLC 7016 Grandridge Blvd. Kennewick WA 99336
------------------	--

	President VenuWorks , Inc. 4611 Mortenson Road, Suite 111 Ames, IA 50014
--	---

Either party may designate an additional or another representative or address for notices upon giving notice to the other party pursuant to this paragraph. For the purposes of this Agreement, "business day" shall mean a day which is not a Saturday, a Sunday or

a legal holiday of the United States of America.

7.21 Representatives. The District's representative to VenuWorks in connection with Facilities operations shall be the chairman of the Kennewick Public Facilities District Board of Directors, or his designee, and the VenuWorks representative shall be VenuWorks' on-site Executive Director at the Facilities address provided in Section 7.20 above.

7.22 Force Majeure. Neither party shall be obligated to perform hereunder, and neither shall be deemed to be in default, if performance is prevented by fire, earthquake, flood, act of God, riot, civil commotion or other matter or condition of like nature, including the unavailability of sufficient fuel or energy to operate the Facilities, or any law, ordinance, rule, regulation or order of any public or military authority stemming from the existence of economic controls, riot, hostilities, war or governmental law and regulations.

7.23 Labor Dispute. In the event of a labor dispute which results in a strike, picket or boycott affecting the Facilities or the services described in this Agreement, VenuWorks shall not be deemed to be in default or to have breached any part of this Agreement directly arising from such labor dispute.

7.24 Integration. This Agreement and all appendices and exhibits hereto embody the entire agreement of the parties relating to the services to be provided hereunder. There are no promises, terms, conditions or obligations other than those contained herein, and this Agreement shall supersede all previous written contracts including that Management Agreement dated the 18th day of September, 2003, and that

Revised Facilities Management Agreement dated June 1, 2004, and any other communications, representations or agreements, either oral or written, between the parties hereto.

Exhibits hereby integrated hereto are: Exhibit A: Operating Expenses  
If the terms of this Agreement and any exhibit are inconsistent, the terms of the Agreement shall control

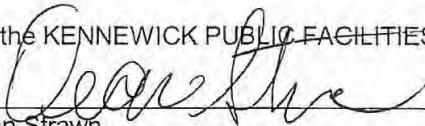
7.25 Section Headings. Section headings in this Agreement are for convenience only and shall have no effect on the interpretation of this Agreement.

7.26 Management of Competing Facilities: During the term of this Management Agreement, VenuWorks shall not, either directly or through its subsidiaries or affiliates, enter into or have in effect agreements or arrangements to manage or market any conference, exhibition, meeting or convention facilities similar to the Facilities, and located within a 175 mile radius of the City without prior written approval of the District; provided, however, that nothing contained herein shall preclude VenuWorks from providing ancillary support services to any such facilities, including, without limitation, food service, cleaning, maintenance, sponsor procurement, event promotions, grounds keeping, janitorial, parking or security services.

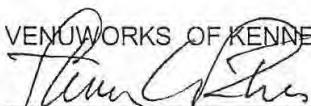
7.27 Assignment of Agreement: This Agreement is for professional services and the District is relying on VenuWorks for these services, and therefore this Agreement cannot be assigned without written approval from the District.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

For the KENNEWICK PUBLIC FACILITIES DISTRICT

  
Dean Strawn  
President

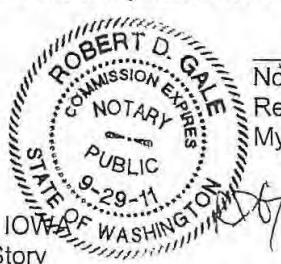
VENUWORKS OF KENNEWICK, LLC

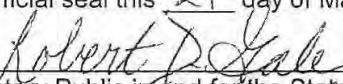
  
Steven L. Peters, President of VenuWorks, Inc.  
Member

STATE OF WASHINGTON  
County of Benton

On this day, personally appeared before me, DEAN STRAWN, President of the Kennewick Public Facilities District to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 29 day of May, 2009.



  
Notary Public in and for the State of Washington  
Residing at: Benton County  
My Commission Expires: 1/29/2011

STATE OF IOWA  
County of Story

On this day, personally appeared before me, Member of VenuWorks Kennewick, LLC, to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 13 day of May, 2009.



  
Notary Public in and for the State of Iowa  
Residing at: 1216 Ridgewood Dr  
My Commission Expires: 10-28-10

**\*EXHIBIT A**  
**Operating Expenses**

The term "Operating Expenses" shall mean the following and shall be, in all cases, subject to the Annual Budget:

- (a) on-the-job payroll cost, including wages paid to employees and the cost of paid holidays, vacations, severance benefits, sick leave and other compensation and benefits; cost of training; payroll processing costs; cost of recruitment and relocation of senior on-site executives as may be approved and budgeted in advance by the District; however, employee bonuses or commissions awarded by VenuWorks shall not be an operating expense, and shall be borne by VenuWorks.
- (b) employer contribution cost, in relation to employees carried on the on-the-job payroll mentioned in the foregoing clause (a), of every nature whatsoever, including but not limited to, social security, reemployment insurance, benefits for medical and hospital care, disability, death, termination, retirement or pensions, or insurance or annuity contracts to provide any of the foregoing, and all payments, other than those referred to in the foregoing clause (a), required under any collective bargaining agreement to which VenuWorks is a party, or under any state or federal law or any regulations promulgated thereunder;
- (c) cost of medical and security examination for employees on the on-the-job payroll;
- (d) cost of purchasing, renting, maintaining and cleaning uniforms;
- (e) cost of equipment, materials and supplies, including the cost of installation thereof;

- (f) cost of insurance, permits, licenses and fees not paid directly by the District;
- (g) cost of property, business, privilege, sales and all taxes other than taxes based on net income, provided that any penalties or fines for failure to collect and remit sales taxes shall not be an Operating Expenses but shall be borne by VenuWorks;
- (h) cost of marketing, promotions and advertising; cost of travel from Kennewick on behalf of the Facilities
- (i) cost of necessary outside professional services, upon prior written approval by the District;
- (j) cost of the Commodities;
- (k) cost of utilities not paid directly by the District;
- (l) except as limited in Section 7.15, litigation expenses or other costs (including attorneys' fees) incurred by VenuWorks in connection with any proceeding on behalf of the Facilities and/or the District;
- (m) cost of installation of additional equipment and replacements thereof as approved by the District;
- (n) cost of ordinary maintenance, housekeeping and repair of the Facilities and the equipment;
- (o) cost of food and beverage, dry goods, and all supplies and services relating to the food and beverage service in the Facilities.
- (p) VenuWorks shall be responsible for the cost of VenuWorks corporate staff expenses for travel, room and board incurred in providing services under the Agreement.
- (p) all other expenses not specifically set forth in this Exhibit but not including the cost of home office overhead relating to the services provided by VenuWorks

hereunder, subject to the District's prior written approval of any such expense.

**SUPPLEMENTAL  
PERFORMANCE GUARANTY**

**THIS GUARANTY** is made this 1st day of June, 2009, between VenuWorks Inc., an Iowa Corporation, hereinafter referred to as "Guarantor" and Kennewick Public Facilities District, a Washington Municipal Corporation, hereinafter referred to as "District" as in inducement for the District to enter into an Extended Facilities Management Agreement with VenuWorks of Kennewick, LLC, a wholly owned subsidiary of the *Guarantor*.

**WHEREAS**, the *District* is prepared to execute a Management Agreement with VenuWorks of Kennewick, LLC, as an Extended Facilities Management Agreement for the management of the *District's* Convention Center and Coliseum, a copy of which is attached hereto and incorporated herein by this reference as Exhibit A; and

**WHEREAS**, the *District* will execute the Extended Facilities Management Agreement only if performance thereof will be guaranteed by the *Guarantor*; and

**WHEREAS**, *Guarantor* is willing to guaranty performance of the Contract under the terms set fourth herein.

**NOW, THEREFORE**, in consideration of the mutual covenants provided herein and other valuable consideration, the *Guarantor* agrees as follows:

**Section I  
Statement of Guaranty**

*Guarantor* guarantees prompt and satisfactory performance of the Extended Facilities Management Agreement dated June 1, 2009, attached hereto as Exhibit A. If VenuWorks of Kennewick, LLC, defaults in the performance of any obligations, payments or responsibilities under the Contract in accordance with the terms and conditions in a timely manner, The *Guarantor* conditionally shall perform all such obligations and to pay to the *District* all damages, costs and expenses that a *District* is entitled to recover from VenuWorks of Kennewick LLC by reason of its default or breach of the terms of the Management Agreement.

**Section II  
Duration**

This guaranty shall continue in force during the term, together with any extensions thereof, of the Extended Facilities Management Agreement and until all obligations of VenuWorks of Kennewick LLC under the Management Agreement have

been satisfied or until VenuWorks of Kennewick LLC's liability to the *District* under the Management Agreement has been completely discharged whichever first occurs. *Guarantor* shall not be discharged from the liability hereunder as long as any claim of the *District* against VenuWorks of LLC remains outstanding.

### **Section III Waivers of Notice and Demand**

*Guarantor* hereby waives any rights to require the *District* to:

- A) Proceed against VenuWorks of Kennewick LLC, or
- B) Pursue any other remedy available to the *District* in law or equity.

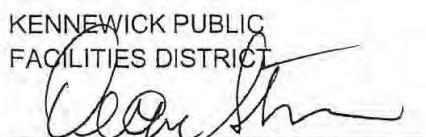
*Guarantor* waives any and all demands for performance, notice of nonperformance or default, and notices of cancellation or forfeiture independent of those notices to VenuWorks of Kennewick, LLC, as provided in the Management Agreement. The *District* may apply all proceeds received from VenuWorks of Kennewick, LLC, or others to such part of such indebtedness as *District* may in its sole discretion deem appropriate without consulting *Guarantor* and without prejudice to or in any way limiting or lessening the liability of *Guarantor* under this guaranty.

### **Section IV General Provisions**

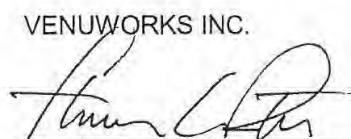
For the purpose of this Agreement, time is of the essence. This Agreement is governed, construed and enforced in accordance with the substantive laws of the State of Washington. Should any dispute arise concerning the enforcement, breach or interpretation of this Agreement, venue shall be placed in Benton County, Washington, and the prevailing party shall be entitled to its reasonable attorney fees and costs as additional judgment.

IN WITNESS WHEREOF, the parties have executed this Agreement by the duly authorized officers on the day and year first written above.

KENNEWICK PUBLIC  
FACILITIES DISTRICT

  
Dean Strawn, President

VENUWORKS INC.

  
Steven L. Peters, President

STATE OF WASHINGTON)

)ss.

County of Benton

)

On this day, personally appeared before me, Dean Strawn, President of the Kennewick Public Facilities District to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

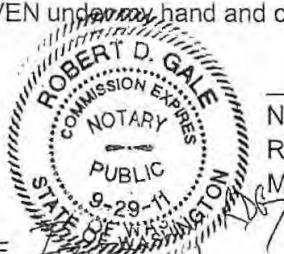
GIVEN under my hand and official seal this 21 day of May, 2009.

STATE OF

)ss.

County of Story

)



Robert D. Gale

Notary Public in and for the State of Washington  
Residing at: Benton County  
My Commission Expires: 9/29/2011

On this day, personally appeared before me, STEVEN L. PETERS, President of VenuWorks Inc., to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 13 day of May, 2009.

Betty Beisker

Notary Public for the State of Iowa  
Residing at: 1216 Ridgewood Street  
My Commission Expires: 10-28-16



ADDENDUM #1 TO THE  
EXTENDED FACILITIES MANAGEMENT AGREEMENT

This addendum ("Addendum") to the Extended Facilities Management Agreement ("Agreement"), is made and entered into effective June 28, 2012 by and between The KENNEWICK PUBLIC FACILITIES DISTRICT, a Washington Municipal Corporation, located at 7016 Grandridge Blvd., Kennewick, Washington, 99336 ("District"), and VENUWORKS OF KENNEWICK, LLC, an Iowa Limited Liability Company, with head offices at 4611 Mortensen Road, Suite 111, Ames, Iowa, 50014, and a local office at 7016 Grandridge Blvd., Kennewick WA 99336 ("VenuWorks").

W I T N E S S E T H

WHEREAS, the District is the Owner of a Regional Center, as defined by RCW 35.57.020, known as The Three Rivers Convention Center (hereinafter referred to as the "Convention Center"); and

WHEREAS, the District has, pursuant to an Inter-local Agreement with the City of Kennewick, Washington (the "City"), dated the 27th day of April, 2004, been granted full operational rights of management and possession of a multi-purpose coliseum facility, known as The Toyota Center, and practice ice rink designated as "Rink B" and known as The Toyota Arena, located at 7100 West Quinault Avenue, Kennewick, Washington, (hereinafter referred to collectively as "Coliseum"); and

WHEREAS, the District entered into an Extended Facilities Management Agreement with VenuWorks for the management of the Convention Center and Coliseum, (hereinafter referred to collectively as "Facilities") effective June 1, 2009, as originally contracted for between the District and VenuWorks (then called Compass Facility Management) in an agreement dated June 1, 2004; and

WHEREAS, the District and VenuWorks are desirous of revising that Extended Facilities Management Agreement, with certain modifications and updates, as set forth herein;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other consideration the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

The following language is added to Section 5.1.3: Commissions Payable to VenuWorks:

"For any event in the Convention Center for which room rental is discounted in favor of food and beverage revenues, beginning January 1, 2012, VenuWorks will deduct the amount of the room rental discount from the food beverage gross revenues before calculating the VenuWorks fee."

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed .

For the KENNEWICK PUBLIC FACILITIES DISTRICT

Barbara Johnson

President

For VENUWORKS OF KENNEWICK, LLC

Perz

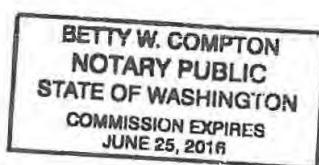
Manager

STATE OF WASHINGTON

County of Benton

On this day, personally appeared before me BARBARA Johnson, the President of the Kennewick Public Facilities District to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 2<sup>nd</sup> day of July 2012.



Betty W. Compton

Notary Public in and for the State of Washington

Residing at: Kennewick, WA

My Commission Expires: 6-25-2016

STATE OF WASHINGTON

County of Benton

On this day, personally appeared before me Corey Pearson, the Manager of VenuWorks Kennewick, LLC, to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 2<sup>nd</sup> day of July 2012.

Betty St. Compton  
Notary Public in and for the State of Washington  
Residing at: Kennewick WA  
My Commission Expires: 6-25-2016

ADDENDUM #1 TO THE  
EXTENDED FACILITIES MANAGEMENT AGREEMENT

This addendum ("Addendum") to the Extended Facilities Management Agreement ("Agreement"), is made and entered into effective June 28, 2012 by and between The KENNEWICK PUBLIC FACILITIES DISTRICT, a Washington Municipal Corporation, located at 7016 Grandridge Blvd., Kennewick, Washington, 99336 ("District"), and VENUWORKS OF KENNEWICK, LLC, an Iowa Limited Liability Company, with head offices at 4611 Mortensen Road, Suite 111, Ames, Iowa, 50014, and a local office at 7016 Grandridge Blvd., Kennewick WA 99336 ("VenuWorks").

W I T N E S S E T H

WHEREAS, the District is the Owner of a Regional Center, as defined by RCW 35.57.020, known as The Three Rivers Convention Center (hereinafter referred to as the "Convention Center"); and

WHEREAS, the District has, pursuant to an Inter-local Agreement with the City of Kennewick, Washington (the "City"), dated the 27th day of April, 2004, been granted full operational rights of management and possession of a multi-purpose coliseum facility, known as The Toyota Center, and practice ice rink designated as "Rink B" and known as The Toyota Arena, located at 7100 West Quinault Avenue, Kennewick, Washington, (hereinafter referred to collectively as "Coliseum"); and

WHEREAS, the District entered into an Extended Facilities Management Agreement with VenuWorks for the management of the Convention Center and Coliseum, (hereinafter referred to collectively as "Facilities") effective June 1, 2009, as originally contracted for between the District and VenuWorks (then called Compass Facility Management) in an agreement dated June 1, 2004; and

WHEREAS, the District and VenuWorks are desirous of revising that Extended Facilities Management Agreement, with certain modifications and updates, as set forth herein;

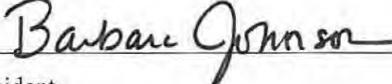
NOW, THEREFORE, in consideration of the mutual promises contained herein and other consideration the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

The following language is added to Section 5.1.3: Commissions Payable to VenuWorks:

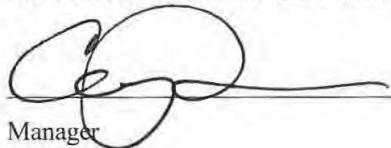
"For any event in the Convention Center for which room rental is discounted in favor of food and beverage revenues, beginning January 1, 2012, VenuWorks will deduct the amount of the room rental discount from the food beverage gross revenues before calculating the VenuWorks fee."

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed .

For the KENNEWICK PUBLIC FACILITIES DISTRICT

  
President

For VENUWORKS OF KENNEWICK, LLC

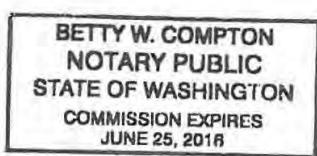
  
Manager

STATE OF WASHINGTON

County of Benton

On this day, personally appeared before me Barbara Johnson, the President of the Kennewick Public Facilities District to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 2<sup>nd</sup> day of July 2012.



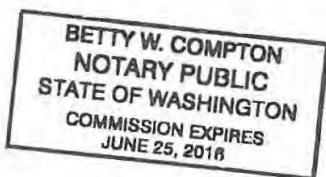
  
Notary Public in and for the State of Washington  
Residing at: Kennewick, WA  
My Commission Expires: 6 - 25 - 12

STATE OF WASHINGTON

County of Benton

On this day, personally appeared before me Corey Pearson, the Manager of VenuWorks Kennewick, LLC, to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 2<sup>nd</sup> day of July, 2012.



Betty W. Compton  
Notary Public in and for the State of Washington  
Residing at: Kennewick wa  
My Commission Expires: July 25, 2012

ADDENDUM #2 TO THE  
EXTENDED FACILITIES MANAGEMENT AGREEMENT

This addendum ("Addendum") to the Extended Facilities Management Agreement ("Agreement"), is made and entered into effective June 1, 2014, by and between The KENNEWICK PUBLIC FACILITIES DISTRICT, a Washington Municipal Corporation, located at 7016 Grandridge Blvd., Kennewick, Washington, 99336 ("District"), and VENUWORKS OF KENNEWICK, LLC, an Iowa Limited Liability Company, with head offices at 4611 Mortensen Road, Suite 111, Ames, Iowa, 50014, and a local office at 7016 Grandridge Blvd., Kennewick WA 99336 ("VenuWorks").

W I T N E S S E T H

WHEREAS, the District is the Owner of a Regional Center, as defined by RCW 35.57.020, known as The Three Rivers Convention Center (hereinafter referred to as the "Convention Center"); and

WHEREAS, the District has, pursuant to an Interlocal Agreement with the City of Kennewick, Washington (the "City"), dated the 29th day of April, 2004, been granted full operational rights of management and possession of a multi-purpose coliseum facility, known as The Toyota Center, and practice ice rink designated as "Rink B" and known as The Toyota Arena, located at 7100 West Quinault Avenue, Kennewick, Washington, (hereinafter referred to collectively as "Coliseum"); and

WHEREAS, the District entered into an Extended Facilities Management Agreement with VenuWorks for the management of the Convention Center and Coliseum, (hereinafter referred to collectively as "Facilities") effective June 1, 2009, as amended by Addendum #1 effective June 28, 2012, and as originally contracted for between the District and VenuWorks (then called Compass Facility Management) in an agreement dated June 1, 2004; and

WHEREAS, the District and VenuWorks are desirous of revising that Extended Facilities Management Agreement, with certain modifications and updates, as set forth herein;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other consideration the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Amendment of Article 2 "Commencement Date and Term". Article 2 entitled "Commencement Date and Term" is hereby amended providing for a new term and shall read as follows:

## **ARTICLE 2**

### **COMMENCEMENT DATE AND TERM**

2.1 Base Term. This Agreement shall be for a term of sixty (60) months, commencing the 1st day of June, 2014 (the "Commencement Date"). This Agreement shall terminate on the 31st day of May, 2019, unless otherwise terminated or extended as set forth herein.

2.2 Expansion Extension. In the event VenuWorks participates in the funding and management of a campaign, as permitted by Title 72.17A RCW and Title 390 WAC, for the expansion of a convention center pursuant to a ballot item approved by the District and contingent upon approval of the expansion, this Agreement shall be extended to May 31, 2022, to facilitate the expansion.

2.3 This Agreement may be renewed, or extended, from time to time as may be mutually agreed in writing between the Parties.

Section 2. That Article 5 of the Extended Facilities Management Agreement entitled "Management Fees; Reimbursement of Expenses" shall be amended to include the following additional subsection:

5.6 VenuWorks Payments to District: VenuWorks shall pay the District \$277,080 over the course of the Base Term of the Agreement, said funds to be applied to the funding and interest for the construction of an enclosed lobby connector between the Convention Center and the hotel being added to the site. Payments shall be made quarterly in equal amounts of \$13,854, beginning on the Commencement Date of the Agreement. Subsequent payments shall be made on the first day of September, December, March and June during the Base Term of the Agreement.

5.7 Creation of Event Promotion Line of Credit: VenuWorks shall extend a Line of Credit in the amount of \$100,000 to be used for the promotion and co-promotion of "at-risk" events at the Coliseum. "At-risk" events are those events which pose a greater risk of achieving a net profit, however, expand the number of eligible events to be conducted within the

Coliseum. Events will be identified in advance as being "at-risk" events eligible for promotion or co-promotion by the Line of Credit with prior notice to the District. It is the intent of the parties that this line of credit be a tool for the Coliseum to use in competing with other venues for events. It will also provide a means for VenuWorks to guarantee to the District the cash benefit of at least \$200,000 realized through ongoing event profits and cash payout at the end of the contract term. The District recognizes that these profits would not be realized without the VenuWorks Line of Credit. The "at-risk" events shall not include "Broadway production series" presently scheduled at the Coliseum.

5.7.1 Payout to District: Within thirty days of the close of the five year base term of the Agreement, VenuWorks shall pay the District a sum of up to \$200,000 to be used for the ongoing capital improvement of the Coliseum. The amount to be paid will be determined by subtracting from \$200,000 the total net revenues realized by the Coliseum over the Term of the Agreement on "at-risk" events made possible by the Line of Credit. For this calculation, net revenues would be defined as the difference between all profits realized from the combined ticket sales, co-promotion profits, rental fees, other fees, food and beverage sales, ticketing fees, facility fees, merchandising, event sponsorships and parking fees for all events made possible by using the VenuWorks line of credit, minus all event related settlement expenses. The net profits of all such events over the five year period would be compiled to compute the amount of "Net Revenues" for the period. Any and all net losses realized by VenuWorks on events will be credited against the total \$200,000 pay out sum. In no event, however, shall the minimum cash payoff to the District by VenuWorks at the end of the Base Term be less than \$100,000, regardless of any losses incurred by VenuWorks.

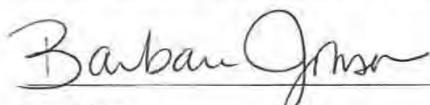
5.8 Early Termination of VenuWorks: If the Agreement with VenuWorks is terminated for any reason prior to the completion of the full base term, payments to VenuWorks shall terminate effective the date of the early termination. Furthermore, effective the date of the early termination, the obligation of VenuWorks to make payments to the District, as provided in Sections 5.6 and 5.7 above shall terminate. VenuWorks' obligation toward payment of the connector to the hotel, pursuant to Section 5.6, shall end with the last quarterly payment made to the District prior to the date of the early

termination. VenuWorks' obligation toward the payout of the proceeds from the Line of Credit extended for the promotion of at-risk events, as provided in Section 5.7, shall be limited to \$3,333 for each completed month of the term of the Agreement, minus the total revenues realized by the District from events made possible by the Line of Credit, and minus any losses incurred by VenuWorks during the period, as described in Section 5.7.1. However, the amount paid by VenuWorks in cash in the event of early termination shall not be less than \$1,666 multiplied by the number of completed months prior to the early termination of the Agreement.

Section 3. All remaining terms of the Revised Management Agreement, Extended Management Agreement, Addendum #1 to the Extended Facilities Management Agreement, and Supplemental Performance Guaranty, not inconsistent with the terms of the changes provided herein, shall remain in full force and effect.

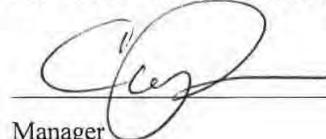
IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed on the 12<sup>th</sup> day of May, 2014.

For the KENNEWICK PUBLIC FACILITIES DISTRICT



President

For VENUWORKS OF KENNEWICK, LLC



Manager

STATE OF WASHINGTON

County of Benton

On this day, personally appeared before me Barbara Johnson, the President of the Kennewick Public Facilities District to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 12 day of May, 2014.



Michelle A. Ellis  
Notary Public in and for the State of Washington  
Residing at: Benton County  
My Commission Expires: 02-05-17

STATE OF WASHINGTON

County of Benton

On this day, personally appeared before me Corey Pearson, the Manager of VenuWorks Kennewick, LLC, to be known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 12 day of May 2014.



Michelle A. Ellis

Notary Public in and for the State of Washington

Residing at: Benton County

My Commission Expires: 02-05-17



**Leland B. Kerr**  
Attorney at Law  
[lkerr@kerrlawgroup.net](mailto:lkerr@kerrlawgroup.net)

**Eric W. Ferguson**  
Attorney at Law  
[eferguson@kerrlawgroup.net](mailto:eferguson@kerrlawgroup.net)

January 16, 2018

Sent via Electronic Mail & First-Class Mail

Mr. Phil Stutzman, Sr. Compliance Officer  
PDC Compliance & Enforcement Staff  
Washington State Public Disclosure Commission  
711 Capitol Way #206  
PO Box 40908  
Olympia, WA 98504-0908  
E-Mail: [phil.stutzman@pdc.wa.gov](mailto:phil.stutzman@pdc.wa.gov); and [pdc@pdc.wa.gov](mailto:pdc@pdc.wa.gov)

Re: PDC Case No. 28028 -- Kennewick Public Facilities District ("KPDFD") - Roger Lenk

Dear Mr. Stutzman:

As indicated in my previous email, I am addressing the Complaint of Roger Lenk initially submitted to your Agency on September 11, 2017, and supplemented by email of October 16, 2017, which I received on December 3, 2017.

As previously indicated, although vague and miscited, Mr. Lenk's Complaint falls into generally four (4) allegations as identified by Mr. Ragins:

Allegation One: Violation of RCW 42.17A.555 for using public facilities as the agency of record for political advertising through a marketing entity called Focalpoint;

Allegation Two: Violation of RCW 42.17A.205 for individuals conducting political advertising for the Link campaign without registering as a political committee;

Allegation Three: Violation of RCW 42.17A.555 for using public funds to pay for [www.thelinktc.com](http://www.thelinktc.com) under the direction of public officials; and

Allegation Four: Violation of RCW 42.17A.555 for using a public office to review ad buys made by Focalpoint in support of a ballot measure.

These allegations are aimed generally at the Kennewick Public Facilities District (Allegation Nos. 1, 3 and 4), and Citizens for the Link Entertainment Center Campaign Committee (Allegation No. 2).

7025 West Grandridge Boulevard, Suite A, Kennewick, Washington 99336  
Telephone: 509-735-1542 Fax: 509-735-0506  
*A Professional Limited Liability Company*

Mr. Phil Stutzman, Sr. Compliance Officer  
Washington State Public Disclosure Commission  
Re: PDC Case No. 28028 -- Kennewick Public Facilities District ("KPDFD") - Roger Lenk  
January 16, 2018  
Page 2

As confirmed in my previous email, I have been retained to respond on behalf of both Entities, and rather than prepare a separate response, with the consent of my clients, I have taken the liberty of addressing them in a single response.

We do not represent Perfect Privacy, LLC, who Mr. Lenk has designated as a "Respondent", and since there is no alleged basis for their inclusion, we do not address their defense. The allegations against Barbara Johnson, President of the Kennewick Public Facility District (the "District") and Corey Pearson, the Venuworks Manager for the District campus will be addressed in the responses to the allegations dealing with the District. While there is no alleged wrongdoing by either Dave Retter, or Kris Watkins, who are named as "Respondents", solely for their participation in the Tri-City Herald Editorial Board, they will be addressed collectively under Response to Allegation Two.

As evidenced in Mr. Ragins' initial correspondence, much of Mr. Lenk's allegations are restatements of the allegations made by Mr. Epperly, and previously responded to in regard to PDC Case No. 26814. To the extent that there is overlap, those items will not be repeated.

The District's managed campus in the City of Kennewick houses the Toyota Center, a coliseum venue for athletic, cultural and entertainment events; and the Three Rivers Convention Center which, hosts public events, celebrations, conventions and entertainment events. These facilities are contractually managed on the District's behalf by Venuworks of Kennewick, LLC, which, through its General Manager, Corey Pearson, manages and operates these facilities. The District has no paid staff and is governed by a non-elected Board of Directors.

To accomplish its intended purposes, the District maintains an aggressive effort utilizing websites, social media and multi-media formats to notify and invite citizens of this Region to participate in its events. The Facility also competes regionally for conventions, conferences and shows, and as such, marketing of its Facility, and its attractions, are an important element of its everyday business.

In 2016, the District pursued a bond issue for improvements and expansions to the facilities by connecting them in a configuration they dubbed "The Link". In 2016, that elected effort was unsuccessful. The District continued its efforts to place it before the voters in November of 2017. Mr. Link's Complaint arising out of that 2017 election.

1. **Response to Allegation One.** The District's alleged use of Focalpoint Marketing & Multimedia for "political advertising" is incorrect and unfounded.

One of the hard recognitions coming out of the 2016 failure was a clear message, as voiced by the Tri-City Herald Editorial Board, that there was just not enough educational information to truly apprise the voters of the nature of the project. Just as in the prior election cycle, the District engaged a Multi-Media Consultant to assist with the preparation and dissemination of this very important educational piece. In June of 2017, the District hired Focalpoint to provide the

Mr. Phil Stutzman, Sr. Compliance Officer  
Washington State Public Disclosure Commission  
Re: PDC Case No. 28028 -- Kennewick Public Facilities District ("KPFD") - Roger Lenk  
January 16, 2018  
Page 3

educational presentation. The line was clearly drawn and emphasized that their role was solely educational, and its material monitored to ensure that none of it called for, or suggested, a "Yes" vote at the election. A copy of their Engagement Agreement is attached as Exhibit 1 which Agreement identifies its purpose as "educational". As a platform for this effort, Focalpoint secured a website for its educational presentation.

Since the use of this website was dealt with extensively in my letter of November 7, 2017 regarding Case No. 26814, that response is hereby incorporated by reference.

In none of the Complainant's allegations is there any evidence that the website was used for anything other than its intended purpose of providing an informational platform consistent with the Commission's guidelines. Extraordinary efforts were made to avoid any of its content to "urge", support or opposition in any election campaign (RCW 42.17A.005(36)).

As described below, the educational efforts of the District were intentionally separated from the efforts of the Committee which were conducted entirely independent of that of the District. Mr. Lenk's allegation that a Committee video was posted on the District's informational website is false.

The District's educational efforts leading up to and following its determination to place this matter on the November ballot, was consistent with the Commission's guidelines:

"The Public Disclosure Commission holds that it is not only the right, but the responsibility of local government to inform the public of the operational and maintenance issues facing local agencies. This includes informing the community of the needs of the agency that the community may not realize exist. Local governments may expend funds for this purpose provided that the preparation and distribution of information is not for the purpose of influencing the outcome of an election."

Likewise, as permitted by WAC 390-05-271(2),

"RCW 42.17A.555 does not prevent a public office or agency from...making an objective and fair presentation of facts relevant to a ballot proposition, if such action is part of the normal and regular conduct of the office or agency."

Not only does an educational effort meet the Commission's exposed basic principle (7[a]), that "a jurisdiction wide objective and fair presentation of the facts per ballot measure is appropriate", but also falls within the exception of activities which are part of the "normal and regular conduct of the office or agency", and that such actions are "lawful, i.e. specifically authorized either expressly or by necessary implication" and "usual, i.e., not affected or authorized...by some extraordinary means or manner."

Mr. Phil Stutzman, Sr. Compliance Officer  
Washington State Public Disclosure Commission  
Re: PDC Case No. 28028 -- Kennewick Public Facilities District ("KPFD") - Roger Lenk  
January 16, 2018  
Page 4

As addressed above and in our previous correspondence, the District as its usual and normal course of business, maintains an aggressive public outreach position. As pointed out in previous correspondence, this is the same informational activity that was utilized by the District in both the 2012 and 2016 elections.

The test in this case is whether the informational presentation contains "an objective and fair presentation of the facts for each ballot measure" without urging support or opposition. As such, it is not "political advertising" as alleged by the Complainant.

2. **Response to Allegation Two.** The Complaint alleges that the Citizens for the Link Entertainment Center Committee conducted political advertising without registering as a political committee.

This allegation is patently and obviously false. Mr. Lenk initially alleged in his September 11, 2017 Complaint contorting the language from the November 9, 2017 Tri-City Herald Editorial stating, "Respondent Watkins has publicly stated that her committee (Respondents) has \$70,000.00 to spend in support of the Campaign for Proposition 17-4." The Editorial actually states:

"Supporters pledge to do a better job of explaining The Link to the community this time. They say the 2016 campaign was waged largely on social media, and that many were ignorant of the request or confused. Many thought supporters wanted a new movie theater. This time, they will spend up to \$70,000.00 on educational materials that will be delivered across multiple media platforms as well as informational open houses."

Consistent with this goal, supporters for The Link Entertainment Center organized by filing a Political Committee Registration C1PC form on September 15, 2017 with Eric Van Winkle as the Campaign Manager and Ella Childers as the Treasurer (See attached Exhibit 2). Consistent with RCW 42.17A.205(1), the Committee filed its Statement of Organization with the Commission immediately upon its organization and predating the receipt of its first contribution on September 20, 2017 as reflected in the Summary, Full Report, Receipts and Expenditures Form C4 (Schedule A) which is attached as Exhibit 3.

Also reflected thereon, the Committee's first expense was on September 22, 2017 when it secured the multi-media consulting services of Stevenson Advertising, which led the "political advertising" efforts of the Committee through the campaign.

All campaign reporting requirements have been meticulously performed by the Committee as demonstrated by its reports. The alleged missing video presentation was duly reported on the C4 (Schedule A) form (See Exhibit 3).

Conspicuously absent from these reports is any reference to Focalpoint, or the educational website at [www.thelinktc.com](http://www.thelinktc.com).

Mr. Phil Stutzman, Sr. Compliance Officer  
Washington State Public Disclosure Commission  
Re: PDC Case No. 28028 -- Kennewick Public Facilities District ("KPFD") - Roger Lenk  
January 16, 2018  
Page 5

As described above, there was an intentional and well scrutinized division between the educational functions conducted by the District through its multi-media consultant, Focalpoint, and the Committee's political advertising conducted through its multi-media consultant, Stevenson Advertising. The Committee utilized without objection by the District, the public records and information readily available to all under the Public Records Act (RCW 42.56), or from its informational website, [www.thelinktc.com](http://www.thelinktc.com).

Therefore, it is irrefutably demonstrated that the Citizens for the Link Entertainment Center was appropriately and timely registered; faithfully complied with the statutes and regulations associated with campaign advertising and reporting; and maintained its efforts scrupulously separate from the District's informational efforts.

3. **Response to Allegation Three.** The purchase of the [www.thelinktc.com](http://www.thelinktc.com) is not a violation of RCW 42.17A.555.

RCW 42.17A.555 states in part:

"No elective official nor any employee of his or her office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of a person to any office or for the promotion of or opposition to any ballot proposition."

The application of this Statute presupposes the existence of a campaign. As provided above, in June of 2017, the District was in the posture of evaluating the results of the 2016 election and considering whether to run The Link expansion project in the November 2017 election. As part of that deliberation, the District sought the assistance of Focalpoint. On June 6, 2017, their services were secured specifically to evaluate their past efforts and to assist in the educational presentation if they decided to pursue another election.

As a potential platform for that educational piece, and to preserve the project name "The Link" for this purpose, a website was secured through Wix.com which was ultimately registered on July 7, 2017. Complainant's allegation that this effort was to establish a "covert website" or that the website host had any role in designing the content or publishing the website is absolutely fantasy.

As a result of the District's deliberations, the District adopted Resolution No. 118-17 on July 27, 2017, calling for the Benton County Auditor to place Proposition 17-4 on the November 7, 2017 general election ballot.

On August 22, 2017, the Benton County Auditor approved the Ballot Caption which, would be the earliest date upon which a "campaign" could commence.

Mr. Phil Stutzman, Sr. Compliance Officer  
Washington State Public Disclosure Commission  
Re: PDC Case No. 28028 -- Kennewick Public Facilities District ("KPFD") - Roger Lenk  
January 16, 2018  
Page 6

The District, within the "normal and regular conduct" of its business has, and does secure websites and consulting services to assist in taking and formulating the action of the District. The Complainant neither cites, nor are there any grounds, to challenge the legality of this pre-campaign activity. Therefore, the allegation that public funds were used for the "The Link" website in violation of the Public Campaign Laws is unfounded.

4. **Response to Allegation Four - Challenge of Media Buys by Focalpoint.** As pointed out above, RCW 42.17A.555 prohibits the use of public facilities or resources for the purpose of assisting a campaign "for the promotion of or opposition to any ballot proposition."

As clearly stated above, it is the District's right and responsibility to provide an "objective and fair presentation of the facts for each ballot measure."

As addressed above, the media buys identified in the Complainant's Exhibit Four is precisely that-part of the District's obligatory educational presentation. The Complainant failed to allege or prove that any of the "ad buys" request, urge or suggest an affirmative vote. The District has been faithful to its obligation to provide an objective and fair presentation of the facts. Analysis of each of these ads demonstrates that the District has been faithful to that charge.

Evident throughout this entire process, should be the fact that the District acted appropriately within its bounds in conducting its business and determining whether to place this ballot item before the voters and faithfully providing a complete, fair and objective presentation for their consideration.

It is, likewise, apparent that the Committee acting well within the bounds of law for reporting and conducting a political campaign totally independent and separate from the actions of the District.

Therefore, it is respectfully requested that the Complaint and each of its allegations be dismissed.

Respectfully Submitted,



Leland B. Kerr  
KERR LAW GROUP

LBK/kad  
Enc.  
cc: Ms. Barbara Johnson, President of KPFD  
Mr. Corey Pearson  
Citizens for the Link Entertainment Center



Three Rivers Convention Center  
Marketing Collateral Estimate

### OFFICIAL PROJECT ESTIMATE – Marketing Collateral

**BACKGROUND:** Three Rivers Convention Center is requesting a bid on development of marketing collateral and **educational pieces** for the LINK campaign vote that will be taking place in November of 2017.

**Scope of Work:** The scope of work is outlined in the cost

**TIMING:** Once this contract is signed FPM will develop a timeline with the client for production.

#### COST:

PRODUCT	FLAT COSTS	OPTIONAL
Graphic Design – Campaign Visual Aesthetic	\$750	
Strategic Messaging (up to 10 hours)	\$1,000	
Graphic Design – Flyer	\$350	
TV Commercial (requires quote after scripting)*	\$3,500 - \$5,000	
Graphic Design – Direct Mail	\$500	
Graphic Design – Door Hanger	\$350	
Graphic Design – Newspaper Print Ad	\$350	
Graphic Design – Social Media Graphics	\$350	
Graphic Design – Digital Ad Campaign	\$350	
Graphic Design – Pull-up Banner (does not include hardware or printing)	\$350	
Digital Placement	No Charge	
Broadcast Placement (TV/Radio)	No Charge	
<b>TOTAL</b>	<b>\$7,850 - \$9,350</b>	

\*Note: Facility/Site, Talent, Music and Narration prices are dependent on usage (i.e. TV/Radio/Web) and will be determined as these variables are acquired. Videography is limited to up to 2 locations. Video work completed after hours (regular hours are 8:00am to 5:00pm) will be charged at the overtime rate.



Three Rivers Convention Center  
Link Project

**AGREEMENT:** This Agreement will set forth the terms and conditions on which Three Rivers Convention Center ("you", "your" or "client") agree to employ Focal Point Marketing, LLC ("we", "us" or "FPM") and we agree to produce marketing materials for said client.

**PROOFING:** Your bid includes two rounds of revisions. Please gather all your changes/revisions and submit them in writing. If more than two rounds of revisions are necessary, they will be billed at our standard hourly rate.

**CHANGE ORDERS:** Work change orders (WCO's) will be issued for additional work and changes requested after approvals or commencement of work. WCO's include a description of the change/addition requested, estimated additional costs, and changes, and changes to work schedules/project completion. Client's signature is required on WCO's to proceed with changes/additions.

**COMPENSATION:** Our compensation for services provided are set forth in the cost section of this agreement (see above).

**BILLABLE ITEMS:** In addition to the fees and costs estimated herein, costs incurred for outside services (TBD), travel expenses, print, duplication fees, etc. are billable at cost. Wherever applicable, state and local sales taxes will be included in Billable Items. All purchases made on client's behalf will be billed to the client. Charges for sales tax, shipping and handling are additional to the price of each purchase. In the event the client purchases or requests use of materials, services, or any items other than those specified by FPM, FPM is not liable for the cost, quality, workmanship, condition, or appearance of such items.

**SCHEDULE OF PAYMENT:** For hourly-billing clients, there will be a regular monthly billing based on hours consumed or periodic approval points. For fee billing, Focal Point Marketing requires a 25% deposit before the first meeting for development of the project, another 25% at 50% completion of the project, 75% after 2<sup>nd</sup> proof and 100% upon completion of the project. Invoices are payable upon receipt. There will be a 3% added fee if client chooses to pay with credit card.

**TRADEMARK, TITLE, TRADE DRESS, SLOGAN USER LIABILITY:** Should you request the use of a trademark, title, trade dress, or slogan (not developed by FPM) in/on marketing collateral developed by FPM, it will be your responsibility to ensure that you have permission to use the said logo/trademark, title, trade dress, or slogan and that there are not any restrictions. Should you want a trademark, title, trade dress, or slogan search completed to ensure that there are no possible infringements, FPM can provide that service for you at an additional fee.

**COPYRIGHT, PLAGIARISM, PIRACY OR MISAPPROPRIATION OF IDEAS:** For content delivered for use by client (not developed by FPM), you will ensure that said content is not an infringement on copyrights nor a result of plagiarism, piracy or misappropriation of ideas of another entity.

**SPECIFIC TO VIDEO PROJECTS:** For Video projects, all media/content that is delivered by the client for use in the project must be in an approved, ready-to-use, electronic format and you are responsible for all releases of media content not

Three Rivers Convention Center  
Link Project

developed by FPM. Hourly fees will be incurred for any editing, modifications, touch-ups, formatting, file conversions, scanning, or media preparation necessary to complete the project per the original agreement.

**NATIVE FILE USAG E:** Clients may request native files, raw footage, or photos developed by FPM be used in other projects that FPM produces at no additional charge. Native files, raw footage, or photos will not be loaned or sold for use by other persons or entities.

**BASIC SERVICES:** Our services to you shall include services customarily performed by a general marketing and multimedia-advertising agency.

**GENERAL:** FPM will obtain your written authorization before making any substantial expenditure(s) on your behalf. We are authorized to act on your behalf as an agent for a disclosed principal in connection with our services hereunder provided that such services are in connection with a job or project, which has been (or such services have otherwise been) authorized by you.

As between you and us, any plan, advertising material or special material that we produce on your behalf will become your property when you have paid our invoices. Any material or ideas prepared or submitted to you, which you have chosen not to produce or for which you have not paid our corresponding production invoices, will remain our property (regardless of whether the physical embodiment of creative work is in your possession in the form of copy, artwork, plates, recordings, films, tapes, etc.) may be submitted to other clients for their use, provided that such submission or use does not involve the release of any confidential information regarding your business or methods of operation. For purposes hereof, "produce" shall be defined as any material which is created in tangible form pursuant to a signed production estimate.

We hereby agree to indemnify and hold you harmless from and against any and all claims, demands, regulatory proceedings and all damages, costs (including, without limitation, settlement costs) and expenses (including, without limitation, reasonable attorneys' fees) arising from any claim pertaining to libel, slander, defamation, copyright infringement, invasion of privacy, piracy and/or plagiarism arising from your use consistent with releases and agreements with third parties of any materials we create or supply to you, except to the extent that such claims arises from materials created or supplied by you.

Other than that for which we agree to indemnify and hold you harmless pursuant to the above, you hereby agree to indemnify and hold us harmless from and against any and all claims, demands, regulatory proceedings and all damages, costs (including, without limitation, settlement costs) and expenses (including, without limitation, reasonable attorneys' fees) arising from or relating to any activities undertaken by us on your behalf, the use by you, your retailers or dealers, or anyone else of any materials we create or supply to you, or your products or services.

We will use our reasonable best efforts to guard against any loss to you caused by the failure of media, suppliers or others to perform in accordance with their commitments, but we will not be responsible for any such loss or failure on their part, or any destruction or unauthorized use by others of your property.

Three Rivers Convention Center  
Link Project

You have the right at any time to direct us to cancel any plans, schedules or work in progress, but you agree to indemnify us against any loss, cost or liability we may sustain as a result of such action. We will be entitled to our commissions, fees and payments for services performed prior to your instructions to cancel, and for advertising and materials placed or delivered thereafter if we are unable to halt such placement or delivery. Under no circumstances will we be obliged to breach any lawful contractual commitment to others. At reasonable times and on reasonable notice to us, you may examine our files and records that pertain specifically to your advertising.

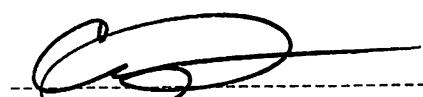
**TERMINATION POLICY:** You and/or FPM may terminate the project based upon mutually agreeable terms to be determined in writing, either prior to signing of this proposal or within the final Client-FPM Contract. Focal Point Marketing, LLC reserves the right to charge for work already in progress or completed to that point of termination.

We shall continue to serve as your advertising agency until you or we shall terminate our services with or without cause, or with respect to specified products or services assigned to us by giving not less than sixty days' prior written notice by registered mail to the principal place of business of the other. Notice of termination shall become effective upon receipt of such notice by the party to whom it is addressed.

Our rights and duties hereunder shall continue in full force during the sixty-day notice period, but our responsibilities shall be limited to supervising and administering then existing advertising campaigns. Any reservation, contract or arrangement made by us for you prior to the termination date which continues beyond the termination date will be carried to completion by us and paid for by you in accordance with this agreement unless you direct us to transfer such reservation, contract or arrangement to another entity and you release and indemnify us, in which event we will attempt to make such transfer, subject to obtaining any necessary consent of third parties. We will be entitled to our commissions, fees and payments for services performed prior to accomplishing the transfer. Upon termination, provided that you have no outstanding indebtedness to us and you assume any third-party obligations, we shall transfer in accordance with your instructions all property and materials owned by you, which are under our control. All indemnification obligations shall survive the termination of our services or the termination or expiration of this agreement.

**MISCELLANEOUS:** This agreement contains the entire understanding between the parties and may not be altered or waived except by a written agreement signed by both parties. No waiver by either party of the breach of any term or condition of this agreement will constitute a waiver of, or consent to, any subsequent breach of the same or any other term or condition of this agreement. Please indicate your acceptance of the terms and conditions by signing the enclosed copy of this letter and returning it to us.

**Client Acknowledgement & Confirmation:**  
I hereby approve the terms and conditions of this official project estimate, and give consent for Focal Point Marketing to begin working on the stated project.



6/7/17

Three Rivers Convention Center  
Link Project

Signature (CLIENT)

Date

-----  
Signature (FOCAL POINT MARKETING, LLC)  
Date -----



## Three Rivers Convention Center Link Project

### OUR TEAM:

**Theresa - President & CEO**  
Theresa has been breaking the mold in the marketing industry for over 18 years. She earned her degree in Marketing & Accounting with a Masters in Business Administration from Washington State University. Theresa has served as vice-president for a market research and strategy firm, as well as director of business development and marketing in the healthcare industry.

Theresa's client list covers every corner of the marketing world, including Fortune 100's, start-ups, business-to-businesses, nonprofit organizations and many others. Her extensive field experience includes market research, strategic planning, design & brand development and commercialization of products and services. Theresa's ability to provide our clients with strategic counseling, a clear vision, and up-to-date insight into the latest consumer trends is well proven.

**Mitch - Director of Production**  
Mitch has been producing video/audio in the Tri-Cities since 1987. Mitch has accumulated much of his experience working at KNDU-TV, KEPR-TV, FOX-TV, Charter Media, Imageworks Digital, and Managing Partner with PS Media. He has won numerous local, regional and national awards for both his television and radio commercials, as well as corporate and instructional videos for marketing and training purposes.

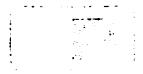
As the man behind the lens of the camera, Mitch's strength is his versatility, both creatively and technically. Even when faced with limited resources, he can still produce a high quality final product that looks polished and professional.

**Thomas Manley - Art Director**  
Thomas Manley, Art Director and maestro on all things creative for Focal Point Marketing, draws from his experiences in the Seattle and Spokane markets to conjure up new and exciting design solutions for our clients. Thomas developed his skills at The Art Institute of Seattle, learning from seasoned design professionals. His expertise covers the marketing gamut – including art direction, brand development, copywriting, and graphic and web design.

He has a knack for pleasing clients, and let's just say that the list keeps growing and growing. For two years running, he was awarded back-to-back "Best in Show" awards at the American Advertising Federation's ADDY Awards – recognizing excellence in advertising. Thomas' award-winning work is helping Focal Point quickly become the Tri-City's leader in marketing and advertising solutions.

**Derek - Creative & Digital Media**  
Derek joined the FPM team after spending two years as a successful freelance designer. Derek has a bevy of creative influence that is unique and stands out from a sea of look-a-likes and been-there-done-that's. He has exceptional creative talent, a problem-solver's mentality and is highly versatile. And he's fluent in multiple languages (web languages, that is). Since earning his BA from WSU Tri-Cities in Digital Technology and Culture, Derek's experience as a freelance designer and front-end developer has been essential to his growth as a creative professional.

**Kari Olson - Marketing & Media Buyer**  
Fashionista, sales aficionado, marketing analyst, and media buyer; what do these things have in common? Kari Olson. Hailing from Los Angeles, CA (originally from North Dakota), Kari's time in Hollywood was spent hard at work in the fashion industry, creating digital marketing and advertising campaigns for the likes of Nordstrom Rack, HauteLook, and others. Now she's applying that same passion and ambition to handling our clients' media budgets. With a background in business management and fashion marketing, and top-notch analytical skills to boot, Kari brings a diverse skill set to our team. Her attention to detail and knowledge of



## Three Rivers Convention Center Link Project

digital and social media advertising makes her uniquely positioned to buy media for our clients. Researching broadcast trends, ratings, and demographics, combined with Kari's passion for her work, pays dividends for our clients – ensuring that their advertising dollars are used effectively. Oh, and Kari LOVES birthdays. Like, a lot.

Kati is the very definition of an account executive. She's organized, detail-oriented, an effective communicator, and most importantly, she's a multi-tasking whiz! With more than 20 years of administration and management experience under her belt, she is an expert at interpreting and analyzing expectations. And best of all, this foodie and wine lover does an exceptional job at making our clients feel at home.

Her past experience in the publishing industry includes extensive work maintaining budgets, scheduling and coordinating meetings and events, analyzing reports and research materials, hands-on customer service, and much more. And that was just on Mondays! Kati loves spending time with her family, looks for an excuse to grill meat, and brings a sunny disposition to our office (her other family). But don't let her sweet demeanor fool you, she means business and always, ALWAYS, meets a deadline.

Steve is the quintessential "yes" man in our office – whatever we need of him, he does, and does it well. The Yakima native and Perry Technical Institute grad has the chops to be great in this industry. With a background in print design and production, his design work paves the way for tangible results in the form of trendy and attractive visual marketing materials.

Steve's energetic demeanor is infectious and he's always good for a laugh, which might be why his favorite hobby is doing stand-up comedy...this guy is funny, and that's no joke! But in all seriousness, Steve is a consummate professional and is a great asset to our team.



PUBLIC DISCLOSURE COMMISSION

711 CAPITOL WAY RM 208  
PO BOX 40908  
OLYMPIA WA 98504-0908  
(360) 753-1111  
Toll Free 1-877-601-2626

## Political Committee Registration

C1 PC  
(1/12)

100787733

09-15-2017

Committee Name: (Include sponsor in committee name. See next page for definition of "sponsor." Show entire official name. Do not use abbreviations or acronyms in this box.)

CITIZENS FOR THE LINK ENTERTAINMENT CENTER

Acronym:

Telephone: 509-947-5383

Mailing Address

7620 WEST 21ST AVENUE

City

County

Zip + 4

KENNEWICK

BENTON

99338

E-mail: LCHILDERS2B@CHARTER.NET

## NEW OR AMENDED REGISTRATION?

- NEW. Complete entire form.  
 AMENDS previous report. Complete entire form.

## COMMITTEE STATUS

- Continuing (On-going; not established in anticipation of any particular campaign election.)  
 2017 election year only. Date of general or special election: 11/07/2017  
(Year)

## 1. What is the purpose or description of the committee?

- bona fide Political Party Committee - official state or county central committee or legislative district committee. If you are not supporting the entire party ticket, attach a list of the names of the candidates you support.

- Ballot Committee - Initiative, Bond, Levy, Recall, etc. Name or description of ballot measure:  
KENNEWICK PUBLIC FACILITY 17-4

Ballot Number	FOR	AGAINST
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- Other Political Committee - PAC, caucus committee, political club, etc. If committee is related or affiliated with a business, association, union or similar entity, specify name:

For single election-year only committees (not continuing committees): Is the committee supporting or opposing  
(a) one or more candidates?  Yes  No If yes, attach a list of each candidate's name, office sought and political party affiliation.

(b) the entire ticket of a political party?  Yes  No If yes, identify the party:

## 2. Related or affiliated committees. List name, address and relationship.

 Continued on attached sheet.

## 3. How much do you plan to spend during this entire election campaign, including the primary and general elections? Based on that estimate, choose one of the reporting options below. (If your committee status is continuing, estimate spending on a calendar year basis.)

If no box is checked you are obligated to use Full Reporting. See instruction manual for information about reports required and changing reporting options.

 MINI REPORTING

Mini Reporting is selected. No more than \$5,000 will be raised or spent and no more than \$500 in the aggregate will be accepted from any one contributor.

 FULL REPORTING

Full Reporting is selected. The frequent, detailed campaign reports mandated by law will be filed as required.

## 4. Campaign Manager's or Media Contact's Name and Address

ERIC VAN WINKLE

5812 WEST YELLOWSTONE AVENUE, KENNEWICK WA 99336

Telephone Number:

509-727-3327

5. Treasurer's Name and Address. Does treasurer perform only ministerial functions? Yes  No  See WAC 380-05-243 and next page for details. List deputy treasurers on attached sheet.

ELLA CHILDERES

7620 WEST 21ST AVENUE, KENNEWICK WA 99338

Daytime Telephone Number:

509-947-5383

## 6. Persons who perform only ministerial functions on behalf of this committee and on behalf of candidates or other political committees. List name, title, and address of these persons. See WAC 380-05-243 and next page for details.

 Continued on attached sheet.

## 7. Committee Officers and other persons who authorize expenditures or make decisions for committee. List name, title, and address. See next page for definition of "officer."

 Continued on attached sheet.

## 8. Campaign Bank or Depository

Branch

CLEARWATER AVENUE

City

KENNEWICK, WA

## 9. Campaign books must be open to the public by appointment between 8 a.m. and 8 p.m. during the eight days before the election, except Saturdays, Sundays, and legal holidays. In the space below, provide contact information for scheduling an appointment and the address where the inspection will take place. It is not acceptable to provide a post office box or an out-of-area address.

Street Address, Room Number, City where campaign books will be available for inspection

7620 WEST 21ST AVENUE, KENNEWICK

In order to make an appointment, contact the campaign at (telephone, fax, e-mail): (509) 947-5383 LCHILDERS2B@CHARTER.NET

## 10. Eligibility to Give to Political Committees and State Office Candidates: A committee must receive \$10 or more each from ten Washington State registered voters before contributing to a Washington State political committee. Additionally, during the six months prior to making a contribution to a state office candidate your committee must have received contributions of \$10 or more each from at least ten Washington State registered voters.

- A check here indicates your awareness of and pledge to comply with these provisions. Absence of a check mark means your committee does not qualify to give to Washington State political committees and/or state office candidates.

11. Signature and Certification. I certify that this statement is true, complete and correct to the best of my knowledge.

Committee Treasurer's Signature

ELLA CHILDERES

Date

09-15-2017

EXHIBIT

2



PUBLIC DISCLOSURE COMMISSION  
711 CAPITOL WAY RM 206  
PO BOX 40908  
OLYMPIA WA 98504-0908  
(360) 753-1111  
TOLL FREE 1-877-501-2828

SUMMARY, FULL REPORT  
RECEIPTS AND  
EXPENDITURES

C4  
(1/12)

PDC OFFICE USE

Candidate or Committee Name (Do not abbreviate - include full name)

**Citizens for the Link Entertainment Center**

Mailing Address

City

7620 West 21st Avenue

Kennewick

Zip + 4 <b>99338</b>	Office Sought (Candidates)	2017			
Report Period Covered <b>09/01/2017</b>	From (last C-4)	To (end of period) <b>10/16/2017</b>	Final Report?	Yes	No <b>X</b>

\*For PACs, Parties & Caucus Committees: During this report period, did the committee make an Independent expenditure (i.e., an expense not considered a contribution) supporting or opposing a state or local candidate?

**RECEIPTS**

\*See next page Yes No **X**

1 Previous total cash and in kind contributions (From line 8, last C-4) (If beginning a new campaign or calendar year, see instruction booklet)	\$0.00
2 Cash received (From line 2, Schedule A)	<b>\$40,300.00</b>
3 In kind contributions received (From line 1, Schedule B)	<b>\$0.00</b>
4 Total cash and in kind contributions received this period (Line 2 plus 3)	<b>\$40,300.00</b>
5 Loan principal repayments made (From line 2, Schedule L)	<b>\$0.00</b>
6 Corrections (From line 1 or 3, Schedule C) Show + or (-)	<b>\$0.00</b>
7 Net adjustments this period (Combine line 5 & 6) Show + or (-)	<b>\$0.00</b>
8 Total cash and in kind contributions during campaign (Combine lines 1, 4 & 7)	<b>\$40,300.00</b>
9 Total pledge payments due (From line 2, Schedule B)	<b>\$0.00</b>

**EXPENDITURES**

10 Previous total cash and in kind expenditures (From line 17, last C-4) (If beginning a new campaign or calendar year, see instruction booklet)	\$0.00
11 Total cash expenditures (From line 4, Schedule A)	<b>\$28,893.12</b>
12 In kind expenditures (goods & services) (From line 1, Schedule B)	<b>\$0.00</b>
13 Total cash and in kind expenditures made this period (Line 11 plus line 12)	<b>\$28,893.12</b>
14 Loan principal repayments made (From line 2, Schedule L)	<b>\$0.00</b>
15 Corrections (From line 2 or 3, Schedule C) Show + or (-)	<b>\$0.00</b>
16 Net adjustments this period (Combine lines 14 & 15) Show + or (-)	<b>\$0.00</b>
17 Total cash and in kind expenditures during campaign (Combine lines 10, 13 and 16)	<b>\$28,893.12</b>

CANDIDATES ONLY				Name not on ballot
Won	Lost	Unopposed		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Treasurer's Daytime Telephone No.:

(509) 947-5383

CASH SUMMARY	
18 Cash on hand (Line 8 minus line 17)	\$11,406.88
[Line 18 should equal your bank account balance(s) plus your petty cash balance]	
19 Liabilities (Sum of loans and debts owed)	\$0.00
20 Balance (Surplus or deficit) (Line 18 minus line 19)	<b>\$11,406.88</b>

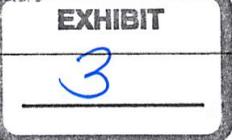
**CERTIFICATION:** I certify that the information herein and on accompanying schedules and attachments is true and correct to the best of my knowledge.

Candidate's Signature

Date

Treasurer's Signature

Date



**EXPENDITURES CONTINUATION SHEET (Attachment to Schedule A)**

Page 1

**Candidate or Committee Name (Do not abbreviate. Use full name.)**

**Report Date**

Citizens for the Link Entertainment Center

09/01/2017 10/16/2017

Page Total \$ \$6,957.17

# **Kennewick's convention center proposal now includes third ice rink**

By Wendy Culverwell

[wculverwell@tricityherald.com](mailto:wculverwell@tricityherald.com)

MAY 10, 2017 06:40 PM,  
UPDATED MAY 11, 2017 12:45 PM

Kennewick convention center expansion has a new twist. The project will add a third ice rink at the Three Rivers convention complex. BY MCCLATCHY

Kennewick voters will soon hear a new pitch to expand the Three Rivers Convention Center. The \$35 million proposal now includes building a third ice rink to serve the area's growing youth hockey community.

Last August, Kennewick voters rejected "The Link," a 110,000-square-foot package of upgrades that included more space and a Broadway-style theater.

The [request failed](#) with 52.5 percent of voters in opposition in the Aug. 2 primary. A simple majority is needed for approval.

"We were so close last time. It makes sense to try again," said Corey Pearson, executive director of the Three Rivers complex and the Kennewick Public Facilities District.

Pearson briefed the Kennewick City Council during a workshop Tuesday on plans to bring the enhanced version of The Link back to voters.

The City Council must authorize the request before it can appear on the ballot. It made no decisions Tuesday, but indicated it supports the original expansion plan as well as the addition of a third ice rink. The facilities district board will refine its plan when it meets May 18.

The board is evaluating potential election dates, but does intend to ask voters to approve a two-tenths of a percent sales tax increase that would add two cents to a \$10 purchase in Kennewick, the maximum allowed.

Pearson said the facilities district can accomplish all the projects included from the 2016 plan, while adding in a \$5 million ice rink, if it is careful about phasing and retools bond reserve requirements.

The Tri-Cities Amateur Hockey Association is the driving force behind the addition of an ice rink. It would be the third at the Three Rivers complex, where both the Toyota Center and the Toyota Arena can be configured for skating.

TCAHA is based at Pasco's TRAC and uses the Toyota Center as an overflow, racking up more than 400 hours of ice time there last year. Franklin County, which owns TRAC, is considering closing the [aging and unprofitable ice rink](#) when its TCAHA contract expires at the end of 2018. Without a replacement, TCAHA faces a ruinous shortage of ice time.

Kris Waltze, president of the youth hockey group, said it needs more ice, not less.

"We need it even if TRAC doesn't go away," he said.

Waltze, along with board member Russel Del Gesso, said a third sheet of ice at Three Rivers would put Kennewick on the national map for hockey-related tournaments and events. A recent regional event drew 30 teams and generated demand for 800 hotel rooms per night for four nights.

"We could make it the mecca for hockey in Washington," Waltze said.

The hockey association enthusiastically endorses adding a new rink at Three Rivers and sent a letter to members this week updating them on the ice rink situation.

"Not only will this additional sheet of ice provide necessary hours for our youth program, it could also help to provide additional resources and support for parallel activities," Waltze wrote, noting that curling, figure skating, girls hockey and adult hockey could all benefit.

The new building could be converted to support indoor soccer matches in the summer, when the hockey program is less active and only requires a single rink.

"It's not just a hockey thing. It would be multi-use," Waltze said.

Barbara Johnson, president of the Kennewick Public Facilities District Board, said that as the city and district plan a second campaign for The Link, it's important to get it right. Including hockey facilities could make the request more appealing to voters, she said.

"We've got a lot of people in the community that really support youth hockey," she said.

[The Link package includes](#) a 2,300-seat Broadway-style theater capable of hosting touring productions as well as a 50,000-square foot expansion of the convention center and a 30,000-square foot lobby to connect the Toyota Center to the convention center and theater complex.

*Wendy Culverwell: 509-582-1514, @WendyCulverwell*

## **Kennewick ties Three Rivers parking plan to Aug. 2 vote**

By Wendy Culverwell

[wculverwell@tricityherald.com](mailto:wculverwell@tricityherald.com)

JUNE 29, 2016 06:12 PM,  
UPDATED JUNE 29, 2016 06:23 PM

The Link is a proposed \$35 million, 100,000-square-foot addition to the Three Rivers Convention Center campus and includes a 2,300-seat Broadway-style theater, a convention center addition and a new lobby facing Vista Field. *FILE*

The Kennewick City Council pledged this week to build up to 1,000 new parking spots near the Three Rivers Convention Center complex.

In an unusual session following its scheduled workshop Monday night, the city council passed a resolution declaring support for developing new parking on city-controlled land.

The city owns about 15 acres near the coliseum and convention center and has an agreement to buy 14 acres on three parcels from the Kennewick Irrigation District.

The city will pay nearly \$2.4 million for the land. The deal is part of a larger transfer under which the city will begin providing domestic water service to the Elliott Lake neighborhood.

The parking resolution commits the city to partner with the Kennewick Public Facilities District and the Port of Kennewick to provide more parking to support both the convention complex and the proposed Vista Field redevelopment.

The resolution explicitly links the city's parking commitment to voters approving a two-tenths of a percent sales tax increase to upgrade the convention center complex in the Aug. 2 primary election. Ballots will be mailed by mid-July.

"In the event of a majority approval of ballot proposition 16-8 for the Link Theater, Toyota Center improvements and Convention Center expansion, the city of Kennewick affirms its commitment to provide additional parking for the growing needs of this entertainment district," it reads.

The proposed \$35 million, 100,000-square-foot expansion is called The Link.

It would modernize the Three Rivers campus with a 2,300-seat Broadway-style theater, a 50,000-square-foot convention center addition and a 30,000-square-foot new lobby that would reorient Toyota Center to face Vista Field.

The proposal needs a simple majority to pass. It would add two cents of sales tax to a \$10 purchase, raising an estimated \$3.5 million per year. The council previously supported the Kennewick Public Facilities District's move to submit the plan to voters.

Council members said even without the expansion, parking is a longstanding issue at Three Rivers — it's frequently in short supply when the convention center and Toyota Center hold events at the same time. Attendees are forced to use parking lots of nearby businesses.

Mayor Steve Young said the problem has become worse in the year since the 116-room SpringHill Suites hotel opened adjacent to the convention facility. On behalf of the city, he apologized to visitors forced to park off-site.

“We recognize it has been a problem. Sometimes, the huge problems take time to solve.”

The resolution passed unanimously, with four of the seven council members present. Council members John Trumbo, Greg Jones and Bob Parks were excused.

*Wendy Culverwell: [509-582-1514](#), [@WendyCulverwell](#)*

# **Kennewick wants voters to rethink The Link**

By Wendy Culverwell

[wculverwell@tricityherald.com](mailto:wculverwell@tricityherald.com)

JULY 07, 2017 06:19 PM,  
UPDATED JULY 10, 2017 09:28 AM

The Kennewick Public Facilities District will consider resubmitting The Link project for expansion of Three Rivers Convention Center to the voters when it meets this month. BOB BRAWDY *TRI-CITY HERALD*

Nearly a year after Kennewick voters last rejected a sales tax increase to expand the Three Rivers Convention Center complex, supporters are making plans for a third try.

Emboldened by the relatively narrow margin of defeat, the Kennewick Public Facilities District board will consider asking voters to approve the project it calls “The Link” when it meets this month.

Voters rejected earlier versions in 2013 and again in 2016, when it fell 292 votes short of a simple majority.

“We felt like we were so close,” said Barbara Johnson, the board’s chairwoman.

The board asked a subcommittee to study the plan and recommend what it put before voters. Link supporters signaled their revived interest by [updating the campaign profile photo](#) on its Facebook page in late June. The proposal could appear on the Nov. 7 ballot this year or on the April or August 2018 ballot, said Corey Pearson, executive director for the facilities district and the Three Rivers campus.

The board’s next regular meeting is at 5 p.m. July 27 at the Three Rivers Convention Center. It could discuss the plan then, or hold a separate session to review it in depth. It is up to the district’s board to put the measure before voters, but the Kennewick City Council must concur with its decision.

Mayor Steve Young said the seven-member elected City Council would like to see voters get another chance to invest in the convention center. Without endorsing the plan, he said city officials fear Three Rivers will lose convention and meeting business to other communities without an expansion and new amenities.

That said, Young challenged the public facilities district to better educate the public about the request. Many voters were confused about the nature of the tax, many confusing it with the property tax, when it was included in the August 2016 primary.

The new proposal will probably echo the 2016 version, but with the notable addition of a new ice rink.

As Franklin County contemplates closing its aging and unprofitable ice rink at TRAC in Pasco, the Tri-Cities Amateur Hockey Association is [pushing Kennewick to add another ice rink](#) at Three Rivers to keep up with growing demand for ice time.

Backers believe the \$5 million ice rink could be added to The Link package without added cost by shifting the construction schedule and adjusting reserves required for the overall project.

Johnson, the chair, said the board is evaluating if an ice rink will pencil out. If it does, she said support from fans of youth hockey could help when ballots are counted.

The 2016 package included the addition of 50,000 square feet to the convention center and 30,000 square feet to the Toyota Center. The project takes its name from its key feature, a 2,300-seat “Broadway-style” theater linking the two existing buildings. The package carries a \$35 million price tag.

The Link is [distinct from the proposed Vista Arts Center](#), an 800-seat theater complex envisioned for nearby Vista Field by the nonprofit Arts Center Task Force..

Under Washington law, public facilities districts are authorized to ask voters to authorize a sales tax increase of up to 0.2 percent, or two cents on a \$10 purchase. If approved, the tax applies to most retail sales and services within the jurisdiction. For the Kennewick district, that's the city of Kennewick. Some transactions, [chiefly sales to Oregonians with proof of residence](#), are exempt.

It would generate about \$3.5 million per year. The money would be used to repay bonds issued to pay for the project up front. The 2016 version included a provision to end collections after 20 years. That provision would likely remain in any new package.

The Washington Legislature authorized cities, towns, metro areas and counties to form public facilities districts to promote economic development by giving them a revenue source to finance, design, construct, remodel, maintain or operate public facilities.

Kennewick established its district in December 2000. Richland and Pasco both have districts and a separate regional district covers all three cities.

Local voters have not been friendly to the concept.

A 2013 ballot measure advanced by the regional facilities district for an aquatics center in Pasco failed despite wide support in Pasco itself. Pasco considered moving ahead with the idea, but [the concept lost steam](#) this spring when the Legislature failed to act on a bill that would have helped clarify roles and responsibilities.

Kennewick voters, of course, rejected the convention center expansion twice. With 11,845 votes cast last summer, The Link needed 5,923 “yes” votes to pass. [It fell 292 votes short](#), failing by a margin of 52.5 percent to 47.54 percent.

Richland’s public facilities district is focused on The Reach interpretive center and has not pitched a sales tax to its voters.

*Wendy Culverwell:* [509-582-1514, @WendyCulverwell](#)

# Our Voice: The Link will require better marketing

BY THE HERALD EDITORIAL BOARD

JULY 15, 2017 02:16 PM

A vision of The Link from last August's failed proposal. *HERALD FILE*

Supporters of expanding the Three Rivers Convention Center may be thinking of that proverbial phrase, "three is a charm."

But it will take more than luck to get the votes needed to approve yet another attempt to publicly fund improvements to the Three Rivers campus.

It will take thorough preparation, time and a more ambitious campaign to ensure the public has the right information about whatever plan ends up being put forth to the community.

The Kennewick Public Facilities District Board is scheduled to meet July 27 to discuss [the possibility of asking voters to once again approve the idea.](#)

Last year's proposal would have added 50,000 square feet to the convention center and 30,000 square feet to the Toyota Center, and built a 2,300-seat Broadway-style theater called "The Link" connecting the two buildings. The rub, of course, was that to make the \$35 million project a reality, Kennewick voters needed to approve a two-tenths of 1 percent sales tax increase. The measure failed 292 votes shy of a simple majority. In 2013, an effort to expand the convention center also failed at the ballot box.

While the [loss last August](#) was disappointing to those pushing for it, the close margin has encouraged them to try again.

It will be up to the board to put the measure before voters, but the Kennewick City Council will have to concur with the decision.

Mayor Steve Young, while not endorsing the plan, said organizers will have to do a better job educating the public about the request. We agree.

Last year there were people who questioned on Facebook why the Tri-Cities needed another movie theater and why the public should pay for it. Young said many people did not understand the nature of the sales tax, confusing it with a property tax.

After the loss, [we said that lessons can be learned from failure](#) and we encouraged the backers of The Link to regroup and try again.

Expansion at the Three Rivers Convention Center has been needed for a long time.

Events at our Tri-City facility have been on the decline because groups opt instead to go to Yakima or Spokane where there is more capacity, and that means our community is losing out on tourism dollars.

Convention attendees fan out to hotels, restaurants and shops whenever they visit, benefiting that community's economy. The Tri-Cities could have a bigger slice of the convention pie if our center were able to hold larger groups.

But that argument does not sway some people. There were plenty of citizens who completely understood the proposal last year, and were adamantly opposed.

Some said it wasn't right for all Kennewick shoppers to pay for something not everyone can afford to use, and that those with lower incomes would be unfairly burdened.

Others thought the proposal didn't do enough to address potential traffic congestion. And there always will be people philosophically opposed to more taxes regardless of the project or public service provided.

Still, the vote was close last year, despite some confusion over the issue.

If Kennewick PFD Board members decide to make another run at The Link project, they need to have a response ready to counter all the arguments against it they know will come up during the campaign.

We can't make a recommendation on a proposal that is still in the planning stages. But we can say that if the board tries to put a measure on the ballot, it won't stand a chance without a strong marketing plan behind it.

# **Letter: Build voter support for Link project**

I am glad that the people pushing The Link project are trying again to get this measure passed, and I really do believe it can pass. But, the biggest obstacle that they should be focused on is building up a large voter base.

As it stands, not very many Kennewick citizens vote, and the ones that do are ultimately too conservative and suffer from “tax phobia,” as I would put it. You need to focus on encouraging people who would support you to vote (I know plenty of people who would support you), and letting the uber-conservatives know (I really should say drilling it into their heads) what the taxes are like, because as it stands they will hear the word “tax” and cower in fear.

Do these things along with what you are doing now, and it is not hard to see you riding the wave to victory.

Nolan Kadinger, Kennewick

VIA ELECTRONIC TRANSMISSION

Roger Erich Lenk  
1817 N. Road 76  
Pasco, Washington 99301-1830  
[lenk.roger@gmail.com](mailto:lenk.roger@gmail.com)

January 21, 2018

Phillip E. Stutzman, Investigator  
State of Washington Public Disclosure Commission  
711 Capitol Way Room 206  
Post Office Box 40908  
Olympia, Washington 98504-0908

**Re: PDC CASE 28028 - KENNEWICK PUBLIC FACILITIES DISTRICT – CITIZENS FOR THE LINK ENTERTAINMENT CENTER**  
Response To KPFD/Citizens for the Link - January 16, 2018 Submission

Dear Mr. Stutzman:

This is in response to "PDC Case No. 28028 -- Kennewick Public Facilities District ("KPFD") - Roger Lenk" (Respondents' Letter) submitted on January 16, 2018 by Kennewick Public Facilities District Legal Counsel, Lee Kerr, WSBA No. 6059.

First, Mr. Kerr advises he was retained by both the Kennewick Public Facilities District and Citizens for the Link Entertainment Center to respond. In truth, Mr. Kerr is the longstanding lawyer for the Kennewick Public Facilities District, and no special retainer was in place for that entity.

Citizens for the Link Entertainment Center have not submitted any expense reports related to their retention of Mr. Kerr. As such, the Kennewick Public Facilities District is the only entity paying for the January 16, 2018 apparition. This would result in an additional violation of RCW 42.17A.555.

**Re: PDC CASE 28028 - KENNEWICK PUBLIC FACILITIES DISTRICT – CITIZENS FOR THE LINK ENTERTAINMENT CENTER**

Response To KPDF/Citizens for the Link - January 16, 2018 Submission

**Page: 2 of 7**

As noted in Respondents' Letter<sup>1</sup>:

"As described above, there was an intentional and well scrutinized division between the educational functions conducted by the District through its multi-media consultant, Focalpoint, and the Committee's political advertising conducted through its multi-media consultant, Stevenson Advertising."

It appears scrutiny is tossed out the window for legal matters. Furthermore, the continuing conflict of interest created by the hand-in-glove relationship between the Kennewick Public Facilities District and Citizens for the Link Entertainment Center undoubtedly casts doubt on the veracity of Respondents' Letter.

Below, I have identified items which Respondents' Letter fails to address, and material misstatements of fact<sup>2</sup>. Mr. Kerr states the facts in the light most favorable to Respondents, and omits responses to important facts.

Thank you in advance for your assistance. Please keep me apprised of your progress and final determination in this important community matter.

### **ALLEGATION 1**

First, Respondents' Letter fails to address the "Endorsements" section of the [thelinktc.com](http://thelinktc.com) website<sup>3</sup>. This site parrots proponent websites, not educational websites.

Second, Respondent's Letter implies that all articles (both proponent and opponent) were included on the [thelinktc.com](http://thelinktc.com) website. Nearly 60 articles and letters to the editor were published during the campaign. The [thelinktc.com](http://thelinktc.com) website only included endorsements and supportive letters and articles. **EXHIBIT 1** includes opposition letters and articles published in the local newspaper, and not included on the [thelinktc.com](http://thelinktc.com) website.

1 January 18, 2018 PDC Case No. 28028 -- Kennewick Public Facilities District ("KPDF") - Roger Lenk, Page 5.

2 WSBA Rules of Professional Conduct 8.4 Misconduct, comment 5 "Lawyers holding public office assume legal responsibilities going beyond those of other citizens. A lawyer's abuse of public office can suggest an inability to fulfill the professional role of lawyers. The same is true of abuse of positions of private trust such as trustee, executor, administrator, guardian, agent and officer, director or manager of a corporation or other organization."

3 September 11, 2017 Complaint, Ex. 2.

**Re: PDC CASE 28028 - KENNEWICK PUBLIC FACILITIES DISTRICT – CITIZENS FOR THE LINK ENTERTAINMENT CENTER**

Response To KPFM/Citizens for the Link - January 16, 2018 Submission

**Page: 3 of 7**

Third, Mr Kerr advises the commission<sup>1</sup>:

*“As addressed above and in our previous correspondence, **the District as its usual and normal course of business, maintains an aggressive public outreach position** (emphasis added). As pointed out in previous correspondence, this is the same informational activity that was utilized by the District in both the 2012 and 2016 elections.”*

Unfortunately, Mr. Kerr's statement is an unabridged fabrication of the facts<sup>2</sup>.

Recall that on June 9, 2017, Kennewick Public Facilities District Manager Corey (Respondent) Pearson advises VenuWorks CEO Steve Peters<sup>3</sup>:

*“In the past the board has been reluctant to take any steps to help other than the open houses, so I have taken it on myself to hire a marketing company to put the entire educational portion of the campaign together. I have also secured \$20,000<sup>5</sup> from the VCB to pay for TV and radio commercials which the TRCC will be creating. I have all of the unions in the wings again wanting to help and they are just waiting for the signal to go. (Emphasis added).”*

Again, the facts as accurately enumerated at the time by Respondent Pearson are corrupted in Respondents' Letter. Respondent Pearson clearly advises he is not following the Boards past practice, or his legal responsibility to conduct an educational campaign but rather, embarks in a new partisan direction to overcome the 550 vote loss in 2016. Respondents clearly are deceiving their legal counsel as to the facts.

Fourth, Respondents' Letter fails to address Respondent Pearson's proponent campaign organizational activities<sup>6</sup>:

Regardless of when we go *I am organizing a “walk the block” with the amateur hockey association and the unions*<sup>7</sup> (emphasis added) again as well as a summer long push to educate the community on the impact of the

<sup>4</sup> October 1, 2017 Complaint Supplement, Page 2, Ex. 5 & 6.

<sup>5</sup> Respondents' Letter fails to address Respondent Pearson's solicitation of political campaign funds in his role as Executive Director of the Kennewick Public Facilities District.

<sup>6</sup> October 1, 2017 Complaint Supplement, Page 2-4, Ex. 5 & 6.

<sup>7</sup> Hence the need for the Kennewick voter lists from the Benton County Auditor, October 6, 2017 Supplement, page 5, Ex. 12.

**Re: PDC CASE 28028 - KENNEWICK PUBLIC FACILITIES DISTRICT – CITIZENS FOR THE LINK ENTERTAINMENT CENTER**

Response To KPFM/Citizens for the Link - January 16, 2018 Submission

**Page: 4 of 7**

Link to the average household. I have decided to change the message to include what every new dollar coming to the community does for the average person. The basis of the message will be “If you want better roads, more cops and nicer parks, this will help...”.

*The real “Vote Yes” part of the campaign will have to start September 1st and the campaign will need some funds from VW (Venuworks) and the unions* (emphasis added). The Board will need to decide a date at the June or July, at the latest, board meeting. *Once we decide a date we will need to start the hard push and that will be the first official announcement of the campaign. I have a meeting with about 100 amateur hockey parents on Monday night to get them motivated behind the new rink portion of the Link. As I talk to media right now they are all solidly behind this attempt and I will leverage them to the hilt. I am doing everything possible to lead as much of this as I can and spend “other peoples” money to keep as much pressure off of you because you have funded the lions share up until now. We may have to pay Tyler a bit to help (hourly basis) and they rest will be direct marketing impact. have aligned with the campaign managers of the school bond initiative and the latest criminal justice tax that passed in 2016 for their advice and help. This has been very valuable and they are helping me strategize which neighborhoods to focus on during the next push.* (Emphasis added).

Fifth, Respondents' Letter fails to address as to why Kennewick Public Facilities District Respondent Pearson and his Executive Assistant Liz Lutz obtained “walking lists” of registered voters from *a list of registered voters that live within the City of Kennewick that have only voted for the following elections: 2016 Primary Election, 2016 February Special Election, 2014 Primary Election*<sup>8</sup> (emphasis added). Convenient, but most unfortunate.

Sixth, absent evidence, Mr. Kerr claims as false that the thelinktc.com website contained the Citizens for The Link Entertainment Center one minute television commercial which served to vehemently promote approval of Proposition 17-4 (<https://www.youtube.com/watch?v=SjOiaSdKxQ>). Mr. Kerr is either misinformed by his conflicted clients, or again fabricating the facts<sup>2</sup>.

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<sup>8</sup> October 6, 2017 Supplement, page 5, Ex. 12.

**Re: PDC CASE 28028 - KENNEWICK PUBLIC FACILITIES DISTRICT – CITIZENS FOR THE LINK ENTERTAINMENT CENTER**

Response To KPFD/Citizens for the Link - January 16, 2018 Submission

**Page: 5 of 7**

**EXHIBIT 2**, attached hereto, is a screenshot of the portion of the Citizens for the Link Entertainment Center proponent video (Vote Yes✓; TheLinkTC.com) which is reflected on Exhibit 1 of the October 16, 2017 Supplement taken from the [thelinktc.com](http://thelinktc.com) website. **EXHIBIT 2** attached hereto *is a the same video image* of the webpage from the [thelinktc.com](http://thelinktc.com) website taken on October 16, 2017 (attached hereto again as **EXHIBIT 3** – follow purple arrow).

*Again, the record shows that unequivocally, thelinktc.com website included the “Vote Yes ✓” video commercial produced for television (and thelinktc.com website) by Citizens for the Link Entertainment Center political committee.* It is most unfortunate that all parties must deal with this absence of principal. I have made a Public Records Request for the entire website as of October 16, 2017.

Seventh, Respondents' Letter fails to address numerous points exhibiting the hand-in-glove relationship between the proponent committee and the Kennewick Public Facilities District as enumerated in the original complaint and supplements thereto.

## **ALLEGATION 2**

Respondents' Letter asserts that no political activity took place prior to September 22, 2018.

In fact, Citizens for the Link Entertainment Center first purchased advertisements for its campaign on August 30, 2017<sup>9</sup> which were attributed to Go Big Tri Cities as the sponsor (Respondent Van Winkle, Registered Agent/Governor of Go Big Tri Cities<sup>10</sup>). Respondent Pearson coordinated payment from Citizens for the Link Entertainment Center. This is well in advance of the formal registration of Citizens for the Link Entertainment Center on September 15, 2017.

Respondents' Letter alleges that conspicuously, there is no reference to thelinktc.com by Citizens for the Link Entertainment Center. As noted throughout the original complaint and supplements, all campaign items referenced by Citizens for the Link Entertainment Center include overt references to the thelinktc.com website (again, see **EXHIBIT 2** attached hereto) and utilized thelinktc.com website for placing its advertisements in strong support of Proposition 17-4.

Respondents' Letter fails to address that Go Big Tri Cities sent out mailers, and Tri-City Herald Stickers on August 30, 2017 (approved and payment sought by Respondent Pearson) prior to Citizens for the Link entertainment Center being registered<sup>11</sup>. Furthermore, Respondents' Letter

<sup>9</sup> October 1, 2017 Supplement, Ex. 14; December 10, 2017 Supplement, Ex. 5, page 36-39.

<sup>10</sup> October 1, 2017 Supplement, Ex. 3.

<sup>11</sup> October 21, 2017 Supplement, Ex. 1 and 2.

**Re: PDC CASE 28028 - KENNEWICK PUBLIC FACILITIES DISTRICT – CITIZENS  
FOR THE LINK ENTERTAINMENT CENTER**

Response To KPF/Citizens for the Link - January 16, 2018 Submission

**Page: 6 of 7**

fails to address Respondent Van Winkle absconding with \$6,000.00 in committee funds after completion of the campaign<sup>12</sup>.

Moreover, Respondents' Letter fails to address the July 24, 2017 meeting between Respondent Pearson of the Kennewick Public Facilities District (in his capacity as Executive Director for the Kennewick Public Facilities District, on public time, using public resources, email systems and equipment), coordinating a meeting concerning the Link with Respondent Van Winkle, television staff members and a member of pixlesoftfilms, a video, photo and website developer<sup>13</sup>.

We also see that Respondents' Letter fails to address the contractual obligation for VenuWorks to pay for a successful campaign to attain a \$0.02 sales tax override<sup>14</sup>.

Again, Respondents' Letter fails to address numerous points exhibiting the hand-in-glove relationship between the proponent committee and the Kennewick Public Facilities District as enumerated in the original complaint and supplements thereto.

### **ALLEGATION 3**

Respondents' Letter indicates that their was a claim that the thelinktc.com was inappropriately purchased. Certainly, in the absence of a registered political campaign and the website's partisan approach in pursuing approval, this is true. Now that it is admitted that the thelinktc.com website was purchased by the Kennewick Public Facilities District, we are aware that the content of thelinktc.com was a violation of RCW 42.17A.555 It is noteworthy that the Kennewick Public Facilities District engaged Focalpoint for the November 7, 2017 Election campaign on June 7, 2017<sup>15</sup>.

Again, Respondents' Letter fails to address numerous points exhibiting the hand-in-glove relationship between the proponent committee and the Kennewick Public Facilities District as enumerated in the original complaint and supplements thereto.

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12 December 10, 2017 Supplement.

13 October 1, 2017 Supplement, Ex. 10.

14 December 24, 2017 Supplement, Ex. 1.

15 January 16, 2018 Letter from Kerr, Ex. 1

**Re: PDC CASE 28028 - KENNEWICK PUBLIC FACILITIES DISTRICT – CITIZENS  
FOR THE LINK ENTERTAINMENT CENTER**

Response To KPFM/Citizens for the Link - January 16, 2018 Submission

**Page: 7 of 7**

**ALLEGATION 4**

Respondents' Letter is contradicted by the facts. For example, partisan, supportive, non-informational language on thelinktc.com website and written materials includes:

“Together, we can make the Tri-Cities a destination for athletes, artists, conventions & more!”; “The positive economic impact of revenue and visitors to the area is then relinquished to surrounding cities such as Spokane or Yakima”; “SALES TAX IMPACT – ONLY 2¢ ON EVERY \$10!”; “That’s only 2¢ on every \$10!”; “The Link will serve as a venue for national caliber recording artists, comedians, Broadway shows, conferences, conventions and more”; “and that’s a big deal!”; and “The Link will serve as a venue to attract concerts, conventions, shows and sporting events where each additional attendee will contribute tax revenue to our economy. In other words, The Link will more than pay for itself”.

Each of these attractive phrases are opinion, not fact based and serve to support Proposition 17-4, The Link.<sup>16</sup>”

Again, Respondents' Letter fails to address numerous points exhibiting the hand-in-glove relationship between the proponent committee and the Kennewick Public Facilities District as enumerated in the original complaint and supplements thereto.

Best Regards,



Roger E. Lenk

Exhibits (4)

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16 October 1, 2017 Supplement, Page 7.

# **EXHIBIT 1**

**LETTERS TO THE EDITOR**

## Letter: Vote no (again) on Link project

**JULY 29, 2017 7:42 PM**

The Link — once again they want us to vote on a sales tax of 0.2 percent for every 10 dollars we spend for 20 years. They think the people were confused about the tax for property. They weren't confused — we didn't want another tax.

Why should we pay for The Link when 80 percent of us will never go there, and if we did go there we would have to pay again to see some kind of Broadway show. If the people backing this want to build The Link, take out a loan. They say it would generate \$3.5 million a year and take them 10 years to pay off the loan. There are too many people on fixed incomes and disabled vets who need all the money they have.

So please, when this comes to a vote again, vote no. when we want to build a house or shop we have to take out a loan. Don't let these people keep trying to tax us.

*MARVIN RAYMOND, RICHLAND*

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### SUGGESTED FOR YOU

**LETTERS TO THE EDITOR**

## Letter: Where will the money come from?

**JULY 29, 2017 7:44 PM**

I think someone once jokingly mentioned in the newspaper that if the Kennewick City Council could fund everything on their wish list, the cost would be close to half a billion dollars. Yes, that is with a "B."

Last year I moved to a larger property just down the street while still within the city limits. My property taxes and assessments jumped 38 percent. Now that our state legislators have decided to fund all the state school districts by increasing our property taxes, it is going to be interesting to watch everybody's property taxes and rent take a rather large jump in two years to fully fund schools.

Now, The Link wants to try a third time to tax us for their expansion. I'm all for a workers paradise, but where is all this money going to come from? We have two senators, a governor and attorney general who fight the Trump administration on everything and want an extra \$25 million for cleanup on top of the billion dollars a year already being spent at Hanford. Yes, that is with a "B."

*EVAN MEACHAM, KENNEWICK*

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### SUGGESTED FOR YOU

## LETTERS TO THE EDITOR

## Letter: No on Link: Don't spend emergency funds on 'vacation'

SEPTEMBER 18, 2017 2:47 PM

The Tri-City Herald says Kennewick taxpayers should pay an added 0.2 percent sales tax, making it 8.8 percent, because a larger convention center with a 2,300-seat theater "linked" to the Toyota Center and a third ice rink will improve the quality of life in our city.

The Herald observes that taxes pay for other nonessential things like parks, the senior center and the library, so why not this too?

That is a good question. But higher priorities such as police, fire, streets and water systems are essential.

Paying for nice things to enhance the quality of life is much farther down the priority list, especially when we have a growing city that desperately needs money to meet the basic needs of those high priorities.

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Spending limited tax resources on an ice rink and theater is like spending the family's emergency fund on a vacation instead of paying for a new roof or medical bills.

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Put your tax dollars to better use. Vote NO on Proposition 17-4 on the Nov. 7 general election ballot.

*JERRY MARTIN, KENNEWICK*

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**LETTERS TO THE EDITOR**

## Letter: Private business should foot the bill for The Link

**OCTOBER 09, 2017 5:00 PM**

The Kennewick Public Facilities District and its Toyota Convention Center is managed by VenuWorks, located in Ames, Iowa. Recently, VenuWorks “invested” \$15,000 encouraging Kennewick voters to approve The Link Convention Center expansion sales tax increase. VenuWorks is assured significant additional profits should The Link expansion be built.

These profits will go to VenuWorks’ owners, not the people of Kennewick.

Historically, private companies invest capital to build infrastructure necessary to generate profits for their business. In Kennewick, private companies need only invest capital into advertising campaigns to increase taxes, thus allowing government to build the infrastructure necessary to ensure that company’s profits.

Do you believe government would fund your auto repair shop, or give you a pass on paying business license fees? Of course not! Those not living in Kennewick will soon find that purchasing in Richland, Pasco or elsewhere is much more consumer friendly (Kennewick businesses beware).

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The public should never be taxed in order to secure generous profits for a private company (VenuWorks).

Let private businesses who stand to profit from The Link Convention Center expansion capitalize the infrastructure necessary to ensure their profits, not the taxpayer. Vote “no” on Proposition 17-4, The Link!

*ROGER ERICH LENK, FRANKLIN COUNTY*

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Ivanka Trump on Dreamers: We Need a Longterm Fix

## LETTERS TO THE EDITOR

## Letter: Look who'se backing Link, and you'll vote 'no'

**OCTOBER 13, 2017 4:37 PM**

I see that the proponents of The Link, which is Proposition 17-4 on the Nov. 7 ballot, have collected \$30,000 from VenuWorks of Iowa, \$5,000 from the Central Washington Building and Construction Council, and \$300 from Bouten Construction of Richland.

Herald readers should know VenuWorks has a contract with the Kennewick Public Facilities District to manage the Three Rivers Convention Center, the Toyota Center and any other facilities on the Three Rivers Campus in Kennewick. Corey Pearson, the executive director of the facilities district, is an employee of VenuWorks and is in charge of the Prop.17-4 campaign to raise the sales tax two-tenths of a percent.

The new tax would pay for a \$45 million expansion to the convention center, build a performing arts center and an ice rink. The major winners in this are hotels, restaurants and Columbia Center Boulevard retailers, the unions, VenuWorks and people who want their own ice rink at taxpayers' expense. Vote no tax and no Link.

*JIM WADE, KENNEWICK*

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## IN OTHER NEWS

British Intelligence Chief Says the Country's Terrorism Threat Is 'Evolving Rapidly'

## LETTERS TO THE EDITOR

## Letter: Link just another white elephant that will cost taxpayers

OCTOBER 19, 2017 5:39 PM

I see they've resurrected The Link in Kennewick. It's the same white elephant that was proposed years ago, little more than an enclosed walkway with an attached small theater paid for and supported by tax money. Most of these 'white elephants' like the Convention Center, TRAC, Toyota, Carousel, Reach, etc., have to be supported by taxpayers and the chronic call for volunteers.

It's the business community that feeds off of these attractions and clearly benefits the most from these white elephants. Even when venues lose money, as they typically do, and become a burden to taxpayers, businesses magically move in all around them to exploit the folks that are attracted. And the argument that it brings jobs to the area may be true if you welcome part-time, minimum-wage, no-benefit jobs.

Don't be fooled. Let the folks that benefit the most from these white elephants pay for them. Let the business community and tourist interests float bonds among themselves to build it and subsidize the operating costs. Leave the taxpayers out of it. This argument that sales tax will pay for everything is unrealistic, particularly operating costs. These same arguments are always dragged out and end up with a call for volunteers.

PHIL CHURCH, WEST RICHLAND



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## IN OTHER NEWS

CIA Fires Dog Since Sniffing Bombs Wasn't Her True Calling

## LETTERS TO THE EDITOR

## Letter: Many reasons to vote against Link

**OCTOBER 20, 2017 5:19 PM**

I am voting “no” on The Link for many reasons.

The sales tax seems to be in perpetuity for any number of bonds. Kennewick residents, as owners, will be responsible for any overruns or additional expenses with no voting approval required. Not all people pay sales tax when shopping in Kennewick, i.e. Oregon shoppers. Those who use and stand to profit from the facility should be the payers. The theater itself seems too small for the population base of the Tri City region. The most outspoken supporters of the project, Mr. Mansberger (WSU professor) and Ms. Johnson (Columbia Center Mall Manager), don’t even live in Kennewick and therefore have no financial liability.

While I agree that a performing arts center, similar to what Spokane offers, would be an asset to the area, the current proposal should not be acceptable to the real owners, the citizens of Kennewick, for the reasons stated above. When all four cities and both counties bond together to develop a Tri-Cities facility — supported financially by all “owners” — then and only then will support be justified.

Remember, even though you may never use the facility, you will be paying for it.

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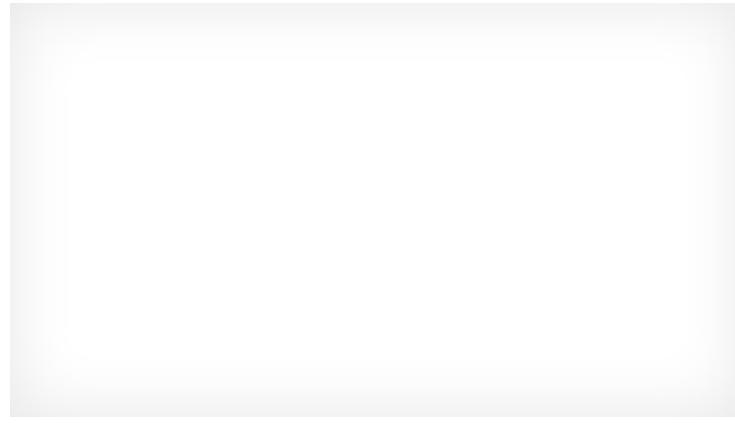
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*LINNEA E. WILLIAMS, KENNEWICK*

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IN OTHER NEWS | The Best Banks

## LETTERS TO THE EDITOR

## Letter: Just say 'no' to Link, corporate welfare

OCTOBER 23, 2017 4:29 PM

This is a reminder to all voters, to vote "no" again on funding The Link, which is a private business interest funded with taxpayer money.

We do not need a better explanation of it, because we know that it is a corporate-welfare scheme that will profit only its promoters and lay the bill onto the lap of the taxpayers for decades.

Do not lose sight of the fact that the promoters are spending thousands of dollars to send us promotional brochures via the mail and other means.

Why would they do this unless they would profit many times their promotional investment to pass The Link.

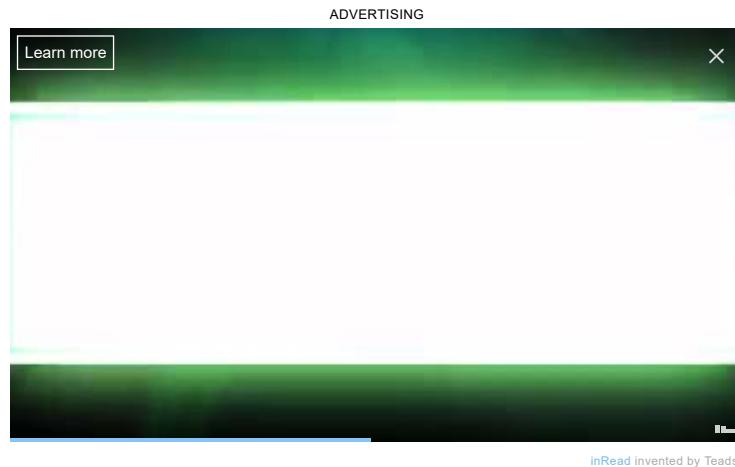
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Do not be deceived, vote "no" on The Link, and let's not permit a few profiteers to attempt to deceive us again for the third time.



R. LEO GUILLEN, KENNEWICK

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### IN OTHER NEWS

Facebook Is Experimenting With Splitting Its News Feed in Two

## LETTERS TO THE EDITOR

## Letter: Link tax part of regressive system that hurts the poor

OCTOBER 24, 2017 4:12 PM

I am not arguing about The Link project, I am arguing against the mechanism for achieving these projects.

Sales tax is a regressive taxation system. It places a greater burden on the poor, elderly and others on fixed income. Our poor pay 17 percent of their income to sales tax. Medium income earners pay 10 percent. And the top 1 percent of wage earners pay less than 3 percent. Stop using the sales tax for what appears to be elitist projects. Most low- and middle-wage earners won't be using these projects, yet they bear the greater burden.

The McClatchy news agency (aka Tri-City Herald) has a motto: "At the heart of what matters in every community we serve." Apparently the low- and middle-income earners in the community are not in their hearts, nor do they matter. The TCH editorial board was made aware of this burden at the editorial meeting Sept 6. In their Sept. 9 editorial, "Missing Link? Battle lines drawn over controversial Kennewick project", they failed to share this burden with the readers.

To the editorial board and those who support this sales tax increase, shame be upon you.

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VINCENT RUNDHAUG (BUSINESS OWNER), KENNEWICK

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### IN OTHER NEWS

Turkey Has Put the Local Amnesty International Head and 10 Other Activists on Trial

## LETTERS TO THE EDITOR

## Letter: The Link a win on revenue, culture

**OCTOBER 24, 2017 4:13 PM**

Let's do this Kennewick! Get those ballots in the mail in support of The Link, a win-win project for us.

We in Kennewick get to decide if this extraordinary project will happen because it is located in our city. If we vote to approve the Kennewick Public Facilities District's Proposition 17-4, all who shop in Kennewick will help pay the 0.2 percent sales tax increase, and we know that many of those shoppers are from outside of Kennewick. This is not a property tax! The Link Entertainment Center will pay for itself and generate additional tax revenues to boost our economy, with part of that going to the city of Kennewick for roads, parks, fire and police protection.

I am a proud Kennewick citizen, but I feel that we are light on cultural and entertainment prospects and facilities. The Link will definitely enhance our quality of life here. Please spread the word about the importance of voting. The measure lost by a very small margin last year because many supporters didn't get their ballots in. Let's be louder than the naysayers and make this happen. Hope to see you on opening night.

**SHARLA MARSHALL, KENNEWICK**

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## IN OTHER NEWS

A Passage from Anne Frank's Diary Will Be Read Aloud at Italian Soccer Games

## LETTERS TO THE EDITOR

## Letter: Link tax will hit hardest those who benefit the least

**OCTOBER 26, 2017 1:38 PM**

Your point/counter point opinion article that was trying to urge everyone to vote "yes" on the link was a farce! All the writer did was trash talk the writer who was encouraging us to vote "no"!

Our seniors, disabled, vets, minorities and people whose jobs have been outsourced (all mentioned in his article) are the people who will be forced to pay for The Link and are the members of our community who can least afford to do so. This group is already struggling to survive and will probably never be able to afford to pay the price to get into any events held there. And yet you want to burden them with paying for it?

There is only so much money to go around. Please use our taxes on items necessary for a quality of life that will benefit all of our citizens and not this bit of fluff we have already voted against before. Please vote "no" on The Link.

Catalonia's Leader Rules Out Snap Election As Independence Crisis Deepens X

**SUSAN BAILEY, KENNEWICK**



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**LETTERS TO THE EDITOR**What you need to know about the Uranium One deal X

## Letter: Government should stay out of entertainment

**OCTOBER 27, 2017 7:30 PM**

Those who would never think of stealing from a neighbor are asking for the government to do just that.

If The Link were such a good venture, private industry would have or will pursue it. It is not in the purview of entertainment venues. Vote "no" on The Link!

**LOREN ANDERSON, KENNEWICK****Never miss a local story.**

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**LETTERS TO THE EDITOR**

## Letter: When it comes to The Link, no means no

**OCTOBER 27, 2017 4:22 PM**

We voted “no” twice on a sales tax increase equal to two pennies on a \$10 purchase for expanding the Three Rivers Convention Center, including a 2,300-seat theater, and now they’ve tossed in a \$5 million ice rink.

What part of “no” doesn’t the Kennewick Public Facilities District understand? No means no, as in no more taxes!

*GRACE JACKSON, KENNEWICK*

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Tiger Woods Enters Plea Deal in DUI Case, Sentenced to Probation



**TIGER WOODS ENTERS PLEA DEAL IN DUI CASE, SENTENCED TO PROBATION**

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## LETTERS TO THE EDITOR

## Letter: Taxes are for essentials, not recreation for the few

SEPTEMBER 28, 2017 3:24 PM

I see no reason why Kennewick's almost 80,000 residents should be taxed to build an ice rink next to the Toyota Center when the stated purpose is to provide a home for recreational activity that serves only a few hundred people.

Taxes should be for providing essential services such as police, fire, water systems and roads that benefit the community as a whole. If the proposal for a 0.2 percent sales tax increase is successful and an ice rink is built with some of the money, I will remember this unnecessary expenditure the next time city officials call for increasing fees, taxes or another ballot measure to build a fire station or rebuild our city infrastructure.

This is one more reason I cannot support The Link on the Nov. 7 ballot.

*JOHN TRUMBO, KENNEWICK*

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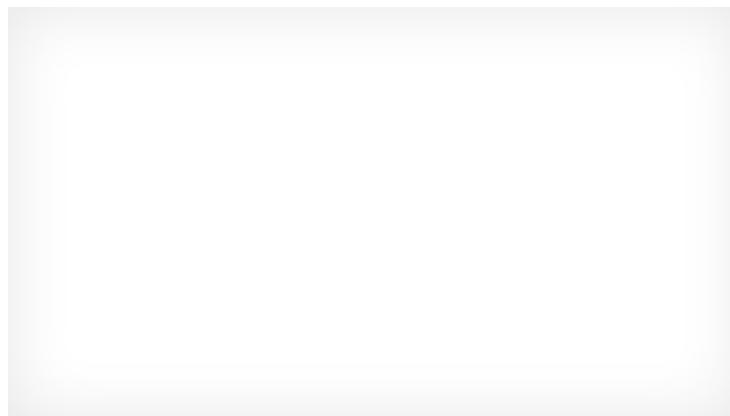
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| New film features BASE jumper who died in crash in the Alps

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LETTERS TO THE EDITOR

## Letter: Voters should keep saying 'no' to Link

OCTOBER 03, 2017 4:42 PM

No means no! Stop trying to force The Link on Kennewick voters.

If I am not mistaken, this will be the third time we have had this on the ballot. Oh sure, they keep changing it a little each time, trying to fool us into voting yes, but there are many more things our taxes should be used for instead of this. How about better street surfaces? More traffic enforcement?

I am sure 90 percent of you have sat at the light on Columbia Center Boulevard while the six or more drivers turning left onto Canal Drive run the red light and wondered, "Now why do so many people get away with doing this every cycle?"

And how many of you have been blasted past by people going 10 mph or more over the speed limit on our city streets?

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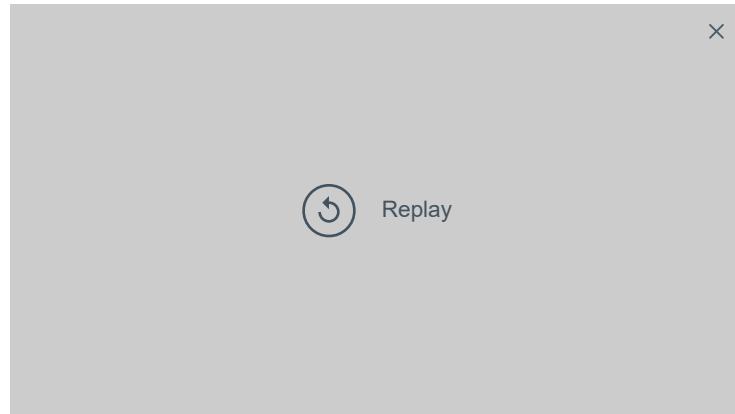
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We need more officers to keep our city safe.

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When you have taxed us to death for fluff like The Link, there will not be enough money left in our pockets to pay for needed services.

And when was the last time anyone went to anything at this facility? Please vote "no" on the link, again!

*SUSAN BAILEY, KENNEWICK*

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| Heres How Much Everyone Gets Paid on a Movie Set From the Key Grip to the

**GUEST OPINIONS**

## Point/counterpoint: No on The Link

BY JOHN TRUMBO

**OCTOBER 07, 2017 4:18 PM***Editors note: For the other side of the point/counterpoint on The Link, read Mark Mansperger's column.*

Washington State University's Mark Mansperger thinks local government should do more than provide public safety, security and general welfare through roads and public utilities, which include a public water supply and sanitation system.

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He says government should also provide opportunities for education, entertainment and recreation, conservation, science, national security and arts. For that reason, he supports the Link as a ballot measure that would use taxes to build a theater and ice rink. This sounds wonderful, but I believe those community amenities should be the byproducts of a productive and civilized society, not the responsibility of tax-supported local government.

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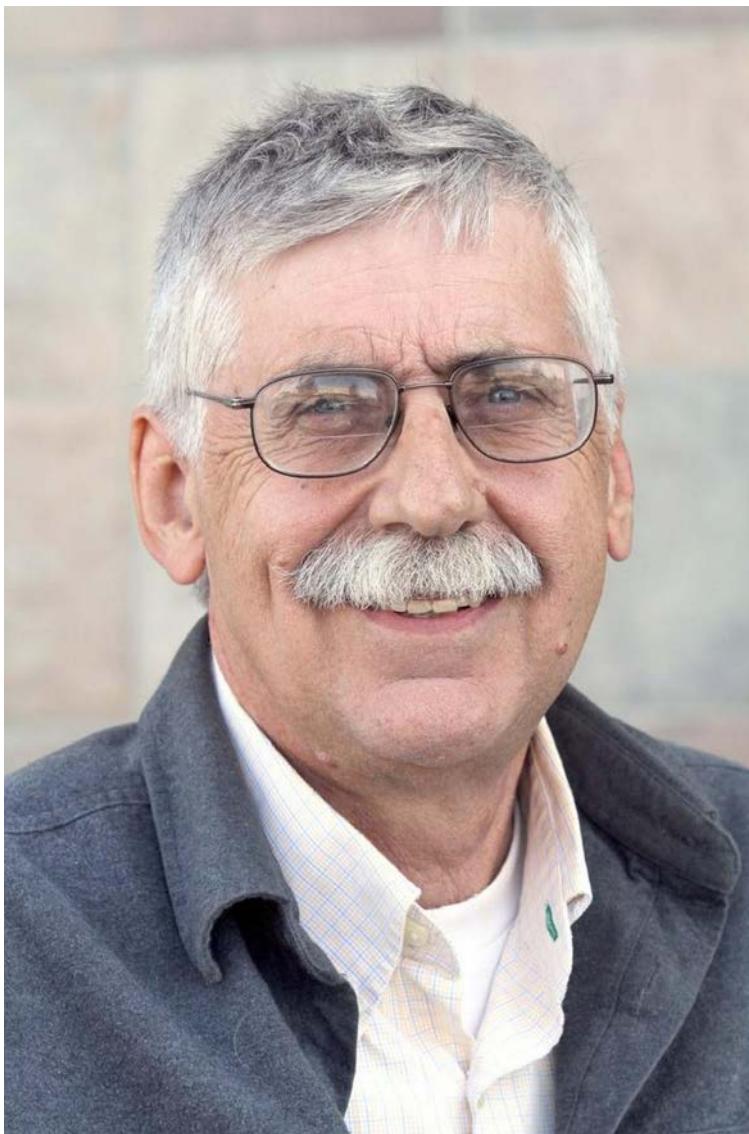
For example, Americans enjoy our community libraries today as taxpayer-supported institutions. But scarcely anyone remembers they were begun as a gift from a wealthy American industrialist, Andrew Carnegie. And so it has been for hundreds of years with institutions of higher learning, hospitals and even some of our treasured park lands. They exist primarily because of the generosity of individuals who had the desire, wherewithal and vision to contribute to the general betterment of society.

The lesson to be heard is that these things are not the duty or role of government, but they are the blessings received from a civilized, democratic society.

The WSU professor says citizens acting collectively can make a difference. True, but he may not recognize that the best achievements come through individuals and the organizations (NGOs) that those individuals working together have established for the bettering of society.

John Trumbo

File



---

What about United Way and our local food banks? How about the dozens of churches representing various faiths that meet the needs of hurting people in our community with compassion represented by funds to pay rents, purchase groceries, gas and clothes to assist families that have no regular source of earned income?

This net of social aid includes the Union Gospel Mission, ARC of Tri-Cities, Meals on Wheels, Habitat for Humanity and subsidized housing for developmentally disabled adults and infirm senior citizens?

Remember three years ago when Convoy of Hope visited the Tri-Cities and distributed thousands of backpacks for school children, provided free meals, bags of groceries, haircuts, breast cancer screening, shoes, free counseling for families caught up in joblessness, domestic violence and sexual/physical abuse issues?

Convoy of Hope, along with the help of dozens of churches and about 30 local community organizations — none of which relied on taxpayer support — touched the lives of more than 6,000 people in Kennewick and its neighboring communities. They did it again the next year with even more people attending.

Professor Mansperger says citizens should support the two-tenths percent sales tax ballot measure, Proposition 17-4, because an ice rink and theater would improve the quality of life in our town. He says government should pay for it using taxpayer money.

Well that's nice, but if we are going to tap taxpayers for those things, why not do the same to help the symphony, museums, local theater groups and any other venue that comes along that could add to our quality of life?

Why insist that taxpayers pay for amenities that would be for the pleasure and enjoyment of people who can afford to pay their own way, while others who pay the taxes can't afford the price of admission?

Government's role is not to make life more enjoyable through sports arenas, swimming pools, theaters and ice rinks. If those items are desirable, let someone with vision and business acumen recognize the opportunity and seize it. The community will be better off, both with the amenities themselves and the return on property and sales tax revenue to government.

That new revenue, of course, is for the purpose of delivering essential services such as police and fire protection, roads and safe water. These are the highest priorities for our tax dollars.

The path proposed by the professor will strangle an individual's sense of community responsibility. It will also rob revenue from those who are best situated to help their fellow man. And, finally, it will make everyone more dependent on government, which is another way of taking away our freedom.

The professor's call to support the Link measure, Proposition 17-4 on the ballot, is a wrong use of taxpayer funds and would spend money on something that is not the proper role of government.

*John Trumbo is a member of the Kennewick City Council and a former journalist.*

---

**Never miss a local story.**

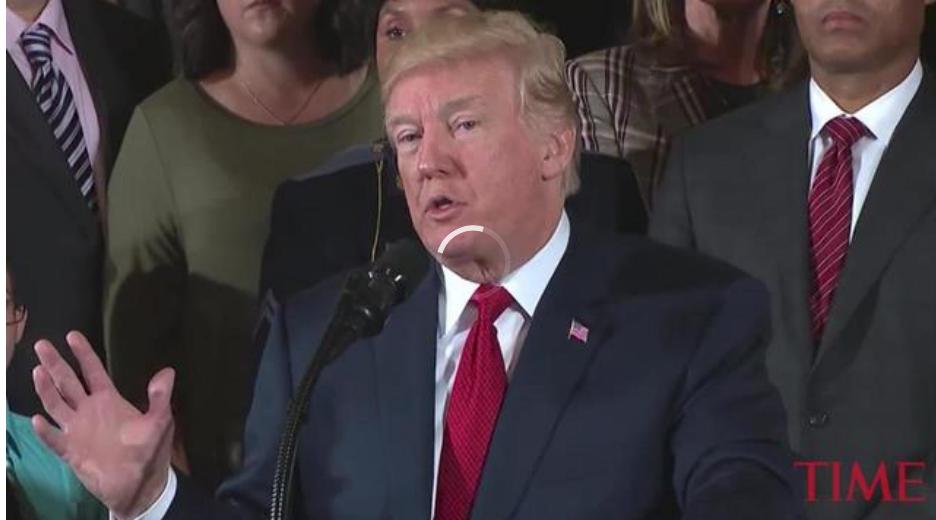
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## IN OTHER NEWS

President Trump Blamed Criminals, Drug Companies, Mexico and China for the Opioid Crisis



COMMENTS ▾

**LETTERS TO THE EDITOR**

## Letter: Local governments need to get in the right state of mind

**NOVEMBER 24, 2017 01:19 PM**

I read your editorial of Nov. 19 regarding why The Link failed to pass.

It is not a shame that The Link failed to pass. It is a shame they put it on the ballot for the third time.

I voted against it because I do not believe we need an expansion to Toyota Center so we can spend more money.



However, The Link people — Kennewick Public Facilities District — failed to realize that the Toyota Center needs maintenance, not expansion.

**Latest news by email**

This afternoon's latest local news

**SIGN UP**

Adding additional buildings when they can't or won't maintain the current buildings as it is?

We do not need the alarm bell to have this shoved down our throats. What we needed was for the KPFD to:

1. Listen to what the people have already said.
2. Maintain the property already in place before asking for more money for what they want, rather than what the residents want.

Of course, the Kennewick Hospital District got away with it, so why wouldn't they be able to do it too? The Port of Kennewick closed down the Kennewick Airport, which still sits empty today.

Doesn't that give us a clue as to our local governments' mind sets?

*MARSHA REHFELD, KENNEWICK*

**IN OTHER NEWS** | [Mall of America Draws Thousands on Black Friday](#)

## **EXHIBIT 2**

# DOES NOT APPLY TO:

GROCERIES MEDICATION  
UTILITIES RENT



THE  
**LINK**

ENTERTAINMENT  
CENTER

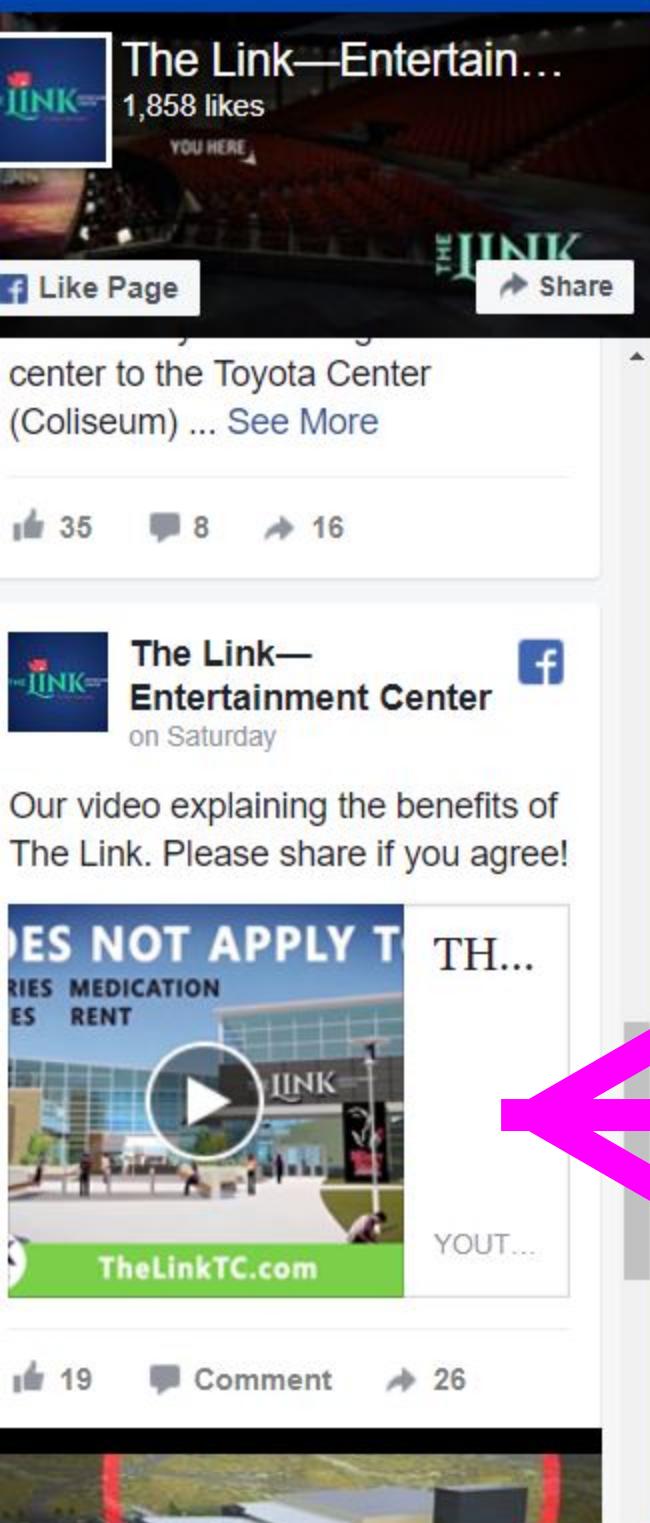


0:32 / 1:00

TheLinkTC.com



# **EXHIBIT 3**



Have a SUGGESTION? TELL US, WE'RE LISTENING!

Your personal info remains private

Write your feedback here...

Optional: provide an email if you'd like a response. We'll keep it secret

Add a photo (up to 2MB)

Complaint  
 Suggestion  
 Question  
 Compliment

Send

POWERED BY OWNERLISTENS

# **EXHIBIT 4**

**INTENTIONALLY LEFT BLANK**

**VIA UNITED STATES POSTAL SERVICE  
FIRST CLASS MAIL®**

Roger E. Lenk  
1817 N. Road 76  
Pasco, Washington 99301-1830  
[lenk.roger@gmail.com](mailto:lenk.roger@gmail.com)  
(509) 542-0489

March 22, 2018

Leland Barrett Kerr, WSBA No. 6059  
Eric W. Ferguson, WSBA No. 38757  
Kerr Law Group, PLLC  
7025 West Grandridge Boulevard, Suite A  
Kennewick, Washington 99336

**Re: BENTON COUNTY CAUSE No. 17-2-03173-6  
PUBLIC DISCLOSURE CASE No. 28028**  
Letter To PDC Dated January 16, 2018  
Letter of March 16, 2018

Dear Messrs. Kerr and Ferguson:

Thank you for your letter of March 16, 2018, copy attached. Applets and widgets and links, oh my!

First, it is very unfortunate that your client(s<sup>1</sup>) provided you with material representations of facts which are false or materially insufficient. The fact that Proposition 17-4 advocation content being projected from the [thelinktc.com](http://thelinktc.com) website by your clients should have been admitted up front, saving all time, effort and cost. As noted below, the projection of supportive material was not mistaken.

I am sure that you have advised the Public Disclosure Commission of the material misrepresentations<sup>2</sup> in that January 16, 2018 letter representing both conflicting clients<sup>3</sup> and letter of December November 7, 2017 regarding Case PDC No. 26814.

---

1 Kennewick Public Facilities District and Citizens For The Link Entertainment Center Political Campaign Committee.

2 Per the WBSA, A careful review of Washington RPC 3.3, 1.6, and 1.16 is recommended.

3 RPC 8.4 Comment 5: [5] Lawyers holding public office assume legal responsibilities going beyond those of other citizens. A lawyer's abuse of public office can suggest an inability to fulfill the professional role of lawyers. The same is true of abuse of positions of private trust such as trustee, executor, administrator, guardian, agent and officer, director or manager of a corporation or other organization.

**Re: BENTON COUNTY CAUSE No. 17-2-03173-6**

**PUBLIC DISCLOSURE CASE No. 28028**

Letter To PDC Dated January 16, 2018

Letter of March 16, 2018

**Page 2**

Second, the District's production of February 16, 2018 and simultaneous close out of that Request for Public Records was fully deficient and did not provide the "fullest assistance" to a requestor, nor a reasonable search. The February 16, 2018 production produced 19 files of website content. The March 16, 2018 second production contained 5,363 separate and distinct files related to the website content.

The basis for the limited production on February 16, 2018 was that the files were no longer available (at least until March 16, 2018). Further, the District advised that it had no responsibility to provide the records in the electronic format requested citing *Benton County v. Zink*, 191 Wn.App. 269, 281-82 (2015) (holding that an agency does not violate the PRA if software limitations necessitate a deviation from the requested production format).

As I was never contacted in relation to the "technical" issues regarding production in the requested format, the District failed to follow the provisions of WAC 44-14-05003 providing the "fullest assistance" to a requestor<sup>4</sup>. A WAC 44-14-05003 conference would have resulted in me advising that utilizing Adobe Acrobat, a simple "File, Create, Create PDF from a Website" command would have resolved the .pdf issue by creating a single working version of the website. In addition, I would have noted that WIX advises that site history can be restored either by an individual "User" with appropriate permissions, or WIX technical support staff. I also would have advised that creating a html complete file is easily generated by bringing up the website in a browser (Firefox or Explorer are best), and simply hitting File, Save As, them select html (complete) and saving the file to the appropriate chosen location on disc or thumb drive. The HTML file should be a single file, (not the 19 produced in the WIX Dashboard), and is easily produced in the same manner, with the exception of selecting the mhtml file type prior to saving. As such the citation fails.

**It would be appropriate for the District to stipulate to adding Lenk-3 to Benton County Cause 17-2-03173-6.** This would avoid a motion and appearance to pursue a CR 15(d) Supplemental Pleading. If I do not have a response on or before April 4, 2018, I will initiate the motion.

---

<sup>4</sup> WAC 44-14-05003 - Parties should confer on technical issues. Technical feasibility can vary from request to request. *When a request for electronic records involves technical issues, the best approach is for both parties to confer and cooperatively resolve them. Often a telephone conference will be sufficient. This approach is consistent with the requirement that agencies provide the "fullest assistance" to a requestor. RCW 42.56.100 and WAC 44-14-04003(2)* (emphasis added). Furthermore, if a requestor files an enforcement action under the act to obtain the records, the burden of proof is on the agency to justify its refusal to provide the records. RCW 42.56.550(1). If the requestor articulates a reasonable technical alternative to the agency's refusal to provide the records electronically or in the requested format, and the agency never offered to confer with the requestor, the agency will have difficulty proving that its refusal was justified.

**Re: BENTON COUNTY CAUSE No. 17-2-03173-6**

**PUBLIC DISCLOSURE CASE No. 28028**

Letter To PDC Dated January 16, 2018

Letter of March 16, 2018

**Page 3**

Third, regarding paragraph 5, WIX technical support staff advises that “If you'd like us to restore a deleted site for you, submit a ticket with the name of the site and a WIX team member will restore it”. I was also advised that the most fail safe method is to “duplicate” your site as a complete backup. Regardless, the site's history is maintained (all previous versions of the website), and a previous version can be restored by an authorized “User” with proper permissions<sup>5</sup>. “The following components **are not affected** (emphasis added) when you restore a previous revision: Blog, List Builder, and Apps”.

Regarding Paragraph 6, you advise that:

“KPFD used a social media “App” on the [thelinktc.com](http://thelinktc.com) website to link to its various social media profiles. **For a short period of time, the App mistakenly linked to a third-party Facebook page, not affiliated with KPFD**<sup>6</sup> (emphasis added). When KPFM realized the error, it ensured that the App was removed from the [thelinktc.com](http://thelinktc.com) website.”

WIX technical support advised that it is impossible for the algorithms contained within an “App” to autonomously link to a “third-party Facebook page”. As such, the “App” cannot “mistakenly link(ed) to a third party Facebook page”. Only an individual “User” with proper permissions is able to perform that function. **As such, the social media streaming widget on [thelinktc.com](http://thelinktc.com) website was intentionally instructed by an individual “User” with proper permissions to link the social media page owned by Citizens for the Link entertainment Center.** Definitely not provision of “informational” only content by a public agency.

I look forward to hearing from Mr. Ferguson, WSBA No. 38757.

Best Regards,



Roger E. Lenk

Attachment (1)

cc: Phil Stuzman, Senior Compliance Officer, Public Disclosure Commission

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<sup>5</sup> Even novice programmers use this method in order to revert to a previous “validated” version should a later update fail, or at the request of the project owner.

<sup>6</sup> The conflicting client, Citizens For The Link Entertainment Center Political Campaign Committee.



**Leland B. Kerr**  
Attorney at Law  
*lkerr@kerrlawgroup.net*

**Eric W. Ferguson**  
Attorney at Law  
*eferguson@kerrlawgroup.net*

March 16, 2018

Mr. Roger Erich Lenk  
1817 N. Road 76  
Pasco, WA 99301

**RE: Public Records Request Submitted January 20, 2018 (LENK-3)**  
**[Received by Kennewick Public Facilities District Public Records Officer]**

Dear Mr. Lenk:

Pursuant to RCW 42.56, this correspondence accompanies the final portion of the Kennewick Public Facility District's response to the above-referenced public records request, wherein you asked for:

1. Entire contents of thelinktc.com website, all levels, contents of all links, all files, all servers as of the responsive time period.
2. Any and all emails and suggestions submitted to thelinktc.com website.

Our office produced documents satisfying the first and second portions of your request via e-mail sent on February 16, 2018. You also responded on February 16, 2018, objecting to our initial response to the first portion of your request. After further investigation, this production supplements our initial response to the first part of your request and concludes our response.

This production is now available on a USB thumb drive that is ready for your retrieval at our offices during our regular business hours (Monday-Thursday 8:30 a.m. to 5:00 p.m., Friday 8:30 a.m. to 3:00 p.m.). The thumb drive contains documents retrieved from a historical version of the thelinktc.com website as it appeared on October 16, 2017 according to the website's management software, Wix. This production includes (1) complete HTML files, (2) MHTML archive files, and (3) various PDF files from the website management software. Because of the visually large format of the website and the limitations of the PDF format, two different PDFs for each web page of the website are included to provide as much of the visible web page as possible: one prepared for tabloid-sized paper, and one prepared for the larger A1-sized paper. Neither our office nor the KPDF possesses software that would allow us to convert multiple PDFs into one PDF file.

Under the Public Records Act, Ch. 42.56 RCW, agencies do not need to provide requested documents in the precise format stipulated; instead, they only need to provide documents in a format that is "reasonable and feasible[.]" *Mechling v. City of Monroe*, 152 Wn.App. 830, 849-50 (2009). In *Mechling*, the requestee City refused to release documents in the requested electronic format because software limitations prevented it from redacting the documents electronically; the court held that the city did not have the obligation to produce redacted PDF or TIFF files. *Id. See also Benton County v. Zink*, 191 Wn.App. 269, 281-82 (2015) (holding that an agency does not violate the PRA if software limitations necessitate a deviation from the requested production format).

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Mr. Roger Lenk  
March 16, 2018  
Page 2

Wix indicates that when viewing a historical version of the website, “[s]ome site features will not be restored.” The software explains, in part:

“Apps, blogs and lists cannot be fully restored:  
...  
Once you deleted an App from your site and the changes were saved the App cannot be restored.”

The Apps referred to are what might be called “applets” or “widgets” in other software programs. These are small digital items that Wix allows users to add to their website to provide various functions, e.g. links to social media profiles. As Wix explains, when one of these Apps are removed from a website, it also removes the App from all historical versions of the website.

KPFD used a social media “App” on the thelinktc.com website to link to its various social media profiles. For a short period of time, the App mistakenly linked to a third-party Facebook page, not affiliated with KPFM. When KPFM realized the error, it ensured that the App was removed from the thelinktc.com website. The October 16, 2017 version of the thelinktc.com website as it now appears in the website management software does not appear to include any Apps because the link to the third-party Facebook page was removed.

An agency does not violate the Public Records Act when it has “made available all that it could find.” *Building Indus. Ass'n of Wash. v. McCarthy*, 152 Wn.App. 720, 740-41 (2009) (citing *Kleven v. City of Des Moines*, 111 Wn.App. 284, 294 (2002)). Agencies do not have a duty to produce records that do not exist, and “the Act does not authorize indiscriminate sifting through an agency’s files by citizens searching for records that have been demonstrated not to exist.” *Sperr v. City of Spokane*, 123 Wn.App. 132, 136-37 (2004). Similarly, agencies do not have a duty to produce documents that were inadvertently destroyed. *West v. Wash. State Dept. of Natural Resources*, 163 Wn.App. 235, 246 (2011).

This production makes available to you all available records of the contents of the thelinktc.com website on October 16, 2017 in a format that either (1) complies exactly with your request (with regards to the complete HTML and MHTML formats) or (2) complies with your request as closely as was reasonable and feasible (with regards to the PDF format). This production should be considered a complete response to the first part of the aforementioned public records request, and the KPFM will now consider your Public Record Request “Lenk-3” complete and closed.

If you have any questions, or if I can be of further assistance, please do not hesitate to call.

Sincerely yours,



Leland B. Kerr  
**KERR LAW GROUP**

LBK/sla  
cc: Corey Pearson



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July 16, 2020

Mr. Phil Stutzman, Compliance Officer  
Public Disclosure Commission  
711 Capital Way S. #206  
Olympia, WA 98504-0908

**RE: Complaint No. 28028 Responses to PDC Supplemental Inquiries and Production of Documents Pertaining to Focal Point's Advertising Expenditures for the 2017 Educational Campaign related to the 2017 Proposition for 0.2 % Sales Tax for the Lenk Expansion**

Dear Mr. Stutzman:

In response to your supplemental inquiries and requests for documents dated May 15, 2020 and sent to this office via word document on May 18, 2020 please find enclosed the following documents germane to your inquiries and requests:

- 1) Mr. Pearson's and Ms. Johnson's responses to PDC's supplemental inquiries for Complaint No. 28028.
- 2) Focal Point Marketing budget dated 9-8-17.
- 3) Focal Point Marketing budget dated 10-3-17.
- 4) Focal Point Marketing budget dated 10-16-17.
- 5) Focal Point Marketing Ads (hanger, mailer, newspaper, and banner).

Please note that the responses to the PDC's supplemental inquiries have been reformatted to separate out those inquiries answered by Mr. Pearson and those answered by Ms. Johnson, indicated by a header title to those respective sections. Substantively, all inquiries have been addressed in this document. The Focal Point Marketing budgets were produced specifically in response to PDC's request for those documents, please let our office know if you need anything else in this regard.

The Kennewick Public Facilities District looks forward to working with the PDC to reach a suitable resolution to Complaint No. 28028. If you have any questions, please do not hesitate to contact our office.

Sincerely,

Craig A. Briggs  
**KERR FERGUSON LAW, PLLC**

CAB/sla

7025 West Grandridge Boulevard, Suite A, Kennewick, Washington 99336  
Telephone: 509-735-1542  
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**Mr. Pearson PDC Complaint Responses to PDC Supplemental Inquiries Posed By Mr. Phil Stutzman**

**28028 (Lenk)**

**1. Executive Director, Municipal Officer inquiries PDC:**

- a. What is the Nature of the Relationship between Mr. Pearson and the Kennewick Public Facilities District?
  - i. The nature of the relationship between Mr. Pearson and the KPFM is that of an employee of an independent contractor, VenuWorks of Kennewick, LLC.
- b. What is the nature of the relationship between Mr. Pearson and VenuWorks of Kennewick, LLC?
  - i. The nature of the relationship between Mr. Pearson and VenuWorks of Kennewick, LLC is that of employee and employer, respectively.
- c. What is the nature of the relationship between Mr. Pearson and VenuWorks Incorporated?
  - i. The nature of the relationship between Mr. Pearson and VenuWorks Incorporated is that of an employee of a subsidiary entity and parent entity, respectively.
- d. Were these relationships the same in 2017 as they are currently?
  - i. The relationship is the same today as it was in 2017.
- e. Is there a separate agreement between Mr. Pearson and KPFM?
  - i. There is not a separate agreement between Mr. Pearson and KPFM, the agreement between KPFM and VenuWorks of Kennewick, LLC governs the relationship between the Three Rivers Convention Center Executive Director and KPFM.
- f. Is Mr. Pearson authorized to function as a municipal officer to operate and manage the facilities under KPFM control either directly (through KPFM) or indirectly through VenuWorks of Kennewick, LLC? [Answered by KFL]
  - i. Mr. Pearson is only authorized to manage the facilities at Three River's Convention Center per the service contract, he is not authorized to act as a municipal officer based on review of RCW 36.100 detailing the powers of the Municipal Officers which comprise the Board of Directors. RCW 42.23.020 states that a municipal officer: "shall include all elected and appointed officers of a municipality, together with all deputies and persons exercising or undertaking to exercise any of the powers or functions of a municipal officer." The powers of the Board under RCW 36.100 are generally the power to hire, fire, spend, tax, acquire property (real and personal), and insurance, and issue bonds. Since Mr. Pearson is

**28028 (Lenk) PDC Responses-1**

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not exercising or undertaking to exercise any of these functions or powers on behalf of the district, he is not a municipal officer. Mr. Pearson, VenuWorks of Kennewick, LLC and VenuWorks Incorporated are "contracting parties" under 42.23.020(4).

- g. By representing KPDF do you also represent Mr. Pearson? [Answered by KFL]  
i. This office represents the KPDF it does not represent Mr. Pearson directly as a client.

2. **Responses to Questions Posed by PDC in Response to 7<sup>th</sup> and 8<sup>th</sup> Amendments to Complaint No. 28028 (Lenk)**

- a. Whose Facebook Page did the App link to?  
i. The App linked to the Citizens for the Link Entertainment Center, this was an error on behalf of Focal Point which was brought to Ms. Lutz attention and was thereafter immediately removed under her authority.
- b. Was the App linked to the Facebook page of Citizens for the Link Entertainment Center?  
i. Yes, but this was done without KPDF involvement, the link was not authorized by the KPDF Board or by VenuWorks of Kennewick, LLC or VenuWorks Incorporated employees.
- c. Did the District coordinate with Citizens for the Link Entertainment Center, the decision to place the link to the campaign video on the District's website?  
i. Focal Point was given administrative authority to place informational content on the KPDFs webpage because of the volume of changes, and content suggestions, they were making. There was no pre-approval process for VenuWorks of Kennewick, LLC other than to review the pieces created and either post them or have them printed. The KPDF board was involved in the messaging and VenuWorks of Kennewick, LLC determined how such content was made available to the public.
- d. Who authorized, or provided advance permission, or gave approval afterwards, direct or tacit, to create the App and activate the link on the District's website to the campaign video?  
i. Neither KPDF nor VenuWorks employees ever authorized Focal Point to create the App and then place the link to the campaign video on the District's website, this was an unfortunate error by Focal Point that once discovered was removed immediately. Focal Point had full control of the website and they were responsible for placing all content on the site; VenuWorks of Kennewick, LLC didn't have the necessary knowledge in this area, so it was contracted out to Focal Point.

**28028 (Lenk) PDC Responses-2**

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- e. Did the link allow users to watch the one-minute campaign video of Citizens for the Link Entertainment Center?
  - i. It is our understanding that it would have allowed anyone who clicked on it to view the YouTube video.
- f. How long was the link active before it was removed from the District's website?
  - i. Mr. Pearson's recollection is that the link was only "active" for a short period of time and, while he is not certain how long it was up, his best recollection was that it may have been up for a couple of days before being discovered and removed.
- g. How many times was the link accessed on the District's website?
  - i. Mr. Pearson is not aware of how many times the website was accessed since it is three years old and no longer exists.
- h. When was the link removed?
  - i. As noted above, once the link was discovered it was removed immediately upon direction from Ms. Lutz of VenuWorks of Kennewick, LLC.
- i. Was the link removed in response to Roger Lenk's complaint?
  - i. It may have been removed in response to the complaint, Mr. Pearson is not sure how it came to Ms. Lutz attention other than that she received a phone call noting the link and then directed its immediate removal. The KPFD website was a work-in-progress--at this point--but this link should not have been present.
- j. Who authorized or directed removal of the Link?
  - i. Ms. Lutz of VenuWorks of Kennewick, LLC authorized the removal of the link to the Citizens for the Link Entertainment Center video.
- k. Did Mr. Pearson engage in these "walk the block" activities?
  - i. Mr. Pearson, in his personal capacity, was engaged in the organizing efforts related to walk the block and did attend a rally at the 3 Rivers Convention Center but did not participate in the actual walks.
- l. Were District facilities (staff time, phones, computers, email system, etc.) used to conduct or accomplish these activities?
  - i. Mr. Pearson has a personal email and an email (Gmail accounts) at home that he uses for other entities such as for the baseball organization board that Mr. Pearson is involved with as well as continuing education courses that Mr. Pearson was enrolled in, that did not come through his work email. Mr. Pearson also utilizes a desktop personal computer at home in addition to an I-Pad that he uses for these non-3 Rivers Convention

**28028 (Lenk) PDC Responses-3**

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Center email accounts. VenuWorks of Kennewick, LLC bills KPFD for this as an “approved expense” under its contract with KPFD.

- m. Were District Facilities used to obtain the “walking lists?”
  - i. The walking list was received electronically on KPFD computers from the Benton County Auditor’s Website, there was no associated cost in such retrieval. You simply log on and can access the information and sort it through the Excel application. This “voter information” was used to develop a targeted mailing list to effectively utilize limited resources for the informational campaign.
- n. How were the “walking lists” ultimately used?
  - i. They were used to identify where the most engaged voting precincts were so the KPFD could most effectively use the resources at its disposal, by sending the informational-only mailer to those voters most likely to show up and vote in the 2017 election.
- o. Whose funds were used to pay for the “walking lists?”
  - i. The KPFD did approve a budget for the informational mailer and this was a part of that budget but based on Mr. Pearson’s recollection, it may not have been itemized.
- p. Did Ms. Lutz produce the flyer, or other information, in response to a public records request from Ms. Watkins?
  - i. No request was made. Based on Mr. Pearson’s recollection this information was requested and provided to Ms. Watkins without a public records request. This is the same informal process that VenuWorks of Kennewick, LLC has employed as part of its normal and regular conduct in responding to requests for information made by private individuals, and various entities such as the Tri-City Herald.
- q. Did the District directly provide architectural drawings and other work product of KPFD to Citizens for the Link Entertainment Center?
  - i. VenuWorks of Kennewick, LLC provided information to anyone who requested it, even when informally requested. The response was never to tell the informal requester to go file a public records request, VenuWorks of Kennewick, LLC merely provided the information requested if such information was in the public domain, this information was also retrievable through the old KPFD website.
- r. Was the information provided pursuant to a public records request?
  - i. No, see above.
- s. Please provide a copy of the public records request.
  - i. Not available, the information was informally requested and released.

**28028 (Lenk) PDC Responses-4**

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(509) 735-1542

**Ms. Johnson PDC Complaint Responses to PDC Supplemental Inquiries Posed by Mr. Phil Stutzman**

1. Did Barbara Johnson or other KPFD board members authorize, provide advance permission, or give approval afterwards, direct or tacit, to hire Focal Point Marketing to produce and execute the marketing plan for the District concerning Proposition 17-4?
  - a. No, the Board formally approved the resolution providing for the submission of a Proposition to impose a 2/10<sup>ths</sup> of one percent sales tax for the purpose of expansion in July 2017.

At that time, Focal Point Marketing was a qualified vendor of the campus and had produced several marketing materials. VenuWorks of Kennewick, LLC worked with Focal Point to develop an educational-only strategy to educate Kennewick voters on the Proposition. These strategies were discussed and updated by the Executive Director, Corey Pearson, at the monthly Board meetings. Focal Point was never contracted by any party to produce or execute a "marketing plan," but rather, was only ever hired to provide information for the educational plan.
2. Did Barbara Johnson or other KPFD board members authorize, provide advance permission or give approval afterwards, direct or tacit, to Mr. Pearson to conduct the "walk the block" activity, or the summer-long push to educate the community on the impact of the Link to the average household, by changing the message to include what every new dollar coming to the community does for the average person?
  - a. Ms. Johnson is not aware of any Board action concerning "walk the block" activity as part of the Educational Campaign.
3. Did Barbara Johnson or other KPFD board member's authorize, provide advance permission, or give approval afterwards, direct or tacit, to Corey Pearson and Liz Lutz to obtain "walking lists" of registered voters from a list of registered voters that live within the City of Kennewick that have only voted in the following elections: 2016 Primary Election, 2016 February Special Election, and 2014 Primary Election?
  - a. As part of the educational mailer, the board was made aware by VenuWorks of Kennewick, LLC that a list of registered voters existed on the Benton County Auditor's website at no cost. Mr. Pearson and Ms. Lutz reported that this list of likely voters would be used to pare down the number of households for the educational-only mailer to stay within the allotted resources of the educational plan.

***28028 (Lenk) PDC Responses-5***

Kerr Ferguson Law  
7025 W. Grandridge Blvd. Ste. A  
Kennewick, WA 99336  
(509) 735-1542

4. Were District facilities (staff time, phones, computers, email system, etc.) used to provide the “walking lists” to Ms. Johnson and Ms. Watkins?
  - a. Ms. Johnson does not recall ever receiving the actual “walking lists” but is aware that they were easily obtained from the Benton County Auditor Website as described in answer 3. Ms. Johnson is not aware of any District facilities used to provide “walking lists” to Ms. Watkins.

**28028 (Lenk) PDC Responses-6**  
Kerr Ferguson Law  
7025 W. Grandridge Blvd. Ste. A  
Kennewick, WA 99336  
(509) 735-1542



CLIENT: Three Rivers Convention Center - The Link Campaign

CAMPAGN: September

STATION: Overview TV RADIO

BUDGET: \$3,000 \$2,500.00 \$500.00

DATE: 9/8/17 \$2,545.00 \$575.00 \$3,120.00

KEPR	LENGTH	DAYPART	PROGRAM	RATE	Labr Day				SPOTS	TOTAL	NEED	OTHER
					8/28	9/4	9/11	9/18				
M-F	:30	7:00pa-8:00a	CBS This Morning	\$75	0	0	0	2	2	\$150.00		
M-F	:30	3:00p-4:00p	Dr. Phil	\$45	0	0	0	3	3	\$135.00		
M-F	:30	4:00p-5:00p	Judge Judy	\$80	0	0	0	1	1	\$80.00		
Tu	:30	9:00p-10:00p	Bull	\$195	0	0	0	1	1	\$195.00		
<b>KEPR Totals</b>					0	0	0	7	7	<b>\$560.00</b>		

SALES REP	PRE-PAY	CREDIT APP	PAPERWORK
David Page	Yes	No	No

KNDU	LENGTH	DAYPART	PROGRAM	RATE	Labr Day				SPOTS	TOTAL	NEED	OTHER
					8/28	9/4	9/11	9/18				
M-F	:30	6:00a-7:00a	Wake Up Northwest	\$95	0	0	0	2	2	\$190.00		
M-F	:30	5:00p-5:30p	NBC Right Now Local News at 5:00p	\$175	0	0	0	2	2	\$350.00		
M-F	:30	5:30p-6:00p	NBC Right Now Local News at 6:00p	\$185	0	0	0	3	3	\$555.00		
<b>KNDU Totals</b>					0	0	0	7	7	<b>\$1,095.00</b>		

SALES REP	PRE-PAY	CREDIT APP	PAPERWORK
Traci Wagner	Yes	Yes	No

KVEW	LENGTH	DAYPART	PROGRAM	RATE	Labr Day				SPOTS	TOTAL	NEED	OTHER
					8/28	9/4	9/11	9/18				
M-F	:30	5:30a-7:00a	Good Morning NW	\$20	0	0	0	4	4	\$80.00		
M-F	:30	7:00a-9:00a	Good Morning America	\$70	0	0	0	3	3	\$210.00		
F	:30	8:00p-9:00p	Shark Tank	\$175	0	0	0	1	1	\$175.00		
Su	:30	8:00p-9:00p	Celebrity Family Feud	\$200	0	0	0	1	1	\$200.00		
MF	:30	7:00p-7:30p	Entertainment Tonight	\$90	0	0	0	1	1	\$90.00		
<b>KVEW Totals</b>					0	0	0	9	9	<b>\$755.00</b>		

SALES REP	PRE-PAY	CREDIT APP	PAPERWORK
Beverly Wilson			

FOX	LENGTH	DAYPART	PROGRAM	RATE	Labr Day				SPOTS	TOTAL	NEED	OTHER
					8/28	9/4	9/11	9/18				
M-F	:30	6:00p-6:30p	Modern Family	\$45	0	0	0	3	3	\$135.00		
<b>FOX Totals</b>					0	0	0	3	3	<b>\$135.00</b>		

SALES REP	PRE-PAY	CREDIT APP	PAPERWORK
Marilyn Rauch	Waiving	No	No

**TOTAL MONTH CAMPAIGN - TV:** 0 0 0 26 26 \$2,545.00

CHERRY CREEK RAD	LENGTH	DAYPART	PROGRAM	RATE	Labr Day				SPOTS	TOTAL	NEED	OTHER
					8/28	9/4	9/11	9/18				
M-F	:30	6:00a-7:00p	KONA-AM 610 (NewsTalk)	\$10	0	0	0	5	5	\$50.00		
Sa	:30	6:00a-7:00p	KONA-AM 610 (NewsTalk)	\$8	0	0	0	6	6	\$48.00		
M-F	:30	6:00a-7:00p	DNA-FM Mix 105.3 (Adult Contemporary)	\$10	0	0	0	5	5	\$50.00		
Sa	:30	6:00a-7:00p	DNA-FM Mix 105.3 (Adult Contemporary)	\$8	0	0	0	6	6	\$48.00		
<b>CCRTC Totals</b>					0	0	0	22	22	<b>\$196.00</b>		

SALES REP	PRE-PAY	CREDIT APP	PAPERWORK
Sheila Villareal			

Townsquare Media	LENGTH	DAYPART	PROGRAM	RATE	Labr Day				SPOTS	TOTAL	NEED	OTHER
					8/28	9/4	9/11	9/18				
M-F	:30	6:00a-10:00a	KEYW-FM 98.3 (Variety)	\$27	0	0	0	3	3	\$81.00		
M-F	:30	3:00p-7:00p	KEYW-FM 98.3 (Variety)	\$27	0	0	0	3	3	\$81.00		
Sa	:30	10:00a-3:00p	KEYW-FM 98.3 (Variety)	\$19	0	0	0	3	3	\$57.00		
<b>TSM Totals</b>					0	0	0	9	9	<b>\$219.00</b>		

SALES REP	PRE-PAY	CREDIT APP	PAPERWORK
Kern Methis			

Radio Tri-Cities	LENGTH	DAYPART	PROGRAM	RATE	Labr Day				SPOTS	TOTAL	NEED	OTHER
					8/28	9/4	9/11	9/18				
M-F	:30	6:00a-9:00a	Power 99.1 (KUJ FM)	\$40	0	0	0	2	2	\$80.00		
M-F	:30	4:00p-6:00p	Power 99.1 (KUJ FM)	\$40	0	0	0	2	2	\$80.00		
<b>RTC Totals</b>					0	0	0	4	4	<b>\$160.00</b>		

SALES REP	PRE-PAY	CREDIT APP	PAPERWORK
David Price	Yes		

**TOTAL MONTH CAMPAIGN - RADIO:** 0 0 0 35 35 \$575.00

**TOTAL MONTH CAMPAIGN - TV & RADIO:** 0 0 0 61 61 \$3,120.00



CLIENT: Three Rivers Convention Center - The Link  
 CAMPAIGN: November, 2017

STATION: Overview  
 BUDGET: \$1,750  
 DATE: 10/3/17

KEPR	LENGTH	DAYPART	PROGRAM	RATE	THANKSGIVING					SPOTS	TOTAL
					10/30	11/6	11/13	11/20			
M-F	:30	6:00a-6:30a	KEPR Action News @ Sunrise	\$65	3	0	1	1	3	3	\$195.00
M	:30	6:00a-6:30a	KEPR Action News @ Sunrise	\$65	0	1	1	1	1	1	\$65.00
M-F	:30	6:30a-7:00a	KEPR Action News @ Sunrise	\$70	2	0	1	1	2	2	\$140.00
M	:30	6:30a-7:00a	KEPR Action News @ Sunrise	\$70	0	1	1	1	1	1	\$70.00
SA	:30	9:00a-4:00p	SEC Football (College)	\$90	1	0	1	1	1	1	\$90.00
KEPR Tths				\$6	2	1	1	1	1	1	\$560.00
<b>KNDU</b>											
KNDU	LENGTH	DAYPART	PROGRAM	RATE	10/30	11/6	11/13	11/20	SPOTS	TOTAL	
M-F	:30	5:00a-6:00a	Wake Up NW	\$20	2	0	1	1	2	2	\$40.00
M	:30	5:00a-6:00a	Wake Up NW	\$20	2	1	1	1	3	3	\$60.00
M-F	:30	4:00p-5:00p	Ellen DeGeneres	\$55	3	0	1	1	3	3	\$165.00
M	:30	4:00p-5:00p	Ellen DeGeneres	\$55	0	1	1	1	1	1	\$55.00
KNDU Tths				\$7	2	0	0	0	9	9	\$220.00
<b>KVIEW</b>											
KVIEW	LENGTH	DAYPART	PROGRAM	RATE	10/30	11/6	11/13	11/20	SPOTS	TOTAL	
M-F	:30	5:00a-7:00a	Good Morning NW	\$20	2	0	1	1	2	2	\$40.00
M	:30	5:00a-7:00a	Good Morning NW	\$20	0	1	1	1	1	1	\$20.00
M-F	:30	7:00a-9:00a	Good Morning America	\$70	2	0	1	1	2	2	\$140.00
M	:30	7:00a-9:00a	Good Morning America	\$70	0	1	1	1	1	1	\$70.00
KVIEW Tths				\$4	2	0	0	0	6	6	\$270.00
<b>SPECTRUM REACH</b>											
SPECTRUM REACH	LENGTH	DAYPART	PROGRAM	RATE	10/30	11/6	11/13	11/20	SPOTS	TOTAL	
M-F	:30	7:00p-11:00p	Hallmark ROS	\$12	3	0	1	1	3	3	\$36.00
M	:30	7:00p-11:00p	Hallmark ROS	\$12	0	0	1	1	0	0	\$0.00
M-F	:30	7:00p-11:00p	Freeform ROS	\$16	3	0	1	1	3	3	\$48.00
M	:30	7:00p-11:00p	Freeform ROS	\$16	0	1	1	1	1	1	\$16.00
SPECTRUM Tths				\$6	0	0	0	0	6	6	\$100.00

TOTAL MONTH CAMPAIGN - TV: 23 6 0 0 29 \$1,250.00

CHERRY CREEK RADIO	LENGTH	DAYPART	PROGRAM	RATE	THANKSGIVING					SPOTS	TOTAL
					10/30	11/6	11/13	11/20			
M-F	:30	6:00a-7:00p	KONA-AM 610 (NewsTalk)	\$10	10	0	1	1	10	10	\$100.00
M	:30	6:00a-7:00p	KONA-AM 610 (NewsTalk)	\$10	0	0	1	1	0	0	\$0.00
Sa	:30	6:00a-7:00p	KONA-AM 610 (NewsTalk)	\$8	0	0	1	1	0	0	\$0.00
M-F	:30	6:00a-7:00p	KONA-FM Mix 105.3 (Adult Contemporary)	\$10	0	0	1	1	0	0	\$0.00
M	:30	6:00a-7:00p	KONA-FM Mix 105.3 (Adult Contemporary)	\$10	0	0	1	1	0	0	\$0.00
Sa	:30	6:00a-7:00p	KONA-FM Mix 105.3 (Adult Contemporary)	\$8	0	0	1	1	0	0	\$0.00
CORT CTths				\$10	0	0	0	0	10	10	\$100.00

Townsquare Media	LENGTH	DAYPART	PROGRAM	RATE	THANKSGIVING					SPOTS	TOTAL
					10/30	11/6	11/13	11/20			
M-F	:30	6:00a-10:00a	KEYW-FM 98.3 (Variety)	\$22	2	0	1	1	2	2	\$88.00
M-F	:30	8:00p-7:00p	KEYW-FM 98.3 (Variety)	\$22	2	0	1	1	2	2	\$88.00
M	:30	2:00p-7:00p	KEYW-FM 98.3 (Variety)	\$22	0	2	1	1	1	1	\$22.00
Sa	:30	10:00a-3:00p	KEYW-FM 98.3 (Variety)	\$19	2	0	1	1	2	2	\$38.00
TEAMTIME				\$2	2	0	0	0	2	2	\$20.00

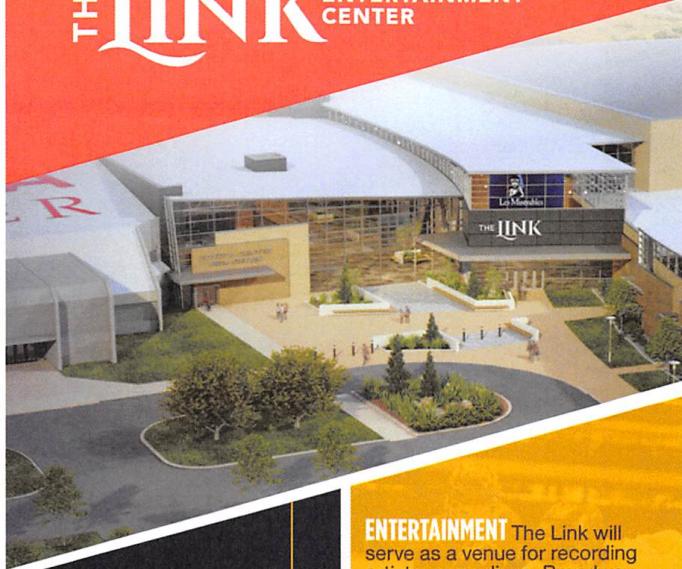
TOTAL MONTH CAMPAIGN - RADIO: 21 2 0 0 23 \$300.00

TOTAL MONTH CAMPAIGN TV & RADIO: 44 8 0 0 52 \$1,550.00



Door-hanger

# THE LINK ENTERTAINMENT CENTER



## FACILITY UPDATES:

- PERFORMANCE STAGE
- RENOVATIONS
- YOUTH SPORTS ARENA

**ENTERTAINMENT** The Link will serve as a venue for recording artists, comedians, Broadway shows, conventions and more!

**YOUTH SPORTS** Plans include feature a facility for indoor sports like youth soccer, gymnastics, hockey and figure skating.

Together, we can make the Tri-Cities a destination for **athletes, artists, conventions & more!**



**SALES TAX IMPACT –  
ONLY 2¢ ON EVERY \$10!**

– From **everyone from all communities** who spend in Kennewick –

TO LEARN MORE VISIT- [THELINKTC.COM](http://THELINKTC.COM)

*Door-hanger*



## KEEPING UP WITH DEMAND

The Tri-Cities has frequently missed the opportunity to host **large entertainment and sports events.**

## THE FOOTPRINT

A **110,000 sq ft multi-purpose facility**, that includes **Toyota Center renovations** and a new indoor sports arena.

## PROJECT FUNDING

The project will be 100% funded by a proposed **0.2% sales tax increase**. That's only 2¢ on every \$10!

TO LEARN MORE VISIT- [THELINKTC.COM](http://THELINKTC.COM)

IT'S YOUR 2¢- **REMEMBER  
TO VOTE - PROPOSITION 17-4**



THE **LINK** ENTERTAINMENT CENTER

► SOMETHING  
FOR  
EVERYONE.

VISIT [THELINKTC.COM](http://THELINKTC.COM)



REMEMBER TO VOTE - PROPOSITION 17-4

Together, we can make the Tri-Cities a destination for **athletes, artists, conventions & more!**

PERFORMANCE STAGE ► RENOVATIONS ► YOUTH SPORTS ARENA

Mader

# OVERVIEW



**SALES TAX IMPACT –  
ONLY 2¢ ON EVERY \$10!**

– From everyone from all communities who spend in Kennewick –

IT'S YOUR 2¢ – **REMEMBER TO VOTE** – PROPOSITION 17-4



TO LEARN MORE VISIT- [THELINKTC.COM](http://THELINKTC.COM)

## TOYOTA CENTER RENOVATIONS

- New arena seating
- Handrails added to arena
- Expanded concourse
- Additional ADA seating

## CONVENTION CENTER EXPANSION

- Multipurpose room
- Added community trade shows

## YOUTH HOCKEY & SPORTS

- Hockey for youth
- Multipurpose area for all sports (volleyball, gymnastics, soccer and more)
- Ice skating

## PARKING EXPANSION

- New lighted parking lot

## ECONOMIC IMPACT

- \$66M economic impact
- Generates new tax revenue providing additional money for roads, parks, police and fire departments

## PERFORMANCE THEATER

- Concerts
- Lectures
- Comedy
- Broadway

## PROJECT FUNDING

The Link project will be 100% funded by a proposed 0.2% sales tax increase. That's only 2¢ on every \$10! This is a sales tax, and it expires once the bond is repaid – returning the tax to its normal rate.

In addition, funding The Link fuels commerce. Every new concertgoer, convention attendee, and young athlete contributes to our local economy by frequenting shops, hotels and restaurants, which raises additional money for our roads, parks, Police and Fire Departments – and that's good business for everybody.

*Maurien*

# THE LINK ENTERTAINMENT CENTER

## KENNEWICK PUBLIC FACILITIES DISTRICT 17-4

The Link is a proposition of the **Kennewick Public Facilities District** to renovate, expand and connect the Toyota Center and add a new **2,300 seat performance-style theater**, youth ice hockey and sports arena, along with a lighted parking area and **1,000 additional parking spaces**.



### SALES TAX IMPACT – 2¢ ON EVERY \$10!

– From **everyone** from **all communities** who spend in Kennewick –

#### FACILITY UPDATES:

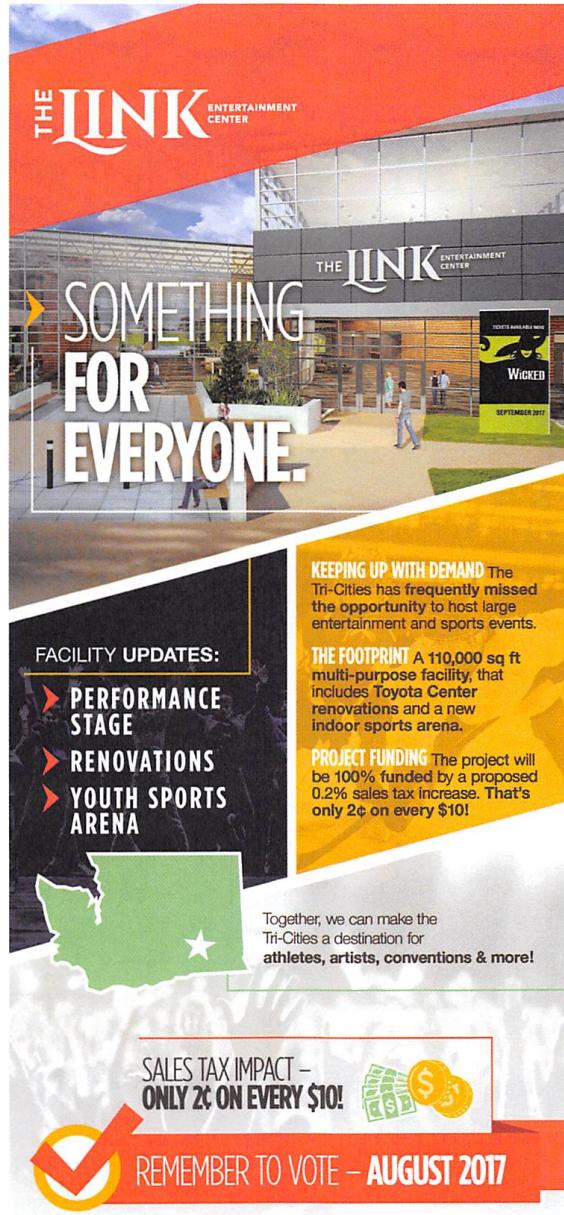
- ▶ **2,300 SEAT THEATER**
- ▶ **RENOVATIONS**
- ▶ **YOUTH SPORTS ARENA**

REMEMBER TO VOTE – **NOVEMBER 7, 2017**

TO LEARN MORE VISIT – **THELINKTC.COM**

Newspaper

*Banner*



THE LINK ENTERTAINMENT CENTER

SOMETHING FOR EVERYONE.

FACILITY UPDATES:

- PERFORMANCE STAGE
- RENOVATIONS
- YOUTH SPORTS ARENA

KEEPING UP WITH DEMAND The Tri-Cities has frequently missed the opportunity to host large entertainment and sports events.

THE FOOTPRINT A 110,000 sq ft multi-purpose facility, that includes Toyota Center renovations and a new indoor sports arena.

PROJECT FUNDING The project will be 100% funded by a proposed 0.2% sales tax increase. That's only 2¢ on every \$10!

Together, we can make the Tri-Cities a destination for athletes, artists, conventions & more!

SALES TAX IMPACT – ONLY 2¢ ON EVERY \$10! 

 REMEMBER TO VOTE – AUGUST 2017

TO LEARN MORE VISIT – [WWW.THELINKTC.COM](http://WWW.THELINKTC.COM)

# Exhibit 17

Radio Advertisements paid for by Kennewick  
Public Facilities District (Audio File)

# Exhibit 18

TV Advertisements paid for by Kennewick  
Public Facilities District (Video File)

November 3, 2020

Hello Mr. Stutzman,

In response to your October 6, 2020 additional inquiries, please see below KPDF response and find relevant attachments detailing cost and numerosity for door hangers (referred to as flyers in KPDF documents), mailer, newspaper ads, and banner.

**Door Hangers:**

How many door hangers were printed? *Three thousand (3,000) door hangers were printed.*

What was the cost for printing the door hangers? The cost for printing the door hangers was *one thousand one hundred thirteen dollars and sixty three cents* (\$1,113.63) see invoice 139-55732 and packing slip (attached).

How were the door hangers used? The door hangers ("flyers") were distributed for the purpose of educating the public concerning the ballot measure.

Who put them on the doors? The flyers were distributed at all of our open houses and any informational presentations that were made to service groups or other groups. They were made available at the Toyota Center, Toyota Arena and the Convention Center at all events. Some were distributed to households by the Tri City Amateur Hockey Association (TCAHA). Several youth hockey teams volunteered to hand them out as well as potential other groups. Mr. Pearson does not know how those groups determined what areas they focused on and how they identified homes, and KPDF did not provide direction on that point. Mr. Pearson recalls that there were fewer than *fifteen hundred* (1,500) flyers distributed door-to-door.

How were the homes identified? No particular methodology was used in identifying which homes were distributed flyers door-to-door this decision was left to the individual groups such as TCAHA that undertook to distribute the flyers.

Was it based on the "walking lists" obtained from the Benton County Auditor website? No, see above.

**Mailer:**

How many mailers were printed? There were *fourteen thousand* 14,000 mailers printed.

What was the cost for the mailers? The cost for the mailers was *three thousand nine hundred sixty one dollars and seventy three cents* (\$3,961.73) see invoice 139-55732 (attached).

What were the parameters for the targeted mailing list? The parameters for the targeted mailing list were to focus the KPDF efforts on the areas in which households were more likely to vote based on previous elections. The KPDF didn't have funds to send out the mailer to every household so they had to make the most of their effort. They also used these for their presentations and at the facilities for attendees of their events. Certain groups also distributed the mailer (and the Door Hanger flyer).

For instance, the Tri City Americans circulated the mailer and flyer to the booster club and their season ticket holders. Toyota of Tri Cities and Retter and Company Realty took mailers/flyers for their staff and customers. During open houses at the convention center, the flyers and mailers were distributed to attendees. Mr. Pearson recalls that one box of mailers/flyers was left after the election.

**Newspaper:**

How many times was the ad in the newspaper? The advertisement was in the Tri-City Herald on six occasions on 9.27.2017, 10.1.2017, 10.3.2017, 10.11.2017, 10.15.2017, and 10.17.2017.

What was the total cost for the advertisements in the newspaper? The total cost for the advertisements in the newspaper was *three thousand eight hundred eighty eight dollars and three cents* (\$3,888.03) see prepay memo bill (attached).

**Banner:**

How was the banner used? The banners were used on-site and they would be set up in a booth they may have had for other events such as a chamber event or a bridal show.

How many banners were printed? Six (6) banners were printed.

What was the cost for the banners? The cost for the six (6) banners were printed at a cost of *two thousand one hundred dollars* (\$2,100.00), see invoice 139-55732 (attached).

Please let me know if you have any questions or concerns Mr. Stutzman and thank you for your patience on this matter.

Best regards,

Craig A. Briggs, JD  
Attorney

**KERR FERGUSON LAW, PLLC** | Attorneys at Law | A Professional Limited Liability Company  
✉: [cbriggs@kerrlawgroup.net](mailto:cbriggs@kerrlawgroup.net) | ☎: 509.735.1542 | 📲: 509.735.0506 | 🏢: 7025 W. Grandridge Blvd. Suite A .  
Kennewick . Washington . 99336



FASTSIGNS  
1409 N. Pittsburgh St. Ste. A  
Kennewick, WA 99336

Phone 509-735-0708  
Fax. 509-783-1611  
Email: 139@fastsigns.com

## INVOICE: 139 - 55732

Page 1 of 1 Date Ordered: 7/26/2017 11:38:44AM  
Due Date: 7/27/2017 Time: 4:00:00PM  
Salesperson: Renee La Plante  
Entered By: Renee La Plante  
Date Printed: 7/26/2017

### Project Description: Banner Stands

Customer: THREE RIVERS CONVENTION CENTER  
Ordered by: Liz Lutz  
Phone: (509) 737-3702

P.O. BOX 6588  
7016 W. GRANDRIDGE BLVD.  
Kennewick, WA 99336-0628  
Email: llutz@3riverscampus.com

PRODUCT	DESCRIPTION	QTY	SIDES	H x W	UNIT COST	TOTALS
Banner Stand		6	1	1 x 1	\$350.00	\$2,100.00
Color:	White					
Text:	The Link					

PAID  
AMEX 7/31/17

Other Payments: / /  
Form of Payment Amount Initials  
TERMS: CASH

Line Item Total:	\$2,100.00
Subtotal:	\$2,100.00
Taxes:	\$180.60
Total:	\$2,280.60
Total Payments:	\$0.00
Balance Due:	\$2,280.60

RECEIVED/ACCEPTED BY / / DATE

Bill To: THREE RIVERS CONVENTION CENTER  
Attention: Liz Lutz  
P.O. BOX 6588  
7016 W. GRANDRIDGE BLVD.  
Kennewick, WA 99336-0628

7-31-17

More than fast. More than signs.™

SYSTEM\FASTSIGNS\_CRYSTAL\_Invoice-FII01



EXCELLENCE IN PRINTING  
AND MUCH MORE

Esprit Graphic Communications, Inc.  
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Kennewick, WA 99336-0493  
ph: 509-586-7858  
fx: 509-586-3153  
[www.espritinc.net](http://www.espritinc.net)

## PACKING SLIP

DATE	INVOICE #
8/17/17	35596

BILL TO
<i>Toyota Center 7000 West Grandridge Kennewick, WA 99336</i>

SHIP TO

P.O. NO.	TERMS	SHIP DATE	SHIP VIA	JOB NUMBER
<i>Liz Lutz</i>	<i>Net 10</i>	<i>8/17/17</i>	<i>client p.u.</i>	<i>30004</i>
ORDERED	SHIPPED	DESCRIPTION		
<i>3,000</i>	<i>3,000</i>	<i>The Link Flyers Sales Tax</i>		

*\* 113.03*



Esprit Graphic Communications, Inc.  
P.O. Box 5493  
Kennewick, WA 99336-0493  
ph: 509.586.7858  
fx: 509.586.3153  
[www.espritinc.net](http://www.espritinc.net)

## INVOICE

DATE	INVOICE #
9/21/17	35698

BILL TO
<i>Toyota Center 7000 West Grandridge Kennewick, WA 99336</i>

SHIP TO
Building: <u>TRCC</u> Account #: <u>8010</u> SEP 25 2017 Approved By: <u>RP</u> Posted: <u>J</u>

P.O. NO.	TERMS	DUE DATE	SHIP DATE	SHIP VIA	JOB NUMBER
<i>Liz Lutz</i>	<i>Net 10</i>	<i>10/20/17</i>	<i>10/2/17</i>	<i>US Post Office</i>	<i>30085</i>
ORDERED	SHIPPED	DESCRIPTION			AMOUNT
14,000	14,000	<i>The Link Mailers</i> <i>10,549 addressed &amp; mailed</i> <i>3,451 to client</i> <i>Sales Tax</i>			3,648.00
					313.73
<i>Thank You - We appreciate your business!</i>			<b>Total</b>		\$3,961.73

*All work performed by Esprit Graphic Communications, Inc. is SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE SIDE OF THIS INVOICE.*

*To avoid finance charges of 1.5% monthly or 18% annually, please pay by due date.*

Building: TRCC  
Account #: 8010

SEP 26 2017

Approved By: CP  
Poster:



**tricityherald.com**

333 W Canal Dr • Kennewick, WA 99336 • 509-582-1500

Date: September 25, 2017

Account: The Link - Three Rivers Convention Center

Carol Perkins 509-582-1438 office; 509-879-4552 cell

email: cperkins@tricityherald.com

Account Number -

TRC #3 448389 - The Link POLITICAL - PO 1899

### **PREPAY MEMO BILL**

#### **1/4 Page Full Color**

Date	Width x Height	Col Inches	Cost PCI	Color Cost	Discount	Cost
Wednesday, September 27, 2017	5.229 x 9.75	29.25	\$22.21	\$234.00		\$883.64
Sunday, October 01, 2017	5.229 x 9.75	29.25	\$22.21	\$234.00	30%	\$618.55
Tuesday, October 03, 2017	5.229 x 9.75	29.25	\$22.21	\$234.00	50%	\$441.82
Wednesday, October 11, 2017	5.229 x 9.75	29.25	\$22.21	\$234.00		\$883.64
Sunday, October 15, 2017	5.229 x 9.75	29.25	\$22.21	\$234.00	30%	\$618.55
Tuesday, October 17, 2017	5.229 x 9.75	29.25	\$22.21	\$234.00	50%	\$441.82

Total Net Investment **\$3,888.83**

Please remit payment to:  
Tri-City Herald  
Attn: Carol Perkins  
333 W. Canal Drive  
Kennewick, WA 99336

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The Kennewick Public Facilities District  
Regular Meeting  
Three Rivers Convention Center  
Boardroom

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June 22, 2017

Agenda

5:00 p.m.

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### **Call to Order**

President, Barbra Johnson called the meeting to order at 5:01 pm.

### **Roll Call**

Liz Lutz called the roll.

Present: Barbra Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; Calvin Dudney, Board Member; Renee Brooks, Board Member.

A quorum was established.

Also, present: Corey Pearson, Executive Director; Liz Lutz, Executive Assistant; Lara Watkins, Visit Tri-Cities; Jen Newton, SpringHill Suites; Heather Breymeyer, Sales Director; Joe Potts, Finance Director; Rob Gierke, Operations Director; Rob Chapin, Food and Beverage Director; Steve Mallory, Arculus Design;

Heather Breymeyer, led in the Pledge of Allegiance.

### **Approval of Agenda**

John Neill moved to approve the agenda as presented; Renee Brooks second the motion. The motion carried unanimously.

### **Consent Agenda**

*All matters listed within the Consent Agenda have been distributed to each Board Member of the Public Facilities District for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.*

- a) Minutes of May 18, 2017 Board Meeting
- b) Claims roster dated May 2017 for \$243,786.47 (TC)  
Warrants: 18753-18822      Voids: none
- c) Claims roster dated May 2017 for \$216,554.26 (TRCC)  
Warrants: 15113-15188      Voids: none
- d) Claims roster date May 2017 for \$0 (Box Office)  
Warrants: none written      Voids: none

- e) Total May 2017 payroll paid out: \$240,196.49

John Neill reported that claims rosters and warrants have been reviewed and accounted for and moved for approval of Consent Agenda as presented. Renee Brooks seconded the motion. The motion carried unanimously.

## **Visitors**

Barbra Johnson opened the floor to any visitors who wished to address the Board regarding matters that are not currently on the agenda. No Visitors were present.

## **New Business**

### **a) May Financial Reports**

John Potts gave the financial reports for May and the 2016 Audit for both buildings. At the completion of his reports and after some discussion by the Board related to certain items, John Neill moved to accept the May financial reports as presented. Ron Hue seconded the motion, the motion carried unanimously.

### **b) Expansion Report**

Corey Pearson discussed the options on when to put the Link project back on the ballot and to create a Link committee to present and make a recommendation at the July Board meeting.

### **c) Executive Director Report**

Corey Pearson gave a quick update on building success and excited for upcoming events.

### **d) Visit Tri-Cities Report**

Lara Watkins gave an update on current leads, many upcoming site visits in the next couple months.

### **e) Visit Tri-Cities Report**

Jen Newton had a brief report on the current blocks and recent sales blitz.

## **Board Comments/Discussion**

General comments from the Board were given expressing thanks and appreciation to the staff for a job well done.

## **Adjournment/Recess**

Meeting adjourned at 6:13pm

*The KPDF Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.*

Elizabeth Lutz

Approved by the Board of Directors

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The Kennewick Public Facilities District  
Special Meeting  
Toyota Center  
Charter Lounge

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July 20, 2017

Agenda

5:00 p.m.

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### **Call to Order**

President, Barbara Johnson called the meeting to order at 5:02 pm.

### **Roll Call**

Liz Lutz called the roll.

Present: Barbra Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; Renee Brooks, Board Member; Excused, Calvin Dudney, Board Member.

A quorum was established.

Also, present: Corey Pearson, Executive Director; Liz Lutz, Executive Assistant; Kris Watkins, Visit Tri-Cities; Kathy Moore, SpringHill Suites; Heather Breymeyer; Joe Potts, Finance Director; Rob Gierke, Operations Director; Steve Young, Mayor; Eric Van Winkle.

Steve Young, led in the Pledge of Allegiance.

### **Approval of Agenda**

John Neill moved to approve the agenda as presented; Renee Brooks second the motion. The motion carried unanimously.

### **Consent Agenda**

*All matters listed within the Consent Agenda have been distributed to each Board Member of the Public Facilities District for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.*

- a) Minutes of June 22, 2017 Board Meeting
- b) Claims roster dated June 2017 for \$487,113.25 (TC)  
Warrants: 18823-18877      Voids: none
- c) Claims roster dated June 2017 for \$398,051.96 (TRCC)  
Warrants: 15190-15249      Voids: none
- d) Claims roster date June 2017 for \$0 (Box Office)  
Warrants: none written      Voids: none
- e) Total June 2017 payroll paid out: \$181,477.91

John Neill reported that claims rosters and warrants have been reviewed and accounted for and moved for approval of Consent Agenda as presented. Ron Hue seconded the motion. The motion carried unanimously.

## **Visitors**

Barbra Johnson opened the floor to any visitors who wished to address the Board regarding matters that are not currently on the agenda. No Visitors were present.

## **New Business**

**a) June Financial Reports**

John Neill gave the financial reports for June. At the completion of his reports and after some discussion by the Board related to certain items, Ron Hue moved to accept the June financial reports as presented. Renee Brooks seconded the motion, the motion carried unanimously.

**b) CIP- AV Equipment**

Corey Pearson and Rob Gierke asked the Board to approve \$82,000 for new AV equipment. Barbara Johnson made a motion to approve the CIP for new AV equipment Ron Hue seconded the motion. The motion carried unanimously.

**c) Expansion Report**

Corey Pearson approached the Board for putting the Link back on the November ballot. Discussion was held on the educational side of the campaign with options on moving forward with the November election.

**d) Resolution 118-17: A resolution providing for the submission of a proposition to the qualified voters of the Kennewick Public Facilities District imposing a 2/10 of 1% sales and use tax for the purpose of funding the expansion and improvements to the Three Rivers Campus; and requesting that the Benton County Auditor place the proposition on the November ballot.**

Barbara Johnson presented Resolution 118-17 to the board for approval.

Renee Brooks moved to approve Resolution 118-17 as presented; John Neill second the motion. The motion unanimously carried.

**e) Resolution 119-17: A resolution establishing Pro and Con Committee to develop ballot pamphlet statements.**

Barbara Johnson presented Resolution 119-17. Establishing pro and con committees required by law. The statements by these committees will be placed on November 7<sup>th</sup> ballot for Kennewick voters to view.

Ron Hue moved to approve Resolution 119-17 as presented. John Neill seconded the motion. The motion unanimously carried.

**f) Executive Director Report**

Corey Pearson gave an update on new shows booked for the fall of 2017.

**g) Visit Tri-Cities Report**

Kris Watkins discussed the most recent RFP reported on new conventions booked for 2019-2022.

**h) SpringHill Suites Report**

Kathy Moore shared total room bookings for the past couple months conjunction with conventions held next door.

## **Board Comments/Discussion**

General comments from the Board were given expressing thanks and appreciation to the staff for a job well done.

## **Adjournment/Recess**

Meeting adjourned at 6:14pm

*The KPDF Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.*

Elizabeth Lutz

Approved by the Board of Directors

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The Kennewick Public Facilities District  
Regular Meeting  
Three Rivers Convention Center  
Boardroom

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August 24, 2017

Agenda

5:00 p.m.

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### **Call to Order**

President, Barbara Johnson called the meeting to order at 5:01 pm.

### **Roll Call**

Liz Lutz called the roll.

Present: Barbra Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; Renee Brooks, Board Member; Excused, Calvin Dudney, Board Member.

A quorum was established.

Also, present: Corey Pearson, Executive Director; Liz Lutz, Executive Assistant; Kim Shugart, Visit Tri-Cities; Jen Newtonson, SpringHill Suites; Joe Potts, Finance Director; Steve Mallory, Arculus Design;

Ron Hue, led in the Pledge of Allegiance.

### **Approval of Agenda**

Renee Brooks moved to approve the agenda as presented; Ron Hue second the motion.  
The motion carried unanimously.

### **Consent Agenda**

*All matters listed within the Consent Agenda have been distributed to each Board Member of the Public Facilities District for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.*

- a) Minutes of July 20, 2017 Board Meeting
- b) Claims roster dated July 2017 for \$120,807.61 (TC)  
Warrants: 18878-18924      Voids: none
- c) Claims roster dated July 2017 for \$187,698.68 (TRCC)  
Warrants: 15250-15308      Voids: none
- d) Claims roster date July 2017 for \$0 (Box Office)  
Warrants: none written      Voids: none
- e) Total July 2017 payroll paid out: \$187,341.52

John Neill reported that claims rosters and warrants have been reviewed and accounted for and moved for approval of Consent Agenda as presented. Ron Hue seconded the motion. The motion carried unanimously.

## **Visitors**

Barbra Johnson opened the floor to any visitors who wished to address the Board regarding matters that are not currently on the agenda. No Visitors were present.

## **New Business**

**a) July Financial Reports**

John Neill gave the financial reports for July. At the completion of his reports and after some discussion by the Board related to certain items, Renee Brooks moved to accept the July financial reports as presented. Ron Hue seconded the motion, the motion carried unanimously.

**b) Expansion Report**

Corey Pearson discussed how the educational campaign was going with commercials, a booth at fair, and materials are shaping up for the November ballot.

**c) Executive Director Report**

Corey Pearson gave an update on new shows booked for the fall of 2017 and how the Americans are getting ready for their season to start next month.

**d) Visit Tri-Cities Report**

Kim Shugart discussed the most recent RFP reported on new conventions booked for the Convention center.

**e) SpringHill Suites Report**

Jen Newton shared total room bookings for the past couple months conjunction with conventions held next door.

## **Board Comments/Discussion**

General comments from the Board were given expressing thanks and appreciation to the staff for a job well done.

## **Adjournment/Recess**

Meeting adjourned at 5:56pm

*The KPDF Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.*

Elizabeth Lutz

Approved by the Board of Directors

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The Kennewick Public Facilities District  
Special Meeting  
Three Rivers Convention Center  
Boardroom

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September 20, 2017

Agenda

5:00 p.m.

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### **Call to Order**

President, Barbara Johnson called the meeting to order at 5:03 pm.

### **Roll Call**

Liz Lutz called the roll.

Present: Barbra Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; Renee Brooks, Board Member; Excused, Calvin Dudney, Board Member.

A quorum was established.

Also, present: Corey Pearson, Executive Director; Liz Lutz, Executive Assistant; Kim Shugart, Visit Tri-Cities; Joe Potts, Finance Director; Steve Mallory, Arculus Design; Andy See, Marketing Director.

Andy See, led in the Pledge of Allegiance.

### **Approval of Agenda**

John Neill moved to approve the agenda as presented; Renee Brooks second the motion. The motion carried unanimously.

### **Consent Agenda**

*All matters listed within the Consent Agenda have been distributed to each Board Member of the Public Facilities District for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.*

- a) Minutes of August 20, 2017 Board Meeting
- b) Claims roster dated August 2017 for \$0 (TC)  
Warrants:              Voids: none
- c) Claims roster dated August 2017 for \$0 (TRCC)  
Warrants:              Voids: none
- d) Claims roster date August 2017 for \$0 (Box Office)  
Warrants: none written              Voids: none
- e) Total August 2017 payroll paid out: \$0

John Neill reported that claims rosters and warrants have not been reviewed and will be approved at the October Board meeting. John Neill moved for approval of Consent Agenda as presented. Ron Hue seconded the motion. The motion carried unanimously.

## **Visitors**

Barbra Johnson opened the floor to any visitors who wished to address the Board regarding matters that are not currently on the agenda. No Visitors were present.

## **New Business**

**a) July Financial Reports**

John Neill gave the financial reports for August. At the completion of his reports and after some discussion by the Board related to certain items, the Board decided to approve August financials at the October Board meeting.

**b) Date Changes for November and December Board Meetings**

Discussion was held about changing dates for November and December Board meetings due to falling on Holidays. Dates will be finalized at October Board meeting.

**c) VenuWorks regarding Hermiston**

Corey Pearson discussed VenuWorks would like to bid for the management contract for the Hermiston facility. The Hermiston facility is within the 175 mile non-compete radius that is stated in the contract between VenuWorks and the KPFM; however, Steve Peters doesn't feel that there would be an issue with competition.

Discussion incurred

Calvin Dudney motioned to approve a onetime variance to the VenuWorks contract, and allow VenuWorks to bid for the management contract in Hermiston. Ron Hue seconded the motion.

Motion carried.

**d) Community Work Force Agreement Renewal**

Corey Pearson gave a refresher on the Community Work Force agreement with the local unions. Barbara Johnson made a motion to renew the agreement and Ron Hue seconded the motion. The motion carried unanimously.

**e) Expansion Report**

Corey Pearson gave an update on the educational campaign with open houses in the process.

**f) Executive Director Report**

Corey Pearson discussed upcoming events the campus had over the next couple of weeks.

**g) Visit Tri-Cities Report**

Kim Shugart gave an update on upcoming leads and he booked business for 2019.

**h) SpringHill Suites Report**

No one present at meeting.

## **Board Comments/Discussion**

General comments from the Board were given expressing thanks and appreciation to the staff for a job well done.

## **Adjournment/Recess**

Meeting adjourned at 6:04pm

*The KPFM Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.*

Elizabeth Lutz

Approved by the Board of Directors

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The Kennewick Public Facilities District  
Regular Meeting  
Three Rivers Convention Center  
Boardroom

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October 26, 2017

Agenda

5:00 p.m.

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### **Call to Order**

President, Barbara Johnson called the meeting to order at 5:08 pm.

### **Roll Call**

Liz Lutz called the roll.

Present: Barbra Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; Renee Brooks, Board Member; Excused, Calvin Dudney, Board Member.

A quorum was established.

Also, present: Corey Pearson, Executive Director; Liz Lutz, Executive Assistant; Kim Shugart, Visit Tri-Cities; Joe Potts, Finance Director; Steve Mallory, Arculus Design; Eric Ferguson, Attorney;

### **Approval of Agenda**

Renee Brooks moved to approve the agenda as presented; Ron Hue second the motion.  
The motion carried unanimously.

### **Consent Agenda**

*All matters listed within the Consent Agenda have been distributed to each Board Member of the Public Facilities District for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.*

- a) Minutes of September 20, 2017 Board Meeting
- b) Claims roster dated August 2017 for \$223,831.58 (TC)  
Warrants:18925-18985      Voids: none
- c) Claims roster dated August 2017 for \$190,269.34 (TRCC)  
Warrants:15309-15379      Voids: none
- d) Claims roster date August 2017 for \$0 (Box Office)  
Warrants: none written      Voids: none
- e) Total August 2017 payroll paid out: \$200,348.58

John Neill reported that claims rosters and warrants have been reviewed and accounted for and moved for approval of Consent Agenda as presented. Renee Brooks seconded the motion. The motion carried unanimously.

## **Visitors**

Barbra Johnson opened the floor to any visitors who wished to address the Board regarding matters that are not currently on the agenda. No Visitors were present.

## **EXECUTIVE SESSION**

### **Pursuant to RCW 42.30.110 (1) (g) – To discuss pending litigation**

Barbara Johnson recessed the Special Meeting at 5:16 pm to convene into an Executive Session. Barbara Johnson announced the Executive Session would last no more than 20 minutes and no anticipated action would come out of it. The board meet for another 40 minutes.

At 6:11 pm the Executive Session was adjourned and the Regular Meeting was reconvened.

## **New Business**

### **a) August Financial Reports**

Joe Potts gave the financial reports for August. At the completion of his reports and after some discussion by the Board related to certain items, Renee Brooks moved to accept the August financial reports as presented. Ron Hue seconded the motion, the motion carried unanimously.

### **b) Date Changes for November and December Board Meetings**

Discussion was held about changing dates for November and December Board meetings due to falling on Holidays, new dates are set for November 21<sup>st</sup> and December 21<sup>st</sup>.

### **c) Expansion Report**

Corey Pearson gave an update on the educational campaign.

### **d) Executive Director Report**

Corey Pearson discussed upcoming events the campus had over the next couple of weeks.

### **e) Visit Tri-Cities Report**

Kim Shugart gave an update on upcoming leads and he booked business for 2019.

### **f) SpringHill Suites Report**

No one present at meeting.

## **Board Comments/Discussion**

General comments from the Board were given expressing thanks and appreciation to the staff for a job well done.

## **Adjournment/Recess**

Meeting adjourned at 6:31pm

*The KPFD Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.*

Elizabeth Lutz

Approved by the Board of Directors

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The Kennewick Public Facilities District  
Regular Meeting  
Three Rivers Convention Center  
Boardroom

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November 21, 2017

Agenda

5:00 p.m.

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### **Call to Order**

President, Barbara Johnson called the meeting to order at 5:00 pm.

### **Roll Call**

Liz Lutz called the roll.

Present: Barbra Johnson, President; John Neill, Treasurer; Ron Hue, Secretary; Renee Brooks, Board Member; Calvin Dudney, Board Member.

A quorum was established.

Also, present: Corey Pearson, Executive Director; Liz Lutz, Executive Assistant; Lara Watkins, Visit Tri-Cities; Joe Potts, Finance Director; Steve Mallory, Arculus Design; Rob Chapin, Food and Beverage Director.

Liz Lutz, led in the Pledge of Allegiance.

### **Approval of Agenda**

John Neill moved to approve the agenda as presented; Ron Hue second the motion.  
The motion carried unanimously.

### **Consent Agenda**

*All matters listed within the Consent Agenda have been distributed to each Board Member of the Public Facilities District for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.*

- a) Minutes of October 26, 2017 Board Meeting
- b) Claims roster dated September 2017 for \$858,638.33 (TC)  
Warrants: 18986-19100      Voids: none
- c) Claims roster dated September 2017 for \$189,482.23 (TRCC)  
Warrants: 15380-15457      Voids: none
- d) Claims roster date September 2017 for \$0 (Box Office)  
Warrants: none written      Voids: none

- e) Total September 2017 payroll paid out: \$259,367.96
- f) Claims roster dated October 2017 for \$501,458.99 (TC)  
Warrants: 19101-19195      Voids: none
- g) Claims roster dated October 2017 for \$164,536.12 (TRCC)  
Warrants: 15458-15532      Voids: none
- h) Claims roster date October 2017 for \$0 (Box Office)  
Warrants: none written      Voids: none
- i) Total October 2017 payroll paid out: \$415,367.05

John Neill reported that claims rosters and warrants have been reviewed and accounted for and moved for approval of Consent Agenda as presented. Calvin Dudney seconded the motion. The motion carried unanimously.

## **Visitors**

Barbra Johnson opened the floor to any visitors who wished to address the Board regarding matters that are not currently on the agenda. No Visitors were present.

## **New Business**

### **a) September and October Financial Reports**

Joe Potts gave the financial reports for September and October. At the completion of his reports and after some discussion by the Board related to certain items, John Neill moved to accept the September and October financial reports as presented. Renee Brooks seconded the motion, the motion carried unanimously.

### **b) Increase 2017 Three Rivers Convention Center Budgetary Expenditure Authority**

John Neill moved to amend the 2017 operating budget as presented, authorizing regular operational expenses of \$2,806,000 for the period of January 1 to December 31, 2017. Calvin Dudney seconded the motion. The motion carried unanimously.

### **c) Expansion Report**

Corey Pearson discussed with the Board the failed measure.

### **d) Executive Director Report**

Corey Pearson discussed upcoming events the campus had over the next couple of weeks.

### **e) Visit Tri-Cities Report**

Lara Watkins gave an update on upcoming leads and he booked business for 2019.

## **Board Comments/Discussion**

General comments from the Board were given expressing thanks and appreciation to the staff for a job well done.

## **Adjournment/Recess**

Meeting adjourned at 5:52pm

*The KPFM Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.*

Elizabeth Lutz

Approved by the Board of Directors

# PDC Interpretation

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**APPROVAL DATE:** September 28, 2004;      **NUMBER:**            04-02  
Amended September 28, 2006;  
Amended August 23, 2012;  
Amended May 22, 2013

**STATUS:** Approved                                  **SUPERSEDES:** Interpretation 00-05

**REFERENCES:** [RCW 42.17A.555](#)                                  **APPROVED BY:** The Commission

**SEE ALSO:** [WAC 390-05-271](#) and [WAC 390-05-273](#)

**FORMER:** RCW 42.17.130

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## Guidelines for Local Government Agencies in Election Campaigns\*

Public Disclosure Law Re: Use of Public Facilities in Campaigns

### USE OF THE GUIDELINES

These Guidelines are meant to aid and assist in compliance with the law.

This document is an educational tool that is an expression of the Commission's view of the meaning of [RCW 42.17A.555](#) and relevant administrative rules and case law involving local government and election campaign activity. It is intended to provide guidance regarding the Commission's approach and interpretation of how the statutory prohibition on the use of public facilities for campaigns impacts activities that may be contemplated by government employees and other persons who may seek to utilize those public facilities. Readers are strongly encouraged to review the statute and rules referenced in these Guidelines.

For ease of reference, the majority of this interpretation is in chart form. In part, the chart identifies categories of persons, some possible activities, and some general considerations. These illustrative examples in the columns of the chart are not intended to be exhaustive.

For example, the categories of persons identified are, in many cases, illustrative only and simply identify groups of persons more likely to undertake or consider undertaking the activity mentioned in the adjacent columns. If an activity is described as being viewed as "Permitted," it is viewed as permitted for all agency personnel otherwise having the authority under law or agency policy to undertake that action, not just the persons identified in the chart or in a particular column. The same approach is applied to the "Not Permitted" column. Further, the remarks in the chart's "General Considerations" column have relevance for the entire section and are not limited to the specific bullet point immediately to the left of the general consideration.

As noted in the Basic Principles section below, hard and fast rules are difficult to establish for every fact pattern involving agency facilities that may occur.

\*School Districts are directed to [Guidelines for School Districts in Election Campaigns, Interpretation 01-03](#).

Situations may arise that are not squarely addressed by the guidelines or that merit additional discussion. The PDC urges government agencies to review the guidelines in their entirety, and to consult with their own legal counsel and with the PDC. The PDC can be reached at <mailto:pdc@pdc.wa.gov>, 360/753-1111 or toll free at 1-877-601-2828.

#### **RCW 42.17A.555**

#### **Use of public office or agency facilities in campaigns — Prohibition — Exceptions.**

No elective official nor any employee of his or her office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition. Facilities of a public office or agency include, but are not limited to, use of stationery, postage, machines, and equipment, use of employees of the office or agency during working hours, vehicles, office space, publications of the office or agency, and clientele lists of persons served by the office or agency. However, this does not apply to the following activities:

(1) Action taken at an open public meeting by members of an elected legislative body or by an elected board, council, or commission of a special purpose district including, but not limited to, fire districts, public hospital districts, library districts, park districts, port districts, public utility districts, school districts, sewer districts, and water districts, to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the legislative body, members of the board, council, or commission of the special purpose district, or members of the public are afforded an approximately equal opportunity for the expression of an opposing view;

(2) A statement by an elected official in support of or in opposition to any ballot proposition at an open press conference or in response to a specific inquiry;

(3) Activities which are part of the normal and regular conduct of the office or agency.

(4) This section does not apply to any person who is a state officer or state employee as defined in [RCW 42.52.010](#).

#### **Notes:**

**Finding -- Intent -- 2006 c 215:** "(1) The legislature finds that the public benefits from an open and inclusive discussion of proposed ballot measures by local elected leaders, and that for twenty-five years these discussions have included the opportunity for elected boards, councils, and commissions of special purpose districts to vote in open public meetings in

order to express their support of, or opposition to, ballot propositions affecting their jurisdictions.

(2) The legislature intends to affirm and clarify the state's long-standing policy of promoting informed public discussion and understanding of ballot propositions by allowing elected boards, councils, and commissions of special purpose districts to adopt resolutions supporting or opposing ballot propositions." [\[2006 c 215 § 1.\]](#)

#### **WAC 390-05-271**

##### **General applications of [RCW 42.17A.555](#).**

- (1) [RCW 42.17A.555](#) does not restrict the right of any individual to express his or her own personal views concerning, supporting, or opposing any candidate or ballot proposition, if such expression does not involve a use of the facilities of a public office or agency.
- (2) [RCW 42.17A.555](#) does not prevent a public office or agency from (a) making facilities available on a nondiscriminatory, equal access basis for political uses or (b) making an objective and fair presentation of facts relevant to a ballot proposition, if such action is part of the normal and regular conduct of the office or agency.

#### **WAC 390-05-273**

##### **Definition of normal and regular conduct.**

Normal and regular conduct of a public office or agency, as that term is used in the proviso to [RCW 42.17A.555](#), means conduct which is (1) lawful, i.e., specifically authorized, either expressly or by necessary implication, in an appropriate enactment, and (2) usual, i.e., not effected or authorized in or by some extraordinary means or manner. No local office or agency may authorize a use of public facilities for the purpose of assisting a candidate's campaign or promoting or opposing a ballot proposition, in the absence of a constitutional, charter, or statutory provision separately authorizing such use.

Similar prohibitions on the use of public facilities by state employees and state officers are described in a memorandum from the Attorney General's Office regarding [RCW 42.52](#) and available at

<http://www.ethics.wa.gov/RESOURCES/Resources.htm><http://www.ethics.wa.gov/RESOURCES.htm>

#### **BASIC PRINCIPLES**

1. Public facilities may not be used to support or oppose a candidate or ballot proposition. [RCW 42.17A.555](#). Facilities include local government agency equipment, buildings, supplies, employee work time, and agency publications. The statute includes an exception to the prohibition for "activities which are part of the normal and regular conduct of the office or agency."
2. The Public Disclosure Commission holds that it is not only the right, but the responsibility of local government to inform the general public of the operational and maintenance issues facing local agencies. This includes informing the community of

the needs of the agency that the community may not realize exist. Local governments may expend funds for this purpose provided that the preparation and distribution of information is not for the purpose of influencing the outcome of an election.

3. Public employees do not forfeit their rights to engage in political activity because of their employment. Neither may agency employees be subjected to coercion, pressure, or undue influence to participate in political activity or to take a particular position. Public officials and employees should make it clear that any participation is personal rather than officially sponsored.
4. Supervisory personnel have a duty to know, apply, and communicate to their staffs the difference between acceptable information activities and inappropriate promotional activities in support of local government ballot measures.
5. Local elected officials are free to support agency ballot issues and engage in other political activities as long as such activities do not make use of government facilities, time or resources and do not either pressure or condone employees' use of agency facilities, time or resources to support ballot issues.
6. The PDC is charged with enforcing [RCW 42.17A.555](#). This requires consideration and analysis of activities, which may or may not be determined to be in violation of the statute. The PDC has, over the years, developed methods of considering and analyzing activities engaged in by public offices. Among the factors considered are the normal and regular conduct and the timing, tone, and tenor of activities in relation to ballot measure elections. As in any matter where intent is to be considered, hard and fast rules, which will be applicable to all situations, are difficult to establish.

The combination of a number of activities into a coordinated campaign involving close coordination between agency activities and citizens' committee activities which closely resembles traditional election campaign activities and which is targeted at and/or occurs close in time to a ballot measure election is likely to draw close scrutiny and careful consideration by the PDC as to whether a violation has occurred.

- 7.a. Historically, the PDC has routinely advised and held that with respect to election-related publications, one jurisdiction-wide objective and fair presentation of the facts per ballot measure is appropriate.

In addition, if an agency\* has also customarily distributed this information through means other than a jurisdiction-wide mailing (e.g. regularly scheduled newsletter, website, bilingual documents, or other format), that conduct has also been permitted under [RCW 42.17A.555](#) so long as the activity has been normal and regular for the government agency.

- b. The PDC will presume that every agency may distribute throughout its jurisdiction an objective and fair presentation of the facts for each ballot measure. If the agency distributes more than this jurisdiction-wide single publication, the agency must be able to demonstrate to the PDC that this conduct is normal and regular for that agency. In other words, the agency must be able to demonstrate that for other major policy issues facing the government jurisdiction, the agency has customarily communicated with its residents in a manner similar to that undertaken for the ballot measure.

- c. Agencies are urged to read the definitions of "normal and regular" at [WAC 390-05-271](#) and [WAC 390-05-273](#). **Agencies need to be aware, however, that in no case will the PDC view a marketing or sales effort related to a campaign or election as normal and regular conduct.**
- 8. The PDC attributes publications or other informational activity of a department or subdivision as the product of the local agency as a whole.
- 9. Providing an objective and fair presentation of facts to the public of ballot measures that directly impact a jurisdiction's maintenance and operation, even though the measure is not offered by the jurisdiction, may be considered part of the normal and regular conduct of the local agency. The agency must be able to demonstrate that for other major policy issues facing the jurisdiction, the agency has customarily communicated with its residents in a manner similar to that undertaken for the ballot measure.
- 10. State law provides certain exemptions from the prohibition on the use of public office or agency facilities in campaigns for an elected legislative body, an elected board, council or commission of a special purpose district, and elected officials that are not afforded appointed officials. [RCW 42.17A.555 \(1\) and \(2\)](#) apply only to these elected bodies and elected officials.\*\*

\*Agency means any county, city, town, port district, special district, or other state political subdivision.

\*\*See [Chapter 215, Laws of 2006](#) and [AGO 2005 No. 4](#).

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Persons	Permitted	Not Permitted	General Considerations
<b>Agency* Administrators</b> (County Administrator, City Manager, Executive Director, Fire Chief, PUD Manager, Etc.)	<ul style="list-style-type: none"> <li>• May inform staff during non-work hours<sup>1</sup> of opportunities to participate in campaign activities.<sup>2</sup></li> <li>• Are encouraged to communicate to staff the difference between acceptable and unacceptable activities related to a ballot measure.</li> <li>• In the course of normal publications for the agency, may distribute an objective and fair presentation of the facts<sup>3</sup> based on and expanded upon the information<sup>4</sup> prepared by the agency in accordance with the normal and regular conduct of the agency.<sup>5</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Shall not pressure or coerce employees to participate in campaign activities.</li> <li>• Shall not use internal memoranda solely for the purpose of informing employees of meetings supporting or opposing ballot measures.</li> <li>• Shall not coordinate informational activities with campaign efforts, in a manner that makes the agency appear to be supporting or opposing a ballot measure.</li> </ul>	<ul style="list-style-type: none"> <li>• Has there been communications with staff and with union representatives regarding the prohibition on the use of the agency's internal mail or email system to support or oppose a ballot measure?</li> <li>• Is the distribution of this information consistent with the normal practices of the agency (such as newsletters, websites, or some other format)?</li> </ul>

<sup>1</sup> Agencies may set the definition of work hours for their employees. For example, to the extent that an agency defines the lunch hour as a non-work hour, activities to support or oppose a candidate or a ballot measure that do not use public resources and that are held away from government facilities are permitted during the lunch hour.

<sup>2</sup> [RCW 42.17A.495\(2\)](#) provides that “[n]o employer or labor organization may discriminate against an officer or employee in the terms or conditions of employment for (a) the failure to contribute to, (b) the failure in any way to support or oppose, or (c) in any way supporting or opposing a candidate, ballot proposition, political party, or political committee.”

<sup>3</sup> Throughout these guidelines, the clause “objective and fair presentation of the facts” means that in addition to presenting the facts, the materials should present accurately the costs and other anticipated impacts of a ballot measure.

<sup>4</sup> For the purposes of these guidelines, “information” refers to the documents prepared, printed, and mailed to persons within the governmental jurisdiction by that agency solely for the purposes of informing residents regarding an upcoming ballot measure. The agency may continue to distribute information consistent with the customary practices of the agency, including but not limited to newsletters, websites, and multi-lingual documents. These publications may continue, but if they discuss the ballot measure, the information needs to be an objective and fair presentation of the facts.

<sup>5</sup> For the purpose of these guidelines, the term “normal and regular” is defined in [WAC 390-05-273](#) and clarified further by [WAC 390-05-271](#).

\*Agency means any county, city, town, port district, special district, or other state political subdivision.

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Persons	Permitted	Not Permitted	General Considerations
<b>Agency Administrators</b> (continued)	<ul style="list-style-type: none"> <li>• May speak at community forums and clubs to present factual and objective information on a ballot measure during regular work hours.</li> <li>• May encourage staff and members of the public to vote, as long as such encouragement routinely occurs for other elections.</li> <li>• May respond to questions regarding a ballot measure if such activity is consistent with his or her normal and regular duties.</li> <li>• May wear campaign buttons or similar items while on the job if the agency's policy generally permits employees to wear political buttons.</li> <li>• May engage in campaign activities on their own time, during non-work hours and without using public resources.</li> </ul>	<ul style="list-style-type: none"> <li>• Shall not use public resources to operate a speakers' bureau in a manner that may be viewed as promoting a ballot measure.</li> </ul>	<ul style="list-style-type: none"> <li>• Is the information provided an objective and fair presentation of the facts?</li> <li>• Is the activity consistent with the agency's normal and regular course of business?</li> <li>• Do the materials accurately present the costs and other anticipated impacts of a ballot measure?</li> <li>• For considerations regarding uniforms and related equipment, see pages 14-18.</li> </ul>
<b>Community Groups</b>	<ul style="list-style-type: none"> <li>• May use agency facilities for meetings supporting or opposing a ballot measure to the extent that the facilities are made available on an equal access, nondiscriminatory basis, and it is part of the normal and regular activity of the jurisdiction.</li> </ul>	<ul style="list-style-type: none"> <li>• Shall not use agency facilities to produce materials that support or oppose a ballot measure.</li> </ul>	

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Persons	Permitted	Not Permitted	General Considerations
<b>Local Elected Legislative Body*</b>	<ul style="list-style-type: none"> <li>• May collectively vote to support or oppose a ballot measure at a properly noticed public meeting, where opponents of the measure are given an equal opportunity to express views.<sup>6</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Shall not pressure or coerce agency management to participate in campaign activities.</li> <li>• Shall not explicitly include passage of a ballot measure in the agency's annual goals.</li> </ul>	

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<sup>6</sup> [RCW 42.17A.555\(1\)](#) provides that action may be “taken at an open public meeting by members of an elected legislative body or by an elected board, council, or commission of a special purpose district including, but not limited to, fire districts, public hospital districts, library districts, park districts, port districts, public utility districts, school districts, sewer districts, and water districts, to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a)any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the legislative body, members of the board, council, or commission of the special purpose district, or members of the public are afforded an approximately equal opportunity for the expression of an opposing view;”.

\* The term “elected” modifies the term “body,” connoting that the body itself must be elected. “We therefore conclude that bodies composed in any of the three ways you suggest in your question are not elected bodies for purposes of RCW 42.17.130 [the former codification of [RCW 42.17A.555](#)]. Bodies containing a combination of elected or appointed members, bodies whose members serve ex officio by virtue of being elected to another office, or informal groups of elected officials from different jurisdictions are not “elected” for purposes of this analysis.” ([AGO 2005 No. 4, Page 4](#))

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Persons	Permitted	Not Permitted	General Considerations
<b>Local Government Elected Officials</b>	<ul style="list-style-type: none"> <li>• May engage in political activities on his or her own time, if no public equipment, vehicle or facility is used. (An elected official may use his or her title, but should clarify that he/she is speaking on his/her own behalf, and not on behalf of the agency. If the elected legislative body has adopted a resolution, the official can then speak on behalf of the agency.)</li> <li>• May attend any function or event at any time during the day and voice his or her opinion about a candidate or ballot proposition as long as they are not being compensated and are not using any public equipment, vehicle or other facility.</li> </ul>	<ul style="list-style-type: none"> <li>• Shall not direct agency staff to perform tasks to support or oppose campaign activities or ballot measures.</li> <li>• Shall not use public facilities or resources to engage in political activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Is the elected official using staff time, a public vehicle, or other public resources?</li> <li>• Has the agency adopted a resolution? If yes, the elected official can speak on behalf of the agency. If not, has the elected official made it clear that he or she is not speaking on behalf of the agency?</li> <li>• For considerations regarding uniforms and related equipment, see pages 14-18.</li> <li>• For considerations regarding officials' calendars, see pages 27 - 28.</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Persons	Permitted	Not Permitted	General Considerations
<b>Appointed Officials</b> <small>(Boards, Commissions, and similar appointed positions)</small>	<ul style="list-style-type: none"> <li>May engage in political activities on his or her own time, if no public equipment, vehicle or facility is used. An appointed official may use his or her title, but should clarify that he/she is speaking on his/her own behalf, and not on behalf of the agency.</li> <li>May attend any function or event at any time during the day and voice his or her opinion about a candidate or ballot proposition as long as they are not being compensated and are not using any public equipment, vehicle or other facility.</li> </ul>	<ul style="list-style-type: none"> <li>Shall not direct agency staff to perform tasks to support or oppose campaign activities or ballot measures.</li> <li>Shall not use public facilities or resources to engage in political activities.</li> <li>Shall not use public facilities to express a collective decision or actually vote upon a motion or resolution to support or oppose a ballot proposition.</li> <li>Shall not use public facilities to make a statement at a press conference or responding to an inquiry in support or opposition to any ballot proposition.</li> </ul>	<ul style="list-style-type: none"> <li>Is the appointed official using staff time, a public vehicle, or other public resources?</li> <li>Has the appointed official made it clear that he or she is not speaking on behalf of the agency?</li> <li>For considerations regarding uniforms and related equipment, see pages 14-18.</li> <li>For considerations regarding officials' calendars, see pages 27-28.</li> </ul>
<b>Management Staff or Their Designees</b>	<ul style="list-style-type: none"> <li>May speak at community forums and clubs to present an objective and fair presentation of the facts on a ballot measure during regular work hours.<sup>7</sup></li> <li>May fully participate in campaign activities, including meeting with citizens' campaign committees to plan strategies, during non-work hours and without the use of public resources.</li> </ul>	<ul style="list-style-type: none"> <li>Shall not use public resources to operate a speakers' bureau in a manner that may be viewed as promoting a ballot measure.</li> <li>Shall not use public resources to promote or defeat a candidate or ballot measure.</li> </ul>	<ul style="list-style-type: none"> <li>Is the management staff using public resources in a manner that promotes or opposes a candidate or a ballot measure?</li> <li>Does the presentation accurately present the costs and other anticipated impacts of a ballot measure?</li> </ul>

<sup>7</sup> Agencies may set the definition of work hours for their employees. For example, to the extent that an agency defines the lunch hour as a non-work hour, activities to support or oppose a candidate or a ballot measure that do not use public resources and that are held away from agency facilities are permitted during the lunch hour.

**Public Disclosure Commission  
Guidelines for Local Government Agencies in Election Campaigns**

<b>Persons</b>	<b>Permitted</b>	<b>Not Permitted</b>	<b>General Considerations</b>
<b>Management Staff or Their Designees</b> (continued)	<ul style="list-style-type: none"> <li>• May inform staff during non-work hours of opportunities to participate in campaign activities.</li> <li>• May respond to questions regarding a ballot measure if such activity is consistent with his or her normal and regular duties.</li> <li>• May wear campaign buttons or similar items while on the job if the agency's policy generally permits employees to wear political buttons.</li> <li>• May place window signs or bumper stickers on their privately-owned cars, even if those cars are parked on government property during working hours.</li> <li>• Are encouraged to communicate to staff the difference between acceptable and unacceptable activities related to a ballot measure.</li> <li>• May encourage staff and members of the public to vote, as long as such encouragement routinely occurs for other elections.</li> </ul>	<ul style="list-style-type: none"> <li>• Shall not pressure or coerce employees to participate in campaign activities.</li> <li>• Shall not use agency resources to organize the distribution of campaign materials.</li> </ul>	<ul style="list-style-type: none"> <li>• Does the agency have a policy permitting employees to wear political buttons?</li> <li>• For considerations regarding agency employees' calendars, see pages 27- 28.</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Persons	Permitted	Not Permitted	General Considerations
<b>Agency Employees</b>	<ul style="list-style-type: none"> <li>May speak at community forums and clubs to present an objective and fair presentation of the facts on a ballot measure during regular work hours.</li> <li>May inform staff during non-work hours of opportunities to participate in campaign activities.</li> <li>May engage in campaign activities on their own time, during non-work hours and without using public resources.</li> <li>May respond to questions regarding a ballot measure if such activity is consistent with his or her normal and regular duties.</li> <li>May wear campaign buttons or similar items while on the job if the agency's policy generally allows employees to wear political buttons.</li> <li>May, during non-work hours, make available campaign materials to employees in lunchrooms and break rooms that are used only by staff or other authorized individuals.</li> </ul>	<ul style="list-style-type: none"> <li>Shall not use work hours or public resources to promote or oppose a candidate or ballot measure (such as gathering signatures, distributing campaign materials, arranging speaking engagements, coordinating phone banks, or fundraising).</li> <li>Shall not pressure or coerce other employees to participate in campaign activities.</li> <li>Shall not use agency resources to organize the distribution of campaign materials.</li> </ul>	<ul style="list-style-type: none"> <li>Do the presentations accurately present the costs and other anticipated impacts of a ballot measure?</li> <li>Is the employee acting on his or her own time, during non-work hours?</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Persons	Permitted	Not Permitted	General Considerations
<b>Agency Employees</b> (continued)	<ul style="list-style-type: none"> <li>• May place window signs or bumper stickers on their cars, even if those cars are parked on government agency property during working hours.</li> <li>• May encourage staff and members of the public to vote, as long as such encouragement routinely occurs for other elections.</li> </ul>		<ul style="list-style-type: none"> <li>• For considerations regarding agency employees' calendars, see pages 27-28.</li> </ul>
<b>Union Representatives</b>	<ul style="list-style-type: none"> <li>• May, during non-work hours, make available campaign materials to union members in lunchrooms and break rooms that are used only by staff or other authorized individuals.</li> <li>• May distribute campaign materials at union-sponsored meetings.</li> <li>• May post campaign materials on a bulletin board, if such a board is in an area that is not accessible to the general public and if such activity is consistent with the agency's policy and the collective bargaining agreements.</li> </ul>	<ul style="list-style-type: none"> <li>• Shall not use the agency's internal mail or email system to communicate campaign-related information, including endorsements.</li> <li>• Shall not distribute promotional materials in public areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Are campaign materials made available only in those areas used solely by staff or other authorized individuals?</li> <li>• Does such distribution occur during non-work hours?</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Equipment and Supplies</b>	<ul style="list-style-type: none"> <li>Agency employees, in the course of their employment, may use equipment (including but not limited to projectors and computers) to make an objective and fair presentation of the facts at community forums and clubs.</li> <li>Agency employees, in the course of their employment, may produce information that is an objective and fair presentation of the facts using public resources.</li> </ul>	<ul style="list-style-type: none"> <li>Public resources (including but not limited to internal mail systems, email systems, copiers, telephone) shall not be used to support or oppose a candidate or ballot measure, whether during or outside of work hours.</li> <li>Citizens' campaign committees and other community groups shall not use agency equipment (including but not limited to internal mail systems, projectors, computers, and copiers) to prepare materials for meetings regarding ballot measures.</li> </ul>	<ul style="list-style-type: none"> <li>Do the presentations fairly and objectively present the costs and other anticipated impacts of a ballot measure?</li> </ul>
<b>Uniforms and Related Equipment<sup>8</sup></b>	<p><i>Current Uniforms and Related Equipment</i></p> <ul style="list-style-type: none"> <li>Agency employees may use or wear their own uniforms to assist a campaign including to support or oppose a ballot proposition. This use includes any part of the employee's own uniform (shirt, pants, shoes, hat, etc.). This use includes clothing that may not appear to be a uniform (example, detective's suit). "Own uniform"</li> </ul>	<p><i>Current Uniforms and Related Equipment</i></p> <ul style="list-style-type: none"> <li>Agency employees shall not use or wear their agency-issued, agency-purchased, agency-owned or agency-replaced uniforms to assist a campaign or to support or oppose a ballot proposition.</li> <li>This prohibition applies to use of any part of such a uniform (shirt, pants, shoes, hat, etc.).</li> </ul>	<p><i>Current Uniforms and Related Equipment</i></p> <ul style="list-style-type: none"> <li>Are any public funds used to purchase, reimburse, or replace the uniforms or related equipment? See footnote 9.</li> </ul>

<sup>8</sup> For members of the judiciary subject to the Code of Judicial Conduct, see [PDC Interpretation 00-03](#).

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Uniforms and Related Equipment</b> (Continued)	<p>means: The employee has purchased the uniform. The agency has not issued, purchased or replaced the uniform, or has not reimbursed the employee for the employee's purchase of the uniform, in whole or in part (such as reimbursement to the employee through a clothing allowance used to pay for the item).<sup>9</sup></p> <ul style="list-style-type: none"> <li>These same provisions apply to related equipment including but not limited to: firearms; badges; nametags; holsters; handcuffs; hats; jackets; belts; vests; agency patches, logos, insignias, emblems; and radios.</li> </ul>	<ul style="list-style-type: none"> <li>This same prohibition applies to clothing that may not appear to be a uniform (example, a detective's suit).</li> <li>This same prohibition applies to related equipment including but not limited to: firearms; badges; nametags; holsters; handcuffs; jackets; belts; vests; shoes; agency patches, logos, insignias, emblems; and radios.</li> <li>Prohibited uses include but are not limited to using or wearing those uniforms at campaign functions or in political advertisements such as TV commercials.</li> <li>Exceptions for attending campaign functions in uniform may be made on a case-by-case basis under exigent circumstances.<sup>10</sup></li> </ul>	

<sup>9</sup> An agency's reimbursement for or other means of providing for cleaning/maintenance of uniforms or related equipment does not convert the privately-purchased item to a public facility.

<sup>10</sup> For example, in examining all the surrounding circumstances, the Commission may determine that an enforcement action will not proceed when public safety and the demands of the public employee's office with respect to an ongoing law enforcement matter unexpectedly required the official to remain in uniform at a campaign function, and if that uniform use is part of the agency's "normal and regular" activities under those circumstances. However, the Commission anticipates these situations will be rare and isolated. This exception does not apply when campaigns or employees may seek to use agency uniforms and related equipment under other circumstances, or for other campaign activities such as in political advertising.

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Uniforms and Related Equipment</b> (Continued)	<p><i>Former Uniforms and Related Equipment</i></p> <ul style="list-style-type: none"> <li>When a uniform or piece of related equipment was previously purchased, issued, replaced or reimbursed by the agency and is no longer used by the agency, the item may be used by a campaign to assist a campaign, or support or oppose a ballot measure.</li> <li>“No longer used by the agency” means the employee or agency has documented that:               <ul style="list-style-type: none"> <li>The uniform or equipment has exceeded its life expectancy as defined by the agency and/or has been officially retired by the agency;</li> <li>The uniform or equipment has been given or sold to an employee or another person following agency procedures; and,</li> <li>The agency has no expectation the uniform or equipment will be returned to or used by the agency in the future.</li> </ul> </li> </ul>		<p><i>Former Uniforms and Related Equipment</i></p> <ul style="list-style-type: none"> <li>Has the employee or campaign documented that the uniform or piece of related equipment is no longer used by the agency?</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Uniforms and Related Equipment</b>  (Continued)	<p><i>Uniforms and Related Equipment in Agency Photos/Videos</i></p> <ul style="list-style-type: none"> <li>Agency photos and agency videos depicting agency employees wearing agency uniforms may be used by a campaign to assist a campaign including to support or oppose ballot proposition, if the photos or videos: (1) were made in the ordinary course of the agency's business, (2) were not "staged" for campaign purposes and, (3) are made available to a campaign on the same terms and conditions as any other member of the public would receive the photos or videos. For example, agency photos or agency videos could be provided in response to a public records request, or by other authorized agency policy.</li> <li>This same provision applies to agency photos and agency videos depicting agency personnel wearing or using related equipment, including but not limited to: firearms; badges; nametags; holsters; handcuffs; jackets; belts; vests; agency patches, logos, insignias, emblems; and radios.</li> </ul>	<p><i>Uniforms and Related Equipment in Agency Photos/Videos</i></p> <ul style="list-style-type: none"> <li>Agency employees shall not make special arrangements for or "stage" the taking of an agency photo or agency video of an employee in uniform so the photo or video can be used for campaign purposes.</li> <li>This same prohibition applies to related equipment including but not limited to: firearms; badges; nametags; holsters; handcuffs; jackets; belts; vests; agency patches, logos, insignias, emblems; and radios.</li> </ul>	<p><i>Uniforms and Related Equipment in Agency Photos/Videos</i></p> <ul style="list-style-type: none"> <li>Was the agency photo or agency video taken in the ordinary course of agency business, and not "staged" for a campaign?</li> <li>Was a campaign provided an agency photo or agency video of an employee wearing a uniform in the same manner, and under the same conditions, as any other member of the public requesting the photo or video? For example, was the agency providing it in response to a public records request, or pursuant to authorized agency policies?</li> <li>Does the campaign's ad make it clear to voters that the public agency is not endorsing or supporting the candidate or ballot measure, even though an employee in the photo/video is wearing a uniform? It is suggested that a disclaimer be added to the advertising to clarify that the photo/video has been obtained in the manner prescribed by the agency.</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Uniforms and Related Equipment</b> (Continued)	<p><i>Uniforms and Related Equipment Purchased with Non-Public Funds</i></p> <ul style="list-style-type: none"> <li>• Agency employees and campaigns may use uniforms that are not the property of the agency and are rented or purchased with non-public funds (such as campaign funds), to assist campaigns including to support or oppose ballot propositions.</li> <li>• These same provisions apply to related equipment including but not limited to: firearms; badges; nametags; holsters; handcuffs; jackets; belts; vests; agency patches, logos, insignias, emblems; and radios.</li> </ul>	<p><i>Uniforms and Related Equipment Purchased with Public Funds</i></p> <ul style="list-style-type: none"> <li>• Public funds shall not be used to rent or purchase uniforms to assist campaigns, or to support or oppose ballot propositions.</li> <li>• This same prohibition applies to related equipment including but not limited to: firearms; badges; nametags; holsters; handcuffs; jackets; belts; vests; agency patches, logos, insignias, emblems; and radios.</li> </ul>	

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Meeting Facilities</b>	<ul style="list-style-type: none"> <li>• Agency meeting facilities, including audio visual equipment, may be used by campaign committees for activities on the same terms and conditions available to other community groups, subject to the provisions of the agency's policy.</li>   <li>• Use of agency meeting facilities is permitted when the facility is merely a "neutral forum" where the activity is taking place, and the public agency in charge of the facility is not actively endorsing or supporting the activity that is occurring.</li> </ul>		<ul style="list-style-type: none"> <li>• Can community groups typically use agency facilities?</li> <li>• Are facilities made available to all groups on the same terms?</li> <li>• Has the agency adopted a policy regarding the distribution of campaign materials on agency property?</li> <li>• Is the meeting facility customarily made available on an equal access, nondiscriminatory basis for a variety of uses?</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Lists</b>	<ul style="list-style-type: none"> <li>Lists of names (such as agency vendors or customers) that a agency has obtained or created in the course of transacting its regular public business are subject to public disclosure requirements; thus, unless otherwise exempt, the lists must be released subject to public records requests.</li> <li>Agencies may charge a pre-established fee to cover the costs of providing copies of such lists on an equal access, nondiscriminatory basis.</li> </ul>	<ul style="list-style-type: none"> <li>Agencies shall not sell copies of such lists (though they may charge a pre-established fee to recover the costs of providing copies of the lists).</li> <li>If a list is generally available as a public record, it cannot be denied to a person or group on the grounds that it might be used in a campaign.</li> </ul>	<ul style="list-style-type: none"> <li>Is the list obtained or created in the course of the agency transacting its public business?</li> <li>Are the fees charged no greater than necessary to cover the costs of providing copies?</li> <li>Has the agency complied with established policy in responding to any public record requests?</li> </ul>
<b>Voting Information</b>	<ul style="list-style-type: none"> <li>Agency personnel may encourage staff and members of the public to vote, as long as such encouragement routinely occurs for other elections.</li> <li>Public facilities may be used to register people to vote and to do periodic poll checking.</li> </ul>	<ul style="list-style-type: none"> <li>Agencies shall not pressure or coerce employees to vote.</li> <li>Agencies shall not organize an effort to encourage staff to wear campaign buttons or display campaign materials.</li> </ul>	<ul style="list-style-type: none"> <li>Is the activity related to providing voting information for elections, as opposed to advocating for or against a particular candidate or ballot measure?</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

<b>Activities and Resources</b>	<b>Permitted</b>	<b>Not Permitted</b>	<b>General Considerations</b>
<b>Agency Publications (Specific to Elections)</b>	<ul style="list-style-type: none"> <li>Agencies may develop an objective and fair presentation of the facts regarding agency needs and the anticipated impact of a ballot measure, and may distribute it in the agency's customary manner. This information<sup>11</sup> may be printed in various languages and communicated in other formats as required by the ADA.</li> <li>In the course of regular publications for the agency, the agency may distribute an objective and fair presentation of the facts for each ballot measure in accordance with the normal and regular conduct of the agency.</li> </ul>	<ul style="list-style-type: none"> <li>Agencies shall not distribute election-related information in a manner that targets specific subgroups. Targeting does not refer to mailing information to agency constituencies such as community leaders, or some other group, or to the agency's regular distribution list to provide information in a manner that is consistent with the normal and regular conduct of the agency.</li> <li>Agencies shall not publicize information supporting or opposing a candidate or ballot measure.</li> </ul>	<ul style="list-style-type: none"> <li>Does the information provide an objective and fair presentation of the facts?</li> <li>Is the timing, format, and style, including tone and tenor, of the information presented in a manner that is normal and regular for the agency?</li> <li>Is the information distributed in a manner that is normal and regular for the agency?</li> </ul>

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<sup>11</sup> For the purposes of these guidelines, "information" refers to the documents prepared, printed, and mailed jurisdiction-wide by the agency solely for the purposes of informing residents regarding an upcoming ballot measure. The agency may continue to distribute information consistent with the customary practices of the agency, including but not limited to newsletters, websites, and multi-lingual documents. These publications may continue, but if they discuss the ballot measure, the information should be an objective and fair presentation of the facts.

**Public Disclosure Commission  
Guidelines for Local Government Agencies in Election Campaigns**

<b>Activities and Resources</b>	<b>Permitted</b>	<b>Not Permitted</b>	<b>General Considerations</b>
<b>Agency Publications (Specific to Elections) (continued)</b>			<ul style="list-style-type: none"> <li>• Do the materials accurately present the costs and other anticipated impacts of a ballot measure?</li> <li>• Does the agency typically distribute information by newsletters, websites, or some other format?</li> </ul>
<b>Agency Publications (Regular)</b>	<ul style="list-style-type: none"> <li>• Agencies may include all or part of the information regarding agency needs and the anticipated impacts of a ballot measure in the agency's regular publications, such as agency and department newsletters. (For example, a department newsletter may specifically describe the projects and/or programs planned for that department.)</li> <li>• Agencies may inform staff and/or others of community meetings related to ballot measures if other such information is normally published in a newsletter or community calendar, and if both those supporting or opposing a ballot measure have the opportunity to appear on the calendar or in the newsletter.</li> </ul>	<ul style="list-style-type: none"> <li>• Agencies shall not use internal memoranda or other agency publications to encourage employees to participate in campaign activities.</li> <li>• Agencies shall not publish materials supporting or opposing a candidate or ballot measure.</li> </ul>	<ul style="list-style-type: none"> <li>• Does the agency routinely distribute such information?</li> <li>• Does the agency normally inform staff and/or parents of community activities and meetings?</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

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<b>Agency Publications (Regular)</b> (continued)	<ul style="list-style-type: none"> <li>Agencies may factually report jurisdictional support for a ballot measure, so long as it is the normal and regular conduct for the agency. (For example, a community newsletter that ordinarily reports on governmental actions may report that the jurisdiction adopted a resolution supporting a ballot measure.)</li> <li>Agencies may thank citizens for their support after an election in agency publications.</li> </ul>		<ul style="list-style-type: none"> <li>Is the information presented in an objective and fair manner?</li> <li>Is the agency engaging in significantly different activities during the time period immediately prior to the ballot measure compared to all other times of the year?</li> </ul>
<b>Reader Boards/Posters</b>	<ul style="list-style-type: none"> <li>Information encouraging staff and members of the public to vote, or providing the dates of upcoming elections such as “vote on February ___”, may be posted, as long as such encouragement is customarily posted for elections other than just an agency’s ballot measure.</li> <li>Agencies may thank citizens on their reader boards for their support after an election.</li> </ul>	<ul style="list-style-type: none"> <li>Agencies shall not display a “Vote for ....” sign or other promotional messages on reader boards or posters.</li> <li>Signs advocating for or against candidates or ballot measures shall not be posted on agency property in any area accessible to the general public.</li> </ul>	

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Reader Boards/Posters</b> (Continued)	<ul style="list-style-type: none"> <li>May post objective and fair information at an agency or at a future site regarding anticipated improvements to be funded by a ballot measure that is specific to that agency or site.</li> </ul>	<ul style="list-style-type: none"> <li>Publicly owned vehicles shall not be used to carry or display political material.</li> </ul>	
<b>Surveys and Research</b>	<ul style="list-style-type: none"> <li>Agencies may conduct surveys and/or other community research, including demographic questions, to determine the community's priorities, public perception of performance, and/or to inform the community about agency programs and policies.</li> <li>Agencies may conduct community research (including but not limited to the use of questionnaires, surveys, workshops, focus groups, and forums) to determine the community's priorities for both programs and/or facilities and their associated total costs and projected dollars per thousand assessment.</li> </ul>	<ul style="list-style-type: none"> <li>Agencies shall not conduct surveys to determine what taxation level the public would support.</li> <li>Agencies shall not conduct surveys designed to shore up support or opposition for a ballot measure.</li> </ul>	<ul style="list-style-type: none"> <li>Has the elected legislative body passed a resolution authorizing a measure to be placed on the ballot? (If so, actions may be more closely scrutinized.)</li> <li>Does the election-related survey target specific subgroups?</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Surveys and Research</b> (continued)	<ul style="list-style-type: none"> <li>The surveys and/or other community research can be conducted before or after the governing body has approved a resolution to place a ballot measure on the ballot. However, research conducted after the adoption of the resolution may be subject to greater scrutiny.</li> <li>Agencies may publish survey results if it is consistent with the normal and regular conduct of the agency.</li> </ul>	<ul style="list-style-type: none"> <li>Agencies shall not target registered voters or other specific subgroups of the jurisdiction in conducting their election-related surveys.</li> <li>Agencies shall not use survey results in a manner designed to support or oppose a candidate or ballot measure.</li> </ul>	<ul style="list-style-type: none"> <li>Is the survey or community research consistent with normal and regular activities of the agency?</li> </ul>
<b>Technology</b> <b>(websites, emails, computerized calling systems)</b>	<ul style="list-style-type: none"> <li>An agency may develop an objective and fair presentation of the facts and post that information on its website, including information regarding agency needs and the anticipated impacts of a ballot measure. This information may be reformatted so that it is consistent with the manner in which the agency customarily presents information on its website.</li> </ul>	<ul style="list-style-type: none"> <li>Agency computers, email systems, telephones, and other information technology systems shall not be used to aid a campaign for or against a candidate or ballot measure.</li> </ul>	<ul style="list-style-type: none"> <li>Are the materials developed an objective and fair presentation of the facts?</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

<b>Activities and Resources</b>	<b>Permitted</b>	<b>Not Permitted</b>	<b>General Considerations</b>
<b>Technology (websites, emails, computerized calling systems)</b> (continued)	<ul style="list-style-type: none"> <li>• Agency websites may permit viewers to make selections to learn about the anticipated impacts of a ballot measure for a specific division, or otherwise allow readers to explore issues in greater or lesser detail.</li> <li>• Agencies may update the information on their websites in a manner that is customary for the agency.</li> <li>• Staff may respond to inquiries regarding a ballot measure in an objective and fair manner, via email or by telephone, if it is part of their normal and regular duties.</li> </ul>	<ul style="list-style-type: none"> <li>• Electronic communication systems shall not be used to generate or forward information that supports or opposes a candidate or ballot measure.</li> <li>• Agency websites shall not be used for the purposes of supporting or opposing a candidate or ballot measure.</li> </ul>	<ul style="list-style-type: none"> <li>• Is the agency engaging in significantly different activities during the time period immediately prior to the ballot measure compared to all other times of the year?</li> <li>• Do the materials accurately present the costs and other anticipated impacts of a ballot measure?</li> <li>• Has there been communications with staff and with union representatives regarding the prohibition on the use of the agency's technology to support or oppose a ballot measure?</li> </ul>

**Public Disclosure Commission**  
**Guidelines for Local Government Agencies in Election Campaigns**

Activities and Resources	Permitted	Not Permitted	General Considerations
<b>Agency Calendars</b>	<ul style="list-style-type: none"> <li>• Agency officials, appointees and employees may place on their individual agency calendar the <u>basic information</u> that he/she is scheduled to be out of the office to attend campaign events. They may synchronize their personal electronic calendars with agency electronic calendars so long as only basic information gets placed on the agency calendar about campaign events.</li> <li>• Agency officials, appointees and employees may respond to public inquiries, including from campaigns, about the employee's, appointee's or official's <u>availability on his/her schedule</u> to attend a campaign event.</li> <li>• A supervising employee, appointee or official may request his or her scheduling assistant (agency staff) to block out time on the supervising employee's, appointee's or official's individual calendar for campaign events.</li> <li>• A scheduling assistant may receive information and block out time on the supervising employee's, appointee's or</li> </ul>	<ul style="list-style-type: none"> <li>• Agency officials, appointees and employees shall not use, nor direct their staff to use, public facilities or resources to arrange or plan campaign activities, or to assist with a campaign activity. Arranging details of the official's, appointee's or employee's appearance or participation in the campaign activity such as travel logistics, tickets, invitations to other participants, or agenda while at the event, are not permitted. Communicating about the individual's interest and/or potential for participating in planned or possible future campaign events or activities, including endorsement interviews, are not permitted. Those activities must use campaign resources and staff, not public agency resources and staff.</li> <li>• Agency officials, appointees and employees shall not place their individual campaign-related events on agency-wide distributed calendars such as</li> </ul>	<ul style="list-style-type: none"> <li>• Is the scheduling activity limited to <u>calendar</u>ing for the official, appointee or employee?</li> <li>• Is the calendaring limited to the <u>ministerial act</u> of placing only <u>basic information</u> about the campaign event (name, date, time, location, duration and contact number) on the official's appointee's or employee's schedule; conducted solely for business and security purposes related to <u>the agency's need</u> to know the official's, appointee's or employee's availability and location; and, to avoid scheduling conflicts?</li> <li>• Is the calendaring request to a scheduling assistant to block out time (generally or only for specific appointments), on the individual's calendar <u>directed in the first instance by the official appointee or supervising employee to agency staff</u>, and not by a campaign?</li> <li>• Is the <u>campaign contact information</u> the publicized means by the campaign of reaching the individual who is a candidate or assisting a</li> </ul>

**Public Disclosure Commission  
Guidelines for Local Government Agencies in Election Campaigns**

<b>Activities and Resources</b>	<b>Permitted</b>	<b>Not Permitted</b>	<b>General Considerations</b>
	<p>official's individual calendar for campaign events, as directed by the supervising employee, appointee or official.</p> <ul style="list-style-type: none"> <li>A scheduling assistant may respond to public inquiries, including from campaigns, about the supervising employee's, appointee's or official's <u>availability on his/her schedule</u> to attend a campaign event.</li> <li>Agencies may inform staff and/or others of community meetings related to ballot measures if other such information is normally published in a community calendar, and if both those supporting or opposing a ballot measure have the opportunity to appear on the calendar. (See more regarding "Agency Publications – Regular" at p. 22).</li> </ul>	<p>monthly calendars of agency events, or regularly scheduled newsletters with agency events provided or distributed to staff or the public.</p>	<p>campaign, for the purpose of scheduling his/her attendance at campaign events, or for participating in other campaign events?</p> <ul style="list-style-type: none"> <li>Do agency staff <u>refer campaign-related inquiries to the campaign</u> when the person contacting the agency seeks information beyond an individual's availability on his/her agency schedule?</li> </ul>

**Note on Timing of Activities:** A particular activity may be subject to the scrutiny of the Public Disclosure Commission depending in part on whether it is a part of the "normal and ordinary" conduct of a local government agency. Generally, activities that occur after the elected legislative body has passed a resolution authorizing a measure to be placed on the ballot will be subject to greater scrutiny by the Public Disclosure Commission than those occurring before such a resolution has been passed.

**Note on Agency Policies:** The application of these guidelines is also subject to each jurisdiction's own adopted policies.