

2:00 p.m. OPEN SESSION

STUDY SESSION AGENDA

1. Budget & 2021-2022 Year End Close
2. Seattle Central College Ecodistrict and financial questions

REGULAR MEETING AGENDA

3:00 p.m. CALL TO ORDER

3:00 p.m. LAND ACKNOWLEDGMENT
Sayumi Irey, Vice President of Instruction South College

3:05 p.m. ACTION / Approval of Agenda Tab 1

3:10 p.m. PUBLIC COMMENT

The Seattle Colleges Board of Trustees welcomes students, employees, and community partners to address the Board during the Public Comment period specified on the Agenda. The Board provides 15 minutes for public comments, which may be adjusted at the discretion of the Board Chair.

Each speaker has 3 minutes to address the Board, and speakers are encouraged not to repeat the same issue that a previous speaker has already raised. Advanced sign-up for oral comments is requested by emailing eric.vanhooser@seattlecolleges.edu. Additional commenters will only be called upon during the meeting as time allows. If there is not enough time for all speakers, commenters will be encouraged to submit a written statement or be put on the list for oral comments at the next public meeting.

In addition, written statements are accepted by Eric VanHooser at any time. All written statements received by noon on the Friday before the Regular Board of Trustees meeting will be published in the public packet. Written statements received after that date and time will be added to the Board packet and transmitted to the Board for the following Board meeting.

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3:25 p.m. PRESENTATION

Washington State Labor Education Research Center (LERC) presented by:
Adair Dammann, Director of LERC.

3:40 p.m. ACTION ITEMS

- A. Minutes from October 13, 2022 **Tab 2**
- B. Revised Budget for FY22-23 **Tab 3**
- C. EcoDistrict Performance Contract and Financing Approval Request for
Seattle Central College **Tab 4**
- D. Construction Industry Training Council (CITC) Apprenticeship
Instructional, Off Campus Agreement **Tab 5**
- E. Puget Sound Electrical Joint Apprenticeship Training Committee
(PSEJATC) Apprenticeship Instructional, Off Campus Agreement **Tab 6**

3:55 p.m. INFORMATION ITEMS

- 1. Updated Policy 249: Drug Free Environment 1st Reading **Tab 7**
- 2. Capital Projects Balances Report 2021-2023 **Tab 8**
- 3. Report from ACCT Conference 2022
- 4. ACT Fall Conference Information

4:10 p.m. ORAL REPORTS

Written Reports Tab 9

- A. Student Representatives
 - 1. Gracie Ochoa, North Seattle College
 - 2. Ronnie Kuan, Seattle Central College
 - 3. Ana Chamale, South Seattle College

B. Labor Union Representatives

1. Annette Stofer, AFT Seattle Community Colleges
2. Diane Ellis, WFSE
3. Cody Hiatt, AFT-SPS

C. Chancellor's Report

D. Chair's Report

E. Trustees

F. College Presidents, Vice Chancellors

1. Earnest Phillips, Associate Vice Chancellor of Communications and Strategic Initiatives
2. D'Andre Fisher, Associate Vice Chancellor of Equity, Diversity and Inclusion
3. Chemene Crawford, President of North Seattle College
4. Bradley Lane, Interim President of Seattle Central College
5. Rosie Rimando-Chareunsap, President, South Seattle College
6. Kurt Buttleman, Vice Chancellor of Academic and Student Success
7. Jennifer Dixon, Vice Chancellor Human Resources
8. Julienne Degeyter, Acting Vice Chancellor of Finance and Operations
9. Kerry Howell, Vice Chancellor of Advancement
10. Cindy Riche, Associate Vice Chancellor and Chief Information Officer

5:00 p.m. ADJOURNMENT

The next meeting of the Board of Trustees will be held on Thursday, December 8, 2022 at Seattle Central College, BE11110/1111. There will be a Study Session at 2:00 p.m., and the Regular Meeting will follow at 3:00 p.m.

EXECUTIVE SESSIONS

An executive session may be held for one or more of the following purposes: (1) To receive and evaluate complaints against a public officer or employee; (2) To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee; (3) To discuss with legal counsel litigation or potential litigation to which the college is, or is like to become, a party, when public knowledge of the discussion would likely result in adverse consequence to the district; (4) To consider, as a quasi-judicial body, a quasi-judicial matter between named parties; (5) To consider matters governed by the administrative procedure act, chapter 34.05 RCW; and/or (6) To plan or adopt the strategy or position to be taken during collective bargaining, professional negotiations, or grievance or mediation proceedings, or to review proposals made in on-going negotiations or proceedings.

SEATTLE COLLEGES DISTRICT BOARD OF TRUSTEES

October 13, 2022

STUDY SESSION	2:00 p.m.	North Seattle College & Zoom https://zoom.us/j/92083653686 North Star Dining Room 9600 College Way N Seattle, WA 98103
REGULAR SESSION	3:00 p.m.	North Seattle College & Zoom https://zoom.us/j/92083653686 North Star Dining Room 9600 College Way N Seattle, WA 98103

MINUTES

EXECUTIVE SESSION

Chair Chernin called a 30-minute executive session at 1:32pm

A. Negotiations

Exception (6) To plan or adopt the strategy or position to be taken during collective bargaining, professional negotiations, or grievance or mediation proceedings, or to review proposals made in on-going negotiations or proceedings.

B. Litigation Update

Exception (3) To discuss with legal counsel litigation or potential litigation to which the college is, or is like to become, a party, when public knowledge of the discussion would likely result in adverse consequence to the district;

C. Personnel

Exception (2) To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee.

EXECUTIVE SESSIONS

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employee; (3) To discuss with legal counsel litigation or potential litigation to which the college is, or is like to become, a party, when public knowledge of the discussion would likely result in adverse consequence to the district; (4) To consider, as a quasi-judicial body, a quasi-judicial matter between named parties; (5) To consider matters governed by the administrative procedure act, chapter 34.05 RCW; and/or (6) To plan or adopt the strategy or position to be taken during collective bargaining, professional negotiations, or grievance or mediation proceedings, or to review proposals made in on-going negotiations or proceedings.

OPEN SESSION

Chair Chernin welcomed everyone to the open session at 2:34

STUDY SESSION

Budget (with focus on Year End Financials) Rosie Rimando-Chareunsap opened this was a session to update us on last year financial numbers and changes in the new year. Terence Hsiao, Interim Vice Chancellor of Finance and Operations reviewed last years budget with a power point presentation shown and handouts that went our around the room. The colleges and district budgeted for 17 million dollar deficient last year but instead had a 3.2 million deficient, which is a smaller number, but is still a short fall. Terence reviewed the handouts provided, with a presentation by each College and the District on their budget situations for the last year. This was followed by a brief overview of plans for next year and how to support our budget managers.

CALL TO ORDER

Chair Chernin called the meeting to order at 3:16pm.

ATTENDANCE:

Rosie Rimando-Chareunsap, Louise Chernin, Rosa Peralta, Brian Surratt, H Bruce Marvin, Vanessa Johnson, Bradley Lane, D'Andre Fisher, Eric VanHooser, Earnest Phillips, Cindy Riche, Josh Ernst, Kurt Butterman, Cody Hiatt, Chemene Crawford, Peter Lortz, Annette Stofer, Kerry Howell, Katherine Hinkle, Kyle Whitcomb, Betsy Hasegawa, Julienne DeGeyter, Terence Hsiao, Wendy Rockhill, Lincoln Farris, Tara Compton, Alice Melling, Mari Acob-Nash, Brianne Sanchez, Dianne Ellis

LAND ACKNOWLEDGMENT

Dr. Rosie introduced Leanna Bordner, Director of Advising who gave the land acknowledgment D'Andre Fisher presented a mural produced by student of North Seattle College

ACTION / Approval of Agenda

Chair Chernin asked for approval of the agenda. Trustee Surratt made a motion to approve the agenda. Trustee Rosa seconded. The motion passed 3-0.

PUBLIC COMMENT

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Public comment

No public comments were made at this meeting

PRESENTATION

Brianne Sanchez, Director of Student Financial Services presenting on North's One Stop: "The Launch Pad".

Dr. Crawford introduced Brianne who gave a power point on student difficulties in the process of registering at North College and how they made changes to assist them to a simpler process this was started Spring of 2022, with hiring and training, then began Fall quarter 2022.

Welcome & Introductions

Chair Louise Chernin recognized our new Board member and New Interim Chancellor. Trustee Echohawk, who wasn't able to join today.

Interim Chancellor Dr. Rosie Rimando-Chareunsap, who gave a thank you and briefed us on South President replacement while in this role.

ACTION ITEMS

- A. Minutes: Regular Meeting on September 9, 2022; Special Meeting Minutes from September 16, 2022 and September 30, 2022

Trustee Chernin made a motion to approve the sets of minutes. Moved by Trustee Peralta, seconded by Trustee Surratt. The motion passed 3-0.

B. Revised Budget for FY22-23

Not submitted today. Will be presented at November meeting

C. Broadway Edison Air Quality/HVAC Project Approval Request

Trustee Surratt made a motion to approve the request. Trustee Peralta seconded. The motion passed 3-0.

INFORMATION ITEMS

1. (this item was added during meeting) Foundation Gala

Kerry Howell gave a review of last night's marathon and fund raising success. The foundation sought to have this as a in person event. To do this was lots of work with our limited staff, but it was a big hit.

Fund raising numbers from last night: A 1 million donor match. Raised 1.2 million, now with the match its 2.2 million. Then there was 1.5 million by Amazon, a 300,000 to Apparel Design, 4.7 million in planned gifts. 8 million was a goal for this year in all donation groups, we have made this goal.

2. Equity, Diversity & Inclusion Office update

D'Andre Fisher gave a presentation on the most recent structure of new EDI Office. He also reviewed a model theory of change framework/vision and gave EDIC team timeline including the addition of new staff coming on board.

3. Update and wrap-up next steps Chancellor Search

Chair Louise Chernin informed us that a RFP to hire a search firm is needed, together with a large search committee, with a goal of 8 months to a year for a search.

4. Board Orientation report

Chair Louise Chernin updated the plan onboarding with our newest board member. This includes time to get together with her and to visit and see each campuses and other areas to know beforehand. She's received her legal obligations from the Governor's office and is ready to come onboard.

5. Board Committees update

Chair Louise Chernin shared with a new academic year changes in the committees; Finance committee change to add Trustee Peralta to fill Steve Hill's departure, the Strategic Planning and EDI groups hasn't met yet.

ORAL REPORTS

A. Student Representatives

Gracie Ochoa, North Seattle College, Gracie introduced herself and has expressed she has a passion in astrophysics. Goals to emerge to years online to have on campus interactions. Excited that 326 new students were at welcome back and received an 80% satisfaction rating of the process from people who attended.

Ronnie Kuan, Seattle Central College, is on his second year at Central in psychology, noted that they have 9 student government members this year. Gave update on events that will involve up to 30 clubs at Central this year.

Ana Chamale, South Seattle College, is taking classes in communications and gave an update of events at South.

B. Labor Union Representatives

Annette Stofer, AFT didn't have a written or oral report to give, just wanted to thank Kerry and team on last night's event and welcome Dr. Rosie on her new appointment.

Diane Ellis, WFSE didn't submit a report, but noted that our college bargaining team just completed the OFM negotiations for a new contract that had vote and was passed by members.

Cody Hiatt, AFT-SPS, introduced for Kyle Whitcomb who will deliver their report. He wanted to congratulate to Dr. Rosie on her appointment and gave an overview of enrollment numbers for this fall.

C. Chancellor's Report

Dr. Rosie Rimando-Chareunsap, wanted to acknowledge the college event on Indigenous day Monday that included a welcome from an community elder. Also to acknowledge it was national coming out day. Reported that there will be a posting this week for South President interim position and is finalizing the members for this committee.

D. Chair's Report

Chair Louise Chernin, had nothing further to report

E. Trustees

Trustees, had nothing further to report

F. College Presidents, Vice Chancellors

D'Andre Fisher, Associate Vice Chancellor of Equity, Diversity and Inclusion, update on Latin American event at north coming up, art galleries, and the Faculty and Staff of Color conference in Pasco and wanted to let others know whoever wants to attend EDI will pay for registration. Also, that it is deaf awareness month in September.

Chemene Crawford, President of North Seattle College, wants to invite everyone to the new OCNE center that is open and encouraged everyone to tour it.

Bradley Lane, Interim President of Seattle Central College, shared that the enrollment service staff assisted 138 students in one day and they have over 300 financial aid awards this year.

Julienne DeGeyter, Vice President of Finance and Administration, South Seattle College, that South is changing the cafeteria to convince store so they can accept EBT as payment. There is a signage update for new buildings on campus.

Kurt Buttleman, Vice Chancellor of Academic and Student Success, No report

Josh Ernst, Human Resources Director North, we've filed about 25% in our unit vacancies which has helped get other work done or caught up. Reminder the deadlines for public service debit forgiveness need to be submitted by Oct 31

Terence Hsiao, Interim Vice Chancellor of Finance and Operations, We filled the Director Facilities and at central. Wanted to thank the district and south finance staff for coverage at central and north due to vacancies.

Kerry Howell, Vice Chancellor of Advancement, nothing to report

Cindy Riche, Associate Vice Chancellor and Chief Information Officer, wanted to thank IT team for their support as we had more people returning to campus and offices and are doing well with supporting everyone.

Earnest Phillips, Associate Vice Chancellor of Communications and Strategic Initiatives, next event will be MLK.

ADJOURNMENT

The meeting adjourned at 5:13 pm

The next meeting of the Board of Trustees will be held on Thursday, December 8, 2022 at Seattle Central College, BE11110/1111. There will be a Study Session at 2:00 p.m., and the Regular Meeting will follow at 3:00 p.m.

Seattle Colleges 2022-23 Operating Budget

Operating Budget Summary	District Office & District Wide				
	Seattle Central	North Seattle	South Seattle	Services	Total
Revenue (includes RS and Int'l)	57,694,688	41,351,687	42,204,378	1,209,797	142,460,550
Expenditures	60,803,575	40,942,969	42,198,304	1,209,797	145,154,645
Total (deficit)/surplus	(3,108,887)	408,718	6,074	-	(2,694,095)

State/Fund 149 Resources

Revenue	District Office & District Wide				
	Seattle Central	North Seattle	South Seattle	Services	Total
State Allocation as of 11/22	38,781,812	28,335,977	30,678,396	1,209,797	99,005,982
Tuition	11,389,268	9,182,531	7,153,806	-	27,725,605
Subtotal	50,171,080	37,518,508	37,832,202	1,209,797	126,731,587

Expenditure Categories	District Office & District Wide									
	Seattle Central		North Seattle		South Seattle		Services		Total	
Salary and Wages	34,914,281	57%	20,826,174	51%	19,098,851	45%	14,176,402	57%	89,015,709	61%
Benefits	11,227,066	18%	7,631,750	19%	5,456,712	13%	4,895,376	20%	29,210,904	20%
Grants, Client Services	595,071	1%	724,223	2%	941,975	2%	-	0%	2,261,269	2%
Goods and Routine Services	862,539	1%	1,680,217	4%	1,774,230	4%	2,030,454	8%	6,347,440	4%
Capital Expenditures	397,000	1%	15,700	0%	120,400	0%	-	0%	533,100	0%
Contracted Services	825,005	1%	1,292,481	3%	5,747,309	14%	1,632,932	7%	9,497,727	7%
Utilities	1,225,115	2%	1,304,000	3%	732,611	2%	-	0%	3,261,726	2%
Travel	25,500	0%	99,022	0%	53,142	0%	38,390	0%	216,054	0%
Intra District Transfers	9,492,902	16%	6,741,909	16%	7,493,136	18%	(23,631,417)	n/a		
Other Expenditures	1,239,096	2%	627,493	2%	602,423	1%	2,067,660	8%	4,536,672	3%
COP Principal and Interest	-	0%	-	0%	177,515	0%	-	0%	177,515	0%
Total Expenditures	60,803,575	100%	40,942,969	100%	42,198,304	100%	1,209,797	100%	145,058,118	100%

Program Categories	District Office & District Wide									
	Seattle Central		North Seattle		South Seattle		Services		Total	
Instruction	28,138,025	55%	17,762,039	52%	17,281,056	50%	133,040	1%	63,314,162	44%

Academic Support	4,625,462	9%	4,281,178	13%	1,752,995	5%	4,604,459	19%	15,264,094	11%
Libraries	1,107,521	2%	968,644	3%	449,667	1%	437,715	2%	2,963,547	2%
Student Services	7,057,954	14%	4,045,221	12%	5,435,941	16%	-	0%	16,539,116	11%
Institutional Support	3,777,616	7%	2,616,636	8%	4,359,625	13%	19,017,757	78%	29,771,634	21%
Plant Operations	6,604,095	13%	4,527,342	13%	5,425,884	16%	282,988	1%	16,840,309	12%
Total Expenditures	51,310,673	100%	34,201,060	100%	34,705,168	100%	24,475,959	100%	144,692,863	100%

Fund 146 Budgets

Running Start	Seattle Central	North Seattle	South Seattle	Total
Revenue	3,576,142	2,537,531	2,946,970	9,060,643
Expenditures	330,468	460,388	2,946,970	3,737,826
Total (deficit)/surplus	3,245,674	2,077,143	-	5,322,817

International Programs	Seattle Central	North Seattle	South Seattle	Total
Revenue	3,947,466	1,295,648	1,425,206	6,668,320
Expenditures	3,028,430	802,460	1,425,206	5,256,096
Total (deficit)/surplus	919,036	493,188	-	1,412,224

MEMORANDUM

TO: Board of Trustees
FROM: Julienne DeGeyter
DATE: November 10, 2022
SUBJECT: Financial Summary - Action Item

Background

Seattle Colleges budgets and accounts for its funds in accordance with policies and procedures of the State of Washington Office of Financial Management (OFM) and the State Board for Community and Technical Colleges (SBCTC).

The attached Financial Summary provides summary data for all of the campuses and the District Office as of October 31, 2022.

Recommendation

It is recommended that this item be received as an item for action.

Submitted by:



Julienne DeGeyter
Interim Vice Chancellor of Finance & Operations

Transmitted to the Board with a favorable recommendation.



Dr. Rosie Rimando-Chareunsap
Interim Chancellor, Seattle Colleges

October 18, 2022

TO: Seattle College Finance Committee

FROM: Dr. Rosie Rimando-Chareunsap, Chancellor 

Dr. Bradley Lane, President, Seattle Central College

Julienne Degeyer, Interim Vice Chancellor of Finance and Operations

Lincoln Ferris, Interim Ex Dir of Campus Operations

SUBJECT: EcoDistrict Performance Contract and Financing Approval Request for Seattle Central College

Executive Summary

The heating system at Seattle Central College must be replaced; it is at the end of its useful life and at risk of failure. Failure would significantly disrupt operations and possibly close the campus while presenting life safety and financial risks. Further, the system is currently reliant on a third-party steam provider with aging infrastructure. It presents a carbon liability as the State and world move to decarbonize and students increasingly demand a carbon free future.

The College has been unable to fund replacing the existing system through traditional State capital funding programs and has pursued an innovative approach to replacement: An EcoDistrict that will simultaneously replace high risk past end-of-life heating infrastructure and reduce heating related carbon emissions by 97%.

The recommendation we are presenting is the result of two years of extensive studies and design work. Through that process we have determined that City regulations preclude us from replacing our current system with gas boilers and that replacing the current steam system will be more costly than the EcoDistrict we are proposing.

The College proposes to use an innovative approach that includes:

- Procuring the construction through an Energy Savings Performance Contract (ESPC)
- Accounting for the full life cycle cost of the equipment by establishing a long-term repair and replacement reserve
- Sourcing Operation and Maintenance experts in electrified heating systems to assure the systems success and longevity

- Financing the project through a real estate COP issued by the WA State Treasurer

The College has examined multiple models, including third-party ownership, to meet this need and determine the best value solution. Retaining ownership of the EcoDistrict and financing it through the State's real estate COP program has risen as the most effective model, largely due to the relatively low COP borrowing cost.

The College currently has a guaranteed maximum price to implement the project of \$22,296,725, including construction costs and three years of remote operations, active energy management, and preventative maintenance. That price is good until November 15, 2022. The real estate COP must be approved by the State Legislature in the 2023 Session. Proceeds from the COP will be available in November of 2023. Construction costs are currently increasing rapidly at 12.4%/year in Seattle. The College needs to take decisive action to approve the project quickly and lock-in pricing, while also ensuring that its commitments are backed by the appropriate approvals.

The College proposes to balance that need by using existing cash balances backed by State funding commitments to order critical project equipment immediately after project approval by the BoT and SBCTC, and to delay executing the construction agreement until there is assurance the State Legislature will approve the COP. The critical equipment to be ordered immediately is electrical switch gear, which is part of SBCTC's 23-25 biennium capital budget and heat pumps which will be initially funded by capital reserves.

Delaying the execution of the construction agreement until there is assurance of legislative approval for the COP creates a risk of inflation-based project cost increases. We are therefore requesting approval for \$25,000,000 in funding to cover the risk of cost inflation.

The College will use accumulated fund balances to "bridge fund" project expenses incurred after approval of the construction agreement and prior to COP proceeds becoming available in November of 2023.

The College established cost effectiveness criteria for the project when it was initiated. The criteria were tied to the expected cost of maintaining and operating the current central plant heating infrastructure in a safe and reliable manner. The cost of doing that was estimated to be between \$3.50-\$4.50/ft²-year. The project meets those criteria, with a current cost of \$4.06/ft² when using the conservative assumption of a total project cost of \$25,000,000 financed at an interest rate of 5%. The annual cost of servicing the debt on a \$25 million COP at a 5% interest rate (which is included in the per square foot cost) is projected to be \$1,524,937. In total this represents an annual increase in operating costs of \$1,912,168 for Seattle Central College when one takes energy savings associated with the project into account and excludes the creation of a maintenance reserve. This operating cost increase is unavoidable because SBCTC's traditional capital funding process excludes a project of this scale in a building the size of Broadway Edison.

This project presents a unique opportunity for Seattle Central College to lead the way for our community and move towards a decarbonized campus while revitalizing aging infrastructure and demonstrating a fiscally responsible model for managing the life-cycle impact of the new equipment.

Recommended Actions

Based on engineering design, preconstruction, and financial analyses, the development of a thermal energy EcoDistrict is projected to be feasible, economically effective, and will significantly improve the physical plant condition, performance and resilience. Significant system failure risk exists today. Inflation risks incurring even greater costs if timely action is not taken.

It is recommended that the Board:

- (1) Approve the project described below and delegate signature authority to the Chancellor to approve the EcoDistrict Energy Services Proposal (ESP) described below. This approval is contingent upon:
 - a. The final ESP cost, at time of contract execution, including the equipment purchases authorized below not exceeding \$25,000,000.
 - b. The expectation that the Legislature will approve the COP financing in its 2023 session. Should the Legislature fail to approve financing thru a COP, the Chancellor may cancel the EcoDistrict project for the maximum allowable cost of Phase One as identified in the ESP.
 - c. Assuming the Legislature approves COP financing, the Chancellor may, upon concurrence of the Finance Committee of the Trustees, proceed to authorize Phase Two of the ESP prior to the receipt of COP funds. The COP financing shall be through the WA State Treasurer's LOCAL Program for a 25-year real estate COP.
- (2) Authorize the College to proceed with Phase One of the ESP which will:
 - a. Procure Electrical switch gear valued at \$931,311.
 - b. Authorize design and pre-construction work by McKinstry in order to assure completion of the EcoDistrict in the Fall of 2024.

Project Description

Project Need

Seattle Central College's steam heating system is at the end of its useful life and at risk of failure. Should the system fail, the College would incur significant disruption to operations and possibly have to close facilities until emergency repairs could be completed. Emergency repairs are more expensive than planned work and can take weeks or months to implement. Additionally, a steam system failure could pose a significant life safety risk to students and staff and a legal and financial risk to the College.

Seattle Central College currently purchases steam from a third-party steam utility, forcing the College to rely on aging infrastructure outside of the College's control. Continued dependency on this system does not facilitate a path toward decarbonization of the campus operations, leaving SCC exposed to future carbon-related costs.

Gas boilers cannot be employed at the College since they do not comply with the Seattle building energy code.

Further, the current and coming generation of students recognize the importance of addressing global warming and are demanding that institutions act as stewards of their futures and provide living examples in their communities.

Project Approach

Seattle Central College is seeking to address these needs and revitalize aging heating utility assets and retire backlogged heating system deferred replacements while decarbonizing its main campus to meet Washington State Greenhouse Gas emission reduction mandates. The project will increase campus resiliency by mitigating system reliability concerns and structuring systems capable of withstanding and recovering from disruptions such as natural disasters or external infrastructure disruptions.

This project will provide an electrified heating system to the Broadway Edison, Broadway Performance Hall, and Science & Math buildings, disconnecting the College entirely from the existing third-party (fossil fuel generated) steam utility and replacing end of life heating equipment.

The Seattle College's team has been unable to identify a path to achieve State appropriations for this type of project. Instead, the College is proposing to use a unique approach to fund the life cycle costs of the system via tax-exempt bonds. The repayment of the financing will come primarily from eliminating the backlog of deferred heating system replacement projects but also from reduced energy costs, maintenance, and anticipated carbon costs.

The College explored a third-party ownership (concessionaire) model and found that it is not well suited for this project. The College recommends financing the project through the State Treasurer's Office LOCAL Program, retaining ownership of the equipment, and contracting with a third party to operate and maintain the equipment.

Exhibit A outlines a brief history of the project.

Project Objectives

The Seattle College's Board of Trustees included project objectives when it approved the project's permit design on 2/10/2022. The project being presented for approval meets those objectives. Those objectives are:

- ✓ Reduce risk of long-term campus outages due to unplanned failures of end-of-life systems.
- ✓ Reduce cost of addressing failures of end-of-life systems by addressing proactively rather than via emergency projects, which are more costly.
- ✓ Achieve a 30-year amortized cost of between \$3.50-4.50 per square foot to replace existing systems as well as operating, maintaining, and establishing a maintenance reserve fund for related equipment.
- ✓ Reduce air pollution by replacing fossil fuel derived steam and replacing natural gas boilers in the Science and Math (SAM) building.
- ✓ Reduce climate change impact via electrification of heating.
- ✓ Reduce risk of natural gas volatility and of potentially increasing steam infrastructure costs.
- ✓ Reduce risk of future carbon taxes that could be imposed on natural gas.
- ✓ Comply with current and future state agency mandates related to carbon emissions.
- ✓ Improve recruiting and retention of students who care about climate change.
- ✓ Provide opportunities for STEM teaching.
- ✓ Maximize grant funding by having "shovel-ready" scope ready to implement.

Project Scope

The Board of Trustees has approved previous versions of the scope that have since undergone minor revisions to reduce cost and improve performance. The final scope is:

1. Permanently eliminate the purchased steam connection to the SCC campus. This steam is generated with fossil fuel, is expensive, and presents serious long term resiliency concerns.
2. Demolish and/or abandon the failing steam related components in the buildings such as corroded piping, heat exchangers, steam traps, and water-wasting condensate sewer connections.

3. Install 100% clean energy (electric) heating and domestic hot water systems to serve Broadway Edison (BE) and the Broadway Performance Hall (BPH.)
4. Install small thermal storage (water) tanks in Broadway Eddison and Science and Math.
5. Install 100% zero-carbon clean energy (electric) heating and domestic hot water systems in the parking garage of the Science and Math (SAM) building.
6. Use the existing Broadway Edison chilled water coils to provide heating and cooling in a changeover system, similar to how ASHP-2 in Broadway Edison is currently operating.
7. Size piping and thermal storage with extra capacity to connect additional buildings in the future for thermal sharing.
8. Upgrade the failing/unserviceable electrical switchboards and transformers serving Broadway Edison to increase resiliency.
9. Integrate existing solar, heating, cooling, and domestic hot water equipment serving BE, BPH, Mitchel Activity Center, and SAM into the new Eco District.

Exhibit B provides a visual of the project scope.

Ownership, Operations, Financing, and Funding

Project Funding Challenges

Replacement of the heating system at Broadway Edison, Science and Math, and Broadway Performance Hall buildings does not fit any of the existing capital budget funding pathways available to the college. For that reason, that College has explored alternative funding, financing, and ownership structures.

Holistic Project Funding

This project is designed to account for the full lifetime cost to own and operate the system. The annual costs contemplate:

- Upfront construction
- Financing
- Operations and maintenance
- Utilities and carbon
- Corrective repairs
- Equipment replacement

This is an improvement on the traditional facilities approaches that typically only consider the upfront construction costs without accounting for the other ongoing liabilities.

Recommended Ownership Structure

The College has a choice to follow a traditional approach of owning the new heating equipment or to enter a third-party ownership agreement (concessionaire agreement) where others own, operate, and maintain the equipment.

Preliminary analysis indicates that the best value option for the College is to not enter into a third-party ownership agreement but rather to retain ownership of the system due to favorable public borrowing rates.

Additional analysis of third-party ownership is ongoing, and the College may recommend to the Board to switch to a third-party ownership approach. This switch would only be made with prior Board approval.

Recommended Operations Structure

Current State compensation policies create substantial challenges to staffing operations and maintenance (O&M) roles. The new proposed equipment requires additional, more specialized, technicians that are in short supply and growing demand. Further, the new system is relatively small and does not require full-time on-site technicians.

If the challenges the College has experienced for years in hiring, developing and retaining skilled trades staff remain manifest, the College recommends the O&M approach described in Exhibit C.

Recommended Maintenance Reserve Approach

The project recommends using a unique approach to fund the long-term repair and replacement of the equipment: establishing a long-term maintenance reserve fund. This would be funded annually and held in reserve for future corrective maintenance and equipment replacements.

Grants, Incentives, and Tax Credits

The College and McKinstry have collaborated on applying for four grants directly related to the EcoDistrict and been awarded 2 grants valued at approximately \$750,000, which reduce the project cost.

The recently approved Inflation Reduction Act (IRA) is projected to provide Seattle Colleges over \$350,000 in tax credits (rebates) for existing solar PV renewable projects, a portion of which the College proposes to use to help fund this EcoDistrict project.

The IRA may provide additional grant opportunities that the College and McKinstry will continue to explore such as thermal storage tax credits.

Long Term Financing Approach

The College recommends using the Washington State Treasurer's LOCAL program to finance the construction project. Upon approval by the Board of Trustees (BoT), State Board of Colleges and Technical Colleges (SBCTC), and State Legislature the College recommends applying for 25-year financing through a real estate COP (certificate of participation) issued by the LOCAL program.

The College has used this program in the past for other performance contract projects, in those cases using the equipment program. The real estate COP allows for a longer borrowing term, reducing annual costs. The Broadway Eddison building will be used as collateral in the COP. Funds from the COP are anticipated to be available in November of 2023.

Long Term Funding Approach

The College proposes to fund the project using Maintenance and Operations Allocation from the State Board and Local Funds.

Short Term Funding and Financing Approach

The current construction market faces two challenges:

#1 - High inflation is rapidly driving up the cost of construction. The Mortenson Cost Index indicates 12.4% annual cost increases in the Seattle market and contractors are observing even larger increases in equipment costs.

#2 – Long lead times for equipment mean that construction projects are delayed while waiting for key components.

The solution to both problems is to take decisive action to lock in prices while balancing the risks of those actions.

The highest priority equipment to order is the building's switch gear and heat pumps. The College already has Minor Project Funding for the switch gear. For the heat pumps, the College has negotiated an arrangement with the vendor so that only a portion of the heat pump's cost will be due if the order is canceled before April 30th, 2023. The College recommends asking McKinstry to secure with the heat pump manufacturer a delivery date for the heat pumps which will allow for project completion no later than December of 2024.

Since there is a risk of project cost escalation between now and issuance of the COP the College is seeking approval for a larger project value than would be necessary if the project were approved today.

Between the Spring of 2023, when the College proposes to approve construction, and November of 2023 when the COP funds will be available, the College will use accumulated fund balances to "bridge finance" the project.

Projected Annual Cost

The memorandum of understanding between Seattle Central College and McKinstry Essention, LLC, dated December 16th, 2021, set a guideline to move forward with construction if the total project cost were between \$3.5-\$4.5/ft².

Exhibit D shows a detailed breakdown of financial model inputs and results based on conservative assumptions for the final construction cost and financed rate. Even with those conservative assumptions, the Year 1 costs and savings are within the \$3.5-\$4.5/ft² target.

Other Project Financing Options Investigated and Not Recommended

The College investigated other financing mechanisms for this project. None are recommended due to higher costs than the Washington State Treasurer's program.

Energy Savings Performance Contracting and Procurement

Background

Energy Savings Performance Contracts (ESPCs) are guaranteed maximum price construction contracts that include guaranteed energy savings that fund some, or all, of the project's construction cost. ESPCs are enabled by Chapter 39.35C of the Washington State RCW and the College is working under the program administered by the Washington State Department of Enterprise Services (DES).

ESPCs are designed and implemented by Energy Services Companies (ESCOs). McKinstry was competitively selected as a pre-approved ESCO under the DES' ESPC program.

ESPC projects follow several stages, the first is called the audit phase and includes an energy audit, preliminary design, and creation of the guaranteed maximum price. At the completion of the audit phase, if the project meets the client's cost effectiveness criteria, the customer may decide to execute an Energy Savings Proposal (ESP) and move to the construction phase. During construction, the project is built. After construction, the project enters a performance period where the energy savings guarantee is measured and verified (M&V).

This project has completed the audit phase and, using the conservative financial model assumptions shown in Exhibit D, meets the cost effectiveness criteria shown in Exhibit E. The College and is recommending that the Board delegate signature authority for the ESP. Upon completion of the approval process the project will begin the construction phase.

Guaranteed Maximum Price and Open Book Pricing

McKinstry has provided a guaranteed maximum price for the construction of the scope described in the ESP. The current guaranteed maximum price is \$22,296,725 which is good until November 15, 2022. The cost includes construction costs and three years of remote operations, active energy management, and preventative maintenance. It is anticipated that the cost will increase, due to inflation, prior to executing the ESP, which will occur after the WA

State Legislature approves the project financing. The project is requesting approval for additional funding to mitigate the risk of cost increases between now and the final approval.

The guaranteed maximum price means that, if the College executes the agreement prior to the expiration date, McKinstry will complete the scope within the contract cost. The contract is a turn-key contract including the necessary work to complete the ESP scope including design, permit, construction management, trade subcontractors, site supervision, general site conditions, commissioning, and three years of measurement and verification. The College will contract separately with Seattle City Light to complete a transformer upgrade. The contract value includes a contingency fund for unforeseen conditions.

The guaranteed maximum price means that McKinstry cannot request additional funds for the contract scope, and if McKinstry's costs exceed the contract value McKinstry is solely responsible for those costs.

Costs are open book, meaning that should McKinstry's total costs come in under the value shown in the contract the excess funds will be returned to the College. Each invoice is substantiated with backup actual costs incurred.

The guaranteed maximum price for this project is based on 80% drawings produced by McKinstry and subcontractor bids. McKinstry has reviewed contractor bids with the College and together selected the best value contractors to participate in the project.

Guaranteed Energy Savings

The efficiency of the system is guaranteed for 3 years, and annual reports will be provided. Contractually, any energy savings shortfalls shall be correct by the ESCO.

Projected Carbon Savings

The project is anticipated, from day one, to reduce carbon use for facility heating at the affected buildings by 97%. The current carbon emissions are estimated to be 1,673 tons/year and the project's projected carbon emissions are 47 tons/year. If carbon is valued conservatively at \$43/ton, that represents potential future cost avoidance of nearly \$70,000/year. Carbon emissions are anticipated to fall further as the electric power grid continues to decarbonize and the College installs solar PV renewable energy.

The Washington State Legislature passed the Climate Commitment Act, SB 5126, in April of 2021. This cap and invest act will create a price for emissions allowances that will likely trickle down to rate payers, including the College.

Project Schedule

Approval Schedule and Process

The project will be presented to the Seattle Colleges Board of Trustees (BoT) on November 10th, 2022 for approval. Upon approval it will be presented to the State Board for Colleges and Technical Colleges (SBCTC) on December 7-8 2022.

After the project is approved by the BoT the College will:

- (1) Place orders thru the Dept. of Enterprise Services for the electrical switch gear equipment, which will be funded by a '23-'25 Small Projects capital budget allocation and heat pumps, which will be bridge-funded by District reserves; and
- (2) Enter into an Energy Services Proposal (ESP) and project contract with Dept. of Enterprise Services for the EcoDistrict project; and
- (3) Request the SBCTC Trustees approve a legislative request for the '23-'25 biennial capital budget to borrow \$25 million in project financing via a certificate of participation (COP); and
- (4) Support that request before the Washington State 2023 Legislative Session for approval in the 2023-25 Capital Budget.

Upon receiving reasonable assurance of Legislative approval of the COP financing the College will (1) Authorize proceeding with the second phase of the ESP agreement and begin construction. Initial construction costs will be funded by District and College reserves . (2) Finalize the College request for \$25 million in funding from the Office of State Treasurer via a real estate COP. Funds are expected to be available in November of 2023.

Project Construction Schedule

Based on receiving the above approvals by April 1, 2023, the anticipated project schedule is:

- Design, Permits, Equipment Submittals, and Preconstruction: today to 11/29/23
- Construction Start: 11/30/23
- Construction Substantial Completion: 12/25/24
- Construction Final Acceptance: 3/19/25

Attachments:

Exhibit A: Project History

Exhibit B: Project Map

Exhibit C: Operation and Maintenance Approach

Exhibit D: Conservative Project Financial Performance

Exhibit E: Cost Effectiveness Criteria

Exhibit A: Project History

Prior to the start of this project the College conducted energy efficiency improvements at the Broadway Edison and Science and Math buildings to reduce the energy needed by the new EcoDistrict and conducted two successful air source heat pump pilots.

On January 15, 2020 McKinstry provided an Enhanced Preliminary Audit that laid out the project approach for this EcoDistrict project. This was procured via and managed by the WA Department of Enterprise Service's (DES) Energy Services Performance Contracting (ESPC) program. Based on this audit, the College decided to proceed to an Investment Grade Audit (IGA.)

In 2020 the College commissioned Sightlines (Gordian) to quantify the growing deferred capital replacement crisis – their analysis showed an investment need of \$65 million. 60% of this need is in the Broadway Edison building. Of that \$65 million, \$10 to \$20 million is directly related to the steam heating infrastructure which is at end of its anticipated life.

On May 7, 2021, McKinstry delivered schematic level equipment selections, engineering sketches. The College and McKinstry collaborated on evaluating the 'do-nothing' annual cost and grant and rebate applications.

On December 16, 2021, Seattle Central College entered into a Memorandum of Understanding with McKinstry to further develop this project.

On February 10, 2022, the Seattle Colleges Board of Trustees approved McKinstry to develop permit drawings and develop an Energy Savings Proposal (ESP) for construction.

Today, the ESP is complete, and the College is seeking the approvals outlined above from the Seattle Colleges Board of Trustees and the State Board of Community and Technical Colleges.

Exhibit B: Project Map

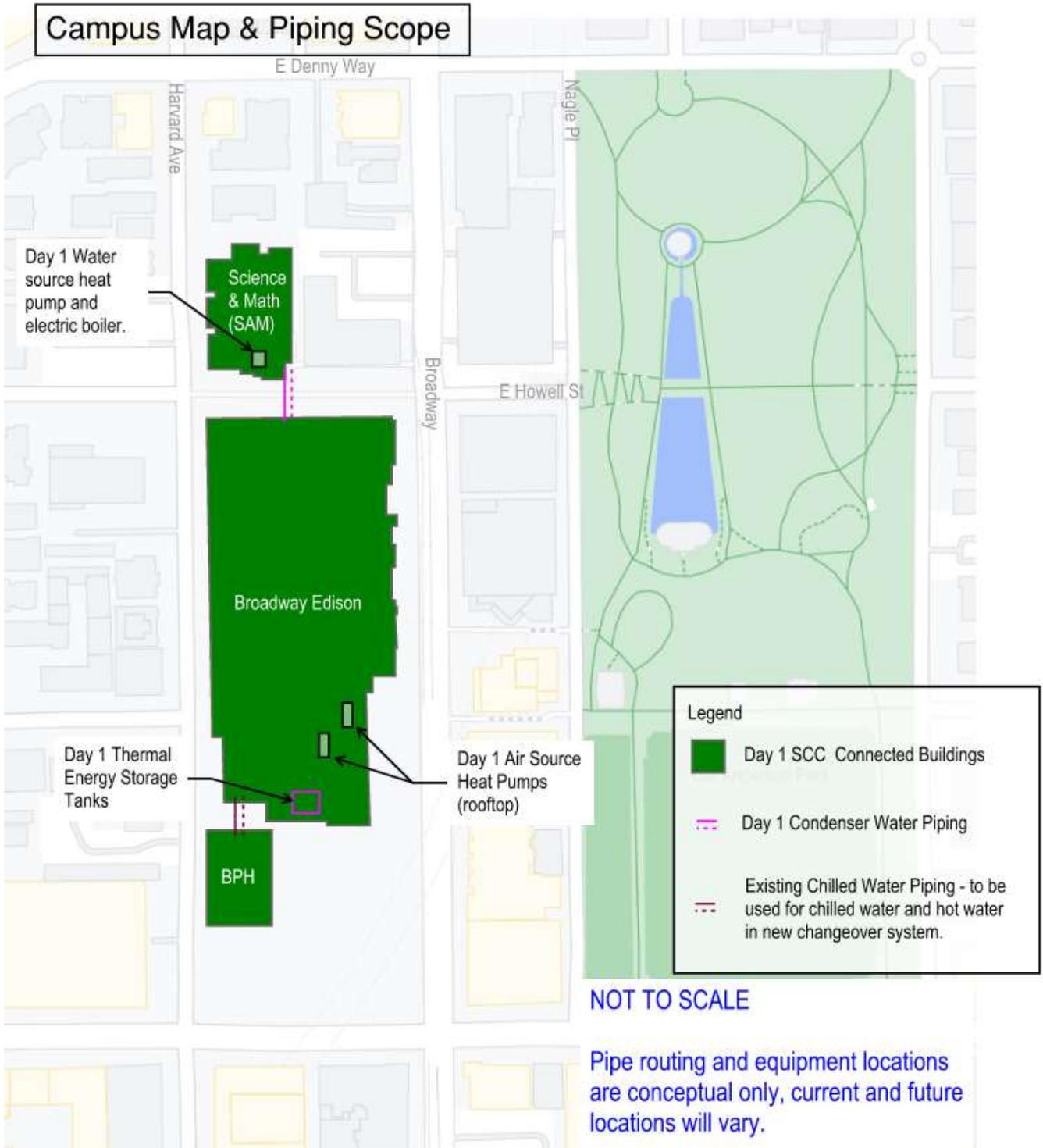


Exhibit C: Operation and Maintenance Approach

In order to ensure system performance, the College will contract with McKinstry to provide the first three years of O&M. This allows McKinstry to leverage synergy between measuring and verifying (M&V) the energy savings guarantee and maintaining system operations, allowing confidence in the system performance.

McKinstry will O&M the system using a mix of professional services (remote monitoring, troubleshooting, active energy management, and asset management) and HVAC technician services (preventative and corrective maintenance). Active energy management will be conducted across the entire affected buildings (Broadway Edison, Science and Math, and Broadway Performance Hall) to understand how the buildings' HVAC equipment is working and make recommendations so that it works appropriately with the new systems.

The ESP (construction agreement) includes three years of the professional services described above and the College will contract with McKinstry through the ESP or other means for preventative and corrective maintenance.

Corrective maintenance (repairs to broken equipment) costs are not guaranteed and will be provided by the O&M vendor and funded through the maintenance reserve fund.

The financial model assumes that third-party O&M is provided for the life of the project and that its cost escalates with inflation.

Exhibit D: Conservative Project Financial Performance

The following financial model is based on conservative assumptions for:

- Project cost escalation between now and the time of project approval (projected for April 2023)
- COP interest rate increases between now and the COP sale date (projected for October 2023).

The current projected construction cost is \$22,296,725, including construction costs and three years of remote operations, active energy management, and preventative maintenance. The model below assumes it is \$25,000,000 at the time of approval. The latest similar LOCAL real estate COP had a 20-year term and issued at 3.46% on 6/8/2022. The model below assumes 5%.

This analysis is an engineer's assessment of the project's potential financial performance. This is an approximation of a potential project using inputs as described by the client. Other factors will have impacts to the assessment that may not be currently contemplated. McKinstry is not a financial advisor and cannot provide financial advice. We recommend thoroughly reviewing this analysis with your advising team. McKinstry does not guarantee the financial performance nor the inputs to this model. The estimates are NOT a guarantee or quotation for work to be carried out.

Financial Model Inputs

The following inputs are used in the financial model.

General Inputs	Value	Units	Notes
Discount Rate	4.00%	%	~4% per conversation with SCC
Inflation Rate	3.50%	%	~3.5% per conversation with SCC
Analysis Term	30	Years	Based on MOU
Building Area	551,817	ft2	Used Energy Star values, See '(D)1.1.Building Area' for various similar sources

CapEx	Value	Units	Notes
McKinstry GMP (including 3 years of O&M)	\$ 25,000,000	\$	Conservative estimate to account for cost inflation.
McKinstry GMP (with O&M removed)	\$ 23,997,258	\$	Removes O&M costs shown in cashflow below.
Third Party Costs (e.g. SCL)	\$ 250,000	\$	Estimate for Seattle City Light, 8/25/22
Total CapEx	\$ 24,247,258	\$	
Upfront Payment, Credit, Grants			
PV Tax Credits Value	\$ 346,888	\$	
PV Project Value	\$ 1,734,439	\$	PV project size.
PV Tax Credit Value	20%	%	Conservative assumption
Grants	\$ 575,000	\$	Non-guaranteed grant funding
Total Financed Amount	\$ 23,325,370	\$	

(continued below)

OpEx	Annual Cost	Escalation	Notes
O&M Services			
McKinstry Service (\$/year)	\$ 58,670	4.50%	9/15 cost proposal.
McKinstry Remote Operations, Active Energy Managemnt, Asset Management (\$/year)	\$ 211,335	5.00%	Various cost proposals.
2x daily boiler checks (\$/year)	\$ 48,600	4.50%	9/15 cost proposal. College may be able to do.
Other O&M Costs (\$/year)	\$ 27,591	4.50%	Estimate, assum \$0.05/ft2
Utility Costs - Do Nothing			
Steam + Gas Utility (\$/year)	\$ 391,505	3.09%	Energy Model, Escalation is EERC for NG (WA, Commerical, no carbon 25 years, start 2022)
Electric Utility (\$/year)	\$ 9,187	3.50%	Energy Model, Escalation is based on https://www.seattle.gov/documents/Departments/CityLight/2022-2026StratPlanEng.pdf
Water Utility (\$/year)			Not included in analysis.
Carbon Costs (\$/year)	\$ 71,608		Escalation is based on rounding down analysis on tab '(D)4.Carbon Price'
Tons CO2/year	1,673		Energy model
\$/ton	\$ 43		2022 Avg of carbon cost models.
Utility Costs - Proposed			
Steam + Gas Utility	\$ -	0%	Steam removed, assume no ongoing costs from CenTrio
Electric Utility	\$ 257,848	3.50%	Energy Model, Escalation is based on https://www.seattle.gov/documents/Departments/CityLight/2022-2026StratPlanEng.pdf
Water Utility			Not included in analysis.
Carbon Costs	\$ 2,012		Escalation is based on rounding down analysis on tab '(D)4.Carbon
Tons CO2/year	47		Energy model
\$/ton	\$ 43		2022 Avg of carbon cost models.
Up Front Funding			
	Value	Units	Notes
Equity Investment			
Customer Capital - Switch Gear	\$ 1,700,000	\$	'23-25 projects' WB
Long Term Financing			
	Value	Units	Notes
State COP			
Rate	5.00%	%	Conservative assumption
Term	25	Years	25 year COP
# of Payments per year	2		COP lease payments are June 1 and Dec 1
% Funded	100%	%	Assumption
Start Date	10/1/2023	Date	Assumption based on past program timeline.
Maintenance (Repair & Replacem Value			
	Value	Units	Notes
Inputs			
Interest Earned on Maintenance Reserve	2.00%	%	Assumption, pending input from Lincoln
1st Year Payment to Maintenance Reserve	\$ 1.01	\$/ft2	Judgement informed by ending value and years value drops below \$0.
Annual Increase to Maintenance Reserve Payment	2.20%	%	Assumption

Financial Model Results

Projected Year 1 Performance

The following tables indicate the Year 1 (2025) project performance. They show that, even with conservative construction cost and interest rate assumptions, the project has a year 1 present value annual cost of \$4.47/ft²-year, meeting the cost effectiveness criteria of \$3.50-\$4.50/ft²-year.

Project Capital Expenses	thousand \$
McKinstry Construction Cost	\$23,997
Utility Upgrades	\$250
Upfront Customer Capital	-\$1,700
PV Tax Credits	-\$347
Grants	-\$575
Financed Value	\$21,625

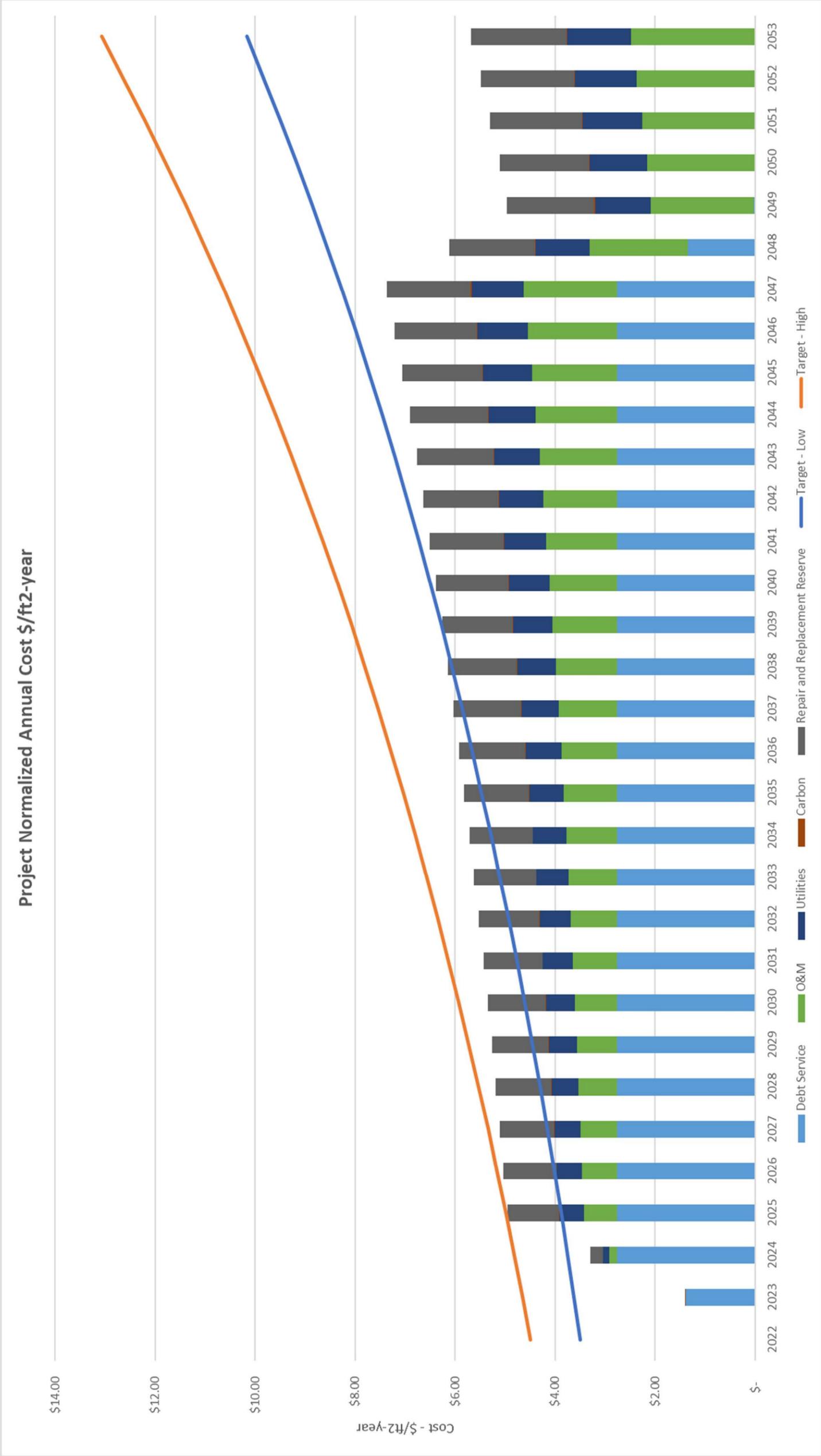
Operation Costs, Year 1 (2025) - \$/ft2	thousand \$/year	\$/ft2-year
Debt Service	\$1,525	\$ 2.76
O&M	\$367	\$ 0.67
Utilities	\$269	\$ 0.49
Carbon	\$3	\$ 0.01
Repair and Replacement Reserve	\$573	\$ 1.04
Total	\$2,737	\$ 4.96
PV	\$2,468	\$ 4.47

Operation Savings, Year 1 (2025) - \$/ft2	thousand \$/year	\$/ft2-year
Utility Cost Savings	-\$153	\$ (0.28)
Carbon Cost Savings	-\$99	\$ (0.18)
Total	-\$252	\$ (0.46)
PV	-\$227	\$ (0.41)

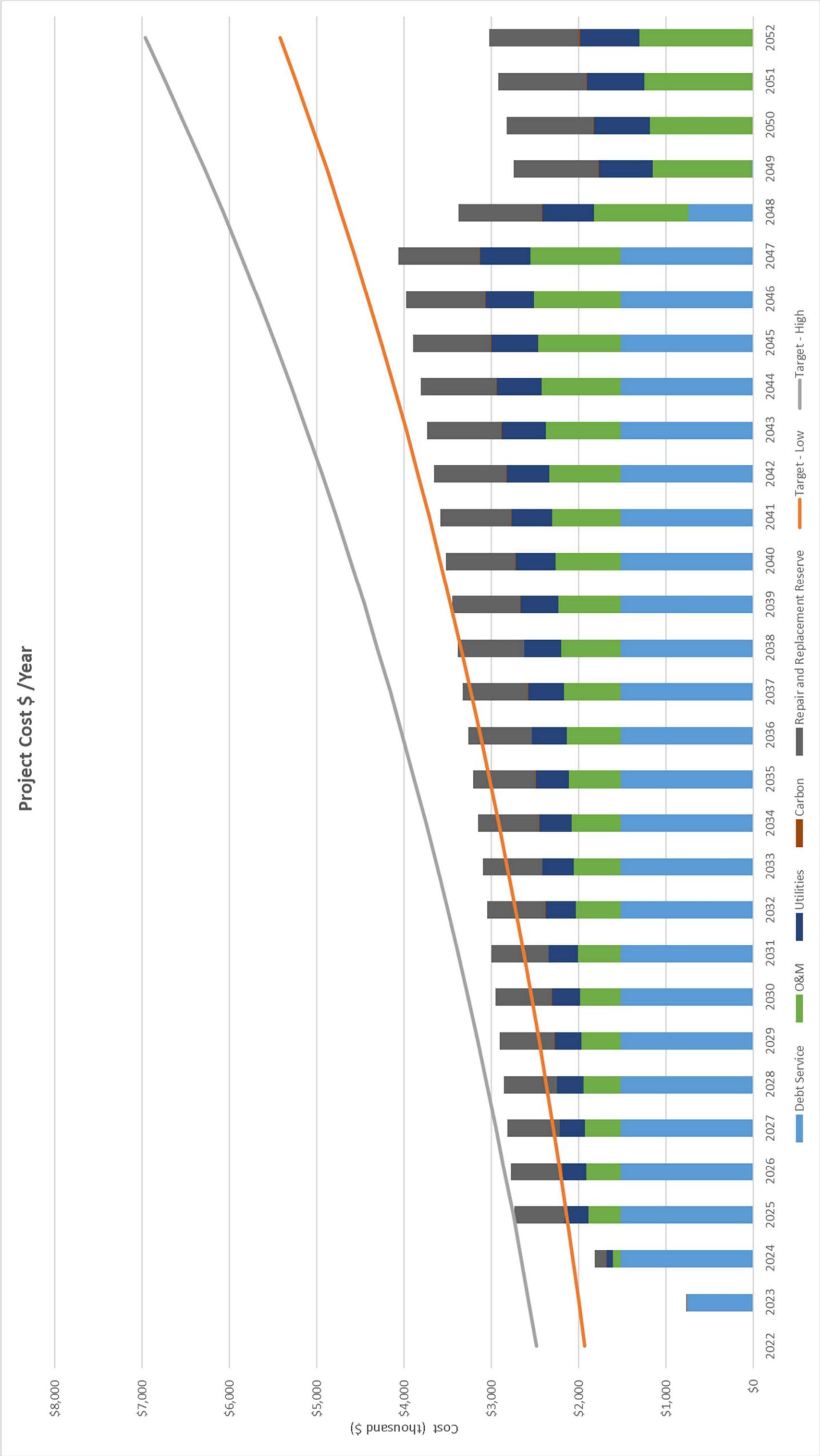
Net Cost, Year 1 (2025) - \$/ft2	thousand \$/year	\$/ft2-year
Total	\$2,485	\$ 4.50
PV	\$2,241	\$ 4.06

Projected Annual Performance

The following figure shows the projected annual performance for the project, normalized on a cost per square foot per year. The orange and blue lines indicate the upper and lower bounds of the cost effectiveness criteria. It indicates that the projected performance meets the criteria at the start of the project and slowly drops below the criteria over time as the project's total costs escalate slower than the projected value of inflation.



The following figure shows the projected annual cost performance for the project.



The following table shows the projected annual cost performance for the project.

In '000	Cost Targets		Annual Operating Cost (thousand \$)					
	Target - Low	Target - High	Debt Service	O&M	Utilities	Carbon	Repair and Replacement Reserve	Total OpEx
2022	1,931.36	2,483.18	0.00	0.00	0.00	2.01	0.00	2.01
2023	1,998.96	2,570.09	762.47	0.00	0.00	2.29	0.00	764.76
2024	2,068.92	2,660.04	1,524.94	87.57	65.02	2.57	140.09	1,820.19
2025	2,141.33	2,753.14	1,524.94	367.11	269.18	2.85	572.70	2,736.79
2026	2,216.28	2,849.50	1,524.94	384.76	278.60	3.14	585.30	2,776.74
2027	2,293.85	2,949.23	1,524.94	403.25	288.35	3.43	598.18	2,818.15
2028	2,374.13	3,052.46	1,524.94	422.64	298.44	3.73	611.34	2,861.08
2029	2,457.23	3,159.29	1,524.94	442.95	308.89	4.03	624.79	2,905.59
2030	2,543.23	3,269.87	1,524.94	464.25	319.70	4.33	638.53	2,951.75
2031	2,632.24	3,384.31	1,524.94	486.58	330.89	4.64	652.58	2,999.62
2032	2,724.37	3,502.77	1,524.94	509.98	342.47	4.95	666.94	3,049.28
2033	2,819.73	3,625.36	1,524.94	534.51	354.46	5.27	681.61	3,100.79
2034	2,918.42	3,752.25	1,524.94	560.22	366.86	5.60	696.61	3,154.22
2035	3,020.56	3,883.58	1,524.94	587.17	379.70	5.93	711.93	3,209.67
2036	3,126.28	4,019.50	1,524.94	615.42	392.99	6.23	727.60	3,267.17
2037	3,235.70	4,160.19	1,524.94	645.04	406.75	6.54	743.60	3,326.86
2038	3,348.95	4,305.79	1,524.94	676.08	420.98	6.80	759.96	3,388.76
2039	3,466.16	4,456.50	1,524.94	708.62	435.72	7.07	776.68	3,453.03
2040	3,587.48	4,612.47	1,524.94	742.74	450.97	7.28	793.77	3,519.69
2041	3,713.04	4,773.91	1,524.94	778.49	466.75	7.50	811.23	3,588.91
2042	3,843.00	4,941.00	1,524.94	815.98	483.09	7.73	829.08	3,660.81
2043	3,977.50	5,113.93	1,524.94	855.27	499.99	7.96	847.32	3,735.48
2044	4,116.72	5,292.92	1,524.94	896.46	517.49	8.20	865.96	3,813.05
2045	4,260.80	5,478.17	1,524.94	939.64	535.61	8.44	885.01	3,893.64
2046	4,409.93	5,669.91	1,524.94	984.90	554.35	8.70	904.48	3,977.37
2047	4,564.28	5,868.35	1,524.94	1,032.35	573.76	8.96	924.38	4,064.38
2048	4,724.03	6,073.75	743.87	1,082.09	593.84	9.23	944.71	3,373.74
2049	4,889.37	6,286.33	18.60	1,134.24	614.62	9.50	965.50	2,742.46
2050	5,060.49	6,506.35	0.00	1,188.90	636.13	9.79	986.74	2,821.56
2051	5,237.61	6,734.07	0.00	1,246.21	658.40	10.08	1,008.45	2,923.13
2052	5,420.93	6,969.76	0.00	1,306.28	681.44	10.38	1,030.63	3,028.74
2053	5,610.66	7,213.71	0.00	1,369.25	705.29	10.70	1,053.31	3,138.55

The following figure shows the projected performance of the maintenance reserve fund.

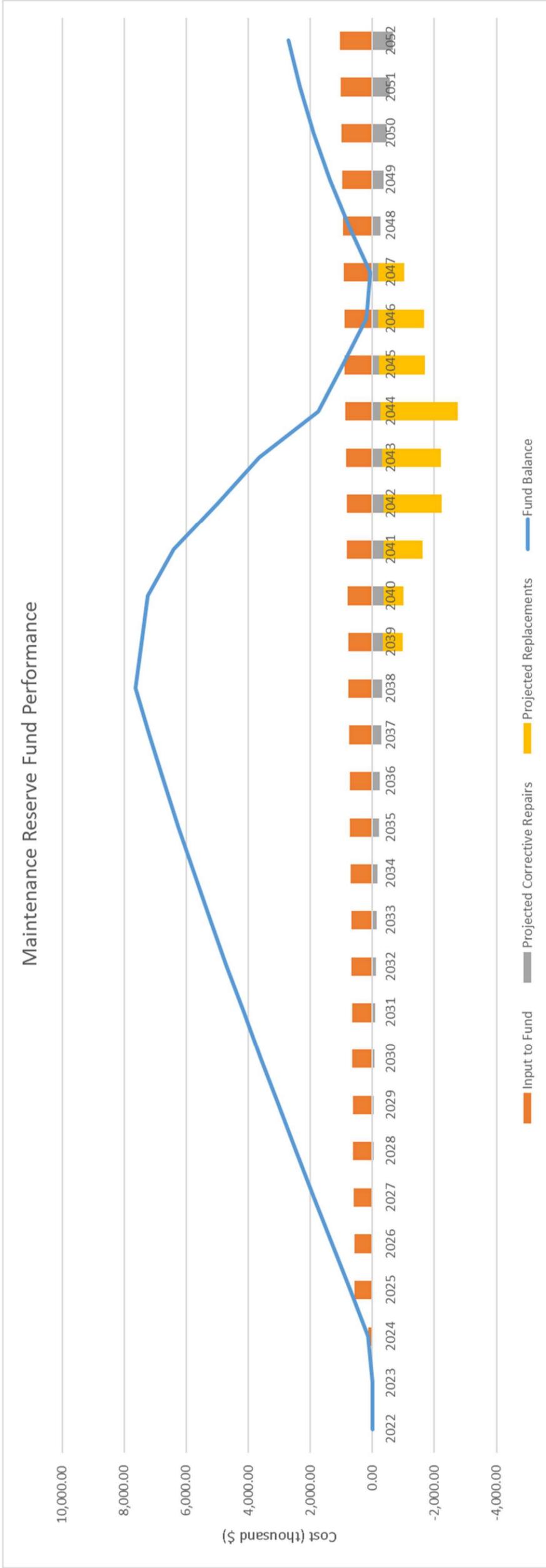


Exhibit E: Cost Effectiveness Criteria

The following cost effectiveness criteria were defined in the memorandum of understanding between Seattle Central College and McKinstry dated December 16, 2021.

1. The existing 50-year+ old steam infrastructure shall not be utilized due to reliability and sustainability deficits.
2. No fossil fuel (natural gas fired) combustion equipment shall be added to alleviate sustainability and environmental concerns.
3. The **guideline for implementation is that the annual calculated payments for any (state or private) financing, any concessionaire payments, plus any other operational costs for the Eco District that are not captured by the concessionaire agreement are anticipated to be <= the current annual O&M and deferred capital costs associated with the existing aging/inefficient central plant infrastructure of \$3.50-\$4.50 per SF per year.** This is based on the following statement:
 - a. The \$3.50-\$4.50 per SF per year value above was determined by SCC based on current utility bills, current operational cost, and current deferred capital backlog for end-of-life equipment, piping, and electrical distribution items that will be addressed as part of the Eco District scope.
 - b. McKinstry shall provide a guaranteed maximum project cost for turn-key implementation.
 - c. Seattle City Light (SCL) construction costs to upgrade the electrical service capacity (if any) shall be based on numbers provided by SCL.
 - d. All applicable utility rebates and department of Commerce grants as well as other grant funding sources (state, utility, federal, private, etc.) for public education institutions shall be included.
 - e. The annual utility costs will escalate based on local utility rates.
 - f. The annual non-utility costs will escalate per Seattle CPI.
 - g. This guideline is based on the current Eco District scope options chosen. SCC may select additional scope items at their discretion.

**South Seattle College and
Construction Industry Training Council (CITC)
APPRENTICESHIP INSTRUCTIONAL, OFF-CAMPUS AGREEMENT
Tied to Request for Contract Services C2469
July 1, 2022- June 30, 2023**

This Instructional Agreement is entered into **by** and between the **Construction Industry Training Council**, with headquarters located at 1930 116th Ave NE UNIT 201, Bellevue, WA 98004, hereinafter, **COUNCIL**; and **South Seattle College**, a public institution of higher education and member of the Seattle Colleges District, located at **6737 Corson Avenue South, Seattle, Washington 98108** (Parties).

PURPOSE

The College desires to provide relevant related training instruction for Construction Industry apprentices as part of their vocational education programs. The Council has the unique ability to provide such instruction, having access to appropriately prepared and qualified instructors for such apprenticeship training programs. The College and Council desire to enter into this Agreement for the purpose of outlining the responsibilities of both providing apprenticeship related instruction.

RESPONSIBILITIES OF CONSTRUCTION INDUSTRY TRAINING COUNCIL:

1. Appoint a representative of the Council to coordinate the activities and interests of the Council with the College.
2. Provide storage of all primary copies of related training lessons, units, and tests in accordance with state guidelines.
3. Provide instructional equipment and facilities appropriate for instruction performed under the terms of this Agreement and shall be solely responsible for safety, equipment repair, cleanliness, and provision of utilities (lights, heating, and ventilation).
4. Be responsible for scheduling of class times, location, and notification to students.
5. Be responsible for provision of clerical support to instructional staff. Provide printing services, ordering of instructional materials and provision of audio-visual and other supportive services to instructors.
6. Be responsible for instructor orientation and training and on-site supervision of instructors.
7. Provide related apprenticeship instruction under supervision of the College to individuals holding current registered apprenticeship numbers and enrolled with the College for courses offered pursuant to this Agreement, provided such students meet any prerequisites established by the College for enrollment in such courses.
8. Secure instructors approved by the College who meet or surpass the College's minimum qualification standards for vocational instructors as established pursuant to

the rules, regulations, policies and procedures of the State Board for Community and Technical Colleges (hereinafter, SBCTC) and the Seattle Community College District as they now exist or may be hereafter modified during the life of this Agreement.

Personnel who are selected to provide services pursuant to this Agreement are employees of the Council, not of the College, and will not by virtue of this employment attain any right to tenure, benefits, or continued employment by the College. In addition, workman's compensation and industrial insurance coverage for these instructors will be maintained by and remain the responsibility of Council.

9. Provide instructional materials as required for any courses offered pursuant to this Agreement.
10. Operate such courses in conformance with all established academic rules, regulations, policies, and procedures of the College.
11. In implementing courses, the Council shall abide by any and all regulations concerning total classroom hours for college credits registered. The College reserves the right to review and evaluate the performance of instructors and program content.
12. Update, modify and otherwise maintain the curriculum of each program offered pursuant to this Agreement according to industry and College standards and expectations.
13. Provide all written documentation on students required by the College, including registration forms, attendance forms, completion reports, and any other data normally required from or about students, to the College in accordance with dates and schedules established by the College.
14. Remit to the College all tuition and fees for these apprenticeship courses as required by statute, rules, regulations, policies, and procedures of the SBCTC and/or the College. **FY 2022-2023 Apprenticeship rate for 1st, 2nd, and 3rd year CITC Plumbing and Electrical Apprentices is \$59.564 per credit. Apprenticeship rate for 4th year CITC Plumbing and Electrical Apprentices is \$3.97 per contact hour.** Tuition rate of **\$3.97** per contact hour and **\$59.564 per credit** is based on SBCTC's published credit tuition rates and SBCTC apprenticeship fee guidance rate memo for the biennium 2021-2023. The college reserves the right, during the term of this Agreement, to modify these rates to be consistent with policies and practices adopted by the SBCTC or the College.
15. Submit quarterly student's grade to using college provided grade form template to the College within two weeks of the quarter ending for fall and winter quarter; one week for spring quarter.
16. Submit completed quarterly invoices to **Khin.Naing@seattlecolleges.edu** using college provided invoice template to the College within two weeks of the quarter ending.

Invoice template is enclosed; FY 2022-2023 Academic Calendar is found at <https://www.seattlecolleges.edu/media/746>

Quarter End	Invoice to College Deadline
Summer 2022: August 19	September 2, 2022
Fall 2022: December 15	December 29, 2022
Winter 2023: March 22	April 5, 2023
Spring 2023: June 16	June 23, 2023* *Spring quarter deadline shortened to allow for end of fiscal year processing

RESPONSIBILITIES OF COLLEGE

1. The College shall designate a representative to assist the Council with the program established by this Agreement and to audit such programs with respect to Council's compliance with all applicable academic regulations and policies established by the College
2. Ensure that training is in accordance with the Washington State Plan for Vocational Education. The College also will ensure that the training is in accordance with the performance requirements as agreed to between the College and the Council.
3. Conduct periodic evaluations of the performance of the Council, pursuant to this Agreement, including the Council's instructors and the content of all courses offered, and provide the Council with a report of such evaluations.
4. Maintain records of enrollment and completion for all students registered pursuant to this agreement and make available to the Council any such records upon receipt of written permission from any individual student regarding release of such information.
5. Assist the Council in the development of any documents modifying the curricula of programs offered pursuant to this Agreement and submits said documents to the SBCTC and other appropriate federal and state agencies, as required.
6. The number of credits for any course shall be determined by the College representative. The Council shall provide recommended achievement reports to the College's representative at the end of each course with respect to dates set by the College registration office. The College representative shall arrange for the provision of appropriate records and transcripts indicating Pass/Fail levels of achievement to those students completing such courses in accordance with the regulations and policies of the College.
7. SCCD will invoice the Council for tuition at the following rates on a quarterly basis: **for 1st, 2nd, and 3rd year CITC Plumbing and Electrical Apprentices is \$59.564 per credit. Apprenticeship rate for 4th year CITC Plumbing and Electrical Apprentices is \$3.97 per contact hour.**
8. **Total remuneration for 2022-2023 fiscal year is based on 538 AFTE (@\$3,384/AFTE) for a total of no more than \$1,820,592.00** Payments will be made on a quarterly basis; such remuneration to be considered for any and all instructional costs incurred by the Council.

Such remuneration is to be paid directly to:
Construction Industry Training Council of Washington, CITC
1930 116th Ave N.E.
Bellevue, WA 98004-3044.

9. Provide a process and assistance to develop and maintain transferable credits towards an academic degree (AAS-T). This process to be re-assessed by both parties annually.

STUDENT RIGHTS AND RESPONSIBILITIES

Pursuant to this agreement, Apprentices in the COUNCIL Apprenticeship program are students of the College and as such will enjoy the benefits of, and have the rights and responsibilities applicable to, all other College students. Such benefits, rights and responsibilities are in addition to, and independent of, any benefits, rights, or responsibilities applicable to the students through their participation in THE COUNCIL apprenticeship program. The instructor and/or the College shall have the right to discipline any student in accordance with the College's student Conduct Code, WAC 132F-121. In designating a disciplining official, presiding officer and/or reviewing officer(s), the College shall advise the COUNCIL representative concerning the established process and provide contact information for the appropriate College officer(s). A student found responsible for violating the student conduct code may be subject to discipline up to and including dismissal from the College.

THE COUNCIL reserves and retains the right to independently discipline students in its Apprenticeship Program pursuant to the terms and conditions governing participation in the Apprenticeship Program. Apprenticeship Program students found responsible for violating the program terms and conditions by THE COUNCIL may be subject to discipline up to and including dismissal from the Apprenticeship Program.

TERM

1. This Instructional Agreement shall commence **July 1, 2022**, and shall terminate on **June 30, 2023**, unless terminated sooner or extended as provided herein.
2. The agreement may be extended for additional term of one year upon written mutual agreement of both parties.
3. Either party may terminate this Agreement by giving thirty (30) days prior written notice to the other party. However, actual termination would not take place until completion of any in process instructional quarter.

INSURANCE

1. During the term of this Agreement, Council shall at all times, at its costs and expense, carry and maintain general public liability insurance, including contractual liability, against claims for bodily injury, personal injury, death or property damage occurring or arising out of activities of the Council. The limits of liability insurance, which may be increased from time to time as deemed necessary by the State, shall not be less than as follows:

- | | | |
|----|--------------------------|-------------|
| 1) | Each Occurrence | \$1,000,000 |
| 2) | General Aggregate Limits | \$2,000,000 |
2. The State of Washington, including all its agencies and departments, is self-insured for all exposure to tort liability, general liability, property damage liability, and vehicle liability as provided for in the Risk Management Act, RCW 43,19.760 *et seq.*
 3. The Tort Claims Act, RCW 4.92 *et seq.*, provides the fundamental remedy for all liability claims against the State. Such claims must be filed with the Division of Risk Management for processing according to statute.

INDEMNIFICATION

As between CITC (Construction Industry Training Council) and the College only, each of these two parties agrees to be responsible for damages to persons or property resulting from the negligent acts or omissions on the part of itself, its employees, or its officers. Neither of the two parties to this Agreement assumes any responsibility to the other party for the consequences of any act or omission of any person, firm, or corporation not a party to this Agreement. Additionally, and for the purposes of this Agreement only, neither of the two parties to this Agreement shall be considered the agent of the other party.

COMPLIANCE WITH CIVIL RIGHTS LAWS

The parties hereby agree to comply with all applicable federal and state civil rights laws, including, but not limited to Washington’s Law Against Discrimination, Titles VI and VII of the Civil Rights Act and Title IX of the Education Amendments of 1972, to the end that no person shall, on the grounds of age, sex, marital status, sexual orientation, race, creed, color, national origin, citizenship or immigration status, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability, unless based upon a bona fide occupational qualification be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program or activity supported by this Agreement.

PROPERTY RIGHTS RESERVED

No property right shall accrue to any individual or entity as a result of the performance of this Agreement. All correspondence, papers, documents, reports, files, films, and other work products which result from this Agreement, and all copies thereof prepared or produced as a result of this Agreement, shall become and remain the property of the College.

JURISDICTION

This Agreement shall be construed in accordance with the laws of the State of Washington, to the extent not preempted by applicable federal law. If any provision hereof is held to be

invalid or unenforceable, the remaining provision shall nevertheless continued in full force and effect, unless the provisions held invalid or unenforceable shall substantially impair the benefits of the remaining portions of this Agreement.

ENTIRE AGREEMENT

This is the entire Agreement of the parties. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Instructional Agreement.

Construction Industry Training Council

By Jack Chapel

Title Vice President, Education, CITC

Signature _____ Date Signed _____

South Seattle College

By _____

Title _____

Signature _____ Date Signed _____

**South Seattle College and
Puget Sound Electrical Joint Apprenticeship Training Committee (PSEJATC)
APPRENTICESHIP INSTRUCTIONAL, OFF-CAMPUS AGREEMENT
Tied to Request for Contract Services No. C2471
July 1, 2022- June 30, 2023**

This Instructional Agreement is entered into by and between the **Puget Sound Electrical Joint Apprenticeship Training Committee**, with headquarters located at 550 SW 7th St. Renton, WA 98057, hereinafter, **PSEJATC**; and **South Seattle College**, a public institution of higher education and member of the Seattle Colleges District, located at **6737 Corson Avenue South, Seattle, Washington 98108** (Parties).

PURPOSE

The College desires to provide relevant related supplemental instruction as approved by the Washington State Apprenticeship Training Council for PSEJATC apprentices as part of their vocational education programs. PSEJATC has the unique ability to provide such instruction, having access to appropriately prepared and qualified instructors for such apprenticeship training programs. The College and PSEJATC desire to enter into this Agreement for the purpose of outlining the responsibilities of both providing apprenticeship-related instruction.

RESPONSIBILITIES OF PSEJATC

1. Appoint a representative of the PSEJATC to coordinate the activities and interests of the PSEJATC with the College.
2. Provide storage of all master copies of related training lessons, units and tests in accordance with state guidelines.
3. Provide instructional materials and equipment as required for any courses offered pursuant to this Agreement. PSEJATC shall be solely responsible for the safety, equipment repair, cleanliness, and provision of utilities (lights, heating, & ventilation). Be responsible for scheduling of class times, locations, and notification to students. Submit annual course schedule to Laura.Kingston@seattlecolleges.edu
4. Provide clerical support to instructional staff. Provide printing services, ordering of instructional materials and other supportive services to instructors.
5. Provide instructor orientation and training and on-site supervision of instructors.
6. Provide related apprenticeship instruction under supervision of the College to individuals holding current registered apprenticeship numbers and enrolled with the College for courses offered pursuant to this Agreement, provided such students meet any prerequisites established by the College for enrollment in such courses.
7. Secure instructors approved by the College who meet or surpass the College's minimum qualification standards for vocational instructors as established pursuant to the rules, regulations, policies, and procedures of the State Board for and Technical Colleges (hereinafter, SBCTC) and the Seattle College District as they now exist or may be hereafter modified during the life of this Agreement.

Personnel who are selected to provide services pursuant to this Agreement are employees of the PSEJATC, not of the College, and will not by virtue of this employment attain any right to tenure, benefits, or continued employment by the College. In addition, workman's compensation and industrial insurance coverage for the instructors will be maintained by and remain the responsibility of PSEJATC.

8. Provide instructional materials and equipment as required for any courses offered pursuant to this Agreement.
9. Operate such courses in conformance with all established academic rules, regulations, policies, and procedures of the College.
10. In implementing courses, PSEJATC shall abide by any and all regulations concerning total classroom hours for college credits registered. The College reserves the right to review and evaluate the performance of instructors and program content.
11. Update, modify and otherwise maintain the curriculum of each program offered pursuant to this Agreement according to industry and College standards and expectations.
12. Provide all written documentation on students required by the College, including registration forms, attendance forms, completion reports, and any other data normally required from or about students, to the College in accordance with dates and schedules established by the College.
13. Remit to the College all tuition and fees for these apprenticeship courses as required by statute, rules, regulations, policies, and procedures of the SBCTC and/or the College. Apprenticeship tuition rate starting Fall 2022 for all apprentices will be based on a rate of **\$3.97** per contact hour. Tuition rate of **\$3.97** per contact hour and **\$59.564 per credit** is based on SBCTC's published credit tuition rates and SBCTC apprenticeship fee guidance rate memo for the biennium 2021-2023. The college reserves the right, during the term of this Agreement, to modify these rates to be consistent with policies and practices adopted by the SBCTC or the College.
14. Submit quarterly student's grade to using college provided grade form template to the College within two weeks of the quarter ending for fall and winter quarter; one week for spring quarter.
15. Submit completed quarterly invoices to **Khin.Naing@seattlecolleges.edu** using college provided invoice template to the College within two weeks of the quarter ending.

Invoice template is enclosed; FY 2022-2023 Academic Calendar is found at

<https://www.seattlecolleges.edu/media/746>

Quarter End	Invoice to College Deadline
Summer 2022: August 19	September 2, 2022
Fall 2022: December 15	December 29, 2022
Winter 2023: March 22	April 5, 2023
Spring 2023: June 16	June 23, 2023

RESPONSIBILITIES OF COLLEGE

1. The College shall designate a representative to assist the PSEJATC with the program established by this Agreement and to audit such programs with respect to the PSEJATC compliance with all applicable academic regulations and policies established by the College.
2. Ensure that training is in accordance with the Washington State Plan for Vocational Education. The College also will ensure that the training is in accordance with the performance requirements as agreed to between the College and the PSEJATC.
3. Conduct periodic evaluations of the performance of the PSEJATC, pursuant to this Agreement, including the PSEJATC’s instructors and the content of all courses offered, and provide the PSEJATC with a report of such evaluations.
4. Maintain records of enrollment and completion for all students registered pursuant to this agreement and make available to the PSEJATC any such records upon receipt of written permission from any individual student regarding release of such information in accordance with the Family Educational Rights and Privacy Act (FERPA),.
5. Assist the PSEJATC in the development of any documents modifying the curricula of programs offered pursuant to this Agreement and submit said documents to the SBCTC and other appropriate federal and state agencies, as required.
6. The number of credits for any course shall be determined by the College representative. The PSEJATC shall provide recommended achievement reports to the College's representative at the end of each course with respect to dates set by the College registration office. The College representative shall arrange for the provision of appropriate records and transcripts indicating Pass/Fail levels of achievement to those students completing such courses in accordance with the regulations and policies of the College.
7. For FY2023 the College will invoice PSEJATC contact hour tuition starting Fall 2022 for all apprentices at a rate of **\$3.97** per contact hour on a quarterly basis.
8. Remunerate PSEJATC as outlined below:

Total remuneration for 2021-2022 fiscal year is based on **529 AFTE** (at **\$3,384 per AFTE**) for a total of no more than **\$ \$1,790,136**. Payments will be made on a quarterly basis; such remuneration to be considered for any and all instructional costs incurred by the PSEJATC.

PSE-SSC maximum remuneration for 2022-23 instruction/training will be as follows:

AFTE Total	Total Rate	Total
529	\$3,384/AFTE	\$1,790,136

Such remuneration is to be paid directly to
Puget Sound Electrical Apprenticeship
550 SW 7th St.
Renton, WA, 98057

9. Provide a process and assistance to develop and maintain transferable credits towards an academic degree (AAS-T). This process to be re-assessed by both parties annually.

CURRICULUM SCHEDULE

1. PSEJATC and the COLLEGE mutually agree that the apprenticeship curriculum covered by this agreement shall consist of Industry Safety Training instruction, with each course consisting of 144 clock hours delivered to each student. Remuneration will be based upon registration of the apprentice with Washington State Labor & Industries.
2. PSEJATC and the COLLEGE mutually agree that the apprenticeship curriculum covered by this agreement shall consist of 5 (five) years of instruction, with each year consisting of 210 clock hours delivered to each student.
3. The parties further agree that the students will each be enrolled on a quarterly basis. It is understood that enrollments, tuition payments, and contractual payments will be made on this consistent quarterly basis.

STUDENT RIGHTS AND RESPONSIBILITIES

Pursuant to this agreement, Apprentices in the PSEJATC apprenticeship program are students of the College and as such will enjoy the benefits of, and have the rights and responsibilities applicable to, all other College students. Such benefits, rights and responsibilities are in addition to, and independent of, any benefits, rights, or responsibilities applicable to the students through their participation in PSEJATC apprenticeship program. The instructor and/or the College shall have the right to discipline any student in accordance with the College's student Conduct Code, WAC 132F-121. In designating a disciplining official, presiding officer and/or reviewing officer(s), the College shall advise the PSEJATC representative concerning the established process and provide contact information for the appropriate College officer(s). A student found responsible for violating the student conduct code may be subject to discipline up to and including dismissal from the College.

PSEJATC reserves and retains the right to independently discipline students in its Apprenticeship Program pursuant to the terms and conditions governing participation in the Apprenticeship Program. Apprenticeship Program students found responsible for violating the program terms and conditions by PSEJATC may be subject to discipline up to and including dismissal from the Apprenticeship Program.

TERM

1. This Instructional Agreement shall commence **July 1, 2022, and shall terminate on June 30, 2023**, unless terminated sooner or extended as provided herein.
2. This Agreement may be extended for additional terms of one year upon written mutual agreement of the parties.

3. Either party may terminate this Agreement by giving thirty (30) days prior written notice to the other party. However, actual termination would not take place until completion of any in process instructional quarter.
4. Any letters of mutual agreement between the College and PSEJATC attached as addendums to this contract will be considered a part of this Contract.

INSURANCE

1. During the term of this Agreement, PSEJATC shall at all times, at its costs and expense, carry and maintain general public liability insurance, including contractual liability, against claims for bodily injury, personal injury, death or property damage occurring or arising out of activities of PSEJATC. The limits of liability insurance, which may be increased from time to time as deemed necessary by the State, shall not be less than as follows:

A. Each Occurrence	\$1,000,000
B. General Aggregate Limits	\$2,000,000

2. The PSEJATC will provide fire and extended insurance coverage as well as theft insurance for the equipment owned by the PSEJATC. PSEJATC will not hold the college responsible for any loss to its equipment.
3. The State of Washington, including all its agencies and departments, is self-insured for all exposure to tort liability, general liability, property damage liability, and vehicle liability as provided for in the Risk Management Act, RCW 43.19.760 *et seq.*
4. The Tort Claims Act, RCW 4.92 *et seq.*, provides the fundamental remedy for all liability claims against the State. Such claims must be filed with the Division of Risk Management for processing according to statute.

INDEMNIFICATION

As between PSEJATC and the College only, each of these two parties agrees to be responsible for damages to persons or property resulting from the negligent acts or omissions on the part of itself, its employees, or its officers. Neither of the two parties to this Agreement assumes any responsibility to the other party for the consequences of any act or omission of any person, firm, or corporation not a party to this Agreement. Additionally, and for the purposes of this Agreement only, neither of the two parties to this Agreement shall be considered the agent of the other party.

COMPLIANCE WITH CIVIL RIGHTS LAWS

The parties hereby agree to comply with all applicable federal and state civil rights laws, including, but not limited to Washington’s Law Against Discrimination, Titles VI and VII of the Civil Rights Act and Title IX of the Education Amendments of 1972, to the end that no person shall, on the grounds of age, sex, marital status, sexual orientation, race, creed, color, national origin, citizenship or immigration status, honorably discharged veteran or military status, or

the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability, unless based upon a bona fide occupational qualification be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program or activity supported by this Agreement.

PROPERTY RIGHTS RESERVED

No property right shall accrue to any individual or entity as a result of the performance of this Agreement. All correspondence, papers, documents, reports, files, films, and other work products which result from this Agreement, and all copies thereof prepared or produced as a result of this Agreement, shall become and remain the property of the College.

JURISDICTION

This Agreement shall be construed and interpreted in accordance with the laws of the State of Washington. The venue of any action brought hereunder shall be in the Superior Court.

ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement of the parties. This Agreement may be canceled if the terms and conditions are substantially modified or if an act of the Washington State legislature or State Board of Community and Technical Colleges substantially modifies the operation of the College or the Apprenticeship program

IN WITNESS WHEREOF, the parties have executed this Instructional Agreement.

PUGET SOUND ELECTRICAL JOINT APPRENTICESHIP TRAINING COMMITTEE

By Clay Tschillard
Title Training Director, PSEJATC
Signature _____ Date Signed _____

SOUTH SEATTLE COLLEGE

By _____
Title _____
Signature _____ Date Signed _____

Seattle College District Policy

NUMBER: 249 Policy

TITLE: Drug Free Environment

Adopted Date: 09/04/1990 Last Revised: 10/08/2015

Seattle College District VI recognizes that illicit drugs and alcohol abuse are major social problems which affect the health, safety, and security of individuals and organizations.

Federal regulations require the establishment of a drug-free awareness program. As part of providing a healthful, safe and secure work and learning environment, each employee and student of Seattle College District VI is expected to be in appropriate mental and physical condition to perform assigned duties and fully participate in the learning process.

It is the policy of Seattle College District to prohibit the unlawful manufacturing, distributing, possession, or use of any controlled substances, including marijuana or the psychoactive compounds found in marijuana and intended for human consumption, regardless of form, and the abuse of alcohol. This policy applies to all employees and students of Seattle College District VI, while in or on any owned and/or controlled property of Seattle College District VI, or while conducting college business regardless of location (exceptions may apply for alcohol in the case of a College **authorized event or approved program**)

Violation of this policy by an employee will result in discipline up to and including termination of employment depending upon the seriousness of the violation. Disciplinary action will be processed in accordance with Federal and State regulations as well as union agreements. In addition to discipline, an employee who has violated this policy may be required to undergo rehabilitation for drug/alcohol abuse.

Employees who need assistance in dealing with drug/alcohol abuse problems are encouraged to use the Washington State Employees Assistance Program and health insurance plans, as appropriate. Additionally, the District will establish a drug-free awareness program for employees.

Students who violate this policy will be disciplined up to and including expulsion from the District depending upon the seriousness of the violation. Disciplinary action will be processed by the office of the Vice President of Student Services. Students may also lose federal funding and/or grants for their education. Students who need assistance in dealing with drug/alcohol abuse problems are encouraged to seek help through Student Services. Each campus will establish a drug-free awareness program for students.

Nothing stated herein shall preclude Seattle College District VI from referring violators of this policy for prosecution as required by law.

Board of Trustees – Revision & Adoption History

Adopted: 9/4/1990

Revised: 7/11/2005

Revised: 10/8/2015

MEMORANDUM

TO: Board of Trustees

FROM: Dr. Rosie Rimando-Chareunsap
Interim Chancellor

DATE: October 27, 2022

SUBJECT: Notice of Intent to update Policy 249: Drug Free Environment

Background

Proposed changes modify one line of this policy to include clarifications on “Work Sanctioned Events”. See below:

It is the policy of Seattle College District to prohibit the unlawful manufacturing, distributing, possession, or use of any controlled substances, including marijuana or the psychoactive compounds found in marijuana and intended for human consumption, regardless of form, and the abuse of alcohol. This policy applies to all employees and students of Seattle College District VI, while in or on any owned and/or controlled property of Seattle College District VI, or while conducting college business regardless of *location (exceptions may apply for alcohol in the case of a College authorized event or approved program)*.

The reasoning behind this proposed change is to make clear when staff are permitted to consume alcohol responsibly on campus. This adjustment clarifies when exceptions may be made to our Drug Free Environment Policy when it concerns alcohol on campus.

Recommended Action

It is recommended that the Board receive this as information only as this is a first reading. A second reading and vote will be scheduled on a future agenda.

Submitted by and transmitted to the Board with a favorable recommendation,



Dr. Rosie Rimando-Chareunsap
Interim Chancellor

MEMORANDUM

TO: Board of Trustees
Seattle Colleges

FROM: **Ana Chamale**
President, United Student Association
South Seattle College

DATE: November 10, 2022

SUBJECT: United Student Association (USA) Report – INFORMATION ONLY

WELCOME BBQ OCTOBER 5

This year's welcome BBQ was filled with vibrance and engagement from the community at South. A lot of great feedback and student interest at our USA outreach table. Students reported loving not only the free food, ice cream and music but also the interactions with each other after mainly on-line learning and remote operations the past two years.

USA NEWSLETTER

On October 17, the South Seattle Student Newsletter was available for all students to access. Officers Ashwak Samatar and Hannah Mae Cox published their first article welcoming students to the beginning of fall quarter and including information on the student resources South has to offer such as the Food Pantry information, tutoring center hours, and USA meeting details.

VOLUNTEERS

Each week, we are gaining more student interest at our weekly Tuesday meetings. Class visits and outreach at the Food Pantry have recruited more student volunteers who are representing student voices, opinions, and thoughts on upcoming events, clubs and on monthly topics. USA is reaching its goal of gaining more student interest.

STUDENT REPS ON CAMPUS-WIDE COMMITTEES

USA officers are serving on several campus-wide committees this year, including Faculty Tenure, interim President hiring committee, Safety, College Council, and the Clean Air Task Force.



MEMORANDUM

TO: Board of Trustees
FROM: Dr. Chemene Crawford, President – North Seattle College
DATE: Oct. 25, 2022
SUBJECT: Report to the Board of Trustees

I. Student Success

- **LSAMP Program Gathers Student Input and Revamps LSAMP Lounge**

The Louis Stokes Alliances for Minority Participation (LSAMP) program had their fall kickoff with food and icebreaker games for students. LSAMP staff gathered input from students on their needs and are using that feedback to aid in goal setting and planning for the year. Additionally, the LSAMP Lounge, equipped with collaboration stations, is receiving a new look and feel to create a warm and welcoming environment for LSAMP scholars and other students at NSC.

II. Institutional Excellence

- **Reopening of the Roy Flores Wellness Center**

NSC's Roy Flores Wellness Center reopened for Fall Quarter 2022 after being shut down for the past two and a half years. The center hired a new director, is offering new classes, and has incorporated mindfulness and wellness initiatives with virtual and in-person class offerings. The center is open to NSC students, staff and faculty members, as well as community members, and is serving over 200 guests per week on average.

III. External Affairs

- **Art History Course Crosses International Borders for Learning Collaboration**

Through a series of bi-national calls, students in NSC's Art 299 course, Special Problems in Art, are engaging in a unique experience as international ambassadors, problem-solving the UN Sustainable Development Goals with fellow students overseas. In partnership with the University of Garmian in Iraq, students practice design thinking to empathize, ideate, and problem solve global topics that matter most to them. Students learn about the power of art and design as playing a role toward a more sustainable and cross-cultural world, creating visual art in reflection of their experience. This international partnership is made possible by IREX, a non-profit organization dedicated to improving global citizenship with funding by the Stevens Initiative and the U.S. Department of State.

- **LSAMP Program Partners with UW Medicine and PNNL**

One of the tenets of the LSAMP program is to make research attainable for students. As a step toward meeting this goal and exposing students to the variety of STEM careers that they can pursue, the LSAMP program has partnered with University of Washington Medicine (Fred Hutch) to create an internship opportunity for students. LSAMP has also partnered with the Pacific Northwest National Lab (PNNL) to expose students to PNNL's Department of Energy summer internships.



October 28, 2022

To: SCD Board of Trustees

From: Annette Stofer, AFT Seattle Local 1789 President

Re: November 2022 report

This is my first written report to the trustees since summer. There is so much activity in so many areas that it's difficult to know what to report.

The revelation of the mistaken prediction about the budget deficit for last year can't be ignored. Such a mistake impacted the number of sections run by programs across the district and resulted in part-time faculty losing employment. The mistake affected the decision to seriously consider closing important programs at Seattle Central. There will be long term consequences with students, employees, and the community. We look forward to learning of the steps you will take to rebuild trust and get us to a healthier place.

Our salary negotiations with SCD have been on hold since the summer. AFT Seattle now has a new Negotiations Chair and team members to fill vacancies. We have just begun communication to see when we can get updated financial information and resume joint sessions.

There are other issues we were working on previously that we need to get back to. We were holding negotiations on matters related to Counseling faculty. There was also a task force looking at Clustered Classes that is in a holding pattern.

Regarding the Task Force on Workforce Development Strategies that was formed to bring attention to our Professional Technical programs, I was fortunate to be able to attend the site visits at all four locations—Maritime, Apparel Design, Wood Technology, and Culinary Arts. It was heartening to see a lot of industry support. There was a lot of good thinking shared in the search for answers to make the programs sustainable. I hope we nurture the partnerships that are forming around these programs. We have a great opportunity to build a better future, not just for these programs, but for our colleges in general.

Respectfully submitted,

Annette Stofer, AFT Seattle President

MEMORANDUM

TO: Board of Trustees
FROM: Rosie Rimando-Chareunsap, President
DATE: November 11, 2022
SUBJECT: Report to the Board of Trustees

I. Student Success

- **Farmer’s Market Pop-up Supports Students at New Holly:** On October 24, the Food Pantry visited our New Holly campus to host a Farmer's Market Pop-up supporting 80 students and their family members. Staff, faculty, and students collaborated on the pop-up with financial support from Harvest against Hunger, Verity Credit Union, and United Way of King County grants.

II. Institutional Excellence

- **Interim President Search Underway:** With Dr. Rosie Rimando-Chareunsap’s appointment as interim chancellor for Seattle Colleges, South is conducted an expedited open search for an interim president. South colleagues are serving on the search committee led by North Seattle College President Chemene Crawford. Final candidates will participate in a streamlined interview process that includes a campus forum. The plan is to have an interim president in place this December.
- **Safety and Disaster Preparedness Training:** Director of Safety & Security Hip Nguyen held a Safety and Disaster Preparedness Training session on October 27 (with ice cream) where he covered the latest in safety news and walked participants through a disaster preparedness exercise to help the community be prepared to react quickly in times of emergency.
- **EDIC Colleagues Start at South:** Office of Equity, Diversity, Inclusion and Community team members **Director of EDIC Dennis Denman** and **EDIC Navigator Alexis Burris** joined South the first week in November and will help our college and district address equity gaps and become more inclusive and welcoming spaces. Dennis Denman will serve on South’s Cabinet Team.

III. Guided Pathways

- **In Full Swing for the Year:** Guided Pathways work is in full swing for the new academic year with 13 workgroups consisting of full- and part-time faculty, classified and exempt staff, deans, directors, and VPs. Workgroups are collaborating on projects ranging from directed self-placement in Math and English to new student onboarding to piloting a peer mentoring program.

MEMORANDUM

To: Interim Chancellor Dr. Rosie Rimando-Chareunsap & Board of Trustees

From: Cody Hiatt, President of AFT-SPS Local 6550

Subject: Report & Admin Services proposal

27-OCT-22

In the 4th year of service as the Pro-staff President and 8th year with the Colleges, this is my first written report to the Chancellor and Board of Trustees. Historically, I prefer to deliver my report orally because my focus is predominantly on the performance of my regular duties to advance operational excellence. Oral comments in this and prior years have had a consistent message:

Partnership

Pro staff, believe ardently in shared governance and which includes the flowing of information going up and the flowing of information coming down. Therefore, we view our role as being integral to the communication of the board management and the employees that the that strike a balance between the content and the relationship that form the basis for this partnership.

The professional staff are a part of this organization and work in partnership with management to execute our core and common mission. We would appreciate a reciprocal approach that is inclusive of professional views when determining the structure of the workforce.

Student Success

Is being delivered through equitable compensation to Pro-staff's largest job class, Student Success Specialists, who on their current and future paychecks will see their salary go up to a minimum of \$64 k, as the recent collective bargaining agreement was put into ratified by the board was put into effect.

Adequate staffing at our front lines to ensure that we remain an open access learning institution, is still needed in the forefront to reversing the enrollment trends. Especially in the areas of Financial Aid.

Equity, Diversity, Inclusion, and Community (EDIC)

Is adequately staffed as described in AVC Fischer announced with a structure in place inclusive of Pro-staff. The EDIC "work" is not limited to one Department but must permeate throughout all levels and facets of the organization. The Colleges structure is set up for success.

Organizational Excellence

Is not set up for success due to the inadequate structure of Administrative Services workforce. The results are evident in the 21-22 Fiscal Year Financial Report dated Oct 13, 2022, and in the press.

I have requested study session time be dedicated to this topic and am submitting an Admin Services framework to the Board & Chancellor's Executive Cabinet in the interest of including professional staff in stabilizing the Business Offices, clarity on the numbers, and advising managers with budget authority.

MEMORANDUM

ADMINISTRATIVE SERVICES FRAMEWORK

Background

March 31st, 2021, Special Board meeting included a presentation by Choi Halladay, Vice Chancellor of Finance and Operations on 3 models for Budget integration ranging from;

(3) fully integrated District Budget / Accounting Dept w/ centralized expenditure authority.

(2) Local expenditure authority with College Business Offices integrated w/ Dist. Fin.

(1) *“Consistent and Common methods to build and present the FY 21-22 budget immediately and thereafter”* was decided and reflected in the 4/8/21 minutes.

In November 2021, there was open discussion by management with professional staff on mandatory subjects of bargaining (wages, hours, working conditions) so SPS representatives demanded to bargain the contents and impacts of Admin Services (Facilities, Finance, etc.).

In March 2022, the Colleges presented a Facilities & Capital Projects re-organization plan for which an agreement with SPS was reached 4/8/22. As of today, we welcome Tona Khua, Exec. Director of Facilities and Capital Projects who started with Seattle Colleges this week.

Problem Statement

Pro-staff assessed problems in April as unmet regulatory requirements, audited financial statements, and the annual budget. A lot has transpired since, and unfilled vacancies have only compounded our problems.

Proposed Solution

Our 4/20/22 proposal included a solution that was premised on (2) Integrated Org structure with (3) consistent accounting treatment and budget preparation. We outlined characteristics and conditions that must be present in any re-organization plan. But as the severity of problem has increased, so must the remedy increase.

It begins with engaging with Professional Staff representatives who perform this work.

There are numerous areas where integration (Intl Programs, HR, EDI, Foundation) has occurred that can serve as case studies on what worked and what didn't. All changes have been the result of Chancellor's Executive Cabinet / Presidents' decision and then imposed on represented employees to deal with the impacts.

Absent an actionable plan, the Colleges' fiscal credibility and human capital is impacted.

Yet there has never been one instance Management engaged with Labor to present a joint solution to the Board.

Pro-staff believe that the time is now to learn and try a collaborative solution.

Just as EDIC “work” is not limited to one Department but must permeate throughout all levels and facets of the organization, so must our shared governance model address the complexities of our people, environment, and budget.

MEMORANDUM

There are no beginning org charts and proposed future state org charts contained in this Administrative Services Framework memorandum to address Operational Excellence because it would continue a positional based approach.

Our proposed solution is to engage with Pro-staff Reps for a collaborative and actionable plan that addresses the immediate, transitional, and future needs of the organization, inclusive of employees.

The best framework we can recommend is the adoption of the GAO's Internal Control framework (GAO-14-704G, 2014) that merits consideration in what we hope will be collaborative engagement.

All findings from the Washington State Auditor's Office to Seattle Colleges cite inadequate internal controls and a recommendation to strengthen internal controls.

SCD Policy 680 says we shall establish and monitor internal controls but since the Board's revision on 10/10/2013, there has been no corresponding procedure.

Interim Chancellor's Convocation 2022 message called for.

- 1) Stabilize the College Business Offices**
- 2) Clarity around the budget numbers**
- 3) Training and resources**

This report responds to the Chancellors call and is being submitted to be received favorably.

MEMORANDUM

Reference: 4/8/2021 Board minutes

Summary of Major Decision Points

(from 3/31/21 Special Board Meeting)

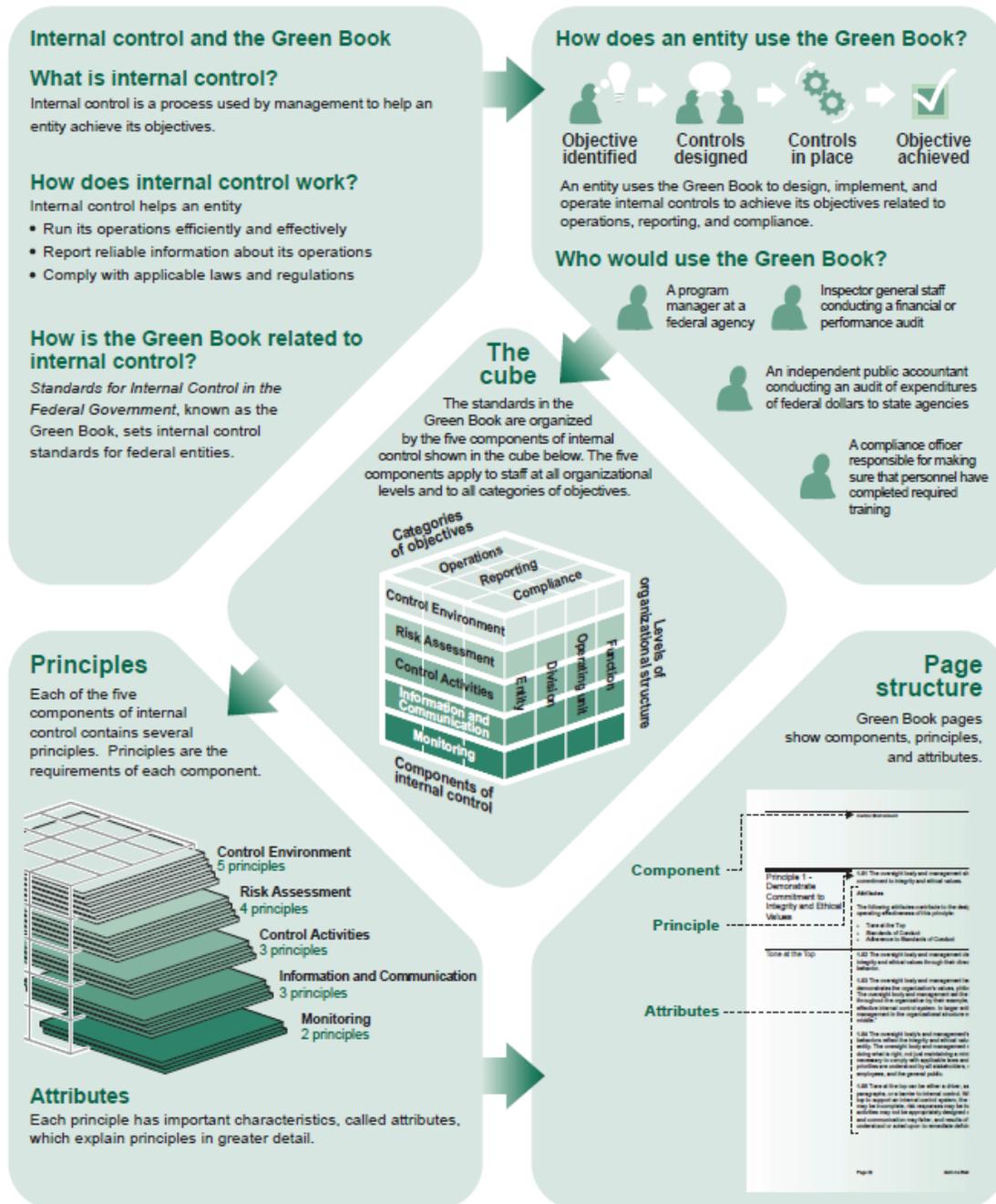
1. We will use **consistent and common methods to** build and present the FY 21-22 district budget immediately and thereafter.
2. The proposed framework of additional degrees of budget integration is not yet fully vetted. Further discussions are warranted. However, the Board and the Executive Team agree that the **final district budget will need to reflect of district values and commitment to improving student completion and eliminating achievement gaps that are existent today.**
3. Giving the current reserve balance, the availability of federal stimulus funds, and the projected nearly \$15 million deficit, the district will endeavor to **balance the budget in three years (by July 2024)**. This means that we will continue to draw from the existing reserve to balance the budget in the coming years.
4. For the Board to approve this 3-year transitional plan, the chancellor and the Executive Team is expected to develop a plan for achieving a balanced budget in the time frame. This plan will include **reduction in force, a rebalance of program mix, investment in enrollment growth**. This work needs to start immediately.
5. The trustees asked the Board's Fiscal Subcommittee, the chancellor, and vice chancellor Halladay **to review the current Reserve Policy**.

MEMORANDUM

Reference: *Standards for Internal Control in the Federal Government*, United States Government Accountability Office, (GAO-14-704G, 2014)

What is the Green Book and how is it used?

Important facts and concepts related to the Green Book and internal control



MEMORANDUM

TO: Board of Trustees
FROM: Bradley Lane, Ph.D., Interim President
DATE: October 27, 2022
SUBJECT: Seattle Central College monthly report

STUDENT SUCCESS

Mid-Cycle Accreditation: Seattle Central hosted three visitors from the Northwest Commission of Colleges and Universities (NWCCU) for the college's mid-cycle accreditation visit on October 17 and 18. Mid-cycle evaluations occur in the third year of a seven-year accreditation cycle and determine how Seattle Central is meeting its institutional goals.

The evaluation team found Seattle Central is moving toward a successful Year Seven comprehensive review. Specifically they complimented the college's commitment to social justice and positive, authentic, genuine, and collegial culture; the implementation of Guided Pathways in a way that augments the college's identity as an institution focused on diversity, equity, inclusion, community, and social justice; the Black Solidarity Think Tank's contribution to enhanced professional development activities and the development of the Framework for Decision-Making; and the implementation of the college's Ensure Learning assessment process.

INSTITUTIONAL EXCELLENCE

Re-Entry & Prison Education Program: The League for Innovation in the Community College published an article this month written by Molly Mitchell, Director of Student Support Programs at Seattle Central College. The article features the college's efforts to create an education program for students impacted by the criminal justice system that reduces barriers to enrollment and graduation.

Indigenous People's Day Student Capstone Event: Seattle Central College received a National Endowment for the Humanities grant to redesign and revise curriculum within the Arts, Humanities, and Social Science department to center indigenous perspectives. On October 10, faculty shared their curriculum revision projects with the college community and Local Knowledge Holders Willard Bill Jr. (Muckleshoot), Lynn Palmanteer-Holder (Coville), Danica Miller (Puyallup) and Ty Juvinel (Tulalip).

FINANCIAL HEALTH

Mainstay Grant: Seattle Central's Mainstay program received a \$50,000 grant from the Berman Family Foundation to help with the COVID-19 pandemic recovery. Mainstay is a self-sustaining program that seeks supported employment for clients with intellectual and developmental disabilities.

EXTERNAL AFFAIRS

"Co-Designing for Trust" The National Science Foundation awarded a new \$5 million grant to Co-Designing for Trust, a multi-institutional team designed to fund community-centered solutions that mitigate the impacts of misinformation. This interdisciplinary set of researchers and practitioners are from the University of Washington, the University of Texas at Austin, Seattle Central College, and the Black Brilliance Research Project. Working in partnership with Black-led organizations, rural librarians,

educators, and students, the Co-Designing for Trust team addresses the disproportionate impact false and misleading information has on Black and rural communities.

PRIDE POINTS

The Clubs and Activities Board and the Queer/Trans Co-Op helped celebrate National Coming Out Day on October 11, the annual LGBTQIA+ awareness day. The day's program featured Pride accessories, a photo booth, and an interactive white board activity.

Seattle Central's library hosted three Conversations of Social Issues (COSI) events this month around issues of tone policing, reproductive rights, and housing. COSI offers a forum to help promote the open exchange of ideas and a chance to learn from the experiences and expertise of our campus community.