

**Board of Regents Meeting**  
**Memorial Union, Kansas Room**  
**Wednesday, 10/31/2018**  
**4:00 - 6:00 PM CT**

**I. Call to Order**

**II. Roll Call**

Mr. Beck  
Mayor De La Isla  
Mr. Hoferer  
Mr. Klausman  
Mr. McGivern  
Mrs. Parks  
Mr. Sneed  
Mrs. Sourk  
Mrs. Van Etten

**III. Approval of Minutes of Past Meeting(s)**

**A. Minutes of the September 26, 2018 Board Meeting**

*July 26, 2018 Washburn University Board of Regents Minutes - Page 3*

**IV. Officer Reports**

**A. Chair's Report**

**B. President's Report**

**V. New Business**

**A. Consent Agenda**

**1. Liquidated Claims Approval - September 2018 - Jim Martin**

*Liquidated Claims - September - Page 9*

**2. Posthumous Degree - Bechtold - JuliAnn Mazachek**

*Posthumous Award. Debra Bechtold - Page 10*

**3. Faculty/Staff Personnel Actions - JuliAnn Mazachek**

*Faculty Staff Personnel - Page 11*

**B. Action Items**

**1. Washburn Tech JIIST Diesel Grant - Mobile Column Lift System - JuliAnn Mazachek**

*Washburn Tech JIIST Diesel Grant - Lift System - Page 13*

**2. Desire2Learn Brightspace LMS - Jim Martin**

*Desire2Learn Contract - Page 14*

**3. Resolution for Authorization of Kansas Municipal Investment Pool Transactions - Jim Martin**

*MIPS Resolution - Kuwitzky - Page 15*

*MIPS Resolution - Kuwitzky - attachment - Page 16*

**4. Faculty/Staff One-Time Stipend - Jim Martin**

*Faculty Staff one-time stipend - Page 18*

**5. Westar Energy Direct Renewable/Green Energy Tariff Agreement - Jim Martin**

*Westar Green Energy Agreement - Page 19*

*Westar Fuel Cost Projection - Page 21*

**C. Information Item(s)**

**1. School of Nursing RENEW Grant Presentation - Monica Scheibmeir**

**WASHBURN UNIVERSITY OF TOPEKA**  
**BOARD OF REGENTS**  
**MINUTES**  
**July 26, 2018**

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**I. Call to Order**

Chairperson Hoferer called the meeting to order at 4:00 p.m. in the Kansas Room of the Memorial Union on the Washburn University campus.

**II. Roll Call**

Present were: Mr. Beck, Ms. De La Isla, Mr. Hoferer, \*Mr. Klausman, Mr. McGivern, Mrs. Parks, Mr. Sneed, Mrs. Sourk and Mrs. Van Etten.

\* Participated via telephone conference call.

**III. FY 2019 Public Budget Hearing**

The Public Budget Hearing was opened by the Board Chair at 4:02 p.m. No one registered to speak or asked to speak. It was moved by Regent Sneed and seconded by Regent De La Isla to close the public sessions. Motion passed.

**IV. Approval of Minutes of Past Meetings**

**A. Approval of the Minutes of the June 21, 2018 Meeting**

It was moved by Regent Sourk and seconded by Regent Parks to approve the Minutes of the June 21, 2018 meeting. Motion passed.

**V. Officer Reports**

**A. Chair's Report**

Chairperson Hoferer thanked former Regent Brent Boles for his service while serving on the Board of Regents, then welcomed Regent Klausman to the Board as he starts his new term.

Chairperson Hoferer thanked Regent McGivern for his service and guidance as he served as the previous chair of the Board.

The Board Chair asked that Board members use their cell phones as little as possible during meetings and that he appreciates their paying attention during the meeting.

The Board Chair presented his slate of appointments to the various board committees for the 2018-2019 year for approval by the Board. Those appointments are as follows:

Budget/Finance Committee: Regents McGivern (Chair), Beck, De La Isla, Parks and Sneed;

Auditing Committee: Regents Sneed (Chair), Beck, Klausman, Sourk and Van Etten;

Presidential Assessment Committee: Regents Parks (Chair), McGivern and Van Etten; and,

Nominating Committee: Regents Sourk (Chair), Beck, McGivern and Parks.

It was moved by Regent Sneed and seconded by Regent McGivern to approve the committee appointments. Motion passed.

## **B. President's Report**

President Farley introduced Eugene Williams, Director of KTWU, to introduce volunteers who have been recognized. Williams introduced Kathy Woods who is the KTWU volunteer coordinator, saying she does a great job. He said this is the first time people at KTWU have been recognized by PBS. Kathy Woods then introduced Wayne Stander, who has been volunteering at KTWU for over 30 years. He has been on the auction steering committee and does accounting during fund raising. Another person who has been a long time volunteer is John Duff, who has been coming since the 70s, over 40 years, to help the production group.

Dr. Farley said KTWU won another emmy award for the Washburn Holiday Vespers in the special events category. This was recorded live last December.

President Farley said Humanities Kansas awarded slightly less than \$10,000 to Washburn University in support of "The Map of Kansas Literature". Dr. Kerry Wynn, Associate Professor of History, is the project director. This program was started by Professor Emeritus Tom Averill in 2006.

Dr. Farley reported that science camps of about 60 students were on campus for two one-week sessions. The camps are funded by the Department of Transportation in cooperation with our Department of Education and are facilitated by Washburn faculty, student volunteers and KDOT employees. Workshops promote hands on work.

President Farley also reported on the Total Percussion Camp, saying students in grades 7–12 brush up on their music and performance skills. This culminated with a concert held on a Saturday for family and friends.

Dr. Farley said nearly 50 students from Washburn Tech Skills USA program traveled to Louisville, Kentucky to compete in the National Leadership and Skills Conference. He said there were over 6,500 competitors in over 100 categories. Washburn Tech had three national champions, one silver and three bronze in the nation. 22 students of the 47 attending finished in top five in the country.

## **VI. New Business**

### **A. Consent Agenda**

It was moved by Regent De La Isla and seconded by Regent Parks to approve the Consent Agenda. Motion passed. As approved by action of the Board:

- 1. Liquidated Claims Approval**
- 2. Faculty/Staff Personnel Actions**

Increase in annual salary: to David Wingerson, Coordinator, Sunflower Music Festival effective July 1, 2018 to \$25,000, and to Michael Brassel, Faculty Employment Coordinator effective July 16, 2018 to \$50,000; effective August 1, 2018 hire for vacant positions: Simulation Lab Coordinator at an annual salary of \$62,000, Marketing Coordinator at an annual salary of \$41,000, and Fast-Track Welding Instructor at an annual salary of \$45,000.

### **B. Actions Items**

- 1. Proposed Washburn University Board of Regents' Meeting Dates for 2018-2019**

President Farley presented the item. He indicated that he tried to find dates that the majority of regents could attend. It was moved by Regent Beck and seconded by Regent McGivern to approve the meeting dates for the 2018-2019 fiscal year. Motion passed.

- 2. Contracted Services with Pinegar-Smith & Associates, Inc.**

President Farley presented the item. The contract is a one-year contract for lobbying services, both in the state capital and federal legislature. John Pinegar and Doug Smith are well respected at the State Capitol and amongst their peers. John Pinegar was elected co-chair of the Kansas Higher Education lobbyists for the second time. In response to a question about the rate in the contract, President Farley indicated that the fee is the same as last year. It was moved by Regent Parks and seconded by Regent Beck to approve the contract for lobbying services. Motion passed.

- 3. Indoor Practice Facility**

Vice President for Administration and Treasurer Jim Martin presented the item. Martin introduced Greg Schwerdt of Schwerdt Design Group to give an update on the facility. He said work is being done on the details of the plans including narrowing in on costs and still staying within budget. Key ingredients were changing the site plan to save Presidential trees on the southwest side. If authorized to move forward with construction documents, they should be able to bid in December and present a contract to approve in February.

Schwerdt then introduced Curt Katterhenry of the DLR Group. Katterhenry discussed a number of design changes that will improve the functionality of the facility. Estimates based on the new design details result in about a 1% difference or \$207,000 higher than original estimate. The increase is due to a couple of factors: 1 – added more detail which allows for a more accurate estimate, and 2 – now have received responses back from the City on code requirements, which includes a sprinkler system that accounts for most of the increase. In response as to why a sprinkler system has been added, Katterhenry explained that the City wanted it included. Katterhenry did add that the sprinkler system will probably help keep the insurance costs lower. Air conditioning will be listed as an alternative but infrastructure will be included so air conditioning can be added later.

Vice President Martin advised the Board that the current total estimated cost is \$20.6 million. He further stated that the funding model remains the same, including \$4 million from reserves, \$6 million from donations, and that the donation funding met its goal today.

Dr. Farley advised the Board that if both this item and the following item on the issuance of bonds are approved by Board, the architect will be released to prepare construction documents.

The Board Chair said because of their passion and hard work which led to the project moving forward, he suggested that Regents McGivern and Sneed be allowed to make the motion and second to approve the item. It was moved by Regent McGivern and seconded by Regent Sneed to authorize bids to be let for construction of the Indoor Practice facility upon receiving donor commitments of \$6,000,000 and completion of bond financing of \$10,000,000. Motion passed.

#### **4. Issuance of Revenue Bonds to Finance the Indoor Practice Facility**

Vice President for Administration and Treasurer Jim Martin presented the item. He said Washburn has reviewed various options for financing. Twenty entities were solicited to make bids, with eight actually submitting bids. Review of the bids led to the recommendation to select Raymond James to be Underwriter. Gilmore Bell is bond counsel and will prepare the bond resolution. If approved by the Board, work will move forward to issue \$10,000,000 in bonds in September. We are hoping for less than a 4% interest rate and anticipate they will be twenty-year bonds. He said an item will come to the Board in September to ratify the bond issuance.

In response to a question, Vice President Martin advised that Washburn's A1 rating was confirmed this past spring. Martin noted that although the outlook overall for higher education bonds is negative, that does not apply to Washburn. In response to a question about the issuance being \$10,000,000 plus other costs, Martin answered that other costs are bond counsel fees around \$35,000, underwriting fees around \$200,000, and a few miscellaneous costs. In response to another question about how quick this will occur, Martin advised that the bonds will be priced about mid-September. The Resolution was considered and discussed by the Board. It was moved by Regent De La Isla and seconded by Regent Parks to approve the Resolution Authorizing the Offering for Sale of Revenue Bonds of Washburn University. Motion passed unanimously.

**5. Washburn University Proposed Consensual and Familial Relationships Board Policy**

Vice President for Academic Affairs JuliAnn Mazachek presented the item. She said Washburn University is committed to an environment of mutual respect and trust. Washburn does recognize that opportunities exist for persons to use their position to create conflict in certain situations. She said a committee of faculty and staff developed the policy language and the proposed language was put through a vigorous review process across campus. The policy has very broad and strong support from the stakeholders. In response to a question about the definition of consensual relationship, Dr. Mazachek referenced the Board to the first paragraph where the definition is set out. Dr. Mazachek further noted that Washburn is ahead of the game on this issue, as most of the Kansas Board of Regents' institutions are just now taking up this same issue. It was moved by Regent De La Isla and seconded by Regent McGivern to approve the Consensual and Familial Relationships Board Policy. Motion passed.

**C. Information Item(s)**

**1. Renewal of Topeka Neighborhood Revitalization Plan**

University Counsel Marc Fried introduced Bill Fiander of the Topeka Planning Department to present on the Topeka Neighborhood Revitalization Plan. Fiander is seeking feedback as the term of the current program is expiring and he anticipates coming back in the fall to ask for Washburn's participation in the renewed program.

**2. Topeka Science Cafe**

Vice President for Academic Affairs JuliAnn Mazachek introduced Dr. Brian Thomas, Professor of Physics and Astronomy, who initiated the formation of the Topeka Science Café. Dr. Thomas presented on the Topeka Science Café

## **VII. Executive Session**

It was moved by Chairperson Hoferer and seconded by Regent De La Isla to recess the regular meeting and go into executive session to discuss personnel issues involving non-elected personnel and to return to regular session at 5:20 p.m. Motion passed.

The Board reconvened in open session and the Board Chair called the regular meeting back into order at 5:22 p.m.

It was moved and seconded to adjourn. Motion passed.

The meeting adjourned at 5:23 p.m..

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Marc Fried  
Secretary, Board of Regents



**Agenda Item No. V. A. 1.**  
**Washburn University Board of Regents**

**SUBJECT:** Liquidated Claims Approval – September 2018

**DESCRIPTION:** Attached is the list of claims processed for the month of September, 2018 by fund, and a summary of all claims by fund is detailed below. The payroll claims will be presented to the Board of Regents for review at the October 31, 2018 meeting through the Chairperson.

To the best of my information and belief, I certify that the liquidated claims submitted in this transmittal are in compliance with all applicable laws and University policies.

\_\_\_\_\_  
 Jim Martin, Vice President for Administration & Treasurer

<b>WASHBURN UNIVERSITY</b>		
<b>Fund #</b>	<b>Fund Name</b>	<b>Total Claims</b>
1.	General Fund	\$3,697,537
2.	Debt Retirement & Construction Fund	-0-
3.	Building and Construction Fund	364,049
4.	Endowment Fund	-0-
5.	Student Loan Fund	12,166
7.	Tort Claim Fund	3,623
8.	Restricted and Agency Fund	457,500
9.	Plant Fund	-0-
10.	Smoothing Fund	-0-
12.	Capital Improvement	-0-
13.	Government and Research Fund	104,156
	Sub-Total	4,639,031
	Payroll	2,910,899
	Payroll Withholding ACH Transactions	2,396,117
	<b>Total</b>	<b>\$9,946,047</b>

<b>WASHBURN INSTITUTE OF TECHNOLOGY</b>		
1.	General Fund	\$ 227,295
3.	Building and Construction Fund	7,161
5.	Student Loan Fund	-0-
8.	Restricted and Agency Fund	4,870
13.	Government and Research Fund	19,714
	Sub-Total	259,040
	Payroll	640,723
	Payroll Withholding ACH Transactions	168,135
	<b>Total</b>	<b>\$1,067,898</b>

\_\_\_\_\_  
 Date

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 Jerry B. Farley, President

**Agenda Item No. V. A. 2.**  
**Washburn University Board of Regents**

SUBJECT: Posthumous Degree -- Bechtold

DESCRIPTION:

Debra Desch Bechtold was a graduate nursing student earning her Post-Graduate Certificate in the Psychiatric Mental Health Nurse Practitioner program when she passed away in 2018 after a battle with cancer.

Debra completed 10 credit hours and was two semesters away from graduating in good academic standing at the time of her death. A family member contacted the School of Nursing inquiring about the possibility of a posthumous degree and indicated how much Debra enjoyed being a student in the Psychiatric Mental Health Nurse Practitioner program at Washburn University.

Based upon recommendations from the Director of the Psychiatric Mental Health Nurse Practitioner Program, the Associate Dean for Graduate Nursing Programs, and the Dean of the School of Nursing, permission is requested to award Debra Bechtold the Psychiatric Mental Health Nurse Practitioner program Post-Graduate Certificate posthumously.

**FINANCIAL IMPLICATIONS:**

None.

**RECOMMENDATION:**

President Farley recommends that the Board of Regents approve this Posthumous Degree request.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jerry B. Farley, President

**Agenda Item No. V. A. 3.**  
**Washburn University Board of Regents**

SUBJECT: Faculty/Staff Personnel Actions

DESCRIPTION:

The following adjustments to specific salary lines must either be reported to the Board or approved by the Board.

Name	Position	Change	Financial Implications	Comments	Action
Vacant	NEW – Title III Project Director	Effective November 1, 2018	\$50,000 annual salary, funded from Dept of Education Title III grant	Additional position to support student success initiatives, funded by federal grant	Request approval
Vacant	NEW – Student Success Coach – Center for Student Success and Retention / Title III	Effective November 1, 2018	\$39,000 annual salary, funded from Dept of Education Title III grant	Additional position to support student success initiatives, funded by federal grant	Request approval
Vacant	NEW – Student Success Coach – Center for Student Success and Retention / Title III	Effective November 1, 2018	\$39,000 annual salary, funded from Dept of Education Title III grant	Additional position to support student success initiatives, funded by federal grant	Request approval
Vacant	NEW – Student Success Coach – Center for Student Success and Retention / Title III	Effective November 1, 2018	\$39,000 annual salary, funded from Dept of Education Title III grant	Additional position to support student success initiatives, funded by federal grant	Request approval

Vacant	NEW – Math Lab Coordinator – Math Department / Center for Student Success and Retention / Title III	Effective November 1, 2018	\$50,000 annual salary: \$40,000 funded from Dept of Education Title III grant, remaining salary funded from available FY19 budgeted funds	Additional position to support math department pathways project and student success initiatives, funded by federal grant	Request approval
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RECOMMENDATION:

President Farley recommends approval of these personnel actions.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jerry B. Farley, President

**Agenda Item No. V. B. 1.**  
**Washburn University Board of Regents**

**SUBJECT:** Washburn Tech JIIST Diesel Grant – Mobile Column Lift System

**DESCRIPTION:**

The Washburn Tech Diesel Technology program received an award of \$73,315.00 for the Jobs and Innovative Industry Skills Grant (JIIST). These funds are awarded through the Kansas Department of Commerce. Washburn Tech was able to secure this grant through a Business and Industry dollar for dollar match from a few of its Business and Industry partners. The purpose of this grant is to secure equipment in order to maintain alignment with NATEF and AED accreditations. This purchase includes one Mobile Column Lift, two Mobile Column Support Stands, four Wheel Adapters, and one 32,000 pound cross-beam. The quote was based on NASPO pricing (pricing consortium).

VENDOR	AMOUNT
Snap-On Industrial	\$50,530.99

**FINANCIAL IMPLICATIONS:**

The purchase of these items are funded through the JIIST Diesel Grant that was awarded to Washburn Tech from the Kansas Department of Commerce. There are no general fund dollars allocated to this purchase.

**RECOMMENDATION:**

President Farley recommends the Board of Regents approve the purchase of this Mobile Column Lift System as per the grant agreement between Washburn Tech and the Kansas Department of Commerce.

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Date

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Jerry B. Farley, President

**Agenda Item No. V. B. 2.**  
**Washburn University Board of Regents**

SUBJECT: Desire2Learn Brightspace LMS

DESCRIPTION:

Information Technology Services is requesting approval to renew our contract with Desire2Learn (D2L) for an additional 5 ½ years. Brightspace learning management system (LMS) provides powerful online tools for students, faculty, staff, and administration to thrive and succeed in creating the best educational experience possible.

Year 1	\$75,250 (partial year to adjust to our fiscal calendar)
Year 2	\$149,679
Year 3	\$149,679
Year 4	\$149,679
Year 5	\$149,679
Year 6	\$149,679

This purchase will be awarded to Desire2Learn utilizing the Education and Institutional Cooperative Services (E&I) contract.

FINANCIAL IMPLICATIONS:

An expenditure of \$75,250 from FY2019 Information Technology Services general budget.

RECOMMENDATION:

President Farley recommends the Board of Regents approve award of the contract to Desire2Learn in the amount of \$75,250 for the purchase of D2L Brightspace LMS.

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Date

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Jerry B. Farley, President

**Agenda Item No. V. B. 3.**  
**Washburn University Board of Regents**

**SUBJECT:** Resolution for Authorization of  
Kansas Municipal Investment Pool Transactions

**DESCRIPTION:**

The University periodically utilizes the State of Kansas Municipal Investment Pool (MIP) as a temporary, high-quality, high-liquidity alternative to bank deposits. Deposits to and withdrawals from the University's MIP account must be initiated and authorized by employees designated and approved by the Board.

A Board resolution is needed to designate the employees who are authorized to initiate transactions with MIP. The attached resolution authorizes Controller and Director of Accounting, Chris Kuwitzky, to initiate such transactions.

**FINANCIAL IMPLICATIONS:**

None

**RECOMMENDATION:**

President Farley recommends adoption of the attached resolution.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jerry B. Farley, President

**STATE OF KANSAS  
MUNICIPAL INVESTMENT POOL**

**Resolution**

WHEREAS, the undersigned is a municipality (the "Depositor"), as defined in K.S.A. 12-1675, as amended, and from time to time has funds on hand in excess of current needs, and

WHEREAS, it is the best interest of the Depositor and its inhabitants to invest funds in investments that yield a favorable rate of return while providing the necessary liquidity and protection of the principal; and

WHEREAS, the Pooled Money Investment Board (the "PMIB"), operates the Municipal Investment Pool (MIP), a public funds investment pool, pursuant to Chapter 254 of the *1996 Session Laws of Kansas*, and amendments thereto

NOW THEREFORE, be it resolved as follows:

1. The municipality designated below approves the establishment of an account in its name in the MIP for the purpose of transmitting funds for investment, subject to the MIP Participation Policy adopted by the Pooled Money Investment Board, and municipality acknowledges it has received a current copy of such Participation Policy. The Depositor's taxpayer identification number assigned by the Internal Revenue Service is 48-6030115.
2. The following individuals, whose signatures appear directly below, are officers or employees of the Depositor and are each hereby authorized to transfer funds for investment in the MIP and are each authorized to withdraw funds, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of funds:

Name (print or type) Jim Martin	Name (print or type) Rhonda Thornburgh
Signature	Signature
Title Vice President for Administration & Treasurer	Title Director, Budget Planning & Analysis
Name (print or type) Chris Kuwitzky	Name (print or type)
Signature	Signature
Title Controller & Director of Accounting	Title

3. Depositor Contact:

Name (print or type) Chris Kuwitzky	Email chris.kuwitzky@washburn.edu	
Title Controller & director of Accounting	Phone 785-670-1745	
Street Address Washburn University, 1700 SW College Ave.	Fax 785-670-1054	
City Topeka	State Kansas	ZIP 66621



4. This Resolution and its authorization shall continue in full force and effect until amended or revoked by the Depositor and until the PMIB receives a copy of any such amendment or revocation, the PMIB is entitled to rely on same.

This resolution is hereby introduced and adopted by the Depositor at its regular/special meeting held on  
October 31, 2018 \_\_\_\_\_ (date).

Municipality Name (print or type) WASHBURN UNIVERSITY

Name (print or type) Paul Hoferer

Signature

Title Chairman, Washburn University Board of Regents

Date 10-31-18

Attest:

Name (print or type) Marc Fried

Signature

Title Secretary, Washburn University Board of Regents

Date 10-31-18

**Note: Original signatures are required.**

**Agenda Item No. V. B. 4.**  
**Washburn University Board of Regents**

SUBJECT: Faculty/Staff One-Time Stipend

DESCRIPTION:

Based upon our fall enrollment, our overall credit hour revenue will be below budget this year. To offset a portion of the revenue loss for the current budget year, we will use a portion of the money budgeted for a salary program to balance the current year's budget. While the salary program must be placed on hold, we are committed to recognizing the good work of our faculty and staff at Washburn who are working hard every day to recruit and retain students.

In recognition of this continuing commitment by our employees, we propose a one-time (non-recurring) stipend of \$500 for each qualifying faculty and staff. Eligibility criteria for a stipend is being determined. The stipend will be paid in the last December pay period for hourly paid staff and in the December pay date for monthly paid faculty and staff.

Washburn truly does value the service of its dedicated employees. As we develop the budget for the fiscal year beginning July 1, 2019, and based on revenue increases, every effort will be made to provide for a comprehensive salary program next year.

FINANCIAL IMPLICATIONS:

Funding for this one-time payment is available for funds set aside, but not used for a salary program, in this year's budget. The estimated cost is \$400,000.

RECOMMENDATION:

President Farley recommends the Board of Regents approve this one-time stipend of \$500 for each qualifying faculty and staff member as determined by administration.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jerry B. Farley, President

**Agenda Item No. V. B. 5.**  
**Washburn University Board of Regents**

SUBJECT: Westar Energy Direct Renewable/Green Energy Tariff Agreement

DESCRIPTION:

Westar Energy has entered into an agreement (subject to Board approval) to purchase a portion of the output of a 300-Megawatt (MW) wind farm that will be constructed in northeast Kansas. This wind farm is projected to come on line in the fourth quarter of 2020. Westar is offering large commercial and industrial customers, who have a minimum monthly peak demand greater than 500 Kilowatts (kW) or .5 MW, an opportunity to participate in the project. Subscribers must subscribe in increments of 1 MW for a minimum of 20 years. The charge for all energy produced by the wind farm will be 1.8 cents per Kilowatt Hour (kWh), replacing the fuel factor portion of the monthly bill. A pro rata share of the wind energy produced will be allocated to participants in the program on a monthly basis. Wind farm project subscribers who go over their usage allotment will be billed at the current fuel factor rate charged to non-participants.

DISCUSSION:

The total consumption of electricity for Washburn University and Washburn Tech campuses today supports an approximately 4.8 MW purchase. The University anticipates that its monthly consumption will increase with completion of the new indoor practice facility. We also expect future innovations in energy efficiency will emerge. The average fuel factor costs billed to Washburn University over the past 5 years were as follows:

<u>Year</u>	<u>Average Fuel Factor Costs</u>
2017	2.1 cents per kWh
2016	1.9 cents per kWh
2015	1.9 cents per kWh
2014	2.4 cents per kWh
2013	2.1 cents per kWh

This Green Tariff would have had the potential to save the University approximately \$308,000 over the past 5 years if it been available and the University had committed 80% of its load to the program.

A conservative purchase of 4 MW of wind generated electricity priced at 1.8 cents per kWh will ensure that the University can remain flexible and take advantage of possible future innovations in energy efficiency. The University is requesting permission to enter into this 20 year agreement as it makes good fiscal sense and will shift the campus from the sole utilization of fossil fuels for its purchased electricity to a predominantly “green” or renewable energy source. Westar, in their annual fuel cost forecast, shows the annual fuel charge for fossil fuel base energy will be flat to trending up slightly from the historical rate in the first half of the contract and then increasing at a much faster rate during the last half of the contract.

FINANCIAL IMPLICATIONS:

The University budgets \$2.5 million for purchased electricity for the two campuses on an annual basis. The University expects to recognize annual savings of approximately \$70,000 a year for the first half of the agreement, beginning in 2021, increasing to \$100,000 a year over the last half of the agreement. This agreement has the potential to realize savings approaching \$1.7 million over the life of the agreement. This will be accomplished with no additional cost to the University.

RECOMMENDATION:

President Farley recommends the Board of Regents approve entering into this agreement with Westar as described.

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Date

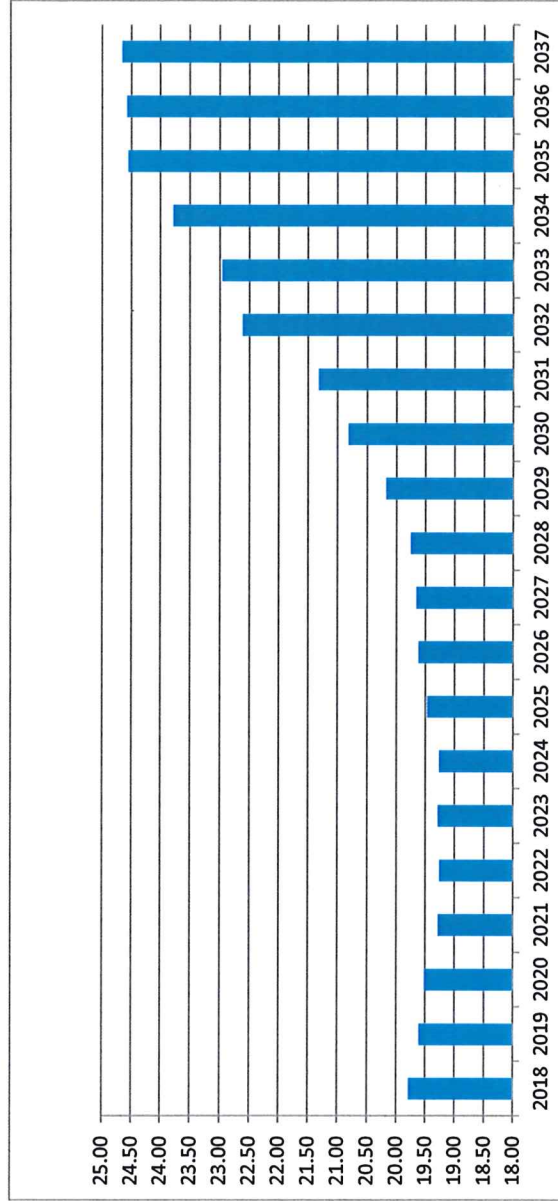
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Jerry B. Farley, President



Forecast Annual RECA (\$/MWh)

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
RECA (\$/MWh)	19.79	19.61	19.52	19.28	19.26	19.29	19.27	19.47	19.62	19.66	19.76	20.18	20.82	21.32	22.62	22.96	23.79	24.56	24.58	24.66



This is an estimated guess for future RECA (fuel charge) amounts thru 2037.