



Western Washington University Associated Students Sustainability, Equity and Justice Fund

Thursday, December 5th, 2018

9:00 AM

VU 462A

Members:

Present: Anne Lee (ASVP for Student Life), Kate Rayner Fried (AS Sustainable Action Fund Education Coordinator), Johnathan Riopelle (AS Sustainable Action Fund Grant Program Coordinator), Scott Dorough (Campus Energy Manager), Katie Winkelman (ESP Director), Grace Wang, Turner Campbell, Aden Nevler.

Advisor: Greg McBride

Secretary: Grace Drechsel

Guests:

Motions:

SEJ-18-F-1: Approve the minutes from November 28th, 2018.

SEJ-18-F-3: Table the discussion on FY 15-16 Carbon Recs until next quarter.

SEJ-18-F-4: Vote electronically on Winkelman's grant.

Anne Lee called the meeting to order at 9:01 AM.

I. Introductions

II. Approval of Minutes

MOTION SEJ-18-F-1 by *Winkelman*

Approve the minutes from November 28th, 2018.

Second: Nevler Vote: 9-0-0 Action: *Passed*

III. Info Items

a. SEJF Budget

Riopelle explained that every year, we provide a budget for the committee. Approving the budget provides a general picture of what we anticipate. There are three significant changes this year. The most obvious is the Green Energy (or SEJF) fee went up 28% in the past year, due to its raise from \$7 to \$9. That means that we have a lot of funding for additional grants, and that means additional bandwidth required. One of the things that this budget proposes is that we set aside money to consider an additional position. This research is ongoing. Now that we are officially

back to the original template of one staff member and two student staff, with Spiro Pappa's departure to graduate and go to Thailand, we have to check in with where we are in terms of bandwidth, keeping in mind that we have additional funding and two new tier structures. You will see a significant amount of funding set aside for the new position if that is deemed to be appropriate. Last year, we had three times as many projects as we did the previous year and the year before that. This year, we are consistent with last year, which means we will again have about three times as many projects. Nevler clarified how many projects that is. Riopelle responded that last year we funded 28 projects, and the previous year we funded 9. Right now we have 26 active projects, although not all of those may be completed. Riopelle anticipates that SEJ will receive additional projects since we are only two and a half months into the school year. The budget has two new tiers. The club grant system is beginning to be initiated, and that means that we should see more funding through that avenue, and that staff member, (in this case, Reyner-Fried) will be using a lot of her bandwidth for that. Riopelle said that he does not know whether we need an additional staff member, but because of the additional funding and projects, it deserves investigation. Thus, this budget includes an additional \$45,000 set aside should the committee wish to fund that position. That position decision is something that we should continue to investigate during winter quarter.

There is an increase in student hourly funding, up to \$19,000, due to the fact that we did have a student in the fall, Spiro Pappas, so our budget in the fall was much larger than our budget in previous falls, but now we are down to 2 students.

The three main changes can be summarized as: we have more funding, we had a student in the fall, and we have the possibility for a second classified staff.

Other really nominal changes: travel reimbursement went up a bit. That is a line item specifically for conferences for students and staff within the program. If we have a fourth position, we will need to accommodate for that. Utilities expenses is \$50,000 set aside for the purpose of carbon recs, which we do every year. This relates to a separate item on today's agenda, which is that we need to review the carbon rec expense due to some oversight a few years back. Even with expenses of \$207,000, we are still at \$218,945 available.

Winkelman clarified the hold for the potential position: the purpose is so that we can have that money aside until we can make a decision at a later date? Riopelle answered yes, and more investigation is warranted. Winkelman said that she is planning on circulating a survey around people who have applied to the fund and/or received funding, to see what their experience was and what their interactions were like. She will report back to the committee in early winter.

McBride asked about the inclusion of small grants in the operating budget. Last year, it was voted on that they would not be included as a line item in the budget, but it hasn't been revisited since then. The previous budget had a line item of the total funds collected and budgeted for small grants. In last year's budget, there was some talk of whether it should be considered part of the operating budget or in a larger pool of funds. The result was a motion to reevaluate next year.

b. Carbon Rec Purchase Renewal

Riopelle explained that an issue was discovered concerning the lack of carbon recs purchased during FY 15-16. In those two years, funds were set aside for the carbon rec purchasing, an

agreement with Green Direct, but in those two years, we did not purchase carbon recs. This is an easily remedied situation, but it would require us to do either a single-source purchase or a request for proposals. What he has done is asked for general information regarding what various rec providers would price out FY15-16, and Green Direct will be about 20-25% cheaper than other options. If the committee approves it, we can backdate those purchases from four years ago. If the committee would like this to go out for an RFP, that is an option too, although that is a 2-3 month process. The concern is that those two years were missed, and it needs to be rectified sooner than later. We have the funds available in the budget, but because the recs weren't purchased, we need approval.

Winkelman asked how much the carbon recs will cost? Riopelle answered that every year we purchase about \$50,000. We are looking at \$100,000-\$130,000 if we go to Green Direct. If we do an RFP, we would get three separate bids. Dorough clarified who Riopelle is talking about when he talks about Green Direct. He said that it is PSE's new program.

Dorough explained that beginning in July 2019, we will be purchasing 100% renewables from PSE through their Green Direct program. That means that we will be investing in a wind farm down in the south sound, in Clark or Lewis county. We will be paying a premium on our electric charges in order to buy into this program. In essence, we will be achieving what the recs program set out to do years ago. The purchase of recs becomes irrelevant, from Dorough's perspective, for achieving the university's objectives concerning sustainable, renewable energy. One of the items discussed was about using the money that we earmarked for the recs to offset the additional costs that we will incur for the surcharges applicable to the GreenDirect program. He said that that process would need to be formalized through the SEJ Committee. McBride clarified that the committee voted to commit to that two years ago.

Nevler asked if the surcharges are of equal magnitude to the carbon recs. Dorough answered that there is a surcharge, and then there is an unknown energy charge credit. What PSE will do is charge us a certain amount of money to cover the amortization cost for the new wind farm, and then there will be a credit for the non-renewable component of our energy bill that we will not be using. There will be a cost-difference there between the renewable energy charge and the energy charge credit. We do not know what the difference will be at this point. There will be some difference – some amount of cost added, but we don't know exactly what that is.

McBride said that it was approved by the committee on November 30th, 2016. The motion was to commit purchasing and moving of our rec provider to PSE's Green Direct program. That has already been decided by previous committee.

Riopelle said that this funding issue dates back to making sure that the university can speak to the fact that we did purchase carbon recs in FY 15-16. McBride asked if it's a flat amount that is being proposed, or if it is an amount with an escalation. Dorough said that the Green Direct program has a 2% per year escalation. Is it a flat 50,000 every year, or 51 next year? Dorough said that he would need some time to determine as best as possible what the cost difference is.

Nevler said that if the operating budget is \$400,000 coming from the student fee, is there program savings or a "rainy day fund" that is static, or is everything spent in each quarter and renewed in the next quarter? Riopelle answered that funds are not spent on a quarter-to-quarter, or even year-to-year basis. One of the reasons why we are talking about this issue is that there was a time when

this fund was accumulating a lot. The committee last year did a great job of changing the direction of that. We approved just shy of half a million dollars. One of the big questions is – how much can we save without making our fund too large? We need to be honest and say that having additional staff is not the only option. The other option is having a smaller program – the fee would decrease, and that is a possibility. What happened in FY 14-15-16 was the majority of the funds that was taken in by the fee were not utilized for grants, leading to a tremendous accumulation of funds. There are other options to provide relief so that students don't see that their funds are accumulating: we decrease the fee, or we increase the program. This committee gets to make that determination.

Wang said that she is partial to a “rainy day fund”, but it doesn't need to be several hundred thousand dollars, the way that it has been. Quality over quantity, but it's good to have money put aside. Her understanding is that we don't invest in anything. The fund is there, we don't invest it for growth or anything, and that's another thing that the committee could talk about, because there is plenty of money to do this. An endowment will grow the fund rather than having the money just sit there. There is something to say about the longevity of something that is endowed. McBride said that there has always been 2 budgets: the operating budget, and the second being the reserve budget which shows the committed projects and how much money has been committed based on previous approvals, as well as some money for some contingencies if a project runs into the need for more money.

Riopelle said that he is concerned that the university missed the carbon recs, and it is a time sensitive issue that needs to be voted on or discussed further today to figure out what direction we are going. McBride said that the committee could, with a dollar amount, approve money for the program to go out and purchase recs to make up. The method isn't as important as the authorization of the funds.

Nevler wanted to clarify – when Riopelle said that we missed the two years, that means that we were claiming to be offsetting our carbon recs, but we were not, which leads to a gap in our branding and legitimacy. We would be retroactively purchasing recs to say that we have offset an equal amount, even if we paid it off in a different year. Riopelle said exactly, and what that does is realigns us with the integrity of the concept of the fund.

Dorough said that we are moving forward with a new program through PSE, and we missed our opportunity to purchase recs for a couple of years. Do we want to spend \$100,000 of student fees to be able to say that we are making up for an opportunity that we missed, or do we move forward with our new program and put that \$100,000 to something else? Nevler said that makes a lot of sense – it's a missed opportunity, but were we claiming that we were 100% renewable when we were not? McBride said, for clarity, the feeling was that the funds collected would be used directly for certain purposes – it's written in the fee language as a requirement. Riopelle added that recs are date stamped. What we, as a university, would be doing would be purchasing FY15 and FY16 recs. That would align with those years. It wouldn't just be purchasing more recs for FY18. Other institutions have had to do this in the past – it's not a rare occurrence. We would be able to say that we did pay for FY15-16, not just that we made it up.

Winkelman said that she understands that \$150,000 is a hefty opportunity cost. At the end of the day, it would be inherently unethical and immoral to not uphold the fee language and to not be stewards of this fund and use student dollars appropriately. If we decide to not do this, than we

are inherently acting unethically, especially with student funds, which need to be taken seriously, and especially because there was a fee increase. She believes that we just need to do it, because it wasn't done properly, and we need to uphold our end of the promise with the funds.

Nevler asked if there is a way to put them into the Green Direct program, if we are not purchasing recs. Would there be a use for them going forward as we negotiate the new program with PSE?

Dorough answered that we could pay forward, and PSE could set up an escrow account for us where we could apply those funds to the future, but that still doesn't solve Winkelman's problem. Winkelman said that she understands that option, but the most clear and concise path that will be the most clear to students will be purchasing recs that are date stamped and being able to say that these align perfectly, rather than using the money to offset energy credits in a convoluted way that is hard to communicate to students. She said that she was an energy major for two years, and she had no idea how recs worked, because it is very difficult to understand. Putting a benchmark of \$120,000 with a contingency of 25% might be the most clear and direct path to make up for what was missed.

Nevler asked if recs are equally priced each year? Riopelle answered no, but we will not get a better price if we wait for ten years.

MOTION SEJ-18-F-2 by *Winkelman*

Provide the SEJF Management Staff with a cap of \$125,000 to pay back energy rec credits through the rec program with a 25% contingency. (Flex spending up to \$150,000).

Second: N/A Vote: N/A Action: *Not Passed*

Riopelle clarified that the funds for these rec purchases were already year marked and set aside in FY 15-16, so those funds are sitting in the overall funding pool, which is upwards of \$900,000. Wang said that the money is there, and paying off recs would not impact our ability to move forward. Riopelle said absolutely not, and having that much money in the fund actually impacts us negatively.

The committee decided that this is something that we need to revisit winter quarter. Winkelman wanted to bring up the issue of intent vs. impact – it doesn't matter that it was a mistake made on accident or done maliciously, what matters is the fact that student's funds are not being upheld to the promises that they were made. By Winkelman's definition, that means that they are being misused.

MOTION SEJ-18-F-2 by *Nevler*

Table discussion on FY 15-16 Carbon Recs until next quarter.

Second: Winkelman Vote: 9-0-0 Action: *Passed*

Lee said that if there is any information that the committee needs in order to understand this issue better, to please contact her or Johnathan. Riopelle agreed.

c. Amendment to Bylaws Regarding to Conflict of Interest

The committee looked over its charge and charter and bylaws. Lee noted that the document was created in 2015, and it needs revision, so that is something that she will be working on and bringing back to the committee. The committee focused on the language in the bylaws surrounding conflicts of interest. Wang added that because there is a faculty member on this committee and faculty members are asked to advise projects, there could be a conflict of interest. She said that she believes she shouldn't be voting on a project that she would be advising. Nevler clarified if there is an element of responsibility in the involved parties to bring up the conflict of interest to the committee. Lee said that the discussion today about revisiting the bylaws is referencing a potential conflict of interest going on currently. Riopelle said that we have a small grant that has come from the ESP Director, Winkelman, and that is a potential conflict of interest. There is no conflict of interest within the ESP, but this states that there is a conflict of interest due to membership on the committee. If a member in the ESP is not involved in the approval of a small grant, and no member of the ESP has direct engagement, can that small grant be approved by the Director of Sustainability and the SEJF manager? Riopelle wants to ask the committee if there is a relevant conflict of interest, and if this is an issue that we could vote on electronically so as not to make Winkelman wait any longer.

Lee added for context – the ethicality of this standard is because we all work alongside each other, within this committee and within the AS, we have knowledge of the funds, and therefore we have more opportunities and access to apply for small grants. The general student body doesn't have the same knowledge of the funds.

McBride would advise Riopelle to split the question into two: first, a reconsideration of the conflict of interest policy, and second, the approval of Winkelman's grant. Winkelman said that she doesn't think that we have a conflict of interest regarding reporting to each other within the committee, because we don't, but the conflict of interest lies in that Winkelman is the vice chair of this committee. She would like to be forthright and let the committee know what she is spending money on, and therefore go through the approval process. She said that she feels very comfortable having her grant being voted on electronically. Riopelle said that this kind of grant is exactly what we do on a regular basis – this will be very easy to approve. The big issue is: is this a conflict of interest?

MOTION SEJ-18-F-4 by *Wang*

Vote electronically on Winkelman's grant.

Second: Winkelman

Vote: 8-0-1

Action: *Passed*

IV. Other Business

Dorough brought up the issue of hate messages and vandalism that has been happening on campus in the last couple of weeks, and how that overlaps with security issues on campus. The campus lighting is insufficient, and there are many areas of campus that are very dark. Campus lighting is at the end of its life and doesn't meet a lot of lighting standards. Dorough wanted to reintroduce the idea of revisiting campus lighting that will meet both safety and sustainability standards. We have had difficulty in getting funding for the lighting, as it is the state's responsibility, but we have not put a high enough priority to the issue. He would like to have the committee provide moral support for moving forward and expanding the conversation on campus

lighting to meet these needs. He's not sure where the issue would go, but he would at least like the voice to be increased. Winkelman said that she would love to work with Dorough on this.

Anne Lee adjourned the meeting at 9:59 AM.

DRAFT