

**Minutes of the Board of Trustees Meeting
Washington State Community College District 17
Regular Meeting
September 15, 2020
Zoom**

Present: Trustee Bridget Piper, Board Chair, Trustee Glenn Johnson, Vice Chair; Trustee Beth Thew; Trustee Mike Wilson; Trustee Steve Yoshihara.

Christine Johnson, Brandon Stallings

Also, in attendance: Kevin Brockbank, Kimberlee Messina, Carolyn Casey, Keith Sayles, Valerie Senatore, Jim Brady, Rick Sparks, Katella DeBolt, David Williams, Lisa Hjaltalin, Jenni Martin, Brenda Martinson, Amy McCoy, Carla Naccarato-Sinclair, Joshua Temple, Greg Stevens, Katherine Satake, and Courtney Taylor (recorder)

Absent:

Trustee Piper called the meeting to order at 8:30 am

Trustee Piper to pull out the consent agenda to add Trustee Yoshihara to add to attendance for the Board Work session on 7/21/20 consent agenda is approved.

Consent Agenda:

- a. Board Minutes, 8/6/20; Board Work Session 7/21/20
- b. Capital Projects in Progress – John Gillette
- c. Budget and Expenditures – Lisa Hjaltalin
- d. Head Start – Bobbi Woodral

Renaming Fort George Wright Drive: City Council Member Betsey Wilkerson & City Council Member Karen Stratton (unable to attend)

City Councilwoman Wilkerson went through the process for the renaming of Fort George Wright Drive:

- The City Council went before the Planning Commission on September 3rd to talk about the name change of Fort George Wright Drive.
- City Council submitted the application for the name change and it was approved.
- The Neighborhood Council in the west hills where Fort George Wright Drive is located has also bought off on as also shown support of the name change.
- Open testimony will be heard and will come together with the Tribe to find a new name.
- Once we have public testimony it will come back to the council to vote in sometime in November. Hoping by the end of the year we will see progress by this.

City Councilwoman Wilkerson shared those who have showed support:

- Unitarian Universalist Church
- Community Colleges
- Spokane Action (SNAP)

Trustee Johnson asked if City Council signed reserve funds to help entities along the road to change letterhead. Councilwoman Wilkerson stated yes that we do have resources to help with assistance of those changes.

Trustee Wilson asked if road itself is owned by the tribe and how is the decision reached for the tribe to name the road? Councilwoman Wilkerson stated the City owns the road but because of the history and we are on tribal lands we thought it would be important that the tribe to select the name.

Mark Carlos wants to thank the Trustees and City Council and everyone behind this to make the name change of Fort George Wright Drive. Thank everyone for taking time to make this happen.

Dr. Johnson commented on CCS deep appreciation for City Council members Betsy Wilkerson and Karen Stratton who invited us to those to join council for those discussions.

Regional Economic Update: Mark Mattke & Mike McBride

Presented a Power Point presentation that showed a snapshot of:

- Spokane's Labor Market:
 - Total Civilian Labor Force: 261,692 (July 2020)
 - Total Employment: 231,834
 - Total Unemployed: 29,858
 - Unemployment Rate: 11.4%
- County Unemployment Rates:
 - Spokane County unemployment rate down from the all-time high 16.7% in April 2020. Unemployment rate in July 2019 was 5%. The metro areas on the West Side of the state are quicker to recover. In past recessions Spokane County is late in the game to recover.
- Unemployment Rate Overtime: Comparison to the current unemployment situation to the past Great recession a decade ago. The Great Recession took over a year to reach its peak 12.2 % unemployment rate. One month into the current COVID impacts Spokane County is well past the highest rate we have seen. Spokane County is coming back down a lot faster but are still remaining quite a bit higher than what Spokane County has seen in the last decade.
- Unemployment Claims by Type:
 - Regular Continued Claims-13,076
 - PUA Continued Claims- 6,392
 - PECU Continued Claims- 1,995
 - PUA Expanded the unemployment eligibility and PECU expanded the length of time for a claimant to collect unemployment
 - PECU claims indicate a level of long-term unemployed as they have exhausted their regular unemployment claim.
- Continued Claims by Industry-
 - Industries that were hit the hardest by continued claims: Food Service industry, Healthcare and social assistance, Retail Trade, Manufacturing, Administrative and Waste service and Construction.
- Continued Claims by Occupation:

- Occupations that were hit the hardest with continued claims: Food Preparation and Serving, Management, Office and Administrative Support and Sales and related on continued claims
- Continued Claims by age: Demographic of who are on the continued claim are the 25-34 age group are being affected by the most during the pandemic, until you reach 65 or older and it reverses.
- Continued claims by Education: Unemployment is being skewed towards younger workers and low wage workers with lower levels of education
- New Weekly Job Postings in Spokane in March before COVID hit Spokane County was posting 1200-1250 jobs per week and drops to 700-750 in April & May. In August-September we see the volatility of job postings going up and down.
- New Online Job Postings over the last 30 days:
 - Registered Nurse-197
 - Retail Sales Associates-162
 - Sales Representative-125
 - Customer Service Representative-116
 - Laborer/ Warehouse Worker-105
 - Retail Store Manager/Supervisor-105
 - Physician- 90
 - Office/Administrative Assistant- 90
 - Tractor-Trailer Truck Driver- 79
 - Janitor/Cleaner- 70
 - Caregiver/Personal Care Aide- 60
 - Production Worker- 52
- COVID Impacts on Projections
 - Overall new job growth in Spokane County was projected to be .7% over the next year before COVID. The overall Job impact, one-year job decline is now expected to be -6.6%.
 - Will most likely take 2 to 3 years to recover total jobs lost, however retirement and churn will continue to create job openings.
 - Approximately 20,000 less total demand due to COVID.
- Industry Projections: By largest industry in Spokane County by employment, we target 5 specific industry's as our primary workforce development activities as these industries has job openings and wage over Spokane. Finance and Insurance are showing not to be affected by COVID as much because working from home is easier.
- Occupation Group Projections show education level for employment according to the Bureau of Labor Statistics. This shows that the higher level of education the less impact you have during the COVID pandemic.
- Occupations in Demand list that concerns the Community College more. This is an annual list that is produced at the State and County level. Workforce Development use this to fund for workforce training for jobs that are going to be open. This year with short terms projections are heavily disrupted not to COVID. This is a list that can be changed all year long.
- Local Workforce System Responses. Resources to serve unprecedented volume of Workers & Business during this crisis.
 - National Dislocated Worker Grants
 - Workforce innovation & Opportunity rant
 - City of Spokane Rental Assistance
 - Spokane County Homelessness Housing Assistance

- Youth Homelessness Assistance

Trustee Thew asked for CCS students that are taking a class that was on the demand list but due to COVID that class is no longer on the demand list can they finish the workforce training for that program? Mr. Mattke stated yes, they can finish but we would have a conversation with that student to make sure they are on a path to success.

Chancellor Update:

Dr. Johnson gave a special introduction to Tim Lawlor who is CCS Lawyer for North South Corridor and Brandon Stallings who is filling in for Emily Yates. Dr. Johnson thanked all of Faculty and Staff for the amazing work they have been doing. Dr. Johnson conceded her report to Head Start Director Bobbi Woodral.

Bobbi Woodral reported on the following topics:

- Status of Operations: Since March through July and August Headstart/ Early Head Start remained in remote/virtual service. Staff utilized multiple virtual platforms and strategies to connect with Children and Families, ensuring ongoing access to HS/EHS resources and support. During the summer quarter two targeted outcomes were focused on.
 1. Enhancing school readiness with an emphasis on individual child goals.
 2. Delivery of comprehensive family support services.Teachers, Family Service workers, food service staff and office assistants were tasked to ensure solid contribution to the virtual learning environment.
- September 8th HS/EHS with CCS Leadership began implementation of the in-person services at each 11 locations. Several Factors were considered when evaluating.
 - Childcare
 - Partnership
 - Preparation, Planning and Training:
 - Created a COVID-19 Taskforce
 - Training all HS/EHS staff
 - Site Safety Plans
 - Parent Communication
- Outline of HS/EHS Service Delivery
 - Mixed model of services will be delivered to children, offering either in-person or remote services based on individualized site priorities reflective of location, clientele and need.
 - Preschool classroom size to a maximum 10 students. The 6-10 students not receiving in person services would be continued remote/virtual services.
- HS/EHS will start their re-opening date on September 28th. HS/EHS feeling very grateful to help and get back into the community.

Trustee's thanked Ms. Woodral for her excellent report and all the work that she has been doing to open HS/EHS locations.

President Reports:

SFCC President Kimberlee Messina reported on:

- SFCC enrollment is down from last year but have positive highlights. Running start is up at 24%. SFCC students of color are up 16% from fall.
- Commend SFCC's Vice President's working hard with the safety office and facilities to get SFCC ready for in person learning and doing all we can to make sure our campus is ready.
- SFCC going under a lot of transitions and working hard on filling Financial aid positions.
- SFCC has 70% of Students online, 15% Students in person, and remaining students remaining are hybrid.

Trustee Wilson for both colleges to get a picture to how you do the virtual online learning, what is the structure of virtual learning. Dr. Messina we have faculty and students when it works for them where people learn at different time, or there is synchronized time that students and teachers can meet at a certain time. Dr. Brockbank also has a flexible modality at SCC, students have the options to come to class or choose to online.

SCC President Kevin Brockbank Reported on:

- Enrollment is down 21% for the Fall average and has now changed to 16% as of this week as of September 14th.
- Running Start is up 20% with 50% of courses in person 34% is online and the remaining percent is hybrid.
- SCC applications are only down 5% as of last year.
- Good news from the SCC ABE Division, transition rate from ABE to college course work was 14% and now the rate is 28%.
- SCC is taking a more detailed effort on Racial Equity. SCC work plan this year will be built this year will on policy revision, instructional innovation, Student Services improvement, Guided Pathways, multicultural student services group, examination of the systems.

Consideration of Negotiated Settlement between Washington State Department of Transportation and CCS: Greg Stevens and Tim Lawlor

BACKGROUND

The Washington State Department of Transportation (WSDOT) is managing the construction of a freeway referred to as the "North Spokane Corridor" (NSC) - will be a 60-mile per hour, 10.5-mile-long north/south limited access facility.

The freeway's path runs the length of Spokane Community College's (SCC) western border. The planned elevated structure will parallel current Greene Street and pass over buildings and parking spaces located on the western edge of the campus, from the Spokane River to Mission Street. Construction of this stage is tentatively scheduled to begin in 2021-22.

Community Colleges of Spokane and Washington Department of Transportation (WSDOT) staff have been in discussion for over three years regarding the impact of the planned North Spokane Corridor on Spokane Community College's campus. WSDOT obtained an initial appraisal of the impact. That appraisal resulted in an offer of approximately \$15.06 million for just compensation. A possession and use agreement was executed in May 2019 and transferred the WSDOT offer of \$15,059,000 to CCS to initiate the transition processes determined necessary to relocate programs, relocate parking and build the transitional infrastructure necessary to accommodate multiple years of NSC construction on the western boundary of the campus. The agreement allowed WSDOT to take possession of the property in question to allow them to put their project to bid and begin actions necessary to prepare for construction.

The possession and use agreement was not an agreement of terms, did not transfer title and did not obligate either party to a specific settlement value. It provided an initial allocation of funding to CCS, allowed for site preparation and planning work to begin construction and obligated both parties to continue to negotiate the final right-of-way terms.

WSDOT issued a revised appraisal in June 2020 that increased their offer to a total of \$21,746,600. CCS also conducted its own appraisal in July/August that resulted in an assessed value of \$25,389,086. That appraisal was submitted to WSDOT and negotiations recently resulted in a tentative settlement agreement for a total value of \$25,389,086. Mr. Stevens stated that your Board item states that this agreement is attached for your review and consideration. Unfortunately, CCS just received the agreement yesterday afternoon and have not gotten the opportunity to look it over.

The agreement that was forwarded last night includes a couple of items; one is an agreement of Financial terms of 25,389,086. CCS has already received 15.01 million dollars. CCS would anticipate receiving the difference of 10.2 million dollars as final settlement. CCS will also receive an easement for up to 400 parking spaces, to be configured by CCS, under the eventual freeway. Our appraiser had indicated this parking to be worth an additional \$4.0 million. Mr. Stevens is suggesting we go forward with an approval of basic terms and charge the administration and legal team to review and verify they are reflective of the terms that were agreed upon. Ask the Board Chair to finalize the agreement and forward to the State Board.

CCS has been represented by a Special Assistant Attorney General in this matter, Timothy Lawlor of Witherspoon and Kelley, and he worked with the WSDOT assigned assistant attorney general to prepare the agreement. Mr. Lawlor thanked Greg Stevens and John Gillette on all their help. Mr. Lawlor believes CCS has gotten a great settlement. Mr. Lawlor is asking for a Civil Rule 2A Authority from the board which allows me to sign a document to lock in the dollar amount.

Trustee Johnson made the motion to Direct the administration and legal team to review the details of the settlement agreement and verify all terms and, upon verification, authorize the board chair to sign the Warranty Deed, Temporary Easement, and Voucher. Thereafter direct the Chancellor to submit for State Board of Community and Technical Colleges approval and signature. Also, provide CR2A authority to Special Assistant Attorney General Tim Lawlor to accept settlement numbers on behalf of Community Colleges of Spokane.

Trustee Wilson seconded the motion, motion passed unanimously.

Exempt General Salary Increase: Greg Stevens
Action

Board Policy 2.20.01 provides "*Community Colleges of Spokane is committed to recruiting and retaining globally competent, highly qualified faculty and staff at all levels of the organization. Externally competitive and internally consistent reward systems, including salary and benefit structures and non-fiscal reward programs, shall be developed and maintained by administration. Salary schedules shall be approved by the Board of Trustees. (emphasis added) Compensation administration shall be objective and non-discriminatory in theory, application and practice.*"

The state 2019/21 biennium budget provides a 3% general salary increase for non-represented employees effective July 1, 2020. Administrative Procedure 2.20.01-A, Professional/Exempt and Administrative Compensation Management, implements Board Policy 2.20.01 for exempt and administrator staff. Section 3.2 of that procedure provides: Implementation of general salary increases affecting the salary schedule will take effect on September 1st.

Much has happened since this general salary increase was approved by the Governor in May 2019, yet his 2020/21 supplemental budget retains the general salary increases. And, while CCS faces a significant state operating budget reduction in this and future fiscal years, administration still supports the implementation of the 2020/21 authorized increase for the following policy reasons:

- Internal consistency (salary compression issues): the state negotiated 3% salary increase for classified staff was implemented on July 1. Consistent with the legislative authorized faculty general salary increase, a CCS negotiated 2.8% faculty salary increase will be implemented on September 17th. Eliminating the authorized 3% exempt increase would cause salary compression issues between these three groups, negatively impacting established supervisor/subordinate pay differentials.
- External competitiveness (recruitment and retention issues): In a recent survey of system business officers, two-thirds indicated their colleges would be implementing the authorized salary increase for exempt staff. If CCS does not implement, we would fall behind these colleges in competitive salary levels by 3%. Given statutory restrictions (Appropriations Act and various AG Opinions) on salary increases beyond that provided by the legislature, this lost ground will be difficult-to-impossible to recover in future years barring a statutory change.
- Finally, this is the last anticipated increase for one and perhaps two biennia: historically, when the state has faced fiscal challenges it has not provided employee salary increases. For example, state employees went six years without salary increases (from 2009 through 2014) as a result of the Great Recession. The SBCTC is projecting state budget challenges for at least the 21-23 biennium and likely into the 23-25 biennium. This authorized increase is anticipated to be the last offered through June 30, 2023 and perhaps through June 30, 2025.

For the above reasons and consistent with CCS' implementing procedure, attached is a recommended salary schedule for professional-, confidential- and administrator-exempt and executive employees to be effective September 1, 2020. While executive staff are not covered by procedure 2.20.01-A, CCS has traditionally followed the same process and timelines. This remains our recommendation for this year.

Salary schedules for classified staff are delegated to the state collective bargaining process and were, as mentioned, implemented July 1, 2020, by legislative action. Faculty schedules were negotiated and approved during FY20-21 and will be implemented effective academic year 20-21.

Recommendation

Approve the attached 2020/21 exempt, administrator and executive salary schedules to be effective September 1, 2020, and direct the Chancellor to take steps necessary to implement the action.

Trustee Thew moved to approve the 2020-21 to be effective September 1st, 2020. Trustee Yoshihara seconded the motion. Motion passed unanimously.

Voluntary Separation Incentives Payout: Greg Stevens

BOARD ACTION ITEM

At the direction of the State Office of Financial Management, in May the State Board of Community and Technical Colleges directed all college districts to prepare for a 10% reduction in FY20-21 state operating funding. CCS issued a budget survey to all employees in June seeking input on possible budget reduction ideas. One often mentioned survey response was to implement an early retirement or separation incentive plan that would encourage employees to resign/retire and create a vacancy CCS could subsequently eliminate.

The Early Separation Incentive plan was offered to qualifying employees starting in July. Ultimately 21 state funded employees applied, were determined eligible and have executed the necessary separation agreement. Those employees will receive a total of \$ \$429,314 in incentive. The elimination of those 21 positions – or similar positions – will generate approximately \$1,510,000 in on-going savings.

By unit, the district administration utilized 9 incentives (all classified employees) totaling \$189,000 in one-time funding and achieve \$623,605 in on-going budget reduction. SCC utilized 5 incentives (2 faculty, 2 classified and 1 exempt) totaling \$101,000 in one-time funding and achieve \$383,822 in on-going budget reduction. SFCC utilized 7 incentives (1 faculty, 5 classified and 1 exempt) totaling \$139,314 in one-time funding and achieve \$502,455 in on-going budget reduction. The Early Separation Incentive plan is effective through December 31, 2020, and there remain 20 offered incentives that have not been utilized to date.

To fund the current \$429,314 in one-time incentives, administration is requesting board consideration for using the board operating reserve established under Administration Procedure 5.20.04-B.

RECOMMENDATION

Approve expending \$429,314 from the Board Operating Reserve established under Administration Procedure 5.20.02-B to fund those Early Separation Incentive Plan incentives executed through August 31, 2020 and direct the Chancellor to take the actions necessary to implement.

Trustee Thew made the motion to approve the expending of \$429,314 for the Board Operating Reserve.

Trustee Wilson seconded; motion passes unanimously.

CCS Fiscal Year 2021 State Operating Allocation and Tuition Revenue Budget: Lisa Hjaltalin

BACKGROUND

The statewide outbreak of COVID-19 has caused unforeseen State revenue shortfalls in a very short period of time, which has not allowed the Governor's Office, the Legislature, the Office of Financial Management, or the State Board for Community and Technical Colleges, to update the state operating allocation budget for fiscal year 2021 to reflect the known material budget shortfalls.

Consequently, on June 16, 2020 the Board of Trustees of the Community Colleges of Spokane authorized the continued operation of the District, under full delegation of authority provided to the Chancellor, by authorizing a Continuing Resolution. The approved and adopted Continuing Resolution has been in effect from that date, through September 30, 2020.

On June 16, 2020, the Board approved tuition, fee and waiver schedules and those items not dependent on the state operating allocation budget. Those items are the Student Services and Activities fee rate and budgets, Technology Fee budgets, and Lab and Course and Administrative fees and the Athletic budget.

Ms. Hjaltalin shared and presented on the 2021 State Appropriation and Tuition Budget Distribution, 2021 Funding Summary, 2021 Budget Build Tuition Projection and the District Managed Costs FY 2020 Budget Actual and 2021 Budget Proposal.

Ms. Naccarato-Sinclair asked why Campus Support gets so much of the GEER money that is really goes to the district and I am not sure that fits the Geer definition, as well as SFCC getting so little amount of the onetime GEER Funding. Ms. Hjaltalin stated the GEER money that was distributed back to the colleges based on the decline of FTE between Winter and Spring Quarter, that was dictated to CCS by the State Board.

Ms. Naccarato-Sinclair stated the support money was not dictated the way you have allocated to the campus support money. They have definitions under each of those and one of the definitions was to reimburse loss of classes during spring quarter. Ms. Hjaltalin split out campus support services such as Facilities, IT, Compliance and Provost officer show up as Campus support services as that money and work occurs on the college campuses and that is how we distinguish what campus support services are. Ms. Hjaltalin stated that CCS was told that the use of the GEER money was very broad, and we can utilize this money in a broad manner and what this reflects is the backfilling and loss of tuition revenue.

Trustee Wilson would like to see the ratio by full time employees to full time students to see how we are spending our money. Dr. Johnson added information to Trustee Wilson question and stated CCS has tracked that data for 15 years and CCS has served the most students per employees over anyone else in the state. Mr. Stevens stated the report is generated annually .

Trustee Yoshihara asked if Trustees are not approving the deficit but approving the allocation. Ms. Hjaltalin stated yes. Trustee Yoshihara asked if this is the preliminary budget? Ms. Hjaltalin stated is the proposed fiscal year budget, if the budget that we receive from the State Board is materially different we will bring it back to the Board, the budget for our continuing resolution expires on September 30th.

Trustee Wilson wanted to make Trustee Yoshihara point clear that CCS is not going to be having a 1.3-million-dollar loss, we will manage the budget so that does not occur. Trustees are not approving the loss we are approving the overall budget recognizing something needs to be done about that loss. Ms. Hjaltalin stated yes.

FOR CONSIDERATION AND APPROVAL

The Administration proposes the Community Colleges of Spokane Fiscal Year 2020-21 state operating allocation and tuition revenue budget to the Board of Trustees for approval. The state operating allocation and tuition revenue budget, so approved, is effective as of October 1, 2020, through June 30, 2021, with any material changes to be brought forward again to the Board for approval.

RECOMMENDATION

The Administration recommends approval of the proposed state operating allocation and tuition revenue budget.

Trustee Yoshihara made the motion to approve the proposed State operating allocation and tuition Revenue Budget. Trustee Wilson seconds the motion. Motion passed unanimously.

SFCC Fine and Applied Arts Design-Boundary Line Approval: John Gillette

Mr. Gillette went stated that previously that CCS Architectural and Engineers team had advise us to combine the three parcels that make up the SFCC Campus. After conversations because after we City and other Engineers is recommending that we change the shape of our parcels.

Mr. Gillette stated that a few advantages to changing the shape:

- Maintain our Tax accounts with the City
- Have define sets of Building and City codes as it applies to each parcel
- We think this is an advantage to maintain the parcels as they are.

Mr. Gillette stated he would normally not bring to the Board until he had a defined recommendation, but this must get this through the State Board of Community and Technical Colleges this week and to the City by September 21st for the plan review. If we do not achieve the deadline the plan review will be delayed along with the bid for this project.

RECOMMENDATION

Authorize Facilities District Director John Gillette to make boundary line adjustments that are most beneficial to Community Colleges of Spokane.

Trustee Johnson moved to make the motion. Trustee Wilson seconded the motion, motion passed unanimously.

BOARD REPORT

Trustee Piper reported that in late July the Community Colleges Foundation received a \$500,000 donation from the Krumble Foundation which will give \$4,000 scholarship to 100 students over the next five years.

Trustees thank Trustee Piper for the great leadership you have shown. Trustee Johnson also talked with Governor Jay Inslee and thank him for the \$44 Million discretionary funds that he gave the Community Colleges in the State of Washington.

Trustee Thew thank Trustee Piper the leadership and example she set for all of us. Trustee Wilson echoed Trustee Thew comments and that Trustee Piper has set the bar high for the rest of us.

EXECUTIVE SESSION

ADJOURNMENT

Being no further business, the meeting adjourned at 12:08 p.m.