Purpose of Submittal:
Western Washington University (Western) is proposing to submit the following in the 2024 Supplemental Capital Budget Request (Request):

1. **Minor Works – Preservation** ($500,000 – Local Funds)
2. **Classroom, Lab, and Collaborative Space Upgrades** ($1,500,000 – State Issued Bonds)
3. **Electrical Engineering and Computer Science Building (Kaiser Borsari Hall)** (Maximum $4,900,000 – Certificate of Participation Sale)

Proposed Motion:
MOVED that the Board of Trustees of Western Washington University, upon the recommendation of the President, approve the 2024 Supplemental Capital Budget Request totaling $6.9 million for: Minor Works – Preservation ($500,000); Classroom, Lab, and Collaborative Space Upgrades ($1.5 million), and Electrical Engineering and Computer Science Building (maximum $4.9 million).

Supporting Information:
The following is a synopsis of each project in the Request:

**Minor Works - Preservation**
Of the $25 million requested, Western received $4.888 million for Minor Works - Preservation projects in the 2023-2025 Capital Budget. The additional $500,000 proposed in the Request is needed to further preserve the useful life of our existing assets and preclude expensing preservation projects from the operating budget. The additional funding will be used to upgrade the elevator in the Humanities Building and construct a pole barn at the Physical Plant needed to store the large vacuum truck and other equipment sensitive to
freezing during the winter months. Without the additional funds, Western would need to use operating funds to implement these improvements due to the urgent need and Western’s inability to defer this work. The $500,000 in funding is proposed using Western’s local capital fund account.¹

**Classroom, Lab, and Collaborative Space Upgrades**

Of the $10 million requested, Western only received $1.5 million for Classroom, Lab, and Collaborative Space Upgrades in the 2023-2025 Capital Budget. The additional $1.5 million proposed in the Request will further modernize, update, and improve our general use classrooms, class labs, and collaborative and study spaces. This will further improve Western’s mission of providing a 21st century educational environment. The funding proposed is from State-issued General Obligation Bonds.

**Electrical Engineering and Computer Science Building (Kaiser Borsari Hall)**

Western is requesting authorization to utilize debt from a State-issued Certificate of Participation (COP) sale. The COP would only be utilized if the Foundation fundraising campaign falls short of the $19.01 million goal for the Kaiser Borsari Hall project. Currently, the Foundation is approximately $4.9 million short of meeting this goal. The authorization in the Supplemental budget will not obligate Western to participate in this sale. Additionally, if the Foundation gap is reduced, Western can also utilize a reduced amount in the COP sale from the amount included in the Request. The debt service for the COP is proposed to be from the local capital fund account. If the full $4.9 million is needed, Western would expect to pay approximately $393,000 per year assuming an interest rate of 5% (note: the COP is tax-exempt) and a term of 20 years.

**Links:**

A. Budget Comparison worksheet that compares Western’s capital request to the Governor’s proposed budget, various legislative proposed budgets, and the final budget (also includes breakdown between bonds, local funds, and grant funding in each budget): [https://cpd.wwu.edu/files/2023-05/FINAL%202023-2025%20Capital%20Budget.pdf](https://cpd.wwu.edu/files/2023-05/FINAL%202023-2025%20Capital%20Budget.pdf)

B. Project Proposals and 2023-2033 (Ten Year) Capital Plan that were submitted to the State: [https://cpd.wwu.edu/2023-25-capital-budget](https://cpd.wwu.edu/2023-25-capital-budget)

¹ The local fund account consists of building tuition fees and State Treasury Board investments. Per the latest projections, the local capital fund account has approximately $1 million in capacity to fund the $500,000 request for Minor Works Preservation and the maximum $393,000 in FY25 for debt service on the COP.