



**STATE BOARD OF EDUCATION MEETING
May 27, 2021**

**Office of the State Board of Education
Len B. Jordan Building
650 W State Street, 3rd Floor
Boise, Idaho**

A special meeting of the Idaho State Board of Education was held via Zoom teleconference on Thursday, May 27, 2021. Board President Kurt Liebich presided and called the meeting to order at 2:00pm (MT). A roll call of members was taken.

Present

Kurt Liebich, President
Dr. Dave Hill, Vice President
Dr. Linda Clark, Secretary
Debbie Critchfield
Andy Scoggin
Sherri Ybarra, State Superintendent

Absent

Emma Atchley
Shawn Keough

Thursday, May 27, 2021, 2:00 p.m. (MT)

Prior to addressing the agenda items, Board President Liebich noted that Special Board Meetings occur when items are time-sensitive and cannot wait for the timeline of a Regular Board Meeting.

BUSINESS AFFAIRS AND HUMAN RESOURCES

1. Idaho State University – Idaho Central Credit Union Bengal Alumni Center Bidding and Construction Approval

BOARD ACTION

M/S (Hill/Critchfield): I move to approve the request by Idaho State University to proceed with construction of the Idaho Central Credit Union Bengal Alumni Center for a total cost not to exceed \$11,700,000.00. A roll call vote was taken and the motion carried 6-0. Ms. Keough was absent from voting. Board Member Hill introduced the item and asked Todd Kilburn, Chief Financial Officer, to provide background information. Mr. Kilburn discussed that the Board approved the bidding and construction phases for the Idaho State University (ISU) Idaho Central

Credit Union (ICCU) Bengal Alumni Center project in August 2020. Due to a recent, rapid increase in labor and building material costs, bids for the project were significantly higher than anticipated and ISU needs Board approval to spend the additional amount.

Kevin Satterlee, Idaho State University President, discussed that the project is 100% fundraised and echoed Mr. Kilburn's comments. He also noted that the Idaho State University Foundation recently voted to be the financial guarantor for the difference in funding, and that fundraising efforts will be reopened to raise the additional necessary \$2.5M.

Board President Liebich inquired about whether the contract will be a fixed price or whether there are contingencies in the case that costs of building materials should continue to rise. President Satterlee discussed that the contract is a fixed price agreement through the Department of Public Works, and that the Department of Public Works is comfortable with the contingencies of the contract if ISU accepts the current bid. Board President Liebich also inquired about the signing terms of the bid, and President Satterlee noted that the ISU Foundation will not sign on behalf of ISU nor vice-versa.

There were no additional questions or comments from the Board.

2. University of Idaho – Alaska Airlines Contract

BOARD ACTION

M/S (Hill/Critchfield): I move to approve the request by the University of Idaho to enter into a contract with Alaska Airlines to guarantee revenue for three years at a cost not to exceed \$500,000 per year or \$1,500,000 over the three years of the contract in substantially the same form set forth in Attachment 1; and further, to authorize the Vice President for Finance and Administration to execute all necessary transaction documents for completion of the contract. A roll call vote was taken and the motion carried 6-0. Ms. Keough was absent from voting.

Board Member Hill introduced the item and asked Todd Kilburn, Chief Financial Officer, to provide background information. Mr. Kilburn discussed that the University of Idaho recognized a need several years ago for an air travel option between Boise and Northern Idaho. Scott Green, University of Idaho President, discussed that the UI has negotiated an agreement with Alaska Airlines to provide flight service between Boise and Pullman, WA, and incentivized the new destination and flight schedule by guaranteeing revenue to Alaska Airlines for a maximum of \$500,000 per year for three years if schedule flights do not exceed the minimum revenue agreed to by both parties.

President Green added that the agreement will be positive for the UI and for the Moscow community. Following Board approval, the UI will announce the agreement with Alaska Airlines next week, and the flight service will begin the week of August 8, 2021.

Board Member Scoggin asked President Green about his level of confidence that the UI will not need to utilize monies from the approved \$500,000. President Green responded that it is probably that there will be some monies out-of-pocket depending on how long it takes for the initiative to gain awareness. Board Member Scoggin also inquired if there are any provisions in the agreement should flights be shut down for any reason. President Green discussed that the cap for revenue compensation is \$500,000, regardless of any potential shutdowns. Brian Foisy, Vice President for Finance and Administration at the University of Idaho, noted that Alaska Airlines has guaranteed five flights per week and would be in violation of the contract if they do not provide flights accordingly.

Board Member Clark noted that this agreement would benefit Lewis-Clark State College and the Lewiston community as well. Dr. Cynthia Pemberton, Lewis-Clark State College President, echoed these comments.

Board President Liebich inquired if there has been any discussion with Washington State University in regard to sharing the cost of the agreement. President Green discussed that Alaska Airlines has mentioned the possibility of implementing an additional contract with Washington State University in the future.

Board Member Hill noted a minor misspelling in the motion (“contract” was listed as “contact” in the last sentence of the motion), and requested that this correction be noted in the minutes.

There were no additional questions or comments from the Board.

There being no further business, a motion to adjourn was entertained.

BOARD ACTION

M/S (Hill/Critchfield): I move to adjourn the meeting at 2:23pm (MT). The motion carried 6-0. Ms. Keough was absent from voting.