

SPECIAL BOARD MEETING  
 JULY 10, 2017  
 SCHOOL ADMINISTRATION OFFICE

A special meeting of the Board of Trustees of Mountain Home School District No. 193 was convened at 7:03 p.m., July 10, 2017, at the District Administration Office, 470 North 3<sup>rd</sup> East, Mountain Home, Idaho, in said district, pursuant to authority provided by Title 33, Chapter 3, Section 33-513 – Professional Personnel, Title 74, Chapter 2, Section 74-204(4)(c) – Amending a Published Agenda, and Sections 74-202(4)(c)(6)(b) – Open Meeting (Special Meeting), 74-206(1)(b) – to consider the evaluation of a public school employee, 74-206(1)(f) – to consider and communicate with legal counsel regarding possible litigation or mediation, and 74-206(1)(j) – to consider labor contract matters, Idaho Code, and pursuant to affirmation by the Clerk that notice of the special meeting had been given to each trustee and posted public notice as required by law. A copy of the Notice of a Special Meeting of School Trustees so posted follows:

**AMENDMENT: Posted July 10, 2017, 10:45 a.m.**

**Revised: July 6, 2017**

**NOTICE OF SPECIAL MEETING OF THE BOARD OF TRUSTEES  
 MOUNTAIN HOME SCHOOL DISTRICT NO. 193  
 Mountain Home, Elmore County, Idaho**

NOTICE IS HEREBY GIVEN that a special meeting, executive session only, of the Board of Trustees of Mountain Home School District No. 193, will be held on Monday, July 10, 2017, at 7:00 p.m., at the District Administration Office located at 470 North 3<sup>rd</sup> East, Mountain Home, Idaho, in said District, during which the following business will be conducted:

- I. **CALL MEETING TO ORDER**
- II. **APPROVAL OF AGENDA OR ADDENDUMS**
- III. **EXECUTIVE SESSION –**

**ACTION ITEMS:**

1. None

**NON-ACTION ITEMS:**

1. **Pending Litigation and/or Mediation - USAC**
2. Labor Contract Matters
3. Personnel Matters

- IV. Adjourn

This Special Meeting of the Board of Trustees of Mountain Home School District No. 193 is called pursuant to Title 33, Chapter 3, Section 33-513 – Professional Personnel, **Title 74, Chapter 2, Section 74-204(4)(c) – Amending a Published Agenda**, and Sections 74-206(1)(b) – to considered the evaluation of a public school employee, **74-206(1)(f) – to consider and communicate with legal counsel regarding possible litigation or mediation**, and 74-206(1)(j) – to consider labor contract matters, Idaho Code.

Dated the 10<sup>th</sup> day of July 2017.

*Sharon M. Whitman*

Sharon M. Whitman  
 Clerk, School District No. 193

There being no chairperson or vice-chairperson in attendance at the start of the meeting, Clerk Whitman asked for a motion to appoint an acting chairperson until Chairman Abrego arrived. Trustee Donahue motioned to appoint Frank Monasterio as acting chairperson received a second from Trustee Knox. Trustee Monasterio was appointed temporary chairperson.

Prior to the first agenda item, Acting Chairman Monasterio stated that there was an amendment to the published agenda and such amended agenda was posted today at 10:45 a.m., to change the agenda order and to add agenda item II. Approval of Addendum or Amendment. The amendment was to add a Non-Action Item to Executive Session concerning a pending litigation and/or mediation matter.

- I. **CALL MEETING TO ORDER** – Chairman/Vice-chairman. Acting Chairman Monasterio convened the special meeting of the Board of Trustees at 7:05 p.m., and informed everyone that a quorum was present and that Trustee Abrego and Trustee Binion would be late.

Trustees: Acting Chairman Monasterio, Trustee Donahue, Trustee Knox, Chairman Abrego (arrived 7:21 p.m.), Trustee Binion (arrived at 7:40 p.m.)

- II. **APPROVAL OF AGENDA OR ADDENDUMS** – Chairman/Vice-chairman. Acting Chairman Monasterio motioned to amend the agenda to change the agenda order and add agenda item II – Approval of Agenda or Addendums to add a Non-Action Item to Executive Session regarding a pending litigation and/or mediation matter, in accordance with Idaho Code, Title 74-Chapter 2, Section 74-204(4)(c) – Amending a published Agenda, and 74-206(1)(f) – to consider and communicate with legal counsel regarding possible litigation or mediation. Trustee Donahue motioned to approve the agenda and amendment, with a second from Trustee Knox. Acting Chairman Monasterio directed Clerk Whitman to poll the board.

Vote being had on the above and foregoing resolution, and the same having been counted and found to be as follows:

NAME OF TRUSTEES

Trustee Knox ..... Aye  
 Acting Chair Monasterio ..... Aye  
 Trustee Binion ..... Absent  
 Trustee Donahue..... Aye  
 Chairman Abrego..... Absent

And no less than two-thirds (2/3) of the membership in favor thereof, the Chairman declared that the agenda and amendment motion passed.

Acting Chairman Monasterio asked if any part of the pending litigation could be discussed while waiting for Trustee Abrego and Trustee Binion. Mr. Gilbert replied yes, and asked Mr. Goodman to explain the litigation.

Informal Discussion:

Mr. Goodman reminded the board that the IEN was where the Idaho Department of Administration took out a contract to supply internet to all the high schools in the state. That contract was found to be void by the Supreme Court. Essentially, multiple companies bid on the internet contract. One of the groups that bid it was Syringa Networks, LLC, along with a company called ENA, and one of the another bidding companies was CenturyLink. The Department of Administration took ENA’s part of the Syringa bid and put it into the CenturyLink bid, and then awarded the bid to CenturyLink. That whole movement of taking parts of two different contracts and adding it to the CenturyLink bid contract and not to the Syringa bid contract, and then awarding the bid to CenturyLink was ruled void by the Supreme Court, so everyone who was listed on the IEN was found to be in violation of state code.

Mr. Goodman explained that the second part of the lawsuit regards E-Rate, which is federal reimbursement for internet that was being collected by the Idaho Department of Administration as a consortium for the school districts, so the Department of Administration was receiving federal money to provide internet to the school districts throughout the state through a company called USAC, which is a private company that works through the FCC.

Mr. Goodman described that when the contract was found to be void, the FCC found that the State of Idaho and the consortium violated USAC rules and E-Rate rules and demanded that \$14 million be returned to them from the State in order to pay for what they had paid on the illegal contract.

Mr. Goodman stated that there were two parts of the lawsuit that were disagreeable. The first part states that we (school districts) have to follow the law for the next two years, and the second more bothersome part is that it is an admission of guilt by the school districts, and the school districts didn't do anything. The Idaho Department of Administration did the contracts and the Idaho Department of Administration managed it; the school districts had no real control or say over anything, so all the school districts throughout the state who had a 9<sup>th</sup>-12<sup>th</sup> grade school if forced to admit that they did something fraudulent, when in fact it was the Idaho Department of Administration and Consortium, and not school districts.

Mr. Goodman also explained that if we have to withdraw all of our FRNs, which is the funding requested to USAC for those 5-years of the contract, is us saying that by us having to go back and say we are no longer requesting funding for the internet for those 5-years could potentially mean that the company(ies) who provided internet service, CenturyLink and ENA, who were paid partially by the State and partially by the federal government, will not get their money from the federal government, and that we're withdrawing requests that they be paid by the federal government. They could potentially turn around and sue the school districts, which they already are, for that money that they never got from the federal government and now use that as leverage in a lawsuit against school districts.

The board continued to discuss the lawsuit and the fact that the Department of Administration and ENA/CenturyLink are settling the CenturyLink lawsuit against the State and in that settlement, ENA is promising to drop the lawsuit against the school districts, but as of now, they have not dropped the lawsuit. The hope is that they keep their promise and drop the lawsuit against the school districts.

The board also discussed that school districts are stuck and have no choice but to agree with the settlement because most of the school districts cannot afford to pay the \$14 million. We could still potentially have to pay 30% of the lawsuit. The State has their lawyers defending the Department of Administration and the Consortium has the law firm of Anderson, Julian, Hull LLP, in the USAC lawsuit; then there is the lawsuit of ENA suing the schools, which the Attorney General refused to defend the schools, so he had the schools separated from the state lawsuit. School Districts had to get a separate legal counsel.

Acting Chairman Monasterio relinquished the chairperson duties back to Trustee Abrego at 7:21 p.m.

### III. **EXECUTIVE SESSION – Pending Litigation and/or Mediation – USAC, Labor Contract Matters, and Personnel Matters**

*Executive Session – Title 33, Chapter 5, Section 33-513 – Professional Personnel, and Title 74, Chapter 2, Sections 74-204(4)(c) – Amending a Published Agenda, Section 74-202(4)(c)(6)(b) – Open Meeting (Special Meeting), 74-206(1)(b) – To consider the evaluation of a public school employee, 74-206(1)(f) – to consider and communicate with legal counsel regarding possible litigation or mediation, and 74-206(1)(j) – to consider labor contract matters, Idaho Code.*

Chairman Abrego called for a motion for the purpose of allowing the board to enter into executive session. Trustee Donahue motioned to enter into executive session in accordance with Idaho Code to further discuss the pending litigation and/or mediation, to discuss labor contract matters, and to discuss personnel matters, received a second from Trustee Knox, the following resolution was presented:

#### **RESOLUTION TO ADJOURN INTO EXECUTIVE SESSIONS**

BE IT SO RESOLVED That the Board of Trustees of School District No. 193 recess from an open meeting into executive session pursuant to Title 33, Chapter 5, Section 33-513 – Professional Personnel, Title 74, Chapter 2, and Sections 74-206(1)(b) – to considered the evaluation of a public school employee, 74-206(1)(f) – to consider and communicate with legal counsel regarding possible litigation or mediation, and 74-206(1)(j) – to consider labor contract matters, as authorized by Idaho Code.

BE IT FURTHER RESOLVED That following the executive session, the Board of Trustees will convene into public session for further business or adjournment of the meeting.

Clerk Whitman polled the board. Vote being had on the above and foregoing resolution, and the same having been counted and found to be as follows:

NAME OF TRUSTEES

Chairman Abrego..... Aye  
 Vice-Chair Binion..... Absent  
 Trustee Donahue..... Aye  
 Trustee Monasterio ..... Aye  
 Trustee Knox ..... Aye

And no less than two-thirds (2/3) of the membership in favor thereof, the Chairman declared said resolution adopted and the board recessed into executive session at 7:23 p.m.

**ACTION ITEMS:**

- 1. None

**NON-ACTION ITEMS:**

- 1. **Pending Litigation and/or Mediation – USAC**
- 2. Labor Contract Matters
- 3. Personnel Matters

Others present: The attending board members (Trustee Binion arrived at 7:40 p.m.), Superintendent Gilbert, Clerk Whitman, and Mr. Goodman.

The board dismissed Clerk Whitman at 8:16 p.m., so that the board could discuss personnel matters.

Following a full and complete discussion of the pending litigation and/or mediation regarding the FCC and the State of Idaho, labor contract matters, and personnel matters, the board reconvened into open session at 9:59 p.m. No motion required.

- IV. **ADJOURNMENT** – All business of the Board having been completed, Chairman Abrego called for a motion to adjourn. A motion from Trustee Binion to adjourn was seconded by Trustee Knox. Motion granted. Meeting adjourned at 10:00 p.m.

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Acting Chairman Monasterio

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Chairman Abrego

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Clerk Whitman