North Idaho College
NIC Board of Trustees Meeting Agenda
Edminster Student Union Building Lake Coeur d’Alene Room
6:00 p.m.
January 20, 2016

Mission statement: North Idaho College meets the diverse educational needs of students, employers, and the northern Idaho communities it serves through a commitment to student success, educational excellence, community engagement, and lifelong learning.

3:00 p.m.
EXECUTIVE SESSION - Idaho Code Section 74-206*

5:00 p.m.
BOARD WORKSHOP – Reduction in Force Proposal

6:00 p.m.
CONVENE BOARD MEETING/CALL TO ORDER
Pledge of Allegiance
Verification of Quorum/Introduction of Guests
Review Minutes
Public Comment**
Celebrating Success: Textbook Project/Cost Savings

CONSTITUENT REPORTS
ASNIC
Staff Assembly
Faculty Assembly
Senate

PRESIDENT’S REPORT

OLD BUSINESS
None

NEW BUSINESS
Tab 1: FIRST READING: Dorm Housing Commission Resolutions
Tab 2: FIRST READING: Revised Policy 3.02.22 Annual Staff Performance Appraisals
Tab 3: FIRST READING: Revised Leave Policies
Budget Planning Guidance

Ken Howard
Ken Howard
Ken Howard
Ted Tedmon/Casey Wilhelm

Colin Colquhoun
Jessica Grantham
Erin Davis
John Trombold

Joe Dunlap

Sarah Garcia
Chris Martin/Erin Norvell
Chris Martin/Erin Norvell
Chris Martin
INFORMATION ITEMS
Capital Projects Update: CTE, Student Wellness & Joint Use Facility
JFAC Presentation

BOARD CHAIR REPORT

REMARKS FOR THE GOOD OF THE ORDER**

ADJOURN

* Executive sessions may be called for the purposes of considering personnel matters, deliberating regarding an acquisition of an interest in real property, considering records that are exempt from public disclosure, considering preliminary negotiations involving matters of trade or commerce in which this governing body is in competition with another governing body, communicating with legal counsel regarding pending/imminently-likely litigation, communicating with risk manager/insurer regarding pending/imminently-likely claims or to consider labor contract matters.

** Remarks are subject to NIC Policy and Procedure 2.01.03. Copies are available from the President’s Office.

<table>
<thead>
<tr>
<th>NIC Board Meeting</th>
<th>January 20 – SUB</th>
</tr>
</thead>
<tbody>
<tr>
<td>JFAC Hearing</td>
<td>January 26 (NIC’s hearing) 8:30 a.m. - 9:15 a.m.</td>
</tr>
<tr>
<td>Joint Presentation House Ed Cmte</td>
<td>January 25 9 a.m.</td>
</tr>
<tr>
<td>Joint Presentation Senate Ed Cmte</td>
<td>January 25 3 p.m.</td>
</tr>
<tr>
<td>JazzNIC Concert</td>
<td>February 2 at 7:30 p.m. Schuler PAC</td>
</tr>
<tr>
<td>NIC Board Meeting</td>
<td>February 24 – SUB</td>
</tr>
<tr>
<td>Peace and Hopefulness Concert</td>
<td>March 8 7:30 p.m. – Schuler PAC</td>
</tr>
<tr>
<td>“Postcards” Wind Symphony Concert</td>
<td>March 23 7:30 p.m. – Schuler PAC</td>
</tr>
<tr>
<td>NIC Board Meeting</td>
<td>March 23 – SUB</td>
</tr>
<tr>
<td>Musical Roots Concert</td>
<td>April 19 7:30 p.m. – CDA First Presbyterian Church</td>
</tr>
<tr>
<td>KCTFHR Human Rights Banquet</td>
<td>April 22 – Best Western CDA Inn</td>
</tr>
<tr>
<td>NIC Jazz Music Concert</td>
<td>April 26 7:30 p.m. – Schuler PAC</td>
</tr>
<tr>
<td>NIC Board Meeting</td>
<td>April 27 – SUB</td>
</tr>
<tr>
<td>NIC Orchestra Concert</td>
<td>April 28 – Schuler PAC</td>
</tr>
<tr>
<td>NIC Mother’s Day Music Concert</td>
<td>May 8 2 p.m. City Park Bandshell</td>
</tr>
<tr>
<td>NIC Commencement Breakfast &amp; Ceremony</td>
<td>May 13 – SUB &amp; Gymnasium</td>
</tr>
<tr>
<td>NIC Board Meeting</td>
<td>May 25 – SUB</td>
</tr>
<tr>
<td>NIC Board Meeting</td>
<td>June 22 - SUB</td>
</tr>
</tbody>
</table>
SUBJECT
Executive Session

DISCUSSION
From time to time the board will find it necessary to adjourn to executive session. When an executive session is required, a number of specific steps must be taken. These steps are:

2. Cite one or more specific subsections in the code section and provide sufficient detail to identify the purpose and topic of the executive session but not information sufficient to compromise the purpose of the executive session.
3. Approve a motion to adjourn by two-thirds, roll call vote.
4. Take no action and make no final decisions in executive session.

MOVES THAT THE BOARD, PURSUANT TO IDAHO CODE § 74—206, CONVENE IN EXECUTIVE SESSION TO:

___ Consider personnel matters [Idaho Code § 74-206(1)(a) & (b)]
___ Deliberate regarding an acquisition of an interest in real property [Idaho Code § 74-206(1)(c)]
___ Consider records that are exempt from public disclosure [Idaho Code § 74-206(1)(d)]
___ Consider preliminary negotiations involving matters of trade or commerce in which this governing body is in competition with another governing body [Idaho Code § 74-206(1)(e)]
___ Communicate with legal counsel regarding pending/imminently-likely litigation [Idaho Code § 74-206(1)(f)]
___ Communicate with risk manager/insurer regarding pending/imminently-likely claims [Idaho Code § 74-206(1)(i)]
___ To consider labor contract matters authorized under section 67-2345A [74-206A(1)(a) and (b), Idaho Code.

Purpose/Topic summary: (Provide sufficient detail to identify the purpose and topic of the executive session but not contain information sufficient to compromise the purpose of the executive session.)

SECONDED BY: _______________________

Roll call:  Banducci Howard Meyer Nilson Wood

CONVENE AT: ____________  ADJOURN AT: ____________
CALL TO ORDER AND VERIFICATION OF QUORUM
Chair Ken Howard called the meeting to order at 4:00 p.m. and verified that a quorum was present.

ATTENDANCE
Trustees: Judy Meyer
Christie Wood
Ron Nilson
Todd Banducci
Ken Howard

EXECUTIVE SESSION
Motion was made by Trustee Nilson, seconded by Trustee Meyer, to go into executive session under Idaho Code § 74--206 (a), (b) to consider personnel matters. Roll call vote was taken as follows:

Judy Meyer aye
Christie Wood aye
Ron Nilson aye
Todd Banducci aye
Ken Howard aye

At 4:45 p.m., a motion was made by Trustee Wood to return to open session. The motion, seconded by Trustee Meyer, carried unanimously. A brief discussion took place about the order of the agenda for the regular board meeting and Chair Howard recessed the meeting to reconvene in the Lake Coeur d'Alene Room.

CALL TO ORDER AND VERIFICATION OF QUORUM
Chair Ken Howard called the meeting to order at 5:05 p.m. and verified that a quorum was present.

ATTENDANCE
Trustees: Todd Banducci
Judy Meyer
Christie Wood
Ron Nilson
Ken Howard

Also present: Joe Dunlap, President
Marc Lyons, Attorney for North Idaho College
Mark Browning, Vice President for Communications and Governmental Relations
Lita Burns, Vice President for Instruction
Chris Martin, Vice President for Finance and Business Affairs
Graydon Stanley, Vice President for Student Services
Chair Howard led the board and meeting attendees in the Pledge of Allegiance. He then welcomed attendees and guests to the meeting.

APPROVAL OF MINUTES
Chair Howard called for any changes to the minutes from the meeting held on November 18, 2015 and the executive session held on December 4, 2015. There being none, the minutes were accepted, as presented.

PUBLIC COMMENT
None.

At this time Trustee Wood made a motion to amend the agenda to add a discussion item regarding the board’s consideration of hiring a consultant to assist the board in its search for presidential candidates since Dr. Dunlap is retiring at the end of the fiscal year. The motion was seconded by Trustee Nilson. Following some discussion, Wood amended her motion to add that the board hire the Association of Community College Trustees as consultant and specifically request to work with Julie Golder Alion from ACCT on the search process. Trustee Meyer seconded the amended motion. More discussion took place and Trustee Meyer commented that even though the board is hiring a consultant to assist in the search process, it does not take away the board’s control in the process. Chair Howard reviewed the process undertaken during the presidential search in 2012, adding that this community deserves to have the board and the college conduct the entire search process this time, as well. The amended motion carried unanimously.

Trustee Wood left the meeting at 5:20 p.m.

CELEBRATING SUCCESS
Student Wellness and Recreation Center Project Co-Chairs Sarah Garcia and Heather Erikson presented a progress report on the facility and introduced members of the architectural team from ALSC Architects who provided an overview of the development and design processes for the facility.

CONSTITUENT REPORTS
ASNIC
Newly appointed President Colin Colquhoun reported that they had 230 community members attend the Thanksgiving dinner they hosted November 21 and they donated leftover food to the Coeur d’Alene Bible Church for their community dinner. He went on to report that students were asked to provide input into the vendor chosen for disbursement of financial aid refunds and they passed a resolution supporting Blackboard Transact to provide those services. They also passed a resolution accepting the resignation of past president Maria Paluzzi who wishes to concentrate on her studies. He reported that during the St. ASNIC event, students provided food baskets and gifts to 80 children and their families and that ASNIC currently has 45 active clubs.

Staff Assembly
Chair Jessica Grantham reported on activities during the last Staff Assembly meeting, including review and discussion of the board member conduct policy and the most recent draft of the RIF proposal. She invited Faculty Assembly Chair Erin Davis to join her at the podium to read, aloud, a joint resolution from the constituent groups:

The Faculty and Staff Assemblies have acted in good faith and collaborated closely with the Administration on revisions to the RIF policy over the past several years, including a draft passed by the Senate in Fall 2012 that was tabled by the Board. More recently, we unanimously supported the recent draft policy and procedure passed by the College Senate in October 2015.
Because we recognize the importance of the RIF policy to the institution and are committed to honoring the work we have done through the participatory governance process, we will consider the requested revisions proposed by President Dunlap; however, we request that the proposal be sent back to the Senate, as defined by the Governance Policy # 2.01.04.

Chair Howard commented that it is not his intent to create an ongoing process of combining policy and procedure. He went on to explain that in his view, the first draft of the RIF policy was ill defined while the procedure was well defined and he feels the topic of RIF is important to everyone, but because the procedure is beyond the scope of the board, he felt combining them would bring everyone into the same space. He went on to state that he wants input from the constituencies and he discussed his expectations for the process and timeline for the proposal including that the board may have a workshop in January to discuss the latest proposal and may move it on for a first reading in February, following which the constituencies would have the opportunity to review and provide input prior to the second reading and ultimate adoption. He encouraged constituencies to review the current proposal now and provide input.

Senate
Chair John Trombold reported that during their November 19 meeting they reviewed and passed on the Payroll and Payroll Deductions Policy 3.02.19, and tabled the policy on Leave without Pay, which they will take up again at their December 19 meeting.

PRESIDENT’S REPORT
Dr. Dunlap opened by discussing the rationale for his decision to retire at the end of the fiscal year. He expressed his appreciation for the team at NIC and thanked the board for the opportunity to serve the college and added that he will continue to work diligently on the college’s ongoing projects such as the CTE facility. He thanked Colin Colquhoun for stepping in as ASNIC President and welcomed him. He commented on the upcoming JFAC hearing in Boise and added that the college is requesting occupancy costs for the new CTE facility from JFAC. He discussed the wrestling program’s involvement in the recent Jingle Books event and he made several announcements including Sue Shibley’s selection as the chair for Business and Professional Programs Division, that the men’s basketball team is undefeated and ranked 13th in the nation and that through input from NIC’s Office of Institutional Research and the Idaho Department of Labor, the estimated economic impact of the CTE facility on the region over the next five years is $66.5 million. He closed by announcing that the statue of Chief Antelope, commissioned by city’s arts commission, has been installed on campus and a ribbon cutting will take place in the spring.

KTEC REPORT
Trustee Nilson reported that they received news that the state level initiative to change the name from Professional Technical Education to Career Technical Education should happen in the legislature this session. He went on to report that KTEC will meet every other month instead of monthly and the next meetings will be in February and April, and that enrollment projections for next year look good. He discussed the KTEC Board’s consensus that the state’s 60% goal is unachievable. Trustee Meyer recommended that the board try and meet with Dwight Johnson at the State Division of PTE and the other two community colleges for a discussion on this topic while in Boise. Dr. Dunlap added the 60% goal originated with the Complete College America initiative and over time, the majority of colleges in the country have amended their plans by extending completion goals to 2025 instead of the original 2020. He added that Idaho has not amended its goal, and he stated that there ought to be a discussion at the state level about amending Idaho’s goal to come in line with the rest of the nation. A discussion ensued about the importance and inclusion of short term certificate programs in counts toward this initiative. Chair Howard commented that this topic and
prospective solutions can be discussed among members of the Idaho Community College Consortium.

OLD BUSINESS

Head Start Report
Head Start Director Beth Ann Fuller presented revisions to the Policy Council Bylaws and Criteria for Prioritization of Families Policy, and she presented the Program Information Report for 2014-15. She stood for questions. Trustee Meyer made a motion to approve revisions to the Policy Council Bylaws and Criteria for Prioritization of Families Policy. The motion was seconded by Trustee Nilson. Following some discussion, the motion carried unanimously.

Reduction in Force Policy
Dr. Dunlap commented that the policy being presented is a combination of the policy and procedure presented at the last meeting with some other minor changes. Chair Howard commented that originally, the board had considered holding a workshop prior to this meeting, but Trustee Wood wasn’t able to stay, so the board decided to put the workshop off until January. He added that the item was left on the agenda for this meeting to ensure that everyone could access and review this version. There was no further discussion on RIF.

NEW BUSINESS

Policy 3.02.19 Payroll Deductions
VP Chris Martin presented revisions to the Payroll and Payroll deductions policy, stating that changes include direct deposit for all payrolls and electronic reporting of W-2s. Trustee Banducci expressed concern about employees who do not have access to computers or who do not have checking accounts. Martin responded that the college will provide options, including pre-paid pay cards, for those students and employees who opt not to have direct deposit, adding that this is a less expensive method than continuing to process and issue paper checks. Trustee Nilson made a motion to adopt revisions to Policy #3.02.19. The motion, seconded by Trustee Banducci, carried unanimously.

Discussion of Elements for Financial Reporting to the Board
A discussion took place among trustees regarding elements and frequency of financial reporting by the administration to the board. Elements requested include: Quarterly reporting on capital reserves, closing statements, timelines for assumptions on matters impacting the budget such as enrollment, grants and state funding, and trends and analysis on the college’s profit and loss statement, balance sheet, and cash flow statement showing budget versus actual.

INFORMATION ITEMS

Military Drive Alleyway Update
College Attorney Marc Lyons provided a report of his analysis of the issue concerning access rights of certain property owners on the east side of Military Drive to their properties across college-owned property to which their properties back up. From his analysis of the plat and historical documents related to the subdivision, Lyons determined there was no reference made to a dedication or anticipated dedication of an easement or other access rights over the property now owned by the college. He went on to report that as the college is a governmental entity, no private party can acquire any prescriptive rights to property owned by the college. He concluded by stating that no action is needed by the board, although the board may choose to enter into a more formal revocable license with the property owners. A discussion took place about potential encroachments onto the college’s property and Lyons recommended taking no action at this time since the college is not currently making use of the property. No action was taken.
Career Technical Education Facility Update
VP Chris Martin reported that 27 truckloads of steel are on the way or are being delivered to the site between now and first of the year. He added that the weather has impacted the schedule for pouring slabs, but steel is being erected.

BOARD CHAIR REPORT
Chair Howard expressed that the presidential search process will be a collaborative effort between the college and community. He went on to invite anyone from the community or the college who is interested in serving on the search committee to provide their name and contact information to Shannon Goodrich in the president’s office. He added that he and Trustee Nilson will co-chair the search committee.

REMARKS FOR THE GOOD OF THE ORDER
Trustee Nilson commented that this is a tough time of the year for many and he wished everyone a Merry Christmas.

Trustee Banducci commented on the NIC student mentioned in the NIC Now who needs a place to stay over the holidays.

Trustee Meyer encouraged the board to plan to travel to Boise in January and attend the JFAC hearings and attempt visits with the legislature and agencies.

Chair Howard wished everyone a happy holiday.

The meeting was adjourned at 7:30 p.m.

________________________________________
Board of Trustees Chair                             Board of Trustees Secretary
SUBJECT
Resolution of the Board of Trustees of North Idaho College authorizing the execution of the First Amendment to the Amended and Restated Agreement for Student Union Building Revenues, Student Dormitory Revenues and Student Union Fees, and approving a ground lease between the college and the Dormitory Housing Commission for the purposes of bonding for and building a Student Wellness and Recreation Center.

BACKGROUND
In March of 2012, North Idaho College entered into an amended and restated agreement for student union building revenues, student dormitory revenues and Student Union Fees by and between the college and the Dormitory Housing Commission. This amended agreement was agreed to in the context of the refunding of certain outstanding obligations of the Commission. The agreement sets forth the roles and duties of the college and the Commission with respect to the operations of the DHC buildings and the collection and use of rents, charges, fees and other revenues.

DISCUSSION
The Dormitory Housing Commission has set a pricing date of March 2, 2016 for the bonds that will finance the construction of the Student Wellness and Recreation Center. This date is favorable to securing lower interest rates which will, in turn, keep the costs to students at a minimum. As the Commission relies on the board to set the fees, the approval of this resolution will provide security to bondholders that the college’s board of trustees will continue to assess fees as necessary to make payments on the bonds. It will also give the commission the approval to build on college-owned property.

COMMITTEE ACTION
None

FINANCIAL IMPACT
While this action has no impact on the college’s general funds, it will have an impact student tuition.

REQUESTED BOARD ACTION
Although this is a first reading, it is requested that the board consider a motion to approve this resolution, which includes a Ground Lease Agreement, First Amendment to the Amended and Restated Agreement for Student Union Building Revenues, Student Dormitory Revenues and Student Union Fees.

Prepared by
Sarah Garcia
Secretary of the Dormitory Housing Commission
North Idaho College Controller
RESOLUTION NO. 2015-__


WHEREAS, North Idaho College, a community college district organized pursuant to the laws of the State of Idaho (the “College”), previously entered into that certain Agreement for Student Union Building Revenues, Student Dormitory Revenues and Student Union Fees effective March 22, 2012 (the “Fee Agreement”), by and between the College and the Dormitory Housing Commission of North Idaho College (the “Commission”) to amend and clarify the agreement between the College and Commission as to their roles and duties with respect to the operation of the student union building (the “Student Union Building”) and student dormitory housing building (the “Student Dormitory Building” and together with the Student Union Building, the “Buildings”) located at the College, and the collection and use of the rents, charges, fees and other revenues derived from such Buildings; and

WHEREAS, the Commission is an independent public body corporate and politic created pursuant to Section 33-2118, Idaho Code, which has heretofore financed and constructed the Buildings and certain improvements thereto, Buildings are owned by the Commission; and

WHEREAS, the Commission intends to undergo another financing in order to construct a student recreation center (the “Recreation Center”), which the Commission shall own and which the College shall operate;

WHEREAS, the College owns certain real property on which the Recreation Center is to be built; and

WHEREAS, in connection with the Commission’s proposed issuance of its Student Fee Revenue Bonds, Series 2016, to finance the Recreation Center, the College and Commission desire to amend the Fee Agreement in the form of the First Amendment to the Amended and Restated Agreement for Student Union Building Revenues, Student Dormitory Revenues and Student Union Fees (the “First Amendment”) presented to the Board of Trustees of the College (the “Board”), and attached to this Resolution as Exhibit A; and

COLLEGE RESOLUTION - 1
WHEREAS, in connection with the First Amendment, the College, as lessor, and the Commission, as lessee, desire to enter into a Ground Lease for the land upon which the Recreation Center is to be constructed and to provide reasonable access thereto (the “Ground Lease”) presented to the Board, and attached to this Resolution as Exhibit B; and

WHEREAS, there has been presented to the Board (i) the Ground Lease, and (ii) the First Amendment; and

WHEREAS, the Board desires to approve the terms and provisions of the First Amendment and to authorize the execution thereof and to approve entering into the Ground Lease, and to authorize the execution thereof;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The terms and provisions of the First Amendment between the College and Commission are hereby approved, together with non-substantive changes to such document as shall not be inconsistent herewith and with the First Amendment approved by the Chairman of the Board, which approval shall be conclusively evidenced by execution and delivery of the First Amendment by such Chairman of the Board.

2. The Chairman of the Board is hereby authorized to execute, and the Secretary to the Board is authorized to attest, the First Amendment in the form attached hereto as Exhibit A, and any and all documents and do any and all things determined necessary in order to carry out the intended purposes of this Resolution.

3. The terms and provisions of the Ground Lease are hereby approved, together with non-substantive changes to such document as shall not be inconsistent herewith and with the Ground Lease approved by the Chairman of the Board, which approval shall be conclusively evidenced by execution and delivery of the Ground Lease by such Chairman of the Board.

4. The Chairman of the Board is authorized to execute, and the Secretary of the Board is authorized to attest, the Ground Lease in a form attached hereto as Exhibit B, and any and all documents and do any and all things determined necessary in order to carry out the intended purposes of this Resolution.

5. All resolutions or parts thereof in conflict herewith, to the extent of such conflict, are hereby repealed.

6. This Resolution shall be in full force and effect immediately upon adoption.
PASSED AND ADOPTED by the Board of Trustees of North Idaho College, Kootenai County, Idaho, this __ day of __________, 2016.

NORTH IDAHO COLLEGE

_____________________________
Chairman, Board of Trustees

ATTEST:

_____________________________
Secretary
EXHIBIT A

First Amendment
FIRST AMENDMENT TO AMENDED AND RESTATE AGREEMENT FOR
STUDENT UNION BUILDING REVENUES, STUDENT DORMITORY REVENUES
AND STUDENT UNION FEES

THIS FIRST AMENDMENT TO AMENDED AND RESTATE AGREEMENT
FOR STUDENT UNION BUILDING REVENUES, STUDENT DORMITORY REVENUES
AND STUDENT UNION FEES (the “Restated Fee Agreement”) is entered into this ___ day of
__________________ 2016, by and between NORTH IDAHO COLLEGE (“NIC”), a
community college organized and existing under the laws of the State of Idaho, whose address is
1000 W. Garden Avenue, Coeur d’Alene, Idaho 83814, and the DORMITORY HOUSING
COMMISION OF NORTH IDAHO COLLEGE (the “Commission”), whose address is 1000 W.
Garden Avenue, Coeur d’Alene, Idaho 83814 (the “First Amendment”). Capitalized terms not
otherwise defined herein shall have the meanings ascribed to them in the Agreement.

RECITALS

WHEREAS, after the Fee Agreement was entered into, the Commission adopted the 2012
Resolution and issued its 2012 Bonds on a parity with the 2008 Bonds;

WHEREAS, the Commission is in the process of designing and intends to construct a
new student recreation center (the “Recreation Center”);

WHEREAS, in order to finance the Recreation Center, the Commission intends to adopt
a resolution (the “2016 Resolution”) authorizing the issuance of a series of bonds referred to as
the North Idaho College Dormitory Housing Commission Student Fee Revenue Bonds, Series
2016 (the “2016 Bonds”), in the principal amount of up to $7,950,000, to be secured, on parity
with the 2008 Bonds and the 2012 Bonds, by a pledge of the Student Union Fee and revenues
less operations and maintenance expenses of the Student Union Building and the
Student Dormitory Building and the new Recreation Center (which Recreation Center revenues less
operations and maintenance expenses were not pledged to payment of the 2008 Bonds or 2012
Bonds);

WHEREAS, pursuant to and resulting from the above-described financing, the
Commission will own, and NIC will operate, the Recreation Center;

WHEREAS, the Recreation Center is to be constructed on land owned by NIC, and NIC
intends to ground lease to the Commission the land upon which the Recreation Center will be
located, as it did with the Student Union Building and Student Dormitory Building;

WHEREAS, in order to cover additional costs associated with the financing and
operation of the Recreation Center, NIC intends to increase the Student Union Fee to $180 per
semester for the 2016-2017 school year, and covenant that the Student Union Fee shall not be
diminished or decreased while any Obligations (as defined below) are outstanding unless Student
Union Fees, calculated using the proposed reduced fee amount, for the immediately preceding
Fiscal Year would have been equal at least 175% of the maximum annual debt service on the
Obligations;
WHEREAS, NIC and the Commission desire to amend certain provisions and definitions of the Fee Agreement in light of current circumstances and conditions and the new Recreation Center.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. TITLE: The title of the Fee Agreement shall be amended to read as follows: AMENDED AND RESTATED AGREEMENT FOR STUDENT UNION BUILDING REVENUES, STUDENT DORMITORY REVENUES, STUDENT RECREATION CENTER REVENUES, AND STUDENT UNION FEES.

2. DEFINITIONS: The following terms, defined in the Recitals to the Fee Agreement, are hereby amended, such that whenever one of the following defined terms appears in the Fee Agreement it shall be read according to the following definitions:

   “Buildings” shall mean the Student Union Building, the Student Dormitory Building, and the Recreation Center.

   “Net Revenues” shall mean the revenues, less operations and maintenance expenses, of the Student Union Building, the Student Dormitory Building and the Recreation Center.

   “Obligations” shall mean the 2008 Bonds, the 2012 Bonds, the 2016 Bonds and any additional parity bonds.

   “Resolutions” shall mean the 2008 Resolution, the 2012 Resolution and the 2016 Resolution.

3. STUDENT UNION FEES. Section 1 of the Fee Agreement is amended and restated as follows:

   NIC agrees to continue to set and collect from each student enrolled at NIC the Student Union Fee, as a component of the Student Fees imposed by the Board. The Student Union Fee is hereby set for $180 per semester for the 2016-2017 school year, which amount shall not be diminished or decreased while any Obligations are outstanding, unless Student Union Fees, calculated using the proposed reduced fee amount for the immediately preceding Fiscal Year would have been equal at least 175% of the maximum annual debt service on the Obligations. NIC shall deposit all proceeds from the collection of the Student Union Fee into the “Student Services Fund” heretofore established and held by NIC and maintained by NIC on behalf of the Commission.

4. USE OF REVENUES. Section 3 of the Fee Agreement is amended and restated as follows:

   NIC agrees to transfer the Net Revenues and Student Union Fee collections from the Auxiliary Fund and the Student Services Fund into the Debt Retirement Fund, as required by the Resolutions, to pay the principal and interest on the Obligations, as they become due. NIC, on behalf of the Commission, agrees to use the Net Revenues, Student
Union Fees and the income earned on the investments in the Revenue Funds, and other funds held pursuant to the Resolutions, in the order of priority as set forth in the 2016 Resolution.

5. COUNTERPARTS. This First Amendment may be executed in any number of counterparts, and once executed by all parties hereto, each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

6. OTHER PROVISIONS. Except as amended by this First Amendment, the Fee Agreement remains in full force and effect and all of the terms and provisions thereof except as amended herein are hereby confirmed in all respects.
IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed the day and year above set forth.

BOARD OF TRUSTEES
NORTH IDAHO COLLEGE

By: __________________________
   Chairman

ATTEST:

______________________________
Secretary

DORMITORY HOUSING COMMISSION
OF NORTH IDAHO COLLEGE
BOARD OF COMMISSIONERS

By: __________________________
   Chairman

ATTEST:

______________________________
Secretary
EXHIBIT B

Ground Lease
GROUND LEASE

THIS GROUND LEASE (this “Lease”) is made and entered into effective __________, 2016, by and between NORTH IDAHO COLLEGE, a community college organized and existing under the laws of the State of Idaho, whose address is 1000 W. Garden Avenue, Coeur d’Alene, Idaho 83814 (referred to hereinafter “Landlord”), and the DORMITORY HOUSING COMMISSION OF NORTH IDAHO COLLEGE, whose address is 1000 W. Garden Avenue, Coeur d’Alene, Idaho 83814 (hereinafter “Tenant”).

For and in consideration of the rental and covenants and agreements hereinafter set forth to be kept and performed by the parties, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the real property herein described for the term, at the rent, and subject to and upon all of the terms, covenants and agreements hereinafter set forth.

1. Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, that certain real property located in the County of Kootenai, State of Idaho, the legal description of which is set forth on Exhibit “A,” attached hereto and incorporated herein by reference, together with all rights, privileges, easements and appurtenances, if any, in adjoining and adjacent land (hereinafter, the “Premises”). As used in this Lease the term “Premises” shall mean the real property described in Exhibit A, plus any easements and appurtenances thereto, exclusive of any improvements now or hereafter located on the Premises, notwithstanding that any such improvements may or shall be construed as affixed to and as constituting part of the real property and without regard to whether such improvements are owned by Landlord or Tenant.

2. Use.

2.1 Permissible Uses. The Tenant will construct and own the student recreation center (the “Recreation Center”) to be situated upon the Premises as part of the facilities operated and maintained by the Landlord, pursuant to that certain Amended and Restated Agreement for Student Union Building Revenues, Student Dormitory Revenues and Student Union Fees dated March 22, 2012, between Landlord and Tenant, as amended by the First Amendment to the Amended and Restated Agreement for Student Union Building Revenues, Student Dormitory Revenues and Student Union Fees dated __________ (the “Agreement Regarding Revenues”), and the Premises shall be used for such purposes of the Landlord.

2.2 Compliance With Law. Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in anyway conflict with the laws, statutes, zoning restrictions, ordinances or governmental rules or regulations, college rules or requirements of any duly constituted public authorities now in force or which may hereafter be enacted or promulgated. Tenant shall at its own cost and expense promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar
body now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises.

2.3 Environmental Laws. As used herein, “Hazardous Material” means any substance that is or becomes regulated under any federal, state or local statute, ordinance, rule, regulation or other law now or hereafter in effect pertaining to environmental protection, contamination or cleanup (collectively, “Environmental Laws”). Tenant agrees that during the term of this Lease, Hazardous Materials will not be generated, processed, stored, transported, handled or disposed of on the Premises, except in accordance with all Environmental Laws. Tenant shall immediately notify Landlord if it becomes aware of any alleged or actual violation of any Environmental Laws related to the Premises. Tenant will, at its sole expense, take all action necessary to comply with all Environmental Laws (including without limitation, any removal, clean-up, containment and remedial actions). Landlord hereby represents and warrants that no Hazardous Materials have been used on or about the Premises and that Landlord has no knowledge of any action pending or threatened against the Premises with respect to any environmental clean-up, violations or damages.

3. Term. The term of this Lease shall commence on _________ and shall continue for a period of ninety-nine (99) years, terminating on ___________ (“Initial Term”) unless terminated by the parties as provided herein. Upon repayment in full of the Bonds issued to finance and refinance the Recreation Center, the Lease shall be terminable by the Landlord at any time, upon sixty (60) days notice.

4. Rent. Tenant shall pay no monetary rent hereunder. Consideration for the lease of the Premises to the Tenant hereunder shall be the provision by the Tenant of the improvements situate on the Premises, consisting of the Recreation Center to be constructed, owned, operated and maintained by the Tenant, for the use by Landlord’s students.

5. Utilities. Pursuant to the Agreement Regarding Revenues and from funds of the Recreation Center, Tenant shall pay prior to delinquency for all water, gas, heat, light, power, telephone, sewage, air conditioning and ventilating, janitorial, landscaping and all other materials and utilities, if any, supplied to the Premises. Tenant shall be responsible for obtaining all necessary sewer and water permits. Tenant shall be responsible for the construction and maintenance of any and all sewer and water facilities to serve any improvements on the Premises.

6. Taxation.

6.1 Payment of Real Property Taxes. During the term of this Lease, pursuant to the Agreement Regarding Revenues, Landlord shall pay all real property taxes levied against the Premises.

6.2 Personal Property Taxes. Pursuant to the Agreement Regarding Revenues, Tenant shall be responsible for and shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant located
on the Premises or elsewhere. When possible, Tenant shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Landlord.

7. **Construction.**

7.1 **Tenant’s Development Plans.** Landlord acknowledges and agrees that Tenant may improve the Premises for any use permitted hereunder. Tenant shall be responsible to pull all licenses and permits required under applicable laws. Landlord hereby agrees to cooperate with Tenant in obtaining all necessary permits and licenses, including but not limited to, any necessary sewer and building permits.

7.2 **Improvements.** During the term, Tenant shall have access to the Premises to construct or otherwise make improvements on any part or all of the Premises. Prior to any commencement of construction, Tenant shall provide the plans and specifications detailing the proposed construction (the “Plans”) to the Landlord. Within sixty (60) days of receipt of the Plans from Tenant, Landlord shall approve or deny such Plans in a writing delivered to Tenant. If Landlord denies the Plans, it shall provide reasonable recommendations for the Plans that Landlord would approve. Failure of Landlord to respond within the sixty (60) days of receipt of the Plans will constitute an approval.

7.3 **Completion of Construction and Alteration.** Once any work of construction, alteration or improvement has begun on the Premises, Tenant shall with reasonable diligence, and prosecute the same to conclusion. All construction, alteration and work of improvement shall be performed in good and workmanlike manner and shall comply with all applicable governmental permits and laws.

7.4 **Mortgaging Tenant’s Estate.** Tenant shall NOT have the right, at any time during the term of this Lease to mortgage or hypothecate all or any portion of the leasehold estate of Tenant created under this Lease.

7.5 **Liens.** Tenant shall keep the Premises and any improvements thereon free from any liens arising out of work performed, materials furnished or obligations incurred by Tenant, except for liens it is challenging and such challenges shall be pursued timely, and Tenant shall indemnify, hold harmless and defend Landlord from any liens and encumbrances arising out of any work performed or materials delivered by materialmen and for labor of services performed, or goods delivered, at the instance or request of Tenant. Tenant shall defend at its own expense any such suits and shall discharge and satisfy any judgments taken on account of claims of lien filed by mechanics or materialmen for work ordered by Tenant. Landlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which Landlord shall deem proper, for the protection of Landlord and the Premises, and any other party having an interest therein, from mechanics’ and materialmen’s liens.
7.6 **Surrender of Premises; Title to Improvements.** Fee title to any improvements placed on the Premises by Tenant during the term of this Lease, even though a part of the realty, shall be and remain in Tenant during the term of this Lease. Upon the expiration of the term or termination of this Lease, all improvements then existing upon the Premises become part of the real property and the property of the Landlord.

8. **Maintenance and Repairs, Alterations and Additions.**

8.1 **Landlord’s Obligations.** Throughout the term of this Lease, Tenant shall keep in good order, condition and repair the Premises and, as agent of the Landlord pursuant to the Agreement Regarding Revenues, shall keep in good order, condition and repair the improvements and except as otherwise provided herein every part thereof, structural or non-structural, and all adjacent sidewalks, landscaping, driveways, parking lots, fences, and signs located adjacent to or included within the Premises, if any.

8.2 **Alterations and Additions.** All underground utilities, at the expiration or earlier termination of the Lease, shall become the property of Landlord and remain upon and be surrendered with the Premises. All Tenant’s personal property, business and trade fixtures, vaults, cabinetwork, furniture, movable partitions, machinery and equipment, regardless of how affixed to the Premises, shall remain the property of Tenant and may be removed by Tenant at any time during the Initial Term.

9. **Insurance.**

9.1 **Liability Insurance.** Landlord shall, pursuant to the Agreement Regarding Revenues, procure and maintain at all times during the term of this Lease a policy of commercial general public liability insurance insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy, or maintenance of the Premises and appurtenant areas. Landlord shall have the right to provide such insurance coverage pursuant to blanket policies obtained by Landlord provided such blanket policies expressly afford coverage to the Premises, the improvements and to Tenant as required by this Lease.

9.2 **Fire Insurance.** Landlord shall, pursuant to the Agreement Regarding Revenues, maintain on the improvements on the Premises a policy of standard fire and extended coverage insurance with vandalism and malicious mischief endorsements, to the extent of at least full repair or replacement value. The insurance policy shall be issued in the names of Landlord and Tenant. Such policies shall also provide that they will not be cancelled or materially changed except after ten (10) days notice to Landlord and Tenant.

9.3 **Insured Casualty - Proceeds Available.** If during the term of this Lease, the improvements on the Premises, which include all items owned by Tenant, are damaged or destroyed totally or partially, Tenant shall have the right to determine not to rebuild; provided, however, if Tenant decides not to rebuild, Tenant shall, repay all indebtedness related to the Recreation Center and, within a reasonable time, totally demolish and remove all improvements
located thereon and shall leave the Premises in a clean and safe condition upon the termination of this Lease. If Tenant does not rebuild and provided it demolishes and removes the improvements and leaves the Premises in a clean and safe condition as required above, Tenant shall have the right to terminate this Lease and keep all insurance proceeds available. If Tenant decides to rebuild the improvements located on the Premises, Tenant shall do so in a commercially reasonable and timely manner.

10. Indemnity

10.1 Tenant’s Indemnity. Tenant shall defend and indemnify Landlord and save Landlord harmless from and against any and all suits, actions, damages, claims, penalties, liabilities and expenses in connection with loss of life, bodily or personal injury, property damage or violation of law accruing during the term and to the extent arising from or out of the occupancy or use by Tenant of the Premises or any part thereof, or occasioned wholly or in part by any act or omission of Tenant, its agents, contractors, employees, servants, licensees or concessionaires, including but not limited to Tenant’s obligations under paragraph 2.4 hereof. In no event will Tenant be liable for such damages caused by the negligence of Landlord, its agents, contractors, employees, servants, invitees, licensees. This section shall survive termination of this Lease.

10.2 Landlord’s Indemnity. Landlord shall defend and indemnify Tenant and save Tenant harmless from and against any and all suits, actions, damages, claims, penalties, liabilities and expenses in connection with loss of life, bodily or personal injury, property damage or violation of law accruing during the term and to the extent arising from or out of the occupancy or use by Landlord of the Premises or any part thereof, or occasioned wholly or in part by any act or omission of Landlord, its agents, contractors, employees, servants, licensees or concessionaires. In no event will Landlord be liable for such damages caused by the negligence of Tenant, other tenants or their agents, contractors, employees, servants, invitees, licensees. This section shall survive termination of this Lease.

11. Condemnation.

11.1 Definitions. The following words and phrases shall have the following meanings for the purposes of this paragraph:

(a) “Condemnation” means (i) the exercise of any governmental power, whether by legal proceedings or otherwise, by a condemnor, and (ii) a voluntary sale or transfer by Landlord to any condemnor, either under threat of condemnation or while legal proceedings are pending.

(b) “Award” means all compensation, sums, or anything of value awarded, paid or received on a total or partial condemnation.
(c) “Condemnor” means any public or quasi-public authority, or private corporation or individual, having the power of condemnation.

11.2 Condemnation. If, during the term, there is any condemnation of all or more than fifty percent (50%) of the Premises, Tenant may terminate this Lease upon thirty (30) days written notice to Landlord.

11.3 Distribution of Award. The condemnation award shall be apportioned between Landlord and Tenant as follows:

(a) For the Tenant: that amount of said award attributable to the value of the improvements created by Tenant, then existing on the Premises, the value of any trade fixtures and equipment, and severance damages. Such proceeds shall be applied first to repay all indebtedness related to the Recreation Center.

(b) For Landlord: the remainder of said award.

12. Assignment and Subletting.

12.1 Assignment. Tenant shall not have the right at any time during the Initial Term to assign, sell, or otherwise transfer Tenant’s interest in whole or in part of this Lease.

12.2 Right to Sublet. Tenant shall not have the right at any time during the Initial Term to sublet all or any part or parts of the Premises, without the prior written consent of Landlord.


13.1 Default by Tenant. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

(a) Any failure by Tenant to pay any monetary sums required to be paid hereunder, where such failure continues for thirty (30) days after written notice thereof.

(b) A failure by Tenant to observe and perform any provision of this Lease to be observed or performed by Tenant, where such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such thirty (30) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently prosecute the same to completion.

13.2 Remedies. In the event of any default or breach by Tenant described in paragraph 13.1, Landlord may at any time thereafter, with or without notice and demand and without limiting Landlord in the exercise of any right or remedy at law or in equity which Landlord may have by reason of such default or breach: Maintain this Lease in full force and effect and
recover the monetary charges as they become due, without terminating Tenant’s right to possession, irrespective of whether Tenant shall have abandoned the Premises. In the event Landlord elects not to terminate the Lease, Landlord shall have the right to attempt to re-let the Premises at such rent and upon such conditions and for such a term, and to do all acts necessary to maintain or preserve the Premises as Landlord deems reasonable and necessary without being deemed to have elected to terminate the Lease including removal of all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant. In the event any such re-letting occurs, this Lease shall terminate automatically upon the new Tenant taking possession of the Premises. Notwithstanding that Landlord fails to elect to terminate the Lease initially, Landlord at any time during the term of this Lease may elect to terminate this Lease by virtue of such previous default by Tenant.

13.3 Default by Landlord. Landlord shall not be in default unless Landlord fails to perform the obligations required of Landlord within thirty (30) days after written notice specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord’s obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) days period and thereafter diligently prosecutes the same to completion. If Landlord shall be in default on its obligations under this Lease to pay any sum of money or to perform any other act hereunder and if such default is not cured as provided herein, Tenant may, but shall not be obligated to make any such payment or perform any such act on Landlord’s part without waiving its right based upon any default of Landlord and without releasing Landlord from any obligations hereunder and any payments or costs incurred thereby by Tenant shall be reimbursed by Landlord.

13.4 Unavoidable Default or Delay. Any prevention, delay, nonperformance or stoppage due to any of the following causes shall excuse nonperformance by Landlord or Tenant for a period equal to any such prevention, delay, nonperformance or stoppage, provided that the obligations imposed by this Lease for the payment of maintenance and operation expenses, taxes and insurance shall not be excused except to the extent that may be required by law: strikes, lockouts, labor disputes, failure of power, acts of God, acts of public enemies of this state or of the United States, riots, insurrections, civil commotion, inability (using diligent and reasonable effort) to obtain labor or materials or reasonable substitutes for either, governmental restrictions or regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Lease), casualties not contemplated by insurance provisions of this Lease, or other causes beyond the reasonable control of the party obligated to perform.

14. Notices. Wherever this Lease provides for notices, communications or demands, between the parties or wherever the law requires or gives the right of serving any notice, the same shall be served by registered or certified mail addressed to Landlord and Tenant at the addresses
included on the first page of this Lease. Landlord and Tenant may at any time change the place of receiving notices by written notice of such change to the other.

15. **Miscellaneous Provisions.**

15.1 **Captions; Attachments; Defined Terms.**

(a) The captions of the paragraphs of this Lease are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any section of this Lease.

(b) The following are attached hereto, and are deemed by attachment to constitute part of this Lease and are incorporated herein by this reference: Exhibit “A”-Property Description.

(c) The words “Landlord” and “Tenant,” as used herein, shall include the plural as well as the singular. Words used in neuter gender include the masculine and feminine and words in the masculine or feminine gender include the neuter. If there be more than one Landlord or Tenant, the obligations hereunder imposed upon Landlord or Tenant shall be joint and several.

15.2 **Entire Agreement.** This instrument along with any exhibits and attachments hereto constitutes the entire integrated agreement between Landlord and Tenant relative to the Premises and this Lease and the exhibits and attachments may be altered, amended or revoked only by an instrument in writing signed by both Landlord and Tenant. Landlord and Tenant agree hereby that all prior or contemporaneous oral agreements between and among themselves and their agents or representatives relative to the leasing of the Premises are merged in or revoked by this Lease.

15.3 **Severability.** If any term or provision of this Lease shall to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

15.4 **Costs of Suit.** If Tenant or Landlord shall bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of possession of the Premises, the losing party shall pay the successful party a reasonable sum for attorneys’ fees which shall be deemed to have accrued on the commencement of such action and shall be paid whether or not such action is prosecuted to judgment.

15.5 **Time; Joint and Several Liability.** Time is of the essence of this Lease and each and every provision hereof. All the terms, covenants and conditions contained in this Lease to be performed by either party, if such party shall consist of more than one person or organization, shall be deemed to be joint and several, and all rights and remedies of the parties shall be cumulative and non-exclusive of any other remedy at law or in equity.
15.6 Binding Effect; Choice of Law. The parties hereto agree that all the provisions hereof are to be construed as both covenants and conditions as though the words importing such covenants and conditions were used in each separate paragraph hereof; subject to any provisions hereof restricting assignment or subletting by Tenant, all of the provisions hereof shall bind and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. This Lease shall be governed by and construed in accordance with the laws of the State of Idaho.

15.7 Waiver. No covenant, term or condition or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver or the breach of any covenant, term or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term or condition. Acceptance by Landlord of any performance by Tenant after the time the same shall have become due shall not constitute a waiver by Landlord of the breach or default of any covenant, term or condition unless otherwise expressly agreed to by Landlord in writing.

15.8 Surrender of Premises. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work as a merger, and shall, at the option of the Landlord, terminate all or any existing subleases or subtenancies, or may, at the option of Landlord, operate as an assignment to it or any or all such subleases or subtenancies.

15.9 Holding Over. If Tenant remains in possession of all or any part of the Premises after the expiration of the term hereof, with or without the express or implied consent of the Landlord, such tenancy shall be from month to month only, and not a renewal hereof or an extension for any further term, and in such case, rent and other monetary sums due hereunder shall be payable in the amount and at the time specified in this Lease and such month to month tenancy shall be subject to every other term, covenant and agreement contained herein.

15.10 Reasonable Consent. Except as limited elsewhere in this Lease, wherever in this Lease, Landlord or Tenant is required to give its consent or approval to any action on the part of the other, such consent or approval shall not be unreasonably withheld. In the event of failure to give any such consent, the other party shall be entitled to specific performance at law and shall have such other remedies as are reserved to it under this Lease. In no event shall Landlord or Tenant be responsible in monetary damages for failure to give consent unless said consent is withheld maliciously or in bad faith.
IN WITNESS WHEREOF, the Landlord and Tenant have executed this Lease the date and year first above written.

LANDLORD:

NORTH IDAHO COLLEGE

By: ________________________________

TENANT:

DORMITORY HOUSING COMMISSION OF NORTH IDAHO COLLEGE

By: ________________________________
Its: ________________________________
EXHIBIT A

Premises
TOPOGRAPHY SURVEY
A PART OF LOTS 20 THRU 24, FORT SHERMAN ABANDONED MILITARY RESERVATION,
IN A PORTION OF SEC. 14, T. 50 N., R. 4 W., B.M.,
IN THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO
AMENDED AND RESTATED AGREEMENT FOR STUDENT UNION BUILDING REVENUES, STUDENT DORMITORY REVENUES AND STUDENT UNION FEES

This Amended and Restated Agreement for Student Union Building Revenues, Student Dormitory Revenues and Student Union Fees (this “Agreement”) is made this 22nd day of March, 2012, by and between NORTH IDAHO COLLEGE, a community college organized and existing under the laws of the State of Idaho, whose address is 1000 W. Garden Avenue, Coeur d’Alene, Idaho 83814 (“NIC”), and the DORMITORY HOUSING COMMISSION OF NORTH IDAHO COLLEGE, whose address is 1000 W. Garden Avenue, Coeur d’Alene, Idaho 83814 (the “Commission”), to amend and restate the Agreement for Student Union Building Revenues, Student Dormitory Revenues and Student Union Fees effective June 25, 2008, between NIC and the Commission (the “2008 Agreement”). Terms used but not otherwise defined herein shall have the meanings ascribed to them in the Resolutions.

RECITALS:

A. WHEREAS, NIC is a duly organized and acting community college district authorized under Title 33, Chapter 21 of the Idaho Code and the Commission is a duly organized and acting dormitory housing commission authorized under Section 33-2116 et seq., Idaho Code.

B. WHEREAS, the Board of Trustees of NIC (the “Board”) has authority pursuant to Idaho Code Section 33-2110 to fix and collect student fees (the “Student Fees”) from each student in attendance at NIC.

C. WHEREAS, pursuant to Idaho Code Section 33-2125, when a student union building or student dormitory has been constructed by a community college dormitory housing commission through the issuance of bonds or other obligations, revenues of the financed project may be pledged as part of the revenues necessary to pay off the bonds or other obligations.

D. WHEREAS, pursuant to Section 33-2137, Idaho Code, college districts are directed to set and collect from each student in attendance thereat a student union fee (the “Student Union Fee”) for the use and availability of student union buildings and student centers, including dormitories, and such Student Union Fee may be included as revenue derived from the operation of such facilities.

E. WHEREAS, pursuant to Section 33-2122, Idaho Code, NIC and the Commission are authorized to enter into such agreements as they may see fit with respect to the amounts of such fees and the manner of the collection and disposition thereof.

F. WHEREAS, the Commission, on May 1, 1997, issued Dormitory Housing Commission of North Idaho College, Kootenai County, Idaho, Certificates of Participation, Series 1997 (the “1997 Certificates”), in the principal amount of $4,995,000 to finance the cost of improvements to the student union building at NIC (the “Student Union Building”), and
pledged the Student Union Fee and net revenues of the Student Union Building to the payment of the 1997 Certificates.

G. WHEREAS, pursuant to the Agreement for Student Union Building and Student Fees between NIC and the Commission dated March 26, 1997 (the “1997 Agreement”), and pursuant to Section 33-2137, Idaho Code, NIC agreed to set the amount of the Student Union Fee and to charge and collect revenues of the Student Union Building and to transfer amounts thereof sufficient to pay the principal and interest on the 1997 Certificates.

H. WHEREAS, the Commission, on April 10, 2001, pursuant to a Loan Agreement and Trust Indenture dated April 10, 2001 (the “2001 Indenture”), issued the Certificates of Participation, Series 2001 (the “2001 Certificates”), to finance the costs of construction of a student dormitory housing building (the “Student Dormitory Building”), and pledged Student Union Fee and revenues of the Student Dormitory Building, net of operation and maintenance expenses, to the payment of said 2001 Certificates.

I. WHEREAS, pursuant to the Agreement for Student Dormitory Building and Student Fees between NIC and the Commission dated January 31, 2001 (the “2001 Agreement”), NIC agreed to set the amount of the Student Union Fee and to charge and collect revenues of the Student Dormitory Building and to transfer amounts thereof sufficient to pay the principal and interest on the 2001 Certificates.

J. WHEREAS, on July 15, 2008, the Commission issued its Dormitory Housing Commission of North Idaho College Student Fee Revenue Refunding Bonds, Series 2008 (the “2008 Bonds”), in the principal amount of $3,155,000, pursuant to a bond resolution authorizing the issuance thereof (the “2008 Resolution”) to refund its outstanding 1997 Certificates, said 2008 Bonds secured by a pledge of the Student Union Fee, net revenues of the Student Dormitory Building (on parity with the 2001 Certificates), and net revenues of the Student Union Building (which Student Union Building revenues were not pledged to payment of the 2001 Certificates).

K. WHEREAS, pursuant to the 2008 Resolution and as referenced in paragraph J above, it was the intent of the Commission to pledge on a parity with the 2001 Certificates the net revenues of the Student Union Building, even though such revenues were not pledged to payment of the 2001 Certificates.

L. WHEREAS, the Commission intends to adopt a resolution (the “2012 Resolution”) authorizing the issuance of a series of bonds referred to as the North Idaho College Dormitory Housing Commission Student Fee Revenue Refunding Bonds, Series 2012 (the “2012 Bonds”), in the principal amount of $4,795,000, to refund the 2001 Certificates, said 2012 Bonds to be secured, on parity with the 2008 Bonds, by a pledge of the Student Union Fee and revenues of the Student Union Building and the Student Dormitory Building less operations and maintenance expenses (the “Net Revenues”), and monies held under certain other funds established under the 2012 Resolution.
M. WHEREAS, pursuant to and resulting from the above-described financings, the Commission owns the Student Union Building and the Student Dormitory Building (collectively, the “Buildings”). The Buildings are constructed on land owned by NIC and NIC intends to ground lease to the Commission the land upon which Buildings are located including reasonable access thereto.

N. WHEREAS, the Commission has authority, pursuant to Idaho Code Section 33-2122, to arrange or contract for the management and operation of the Buildings.

O. WHEREAS, NIC operates the Buildings and collects fees, charges, rents and other revenues therefor, as agent for the Commission, pursuant to the terms and provisions of the 1997 Agreement, the 2001 Agreement and the 2008 Agreement, as amended and restated by this Agreement.

P. WHEREAS, the Commission desires to ratify the fees, charges and rents being charged for Fiscal Year 2012 and approve the budget including fees, charges and rents for Fiscal Year 2013 for services at and use of the Buildings.

Q. WHEREAS, the Commission desires to continue to contract with NIC for the management and operation of the Buildings and for the collection and management of the Student Union Fee and revenues of the Buildings and the transfer of such Student Union Fees and Net Revenues for use pursuant to the 2012 Resolution and the 2008 Resolution (collectively, the “Resolutions”).

R. WHEREAS, NIC desires to continue to manage and operate the Buildings as agent for the Commission.

S. WHEREAS, NIC and the Commission desire to clarify their respective roles and duties with respect to the operation of the Buildings and the collection and use of the rents, charges, fees and other revenues derived therefrom.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. Student Union Fees. NIC agrees to continue to set and collect from each student enrolled at NIC the Student Union Fee, as a component of the Student Fees imposed by the Board. NIC shall deposit all proceeds from the collection of the Student Union Fee into the “Student Services Fund” heretofore established and held by NIC and maintained by NIC on behalf of the Commission.

2. Building Revenues. NIC agrees to continue to charge and collect revenues from services provided by the Buildings as set by the Commission and to pay operation and maintenance expenses on the Buildings therefrom. NIC shall deposit all proceeds from the collection of the revenues from the Buildings into the “Auxiliary Enterprise Fund - Student Union and Dormitory Operations/Bookstore and Cafeteria Fund” heretofore established and held
by NIC and maintained by NIC on behalf of the Commission and shall pay operations and maintenance expenses of the Buildings therefrom.

3. **Use of Revenues.** NIC agrees to transfer the Net Revenues and Student Union Fee collections from the Auxiliary Fund and the Student Services Fund into the Debt Retirement Fund, as required by the Resolutions, to pay the principal and interest on the 2012 Bonds and the 2008 Bonds (collectively, the “Obligations”), as they become due. NIC, on behalf of the Commission, agrees to use the Net Revenues, Student Union Fees and the income earned on the investments in the Revenue Funds, and other funds held pursuant to the Resolutions, in the order of priority as set forth in the 2012 Resolution.

4. **Fees, Charges and Rents.** The Commission hereby ratifies and approves the budget including such fees, charges and rents for services at and use of the Buildings for Fiscal Year 2012 and approves the budget for Fiscal Year 2013. The Commission agrees that it will set such budget including fees, charges and rents annually prior to the commencement of each fiscal year.

5. **Reports and Services.** NIC agrees to continue to provide to the Commission all accounting and support services necessary to open and maintain the accounts required by the Resolutions and to abide by the covenants and conditions set forth in the Resolutions in its control and management of the accounts and reports required therein.

6. **Maintenance and Operation of the Buildings.** The Commission appoints NIC and NIC accepts the appointment, as agent of the Commission, to continue to manage and operate the Buildings, collect the revenues and the Student Union Fee, pay the operation and maintenance expenses of the Buildings, effect transfer of the Student Union Fees and Net Revenues pursuant to the Resolutions for use in accordance with the Resolutions, so long as any of any Obligations are outstanding, and abide by the covenants and conditions set forth in the Resolutions. Operation and maintenance expenses may be paid from the Auxiliary Enterprise Fund from time to time as they become due and payable as a first charge on the Auxiliary Enterprise Fund.

7. **Compliance with Resolutions.** NIC agrees to take no action which would cause the Commission to violate any provision or covenant of the Resolutions, so long as any Obligations are outstanding, including maintaining the debt service coverage requirement thereunder.

8. **Meaning of Terms.** Unless otherwise defined herein, the capitalized terms that appear in this Agreement shall have the same meanings assigned to them in the 2012 Resolution.

9. **Severability.** All of the provisions of this Agreement are distinct and severable, and if any provision shall be deemed illegal, void or unenforceable, it shall not affect the validity, legality or enforceability of any other provision or portion of the Agreement.

10. **Binding Effect.** This Agreement shall be binding upon all parties hereto and their respective successors and assigns.
IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed the day and year above set forth.

BOARD OF TRUSTEES
NORTH IDAHO COLLEGE

By: 
Chairman

ATTEST:

________________________________________
Secretary

DORMITORY HOUSING COMMISSION
OF NORTH IDAHO COLLEGE
BOARD OF COMMISSIONERS

By: 
Chairman

ATTEST:

________________________________________
Secretary
SUBJECT
Revised Policy #3.02.22: Annual Staff Performance Appraisals

BACKGROUND
Annual Staff Performance Appraisals Policy #3.02.22 has been reviewed by appropriate staff as part of the college's comprehensive policy review process.

DISCUSSION
Policy revisions are intended to provide clarification of the appraisal process for non-faculty employees and provide definitions to clarify regular performance evaluation and formal annual appraisals. The policy also specifies appraisals will be conducted using the performance management system provided through the human resources department.

COMMITTEE ACTION
This policy has been reviewed and approved by President's Cabinet and the College Senate.

FINANCIAL IMPACT
None.

REQUESTED BOARD ACTION
This is a first reading, no action is requested at this time.

Prepared by:
Chris Martin, VP for Finance and Business Affairs
All benefit eligible, professional and classified employees (non-faculty) will be formally evaluated on their job performance against their job description and institution-wide performance standards at least once a year as part of the annual performance appraisal process. Informal performance evaluations should occur regularly outside of the formal process and should be taken into consideration when completing the formal annual performance appraisal. Procedures and instruments used for evaluating the performance of these employees will be developed by the human resources director and approved by the college administration. Performance appraisals will be conducted using the performance management system.

Faculty members employees will be evaluated as prescribed in the faculty evaluation and tenure policies.

**Definitions**

A. Performance Evaluation: Process by which an employee and manager communicate regarding the employee's performance related to job responsibilities. Both positive and constructive feedback should be a part of any evaluation. Evaluations can be formal (written) or informal (verbal) and should occur regularly to ensure employees and managers are aligned regarding performance expectations. Performance evaluations are one part of the annual performance appraisal process.
B. Performance Appraisal: Formal process by which an employee and manager communicate about the employee’s performance over time (i.e. annually), as well as revisiting past goals, setting future goals, and creating professional development plans. The annual appraisal should take into consideration the regular evaluations that have been conducted over the year, and use that information to document a formal appraisal of overall annual performance.
SUBJECT
Revised Policy #3.04.01.01 – Bereavement Leave
Revised Policy #3.04.02 – Annual Leave
Revised Policy #3.04.04 – Jury Duty Leave
Revised Policy #3.04.05 – Military Leave
Revised Policy #3.04.06 – Leave without Pay
Elimination of Policy #3.04.06.01- Leave without Pay for Educational Purposes
Revised Policy #3.04.06.02 – Personal Leave

BACKGROUND
The following policies have been reviewed by appropriate staff as part of the college’s comprehensive policy review process, Policy #3.04.01.01, Policy #3.04.02, Policy #3.04.04, Policy #3.04.05, Policy #3.04.06, Policy #3.04.06.01, Policy #3.04.06.02.

DISCUSSION
Policy #3.04.01.01 – Bereavement Leave: Revisions have been made to clarify immediate family and bring policy in alignment with other policies that refer to immediate family. Clarify additional leave may be used on the condition of supervisor approval.

Policy #3.04.02 – Annual Leave: Policy revisions were made to clarify how annual leave may be used including to cover sickness and short term disability leave. Clarifies when leave is accrued and how carryover is managed. Moves accrual rates and reporting to the operational guidelines.

Policy #3.04.04 – Jury Duty Leave: Changes to this policy clarify that leave benefit is restricted to a jury summons or subpoena where the employee is not personally involved in the case or the subject of investigation. The policy has been revised to clearly state that employees may use accrued leave or leave without pay for private proceedings. The policy was also revised to provide guidance for notification to supervisors.

Policy #3.04.05 – Military Leave: Policy revisions reflect that military leave is exclusive of annual and sick leave and provides in policy that employees returning from military leave, upon application, will be reemployed in former position, without loss of status or pay rate.

Policy #3.04.06 – Leave without Pay: Revisions to this policy clarify that leave without pay requires employees to exhaust other types of leave and would put benefit eligible employees who are on college health insurance plans to enroll in COBRA coverage or would not be eligible for coverage on college health insurance.

Policy #3.04.06.01 – Leave without Pay for Educational Purposes: Recommending this policy for elimination. Issues have been addressed in Policy #3.04.06.

Policy #3.04.06.02 - Personal Leave: Updates to the policy include providing notification to supervisor in advance and making arrangements for the coverage of classes.
COMMITTEE ACTION
These policies have been reviewed and approved by President’s Cabinet and the College Senate.

FINANCIAL IMPACT
None.

REQUESTED BOARD ACTION
This is a first reading, no action is requested at this time.

Prepared by:
Chris Martin, VP for Finance and Business Affairs
Benefited personnel will be granted up to five working days of paid leave if there is a death in their immediate family. Immediate family for this policy is defined as including the employee’s spouse, domestic partner, parent, child, sibling, uncle, aunt, grandparent, grandchild, in-law (same members of spouse’s family) or any person who was a member of the employee’s established household.

**Additional Time Off**

It is understandable that in certain instances the loss of a family member may so emotionally or physically affect an employee as to make it difficult or impossible to return to work and satisfactorily perform the duties of his/her job immediately following the use of bereavement leave. If additional time off is necessary due to the death of a family member, arrangements may be made through the supervisor to permit the employee to use vacation time, personal day, sick leave or time off without pay.

Up to five days of paid leave of absence will be provided to benefit eligible employees for a death in their immediate family. For the purposes of this policy, immediate family is defined as a spouse, domestic partner, parent, child, sibling, or any person who was a member of the employee’s established household.

Employees should make their immediate supervisor aware of their situation as soon as possible. Additional leave may be granted from accrued annual (vacation) leave, sick leave, personal day, or unpaid leave of absence with the supervisor’s approval.
## ANNUAL LEAVE

Annual leave will accumulate as follows:

<table>
<thead>
<tr>
<th>Days per month</th>
<th>Category II &amp; IV</th>
<th>Category I</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 1/4</td>
<td>1 1/2</td>
</tr>
<tr>
<td>0 – 24 months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25 – 72 months</td>
<td>1 1/2</td>
<td>1 3/4</td>
</tr>
<tr>
<td>More than 72 months</td>
<td>1 3/4</td>
<td>2</td>
</tr>
</tbody>
</table>

Annual (Vacation) Leave is paid time off accrued by benefit eligible staff and available for personal use as approved by their immediate supervisor. Annual leave may be used to cover sick leave when sick leave balances have been depleted. Annual leave may be used to receive full pay during periods of Short Term Disability leave (STD).
Annual leave is accrued at the end of each pay period worked. If an employee goes on leave without pay (LWOP) at any time during a pay period, the annual leave accrual may be prorated for that pay period.

The rate at which annual leave is accrued during each bi-weekly pay period depends on employee’s classification, length of service and hours worked. A maximum of 240 hours (30 days) of annual leave may be carried over from fiscal year to fiscal year.

For current accrual rates and reporting procedures refer to administrative operational guidelines.
### JURY DUTY

Employees shall receive time off with pay for required appearances in court or hearings resulting from a call to jury duty or subpoena to appear to testify where the employee is not personally involved in the action as the Plaintiff, the Defendant, or the object of the investigation. The employee is entitled to keep fees and mileage reimbursement paid by the court in addition to his/her regular salary. Travel expenses in connection with this duty are not subject to reimbursement by North Idaho College. (Expert testimony is covered under Professional Consulting in Addition to Workload Policy.)

An employee who is summoned for jury duty or subpoenaed as a witness before a court of competent jurisdiction or as a witness in a proceeding where the employee is not personally involved in the action as the Plaintiff, the Defendant, or the object of the investigation, will be granted leave with pay and is entitled to keep fees and mileage reimbursement paid by the court. Expenses in connection with this duty are not subject to reimbursement by North Idaho College.

When an employee is required to appear as a witness or a party in any private proceedings (outside of official state or federal duty), the employee may use accrued...
leave or leave without pay.

An employee summoned for court or jury service shall notify their immediate supervisor at the earliest possible date prior to the start of the jury duty. The employee is responsible for submitting proof of juror service to their supervisor.

Although part-time non-benefited employees are not covered by this policy and are not eligible to receive paid leave time, departments are reminded that such employees may be called to jury duty and must be released from work to fulfill those obligations.
Policy Narrative

North Idaho College employees who are on fiscal year appointments are allowed leave with pay for required military service not to exceed 15 work days per fiscal year upon receipt of a copy of their orders. Military leave will apply only to an employee’s contractual days of obligation. Military leave benefits will be pro-rated based upon an employee’s percentage of full-time employment if less than 100% and/or contractual obligation if an employee's contract is for less than twelve months.

Leave for the purpose of military service shall be in accordance with applicable state and federal law.

An employee who is a member of any reserve component of the United States Armed Forces or any reserve component of the National Guard is granted military leave with pay up to a maximum of fifteen (15) working days in one (1) calendar year. Military leave is exclusive of annual and sick leave.

An employee who leaves his or her position either voluntarily or involuntarily for temporary active military duty in excess of fifteen (15) working days will be granted military leave without compensation, although accrued annual leave may be used at the employee’s request. Active duty cannot be for more than 5 years, unless active duty is
during a war, declared national emergency or active duty in support of a critical mission. An employee returning from military leave without compensation after being relieved or discharged from military duty must, upon application, be reemployed in his or her former position or comparable position without loss of seniority status or pay rate.

Employees who need to utilize military leave should refer to the Administrative Operations guideline for process and documentation requirements.
LEAVE WITHOUT PAY

A North Idaho College employee may request leave without pay. Consideration is given to such requests on an individual basis in the light of the reason for which it is requested and the effect that granting it will have on the employee's unit or program. Approval by the employee's administrative superiors, the president, and the board of trustees is required.

Employees of North Idaho College may be granted a leave without pay (LWOP) for justifiable reasons such as illness not otherwise covered by the Family and Medical Leave Act (FMLA), or participation in constructive or educational activities as may be determined and approved by the employee's administrative supervisors, the president and the board of trustees. Unless otherwise provided by law, this policy does not apply to part-time or temporary employees.

The duration of the LWOP absence will be determined and approved prior to the LWOP commencing. Employees on LWOP do not earn credited service hours. NIC will make every reasonable effort to hold open the position of an employee on an approved LWOP. Should replacement of the position become necessary, NIC will use temporary
replacement options until the end of the approved LWOP. If the employee does not return at the end of the approved period of leave, the position will be considered abandoned and NIC may replace the position as a regular replacement.

Employees will be required to exhaust all other applicable types of accrued leave before commencing leave without pay, per relevant leave policies.

When an employee who is covered by the North Idaho College health insurance plan takes leave without pay for any reason, the employee is eligible to enroll in COBRA (The Consolidated Omnibus Reconciliation Act of 1985) for health insurance benefits. If an employee declines to enroll for COBRA benefits, their health benefits will cease.
# Policy Overview

**Policy # 3.04.06.01**

**Effective Date:** 01/28/98

**Impact Area - Dept Name:** Employees

**General Subject Area:** Leaves

**Specific Subject Area:** Leave without Pay for Educational Purposes

**Author:**

**Supersedes Policy #:** 3.04.1, Pg. 3, #5

**Relates to Procedure #:**

**Impact:**

**Legal Citation (if any):**

---

**North Idaho College**

---

## Policy Narrative

**Leave of Absence without Pay for Educational Purposes**

Leave-of-absence without pay for educational purposes is considered on an individual basis. As soon as such a possibility is contemplated, the appropriate division chair or supervisor along with the appropriate vice president should be consulted. Formal requests for an educational leave-of-absence without pay must be made at least ninety (90) days in advance of the leave.
In order to assist employees who otherwise do not receive vacation days, the college will provide personal leave opportunities. The intent of this policy is to assist such employees in dealing with extenuating circumstances that require them to miss work.

**Coverage**: This policy will apply to all Category III employees and other exempt employees with Category III benefits (with no vacation benefits).

**Personal Leave**: NIC shall grant each of the above employees two personal leave days per contract year. Personal leave days are intended for use in attending to personal or family matters. Personal leave days cannot be accumulated beyond the contract year and are not compensable upon separation from NIC employment.

**Employees in Faculty positions are entitled to two (2) days of paid personal leave for each academic year. Personal leave days do not accrue from year to year and are not compensable upon separation from North Idaho College employment. Faculty employees must notify their immediate supervisor in advance of the proposed days away, and arrangements must be made for the coverage of the classes and other responsibilities the employee will miss.**