



Blaine County School District #61

October 15, 2013

Blaine County School District Board of Trustees Announce Lawsuit Settlement With McKinstry Essention

The Board of Trustees voted unanimously in a noticed Special Meeting today, Tuesday, October 15, to approve a lawsuit settlement with McKinstry Essention, an energy services company based in Seattle, Washington.

Highlights of the settlement are:

McKinstry dropped its claims of approximately \$7-million

Blaine County School District received guaranteed \$9.5-million in energy savings over the next 25 years

McKinstry agreed to pay \$800,000 toward legal fees

Blaine County School District negotiated an additional \$2-million for installation of interactive education tools, and for the reduction of other costs including maintenance and operation costs

Board Chairman Paul Bates stated, "This settlement will allow the Board to fully commit its time and energy to the educational mission of the district."

The district paid an estimated \$20-million for energy-retrofit work in eight district buildings. The funds came from a 2009 levy, which is separate from the General Fund that pays for instructional costs.

Because of the credits that offset expenses including the \$5-million Department of Energy Grant, the Idaho Power Incentive payments, and the guaranteed \$9.5-million in energy savings, the total 25-year cost to taxpayers for these improvements is approximately \$5-million.

Trustee Kathryn Graves stated, "This is an excellent outcome for the citizens of Blaine County. At the end of the day, we spent approximately \$5-million dollars and received approximately \$20-million dollars worth of improvements."

Trustee Kathy Baker stated, "The Board is pleased with the settlement. We had an excellent team working for us and have great appreciation for the efforts of Mike Chatterton. He led the final negotiations and took the essential steps for a favorable settlement that will benefit the district for years to come."

Board Vice Chairman Shawn Bennion stated, "The district had several schools with old, aging heating systems that had to be replaced. They now have been replaced with green technology for a fraction of the cost. This now provides our students and staff with superior learning environments, which are critical to student achievement."