

STATE BOARD OF HIGHER EDUCATION
Minutes – June 28, 2000
Conference Call

The State Board of Higher Education met for a special meeting via conference call June 28, 2000. The president called the meeting to order at 12 noon. Board members participating were:

Mrs. Jeanette Satrom, President	Mr. Craig Caspers
Dr. Bill Isaacson, Vice President	Mr. John Korsmo
Mrs. Beverly Clayburgh	Mr. Ryan Bernstein, Student Member
Mr. Joe Peltier	Dr. Bethany Andreasen, Faculty Representative

Dr. Richard Kunkel was absent

Staff members participating were:

Larry A. Isaak, Chancellor
Laura Glatt, Vice Chancellor for Administrative Affairs
Sheila Tibke, Administrative Secretary

Others participating were:

Dr. Joe Chapman, NDSU	Mr. Chuck Stroup
Mr. Jason Bernhardt	Dr. Robert Kibler
Dr. Pat Jensen, NDSU	Mr. Dick Rayl, NDSU
Mr. Prakash Mathew, NDSU	General Bjerke
Mr. Dave Wahlberg, NDSU	Ms. Cathy Backer, NDSU
Dr. Craig Schnell, NDSU	Dr. Phil Boudjouk, NDSU
Mr. Leroy Sondreal, UND	Members of the media

NDSU flood update

Dr. Chapman provided the members of the Board with an update on the flood damage to the NDSU campus. Fargo received over eight inches of rain in a six-hour period on June 19-20, 2000. The campus sustained damage from overland flooding when the storm sewers could not handle the water. The power went out which caused sump pumps to overflow in the areas that did not have generators. All of the buildings on campus had some water in them, some as much as 31 inches, including the communications and utility tunnels.

He reported that it may be possible to repair half of the telephone switch and may have to replace the other half of the telephone switch. Repairing half of the switch will enable them to get the telephone lines operational sooner. Mr. Dick Rayl projected the cost to repair the telephone system at approximately \$5 million. He expects FEMA will cover 75% of the cost of repairing

the telephone system. He also indicated that FEMA will require them to move the telephone system out of the basement and FEMA will pay for the cost of this move. Dr. Chapman said 600 temporary telephone lines are working so that every department/function has telephone line access. Full telephone service is expected to be restored in two weeks. E-mail has been fully restored.

Dr. Chapman reported that Industrial Builders has been hired to help with the clean-up efforts. He said that everything in the Memorial Union got wet. It has now been sealed off and the situation is under control. Carpets and sheet rock are being removed from the buildings and they are being treated for mold. He said there are no health hazards on the campus; they have only encountered mold related problems. Dr. Chapman said the Library sustained the most damage. There was approximately four feet of water in the Library. Twenty feet of archival material received damage from the water and the remainder of archival material is in freezers to be freeze dried. Within six days of the flood, they had all the books moved out and volunteers are no longer working in the Library and only employees wearing protective gear will be allowed in the Library to complete the cleanup in that building. Dr. Schnell expects that the top two floors of the Library will be operational in one-two weeks, but the basement may not be complete until winter. He said the archives will be moved to an upper level and classrooms will be relocated in the basement.

Dr. Chapman said Ag Research programs were also severely impacted with the floodwaters. Dr. Jensen estimated approximately \$21 million loss for research damage to the plots. She expects that \$15 million of the \$21 million loss will be in direct expenditures (research), \$5 million in contract research (commodity group grants), and \$1 million income loss from seed income. Dr. Jensen said there will also be an impact on ND's economy from the loss of research of an additional \$100 million.

Dr. Chapman reported that Mr. Leroy Sondrol has been retained as a consultant by Industrial Builders. Leroy is the retired physical plant director at UND. He was instrumental in leading UND through flood recovery.

Dr. Chapman indicated that he did not expect enrollment to be effected by this flood. There will be no changes to the 2000 summer session or 2000-2001 academic year. He said they do not anticipate a tuition increase. Faculty, staff, and students are working day and night to get the buildings operational as quickly as possible. Resident housing was not affected by the flood.

Dr. Chapman addressed the issue of flood insurance on the NDSU campus. He said there are no buildings on campus that are in the 100-year floodplain and only four buildings in the 500-year floodplain. Dr. Chapman reported that these four buildings received no water damage. Basically, he said, NDSU is not in the flood plain, and if you are not in the flood plain you do not get flood insurance. Even if they had flood insurance, many things that sustained damage on the campus would not have been covered by flood insurance. He also indicated that steam and utility tunnels are not covered by flood insurance and that is where their major damage occurred.

Space has been leased in the old SunMart Building and at the STTC. Garden Grow has also provided NDSU space at the air base.

Dr. Chapman did not have an estimate on damage to the steam lines at this time. He indicated that the engineers were currently analyzing these tunnels but did not expect there to be much damage.

Mr. Korsmo suggested that the Board review, at the September Board meeting, the major capital project priority list that the Board approved in June. NDSU's infrastructure was not one of the projects selected to be submitted to the Governor for funding and the list may need to be revised once NDSU damage estimates are received.

It was moved by Mr. Korsmo, seconded by Mr. Peltier that pursuant to NDCC Section 48-01.1-02, the State Board of Higher Education declares that due to flood damage at **North Dakota State University**, an emergency situation exists requiring immediate repairs. NDSU officials are hereby authorized to enter into such contracts as may be necessary to make emergency repairs, without seeking competitive bids, subject to available funds and approval of the Chancellor; and to seek a line of credit from the Bank of ND pursuant to NDCC Section 54-16-13, to pay the expenses incurred by NDSU as a result of the flooding and only as documented on required FEMA reports pending with or approved by the Federal Emergency Management Agency (FEMA), that the line of credit cannot be used to cover the cost of enhancements of modifications beyond those listed on the FEMA reports, that the line of credit be repaid as reimbursement is received from FEMA and/or insurance carriers, and that the line of credit only be drawn upon as funds are needed to pay contractors. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Dr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

President Satrom asked Dr. Chapman to keep the Board members informed of the flood damage and repairs. Dr. Chapman reported that at the time they do not have a total estimate of the damage caused by the flood.

The meeting adjourned at 1:25 p.m. CT. The Board of Higher Education will hold their annual retreat at the Seven Seas Inn in Mandan, ND, July 18-19, 2000.