

Pay no attention to that man not behind the curtain

Marty Trillhaase/Lewiston Tribune

For the sake of argument, suppose Cecil Andrus, Phil Batt, Dirk Kempthorne or even Jim Risch were still sitting in the governor's chair two years ago when Administration Director Teresa Luna walked in with bad news:

The massive \$60 million Idaho Education Network - which delivered broadband to Idaho schools - had been derailed. Because Luna's predecessor Mike Gwartney had changed the rules in midstream, low-bidder Syringa Network LLC had been cut out and the politically connected Qwest (now CenturyLink) had been steered into a consortium with the equally politically wired Education Networks of America.

Syringa took the case to court and won a skirmish in the Idaho Supreme Court. So the Federal Communications Commission, which controlled "e-rate" dollars covering three-quarters of IEN's bills, had shut off the flow of money in March. The state was staring at a \$6 million to \$7 million expense.

You can just imagine how any of these hard-boiled executives would have reacted.

First, they'd demand to know why an agency whose core function is monitoring contracts is four months behind the curve. That might have cost Luna her job right there.

Next would come talk of options.

Does the state negotiate with Syringa? Does it dismember the statewide network and allow local districts to negotiate with broadband providers, with an eye toward urging the FCC to turn those e-rate dollars over to them?

Where's the Division of Financial Management on this? What will IEN cost - and if money is allocated there, what gets lost in the process?

Then, those governors would turn to the politics. When do you bring in legislative leadership and budget-writers? What do you tell the public about how this problem occurred and what their governor is prepared to do in order to fix it.

But that's not what the man sitting in that chair, Gov. C.L. "Butch" Otter, did.

As Kimberlee Kruesi of the Associated Press reported Monday, Otter waited until Nov. 4, 2013 - the eve of his successful 2014 re-election campaign - to send a letter to ENA, minimizing the FCC dispute as "a whistleblower complaint" and assuring the contractor that he had authorized the state to cover IEN's bills through the end of the fiscal cycle on June 30.

Then he kept mum.

At his Jan. 6, 2014, State of the State and budget address, Otter made no mention of the problem and included no provisions for the state to continue paying IEN's expenses. So it's unclear whether he leveled with his budget shop. If he did, then the governor ignored the advice he was getting.

Either way, it wasn't until nearly a month later that Luna alerted the Legislature's budget committee that the state was on the hook for about \$14.5 million in IEN funding the feds had cut off.

And there things remained for almost a year. Luna assured lawmakers that the FCC matter was close to resolution while asking lawmakers to cover 100 percent of the costs.

Then, a week after Otter won his third term, 4th District Court Judge Patrick Owen declared Gwartney had violated Idaho's procurement laws and declared the IEN contract void.

From there, things spiraled out of Otter's control.

A voided contract meant ENA and Qwest could not get paid. Those companies are positioned to sue the state for compensation.

The state owes Syringa \$930,000 to cover its legal bills. And the lawyers the state hired to defend against Syringa cost taxpayers another \$625,000.

The FCC's Office of Inspector General has launched its own investigation.

So far, the federal spigot is still shut off.

Fed up, legislative budget writers this year switched IEN from Luna's shop to State Superintendent of Public Instruction Sherri Ybarra, who rescued the broadband program by enabling local districts to line up more bandwidth at less cost.

And lawmakers made it clear to Otter that Luna would not be confirmed for another term as director of Administration. So he dumped her. Sort of.

Luna landed on her feet, working as the new emergency planner for the state Bureau of Homeland Security - although it meant a step down in pay to \$56,285 from the \$95,202 she used to get.

In other words, the IEN mess will be sorted out by lawmakers, educators, lawyers, judges and federal investigators.

Everyone, that is, except Otter, who passively allowed events to overwhelm him.

By obtaining the governor's letter,

Kruesi has pulled back the curtain - and found no governor behind it. - M.T.

