

**MINUTES**  
**Approved by the Committee**  
**Broadband Access Study Committee**  
**Tuesday, July 21, 2015**  
**9:00 A.M.**  
**EW41, State Capitol**  
**Boise, Idaho**

**Co-Chair Dean Mortimer** called the meeting to order at 9:00 a.m. and requested an audible roll call. Members present were: Co-Chairs Senator Dean Mortimer and Representative Luke Malek, Senators Shawn Keough, Bart Davis, Bob Nonini and Dan Schmidt; Representatives Lance Clow, Rick D. Youngblood, Greg Chaney and John Rusche. Legislative Services Office (LSO) staff members present were: Brooke Brouman, Robyn Lockett and Shelley Sheridan.

Others in attendance: William Goodman, Idaho Education Technology Association; Christopher Campbell, State Dept. of Education; Michael Bartz, State Dept. of Education; Brady Kraft, State Dept. of Education; Greg Zickau, Dept. of Administration; Jeremy Chou, Givens Pursley; Greg Lowe, Syringa Networks; David Roberts, Boise School District; Jen Swindell, Idaho Ed News; Ann Joslin Idaho Commission for Libraries; Kate Haas, Kestrel West; John Foster, Kestrel West; Dan Goicoechea, Office of the State Controller; Joshua Whitworth, Office of the State Controller; Tara Thue, AT&T Brody Aston, Lobby Idaho; Rob Feeley, Idaho Bureau of Homeland Security; Ron Williams, Idaho Cable Telcom Association; Steve Hill, Gartner; Marilyn Whitney, Office of the Governor; Bob Geddes, Dept. of Administration; Keith Reynolds, Dept. of Administration; Blake Youde, State Board of Education; Scott Zanzig, Idaho Office of Attorney General; Kim Kruesi, Associated Press; Garry Lough, Education Networks of America; Skip Smyser; Karen Echeverria, Idaho School Board Association; Tim Corder, State Department of Education; Jerry Piper, Idaho Telecom Alliance. Telephonic attendees: Seth Deniston, Coeur d'Alene School District; Camille Wood, Idaho Falls School District; and Winston Himsworth, E-Rate Central.

NOTE: Copies of most presentations, handouts, reference materials and public testimony can be found at: <http://legislature.idaho.gov/sessioninfo/2015/interim/broadband.htm> and are also on file at the Legislative Services Office.

**Co-Chair Mortimer** introduced **Robyn Lockett, Principal Budget & Policy Analyst, LSO**. **Ms. Lockett** presented a review of [Appropriations and Expenditure for the Idaho Education Network \(IEN\)](#). **Senator Schmidt** asked for a comparison on what was paid per megabyte. **Ms. Lockett** confirmed LSO could prepare an analysis on the cost per student and the amount of services received. **Ms. Lockett** added that the numbers in her presentation were an apples-to-oranges comparison due to the different types of services provided and to whom. **Representative Chaney** stated the full appropriation for fiscal year 2015 was not used and asked if fiscal year 2016 was over-appropriated as well. **Ms. Lockett** confirmed that LSO believed there was an over-appropriation but is too early to tell. She stated the Superintendent's Office may have a better projection. **Senator Nonini** asked if the over-appropriation was the result of districts purchasing internet services locally. **Ms. Lockett** confirmed local purchases were cheaper; however, what was purchased as compared to the IEN structure was unknown.

**Co-Chair Mortimer** introduced **William Goodman, President, Idaho Education Technology Association (IETA)**. **Mr. Goodman** responded to **Senator Nonini's** prior question about the cause of the over-appropriation. **Mr. Goodman** stated that there were two primary reasons why the costs came in cheaper. First, the type of internet purchased was not the same type of internet. For example, consumer grade versus professional grade. Second, districts were not able to apply for E-Rate because the funding came a year late. There will be an average savings of 75% by procuring E-Rate this year. **Mr. Goodman** stated that the amount IETA budgeted for was based on zero federal

assistance in case there was no E-Rate funding. **Mr. Goodman** continued his presentation of the [History of the IEN, Current Status of Broadband Services and Options for Future Broadband Services for Local Education Agencies \(LEAs\)](#). **Representative Clow** asked if the use of multiple devices was affecting the robustness of the network. **Mr. Goodman** confirmed that a robust wireless infrastructure and internet was necessary to support many devices. **Senator Schmidt** asked if the IEN included high schools. **Mr. Goodman** confirmed that the IEN allows for kindergarten to grade 12. He stated the cost was minimal, as low as \$400,000-500,000. However, there were two issues - the legislation does not cover kindergarten to grade 8, and it leaves out almost 36 LEAs. **Representative Rusche** asked if looking beyond education for synergy was a good idea. **Mr. Goodman** responded that IETA's proposal includes a plan to include other agencies, both to defray cost and to benefit more organizations than just education.

**Co-Chair Mortimer** introduced **Alan Dunn, Superintendent, Sugar-Salem School District**. **Mr. Dunn** presented the [Broadband Services in Sugar-Salem School District](#). **Co-Chair Malek** asked how the service has been for Sugar-Salem not being on a dedicated service. **Mr. Dunn** stated the service has been smooth with no problems. **Senator Davis** asked what the difference in cost was. **Mr. Dunn** stated the district was paying substantially less. **Senator Davis** asked if the district had internal IT staff. **Mr. Dunn** responded that the District has three IT staff. **Senator Davis** asked if the district had the resources internally to prepare Requests for Proposals (RFP). **Mr. Dunn** stated the state department provided an enormous amount of help. **Senator Davis** asked what the committee should know moving forward. **Mr. Dunn** responded that the district must have funding for broadband access for a good connection to the outside world and continued funding for technology in general. **Senator Davis** asked if the district had the knowledge to ask for E-Rate funding. **Mr. Dunn** stated the district did not and that smaller districts pay more for assistance in completing the E-Rate forms. **Senator Nonini** asked if E-Rate was easier before IEN. **Mr. Dunn** stated he did not know as a service provider was used to complete the district's E-Rate forms. **Co-Chair Malek** asked which of the district's three proposals was preferred. **Mr. Dunn** recommended option three. **Representative Clow** asked **Mr. Dunn** to clarify his prior statement about the difference in costs. **Mr. Dunn** clarified that the costs for the state and district combined was much less now.

The committee recessed at 10:15 and reconvened at 10:30 for further discussion.

**Co-Chair Mortimer** introduced **Seth Deniston, Director of Technology, Coeur d'Alene School District**. **Mr. Deniston** presented the [Broadband Services in Coeur d'Alene School District](#). **Representative Rusche** asked if the district owned its network. **Mr. Deniston** responded that the district leased a fiber network through a third party. **Co-Chair Mortimer** asked how many IT personnel the district had and their capability of filing for E-Rate. **Mr. Deniston** stated that the district had 11 full-time IT staff supporting 20 sites and a consultant assisting with E-Rate. **Co-Chair Mortimer** asked if the district was close to a one-to-one device to student ratio. **Mr. Deniston** stated that the district was half way there, and that the goal was two-to-one with students bringing their own devices. **Senator Schmidt** asked if the district was in a one-year contract with Ednetics. **Mr. Deniston** stated that Ednetics originally provided service for kindergarten through grade 8 under a three-year contract. Ednetics responded to the RFP, and their contract was amended. **Senator Schmidt** asked if the price was affected by a longer contract. **Mr. Deniston** confirmed the longer the contract, the lower the price. **Senator Davis** noted that the district was getting more for less with using a dedicated line which was contrary to other districts that were using shared lines. **Mr. Deniston** stated it was location dependent and recommended that region be considered when determining cost. **Representative Clow** asked if the district's current cost was before or after state support. **Mr. Deniston** stated the cost was before E-Rate discount and state support.

**Co-Chair Mortimer** introduced **David Roberts, Technology Program Administrator, Independent School District of Boise City**. **Mr. Roberts** presented the [Broadband Services in Independent School District of Boise City](#). **Co-Chair Mortimer** asked how many IT staff the district had and its device to

student ratio. **Mr. Roberts** stated that the district had 8,000 devices for 26,000 students, which is nowhere near one-to-one, and is why the district implemented bring your own device opportunities. **Senator Schmidt** asked how the cost for statewide service could be balanced. **Mr. Roberts** stated the question was difficult to answer and agreed that larger districts could have larger costs. He stated it comes down to local control, an individual choice, and that an opt-out was needed. **Representative Rusche** asked if redundancy was built into their service. **Mr. Roberts** responded that redundancy was built in. **Co-Chair Mortimer** asked if the district was on a dedicated service. **Mr. Roberts** confirmed the district was on a dedicated service.

**Co-Chair Mortimer** introduced **Camille Wood, Director of Technology Services, Idaho Falls School District 91**. **Ms. Wood** presented the Broadband Services in Idaho Falls School District. **Ms. Wood** stated the district's broadband and internet connection needs were constantly growing and greater than what the state provided, therefore, a second connection was purchased out of its own funds. She stated that 74% of costs were covered by the E-Rate program. There were no service issues during IEN; however, a load balance was in place in case of an outage service shifted to the second connection. **Ms. Wood** stated that the district took bids upon the IEN not being funded. Education Networks of America (ENA) was not selected as its costs were higher in comparison to competitors. She stated the district continued with two providers, CenturyLink and Syringa, to help with resiliency of time and redundancy and that the district had better quality and lower cost than during the IEN contract with ENA. **Ms. Wood** stated that the district does not use the video conferencing systems as intended. The video conferencing is primarily used for meetings, not for distance classes. She stated there was no need for online classes due to the size of the district, being on a trimester system, and since the district is vested in IDLA allowing student flexibility. **Ms. Wood** stated that bandwidth needs were increasing at an astronomical rate and suggested guidance from IETA and the Board of Education. She stated that rural areas were also a concern. **Ms. Wood** stated the option of independently getting the lowest cost rather than a statewide approach was preferred. **Senator Davis** noted that the Boise School District limits access to certain sites (YouTube) to save bandwidth and asked if the district had done something similar. **Ms. Wood** stated that sites, like YouTube, were restricted due to appropriateness, not for bandwidth reasons. **Senator Davis** asked about the district's E-Rate contract. **Ms. Wood** stated E-Rate was used for 18 years and applied for independently; however, this was the first year the district contracted for E-Rate assistance due to the loss of staff who normally performed that task. **Senator Davis** asked if one school group utilized bandwidth more. **Ms. Wood** stated that information was not tracked, however experience showed elementary utilized more, then middle, then high school. She noted that high school use was increasing but there were not enough devices.

The committee recessed at 11:48 a.m. and reconvened at 1:05 p.m. for further discussion.

**Co-Chair Mortimer** introduced **Winston E. Himsworth, E-Rate Central**. **Mr. Himsworth** presented the [Explanation of E-Rate](#). **Representative Rusche** asked if there was an advantage to accessing other funds, not just an educational network. **Mr. Himsworth** confirmed that different networks could be created; however, funds needed to be allocated to the schools which could be a problem. **Senator Schmidt** asked how other states were managing their networks. **Mr. Himsworth** stated that several states have service providers that organize an entire network and paid fees based on distance; similar to ENA. AT&T offers service that interconnects schools. The advantage is that management is not done from the state level and rates are averaged statewide. **Mr. Himsworth** stated that without a statewide contract with averaging, charges will likely be larger in rural areas and less in metropolitan areas. He stated that most states are providing funding support directly to schools. **Mr. Himsworth** asked whether funding should be held back and used to fund state networks. **Mr. Himsworth** stated that some states have management groups run by the state and others provide contracts based on the number of applicants creating master contracts. He added that there was a wide variety and no pattern dominating all states. **Senator Schmidt** asked if there were regional

networks in the western United States. **Mr. Himsworth** stated there are regional networks in New York, but none seen in the western United States. **Representative Clow** asked what the objectives and long-term date was for ConnectEd. **Mr. Himsworth** replied that the long-term date was five years, 2019. **Mr. Himsworth** stated that E-Rate Central has been working with the chief information officer to get back on track. He added that the state needed E-Rate and that the FCC wanted to see the networks. **Mr. Himsworth** concluded by stating that the state is heading in the right direction and E-Rate Central would be happy to help.

**Co-Chair Mortimer** introduced **Bob Geddes, Director, Idaho Department of Administration** (Department). **Mr. Geddes** stated that he was appointed Director about a month and a half ago and that he was not an expert but could provide his perspective. **Mr. Geddes** stated he recognized over his legislative tenure that there were strong advocates and true pioneers in bringing more technology to schools and that there was a significant need. He noted that the state was waiting for the next phase of technology to be implemented. **Mr. Geddes** noted the Department staff who implemented the technology and designed the backbone of the IEN access points were in attendance and could help the committee understand the history of the IEN. **Mr. Geddes** stated that the Legislature's vision was to provide a high bandwidth to replace IdaNet and that the vision was broader and designed to allow access by private industry, help citizens get more involved in the legislative process, help citizens in rural communities get access to better care and to provide a tool to inspire and promote economic development. **Mr. Geddes** noted that the testimonies showed that the system was a great success and that school districts were dependent on being connected. **Mr. Geddes** stated that the goal of the Department was to help and acknowledged the challenges including the dependency on E-Rate funds. **Mr. Geddes** deferred to **Greg Zickau, Chief Technology Officer, Idaho Department of Administration**, who presented the [Overview of the Education Network \(IEN\) Contracting Process and the History of IEN, Current Status of Broadband Services for Idaho State Agencies, and an Update on the Department of Administration's Broadband Analysis \(SB1175\)](#). **Representative Rusche** asked if there was a cost benefit from ENA. **Mr. Zickau** stated that a lot of connectivity is rural and rural service was more expensive. He stated that all business was purchased from CenturyLink, not from ENA. **Mr. Zickau** concluded his presentation stating that the Department recommended a consolidated approach for state agencies that included contracts with three to five-year terms.

**Representative Chaney** asked **Mr. Zickau** if comparing the cost savings of districts using different services to the IEN was like comparing apples to oranges. He added that the state was pumping out bushels of apples when some districts only needed a couple of oranges. **Mr. Zickau** agreed and stated that the Department was told to connect schools regardless of use. He stated that a small number of schools were taking advantage of private managed networks and that the cost savings was reflected when off of the IEN.

**Senator Davis** referenced the Department's Overview of the Idaho Education of Network (IEN) Contracting Process and stated he wanted to understand what happened so not to be replicated. **Senator Davis** compared Judge Owen's decision to the Department's Overview of the Idaho Education of Network (IEN) Contracting Process and asked **Mr. Zickau** to respond. **Senator Davis** asked if the written determination was done after the public records request not prior to the determination and award to multiple contracts. **Mr. Zickau** said that was correct. **Senator Davis** referenced Judge Owen's decision wherein it provided that state purchases were to be most advantageous to the agency and asked if that was how the Department interpreted that portion of the decision. **Mr. Zickau** stated that the Department felt the decision was made in accordance with the statute and in the best business interest for Idaho, not just for the agency. **Senator Davis** stated that the Department divided the contract, which was contrary to the decision and to what the statute allowed and was inconsistent to the RFP that was submitted to bidders. **Mr. Zickau** responded that he believed that issue was never properly argued in court and that the issues were matters of standing and legal process not of substance as to whether the Department followed the law.

**Mr. Zickau** referenced page 10 of his presentation explaining the division of the contract. **Co-Chair Mortimer** introduced **Scott Zanzig**, Deputy Attorney General, Office of the Attorney General, for further explanation. He stated that the Office of the Attorney General did not represent the Department in the Syringa lawsuit; however, the results of the lawsuit could affect the state. **Mr. Zanzig** responded to **Senator Davis'** question about the division of the contract. He stated that the Department issued documents (amendments) following the SBPO being awarded. The court said the amendments changed the services available under each contract to each vendor. The court believed that after the amendments were issued, CenturyLink was permitted to provide only backbone service. The Department, however, interpreted the amendments to mean that the original contracts remained in force, therefore agencies and schools were directly purchasing items from CenturyLink, which could never have happened according to the court. **Senator Davis** asked why a written statement of findings was not done prior to being requested. **Mr. Zanzig** stated he did not know but that it was not an issue and never challenged. **Senator Davis** responded that standards still had to be followed or the contract was void. Aside from the division of the contract, no written declaration of the reasons made the contract void. **Mr. Zanzig** responded that he was not aware of a court case deciding that matter and that the court did not think it was an issue.

**Representative Rusche** stated there were a lot of opportunities to aggregate and draw capital and asked if other state contracts were considered in their strategic plan in IT development. **Mr. Zickau** confirmed that was a factor in their strategic plan and they considered every opportunity.

**Co-Chair Mortimer** asked **Mr. Geddes** to wrap up the Department's presentation. **Mr. Geddes** noted that the issues were extremely complex and that it is the Department's desire to move forward and provide technology. He said that it would be a disservice to not provide access to technology. **Mr. Geddes** added that the Department interpreted its intentions to be within the confines of the law. He stated he was not sure if there was a quick and inexpensive conclusion, but all that could be done was to improve processes so that the issue would not occur again. **Mr. Geddes** concluded that the Department would honor any of the committee's questions, concerns, and input.

**Co-Chair Mortimer** re-introduced **William Goodman, IETA**, to clarify the IETA's proposal and recommendation. **Mr. Goodman** first clarified that the E-Rate consultant confused the Obama ConnectEd initiative with the SETDA recommendation showing the 2017 school year at one Mbps per student. He noted that the Obama initiative was a five-year plan. **Mr. Goodman** stated that the IETA was recommending a service agency, not a statewide managed network. He stated that the service agency would support the needs of the district. **Senator Davis** noted that the state was providing classes and education curriculum not imagined 15 years ago and asked if it was possible to have a uniform and thorough system with disparate methods of delivery throughout the state. **Mr. Goodman** stated that a uniform system could be interpreted to mean having the same level of access and funding to procure those opportunities, and a service agency would best accomplish that. **Senator Davis** asked if "uniform" was the minimum, and as long as RFPs and districts provided that minimum, would it satisfy the language of the statute. He asked if IETA considered past lawsuits to make sure there were sidewalls and confidence and an adequate, defensible structure. **Mr. Goodman** stated their proposal would fall in line with how schools are currently being funded – rural schools funded at a higher rate than urban. **Senator Davis** asked if IETA was obtaining legal advice. **Mr. Goodman** responded that IETA had not obtained legal advice, but would welcome it. **Representative Rusche** asked how difficult it would be to develop an aggregated market. **Mr. Goodman** stated that once build out was accomplished, the agency or private company owning the fiber could utilize the community, private industry and other state agencies to defray the cost. **Representative Chaney** asked if the oversight agency would be a centralized place or field agency who would evaluate the districts' needs. **Mr. Goodman** responded that IETA's vision was to have a centralized agency with a few staff members to provide technical support.

**Co-Chair Mortimer** opened the floor for committee discussion.

**Co-Chair Malek** stated that other broadband service organizations may want to testify at future meetings and proposed that those organizations contact the committee and advise the time needed for their presentation. **Senator Schmidt** agreed and requested more information on what other states were doing. **Co-Chair Mortimer** responded that LSO Analyst Brooke Brouman had that information and the committee would review it for the next meeting. **Senator Keough** concurred with **Co-Chair Malek** and **Senator Schmidt**. **Representative Rusche** noted the value in reviewing an assessment and map of broadband coverage and capacity in the state. **Representative Clow** suggested the comparison of other states be vetted to make sure Idaho Code permitted what the other states were doing. **Co-Chair Malek** advised the committee to notify the co-chairs if other agenda items were identified.

**Co-Chair Mortimer** adjourned the meeting at 3:32 p.m.