MINUTES

HOUSE EDUCATION COMMITTEE

DATE: Wednesday, March 22, 2017
TIME: 8:15 A.M.
PLACE: Room EW41
MEMBERS: Chairman VanOrden, Vice Chairman McDonald, Representatives Shepherd, Boyle, Clow, Mendive, Kerby, Cheatham, Amador, DeMordaunt, Moon, Syme, Kloc, McCrostie, Toone
ABSENT/EXCUSED: None
GUESTS: Harold Blackman, Boise State University; Kent Kunz, Idaho State University; John Eaton, Realtors; Chuck Staben, University of Idaho; Matt Freeman, State Board of Education; Roger Bronn, Boise State University

Chairman VanOrden called the meeting to order at 8:19 am.

MOTION: Rep. Amador made a motion to approve the minutes of the March 16 and March 17, 2017 meetings. Motion carried by voice vote.

SCR 105: Rep. Hogan presented SCR 105. It authorizes the Idaho State Board of Education to enter into agreements with the Idaho State Building Authority to provide financing and construction management for the expansion of the Idaho National Laboratory (INL) Cybercore Integration Center and Collaborative Computing Center facilities. These two new facilities would house cybersecurity and super-computer research activities which have outgrown the existing facilities at Idaho National Laboratory's current location. Bond proceeds would cover site preparation and construction of the new buildings on state property and acquisition, if needed, of adjacent property currently owned by the Idaho State University. The new buildings would be leased by the State Building Authority to the State Board of Education, which in turn, would sub-lease the facilities to the INL. She explained the new facilities will bring substantial growth to Idaho through increased talented staff and students.

Dr. Mark Peters, Director of INL, spoke in support of SCR 105. He stated INL is one of seventeen federal national laboratories in the United States, and the only one in Idaho. Cybercore will be approximately 80,000 square feet and the Collaborative Computing Center (C3) will be approximately 67,000 square feet. The estimated construction cost of the two facilities is approximately $75,000,000 including land. INL will invest an additional $10,000,000 in tenant improvements and technology. The lease payments by INL will cover debt service on the bonds issued to finance the projects, and all costs for operations and maintenance will be paid for by INL. The lease with INL is expected to go beyond the next 20 years. He explained the lab facilities will bolster their national lead in two major areas: Nuclear energy development and cyber-security. There are currently three nuclear reactors with a fourth in the works. They will develop the next generation of nuclear reactors through core research programs.
Chuck Staben, University of Idaho, Dr. Harold Blackman, Boise State University and Kent Kunz, Idaho State University all spoke in support of SCR 105. They explained there will be an increased collaboration between the universities and INL at no cost. INL will support the expansion of course offerings in Idaho universities and colleges to meet emerging opportunities in leading-edge education and research in nuclear, mechanical and chemical engineering along with materials and computer sciences. This collaboration will bring Idaho increased competitiveness with the nation's education system, and the high paying work-force market.

Matt Freeman, Executive Director of State Board of Education and Wayne Meuleman, Executive Director of the Idaho State Building Authority, spoke in support of SCR 105. This concurrent resolution will establish a public-private partnership benefitting all involved for the good of Idaho. Ground-breaking and construction would begin in the spring or early summer of 2017, with total construction time estimated at fifteen months. Financing the 20 year bond issue will not exceed $90,000,000, and monthly lease payments are estimated at $265,000 for Cybercore and approximately $245,000 for C3. Additional costs borne by INL will be separate from the lease payments. The State Board of Education, as sponsor of the project, will provide no state dollars for design, construction, financing, or operations of the facilities. Ownership of the facilities and continuing lease payments revert to the Board of Education to support system-wide education and research needs.

MOTION: Rep. Cheatham made a motion to send SCR 105 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Horman will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:23 am.