



“The Federal American Economic Recovery and Reinvestment Act of 2009”

Idaho Department of Administration

Division A, Title I, Distance Learning, Telemedicine, & Broadband

Idaho Education Network – Video Teleconferencing: \$2,000,000 (1M/yr x 2 yrs)

Division A, Title XIV, Section 14002(a) Education Fund

Idaho Education Network: \$15,000,000 (\$7,5M/yr for 2 yrs)

Also relates to: **Division A, Title XIV, Section 14002(b) Other Government Services**

Also relates to: **Division B, Title VI, Section 6001 Broadband Technology Opportunities**

Division A, Title XIV, Section 14002(b) Other Government Services

Consolidated Messaging System: \$1,990,000

Telecommuting Support Capability: \$239,000

Division A, Title XIV State Fiscal Stabilization Fund

State Parking Garage – Capitol Mall: \$12,000,000

Division B, Title V State Fiscal Relief

State Facility Alteration and Repair Projects: \$19,794,387

Information on COBRA Stimulus Funds

Premium Assistance for COBRA Benefits

TOTAL REQUEST: \$51,023,387



State of Idaho

Department of Administration

Stimulus Spending Authorization Form (EO 2009-06 par.2)

Division Name: Office of the Chief Information Officer	Contact Person: Greg Zickau	Amount Requested: \$2,000,000 (\$1M/yr x 2 yrs)
Project Title: Idaho Education Network – Video-teleconferencing	Stimulus Act Section, Division and Title: Division A, Title I, Distance Learning, Telemedicine, & Broadband	

Project Information

- 1. Are projects shovel ready?** Yes
- 2. Will jobs be created?** Yes **How many?** Approximately 4 for installation, configuration, testing and training.
- 3. Will additional state employees be necessary to oversee or administer the federal funds?** No **How many?**
- 4. Date project could begin:** Immediately.
- 5. Length of the project:** Approximately two years to field Video-teleconferencing equipment to schools.
- 6. Requirements and deadline for applying for federal funding:** Must be Education or Healthcare related: 24 March 2009 filing deadline.
- 7. Requirements associated with desired funding, including but not limited to spending limitations, state match or cost share requirements, percentage limitations, and timeframes:** For the best chance of successfully gaining a grant award, the state should commit funds that the federal government will match on a 1:1 basis. For every dollar we commit, this grant program will provide two.
- 8. Will there be additional spending authority necessary to expend the federal funds?** Yes.

Project background and justification (a summary can be included here with more detail attached):

The Idaho Education Network will use technology to provide equal educational opportunities to all Idaho students regardless of location. The project increases broadband capacity to schools to support a variety of teaching and administrative applications and adds equipment to support distance learning, dual or concurrent enrollment. The project will have a positive impact on schools, communities, businesses and state and local government. This request is related to the Video-teleconferencing equipment for the project, which will make use of the telecommunications connectivity.

The state has engaged two contract service providers, Education Networks of America and Qwest, who are ready to begin immediate implementation of this critical project. For more information about the Idaho Education Network, please refer to the attached Strategic Business Plan.

When would federal funding end? Two years from initial funding.

Explain exit strategy: This project fields video-teleconferencing equipment as a key application of the Idaho Education Network. As a result, the state should plan to support maintenance of this equipment through the State General Fund. That will entail approximately \$250 thousand per year in addition to IEN telecommunications costs. By using Federal grant money for the initial capital investment, this request complements other portions of the IEN project which will be funded largely through Federal E-rate dollars.

Note: This request is distinct from all other requests associated with the Idaho Education Network.

Administrator's Signature of Approval:	Date:
Director's Signature of Approval:	Date:



State of Idaho

Department of Administration

Stimulus Spending Authorization Form (EO 2009-06 par.1)

Division Name: Office of the Chief Information Officer	Contact Person: Greg Zickau	Amount Requested: \$15,000,000 (\$7,5 M/yr for 2 yrs)
Project Title: Idaho Education Network	Stimulus Act Section, Division and Title: See note below	

Project Information

Stimulus Act Option A; Division A, Title XIV, Section 14002 (a) Education Fund
Stimulus Act Option B; Division A, Title XIV, Section 14002 (b) Other Government Services
Stimulus Act Option C; Division B, Title VI, Section 6001 Broadband Technology Opportunities

1. **Is the project shovel ready?** Yes
2. **Will jobs be created?** Yes **How many?** 20 Plus
3. **Will additional state employees be necessary to oversee or administer the federal funds?** Yes **How many?** 2
4. **Timeline for receipt of funds:** Beginning in State FY 2009
5. **Is anticipated federal funding allocated through an existing or new federal program?** New: through ARRA

6. **Current levels of state funding for the agency that is appropriated, requested or held in any account by or for the agency that would be impacted positively or negatively by the receipt of federal funding:**

The Office of the CIO requested \$2.99M for State FY 2010 to begin this project.

7. **Will there be additional spending authority necessary to expend the federal funds?** Yes

8. **Requirements under the Act associated with spending federal funding, including but not limited to state match or cost share requirements, percentage limitations and timeframes:**

Project background and justification (a summary can be included here with more detail attached):

The Idaho Education Network will use technology to provide equal educational opportunities to all Idaho students regardless of location. The project increases broadband capacity to schools to support a variety of teaching and administrative applications and adds equipment to support distance learning, dual or concurrent enrollment. The project will have a positive impact on schools, communities, businesses and state and local government.

The state has engaged two contract service providers, Education Networks of America and Qwest, who are ready to begin immediate implementation of this critical project. For more information about the Idaho Education Network, please refer to the attached Strategic Business Plan.

Note: This supports phase one (high schools only) as identified in Idaho Code and may, as appropriate, include elements of state government.

When would federal funding end? It is unclear from reading the ARRA when funds might end under this particular section; however, funds will be necessary through state FY 2012.

Explain exit strategy: While not ideal, it would be necessary to continue supporting the operations of the Idaho Education Network through approximately \$7.53M per year from the state General Fund. Keep in mind that that number represents approximately 28% of the costs with the remaining 72% paid through ongoing Federal E-Rate discounts.

Administrator's Signature of Approval:	Date:
Director's Signature of Approval:	Date:



P.O. Box 83720
Boise, ID 83720-0027

STATE OF IDAHO
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION
Mr. Tom Luna

Phone (208) 332-6815
Fax (208) 332-6836

March 4, 2009

Idaho Governor C.L. "Butch" Otter
PO Box 83720
Boise, ID 83720

Dear Governor Otter:

I am writing to urge your support for the Idaho Department of Administration's request for funding for the Idaho Education Network.

The American Recovery and Reinvestment Act offers the state a great opportunity to invest in the Idaho Education Network. We must seize this opportunity now because it will pay long-term dividends for Idaho students in the future. The Network will provide broadband internet access across our great state and give Idaho's most rural schools access to the highest quality education system.

The Idaho Education Network will serve a critical need in Idaho's public school system. With this Network, we can solve the problems our rural schools currently face. The opportunities are endless. Students in rural areas could access Highly Qualified Teachers in every subject area and advanced opportunities, such as dual credit courses. Teachers could access professional development opportunities no matter where they live in Idaho.

As Idaho's Governor, you have served as a great advocate for improving the public education system for all students. I urge you to continue your support by investing in the Idaho Education Network. Please approve the Department of Administration's request to fund the Idaho Education Network with funding from the federal stimulus package.

Sincerely,

Tom Luna
Superintendent of Public Instruction



State of Idaho

Department of Administration

Stimulus Spending Authorization Form (EO 2009-06 par.1)

Division Name: Office of the Chief Information Officer	Contact Person: Greg Zickau	Amount Requested: \$1,990,000
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Project Title: Consolidated Messaging System	Stimulus Act Section, Division and Title: Division A, Title XIV, Section 14002(b) Other Government Services
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Project Information

1. Is the project shovel ready? Yes
2. Will jobs be created? Yes How many? 2
3. Will additional state employees be necessary to oversee or administer the federal funds? No How many?
4. Timeline for receipt of funds: State FY 2010
5. Is anticipated federal funding allocated through an existing or new federal program? New, ARRA
6. Current levels of state funding for the agency that is appropriated, requested or held in any account by or for the agency that would be impacted positively or negatively by the receipt of federal funding:
The Office of the CIO requested \$1.2M in General Funds for State FY 2010 to complete this project.
7. Will there be additional spending authority necessary to expend the federal funds? Yes
8. Requirements under the Act associated with spending federal funding, including but not limited to state match or cost share requirements, percentage limitations and timeframes: None

Project background and justification (a summary can be included here with more detail attached):
 The Consolidated Messaging System updates and consolidates approximately 84 separate email server into approximately 6 servers. By doing so, it establishes a reliable, survivable, cost-effective, messaging system for all of state government that enables access to rich features of modern messaging systems across the state.

Please see attached for further information.

When would federal funding end? Federal funding would end with State FY 2010

Explain exit strategy: This project will be self-sufficient after initial funding. Ongoing cost for this project would be paid through user fees. It will require approximately \$600k in spending authority for the Office of the CIO beginning in State FY 2011.

Administrator's Signature of Approval:	Date:
Director's Signature of Approval:	Date:



Solution Summary

Explanation of Strategic Direction

Overview

The purpose of the Consolidated Messaging Project is to design, implement and manage a consolidated statewide messaging system that will deliver increased operational efficiencies, collaboration capabilities, cost efficiencies and cost avoidances to state agencies. A consolidated system will facilitate business continuity across state agencies, increase accessibility, improve disaster recovery capabilities and enhance emergency response communication. This project also reinforces and advances all five strategic goals in the State of Idaho's Information Technology Strategic Plan.

The initial objective of the Consolidated Messaging Team was to evaluate the various alternatives available that would provide the benefits above and recommend a specific solution for the State of Idaho. The alternatives considered were:

- Microsoft Exchange hosted by a state agency,
- Microsoft Exchange hosted by a third party and
- An open solution such as Google, etc. hosted by the vendor.

Criteria to evaluate these alternatives were identified and organized by the:

- Business requirements and benefits desired by the various agencies,
- Projected costs of each alternative, and
- Risks associated with each.

A list of typical Business Requirements was compiled from readily available literature and reviewed by the technical team members. These were supplemented by meetings at 14 state agencies representing about 11,200, or 65% of the state employees. Questionnaires were sent to all remaining agencies, and 14 responded, representing another 2700, or 16% of employees.

Costs for each alternative were projected over five years, covering the installation, conversion and operational costs. Sub-categories within hardware, software and personnel were identified and estimated.

Thirty-six potential risks were identified and organized into 5 categories (Business & Operational, Privacy & Security, Financial, Technical and Cultural). Each risk was independently evaluated and rated as "High", "Medium" or "Low" for each alternative by four core project team members.

Platform Solution

The Consolidated Messaging Executive Steering Committee recommended and the Executive Sponsor, Mike Gwartney, approved a state-hosted Microsoft Exchange solution for the State of Idaho. The following were the key considerations that impacted this solution decision:

- A solution not hosted by the state posed major risks to several agencies due to federal regulation requirements around their messaging security and storage.
- State-hosted Exchange significantly minimizes many of the risks associated with the consolidation of state agency messaging systems. Only 8% of more than 130 risk ratings were “High” for the state-hosted solution, compared to over 40% for the Open solution and almost 30% for the externally-hosted Exchange solution. A listing of all identified risks and their ratings is available on our public web-site in a spreadsheet named “Risk document.xls”.
- A state-hosted option provides the most control over business continuity, disaster recovery and other important operational issues.
- The business requirements and benefits were substantially satisfied by all three alternatives, with few differences that would provide a decisive advantage or disadvantage.
- With our current level of understanding (before architecting the final solution), the projected five-year cost differential between the state-hosted and open solution (Google) was minimal.
- The solution supports the project goals and objectives as outlined in the project charter.

Location and Management

The home for the computer equipment will be the State Controller’s Office. The other location considered was the Department of Labor. The Controller’s Office best met our decision criteria which included agency mission/statewide charter, disaster recovery and business continuity capabilities, cost modeling capability, purchasing flexibility, experience/relationships, experience hosting services and 24x7 capabilities.

The Department of Administration will be responsible for the day to day operations and management of the Consolidated Messaging Services.

For additional information regarding the Consolidated Messaging Services Project, contact Shannon Barnes at 208.334.8771 Shannon.Barnes@itd.idaho.gov or Carla Casper at 208.332.1853 carla.casper@cio.idaho.gov.



2010 Talking Points

In his 2008 State of the State/State Budget Message, Governor C.L. “Butch” Otter stressed improving the efficiency and effectiveness of messaging services throughout state government. As a result, a team of state employees across multiple agencies formed together with private sector partners to begin the Consolidated Messaging Project.

The State of Idaho Consolidated Messaging Project is charged with the design and implementation of a consolidated statewide messaging system and building the infrastructure to support future consolidation efforts.

The project supports Governor Otter’s call for more efficient and effective government as well as advancing the State of Idaho’s Information Technology Strategic Plan. Final Operating Capability will have repurposed or eliminated the need to purchase an estimated 84 servers (6 servers will replace these 84) and software licenses at an estimated saving of over \$600,000.

Business benefits include the cost effectiveness of disaster recovery and business continuity for all state agencies as well supporting smaller agencies’ access to enhanced features such as increased security, reliability and improved functionality. The system will also enhance employee ability to work remotely; provide a statewide global address book, shared calendaring and resource scheduling; and enhance the state’s ability to reach employees through one message in case of an emergency.

The Idaho Consolidated Messaging Project is on schedule and within budget. The Department of Administration is using the new system now with additional migrations planned each month.

State employees from 13 agencies have contributed over 8,000 hours of time to the project. Together with cash and personnel contributions from state agencies and in-kind services from our private partners, the project has leveraged over a half a million dollars in support, nearly doubling our actual FY09 project budget.

The Department of Administration is asking for 1.25 million dollars to continue the project in FY10. Based on this year’s budget allocation the project is scheduled for completion in FY11. In FY11 agencies will begin paying a “per seat” charge of approximately \$5 per month, per user. This cost is competitive with private and public sector hosting organizations.

Continued funding for the project is critical. Only when all agencies are migrated will the true efficiency and effectiveness of the system be realized. Without continued financial support the project runs the risk of losing momentum and the institutional knowledge built within the project’s private and public resources.



State of Idaho

Department of Administration

Stimulus Spending Authorization Form (EO 2009-06 par.1)

Division Name: Office of the Chief Information Officer	Contact Person: Greg Zickau	Amount Requested: \$239,000
Project Title: Telecommuting Support Capability	Stimulus Act Section, Division and Title: Div A, Title XIV, Sec 14002 (b)	

Project Information

1. Is the project shovel ready? Yes.
2. Will jobs be created? No. How many?
3. Will additional state employees be necessary to oversee or administer the federal funds? No. How many?
4. Timeline for receipt of funds:
- State Fiscal Year 2010; starting in July 2009; funds will be expended before the end of Jun 2010.
5. Is anticipated federal funding allocated through an existing or new federal program?
- Anticipated funding will be allocated through the Governor's discretionary money in "Other Government Services" in of the referenced American Recovery and Reinvestment Act of 2009 section.
6. Current levels of state funding for the agency that is appropriated, requested or held in any account by or for the agency that would be impacted positively or negatively by the receipt of federal funding:
- Requested budget item of \$239,000 for State Fiscal Year 2010.
7. Will there be additional spending authority necessary to expend the federal funds? Yes.
8. Requirements under the Act associated with spending federal funding, including but not limited to state match or cost share requirements, percentage limitations and timeframes: None.

Project background and justification (a summary can be included here with more detail attached):

The Governor has an initiative to reduce the impact of commuting to the Boise Metropolitan Area which promotes alternate work schedules includes supporting telecommuting where it makes sense. In addition to providing telecommuting support, a good Virtual Private Network solution will improve the security of any remote access to the State's network, to include the many remote workers throughout the state. To support the current and future network access requirements of State employees, we must replace our current system with a reliable and secure remote access system. Both Business Continuity and Disaster Recovery will be enhanced by using a better VPN solution.

When would federal funding end? 2010

Explain exit strategy: With the initial investment and the solution in place, future years will be supported by charging agencies for their use of the State VPN. Because many agencies are already paying for their own remote access solution or are using the current, older system the Department of Administration provides, most agencies project for this cost already.

Administrator's Signature of Approval:	Date:
Director's Signature of Approval:	Date:

Attachment 1
Business Case for Telecommuting Support

Enterprise Security

Project / Item: *Telecommuting Support Capability*

Replacement

One Time Capital: \$40,000

Ongoing Operating: \$199,000 (Asking for One-time funding for this year and will transition to a chargeback model in FY11 but will continue to need spending authority)

Project Total: \$239,000

Short Description: To provide an accessible, secure method for State employees to work remotely and still have required access to State assets to accomplish work. SSL VPN, NAC and 2-factor authentication.

Cost Breakout:

<u>Description</u>	<u>VPN Per unit cost</u>	<u>Number of units</u>	<u>Cost</u>
VPN Appliances	\$17,000	2	\$34,000
VPN Appliance Maintenance ongoing operating	\$9,000	1	\$9,000
2-Factor Auth. Server	\$6,000	1	\$6,000
VPN Software and support for 2500 users	\$120,000	1	\$120,000
NAC Ongoing Operational Cost:	\$45,000	1	\$45,000
2-Factor Auth. Ongoing Operational Cost:	\$25,000	1	\$25,000

Business Basis: Productivity, Security Threat, Compliance.

Justification: Per the Governor's initiative, the State is committed to reducing the impact of commuting to the Boise Metropolitan Area and telecommuting is an essential part of the solution. Telecommuting has enhanced the productivity of governments and businesses across the world. To support the current and future network access requirements of State employees conducting agency business, we must replace our current system with a reliable and secure remote access system. This replacement will also support the growing numbers of remote, traveling or telecommuting workers. A secure solution is required to protect sensitive information and to meet compliancy requirements.

Business Continuity and Disaster Recover can also be greatly improved by providing secure remote access to the state network. A wide variety of emergencies, such as floods, earthquakes, and blizzards, require continuity planning throughout federal, state and local governments. These emergencies can have a widespread impact on an organization or agency and its ability to support the public due to the "immediate" loss of physical facility assets, application servers, network infrastructures, and more. A remote access plan is a critical component of an overall business continuity plan. Remote or isolated emergency workers must continue their critical roles during times of emergency, and must have secure and reliable access to an organization's key information databases and application servers.

Currently, the remote access solution offered by the Office of the CIO, an IPSEC Virtual Private Network (VPN), is difficult to set-up, hard for average workers to use, and will not easily meet an increasing telecommuting/remote employee population. The intent is to implement the project with a one-time funding request this year and then transition to a charge back model and request dedicated funding beginning in Fiscal Year 2011.

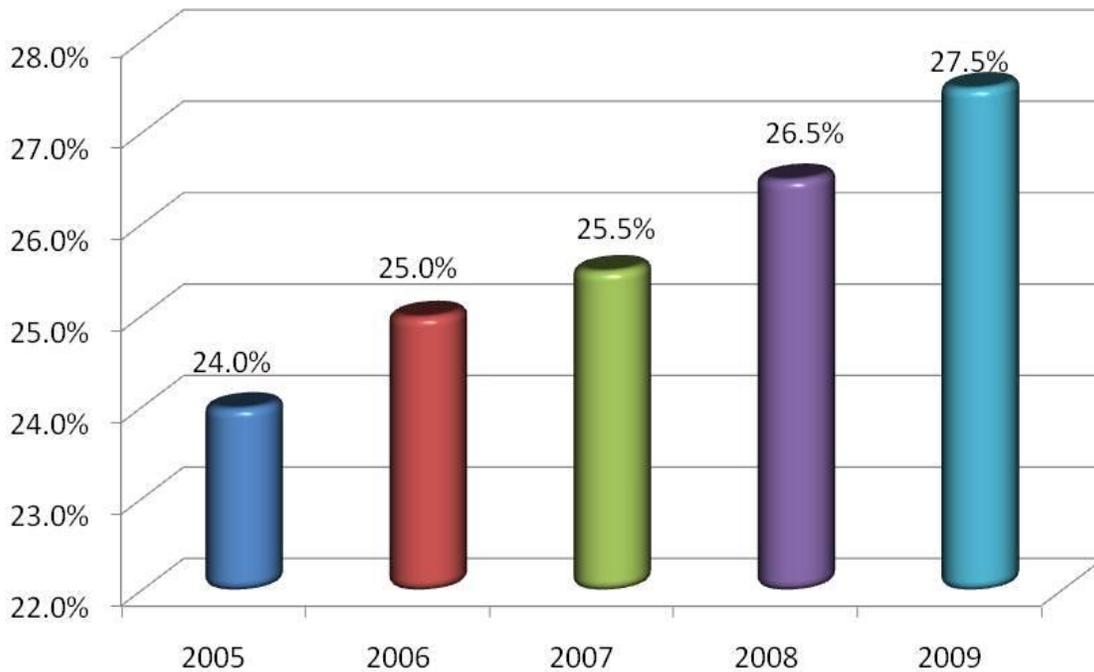
If this request is not funded, the growing needs of telecommuting workers will exceed the capacity and capability of the current system and the state will be unable to fully realize the benefits of telecommuting and remote access.

Attachment 2
News Related to Telecommuting Support

A recent study by Sun Microsystems, which uses telecommuting extensively, found that, by eliminating commuting half the week, an employee saves 5,400 kilowatt hours --- even accounting for home office use. They also can save some \$1,700 a year in gasoline and wear and tear on their cars.

Some news sources over the years have provided the following numbers for percentage of people who telecommute:

Number of Telecommuters - US



Note: These are estimations based on news articles

A recent Gartner report estimates that 14 million people across the US will be telecommuting by the end of this calendar year.



State of Idaho

Department of Administration

Stimulus Spending Authorization Form

Division Name: Public Works	Contact Person: Tim Mason	Amount Requested: \$12,000,000
Project Title: State Parking Garage – Capital Mall	Stimulus Act Section, Division and Title: 2.A.XIV – State Fiscal Stabilization Fund	

Project Information

- 1. Are projects shovel ready?** No, but using the Design-Build delivery method, the project could be under way in ninety days from funding.
- 2. Will jobs be created? Yes How many?** About 45 which includes 45 construction jobs and another 30 elsewhere within the economy. The Department of Labor states that every person employed on a construction project represents 1.7 people employed in the overall economy due to ancillary functions supported by the construction industry.
- 3. Will additional state employees be necessary to oversee or administer the federal funds? No How many?**
- 4. Date projects could begin:** Within ninety days of funding.
- 5. Length of the project:** The project would be complete with a 12-15 month period.
- 6. Requirements and deadline for applying for federal funding:** None
- 7. Requirements associated with desired funding, including but not limited to spending limitations, state match or cost share requirements, percentage limitations, and timeframes:** A significant impact of using the federal funds will be the requirement to apply Davis-Bacon wage rates to the selected project. As a rule of thumb, we would suggest that this will add twenty percent to the cost of the construction.
- 8. Will there be additional spending authority necessary to expend the federal funds?** It is presumed that the provision of stimulus funds would constitute spending authority.

Project background and justification (a summary can be included here with more detail attached): With the expansion of the state capitol building and the projected permanent use of the Borah Building and Capitol Annex (old Ada County Courthouse), the already greatly stressed parking situation on the Capital Mall will be exacerbated. Currently, there are 30% more parking permits issued than there are available parking places. That number doesn't represent the total Mall population nor does it consider the added pressure of the expanded capitol and the two buildings slated for permanent use.

When would federal funding end? The stimulus money would be a one time infusion which would allow the design-build contract to be put in place. No additional funding would be required and the funding would end when the project was completed.

Explain exit strategy: Upon completion of the project, the need for funding would also end. While maintenance and operation of the new facility would require some funding, it is already provided for by the revenue generated through parking receipts. No additional funding would be necessary.

Administrator's Signature of Approval:	Date:
Director's Signature of Approval:	Date:



State of Idaho

Department of Administration

Stimulus Spending Authorization Form

Division Name: Public Works	Contact Person: Tim Mason	Amount Requested: \$19,794,387
Project Title: State Facility Alteration and Repair Projects	Stimulus Act Section, Division and Title: 2.B.V. – State Fiscal Relief	

Project Information

- 1. Are projects shovel ready?** Yes
- 2. Will jobs be created?** Yes **How many?** About 680 which includes 400 construction jobs and 280 elsewhere within the economy. The Department of Labor states that every person employed on a construction project represents 1.7 people employed in the overall economy due to ancillary functions supported by the construction industry.
- 3. Will additional state employees be necessary to oversee or administer the federal funds?** No **How many?**
- 4. Date projects could begin:** Immediately
- 5. Length of the project:** All projects will be completed at different times within two years.
- 6. Requirements and deadline for applying for federal funding:** None
- 7. Requirements associated with desired funding, including but not limited to spending limitations, state match or cost share requirements, percentage limitations, and timeframes:** A significant impact of using the federal funds will be the requirement to apply Davis-Bacon wage rates to the selected projects. As a rule of thumb, we would suggest that this will add twenty percent to the cost of the construction. The attached project list has been expanded to show the effect of that requirement and to show that an increase in spending authority would be needed for each of them. Again, that would apply to the stimulus funds and not to the use of the 'released' funds as they are then used for additional requested projects.
- 8. Will there be additional spending authority necessary to expend the federal funds?** Not for use of the federal funds. However, spending authority will be required for utilization of state funds (freed up by stimulus funds) for new projects.

Project background and justification (a summary can be included here with more detail attached): In anticipation of potential federal stimulus funds being made available for facility-related projects, the Division of Public Works submits the attached list of potential projects. It should be noted that every public works project currently in process (currently 306 of them) already has funding in place as we cannot open a project unless full funding is available. The presumed use of the federal funds would be to 'replace' current funding on selected projects and allow the use of that 'released' funding to be applied to additional projects currently documented, and unfunded, on the \$82 million backlog of project needs. It is assumed that, in such a scenario, the necessary spending authority for the use of the additional funds would be provided.

See attached detail.

When would federal funding end? Within the next two years upon completion of repair projects currently underway to which the federal moneys would be applied and thereby freeing up state funds for additional construction.

Explain exit strategy: Construction projects have an end, although it is a fact that a newly-constructed facility will require an additional budget for operation. For Alteration and Repair projects such as those on the attached list, ongoing costs are generally negligible because the project is primarily to maintain its functionality. In fact, many of the projects reduce operating costs due to higher energy efficiency as a result of better products and techniques.

Administrator's Signature of Approval:	Date:
Director's Signature of Approval:	Date:

February 25, 2009

TO: Mike Gwartney, Director, Department of Administration

FROM: Tim Mason, Administrator, Division of Public Works

Subject: Proposed Use of Federal Stimulus Funds

In anticipation of potential Federal stimulus funds being made available for facilities-related projects, the Division of Public Works submits the attached list of potential projects. It should be noted that every public works project currently in process (currently 306 of them) already has funding in place as we cannot open a project unless full funding is available. The presumed use of the Federal funds would be to 'replace' current funding on selected projects and allow the use of that 'released' funding to be applied to additional projects currently documented, and unfunded, on the \$82 million backlog of project needs. It is assumed that, in such a scenario, the necessary spending authority for the use of the additional funds would be provided.

Following guidance that proposed projects are to be 'shovel ready', the attached list reflects those projects in the final phase of design and about to bid, those currently bidding, or those recently bid and beginning construction. It should be noted that every project moves along the design-bid-build timeline daily and the actual projects and funding needs may change depending on when the funding might become available. It is safe to say, however, that any amount of funding could be applied to 'shovel ready' projects at any time.

Similarly, the actual impact to the economy will vary by type and size of projects but that impact would be immediate and significant. The Department of Labor states that every person employed on a construction project represents 1.7 people employed in the overall economy due the ancillary functions supported by the construction industry. The number of workers on a given job will be a function of the magnitude and complexity of the given project but, as a point of reference, the recent Sky Suites project at BSU (\$36 million) employed an average of just over a hundred workers (170 for the total

economy) daily for eighteen months. The Capitol Restoration (\$120 million) is employing, on average, over two hundred workers (340 for the total economy) daily for two and a half years. Regarding the concern related to continuing costs beyond the completion of a project, it is a fact that a newly constructed facility will require additional budget for the owner in order to operate it. For Alteration and Repair projects such as those on the attached list, ongoing costs are generally negligible because the project is primarily to maintain its functionality. In fact, many of the projects reduce operating costs due to higher energy efficiency as a result of better products and techniques.

A significant impact of using the Federal funds will be the requirement to apply Davis-Bacon wage rates to the selected projects. As a rule of thumb, we would suggest that this will add twenty percent to the cost of the construction. The attached project list has been expanded to show the effect of that requirement and to show that an increase in spending authority would be needed for each of them. Again, that would apply to the stimulus funds and not to the use of the 'released' funds as they are then used for additional requested projects.

I should point out that the Idaho State Historical Society is submitting a request for stimulus money to fund the Museum Expansion which had been recommended in 2009 (and funded) and 2010 (now deleted). Public Works would certainly endorse their request for funding. Additionally, the University of Idaho has requested stimulus funds to augment the funding they have in place for the \$17 million in Life-Safety repairs to the Kibbie Dome. Our current request to JFAC has \$2 million for that purpose and we would also support the U of I request.

It would also seem logical, in this process, to point out the serious need for additional parking on the Capitol Mall. We currently have 1803 parking permits issued and 1238 available parking place on the Mall. While this continues to be a daily problem, it will be greatly exacerbated when the Capitol is finished and the Annex and Borah Building are filled with new Capitol Mall Tenants. The Governor proposed a new parking structure in the 2007 budget but it was unfunded. By using the design-build delivery method and recognizing that a parking structure is a relatively straightforward project, such project could be 'shovel ready' in very short order. We would estimate about \$12 million for a five story structure providing 650 spaces.

The use of Federal stimulus funding would put people to work with its expanded impact, would provide much needed repairs to facilities, and would allow more to be done now versus later, when the problems will be worse and the repairs will cost more. It would also take immediate advantage of a terrific bidding climate and provide more for every dollar spent.

DPW No.	Agency	Title	DEPARTMENT OF ADMINISTRATION State Facility Alteration & Repair Projects					Impact If Federal Wage Rates Required						
			Authorized Funds	Funding Source				Required Funds	Funding Source					
				Capital	A & R	Agency	Federal		Capital	A & R	Agency	Federal		
02-006	ADM	Modernize St. Microwave Sys., Ph.3, Id. Falls-Salmon	698,000			698,000				837,600			837,600	
06-063	IDOC	Replace Domestic Water Well No. 3, ISCI / IMSI / SICI / SBWCC	728,000		728,000					873,600		873,600		
07-007	ADM	Upgrade Emergency Communication Sites	272,400		272,400					326,880		326,880		
07-062	IDOC	Additional Fence and Sallyport, SICI	2,490,000		2,450,000	40,000				2,988,000		2,940,000	48,000	
07-080	ISHS	1951 Steam Plant Rehabilitation, Old Penitentiary	100,000		100,000					120,000		120,000		
07-195	BSU	Info Tech Generator/HVAC	80,000		80,000					96,000		96,000		
07-350	DHW	Install Fire Sprinkler System, LAB	845,000		845,000					1,014,000		1,014,000		
08-010	PSC	Radio Site Improvements, North-South-East Idaho	672,000		672,000					806,400		806,400		
08-016	ADM	Replace Ceiling Systems/Install Fire Sprinklers, JRW	2,514,088		774,812	1,739,276				3,016,905		929,774	2,087,131	
08-162	LCSC	New Lighting, Harris Field	439,000			439,000				526,800			526,800	
08-180	NIC	Automated Logic Controls Upgrade, Phase 1, Campus Wide	300,000		300,000					360,000		360,000		
08-204	BSU	HVAC System Controls Upgrade, Engineering and Technology Building	200,000		200,000					240,000		240,000		
08-213	BSU	Lab/Classroom Remodel, Engineering-Technology Building	400,000		400,000					480,000		480,000		
08-237	ISU	Renovate Graduate School Office Complex, Center for Teaching and Learning, Rendezvous Building	1,086,750		1,086,750					1,304,100		1,304,100		
08-251	UI	Elevator Life Safety Modifications, Phase 3	115,000		115,000					138,000		138,000		
08-256	UI	Patch and Overlay, Nez Perce Drive	275,000		275,000					330,000		330,000		
08-261	UI	Exterior Envelope Repairs, Memorial Gymnasium	551,300		551,300					661,560		661,560		
08-263	UI	HVAC Improvements, Swim Center	500,000		500,000					600,000		600,000		
08-271	UI	New Elevator, Alumni Residence Center	567,000		567,000					680,400		680,400		
08-336	MIL	Renovate, Readiness Center, Hailey	1,240,000		635,000	30,000	575,000			1,488,000		762,000	36,000	690,000
08-401	DHW	HVAC Retrofit, Administration Building, SHS	368,000		368,000					441,600		441,600		
08-406	DHW	Emergency Prep, Isolation Rms, SHS	368,000			368,000				441,600			441,600	
08-500	IDL	Repair/Expand Fire Cache Building, Coeur d'Alene	335,000		319,000	16,000				402,000		382,800	19,200	
08-501	IDL	Remodel Fire Engine Bay to Office, Kootenai Area Office	536,000		516,500	19,500				643,200		619,800	23,400	
08-530	DJC	Additional Program Space, JCC-Lewiston	1,007,750		1,005,750	2,000				1,209,300		1,206,900	2,400	
08-542	LHSF	Reclaim Old Dressing Room Area, Hot Pools	625,000		625,000					750,000		750,000		
08-610	IDVS	Parking and Bus Load/Unload Area, VETB	150,000		150,000					180,000		180,000		
08-615	IDVS	Repair Asphalt/Sealcoat Parking Lot, VETL	115,000		115,000					138,000		138,000		
08-664	BSU	Remodel University Housing Office, Chaffee Hall	400,000			400,000				480,000			480,000	
08-669	BSU	Aquatic Center Addition, Student Recreation Center	6,627,000			6,627,000				7,952,400			7,952,400	
09-060	IDOC	Replace Fire Alarms, Selected Support Buildings, ISCI Upgrade HVAC Units, Selected Buildings, ISCI / IMSI / SICI	265,000		265,000					318,000		318,000		
09-062	IDOC	Vocational Building, ISCI	282,500		225,000	57,500				339,000		270,000	69,000	
09-066	IDOC	Vocational Building, ISCI	900,000			900,000				1,080,000			1,080,000	
09-130	EITC	VAV Boxes/Cable Tray, Christofferson Building #3	310,000		310,000					372,000		372,000		
09-133	EITC	Replace Lighting Fixtures, Sessions Building #1	234,700		234,700					281,640		281,640		
09-150	LCSC	4th Street Parking, Phase 2	1,180,875		1,180,875					1,417,050		1,417,050		
09-196	BSU	Replace Fire Alarm System, Morrison Center	340,000		170,000	170,000				408,000		204,000	204,000	
09-204	BSU	Replace Two Elevators, Barnes Towers	449,200			449,200				539,040			539,040	

09-220	ISU	Renovate, Measurements and Control Engineering Research Center, Phase 2	575,000		575,000			690,000		690,000		
09-223	ISU	Exterior Emergency Notification System, Campus Wide	230,000		230,000			276,000		276,000		
09-227	ISU	ADA Replace Elevator, Museum of Natural History	280,500		280,500			336,600		336,600		
09-230	ISU	Renovate Anthropology Labs, Graveley Hall	270,300		270,300			324,360		324,360		
09-285	ISHS	Compact Mobile Shelving, Phase 2, Idaho History Center	430,800			430,800		516,960			516,960	
09-310	IDFG	Remodel Sub-Reg Office, McCall	60,000		60,000			72,000		72,000		
09-332	MIL	Remodel, Readiness Center, Caldwell	1,499,000		749,500	749,500	1,798,800		899,400		899,400	
09-361	DHW	Replace One Boiler, ISSH	215,000		215,000			258,000		258,000		
09-450	PSC	Rebuild Microwave Site, Moscow Mountain	382,000		382,000			458,400		458,400		
09-530	DJC	Renovate HVAC, Phase 2, Education Bldg., JCC-STA	500,000		500,000			600,000		600,000		
09-531	DJC	Renovate Gym/Life Safety Improvements, JCC-STA	230,000		230,000			276,000		276,000		
09-541	LHSF	Replace Existing Maintenance Building	265,000		265,000			318,000		318,000		
	IPTV	Legislative Live/Idaho Reports Studio	272,000			272,000		326,400			326,400	
		Capital Mall Parking Garage	12,000,000	12,000,000				14,400,000	14,400,000			
			45,777,163	12,000,000	19,794,387	12,658,276	1,324,500	54,932,595	14,400,000	23,753,264	15,189,931	1,589,400



State of Idaho

Department of Administration

Information on COBRA Stimulus Funds

Division Name: Office of Group Insurance (OGI)	Contact Person: Connie Smith	Amount Requested: Unknown
Project Title: Premium Assistance For COBRA Benefits	Stimulus Act Section, Division and Title: 2.B.III. – Premium Assistance For COBRA Benefits	

Project Information

1. Are projects shovel ready? N/A
2. Will jobs be created? No How many? N/A
3. Will additional state employees be necessary to oversee or administer the federal funds? No How many?
4. Date project could begin: March 1, 2009
5. Length of the project: The subsidy ends December 2010.
6. Requirements and deadline for applying for federal funding: See attachment
7. Requirements associated with desired funding, including but not limited to spending limitations, state match or cost share requirements, percentage limitations, and timeframes: In general, the Act provides a federal government subsidy of COBRA continuation coverage premiums for a maximum of 9 months for certain individuals who are COBRA qualified beneficiaries because of a covered employee's involuntary termination of employment. If an employee is involuntary terminated (non-disciplinary) between September 1, 2008 and December 31, 2009 and elects COBRA coverage they qualify for a 65% subsidy. Group Insurance, with the assistance of State Agencies, will have to determine who was involuntarily terminated (except for gross misconduct) beginning Sept 1, 2008. Employees who declined COBRA coverage from this time forward are able to participate in this assistance program. Per IRS there needs to be some kind of Declaration/Attestation for each individual that they were terminated involuntarily. The State Controller's Office will reduce from each payroll period the amount for each COBRA reimbursement from the amount remitted to the Federal Government in payroll taxes. SCO will reimburse OGI the amount of subsidy for each employee that qualifies and enrolls for COBRA coverage. See Attachment for more detail.
8. Will there be additional spending authority necessary to expend the federal funds? No additional spending authority is necessary.

Project background and justification (a summary can be included here with more detail attached):

Please see attached.

When would federal funding end? December 2010

Explain exit strategy:

The subsidy ceases to apply as of the earliest of:

- the date the AEI becomes eligible for coverage (not actually covered) under another group health care plan or Medicare coverage; or
- 9 months after the first day of the first month to which the subsidy applies; or
- the end of the maximum COBRA coverage period required by law (including permissible early terminations); or
- for an AEI who elects COBRA during the special enrollment period, the end of the maximum COBRA coverage period that would have applied if the AEI had elected COBRA coverage when first entitled to do so.

CFO Signature of Approval:

Date:

Director's Signature of Approval:

Date:

AMERICAN RECOVERY and REINVESTMENT ACT of 2009

PREMIUM ASSISTANCE FOR COBRA BENEFITS

Section 2, Division B, Title III

The American Recovery and Reinvestment Act of 2009 (ARRA) includes significant changes to the COBRA continuation coverage rules. In general, the Act provides a federal government subsidy of COBRA continuation coverage premiums for a maximum of 9 months for certain individuals who are COBRA qualified beneficiaries because of a covered employee's involuntary termination of employment.

Employees who were involuntarily terminated between September 1, 2008 and December 31, 2009, will be eligible for a 65% federal subsidy for up to nine months. The subsidy is to be taken by employers as a credit against payroll taxes. The subsidy would be available to individuals with adjusted gross income up to \$125,000 or couples up to \$250,000. The subsidy would not apply to employees terminated for gross negligence.

Employers will have to issue notices to an employee terminated since September 1, 2008 informing them of their right to this subsidy. The Secretary of Labor is to issue notice guidance within 30 days of the effective date of this new bill. Terminated employees will then have a special 60 day open enrollment period in which they can elect COBRA coverage.

Under the Act, the federal government will subsidize 65% of the COBRA premium actually charged to an "assistance eligible individual" (AEI) for up to 9 months. The federal government will reimburse an employer for the remaining 65% of the COBRA premium by allowing the employer to take a credit against the employer's liability to deposit payroll taxes and federal income taxes withheld from employees' compensation.

The subsidy ceases to apply as of the earliest of:

- the date the AEI becomes eligible for coverage (not actually covered) under another group health care plan or Medicare coverage; or
- 9 months after the first day of the first month to which the subsidy applies; or
- the end of the maximum COBRA coverage period required by law (including permissible early terminations); or
- for an AEI who elects COBRA during the special enrollment period, the end of the maximum COBRA coverage period that would have applied if the AEI had elected COBRA coverage when first entitled to do so.

The new COBRA provisions established by the Act require employers and plan administrators to take prompt action and make quick decisions to implement new COBRA procedures.