### A proposal to establish the CENTER FOR SCIENCE AND TECHNOLOGY Research, Development & Education for Eastern



# UNIVERSITY OF IDAHO UNIVERSITY OF IDAHO UNIVERSITY OF IDAHO PLACE IN IDAHO FALLS

September 2000

#### A proposal to establish the

#### CENTER FOR SCIENCE AND TECHNOLOGY

Research, Development & Education for Eastern Idaho

University of Idaho ISU/UI Center for Higher Education 1776 Science Center Drive Idaho Falls, ID 83402

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> > September 2000

# SUMMARY CENTER FOR SCIENCE & TECHNOLOGY

The University of Idaho, in partnership with Idaho State University, proposes that \$6M from the INEEL Settlement Fund be allocated to develop the Center for Science and Technology (CST). The Center will include a 50,000 ft<sup>2</sup> building on two acres at the ISU/UI Center for Higher Education at University Place in Idaho Falls. Construction cost, excluding land cost, will be an estimated \$10.9M. The facility will be built on land leased from the ISU Foundation for \$1.00; this land is valued at \$200,000.

Generally, facilities planning and infrastructure will be funded using \$1.85M from two HUD grants. Other capital costs of \$8.975M will be met from a combination of the INEEL Settlement Fund grant of \$6M and \$3.05M in debt to be repaid to investors and/or lenders over 12 years. If possible, the debt will be eliminated using other grants or gifts.

The premise underlying the CST proposal is that such a facility in Eastern Idaho will: (a) create quality jobs, (b) induce investment and act as a catalyst for high-tech growth, (c) reduce Idaho's dependence on DOE, and (d) be compatible with goals of neighboring communities and their economic development efforts.

CST tenants will have a competitive advantage in winning contracts and grants for research primarily in seven fields: (1) subsurface geosciences, (2) agricultural science and technology, (3) computer science and engineering, (4) natural resource management, (5) hydrology, (6) industrial safety, and (7) environmental science. In estimating income for CST occupants and economic benefits to Idaho, our review of six research centers in other states revealed that comparable facilities averaged \$150 per ft<sup>2</sup> in annual contracts and grants; at this rate, the CST will bring in \$7.5M annually for similar research.

The building design allocates 30,000 to 35,000 ft² to net leaseable space, plus a common area of 15,000 to 20,000 ft². Lease rates at \$10/ft² per year for core/shell space and \$19/ft² per year for finished space will be competitive with the local market and have the potential to generate over \$560,000 annually. This income will be sufficient to pay normal operating costs, including a reserve for future capital improvements and replacements, as well as to repay debt financing, if any. Tenants who have expressed interest in the CST facility include: Bechtel BWXT Technologies Idaho, LLC, Inland Northwest Research Alliance, Idaho Water Resources Research Institute, University of Idaho, and Idaho State University faculty.

The federal government is expected to be the predominant source of contract and grant income for CST tenants, accounting for about 50% of revenues at three years. Federal agencies obligated a new high of \$16 billion for *academic* science and engineering activities nationwide in 1998, and CST tenants will be staffed and positioned to compete for a significant portion of this funding. The total value of such R&D contracts and grants has been steadily increasing at a rate of 3.3% annually, with a 5% increase in FY1998. With growing national interest in CST's selected fields of emphasis, funding is expected to rise proportionately. External risks include: (a) a possible shift in national priorities that would reduce federal funding, and (b) unforeseen new research centers that enter the market in competition with CST for the same federal research programs and associated dollars.

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#### 1.0 OVERVIEW AND PURPOSE

The University of Idaho (UI) in partnership with Idaho State University (ISU) proposes the formation of a research and development Center for Science and Technology (CST) at the ISU/UI Center for Higher Education at University Place in Idaho Falls. Experience has shown that productive and profitable collaboration between universities, national laboratories, industries, and the private sector are most successful in a campus-like environment where interdisciplinary colleagues collectively participate in professional research, development and education (RD&E). The UI/ISU team, in partnership with The Inland Northwest Research Alliance (INRA) and other universities, industry, government and the Idaho National Engineering and Environmental Laboratory (INEEL), is uniquely positioned for such collaboration.

The objective of the proposed Center is to provide long-term support and growth opportunities for specialized research, development and educational programs in areas where strength and competence have been and continue to be developed. These areas primarily include sub-surface mass transport, agricultural science and technology, computer science, computer security, computer engineering, natural resource management, hydrology, industrial safety, and environmental science. Several current university faculty in Idaho Falls along with new research faculty from UI and ISU will be part of the initial technical nucleus for the Center. The Center will be an investment in enhancing the economic growth of the region while providing education and training for professional and entrepreneurial development.

The Center will be regionally recognized as a high quality, professional facility specifically designed to promote opportunities for promising, professional collaborations among university, industry, government and national laboratory colleagues. Economic benefit and growth will be realized by attracting new sponsorship from private, industrial and agency sources. The Center will complement the long-term missions of the INEEL and the community by providing "next door" access to a diversified technical resource. Additionally, post-graduate and visiting scientists who are not U.S. citizens will be able to contribute to RD&E since the CST will be outside the INEEL security fence. Space in the Center will be leased and staffed based upon project needs. Faculty, researchers, development representatives, graduate students, technicians and support staff will be assigned to the Center at levels commensurate to project resources and requirements.

The proposed Center will complement the objectives of the Community Reuse Organization, the Idaho Innovation Center and its Bonneville County Technology Center by providing a local resource for highest-level technical expertise, research, development, education, training and retraining. Concepts and new ideas developed through the Center will become the subject of future start-up technology companies that may become tenants of the Idaho Innovation Center and Bonneville County Technology Center for small business development.

#### 2.0 CURRENT INFRASTRUCTURE

The University of Idaho and Idaho State University continue successful, cooperative expansion at the ISU/UI Center for Higher Education at University Place in Idaho Falls to fill regional demands for higher education. Total enrollments and course offerings at the Idaho Falls facility have doubled in the last three years. The Center for Higher Education building, opened in 1993, is now utilized to design capacity in most areas. The new student union building was completed this year, further enhancing University Place. Current total university enrollment at University Place is nearly 3,000 students.

The combined presence of full-time university faculty, the Idaho Water Resources Research Institute, the District IV Agricultural Cooperative Extension System Office, and INRA, is generating unprecedented synergy at the ISU/UI Center. All research and development (R&D) space at University Place is currently in use beyond design expectations. Additional facilities are now needed if the academic, research, and development endeavors are to grow and reach full potential. Similarly, adjacent INEEL research and development facilities continue to be fully utilized due to BBWI's (Bechtel BWXT Idaho, LLC) new R&D initiatives.

The long-term future for sustained technological development for the region depends on selective university education in tandem with supportive R&D. The University of Idaho strives toward the goal of making the ISU/UI Center for Higher Education a premier institution of choice for selected science, engineering, and technology programs in eastern Idaho.

Figure 1 shows a portion of the proposed master plan for University Place. The footprints of existing and planned buildings are shown, including the locations for the proposed Center for Science and Technology and the INEEL's proposed subsurface research facility.

A PROPOSED SITE PLAN FOR THE ISU/UI CENTER FOR HIGHER EDUCATION AT UNIVERSITY PLACE IN IDAHO FALLS

FIGURE 1



#### 3.0 PROPOSED FACILITY AND TENANTS

A multi-function facility will adapt to changing needs while supporting high-quality research, development, and advanced education. The proposed Center will house a spectrum of interdisciplinary tenants and support corresponding activities potentially including:

- INRA and other universities in support of selected R&D programs
- The National Resource Policy and Science Center
- The Idaho Water Resources Research Institute
- The INEEL in support of strategic initiatives
- The Manufacturing Assistance Program
- Post-graduate research & education
- Collaborative laboratories with support for research, development, and education
- Multi-point interactive video conferencing
- Selected business / entrepreneurial programs in support of private industry

#### 3.1 Inland Northwest Research Alliance (INRA)

INRA is an alliance between seven regional universities:

Boise State University
Idaho State University
Montana State University
University of Idaho
University of Montana
Washington State University
Utah State University

Headquartered on the University Place campus in Idaho Falls, INRA is a not-for-profit corporation organized and existing under the laws of the State of Idaho. Its Board of Trustees is comprised of the Presidents of the seven member universities.

INRA is an owner-participant in BBWI, the maintenance and operating contractor of INEEL. INRA conducts activities consistent with its charter including working with university faculty, staff, and students to enhance research and development at the INEEL and on the campus of each member institution. In addition to supporting R&D activities and under subcontract to the INEEL, INRA will provide services to the INEEL including administering technical personnel appointments for post-graduates, visiting foreign scientists, faculty, and researchers.

The proposed Center, located outside the INEEL security fence, will contribute to the success of the INEEL by facilitating many aspects of professional technical exchange between the laboratory, universities, and foreign visitors.

#### 3.2 National Resources Policy and Science Center

This Center, proposed by Idaho Senator Mike Crapo in the "ENVIRONMENTAL STEWARDSHIP AND NATURAL RESOURCES ACT OF 1999 - S.1071," has been referred to by various names, including the National Resources Institute. Senator Crapo described this center in his address to the Senate when he introduced the bill:

I also propose the establishment of a Natural Resource Institute at the INEEL. This institute will bring together scientists, scholars, and others in the field of natural resources management, to study complex issues that affect natural resources policy. The institute will also work on specific natural resource and environmental issues and problems, by utilizing the resources of the INEEL, northwest universities, states, and various federal agencies. The INEEL is a national laboratory, not just a laboratory for the Department of Energy. The expertise, experience, and resources of this site must be made available to all. The Natural Resource Institute will be the conduit for bringing expertise to the INEEL and for making information, data, and good science available for the solution of natural resource issues throughout the inland northwest.

The CST will provide a focal point for implementing this legislation. This facility will provide both the INEEL and the local community with a mission that transcends the DOE mission and has the potential to provide a stable source of scientific endeavor.

#### 3.3 The Idaho Water Resources Research Institute

The University of Idaho Board of Regents established the Idaho Water Resources Research Institute (IWRRI) in 1963. The following year, the Office of Water Resources Technology was established at the federal level in the Department of Interior that provided for a Water Resources Research Institute at every land grant university in the United States, plus three United States territories and the District of Columbia. Currently the Institute is authorized under the Water Resources Act of 1984 and is administered by the United States Geological Survey, Department of Interior.

The Institute supports and directs water research for the State of Idaho and the region, which routinely leads to cutting-edge discoveries in such vital topics as water quality, water supply, and water management. More importantly, these discoveries lead to a greater understanding of our surroundings and offer sensible solutions toward maintaining a healthy balance between the economy and the environment. Research, education, and information transfer are the three mandates to the public with which the Idaho Water Resources Research Institute is charged.

Research sparks discovery that comes from working together with diverse experts. In that spirit of cross-campus cooperation, IWRRI brings together the top scientific experts from Idaho's three universities, University of Idaho, Idaho State University and Boise State University. That cooperation extends to numerous research and education opportunities with local, state, and federal agencies, and a variety of industry partners.

Education results from research projects that regularly involve graduate and postgraduate students, thereby contributing to their total educational experience. This training is an important step in creating future scientists and nurturing scientific creativity.

Information Transfer, the distribution of research results to the general public, is the third vital component in the Institute's mandate. In addition to formal research reports published in technical journals, IWRRI scientists regularly publish results and make presentations designed for a lay audience. IWRRI sponsors a range of timely conferences and short-courses and produces audio-visual materials, including educational videos.

The Institute's presence and involvement in the Center provide strong focus on one of Idaho's most precious resources—water.

#### 4.0 NUMBER AND QUALITY OF JOBS CREATED

The Center for Science and Technology will be staffed in two phases. The first 5-year phase will be characterized by a significant INEEL involvement, followed by a second phase with less INEEL involvement, allowing additional space for academic/educational research.

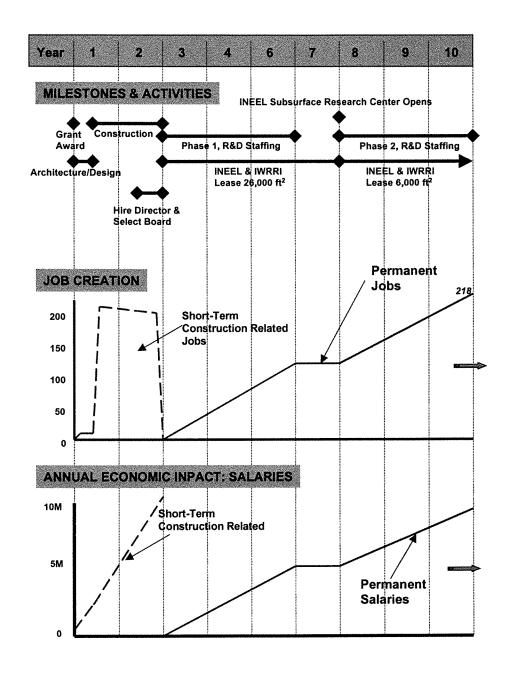
During Phase 1, half of the available space (25,000 ft<sup>2</sup> gross) will be leased to INEEL. The remaining 25,000 ft<sup>2</sup> will be dedicated to academic/educational research including 1000 ft<sup>2</sup> requested by the Idaho Water Resource Research Institute. The academic/educational research will be staffed over a 3-year period. When this phase is mature, exclusive of INEEL, the Center will create approximately 50 new, high-level professional positions. Permanent professional positions will include a Center director, approximately 30 research and development associates, and 20 technical support staff positions. Salaries will range from \$25k per year for support staff positions to \$120k per year for select high-level R&D associates

Figure 2 is a multi-year time line illustrating projected *Milestones and Activities*, *Job Creation* and estimated *Annual Economic Impact*: *Salaries Generated*. As shown, job creation commences when funds are awarded, supporting approximately 236 temporary architecture and construction-related positions (Table II). Permanent, professional positions start approximately 24 months after the award date with the onset of director and professional staffing for phase 1. Complete staffing for Phase 1 is expected to take approximately 5 years from the award date. Phase 2 starts approximately 6 years after project initiation when INEEL moves into their research facility.

The second phase begins when the INEEL's Subsurface Research Center is available for habitation. The two facilities will maintain a close working relationship with an all-weather connection that spans the property line (Figure 1). During Phase 2, the INEEL has committed to maintain a lease for 5,000 ft², which will provide 20,000 ft² of gross space for additional academic/educational research. The research staff associated with this additional available facility will build up over three years and will create approximately 40 additional professional positions. The completion of this phase will result in a total of approximately 90 research and development associates and 218 secondary or induced positions with a total annual payroll of approximately \$6.75M per year. Table I summarizes the predicted annual economic and employment impacts in the corresponding community sectors after this staffing is complete (excluding 50 to 100 visiting researchers with an estimated total annual salary of \$2.5M, and the INEEL researchers). The research staff salaries will add \$9.6M directly to the local southeastern Idaho economy.

FIGURE 2

TIME-LINE FOR CONSTRUCTION AND STAFFING OF THE CENTER FOR SCIENCE AND TECHNOLGY



# TABLE I ANNUAL ECONOMIC & EMPLOYMENT IMPACT CENTER FOR SCIENCE AND TECHNOLOGY

Based on Idaho Economic Modeling Project (IDEMP) model for \$6.75M/yr in contracts & grants sales

SECTOR	<b>SALARIES</b>	<b>EMPLOYMENT</b>
Mining	\$ 0	0
Construction	\$882,000	14
Manufacturing	\$392,000	5
Transportation	\$625,000	5
Wholesale Trade	\$457,000	9
Retail Trade	\$713,000	25
Finance/Real Estate	\$873,000	7
Motels	45,000	2
<b>Business Services</b>	\$630,000	9
Other Services	\$954,000	27
Eating & Drinking	\$180,000	7
State/Other related	\$353,000	16
Center SCI & Tech	\$3,512,000	<u>90</u>
TOTAL	\$9,616,000	218

#### TABLE II SHORT-TERM

## ECONOMIC & EMPLOYMENT IMPACT OF CONSTRUCTION CENTER FOR SCIENCE AND TECHNOLOGY

Based on Idaho Economic Modeling Project (IDEMP) model for \$8M in construction

SECTOR	<b>SALARIES</b>	<b>EMPLOYMENT</b>
Mining	\$2,000	0
Construction	\$4,276,000	84
Manufacturing	\$730,000	12
Transportation	\$646,000	6
Wholesale Trade	\$690,000	12
Retail Trade	\$924,000	34
Finance/Real Estate	\$794,000	8
Motels	\$42,000	2
<b>Business Services</b>	\$816,000	14
Other Services	\$678,000	18
Eating & Drinking	\$182,000	8
Other related	<u>\$824,000</u>	<u>38</u>
TOTAL	\$10,704,000	236

NOTE: The economic and employment impacts shown on Tables I and II were developed using the Idaho Economic Modeling Project (IDEMP) model. The model was created by Dr. Hank Robison, Senior Research Economist, Center for Business Development and Research, located at the University of Idaho.

IDEMP provides an extensive analysis of Idaho's economic base. The model assesses the economy in three areas of Idaho: (1) north Idaho which is linked to the Spokane, Washington economy, (2) the Boise region representing central Idaho and eastern Oregon, and (3) southeast Idaho which is linked to the Salt Lake City, Utah economy. A copy of the model documentation can be obtained, upon request, from the Center at (208) 885-6611.

#### 4.1 Expected Grants and Contracts

Table III provides a comparison of several research centers around the country. It itemizes the expertise of each, the number of employees, the square footage at the respective center, the annual contract and grant revenue secured by the employees of the Center, the average C&G dollars per employee, the contract and grant dollars per square footage and the square footage allocated per employee. As indicated, the proposed 50,000 ft<sup>2</sup> Center housing 90 direct employees with \$7.5M in annual C&G revenues is consistent in all aspects with similar centers.

#### 4.2 Quality of Jobs Created

The facility will allow for the expansion and enhancement of technical degree programs. A minimum of 50 to 90 highly skilled graduates each year will benefit directly from the facility when used in support of their master's and doctoral-level programs. Approximately 50 post-graduate research positions will also be created, further enhancing the economic benefit of the CST. Additionally, the facility will enhance the value of personnel (approximately 100 per year) currently in the technical work force by providing local continuing educational opportunities not currently possible without such laboratory and research facilities.

The facility will evolve into an engine for job creation by allowing innovative research to be transferred to the private sector. In addition, innovative technical spin-offs to the private sector are common for university research centers. It is not unusual for contracted research, development and education projects to employ many additional personnel during the course of the projects. For example a current three year, \$4.5M project to evaluate chemical decontamination of the Snake River Plane Aquifer (see Sec. 10) employs over 40 researchers and technicians statewide for the project duration.

The success of this facility will create jobs and also enhance the employment opportunities for people in the region. Highly skilled graduates from associated university degree programs (approximately 50 to 90 per year) will be produced for regional employment opportunities in the \$40k to \$70k per year salary range.

#### 5.0 ABILITY TO INDUCE INVESTMENT / GROWTH

The proposed facility is an investment by the State in eastern Idaho. For each dollar invested in university research and development in the State of Idaho, conservatively, 1.6 dollars are generated in employment salaries for the local economy (from the IDEMP model). However, specific investment in research creates an additional and significant multiplier effect. Around the nation, total economic impact from research typically has a minimum economic multiplier of 1.5 to 4. The Desert Research Institute in Nevada, for example, quotes a R&D multiplier of approximately 3.5 (see Figure 3). Although impossible to predict, innovative spin-offs from university-operated research centers can and do yield economic returns orders of magnitude greater than initial investments. The proposed facility will enable the creation of a research enterprise and associated economic benefit for eastern Idaho. Virtually all-fiscal resources generated by the facility will be invested in eastern Idaho for the support and development of the regional communities.

Figure 3 illustrates an example of a typical research center located in neighboring Nevada, the Desert Research Institute (DRI). Some statistics of the DRI are provided in Table III and compared to other successful research centers. As shown, research is a good economic investment for the Nevada economy. The state annually provides the institute with \$2M for administration; in-house researchers leverage the state money by a factor of 11 from contracts and grants to \$22M. The resultant research dollars are pumped into the Nevada economy with an estimated 3.5 multiplier effect to generate \$85M in economic activity. Approximately \$3M per year in state taxes is generated from the economic activity and returned to the state. Thus, for every \$2 invested by the state, \$85 in economic activity results, and \$3 is returned to the state coffers.

When mature the proposed CST will have several similarities with the DRI. Both are research centers affiliated with the state university system. Both have researchers who are not tenure track faculty. Both bring in funds from sources outside the state by competing for and earning private and public research contracts and grants. Both address research and development issues relevant to their respective states. Both support education by providing multidisciplinary faculty expertise and graduate student support. Both have highly educated researchers and staff with salaries greater than the local average. Both have international reputations for excellence that enhance the stature and competitiveness of the state. Both contribute to the economic well being and stability of the region. Unlike the DRI, however, the proposed Center for Science and Technology will not require annual revenues from the state when fully established.

Since 1993, UI-funded research in Idaho Falls has grown to over \$1M annually. This is due, in part, to the recent (since 1992) presence of full-time UI faculty and researchers and the construction of the Center for Higher Education building at University Place in Idaho Falls.

As a university grows, the local community grows. Supportive services and spin-off companies emerge. The attractiveness of higher education's resources and opportunities promotes interest from companies, corporations, service industries, and private citizens in relocating and investing

in the region. With the addition of the R&D performed at the Center and the high potential for economic spin-offs, the region will improve its position relative to regional, national, and global competitors.

Development of the Center also demonstrates the state's commitment to diversification of eastern Idaho's economy. The Center will bring continual long-term benefits to the state as the results of the research performed in Idaho Falls are transferred to the private sector. This will bring about the creation of new jobs and reduce the dependence on direct or indirect DOE-sponsored employment.

TABLE III

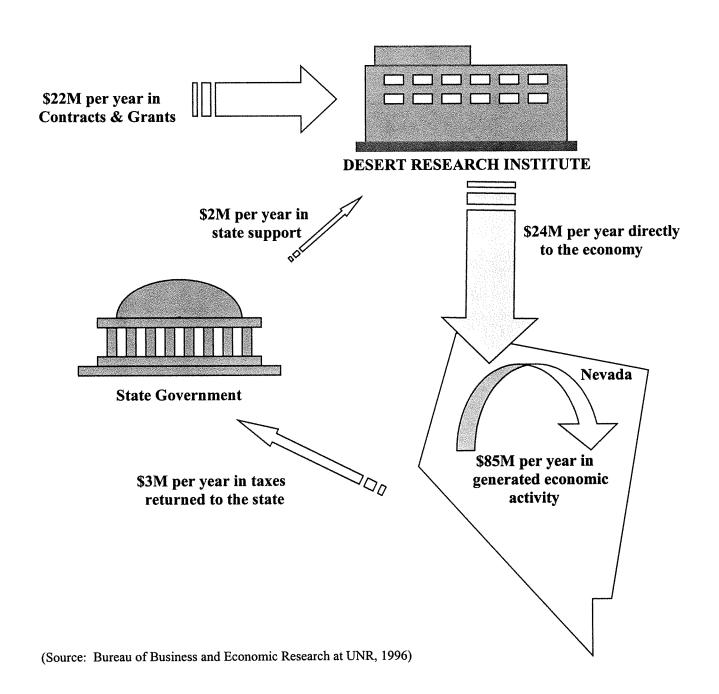
# COMPARISON OF SIMILAR RESEARCH CENTERS

FT/EMP	750	340	546	381	2136	360	752	200
S/SQ.FT. SQ.FT./EMP	\$73	\$118	\$84	\$200	\$53	<u>\$360</u>	\$148	\$150
S/EMP	\$55k	\$40k	\$46k	\$76k	\$113k	\$95k	\$71k	\$75k
ANNUAL GRANT REVENUE	\$22M	\$4M	%98	\$25M	\$2.5M	\$1.14M	AVERAGE	\$7.5M
FACILITY SIZE (SQUARE FEET)	300,000	34,000	71,000	125,000	47,000	4,314		20,000
EMPLOYEES	400	100	130	328	22	12		50
EXPERTISE EMP	Environmental	Energy Environment	Renewable Energy Efficiency	Sensor Technology	Environmental & Engineering	Transportation		Science & Engineering
CENTER	Desert Research Institute Reno & Las Vegas, NV	Starkey's Energy Center Norman, OK	Florida Solar Energy Ctr. Cocoa, FL	Space Dynamics Laboratory Logan, UT	Center for Environmental Sciences & Engr. Reno, NV	National Center for Advanced Transportation Technology Moscow, ID		Proposed Center for Science and Technology-IF

#### FIGURE 3

#### RESEARCH IS A GOOD ECONOMIC INVESTMENT

Example of how the Desert Research Institute contributes to Nevada economy



#### 6.0 ABILITY TO REDUCE IDAHO'S ECONOMIC DEPENDENCE ON DOE

Favorable growth and economic development have continued in eastern Idaho in the shadow of Department of Energy (DOE) downsizing at the INEEL during the 1990's. This is due in part to the regional economic attractiveness and skilled labor force available for high technology companies and companies relocating from outside the region. Local higher education institutions contribute to the desirability of Idaho for establishing local technology-based businesses and to the training or retraining of a skilled work force.

To make investments in research and development requires that there be sufficient supporting infrastructure. These "bricks and mortar" investments obviously must precede the other research investments. It is essential to the research and outreach missions of the universities that this infrastructure is created close to where the research challenges and opportunities are, and there are many in Idaho Falls.

The INEEL plans also include reducing its dependence on the DOE. The universities at University Place in Idaho Falls can better help with such plans to reduce DOE dependence when appropriate facilities are available.

It is expected that a significant fraction of the contracts and grants attracted by the proposed Center will be *new* federal dollars not currently available for eastern Idaho. Although research contracts and grants will most likely stem from many federal agencies, new DOE funds not affiliated directly with the INEEL are expected (also see Section 10.0). The University of Idaho's total annual C&G funding is approximately \$68M, with less than 4% of that stemming from DOE. Similarly, ISU C&G funding is \$17M per year with \$6M from federal sources and \$2M (or less than 12%) from DOE.

Research and development are good investments for economic growth in eastern Idaho. Several research and development enterprises have prospered in Idaho Falls and continue to attract new revenues and employment to the region. Scientech, for example, is a multidisciplinary research and development company established in Idaho Falls in 1983. It specializes in safety, security, utility support, environmental research, information management, and nuclear services. It now has over 700 employees worldwide generating over \$80M annually in contracts and grants. Another example is Global Technologies, Inc. of Idaho Falls. Established in 1993, the company now employs 20 researchers and support staff and produces annual contracts of more than \$1M. Each of these companies exemplifies successful research and development bringing new, non-DOE dollars into Idaho.

#### 7.0 PAST PERFORMANCE OF THE APPLICANT

The University of Idaho is a publicly assisted comprehensive land-grant institution with principal responsibility in Idaho for performing research and granting the Doctor of Philosophy degree. To assist with its statewide mission, the University maintains branch campuses in Idaho Falls, Boise, Twin Falls, and Coeur d'Alene; extension offices in 42 of Idaho's 44 counties; and more than a dozen research, extension, or field stations throughout the state.

The UI has been offering educational programs in Idaho Falls since 1954 and continues to focus on upper-level science, engineering, technology and related education and research. In 1991, the UI assigned its first resident faculty member to Idaho Falls. Currently 12 resident UI faculty members and over 80 part-time affiliate faculty members provide teaching, research and service for the community. Similarly, Idaho State University and BYU-Idaho (formerly Ricks College) provide a full-time presence at University Place with faculty, staff, educational support services and researchers.

Since 1979, the UI Foundation has owned and operated the 46,000 square foot Administration Office building and surrounding 26 acres at University Place. The building has been and continues to be fully leased to tenants from the UI, ISU, INRA, IWRRI, Ricks College and the INEEL. Frequent requests are received from high-technology private sector companies to lease office and/or laboratory space at University Place. For example, in November of 1997 alone, AIZ, Inc. inquired about 600 ft<sup>2</sup> of chemistry lab and office space for applied research with a new company in advanced battery research; Dr. Wayne Jones inquired about 300 ft<sup>2</sup> of laboratory space for agricultural research and technology transfer; Dr. John Flinn inquired about research, office space and technical support for advanced metallurgical studies for his company and technology transfer. The IWRRI has committed to lease additional laboratory and office space to expand their staff and resources for continuing ground water research.

The University of Idaho, in cooperation with INRA and INEEL, has developed two Regents' Distinguished Professorships. One of these sponsored chairs, in microbiology, has been filled at the UI Moscow campus, and the second, in agricultural and biosystems engineering, is in the process of being filled at Idaho Falls. These positions, and the research scientists that occupy them, require significant laboratory facilities.

Such interest is due in part to the proximity with the INEEL/DOE and the availability of in-house expertise of resident faculty. Unfortunately, vacant space has not been available at University Place for many years. Current active leases, with options for extensions, for the University Place facilities range from 4 to 13 years.

Extrapolating the past 17 years of experience at University Place in Idaho Falls, the proposed Center will likewise be fully leased within two or three years of availability. The welcome challenge will not be finding sufficient tenants to fully lease the Center, but rather in selecting the best and most productive tenants that contribute to the missions of the Center.

#### 8.0 AMOUNT OF LOCAL PARTICIPATION IN THE PROJECT

The research Center will be operated locally by the universities at University Place in Idaho Falls. Tenants in the Center are expected to be researchers from the UI, ISU, other INRA universities, the Idaho Water Resources Research Institute and high-technology companies supporting and developing technologies for potential transfer to the private sector or transfer to the Idaho Innovation Center.

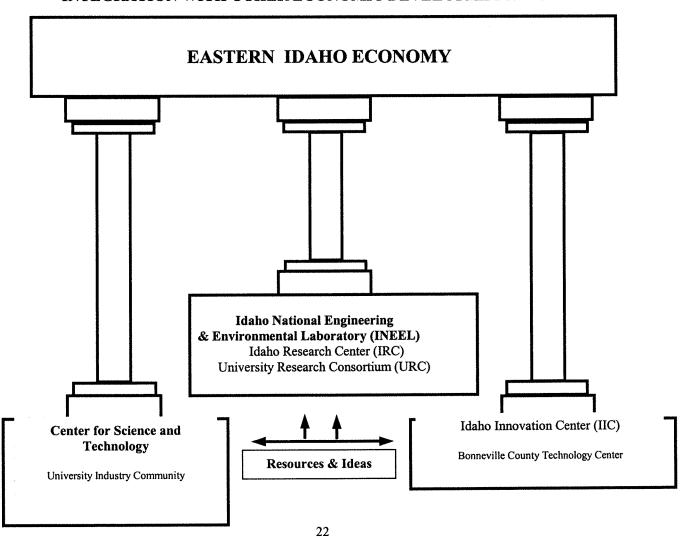
A local university-industry advisory board will be formed to assist in the planning and operation of the Center.

#### 9.0 INTEGRATION WITH OTHER ECONOMIC DEVELOPMENT EFFORTS

The proposed Center complements the objectives of the Community Reuse Organization for economic development and economic diversity by serving as a high-technology research and development input source for the Idaho Innovation Center and its Bonneville County Technology Center.

Figure 4 illustrates how the proposed Center for Science and Technology, in cooperation with the INEEL and the Idaho Innovation Center, will help support the eastern Idaho economy. Within walking distance of each other, resources, personnel and ideas can be readily connected to help promote R&D and entrepreneurial activities. The Center also complements economic development initiatives being pursued by BBWI under their contract with DOE, and Bechtel initiatives to locate corporate-funded R&D in eastern Idaho.

FIGURE 4
INTEGRATION WITH OTHER ECONOMIC DEVELOPMET EFFORTS



#### 10.0 SERVICES, MARKETS AND CUSTOMERS

The proposed Center for Science and Technology can be viewed as a non-profit business focused on research, development, and education. The Center provides *services* to customers or clients including:

- ♦ High-level, interdisciplinary research, development and education
- ♦ Technical support and laboratory resources
- ♦ World-wide compressed video conferencing
- ♦ Virtual library connections and assistance
- ♦ Lease space (technical laboratories and electronic classrooms)

The *customers* or buyers of the Center's services are those who utilize research development and educational services. For example, a regional utility company would contract the research and development services of the Center in order to better understand and hopefully improve the efficiency of their gas turbine generation systems. The results of this research and development would lead to local benefits including lower utility bills and more customers, and global benefits including better use of fossil fuels, reduced pollution, and cleaner air. The customers for RD&E services are, of course, not limited to utility companies. Virtually any imaginable business, governmental agency, foundation or organization could benefit from the technical services provided by the proposed Center. The customer base for RD&E is worldwide.

The demand for research, development and education grows with and drives global technological development. Investment in RD&E is directly related to the technological well being of society. As the world continues to race toward the green global marketplace, the need and demand for cutting-edge RD&E grows. Success in the global marketplace depends on specialized knowledge that can only be developed through research. Client demands for the RD&E services provided by the Center for Science and Technology will continue to grow. Customers or end-users ultimately will drive the areas of RD&E.

The United States spends more on R&D than any other country; total annual R&D expenditures were approximately \$247B in 1999, as a result of increases between 7% and 9% during the past three years. Additionally, recent R&D as a share of gross domestic product is the highest it has been since 1967 and represents a continued upturn that began in 1994. Universities and colleges accounted for 11% (\$28B) of national R&D performance in 1999. Federal agencies will spend a total of \$80B for research and development programs this year, and they are therefore likely sources of technical research, development and educational funding. Other major funding sources include corporations, private enterprises and agencies, foundations and foreign sources. For example, industry directed about \$2.2B toward academic R&D in 1988.

The customers or buyers of the RD&E services are varied and include federal, private, corporate and state agencies. Many of the research projects continue for several years, create many additional jobs, spin off companies or new business opportunities for existing companies and can significantly

contribute to economic development. Typically, about 50% of all contracts are spent for salaries – the majority of these dollars are spent in local economies.

Table IV illustrates examples of recent RD activities performed by researchers at the University of Idaho. Current (FY 2000) annual research funding at the UI is nearly \$68M. Of this total R&D budget, \$45.5M is externally awarded through competitive grants and contracts, and \$22.5M is appropriated primarily for agricultural and forest utilization research. External competitive research grant and contract dollars awarded to UI have increased at twice the rate of appropriated dollars over the last 17 years and are now more than twice that of appropriated research dollars. In fiscal year 1999, about 55% of the university's full-time academic faculty submitted nearly 750 proposals for funding to state, federal, and private funding agencies. Of competitive awards, approximately \$30.8M (68%) stems from federal agency sources, \$8.3M (18%) from private or other sources, and \$6.4M (14%) from state sources. Table V shows the current federal funding sources for research and development activities at the University of Idaho. As shown, over a dozen federal agencies sponsor research activities with the University. Approximately 10% of competitive federal dollars are from the DOE/INEEL - only 4% of the total UI R&D budget. Similar funding sources may be expected for the proposed Center during the early years of startup. Over time, as the Center builds its own identity, one may expect that the funding sources will focus more in areas of developed expertise.

The demand for research and development is great, as is the competition for research and development contracts and grants. Competition with the proposed Center includes research universities, companies and research laboratories around the world. Local competitors for contracts and grants include Scientech Inc., SAIC, Jason Associates, several other smaller R&D companies, and the INEEL.

An advantage of the Center in successfully securing research, development, and educational contracts, versus other regional companies or universities, lies in the local access to partnered resources. In March 1998, two universities (UI & ISU) formed a partnership for university functions at University Place in Idaho Falls. Not only are student services, academic programs, and facilities now successfully developing under cooperative agreement, but so to are R&D projects. Researchers from the Center can readily access expert resources and personnel available in Idaho Falls, Pocatello and Moscow. Additionally, and of equal importance are the intellectual talent and enthusiasm brought to any research, development and educational project by the graduate students. From undergraduate research, to master's theses and doctoral dissertations, the educational and training opportunities afforded by the Center are invaluable.

The proposed Center will be a valuable asset to local research and development companies. Similar to the way restaurants prosper together in the "restaurant districts" of cities, research and development centers prosper together in "research parks." Collectively they can provide a menu of excellence and expertise that cannot be duplicated individually. The Research Triangle in North Carolina or the Stanford Research Center in California are examples of RD&E engines propelling the regional economy. The proposed Center will be a major contributor to the rich pool of resource and expertise

collectively available through cooperation with the local academic institutions (UI, ISU and EITC), the INEEL, and the technical community. Competition, collaboration, and partnership breed success.

#### TABLE IV

#### EXAMPLES OF RECENT UI RESEARCH WITH ECONOMIC BENEFIT

- 1. A forest nutrition research project funded by Boise Cascade, Potlatch, and the U.S. Forest Service has resulted in
  - A 33% annual increase in forest stand growth (an additional 300 board feet per acre)
  - Increased gross sales by more than \$1M over three years for Idaho service industries performing forest fertilization
  - Increased value of Idaho forest stands by \$5M per year.
- 2. Research on chemical decontamination of the Snake River Plain Aquifer funded by DOE and conducted in collaboration by UI, ISU, BSU and INEEL has created in excess of 40 jobs. The three-year, \$4.5M project benefits those using this major source of irrigation and drinking water.
- 3. The UI National Center for Transportation Technology (NCATT) has maintained long term partnerships with the Idaho Department of Transportation and private industries such as Lockheed-Martin, CH2M Hill, JHK Associates, and Information Dynamics. These partnerships have funded over \$1.5M in transportation research benefiting private and commercial transportation with safe and environmentally stable highway designs, machine vision technology, traffic flow monography, and highway safety warning systems.
- 4. The J.R. Simplot Company funded remediation technology developed by researchers from the UI Institute for Molecular and Agricultural Genetic Engineering. The research is applied for cleanup of soils and waters contaminated by agricultural chemicals and wastes and is now distributed to worldwide markets in excess of \$3B. The technology developed has generated a new line of business for this major Idaho corporation and has created numerous new jobs within the state.
- 5. Weed science research by the UI has added more than \$12M annually to the statewide incomes of barley producers.
- 6. Agricultural research has enabled cereal grain growers to increase yields and profits by \$30 to \$65 per acre while improving crop quality, saving water, saving energy, and reducing chemical leaching into the ground water.
- 7. Forest genetic research produced an improved white pine tree seed with a market value of \$200k per year, which has increased growth in white pine stands and increased the value of the stands by \$1M annually.
- 8. Scientists from the UI Department of Metallurgical and Mining Engineering are researching new recording media technology based on inductively coupled plasma deposition on magnetic thin films. The giants of Idaho's high-tech computer industry are very interested in this promising research.

TABLE V UNIVERSITY OF IDAHO FEDERAL RESEARCH SUPPORT FOR FY 2000

AGENCY	DOLLARS (\$1000)	PERCENT OF TOTAL FEDERAL DOLLARS OBTAINED
USDA	5,946	19%
USDI	3,643	12%
NSF	3,577	12%
DOD	3,608	12%
EDUC	3,427	11%
INEEL	1,787	6%
DOE	1,201	4%
NASA	1,186	4%
NIH	1,155	4%
EPA	1,005	3%
HHS/FDA	741	2%
USDOT	655	2%
COE	233	1%
IRS	133	<1%
NOAA	87	<1%
Others*	2,387	8%
Total	30,771	100%

<sup>\*</sup>Other includes federal dollars through subcontracts with other universities

#### 11.0 ABILITY OF THE PROJECT TO BECOME SELF-SUFFICIENT

The business plan at this stage of development is by nature preliminary, but it is clear that the proposed Center will be self-supporting and will not require further state subsidy. Depending on the size of this grant, the building may generate positive income within 12 years.

#### 11.1 Facility Capital Cost and Capital Funding

As planned, the Center will be a 50,000 ft<sup>2</sup> building with about 30,000 ft<sup>2</sup> available for incomegenerating activities. The cost of the building is estimated to be \$8.15M, which includes special features such as laboratory hoods and benches, an industrial elevator, and a crane in a high bay. The building's cost is based on the cost of the recently constructed Physics and Engineering Building and the Agricultural Biotechnology Laboratory on the UI Campus in Moscow. Design and construction management, infrastructure (which includes utilities, roads, parking and grounds, Table VI), and contingency are estimated at \$2.75M. There is no cost for the land since the building is to be located on land currently owned by the Idaho State University Foundation. This land has a value of approximately \$200,000. Therefore, the total cost of the facility will be \$10.9M.

TABLE VI
Capital Cost and Capital Funding

CAPITAL COST		CAPITAL	FUNDING
85% CONSTRUCTION		Settlement Fund	\$6,000k
Building	\$7,900,000		
Site Development/utilities	900,000	HUD Grant, UI	\$ 925k net
Site access: road, infrastructure	400,000		
& parking		HUD Grant, City	\$ 925k net
SUBTOTAL	9,200,000	of Idaho Falls	
15% OTHER EXPENSES			
Planning/design fees & other		Loan, other grants,	\$3,050k
ODCs	\$ 950,000	or donations.	
Project administration/mgt.	in-kind		
Furnishings, fixtures, and eqp't.	250,000		
Project Contingency	500,000		
SUBTOTAL	\$1,700,000		
TOTAL	\$10.9M	TOTAL	\$10.9M

Construction, including design, will take two years. Assuming that funding is in place in 2000, the building will be ready for occupancy by the beginning of 2003.

In addition to the grant requested in this proposal, two HUD grants will contribute to this project. The first HUD grant to the University of Idaho is for \$1.0 and results in \$925k net for the project. It will be used to initiate the design. The second HUD grant, directed to the City of Idaho Falls, will be used to provide the road and utilities to the building site. The funding for the HUD grant to the University of Idaho has been appropriated. If the grant requested here is awarded for \$6M, the remaining \$3.05M of the construction cost will be covered by a mortgage or possibly other grants or gifts not yet identified.

#### 11.2 Operating Income and Expense

As the building is filled, all of the income required to operate the Center, provide for replacement of capital items, and retire the debt will come from rental or lease income. INRA has pledged \$200k annually for four years to offset operating costs until the building can become self-sufficient.

INEEL has provided a letter of intent to lease 25,000 ft<sup>2</sup> for the first 3 to 4 years and 5,000 ft<sup>2</sup> in subsequent years. The INEEL's requirements are based on gross rental space. IWRRI has provided a letter stating their intent to lease 1,000 ft<sup>2</sup> of laboratory and office space.

The remainder of the space will be available to the INRA universities, including the University of Idaho and Idaho State University, the National Resources Institute, and other commercial entities interested in renting or leasing research space. The profile used in this analysis to fill this remaining space is shown in Figure 2.

Table VII shows an analysis of operating income and expense based on these commitments and assumptions. Assuming a \$3.05M debt at the start of operations, the debt will be retired before the twelfth year of operation is completed. This analysis assumes a \$6M grant from the Settlement Fund. There is also the potential that other grants or gifts can be obtained for the initial construction of the Center. In that event, the debt would be reduced by the amount of these other funds.

Salaries for Center employees will be generated through contracts and grants from private, industrial and agency sources and from building lease revenues if needed. Annual contracts and grants secured through the proposed Center are conservatively expected to reach \$6M within three years of startup.

Table VIII illustrates the research productivity of selected University of Idaho faculty. As shown, the average high-level researcher secures contracts and grants valued at over \$470,000 per year, or about seven times his/her annual salary.

Therefore, providing building operations and maintenance from lease revenue and personnel support from contracts and grants yields a successful, profitable, and self-supporting model.

**TABLE VII** 

# PROJECTED OPERATING INCOME AND EXPENSE FOR THE FIRST 14 YEARS OF OPERATION

Year	Operating Income				Operating Expense			
2001	Construction	n	0.0		Construction		0.0	
2002	Construction		0.0			Construction		\$3.05M Loan
	INRA	INEEL	IWRRI	Other		Operations	&	Debit Balance
		Rental	Rental	Rental	Total	Maintenance		
2003	\$200k	\$250.0k	\$19k	\$88.7 k	\$557.7k	\$250k		\$2,895k
2004	\$200k	\$250.0k	\$19k	\$177.3k	\$646.3k	\$250k		\$2,643k
2005	\$200k	\$250.0k	\$19k	\$266.0k	\$735.0k	\$250k		\$2,290k
2006	\$200k	\$250.0k	\$19k	\$266.0k	\$735.0k	\$250k		\$1,920k
2007		\$50.0k	\$19k	\$342.0k	\$411.0k	\$250k		\$1,855k
2008		\$50.0k	\$19k	\$418.0k	\$487.0k	\$250k		\$1,711k
2009		\$50.0k	\$19k	\$494.0k	\$563.0k	\$250k		\$1,483k
2010		\$50.0k	\$19k	\$494.0k	\$563.0k	\$250k		\$1,244k
2011		\$50.0k	\$19k	\$494.0k	\$563.0k	\$250k		\$ 933k
2012		\$50.0k	\$19k	\$494.0k	\$563.0k	\$250k		\$ 730k
2013		\$50.0k	\$19k	\$494.0k	\$563.0k	\$250k		\$ 454k
2014		\$50.0k	\$19k	\$494.0k	\$563.0k	\$250k		\$ 163k

#### TABLE VIII

# EXAMPLES OF RESEARCH PRODUCTIVITY UNIVERSITY OF IDAHO FACULTY

NAME / AFFILIATION	S & GRANTS (5 yr)	
Ernest L. Brannon	\$410k	\$1,620k
Professor of Fishery Resources		
and Animal Science		
Aquaculture Research Institute		
Ronald L. Crawford	\$440k	\$2,922k
Professor of Microbiology	41101	<b>4-,</b> -
Institute for Molecular and		
Agricultural Genetic Engineering		
-		
John Crepeau	\$143k (3 years)	\$816k (3 years)
Assistant Professor of Mechanical Engine	ering	
Idaho Falls Center		
Scott E. Fendorf	\$215k	\$2,600k
Assistant Professor of Soil Chemistry	42200	,
Plant, Soil & Entomological Sciences		
Leland "Roy" Mink	\$447k	\$5,877k
Professor of Geological Sciences Idaho W	ater	
Resources & Research Institute		
Patrick R. Taylor	\$359k	\$1,145k
Professor of Metallurgical Engineering	φουση.	<b>4-7-</b>
11010000 011110111111111111111111111111		
Ray von Wandruszka	\$208k	\$592k
Professor of Chemistry		
TOT	AT \$2.221,	\$15,572k
TOTA	AL \$2,222k	OID, JIMA

#### 12.0 OTHER UNIQUE FACTORS / INNOVATIVE FEATURES

University Place in Idaho Falls is uniquely positioned for university and community development efforts. Four institutions of higher education are represented: the University of Idaho and Idaho State University, which provide the foundation for R&D and supportive undergraduate and graduate programs; BYU-Idaho (formerly Ricks College), which provides selected associate programs and support courses; and Eastern Idaho Technical College (EITC), which provides vocational and training programs.

Located immediately adjacent to University Place are the regional operations and research centers for BBWI and the INEEL, and the DOE. Within walking distance are the Bonneville County Technology Center and several high technology research entities.

Research alliances formed in 1999 between the UI, ISU, and the INEEL encourage long-term collaborative research in areas integral to the INEEL's future missions. These areas include subsurface science, computer security, biotechnology, natural resource management, and accelerator technologies.

Likewise, the formation of the BBWI-INRA partnership to manage the INEEL ensures the long-term need for the CST.

The UI/ISU foundations will provide the property at University Place in Idaho Falls where the proposed Center will be built.

#### 13.0 RETURN ON INVESTMENT

The average Idaho taxpayer in 1996 remitted \$1,481 on \$21,109 of taxable income, or about 7%. Using this data conservatively, the annual state income tax that will be generated from the employees of the Center will be \$673,120. In addition, the near term tax generated from the construction of the facility will be \$749,280.

The return to the state for an investment of \$6M from income tax alone is over 11%. In addition, income from sales tax is estimated to be about \$200,000 per year.

#### Attachments 1: LETTERS OF INTENT for FINANCIAL SUPPORT

The following pages contain letters of intent to provide financial support for the Center for Science and Technology. The INRA support is in the form of a grant. In addition, there are letters of intent to lease/rent space in the facility from INEEL and IWRRI.

NOTE: Attached is a draft letter from Dr. Bernie L. Meyers, the President of BBWI. The actual letter has been signed by Dr. Meyers and is currently being circulated in DOE/ID. The Department of Energy, by law, is not permitted to issue this type of letter. Dr. Meyers, by providing the letter, is committing BBWI and not necessarily DOE to this project. The original letter will be provided when DOE/ID returns the letter to Dr. Meyers. We do not expect any objection by DOE to Dr. Meyers action.



P.O. Box 1625 2525 North Fremont Ave. Idaho Falls, Idaho 83415 (208) 526-0111

September 26, 2000

CCN 00-013086

Dr. Robert Hoover, President University of Idaho Administration Building 105 Moscow, ID 83844-3151

UNIVERSITY OF IDAHO - CENTER FOR SCIENCE AND TECHNOLOGY

Dear Dr. Hoover:

The Idaho National Engineering and Environmental Laboratory (INEEL) is very supportive of your plans to build the Center for Science and Technology (CST) at the ISU/UI Center for Higher Education at University Place in Idaho Falls. The CST will be a major asset for the community and will provide for beneficial interactions with INEEL research and technology development activities.

The INEEL is interested in leasing office and laboratory space in the CST. The timing of the construction of the CST is fortuitous for the INEEL. As you are aware, we have undertaken a major initiative in subsurface science and will be hiring significant numbers of additional staff over the next several years to strengthen our capability in this critical area. Our long-term plans call for the construction of the Subsurface Geosciences Laboratory to house the new staff and provide the required laboratory space. We would like to lease office and laboratory space in the CST, pending negotiation of satisfactory terms and the availability of federal funds, to provide interim facilities for the new staff that will eventually move to the Subsurface Geosciences Laboratory.

Our requirements are for 25,000 gross square feet of office and laboratory space. We envision placing 55 staff in the CST and would require the use of 10 laboratories. We are hopeful that the Subsurface Geosciences Laboratory will be ready for occupation in 2006 or 2007, depending upon the availability of federal funding. Therefore, we will require 25,000 gross square feet for 3 or 4 years. Following occupation of the Subsurface Geosciences Laboratory, we would like to occupy 5,000 gross square feet in the CST on a continuing basis for collaborative projects with the university and to host visiting scientists.

I look forward to working with you to make the CST a reality. Please let me know if you have any questions on our requirements or require additional information.

Sincerely,

Bernard L. Meyers, Ph.D., P.E. President and General Manager

PKK:ls



Boise State University Idaho State University Montana State University University of Idaho University of Montana Utah State University Washington State University

September 6, 2000

Dr. Robert Stiger, Interim Dean University of Idaho at Idaho Falls 1776 Science Center Drive Idaho Falls, ID 83402

Dear Dr. Stiger:

In January 1999 the Inland Northwest Research Alliance (INRA) was formed to stimulate economic development in the Inland Northwest by promoting new opportunities for research that will benefit the region, and by collaborating on the education of PhD research scientists and engineers who can stimulate this economic development. In May 1999 INRA entered into an agreement with Bechtel and BWXT to form a new limited liability corporation, BBWI. INRA is a 10% partner in the BBWI contract to maintain and operate the Idaho National Engineering and Environmental Laboratory (INEEL) in Idaho Falls. To fulfill its purpose and vision, INRA has dedicated its resources to the development and implementation of collaborative educational and research endeavors that benefit the region and ensure the success of the BBWI contract.

One new endeavor to which INRA is committed is the Idaho Science and Technology Center in Idaho Falls. This center, to be housed on university lands adjacent to the INEEL, will provide the first phase of a new, premier scientific facility for the study of subsurface science and engineering. Graduate students, postdoctoral researchers, and research faculty from all INRA institutions will be able to work side-by-side with INEEL scientists in an environment that promotes cross-disciplinary collaborations leading to significant scientific breakthroughs. Moreover, radioactive materials will be able to be used in the facility, providing a mechanism for understanding the subsurface transport of these materials and the development of technologies for their remediation.

As approved by the Board of Trustees, and as documented in its Business Plan, INRA has committed \$200,000 per year of operating funds for the first four years of operation of the Idaho Science and Technology Center. The success of this center is central to the educational objectives of Idaho's three state universities and the other INRA member institutions, and critical to the long-term success of the INEEL and, consequently, the economic health of southeastern Idaho. I would appreciate any opportunity to help develop additional funding for establishing the Idaho Science and Technology Center.

Sincerely.

James N. Petersen
Interim Executive Director

James Z. Peter



Leland L. Mink
Director
Morrill Hall 106
University of Idaho
Moscow, Idaho
83844-3011

Phone: (208) 885-6429 PAX: (208) 885-6431 email: iwrri@uidaho.edu

#### **Project Offices**

UI/Idaho Falls Center for Higher Education, IWRRI 1776 Science Center Drive Idaho Falls, Idaho 83402

Phone: (208) 524-8900 FAX: (208) 524-8875 email: iwrrif@uidaho.edu

#### UI Coeur d'Alene Center, IWRRI

925 West Garden Avenue Coeur d'Alene, Idaho 83814-2165

Phone: (208) 667-2588 FAX: (208) 664-1272 September 8, 2000

Dr. Robert Stiger, Acting Dean Idaho Falls Center for Higher Education University Place, 1776 Science Center Drive Idaho Falls, ID 83402

Dear Dr. Stiger: Bab -

It is the intent of the Idaho Water Resources Research Institute (IWRRI) to lease approximately 1,000 square feet in the proposed Center for Science and Technology at the Idaho Falls Center for Higher Education, provided that current levels of funding from the INEEL and other government agencies remains consistent over the next five years.

This square footage estimate represents minimum space requirements to house IWRRI research offices and laboratory facilities. It is our understanding that space requirements to house UI students enrolled in INEEL supported graduate courses will be provided through the IFCHE academic programs contract.

Sincerely,

Leland (Roy) Mink, Director

Katherine Owers

Idaho Water Resources Research Institute

LLM:KJO

Cc: K. Owens, IWRRI-Idaho Falls

P. Hammel, IWRRI-Moscow



#### **Attachments 2: LETTERS OF SUPPORT**

The following pages contain letters of support for the proposed Center for Science and Technology. As indicated, a spectrum of interests, RD&E projects, and possible tenants are identified. These letters were gathered for an earlier draft of this proposal. They show the community support for the Center, and are evidence that the community is not concerned by unfair competition from the Center.



## Our View

Members of the Post Register editorial board are Jerry M. Brady, publisher. J. Robb Brady; Marty Trillhaase; and Dean Miller.

## Transforming research into jobs

f eastern Idaho is to have a high-tech, high-income future, it must improve the research and development conducted in the region. Then that research must be turned

into jobs

Research is already a large part of the economy. Nuclear research and development has been at the heart of Idaho National Engineering and Environmental Laboratory's mis-

sion since day one. And it will continue to play a large role in the INEEL's future. That mission also includes the Idaho Re-search Center, an arm of the INEEL that exsearch Center, an arm of the INEEL that ex-periments with everything from advanced au-tomotive batteries to microbes that can clean up waste. Launched 17 years ago with \$12.5 million, it has grown to a staff of 374 and an annual budget of \$60 million. Eastern Idaho also has been working to-

ward transforming the fruits of research into job-creating businesses. The region boasts a research park in Pocatello, the Business Development Center in Rexburg, the Idaho Innovation Center and the Bonneville Technolo-

gy Center, both in Idaho Falls. That's not bad but it's not enough

What's missing is a research and technology center affiliated with one or more universities—and one that specializes in disciplines

linked to the region's needs and strengths.

That's exactly what the University of Idaho and Idaho State University plan to create.

Called the Center for Science and Technology, it will consider in the content of th

ogy, it will specialize in agriculture, computer science — with an emphasis on computer se-curity — environmental sciences, hydrology and natural resources.

Centers such as this have created extraordinary growth and wealth in other parts of the country. The so-called Research Triangle in North Carolina has revolutionized that

once-dusty economy in a single generation.
Closer to home, the Desert Research Institute in Nevada created 400 jobs and the
Space Dynamics Laboratory at Logan generated 200 jobs in the control 200 jobs. ated 330 jobs in not much more than a

Eastern Idaho's future depends on doing

the same thing.
No one knows the future of the Idaho's largest single engine of growth. The INEEL already has trimmed its work force by about a third. Current employment levels and budgets should remain stable for the immediate

But clean-up funding will begin to decline by the second half of the next decade. And any downturn at INEEL will hurt. For every person working at the site, there is another who owes his job to the economic activity generated by the INEEL. Even though eastern Idaho has experienced cuts at the INEEL, its

economy remains largely dependent upon it. Between now and then, the economy must be diversified. Brainpower already here must turn experiments into businesses at an accel-

erating rate.

The Center could fill what is missing in that master design.

It could attract research dollars from federal agencies other than the U.S. Department of Energy.

The center could tap into private industry - which prefers research by universities over co-sponsoring research with the federal government - for resources.

INEEL researchers who want to commer-

cialize their technologies would find the center an attractive halfway house.

And the Center can pull together and capitalize on research in the region's three higher education centers — Ricks College (particularly in agriculture), ISU and the Higher Education Centers — Ricks College (particularly in agriculture), ISU and the Higher Education Center (Particularly Inc.)

ucation Center in Idaho Falls.

The Center proposes to be self-sustaining in three years. In five years, it expects to cre-

ate 120 jobs.
Getting this program off the ground in the next year or two is the question. It will need \$4 million for an initial 35,000-square -foot laboratory and \$1 million for early start-up

Don't look to Idaho's higher education system for that money. The state's colleges and universities are struggling to maintain their own operations.

Clearly some of the money must and should come from the \$30 million fund estab-lished as part of Gov. Phil Batt's nuclear waste settlement with DOE, which is now administered by the Regional Development Al-

A well-crafted proposal could attract support from major Idaho companies such as Simplot and FMC, which have engaged in mining-related research at INEEL in the

Lockheed -Martin Idaho Technologies may find the Center an important part of its commitment to commercialize spin-off companies in this region.

And private donors could fill in the differ-

Attracting the support of private companies and individuals requires that the Center first be seen as a regional economic development priority - higher even than encouraging a job-creating business to relocate in the re

And it requires patience. Research and development takes time when all of us want im-mediate results. It sounds more like physicists in white coats than machinists and marketers creating products.

But increasingly it is intellectual property. not just steel and muscle, that drives the future. Harnessing brainpower leads to better jobs and better family incomes.

Computers are more important than copper in today's Utah.

The manufacture of computer chips and electronics - not mining - has propelled Idaho's recent economic boom.

Thirty years from now, phosphate processing will be gone from the region. Research and the commercialization of technology could be the Energizer Bunny that keeps moving along, beating its drum in step with a secure economy.

Jerry M. Brady

# HEWEST

**B1** 

)R MARGARET WIMBORNE AT 522-9555 EXT. 3257, OR E-MAIL AT MWIMBORNE@IDAHONEWS.COM

## City Council to ask Batt for research center

Money from INEEL deal would build facility in I.F.

By GENE FADNESS Post Register

Idaho Falls became the first of what it hopes will be several eastern Idaho cities to endorse a research center here that could expand into a "research corridor" taking in perhaps Pocatello and Rexburg.

The City Council adopted a resolution Thursday night asking Gov. Phil Batt to consider funding the research center from INEEL settlement funds. The center, which is anticipated to create 120 full-time jobs and a payroll of \$5 million, would be built at University Place in Idaho Falls.

The settlement fund is \$30 million the state will get over the next five years from the Department of Energy to diversify the region's economy after cutbacks at the Idaho National Engineering and Environmental Laboratory.

Jointly operated by the University of Idaho and Idaho State University, the \$5 million center would provide laboratory space for scientists researching agriculture, environmental science, natural resource management, transportation, computer science and biotechnology.

If a primary aim of the fund is to diversify the region's job base away from the INEEL, the research center project will do that, said Fred Gunnerson, director of University of Idaho programs in Idaho Falls.

"This is an engine, if you will, toward economic development in the region," Gunnerson told the council. The Idaho Falls center could be just phase one of the project, possibly expanding to include research facilities in Pocatello, using resources at ISU, and at Rexburg, tapping into expertise at Ricks College.

Mayor Linda Milam has confidence the center will be successful. We know very well what other such facilities have done for other communities," she said.

The Desert Research Institute in Nevada, with laboratories in Las Vegas and Reno, contributes about \$22 million a year to the Nevada economy, Gunnerson said. That one, operated by the University of Nevada, and a similar one in North Carolina, "have had phenomenal impact on the universities and economics" in those regions in just over two decades, he said

The research areas selected for the Idaho center are based on expertise already available at the two Idaho universities and at the INEEL and on research needs projected for the next five to 10 years, Gunnerson said. For example, in computer science, the center would likely research software security projects.

Most of the money for the research projects would come from government agency grants, and the center would be self-sustaining rather than requiring tax dollars, Gunnerson said.

The council's resolution has no force of law, but was passed, Milam said, because one of the governor's requirements for awarding settlement funds is that local support be demonstrated. She's hoping other cities in the region will follow suit.

Government and politics reporter Gene Fadness can be reached at 522-1800, ext. 3263, or via e-mail at gfadness@idahonews.com.

## Page 6 & I.F. Chamber News & June 1998

## E. Idaho needs science center

By Jon Ochi, Chairman Education Committee

The proposed Center for Science and Technology is an opportunity to build East Idaho's educational base. A research facility would offer genuine research capability.

Eastern Idaho
needs such capability to attract new
business and to generate start-up companies.



Ochi

The research center would be bringing 120 permanent research jobs. Four million dollars per year of new money from research grants and contracts would come into the community. The dollars would turn over many times in the community. And sales tax dollars would flow to the State.

The research center would encourage partnerships between university and private sectors.

Partnerships could be formed among farmers, engineers, scientists and businessmen. Every economic interest in Eastern Idaho's economy stands to benefit from research. The research center would support established businesses and attract new ones. And a new spin-off company could grow from some of the research.

Another issue our committee will look at is our public schools facilities. How can we solve the long-term problem of public schools in need of repair? The legislature's own study in 1993 estimated the problem would cost \$700 million to solve. Finding money to pay for the school is tough.

Not finding the money for schools is also tough. Prison and remedial social programs for kids who fall through the cracks drain resources, too. "Throwing money" at schools is not the solution to all problems, but it does solve some problems. "Back to basics" does nothing to repair a leaky roof. But money does fix a roof.

If building a research center interests you, come to our meetings. If the quality of school facilities concerns you, join in our discussions. If you want to learn more about INEEL internship programs for teachers and students, find out at our meetings.



fice of Research

impus Box 8130 catello, ID 83209-8130 October 15, 1997

Dr. Fred Gunnarson University of Idaho 1776 Science Center Drive Idaho Falls, ID 83402-1575

Dear Dr. Gunnarson:

This letter is to strongly support your proposal to build a research building in Idaho Falls. This building will be a significant contribution to the economic development of the area and is an excellent example of the new spirit of collaboration between Idaho State University and the University of Idaho.

The research and technology building will provide excellent opportunities for faculty and staff at Idaho State University to work with personnel from the University of Idaho and Idaho National Engineering and Environmental Laboratory employees who have excellent research capabilities. I anticipate a significant number of applications to meet Idaho's pressing needs will be found through this joint effort. The outcome will inevitably be the formation of new jobs and businesses in the area.

Sincerely,

Edwin W. House, Dean

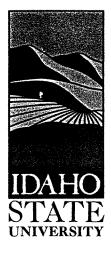
Research

cc: President Richard Bowen

Edwin W. House

Vice President Jonathan Lawson

one: (208) 236-2714 AX: (208) 236-4529 mail: housedwi@fs.isu.edu



fice of Research

mpus Box 8130 catello, ID 83209-8130 October 15, 1997

Dr. Fred Gunnarson University of Idaho 1776 Science Center Drive Idaho Falls, ID 83402-1575

Dear Fred:

Thank you for the opportunity to work with you on the proposed new science and technology research center. It will be a major step forward to have such a building with researchers from Idaho State University, University of Idaho and the Idaho National Engineering and Environmental Laboratory all working together to solve some of the State's most thorny problems.

You asked me to provide some items which could be listed as needed for the new research building proposed. Here are the following suggestions:

- 1. Fully equipped laboratory for research on bioremediation. Such a laboratory should have state-of-the-art equipment including bacterial counters such as those built by Idaho Tech, microscopes and cameras to photograph fluorescent markers, etc. Bioremediation is one of the best approaches to cleaning up the contaminated soil and water at the INEEL, but more importantly has high potential to produce new industries with an international market. Estimated cost of equipment = \$50,000.
- 2. Fully equipped laboratory for the final R&D of ISU's laser separation isotope technology. Estimated cost of equipment = \$100,000.
- 3. A laboratory for development of small accelerators to apply to medical and environmental problems.
- 4. A laboratory to perform pharmaceutical diagnostic work.
- 5. A laboratory to perform toxicology research related to environmental issues.
- 6. A laboratory to perform analysis of lakes, streams and other sources of water which can then be applied to solving water quality problems.
- A room (laboratory) large enough to maintain rat and mouse colonies, sufficiently well built to meet NIH, USDA, and AAALAC accreditation standards.

ne: (208) 236-2714 X: (208) 236-4529 nail: housedwi@fs.isu.edu Dr. Fred Gunnarson Page 2 October 16, 1997

- 8. A laboratory dedicated to development of software oriented to systems engineering, information systems related to environmental and economic concerns, and modeling of environmental solutions to existing water quality problems.
- 9. An office complex to accommodate the concept of the Natural Resource Institute, jointly sponsored by Idaho State University and University of Idaho. "Environmental Management Research Center" or "Environmental Technology Center" might be a good title for this area.
- 10. A laboratory to conduct geochemical, environmental chemistry, and radiochemical research.
- 11. A laboratory to develop "imaging" technologies using GIS and other imaging techniques.

I will get back to you soon about actual space needs for each of these and let you know what they are.

Sincerely,

Edwin W. House, Dean

Edan Il House

Research

EWH/cj



## LOCKHEED MARTIN

Lockheed Martin Idaho Technologies Company P. O. Box 1625 Idaho Falls, ID 83415

September 29, 1997

Dr. Robert Hoover, President University of Idaho Administration Bldg. 105 Moscow, ID 83844-3151

UNIVERSITY OF IDAHO EXPANSION - DPC-45-97

Dear Dr. Hoover:

Your interest in further expanding the University of Idaho's presence and service in Idaho Falls, the only one of Idaho's three largest cities without a major university establishment, is most welcome and certain to have a very positive, even catalytic, impact on the citizens and businesses in the area.

The Research and Development Center for Science and Technology (CTS) proposed by the University of Idaho to be located at the Center for Higher Education at University Place in Idaho Falls would not only constitute a major asset to the community and Eastern Idaho; it would also facilitate mutually beneficial interactions with INEEL research and technology development activities. As you are aware, Lockheed Martin Idaho Technologies Company, as the INEEL maintenance and operating contractor, is planning expansion of our facilities supporting environmental and derived use technology development in Idaho Falls. The facility you propose would be fully complementary with the building we envision, and a strong tie with the University of Idaho would enhance the success of the programs we intend to carry out, as well as provide UI students with excellent educational and career opportunities. Achieving these benefits, should both facilities be approved, is ensured by the coordinated planning we have each put in place.

I am pleased to endorse your proposal, wish you success, and look forward to working with you in the design and construction phases of the project.

Sincerely yours,

David P. Cauffman

Chief Scientist and Director of Research

tdd

Post-it* Fax Note 7671	Date //-24 pages /
To Fred Gunnerson	From Theresa
Co./Dept.	Co. Cauffmon's office
Phone #	Phone #
Fax+ G-1442	Fex #



P.O. Box 50778 Idaho Falls, ID 83405-0778 208-526-1388 FAX: 208-526-1442

September 16, 1997

Robert A. Hoover, Ph.D., President University of Idaho Administration Bldg. 105 Moscow, ID 83844-3151

Dear President Hoover,

I would like to submit this letter in support of the proposed research building, tentatively named the *Center for Science and Technology* to be located at the University of Idaho, Idaho Falls campus. The new building will provide necessary laboratory and office space to the cramped facilities that we now have. We anticipate using at least 2000 square feet of the building for our current research contracts, and could use more space depending on future research funding.

We have been able to generate over \$1.2 million in external funding with the current facilities, and we will need space to accommodate students and equipment. The proposed building will relieve our space problems, and can be leveraged to bring in significantly more funded research. We currently have over \$500,000 in grants pending, and the construction of this center would provide a significant incentive to fund these programs. This building can be used to attract external funding through the National Science Foundation Centers of Excellence program. Other researchers and small high-tech companies can also use the building to perform their work. Our current laboratory contains state-of-the-art computing and data acquisition equipment, which would be expanded to the research building.

The new research building will attract high-paying jobs, and will provide work for highly trained technicians and support personnel. The Center will also be a magnet for companies who wish to relocate to Idaho Falls, encouraging economic development and training for our residents.

I strongly endorse the construction of this building, and will be happy to provide additional support as necessary.

Sincerely.

John C. hapeau John C. Crepeau, Ph.D., P.E.



## Eastern Idaho Technical College



December 4, 1997

Dr. Robert Hoover, President University of Idaho Administration, Room 105 Moscow, ID 8344-3151

Dr. Hoover

Eastern Idaho Technical College (EITC) is pleased to support the University of Idaho (UI) proposal to establish a Center for Science and Technology in Idaho Falls. This endeavor will most assuredly create new economic development opportunities for this region and is consistent with the parameters outlined in the INEEL Settlement Fund agreement negotiated by Governor Philip Batt.

Throughout the United States, it has been proven time and again that higher education activities, research, and its subsequent product/service development are excellent methods of promoting economic development. Capital, in its many forms, used to enhance any and all higher education is simply good business. A center such as the one proposed by UI will most certainly attract new dollars into the local economy, create jobs, promote partnerships among educational institutions and business, as well as serve as an educational resource for all.

EITC has enjoyed an extremely positive association with UI and it is our intent to do everything possible to expand and enhance this relationship. As you are aware, the existing partnership between EITC/UI that resulted in a \$296,000 INEEL Settlement Fund award last year is evidence that institutions of higher education working cooperatively can and will meet the workforce development and education needs of business, industry, and residents.

The proposed Center for Science and Technology will undoubtedly create future opportunities for us to collaborate on any number of new educational activities.

Your proposal has my support.

Miles LaRowe, Ed.D.

Director

## Idaho Innovation Center

2300 N. Yellowstone Idaho Falls, ID 83401 (208) 523-1026 (208) 528-7127 FAX



Bonneville County Technology Center 101 Technology Drive Idaho Falls, ID 83401 (208) 523-7025 (208) 523-6885 FAX

November 19, 1997

Robert Hoover, President University of Idaho Moscow, ID 83844-3151

#### Dear President Hoover:

I recently had the opportunity to review a proposal to create a Center for Science and Technology at the Higher Education Center in Idaho Falls. This letter is to convey the support of the Idaho Innovation Center for this proposal. As Idaho's oldest and largest small business incubator our mission is to encourage and aid in the creation and start-up of small businesses. Research by a wide variety of individuals and groups shows that facilities such as proposed can significantly increase the start-up and growth of companies, both in numbers and quality. These studies further indicate that the jobs associated with these companies tend to be higher paying and most often include a wide variety of benefits.

There are several areas around the nation that demonstrate how a facility such as this and the collaboration of public and private partners can serve as an economic engine to a region or state. Route 128, the Research Triangle and more recently Austin, Texas and Phoenix, Arizona serve as examples of what can be done.

The Idaho Innovation Center supports this proposal and looks forward to becoming an active and collaborative partner of this effort. If we can be of further assistance in this effort please don't hesitate to let me know.

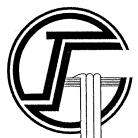
Sincerely,

Rick Ritter, Director

Idaho Innovation Center

Kul Ritter

cc: Fred Rose



## GREATER IDAHO FALLS CHAMBER OF COMMERCE

January 26, 1998

Bob Hoover, President University of Idaho Administration, Room 105 Moscow, ID 838440-3151

Dear President Hoover:

We are excited to hear about and want to express our whole-hearted support for the University of Idaho's proposal to establish a Center for Science and Technology at University Place in Idaho Falls. We understand that the proposal will be a part of Governor Batt's INEEL Settlement Fund Program.

The proposal requests a total of \$5 million of which \$4.5 million are for "bricks, mortar and permanent infrastructure" and \$0.5 million for the first two years' startup costs.

- 1) The payback for this investment will be dramatic. Within three years the center is expected to create and sustain up to 120 new jobs and attract nearly \$4 million per year in new dollars for the regional economy through research and development contracts and grants. Obviously this is a sound investment with a very high rate of return (over 50% per year average in the first decade).
- 2) The investment in our community will be a permanent resource for higher education, for research and for business development. We view the project as being a goose that will not only pay its own way, but will also lay many golden eggs—any one of which could develop into a new business or enterprise needing employees and supporting businesses.

"Your Partners In Progress"

- 3) The center will serve as a valuable resource for all eastern Idaho communities. As planned, the center will support activities in many areas including: agriculture, natural resources, environmental science, computer science, hydrology and engineering. These areas are important to every economic interest in Eastern Idaho's diverse economy. Research and development have been proven nationwide to be sound avenues for economic development. That is why we believe so strongly that this center can:
- \* Attract new dollars for the regional economy-\$3.75 million per year plus spinoffs
- \* Support technology companies—those that exist now and potential new ones
- \* Train people for technology occupations—both directly and indirectly
- \* Promote opportunities for professional partnerships—new joint ventures

In summary, we appreciate the high rate of return on investment amounting to fifty percent per year in the first ten years. We like the permanence of the center (unlike an investment in a particular company which could go bankrupt and leave us with nothing). And we want the center for its potential to serve all areas of the regional economy.

We support your proposal and offer our best wishes for success.

Sincerely,

Jon R. Ochi, Chair

Idaho Falls Chamber of Commerce

**Education Committee** 

Jon R. Ody

Mark S. Young, Chair

Board of Directors

Idaho Falls Chamber of Commerce

cc: Governor Phil Batt

Tom Arnold

Eastern Idaho Regional Development Alliance

#### RESOLUTION #233

WHEREAS, the University of Idaho and Idaho State University have proposed development of a Center for Science and Technology at University Place in Idaho Falls, Idaho; and,

WHEREAS, the purpose of the Center is to promote the productivity, growth and general well-being of the regional economies, by serving as a high-level technical resource for agriculture, computer science, natural resource management, and environmental science and could become the nucleus for development of a research and development corridor in Eastern Idaho; and,

WHEREAS, the Center will attract new non-INEEL investment into the region while encouraging regional business retention and expansion, creating and sustaining approximately 120 new permanent, full-time professional employment positions generating a payroll of over \$5 million, 118 construction jobs and additional support positions; and,

WHEREAS, the Center will be self-sustaining not requiring additional state resources, and will stimulate innovative technology transfer to spur private sector investment and growth which is a major factor in development of a vibrant and dynamic regional economy; and,

WHEREAS, the University of Idaho and Idaho State University have proposed that partial funding for the Center come from the INEEL Settlement Fund; and,

WHEREAS, Governor Batt has requested that the Universities secure expressions of local support for the Center as a prerequisite for funding from the INEEL Settlement Fund;

NOW, THEREFORE, BE IT RESOLVED that the City of Blackfoot fully endorses and supports the Center for Science and Technology as proposed by the University of Idaho and Idaho State University; and.

BE IT FURTHER RESOLVED that the Mayor and City Council of the City of Blackfoot request that Governor Batt favorably consider funding for this Center from the INEEL Settlement fund.

PASSED AND APPROVED by the City Council of the City of Blackfoot this 18th day of August, 1998.

R. Scott Reese, Mayor

ATTEST: Austin L. Moses, Clerk/Treasurer

## RESOLUTION

WHEREAS, the University of Idaho and Idaho State University have proposed development of a Center for Science and Technology at University Place in Idaho Falls, Idaho; and,

WHEREAS, the purpose of the Center is to promote the productivity, growth and general well-being of the regional economies, by serving as a high-level technical resource for agriculture, computer science, natural resource management, and environmental science and could become the nucleus for development of a research and development corridor in Eastern Idaho; and,

WHEREAS, the Center will attract new non-INEEL investment into the region while encouraging regional business retention and expansion, creating and sustaining approximately 120 new permanent, full-time professional employment positions generating a payroll of over \$5 million, 118 construction jobs and additional support positions; and,

WHEREAS, the Center will be self-sustaining not requiring additional state resources, and will stimulate innovative technology transfer to spur private sector investment and growth which is a major factor in development of a vibrant and dynamic regional economy; and,

WHEREAS, the University of Idaho and Idaho State University have proposed that partial funding for the Center come from the INEEL Settlement Fund; and,

WHEREAS, Governor Batt has requested that the Universities secure expressions of local support for the Center as a prerequisite for funding from the INEEL Settlement Fund;

NOW, THEREFORE, BE IT RESOLVED that the City of Idaho Falls fully endorses and supports the Center for Science and Technology as proposed by the University of Idaho and Idaho State University; and,

BE IT FURTHER RESOLVED that the Mayor and City Council of the City of Idaho Falls request that Governor Batt favorably consider funding for this Center from the INEEL Settlement Fund.

APPROVED by the City Council on the 12th day of June, 1998.

Linda M. Milam

Mayor

City of Idaho Falls

ATTEST:

Rosemarie Anderson

Trder/802

City Clerk

City of Idaho Falls

## Bannock County Commissioners

P.O. Box 4016 • Pocatello, Idaho 83205-4016 • Phone (208) 236-7211

FAX# 236-7363 TDD# 236-7020

BANNOCK COUNTY

TOM KATSILOMETES

CHAIRMAN
COMMISSIONER 1st DISTRICT
POCATELLO, IDAHO

J.O.COTANT

COMMISSIONER 2nd DISTRICT
POCATELLO, IDAHO

CAROLYN MELINE
COMMISSIONER 3rd DISTRICT
POCATELLO, IDAHO

September 21, 1998

Clifford V. Long Bonneville County Commissioner 605 North Capital Avenue Idaho Falls, Idaho 83402

The Bannock County Commissioners wish to express their full support for the proposal of the University of Idaho and Idaho State University to have a new building to be known as the Center for Science and Technology at University Place in Idaho Falls.

This Center will be self-sustaining and will not require additional State resources, and partial funding for the Center will come from the INEEL Settlement Fund.

We believe the Center will promote the productivity, growth and general well-being of the regional economies, by serving as a high-level technical resource. This Center will also attract new non-INEEL investment into the region while encouraging regional business expansion and creating full-time professional employment and positions.

Please consider this our strongest recommendation in support of the Center for Science and Technology as proposed by the University of Idaho and Idaho State University.

If we can be of further assistance please let us know.

Sincerely,

Tom Katsilometes, Chairman

arolyn Meline, Member

J.O. Cotant, Member

### BONNEVILLE COUNTY

### RESOLUTION

WHEREAS, the University of Idaho and Idaho State University have proposed development of the Center for Science and Technology at University Place in Idaho Falls, ID; and

WHEREAS, the purpose of the Center is to promote the productivity, growth, and general well-being of the regional economies, by serving as a high-level technical resource for agriculture, computer science, natural resource management, and environmental science and could become the nucleus for development of a research and development corridor in Eastern Idaho; and

WHEREAS, the Center will attract new non-INEEL investment into the region while encouraging regional business retention and expansion, creating and sustaining approximately 120 new permanent, full-time professional employment positions generating a payroll of more than \$5 million, 118 construction jobs and additional support positions; and

WHEREAS, the Center will be self-sustaining not requiring additional state resources and will stimulate innovative technology transfer to spur private sector investment and growth which are a major factor in development of a vibrant and dynamic regional economy; and

WHEREAS, the University of Idaho and Idaho State University have proposed that partial funding for the Center come from the INEEL Settlement Fund; and

WHEREAS, Governor Batt has requested that the Universities secure expressions of local support for the Center as a prerequisite for funding from the INEEL Settlement Fund:

NOW THEREFORE, this Resolution is duly approved and adopted by the Board of Bonneville County Commissioners on July 20, 1997, endorsing and in support of the Center for Science and Technology as proposed by the University of Idaho and Idaho State University; and

BE IT FURTHER RESOLVED that the Board of Bonneville County Commissioners request that Governor Batt favorably consider funding for this Center from the INEEL Settlement Fund.

BONNEVILLE COUNTY BOARD OF COMMISSIONERS

Bill K. Skurtleff, Chairman

Roger S. Christensen, Member

Clifford V. Long, Member

ATTEST:

Ronald Longmore

Bonneville County Clerk to the Board of Commissioners

lmk/resolution

#### HOPKINS RODEN CROCKETT HANSEN & HOOPES, PLLC LAWYERS

WILLIAM C. RODEN GREGORY L. CROCKETT JOHN D. HANSEN D. FREDRICK HOOPES LARY S. LARSON PAUL B. RIPPEL TERESA L. STURM STEVEN K. BROWN DAVID H. SHIPMAN KATHERINE STEELE MORIARTY JOHN R. ROWE REED E. ANDRUS CURTIS R. SMITH LANCE J. SCHUSTER

C. TIMOTHY HOPKINS

SALISBURY BUILDING - 428 PARK AVENUE

P.O. BOX 51219

IDAHO FALLS, IDAHO 83405-1219

TELEPHONE (208) 523-4445

FAX (208) 523-4474

E-MAIL hrchh@srv.net

March 9, 1999

SEWARD H. FRENCH (1941-1984) TED C. SPRINGER (1943-1984)

JOHN MICHAEL BRASSEY ORVAL HANSEN GEORGE DENISON

> REGISTERED PATENT AGENT ROBERT A. deGROOT

802 WEST BANNOCK . SUITE 900 P.O. Box 2110 Boise, Idaho 83701-2110 TELEPHONE (208) 336-7930 Fax (208) 336-9154

E-MAIL roden@micron.net 8 E. STREET S.E. WASHINGTON, D.C. 20003

TELEPHONE (202) 546-0360 Fax (202) 546-6294 E-MAIL cipr@aol.com

Dr. Fred Gunnerson University of Idaho 1776 Science Center Drive Idaho Falls, Idaho 83402

> Center for Science and Technology Re:

Dear Dr. Gunnerson:

I am the secretary of the Idaho Falls Kiwanis Club. At the request of the Board of Directors of our club, I am writing this letter to express our support for the proposed Center for Science and Technology at University Place in Idaho Falls.

The Idaho Falls Kiwanis Club is firmly committed to improving the wellbeing of the citizens of our community, particularly the children. We think that it is extremely important for our youth to have educational opportunities. We feel that the further development of the educational facilities at University Place, including the creation of the Center for Science and Technology, makes the dream of higher education accessible to many of our young people, who otherwise could not obtain that goal.

We urge you to support the development of the Center for Science and Technology, and we offer any assistance that we can provide.

Sincerely,