

Illinois Century Network

Policy Committee Meeting Agenda

July 19, 2010
1:00 p.m.



**ILLINOIS CENTURY NETWORK
POLICY COMMITTEE
MEETING AGENDA
July 19, 2010
1:00 p.m.**

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Next Meeting

October 18, 2010
TBD, Springfield
James R. Thompson Center, Chicago

ILLINOIS CENTURY NETWORK

April 19, 2010 POLICY COMMITTEE MINUTES

- Submitted for:** Action
- Summary:** Distribution of the April 19, 2010 minutes for review by the Policy Committee.
- Action Requested:** Adoption of the April 19, 2010 minutes.
- Recommended Motion:** *The ICN Policy Committee adopts the April 19, 2009 minutes with any edits as noted.*

ILLINOIS CENTURY NETWORK

April 19, 2010 POLICY COMMITTEE MINUTES

Greg Wass called the meeting to order.

Members present:

Greg Wass, Office of the Governor	Bonnie Styles, IL State Museums
Chet Olson, Mayor of Rochelle	Amy Edwards, IL Board of Higher Education
Jeff Newell for Todd Jorns, IL Community College	Ann Craig, Illinois State Library

Staff and guests:

Lori Sorenson, Central Management Services	Kirk Mulvany, Central Management Services
Tom Oseland, Central Management Services	Kathleen Bloomberg, Illinois State Library
Robin Woodsome, Central Management Services	Frank Whitney, AT & T
Melissa Camille, Central Management Services	Carla Poani, AT & T
Deborah Kelley, Central Management Services	Jean Taylor, Central Management Services
Frank Walters, Central Management Services	

Minutes

Greg introduced the first item on the agenda, the approval of the minutes from January 25, 2010. Greg asked for a motion to approve the minutes. Chet Olson motioned that the minutes be approved. Mike Dickson seconded the motion. Motion carried.

ARRA Broadband Funding Round Two

Lori Sorenson started by introducing Robin Woodsome, Jean Taylor and Frank Walters. They were very instrumental in submitting the stimulus funds application by putting together costs, plans and new technology.

Since the meeting in January, staff time has been focused on preparing the Round 2 application. Under the leadership of the Governor's Office, a group of education and government broadband leaders from throughout Illinois helped to shape a statewide collaboration of five regional fiber-based broadband projects. The regional projects propose to extend fiber to all 48 community colleges and pledge to interconnect fiber networks. Many health care, library, K12, higher education, public safety and government sites will also be connected via fiber. The CMS application is 1 of 355 applications for the Comprehensive Community Infrastructure (CCI) category. CMS did not apply for Rural Utility Services (RUS) funding. There is no official timeline for Round Two awards; however, the enabling legislation requires that all funding commitments are made by September 30, 2010.

As a result of the statewide collaboration, the CMS project was scaled back to avoid overlap and duplication with the other four regional projects. The CMS project includes 55 counties within Central and Eastern Illinois. The project will extend fiber directly to 412 community anchor institutions including 21 community colleges, and reach another 2,726 anchors through leased lines. The project would provide broadband speeds ranging from 10 Mbps to 10 Gbps. The proposed services will be available to the current ICN constituents as well as private entities.

The total project cost is \$96 million which includes a 36% local match. The amount of federal funding requested is \$62 million.

The next step is preparing for due diligence in the event the project advances to the next phase. Staff have been meeting with Champaign and DeKalb who both received stimulus money in Round 1 to better understand what to expect during due diligence. Secondly, staff are proceeding with master contracts that will be needed to support the project should it be funded. The first contract required is professional engineering services to secure environmental and easement permits and develop the construction specifications. The engineering vendor will also be expected to oversee construction and conduct the field inspections and approvals.

Staff are moving forward to light the I55 fiber between Collinsville and Springfield. Last year the Department of Transportation completed work to physically connect the I55 fiber to the ICN Collinsville POP site. Staff plan to order the DWDM optical equipment using the capital funds.

Greg mentioned the need to check if bonds have been issued to provide the cash. Greg also commended staff for developing a proposal that aligns with the NTIA's Round 2 priorities. Greg asked how long Round 1 winners waited before beginning due diligence. Lori estimated five to six months. Greg asked if the state should contact the congressional delegation to provide additional support for the application. Lori mentioned there is an NTIA staff person who acts as a liaison with each state's Governor's Office. Ryan is the primary contact for Illinois. Greg and Lori will reach out to Ryan.

Kathy Bloomberg reported that the State Library, in collaboration with Commerce & Economic Opportunity, applied for a Public Computing Center grant. The total request was \$922 million to establish public computing centers in over 90 public libraries throughout Illinois.

Mike Dickson reported that Western Illinois University submitted a Sustainable Broadband Adaption application. The application included a partnership with the Illinois Telecommunication Association.

E-rate

Tom Oseland provided an update on E-rate activities. A little over \$334,000 was remaining in approved funding for 2008. Staff received the approval letter two weeks ago and submitted the paperwork last week to release the funds.

The 2009 application was approved on February 9th for a little under \$1.8 million. A more realistic figure is \$1.5 million depending on the actual spend.

The 2010 application was submitted and is under review. In the last meeting, Tom mentioned an alternative method to determine the network expenses attributable to E-rate eligible entities. This new method was used to calculate the 2010 reimbursement request. This new methodology did increase the reimbursement request to about \$3.5 million.

Next Meeting

The next meeting is scheduled for July 19th. The Community College Board location will not be available due to ongoing construction. ICN staff will work with the Illinois State Library to see if the video room is available. Staff will send an email with the meeting location and will update the website as well.

Chet Olson made a motion to adjourn the meeting, Bonnie Styles seconded and the motion carried.

ILLINOIS CENTURY NETWORK

ILLINOIS BROADBAND OPPORTUNITY PARTNERSHIP UPDATES

Submitted for: Information

Summary: This item provides an overview of several Illinois Broadband Opportunity Partnership projects seeking federal stimulus funds.

Action Requested: None

Recommended Motion: None

ILLINOIS CENTURY NETWORK

ILLINOIS BROADBAND OPPORTUNITY PARTNERSHIP UPDATES

The Central Management Services broadband application was part of a statewide coalition of six regional proposals to build a state fiber infrastructure: IBOP – East Central (Central Management Services), IBOP – Northwest, IBOP – Southern, City of Chicago, Cook County and Geneseo Communications. This coalition includes two private companies, which will build and operate fiber broadband networks in western and southern Illinois and one public entity that will build and operate fiber broadband networks in northwestern Illinois. In the northeastern region of the state, IBOP-EC is coordinating with SmartChicago and Cook County to reach community anchor institutions. The private companies, Geneseo Communications (western Illinois) and Delta Communications (southern Illinois), have committed to interconnecting networks and providing dark fiber to connect community colleges and public universities to the Illinois Century Network. The public entities will rely on fiber from this proposal to connect education, healthcare, and public safety entities to the Illinois Century Network. The partners commit to include within their network, points of intersection that will allow for the integration of the fiber optic system with the larger Illinois broadband initiative.

Four of the six regional proposals have advanced to the “due diligence” review phase: East Central (Central Management Services), IBOP – Northwest, IBOP – Southern and Cook County. Representatives from these projects will provide an overview of their respective project.

Project Name	Lead Entity	Total Project Cost	Project Scope
IBOP - East Central	Central Management Services	\$96M	
IBOP – Northwest	Northern Illinois University	\$69.6M	<ul style="list-style-type: none"> • 705 miles of fiber • 43 fiber for public sector • 95 fibers for private partner • 9 county service area
IBOP – Southern	Delta Communications LLC (Clearwave)	\$45.4M	<ul style="list-style-type: none"> • 740 miles of fiber • 23 county service area • Includes 18 911 PSAPS
Illinois: Cook County & South Suburban Mayors & Managers Association Regionally Connected Consortium	Cook County	\$33.9M	<ul style="list-style-type: none"> • Link 127 anchors via fiber • 1,100 square mile service area

ILLINOIS CENTURY NETWORK

DIG ONCE FIBER-OPTIC CONDUIT INSTALLATION

Submitted for: Information

Summary: This item provides an overview of the Department of Transportation's implementation of Public Act 96-37 requiring installation of fiber-optic conduit in construction projects that opens, bores, or trenches alongside a State-owned infrastructure.

Action Requested: None

Recommended Motion: None

ILLINOIS CENTURY NETWORK

DIG ONCE FIBER-OPTIC CONDUIT INSTALLATION

In July 2009, Public Act 96-37 was enacted requiring the Department of Transportation to include installation of fiber-optic network conduit in construction projects that opens, bores, or trenches alongside a State-owned infrastructure. Representatives from the Department of Transportation will provide an update on this program. The full statute is provided below.

(605 ILCS 5/9-131)

Sec. 9-131. Installation of fiber-optic network conduit.

(a) For purposes of this Section:

"Fiber-optic network conduit" means a pipe or duct used to enclose fiber-optic cable facilities buried alongside the roadway or surface mounted on bridges, overpasses, and other facilities where below ground placement is impossible or impractical.

(b) In order to ensure affordable high-speed, world-class core information and communication networks are available throughout Illinois, the Illinois Department of Transportation and the Department of Central Management Services shall collaborate to install fiber-optic network conduit where it does not already exist in every new State-funded construction project that opens, bores, or trenches alongside a State-owned infrastructure, including, but not limited to, roadways and bridges. The Department of Central Management Services or the Department of Transportation may permit a third party to manage the fiber and conduit leasing. The Department of Central Management Services and the Department of Transportation shall take reasonable steps to ensure market-based, non-discriminatory pricing. Public bidding notices for such projects must describe the need for fiber-optic conduit or cable. The Department of Transportation shall report annually to the Governor and the General Assembly on the progress and any associated costs incurred by this Section. This Section does not prohibit the State from purchasing or installing fiber-optic cable within the fiber-optic network conduit.

(Source: P.A. 96-37, eff. 7-13-09.)

ILLINOIS CENTURY NETWORK

**ADVANCED ENGINEERING TASKFORCE:
MEMBERSHIP APPOINTMENTS**

- Submitted for:** Action
- Summary:** This item seeks confirmation of new members and renewal of those appointments that expire in 2010.
- Action Requested:** That the Policy Committee approves the confirmation of new members and renewal of those appointments that expire in 2010.
- Recommended Motion:** *The Policy Committee approves the confirmation of new members and renewal of those appointments that expire in 2010.*

ILLINOIS CENTURY NETWORK

ADVANCED ENGINEERING TASKFORCE: MEMBERSHIP APPOINTMENT

Participation in the Advanced Engineering Taskforce (AET) continues to be strong and includes a balance of constituent categories, size, and geography. The table on the next page shows a representation of the current AET membership.

The AET is seeking reappointment for the following members whose term expires in June 2010. The new three year terms would extend through 2013.

- Andrew Bullen, Illinois State Library
- Michael Dickson, Western Illinois University
- Sam Ferguson, City of Schaumburg
- Dennis Gallo, O'Fallon CUSD 90
- Jim Peterson, Bloomington School District 87
- Community College President's Technical Council position

The following names were brought forth by AET members to fill vacant spots and/or replace members who have been unable to participate during their term.

- Kevin Moran, City of Chicago (replacing Jason DeHaan)
- Ed Wagner, Chicago Public Schools (new)
- Brian Tobin, DeKalb CUSD 428 (new)
- Ken Davis, Sangamon County (new)

The matrix on the next page shows a representation of the current AET membership.

The staff recommends adoption of the following resolution:

The Policy Committee approves the confirmation of new members and renewal of those appointments that expire in 2010.

Advanced Engineering Taskforce Member Matrix FY 2010

K-12 Schools	Community Colleges	Universities	Libraries	Museums	Other Institutions	Units of Local Government	State Agencies	Staff
Jim Flanagan Illinois Chief Technology Officers (2012)	Doug Minter Comm. College Pres. Tech. Council (2010)	Michael Shelton SIU (2012)	Andrew Bullen Illinois State Library (2010)	Robert Dulski Brookfield Zoo (2011)	Louis Kirkbride IL Critical Access Hospital Network (2011)	Sam Ferguson City of Schaumburg (2010)	Ryan Croke Governor's Office (2012)	Kirk Mulvany CMS
Dennis Gallo O'Fallon CCSD 90 (2010)	Alan Pfeifer Sauk Valley Comm. College (2011)	Mike Dickson WIU (2010)	Rob Zschernitz North Suburban Library System (2012)			Ken Terrinoni Boone County (2012)	Mark Kinkade IDOT (2010)	Robin Woodsome CMS
Mark Drone Bond-Fayette- Effingham ROE (2010)	Rich Kulig COD (2012)	Charles Kline UIUC (2011)	Brandon Gant CARLI (2012)			Glen Trommels City of Rockford (2012)		Lori Sorenson CMS
Jim Peterson Bloomington Schools (2010)	Scott Armstrong Kishwaukee Comm. College (2012)	Joel Mambretti Northwestern University (2012)	Troy Brown Shawnee Library System (2011)			Jason DeHaan City of Chicago (2010)		Frank Walters CMS
		Dr. Deanna Raineri UIUC (2013)						
		Greg DeYoung EIU (2011)						
		Herb Kuryliw NIU (2012)						

ILLINOIS CENTURY NETWORK

E-RATE UPDATE

Submitted for: Information

Summary: This item provides an update on ICN E-Rate funding request.

Action Requested: None

Recommended Motion: None

ILLINOIS CENTURY NETWORK

E-RATE UPDATE

Since the last update, the remaining approved funding for E-rate funding year 2008 totaling approximately \$334,473 has been received.

Now that fiscal year 2010 has ended, work is being completed to determine the requests for reimbursements for the approved 2009 E-rate funding year application. The final requested amounts will be based on FY 2010 actual spend. Initial estimates suggest that total funding reimbursements will be approximately \$1,339,224. This figure is approximately \$200,000 lower than the amount reported in the last update. The reduction is due primarily to services (ICN backbone and egress circuits) disconnected during the year, new circuits not being in service for the entire year, and overall reduced costs.

The chart below summarizes E-rate funding activity and status for each funding year application.

E-rate Activity

Funding Year	Received	Approved – Not yet received	Applied for Not yet approved	Under Appeal
Year 3 (2000)	\$2,137,765	-0-	-0-	N/A
Year 4 (2001)	\$2,179,728	-0-	-0-	\$2,274,232 ¹
Year 5 (2002)	\$4,996,227	-0-	-0-	N/A
Year 6 (2003)	\$4,644,171	-0-	-0-	N/A
Year 7 (2004)	\$2,497,427	-0-	-0-	\$393,338 ²
Year 8 (2005)	\$2,424,567	-0-	-0-	N/A
Year 9 (2006)	\$982,392	-0-	-0-	N/A
Year 10 (2007)	\$947,048	\$6,495	-0-	N/A
Year 11 (2008)	\$799,251	-0-	-0-	N/A
Year 12 (2009)	N/A	\$1,339,224	-0-	N/A
Year 13 (2010)	N/A	N/A	\$3,591,166	N/A
Totals	\$21,608,576	\$1,345,719	\$3,591,166	\$2,667,570

The ICN 2010 E-rate application remains in the initial stages of review.

¹ The probability of receiving this funding request is almost non-existent. Denial was based on the expiration of a master contract during the funding year.

² This remaining amount under appeal is related to the ICN Year 7 Library application. For unknown reasons, the FCC did not include this application in their decision to grant the ICN appeal of denied funding for the School application.

Recently, comments were filed by a number of stakeholders in response to the FCC's posting of a Notice of Proposed Rule Making (NPRM) regarding suggested significant changes to the E-rate program. The suggested changes center around simplifying and streamlining the application process, revising the "discount matrix", which is used to determine applicant's funding eligibility, and other proposed changes. Reply comments are due to the FCC by July 26th.