

# Illinois Century Network

## Policy Committee Meeting Agenda

August 12, 2013

1:00 p.m.



**ILLINOIS CENTURY NETWORK  
POLICY COMMITTEE  
MEETING AGENDA  
August 12, 2013  
1:00 p.m.**

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**Next Meeting**

October 21, 2013  
Community College Board, Springfield  
James R. Thompson Center, Chicago

**ILLINOIS CENTURY NETWORK**

**April 15, 2013 POLICY COMMITTEE MINUTES**

**Submitted for:** Action

**Summary:** Distribution of the April 15, 2013 minutes for review by the Policy Committee.

**Action Requested:** Adoption of the April 15, 2013 minutes.

**Recommended Motion:** The ICN Policy Committee adopts the April 15, 2013 minutes with any edits as noted.

**ILLINOIS CENTURY NETWORK**

**APRIL 15, 2013 POLICY COMMITTEE MINUTES**

Greg Wass called the meeting to order at 1:06 PM and thanked everyone for attending.

**Members present (Chicago):**

Greg Wass, Cook County	Sean Vinck, Office of the Governor
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**Members Present (Springfield):**

Bonnie Styles, Illinois State Museum	Alan Phillips, Board of Higher Education
Anne Craig, Illinois State Library	Jeff Newell, Illinois Community College Board
Lori Sorenson, Central Management Services	

**Members on audio bridge:**

Chet Olson, Mayor of Rochelle	Mike Dickson, Consultant
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**Staff and guests:**

William Maggos, Office of the Governor	Kathleen Bloomberg, Illinois State Library
Linda Knibb, Consultant	Robin Woodsome, Central Management Services
Tom Oseland, Central Management Services	Carla Poani, AT & T
Deborah Kelley, Central Management Services	

**Announcements and Comments**

Greg stated he is increasingly proud of the fact that we have a very well managed state-owned asset. It is important to keep in mind the public purpose of the Illinois Century Network. We want to make sure the Policy Committee stays intact to maintain that purpose. Everyone here represents the major users and with your help, we will keep the proper perspective. There has been speculation about whether the ARRA program was running afoul of the private market and it is clear the grants were available to any qualified applicants. The State of Illinois worked hard to submit a competitive application and obtain the funding. We are looking forward to public and private partnerships. This investment is viewed as a kick start to get more connections and additional investment across the state. It is positive for the economy as a whole.

**Minutes**

Greg introduced the first item on the agenda, approval of the minutes from the January 22, 2013 meeting. A motion was made by Mike Dickson to accept the minutes. The motion was seconded by Bonnie Styles. The motion carried.

**IBOP Update**

Lori provided an update on the IBOP fiber project with is targeted to finish on July 31<sup>st</sup>. All of the conduit has been installed and 915 of 1,000 miles of fiber has been installed.

Boring under the Illinois River is complete. Lori explained a bit of the complexities involved in the river bore. The river is 500 feet across; however, the Army Corps of Engineers required the conduit and fiber to be installed 60 feet below the bed of the river so the actual distance of the river bore was 1,500 feet. To get the angle, they had to start in the flood plain and go under the levee. The other side of the river is all rock-faced cliffs so they punched through a 10" steel pipe and then put in a 4" iron conduit. Conduit is usually 1.25". By using the larger conduit, space will be available for other utilities needing to cross the river in the future.

Fiber leases have been secured for 681 of 700 miles. The two remaining agreements are with the Chicago Transit Authority. Staff are still working on the last of the details – both should be on the May Board agenda.

As of March 31<sup>st</sup>, project expenditures totaled \$66 of the \$96 million. CMS has received \$30 of \$64 million in federal funds and \$18 of \$26 million in capital funds plus another \$6 million in state funding.

There are 19 anchor institutions that are connected and capable of receiving service. This includes several of the community colleges in the Chicago area.

CMS has received approval for a project expansion request as staff is projecting the original scope to be completed under budget. A route change request is pending with the National Telecommunications and Information Administration (NTIA) for the Chicago re-route from 95th Street to downtown. CMS originally planned to use CTA fiber along the red line which will not be available due to major construction. Staff identified a new; however, will likely need more time to complete the changes. CMS plans to submit a request to NTIA for an extension through September 30<sup>th</sup>. Staff anticipate receiving approval for the extension as many other projects around the nation have been granted extensions for similar reasons.

The fiber lease contract template and customer forms for wholesale customers are complete. The first wholesale agreement has already been executed. CMS is in negotiations with several other wholesale customers.

The ICN issued the Request for Information for the sales and marketing partner. Eight responses were received and staff are conducting question and answer sessions with each respondent. The responses have confirmed the framework is appropriate and accurate. The Request for Proposal will be issued this summer. There were no responses for the Request for Public Comment.

### **ICN Funding**

Lori reported that a call was held with CMS fiscal staff and the Governor's Office of Management and Budget regarding funding. At the start of FY13, ICN expected \$6 million based on appropriations in two different funds. To date, CMS has only received \$4 million. The remaining \$2 million has not been released due to a lack of money in the fund. The administration has submitted a supplemental appropriation request which could provide an additional \$9.3 million for ICN. The FY14 budget includes a \$5 million appropriation for the ICN within the Budget Implementation Bill.

### **New Policies and Rates**

Robin Woodsome presented a list of new services that have evolved over the years based on customer needs. ICN staff has been working with the Advanced Engineering Taskforce to establish parameters and rates for the

new services. These new services include: bandwidth for community/shared networks, backup bandwidth, expedited requests, special router configurations, monitoring and NOC support for management release customers, and extending certain ICN services across other vendor networks.

Greg suggested the Committee and staff consider incorporating wholesale providers in the Advanced Engineering Taskforce since they are a new customer category. Lori and Robin committed to discussing the suggestion with the Advanced Engineering Taskforce at the next meeting.

### **E-rate**

Tom Oseland reported that the 2011 application for \$3.3 million has moved to the final review. The final dollar amount that will be requested for reimbursement is approximately \$2.5 million. The 2012 application was approved. The final reimbursement amount will not be available until the end of FY13.

The ICN is now officially a service provider. The RTC staff responded to hundreds of schools and libraries during the recent bidding window. According to the E-rate website, there are 116 applications listing ICN as their internet service provider. These applications total \$938,000 in E-rate funding based on a total purchase of \$1.4 million in ICN services.

The Federal Communications Commission has announced an E-rate program - Healthcare Connect Fund. The new program targets hospitals, health clinics, and doctor's office facilities and provides funding for broadband services as well as connections to offsite datacenters and administrative offices. The program provides a flat reimbursement rate of 65%.

### **Advanced Engineering Taskforce Membership**

Michael Dickson abstained from voting on this item since he is a nominee.

The Advanced Engineering Taskforce includes members from the various constituent groups that help guide the future direction of the ICN. In addition to planning, this group has helped staff with network policies and technical configurations. Members are appointed to terms of 1 to 3 years.

Staff recommended a three year term for the following:

- Andrew Bullen, Illinois State Library;
- Tracy Smith, University of Illinois;
- Dennis Gallo, O'Fallon CCSD 90
- Ken Davis, Sangamon County 911
- Michael Dickson, Retired
- Jim Peterson, Bloomington School District 87

Staff recommended a two year term for the following:

- Brian Tobin, DeKalb CUSD 428
- John Bandy, Memorial Health Systems

Ann Craig made a motion to approve the confirmation and renewal of AET members as requested. Bonnie Styles seconded the motion. The motion was approved with Mike Dickson abstaining.

**Open meetings Act**

As required by the Open Meetings Act, staff presented the following rule governing how public comments are to occur at future Committee meetings.

A representative of the general public may request the opportunity to make a presentation, provided that his/her request is made to the Committee Secretary no later than three business days prior to the Committee meeting for which the request to make a presentation is made, except as an emergency might require. Appearance, if approved by the Chairperson, will be subject to reasonable time limits and relevant to subjects on the meeting's agenda. The party whose request for appearance is approved will be notified in advance of the appointed time and place. The time and appearances which have been approved will be scheduled as the Committee agenda permits or as the Chairperson deems appropriate.

This item will be brought forward for action at the next meeting.

**Adjourn**

Bonnie Styles made a motion to adjourn the meeting at 2:25 PM. Anne Craig seconded the motion. Motion carried.

**ILLINOIS CENTURY NETWORK**

**ILLINOIS BROADBAND OPPORTUNITY PARTNERSHIP UPDATE**

**Submitted for:** Information

**Summary:** Provides an update on the Illinois Broadband Opportunity Partnership.

**Action Requested:** None

**Recommended Motion:** None

## ILLINOIS CENTURY NETWORK

### ILLINOIS BROADBAND OPPORTUNITY PARTNERHSIP UPDATE

#### **Construction**

Construction is complete along all routes except for 11 miles in Chicago and 3 laterals to Triton College, McHenry College and Morton College. These routes required changes in the route design which has delayed the start of construction. Construction has started on all four routes. ICN has received an extension through September 30 to allow time to complete the remaining work.

#### **Fiber Leases**

ICN has completed the two pending leases with the Chicago Transit Authority and is working on a lease with Kane County.

#### **Budget**

As of June 30, 2013 project expenditures total \$77M of the \$96M. CMS has received \$44M of the \$64M in federal funds and \$18M of the \$26M in Illinois capital funds plus another \$6M in state funding.

#### **Community Anchor Institution (CAI) Connections**

Between CMS and ISU, 232 CAIs are connected and capable of receiving services. More than 100 of these CAIs are receiving services.

#### **Project Expansion**

ICN staff is projecting final costs for the original project scope to finish 5% under budget. Last year, staff projected that final costs would be under budget and proceeded to obtain approval from the National Telecommunications and Information Administration (NTIA) to add additional laterals and CAIs. This past week ICN authorized the contractors to proceed with four additional laterals that represent ten additional fiber miles and four CAIs. They include: Pittsfield, Gillman, Arcola and Greenville. Staff is evaluating vendor quotes for another ten mile lateral from Litchfield to Hillsboro which would connect Hillsboro Junior High School. Staff is also evaluating upgrading the optical equipment from 40 Gbps to 100 Gbps along portions of the backbone.

#### **Wholesale Customers**

ICN has executed seven fiber lease agreements – 1 private network, 2 wholesale broadband providers, 1 rural electric cooperative, and 3 CAIs. These sales represent \$1.9M in one-time revenue and \$500,000 in annual revenue. Staff are working to finalize and issue the Request For Proposals (RFP) for the Sales and Marketing partner.

**ILLINOIS CENTURY NETWORK**

**ICN BUDGET**

**Submitted for:** Information

**Summary:** This item provides information regarding the ICN Budget.

**Action Requested:** None

**Recommended Motion:** None

**ILLINOIS CENTURY NETWORK**

**ICN BUDGET**

Staff to provide update at the meeting.

**ILLINOIS CENTURY NETWORK**

**NEW POLICIES AND SERVICES**

**Submitted for:** Action

**Summary:** This item seeks approval of new policies and services.

**Action Requested:** That the Policy Committee approves the new policies and services.

**Recommended Motion:** *The Policy Committee approves the new policies and services.*

## **ILLINOIS CENTURY NETWORK**

### **NEW POLICIES AND SERVICES**

Working with the Advance Engineering Taskforce (AET), ICN staff has developed policies and rates for special services provided to customers. These special services are in response to customer requests. The AET has approved these new services that were presented and discussed at the previous Policy Committee meeting. ICN staff is requesting the approval of the Policy Committee.

Specifics regarding the proposed services, policies and rates are included on the following pages titled Proposed New & Revised ICN Services. A summary of the proposed services, policies and rates follows:

#### **Shared bandwidth for ICN primary constituent private networks**

Staff proposes a new policy that allows network members to pool their allocation credits together to purchase bandwidth services from the ICN. The new policy also restricts this option to only networks comprised only of primary constituents who do not sell or resell broadband services and where the network is collectively managed by its members.

#### **Backup Bandwidth**

Staff proposes a new service and rates to provide ICN customers the option to purchase additional bandwidth that is available only in emergency situations. This service is designed for customers who purchase bandwidth from the ICN and another provider. The customer could fail over to the ICN for additional bandwidth should they experience a service disruption with their other provider.

#### **Expedited Service Requests**

A new service and fee that provides customers the option to request service requests be expedited. Examples include emergency bandwidth increases, emergency DNS entries, and special or unique router configurations including Quality of Service (QoS) and BGP.

#### **Large IP Address Assignments**

A new fee will be charged per full Class C IP address block (256 addresses). In today's networking environment, a site's firewall performs Network Address Translation (NAT) which translates public IP addresses to private IP addresses on the customer's Local Area Network (LAN) and which provides added security. Sites which use NAT no longer require large public IP address blocks. IP address block assignments under a full Class C will continue to be assigned at no cost.

#### **Last Mile Monitoring for Management Release Customers**

A new fee will be charged for NOC services provided to our Management Release (MR) customers. MR customers are typically larger school districts, community colleges and universities which want to manage their own routers. At the customer's request, the ICN will monitor the MR site's connection 24x7x365 and notify the site if we detect a problem.

**DNS Service for Non-ICN Customers**

A new fee will be charged to non-ICN customers who wish to have the ICN manage their DNS service. Generally non-ICN customers have used the ICN in the past and prefer to have ICN continue to provide DNS hosting and technical support services.

**Recommended motion:** *The Policy Committee approves the new services, rates and policies as presented.*

## Proposed New & Revised ICN Services For Community Anchor Institutions

### *New Service*

#### **Backup Bandwidth Service:**

*Organization arranges in advance for a set level of backup bandwidth to be used on an emergency basis. Configuration period is 10 business days.*

- \$1 per Mbps per month
- 24 hours of use with no additional charge across a maximum of 3 separate incidents per calendar year
- After 24 hours or on the 4<sup>th</sup> incident within a calendar year, standard bandwidth rates apply

#### Example:

Site requires 300Mbps backup service

$\$1 \times 300 = \$300$  MRC

24 hours of use over 3 incidents at no additional charge (allowable use)

Any incident over allowable use incurs standard bandwidth monthly charge less the MRC for that month.

### *New Charge*

#### **Expedited Service Request for Change in Bandwidth Level:**

*Organization requires a change in bandwidth level with less than 10 business days notice. Configuration period is 10 business days.*

- Standard bandwidth rate + \$250 expedite fee (one month of service minimum)

#### Example:

3 days notice for 100Mbps over rate limit

100Mbps @ \$10 per Mbps = \$1,000 + \$250 engineering fee = \$1,250

- The bandwidth cost is based on the total bandwidth required.

#### Example:

If the site's normal bandwidth level is 100Mbps and they request an additional 100Mbps, the cost for the additional bandwidth is calculated at the 200Mbps level (\$9.50 per Mbps current pricing).

#### **Special Events Bandwidth:**

For primary constituents (K12, higher education, libraries and museums), ICN will provide additional bandwidth to support special events at no cost to the organization. Requests for up to 20Mbps of additional bandwidth must be submitted in writing 30 days in advance of the event. The request should include a description of the event, audience, and benefit. Requests are subject to ICN review and bandwidth availability.

The ICN reserves the right to approve or deny the request. Limit one event not to exceed 7 consecutive days per organization per calendar year.

*New Charge*

**Monitor Circuit for Management Release Customers with no bandwidth purchase:**

*Configuration period is 2 business days.*

- \$100 per month

For management release customers which are purchasing a minimum of 20Mbps, ICN will monitor their connection as outlined in the management release form, at no cost to the customer.

*New Charge...*

**Quality of Service (QoS) Last Mile:**

*Organization needs to ensure priority of critical application traffic. Configuration period is 2 business days. Only applies to MetroEthernet connections and not legacy T1 connections.*

- \$25 per month up to 4 classes (video, United Streaming, voice, payroll = 4 classes)

Example:

School requests priority of service for their United Streaming and video conferencing traffic = 2 class @ \$25 per month. Two more classes may be added within the original \$25 per month charge. A fifth class initiates a second \$25 per month charge.

*New Service*

**Quality of Service (QoS) Backbone:**

*Organization needs to ensure priority of critical application traffic. Configuration period is 3 business days.*

10% of standard bandwidth rate per Mbps

Example:

Site requests QoS across the backbone for 200Mbps serving critical research application =  $\$25 \times 10\% = \$2.50 \times 200\text{Mbps} = \$500$  per month

*New Charge*

**DNS Hosting for non-connected site:**

*Configuration period is 1 business day.*

- \$100 NRC set-up per Zone/Domain
- \$25 MRC maintenance
- \$50 NRC DNS Change

*New Charge*

**IP Addresses:**

*Configuration period is 1 business day.*

- /27 (32 addresses) no charge for ICN Customers
- /24 and more (256 addresses per /24) \$50 MRC for ICN Customers including multi-home customers per /24

*New Charge*

**BGP Configuration:**

*Configuration period is 5 business days.*

- \$25 MRC for any BGP configuration without bandwidth purchase
- No charge for standard configuration with bandwidth purchase (20Mbps purchase minimum)
- \$100 per incident for non-standard configuration and/or management release routers for all customers including initial implementation
- \$50 per change for all non-standard configuration changes

Example:

Standard configuration would include common ICN BGP communities.

Non-Standard configuration would be anything specific for an application or to accommodate a unique need a customer may have which requires a higher level of technical support and time.

*New Charge*

**Expedited Service:**

*Organization requires a service be applied or changed outside the standard allowed configuration period.*

*Excluding Change in Bandwidth Level service.*

*Standard business hours are M-F 8:00AM to 5:00PM.*

- \$100 NRC within standard business hours for ICN customers without bandwidth purchase
- \$100 NRC within standard business hours for ICN customers with bandwidth purchase
- \$250 NRC within standard business hours for non-ICN customers
- \$150 NRC during after hours, weekends and holidays for ICN customers without bandwidth purchase
- \$150 NRC during after hours, weekends and holidays for ICN customers with bandwidth purchase
- \$300 NRC during after hours, weekends and holidays for non-ICN customers

**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**

The ICN’s E-rate application for funding year 2011 was approved in a letter dated April 24, 2013. The final approved amount was \$3,105,052.01. Once work was completed to determine the final dollar amounts to be claimed, the necessary E-rate forms were prepared and submitted for processing in early July. The total amount submitted for reimbursement was \$2,561,150.59. To date, \$408,141.22 has been received and deposited by CMS accounting. An additional amount of \$1,005,117.37 has been disbursed by USAC but has not yet been received at CMS. One final funding request totaling approximately \$1.1 million remains at USAC invoice review. USAC review staff has made contact and requested additional documentation for verification of the final expended dollar amounts. Once the review is complete, the final approved amount will be determined and disbursed to the ICN.

Work is underway to determine the final amounts to be submitted for reimbursement from the approved funding for the 2012 E-rate application. The final amount approved was \$3,102,382. Actual reimbursements received will be significantly lower due to the overall cost of services provided for the ICN being greatly reduced throughout the 2013 fiscal year.

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

**E-rate Activity**

<b>Funding Year</b>	<b>Received</b>	<b>Approved – Not yet received</b>	<b>Applied for Not yet approved</b>	<b>Under Appeal</b>
Year 3 (2000)	\$2,137,765	-0-	-0-	N/A
Year 4 (2001)	\$2,522,559	-0-	-0-	N/A
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-	N/A
Year 8 (2005)	\$2,424,567	-0-	-0-	N/A
Year 9 (2006)	\$982,392	-0-	-0-	N/A
Year 10 (2007)	\$953,998	-0-	-0-	N/A
Year 11 (2008)	\$799,251	-0-	-0-	N/A
Year 12 (2009)	\$1,339,032	-0-	-0-	N/A
Year 13 (2010)	\$2,982,199	-0-	-0-	N/A
Year 14 (2011)	\$408,141	\$2,153,009	-0-	N/A
Year 15 (2012)	N/A	\$3,102,382	-0-	N/A
<b>Totals</b>	<b>\$26,687,729</b>	<b>\$5,255,391</b>	<b>-0-</b>	<b>-0-</b>

There were about 120 E-rate applications filed for the 2013 funding year that listed the ICN as the provider for Internet access service. Approximately 28 ICN customers have already been approved for funding. The ICN will work with each customer to determine how the approved funding will be applied. This will be done by either discounting the customer's monthly invoice or by reimbursing the customer once payments have been made.

**ILLINOIS CENTURY NETWORK**

**OPEN MEETINGS ACT**

**Submitted for:** Information

**Summary:** This item seeks to review the requirements of the Open Meetings Act

**Action Requested:** None

**Recommended Motion:** None

**ILLINOIS CENTURY NETWORK**

**OPEN MEETINGS ACT**

In accordance with the Open Meetings Act (5 ILCS 120/) the Policy Committee is required to adopt rules governing how public comments are to occur at meetings. Staff presents the following rule for discussion:

A representative of the general public may request the opportunity to make a presentation, provided that his/her request is made to the Committee Secretary no later than three business days prior to the Committee meeting for which the request to make a presentation is made, except as an emergency might require. Appearance, if approved by the Chairperson, will be subject to reasonable time limits and relevant to subjects on the meeting's agenda. The party whose request for appearance is approved will be notified in advance of the appointed time and place. The time and appearances which have been approved will be scheduled as the Committee agenda permits or as the Chairperson deems appropriate.