

**CMS**

ILLINOIS DEPARTMENT OF

*Central Management Services*

# Illinois Century Network

## Policy Committee Meeting Agenda

July 18, 2011

1:00 p.m.

**ILLINOIS  
CENTURY  
NETWORK**

Central Management Services

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**ILLINOIS CENTURY NETWORK  
POLICY COMMITTEE  
MEETING AGENDA  
July 18, 2011  
1:00 p.m.**

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**Next Meeting**

**October 17, 2011  
Community College Board, Springfield  
James R. Thompson Center, Chicago**

**ILLINOIS CENTURY NETWORK**

**April 18, 2011 POLICY COMMITTEE MINUTES**

**Submitted for:** Action

**Summary:** Distribution of the April 18, 2010 minutes for review by the Policy Committee.

**Action Requested:** Adoption of the April 18, 2011 minutes.

**Recommended Motion:** The ICN Policy Committee adopts the April 18, 2011 minutes with any edits as noted.

**ILLINOIS CENTURY NETWORK**

**APRIL 18, 2011 POLICY COMMITTEE MINUTES**

Mike Dixon called the meeting to order at 1:00 PM. Kathleen Bloomberg asked if we were planning to discuss a letter from Lincoln Land Library that was sent to the ICN Policy Committee members. The ICN staff was not aware of the letter. It was added as Item 7 of the agenda.

**Members present:**

Greg Wass, Cook County	Mike Dixon, Western Illinois University
Chet Olson, Mayor of Rochelle	Amy Edwards, IL Board of Higher Education
Todd Jorns, IL Community College Board	Bonnie Styles, Illinois State Museum
Kathleen Bloomberg, Illinois State Library	

**Staff and guests:**

Lori Sorenson, Central Management Services	Kirk Mulvany, Central Management Services
Tom Oseland, Central Management Services	Deborah Kelley, Central Management Services
Robin Woodsome, Central Management Services	Carla Poani, AT & T

**Minutes**

Mike introduced the first item on the agenda, the approval of the minutes from January 18, 2011. Chet Olson motioned that the minutes be approved. Amy Edwards seconded the motion. The motion carried.

**Illinois Broadband Opportunity Partnership Update**

Lori Sorenson reported that March 31st closed the year one, quarter three of the three year project. Staff have been preparing reports and assessing progress – the National Telecommunication and Information Administration (NTIA) measures progress by money spent not necessarily activity.

The most significant accomplishment this past quarter was the completion of the environmental assessment and receipt of a Finding of No Significant Impact (FONSI). At the time the draft environmental assessment was submitted in January, ICN did not yet have an approval letter from the Illinois Historic Preservation Agency (HPA). In mid March, the project received approval from HPA with additional requirements and restrictions. The restrictions included the avoidance of Cahokia Mounds near Collinsville. Additionally, about 200 miles of the 1,000 miles of new construction requires additional surveys to ensure avoidance of archeological concerns. The archeologist hired by the Architectural and Engineering firm will conduct the field survey work prior to construction. The field survey work will be an additional cost to the project.

Staff is working on securing fiber lease agreements for the nearly 1,000 miles of leased fiber. Agreements were secured with the Department of Transportation and the State Toll Highway Authority in the western Chicago suburbs. When combined with the Level3 fiber, the Collinsville to Chicago run is nearly connected. Bids have been issued for several other fiber routes. Members questioned if those potential vendors were concerned about late state payments or the required certification documents. Lori explained that that since

the funding is coming from federal dollars and not the General Revenue Fund, payments are issued in a timely manner.

Construction bids were due April 15th. Proposals were received from several vendors and are under administrative review before routing to the technical/business evaluation team. Staff hopes to have contracts with five vendors completed in June.

The Architectural and Engineering firm has completed the detailed design and construction specifications for 23% of the new construction. The goal is to have the same design work completed for 25% of the backbone and 25% of laterals by June 30th. Construction will begin along I-57 – from Kankakee to Champaign. The next routes under construction will be from Kankakee heading north to southern Cook County, Champaign to Bloomington and then Bloomington to Chenoa and Bloomington to Lincoln.

Staff is also working on evaluating various customer forms including the participation agreement, service agreement, application, and acceptable use policy. This is being done to address changes as a result of a new customer base (businesses and third party service providers). The new forms will be reviewed by the Advanced Engineering Taskforce and Policy Committee for comments and feedback.

The total project costs as of March 31<sup>st</sup> are \$4.2 million. This includes \$2 million in federal funding and \$2.2 in local match. ICN has been received \$1.9 million in the federal funding. As reported on federalreporting.gov and Illinois Stimulus 360, the project has directly funded 18 full-time equivalent jobs - mostly engineering, architectural and environmental.

#### **Primary Constituent Funding**

Staff continues to tweak the model. The education community was combined into one group to address disparities between K-12, universities, and community colleges. This had little impact on K-12 but significant benefit to the allocation for community colleges and small universities. Assuming level funding and the adoption of the proposed rates, education organizations would be eligible for a minimum of 50 Mbps and a maximum of 2 Gbps per organization. The model includes funding for non-FTE educational organizations like Regional Offices of Education.

Staff received data from the State Library regarding library size and has developed a few models to accommodate larger libraries. Large museums or museums with digital content will be accommodated through a bandwidth grant.

Overall, the model is easily adjusted based on the level of funding received from the state. Staff is developing documentation for constituents explaining the model.

The model also addresses concerns regarding aggregate connections. Many school districts with multiple buildings locations connect to the backbone through a single aggregate connection. The new model enables districts to allocate bandwidth resources among their locations as they choose. Feedback from school districts indicated they like this model since they can allocate more bandwidth to high schools than the grade schools.

Todd Jorns asked if there is a chance the \$13 million state appropriation could go away or be lowered. Lori responded that it's always a possibility. If the appropriation is eliminated prior to implementing the fiber network it could force schools and libraries to use a DSL or cable modem connection that provides lower throughput, no access to Internet 2, and no redundancy. With the new customer base of the fiber network it might be possible to establish a model to fund primary constitution connections with some of the revenues that come from the other sources.

The AET established a subcommittee to look at developing a membership fee. The committee includes Jim Flanagan, Dennis Gallo, Ken Davis and Robin Woodsome. Staff is also looking interim solutions to meet the primary constituents growing bandwidth needs but cannot afford to increase bandwidth at the current rates. These solutions include the use of additional bandwidth at night when overall network traffic is low. This nighttime bandwidth can be used for server backups and pushing or pulling server and/or desktop updates. Another consideration is the ability to use backbone bandwidth reserved for failover in the event of an outage. Staff continues to work with constituents on a case-by-case basis to find creative solutions to meet bandwidth needs without compromising network operations.

#### **AET Membership**

Kirk provided an update on the AET membership. There are seven terms expiring in June. These are two-year terms with a two meeting per year attendance commitment. Of that group, there are two individuals that have not attended any meetings this past year - Charles Kline from UIUC and Louis Kirkbride from ICAHN. The AET and ICN staff would like to have representation from both groups and will be following up to see if there is someone else better positioned to participate.

The focus of AET this past year has been the broadband infrastructure and cost allocation model. The AET has also been talking about collaboration with the cloud service providers. Policy Committee members are encouraged to send Kirk any recommendations for new appointments to the AET. There are typically four meetings per fiscal year with two meetings conducted via video conferencing and two meetings in person. If an AET member is unable to attend a meeting, they can send a delegate.

It was noted that Doug Minter with Heartland Community College is no longer Chair of the Community College President's Technical Council. Scott Armstrong of Kishwaukee Community College is the current Chair.

Membership recommendations will be presented at the next Policy Committee meeting.

#### **E-rate**

Tom Oseland provided his E-rate update. The 2009 funding year has been closed out. ICN received a little over \$1.3 million. The 2010 application was approved for up to \$3.6 million. ; Tom estimated the final amount will be around \$3.2 million. This is a big increase over the prior funding year due to a change in calculating the network utilization by eligible entities.

Staff is finalizing paperwork and various forms for the 2011 funding request. The 2011 application is very similar to 2010 – it was submitted on March 22<sup>nd</sup>. USAC has started to review the application.

There is not much happening with 2001 funding – some invoice records no longer exist.

Once the fiber network is in place ICN will likely go from being an applicant to a broadband service provider (Internet only). Individual schools and libraries would file for E-rate funding with the ICN listed as the service provider. Staff would work with constituents to provide direction for the application process. The service provider activities would be completed by ICN.

#### **Lincoln Library Letter**

Lincoln Library in Springfield, IL sent a letter to Policy Committee members requesting ICN to reconsider how bandwidth is calculated for libraries. The library suggested that ICN consider the size of the population served rather than a fixed amount per library location. They are also asking for an interim solution – more bandwidth with no costs. Lori reported that similar requests are received at least a couple times a year from other constituents.

Kathleen Bloomberg mentioned there is frustration that if the State is subsidizing the ICN at the rate of \$13 million and yet some libraries, museums, and schools are not getting a competitive rate compared to some other ISPs.

Lori explained that the ICN service can't be compared to a basic residential or small business service rate. The ICN provides dedicated bandwidth with the same upload and download speeds. DSL and cable solutions are shared bandwidth with an advertised speed but no guarantees of actual throughput. The download speed is also greater than the upload speed so anyone accessing data at any school location will experience greater delays. Despite these differences, staff agrees that current operational costs are too high which drives the rates. The migration to state-owned fiber will significantly reduce operational costs and lower rates. However, rates will never be as low as DSL and cable solutions.

All agreed to have the AET review the Lincoln Library situation to determine if any of the interim solutions would meet their needs and to consider their recommendations in the funding allocation model. Lori will contact the Library in the meantime.

Chet Olson made a motion to adjourn the meeting, Mike Dixon seconded the motion. The meeting adjourned at 2:51 PM.

**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 PARTNERSHIP UPDATE

June 30<sup>th</sup> marked the end of the project's fourth quarter as such staff are in the process of preparing the quarterly performance progress and financial reports which are due by July 31<sup>st</sup>. Once approved by NTIA, the reports are posted online at <http://www2.ntia.doc.gov/grantee/illinois-department-of-central-management-services>.

#### **Environmental Assessment**

CMS staff has been working with the engineering firm and the archeologist to develop a proposal for completing the site survey work required by Illinois Historic Preservation Agency (IHPA) as part of the Finding of No Significant Impact (FONSI). Staff has also been talking with the Chief Archeologist at the Illinois Department of Transportation (IDOT) and learned that previous survey work performed by IDOT may satisfy the IHPA's needs. If so, this will save time and money.

#### **Construction Procurements**

The initial construction procurement was rebid as the majority of vendors failed the administrative review process. The administrative review ensures that vendors have completed forms correctly and submitted all requested information. CMS reissued the same procurement solicitation document and conducted a webinar/conference call to instruct vendors on how to complete the required forms and registrations. The same number of vendors responded to the second solicitation and all passed the administrative review. CMS has awarded contracts to 5 of the 11 responding vendors: LTS Managed Tech Services, JF Electric Inc., John Burns Construction, Meade, and ADB Utility Contractors. The first construction package from the engineering firm is expected July 18. The five winning vendors will have an opportunity to provide a specific quote and timeline for completion CMS will select the best option and place an order. CMS is optimistic that construction activities can begin in late August/early September.

#### **Leased Fiber Routes**

Staff is preparing to install the optical equipment to light the Collinsville to Springfield route. Construction work has been completed in Springfield to extend the I55 leased fiber to the Springfield POP site. Orders have been placed with Level 3 to splice the I55 fiber into Level 3 In Line Amplification (ILA) huts where CMS will lease space for equipment to regenerate the optical signal between the POP sites. A short fiber build is needed north of Collinsville to connect the I55 fiber to existing state fiber that is connected to the Collinsville POP site. Staff is also working with the Chicago Transit Authority to lease fiber in the Chicago metropolitan area that will connect the I55 fiber to the Chicago POP site.

**ILLINOIS CENTURY NETWORK**

**PRIMARY CONSTITUENT FUNDING ALLOCATION**

**Submitted for:** Information

**Summary:** Provides an update on ICN Funding Allocation

**Action Requested:** None

**Recommended Motion:** None

## ILLINOIS CENTURY NETWORK

### PRIMARY CONSTITUENT FUNDING ALLOCATION

ICN staff has revisited the allocation model for libraries with the objective of addressing higher bandwidth needs for libraries serving larger population areas. This approach is similar to the education model which is based on student population. The study shows a significant benefit to libraries serving larger populations, but also similar to the education model, libraries serving smaller populations see no benefit. To address this, a minimum credit allocation amount would be needed to ensure all libraries have access to adequate bandwidth to meet their needs. In the current study, staff is working with a model that would provide credits capable of purchasing a minimum of 35Mbps and maximum of 2Gbps. The current cost recovery model provides a flat 8Mbps for every library. The AET has approved this approach for Libraries.

Lincoln Library in Springfield is one of several libraries which have requested ICN to consider allocations based on population served or another criterion such as cards issued or size of collections. Based on the study and input from the AET, using the population served seems to be the most reasonable and fair option. Lincoln Library has also appealed to the ICN Policy Committee for additional bandwidth at no cost to accommodate current demand at the library. Although ICN is not able to change the current baseline model until the new network is operational, ICN is providing customized solutions based available backbone bandwidth at a particular location to help constituents until the new pricing model is implemented in summer 2013. An option for Lincoln Library would be to purchase a certain amount over their baseline and for ICN to allow a burst of two times the purchase amount. In the event of a backbone outage, ICN reserves the right to temporarily eliminate the bursting bandwidth to ensure the network is able to provide all constituents with their baseline and purchased bandwidth.

#### Example:

- Library baseline = 10Mbps
- Purchase over baseline = 5Mbps for a total of 15Mbps (10Mbps baseline + 5Mbps paid)
- ICN Burst amount = 5Mbps for a total of 20Mbps total (10Mbps baseline + 5Mbps paid + 5Mbps busting)

Cost to the library under the above example would be 5Mbps x \$70.00 per Mbps = \$350.00 per month. The same formula would be carried forward for higher purchase amounts with ICN doubling the purchases amount of bandwidth.

#### ICN Membership:

An AET subcommittee has been looking at a possible membership option for ICN constituents. For a fee, members would have access to additional benefits or services. The subcommittee presented their ideas to the full AET at the May 20th meeting at Heartland Community College, focusing on having a customer service representative dedicated to members, an "on-network" bandwidth option which would provide additional bandwidth for traffic which remained on the ICN, an "after hours" bandwidth option which would provide additional bandwidth during overnight hours when the network is underutilized, and point-to-point

configurations which would provide guaranteed priority bandwidth between specific locations on the ICN. Discussion around the idea of a customer service representative included soliciting feedback from AET members on the functions of such a position, with most members indicating the position acting as a single point of contact and escalation for all ICN services and support.

**ILLINOIS CENTURY NETWORK**

**ADVANCED ENGINEERING TASKFORCE:  
MEMBERSHIP APPOINTMENT**

**Submitted for:** Action

**Summary:** This item seeks confirmation of new members and renewal of those appointments that expire in 2011.

**Action Requested:** That the Policy Committee approves the confirmation of new members and renewal of those appointments that expire in 2011.

**Recommended Motion:** The Policy Committee approves the confirmation of new members and renewal of those appointments that expire in 2011.

## 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 terms expired in June 2011. The new three year terms would extend through 2014.

- Alan Pfeifer, Sauk Valley Community College
- Steve Menken, Illinois State University
- Troy Brown, Shawnee Library System
- Robert Dulski, Brookfield Zoo

In addition to the reappointment request for the above-listed individuals, the AET is seeking the appointment of the following individual to the AET. The new three year term would extend through 2014.

- Brian Murphy, Eastern Illinois University

Mr. Murphy began participating on the AET this past year after former AET member, Greg DeYoung of EIU left the university. Mr. DeYoung's term on the AET expired in June 2011.

The AET is not seeking reappointment for the following members whose terms expired in June 2011.

- Charles Kline, University of Illinois Urbana-Champaign
- Lucas Kirkbride, Illinois Critical Access Hospital Network

These members have not met the minimum attendance requirement to participate in at least 2 of 4 meetings each year. Mr. Kline attended 1 of 8 meetings during the past two years. Mr. Kirkbride attended 0 of 8 meetings in the last two years.

CMS staff recommend adoption of the following resolution:

The Policy Committee approves the confirmation of the new member and renewal of those appointments as requested, that expire in 2011.

## Advanced Engineering Taskforce Member Matrix 2011

K-12 Schools	Community Colleges	Universities	Libraries	Museums	Other Institutions	Units of Local Government	State Agencies	Staff
Jim Flanagan Illinois Chief Technology Officers (2012)	*Comm. College Pres. Tech. Council (2013)	Michael Shelton SIU (2012)	Andrew Bullen Illinois State Library (2013)	Robert Dulski Brookfield Zoo (2011)	Lucas Kirkbride IL Critical Access Hospital Network (2011)	Sam Ferguson City of Schaumburg (2013)	Ryan Croke Governor's Office (2012)	Kirk Mulivany CMS
Dennis Gallo O'Fallon CCSD 90 (2013)	Alan Pfeifer Sauk Valley Comm. College (2011)	Mike Dickson WIU (2013)	Brandon Gant CARLI (2012)	Rob Zschernitz The Field Museum of Natural History (2012)		Ken Terrinoni Boone County (2012)		Robin Woodsome CMS
Brian Tobin Dekalb CUSD 428 (2013)	Rich Kullig COD (2012)	Charles Kline UIUC (2011)	Troy Brown Shawnee Library System (2011)			Glen Trommels City of Rockford (2012)		Lori Sorenson CMS
Jim Peterson Bloomington Schools (2013)	Scott Armstrong Kishwaukee Comm. College (2012)	Joel Mambretti Northwestern University (2012)				Kevin Moran City of Chicago (2013)		Frank Walters CMS
Ed Wagoner Chicago Public Schools (2013)		Dr. Deanna Raineri UIUC (2013)				Ken Davis Sangamon County (2013)		
		Greg DeYoung EIU (2011)						
		Herb Kuryliw NIU (2012)						
		Steve Menken ISU (2011)						

\*Scott Armstrong is this year's President of the Illinois Community College Technical Council. Since Scott is already an appointed AET member, the Illinois Community College Technical Council may choose to designate another individual to represent this appointed position in 2011-2012.

**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

Working in conjunction with staff at the Illinois State Board of Education, funding reimbursement requests were submitted for some of the approved 2001 funding year application funds. To date, with the assistance of ICN vendors, a total of \$342,831.29 has been received.

The appealed funding requests approved by USAC were:

<u>FRN (funding request number)</u>	<u>Service Provider</u>	<u>Amount</u>
794374	Illinois Bell	\$1,085,529.85
794425	Illinois Bell	\$1,097,244.13
795515	AT&T Corp.	\$ 155,321.01
795701	Sprint Communications	\$ 80,876.48
795742	Sprint Communications	\$ 106,633.80

The three smaller claims, FRNs 795515, 795701, and 795742 are those that have been received. FRN 794374 could not be substantiated after a thorough review of archived application records available and no claim was submitted.

The remaining FRN, 794425, remains under review with USAC invoice personnel. Due to the size of the claim, a request for documentation was received from USAC. In reply, an explanation was offered explaining the extreme circumstances involved. The case was made that an identical claim for the first half of the funding year was reviewed and approved for disbursement and that these review records, including invoice documentation submitted by ICN, should support the disbursement of FRN 794425. Recently, communication was received from the USAC reviewer stating that special consideration could not be granted and that billing records would have to be provided per their review request. AT&T (the parent company to Illinois Bell) has confirmed that their company no longer has these records available and, as previously mentioned; ICN records are no longer available. A response will be submitted to USAC again requesting special consideration due to the circumstances but it is not expected that this FRN will be approved for disbursement.

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	\$2,182,774	-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-	\$393,338 <sup>1</sup>
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)	N/A	\$3,567,491	-0-	N/A
Year 14 (2011)	N/A	N/A	\$3,353,278	N/A
<b>Totals</b>	<b>\$23,297,389</b>	<b>\$5,750,265</b>	<b>\$3,353,278</b>	<b>\$393,338</b>

The ICN 2010 E-Rate application was approved for funding on March 29, 2011 for a total amount of \$3,567,491. Actual spend and other factors will result in final reimbursement requests to be an amount lower than the approved amount. Final preparations are being conducted for the submission of requests for reimbursements related to the 2010 application. It is not known at this time when those requests will be submitted or what the total requests will be.

The ICN E-Rate application for the 2011 funding year remains at the “Initial Review” status with USAC.

<sup>1</sup> 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.