

**ILLINOIS CENTURY NETWORK  
July 18, 2011 POLICY COMMITTEE MINUTES**

Greg Wass called the meeting to order at 1:00 PM.

**Members present:**

Greg Wass, Cook County	Kathleen Bloomberg, Illinois State Library
Chet Olson, Mayor of Rochelle	Todd Jorns, IL Community College Board
Malcolm Weems, Central Management Services	Scott Norton, Illinois State Board of Education
Beth Shea for Bonnie Styles, IL State Museum	Anne Craig, Illinois State Library

**Staff and guests:**

Lori Sorenson, Central Management Services	Kirk Mulvany, Central Management Services
Tom Oseland, Central Management Services	Melissa Camille, Central Management Services
Robin Woodsome, Central Management Services	Frank Whitney, AT & T
Ryan Croke, Office of the Governor	

**Minutes**

Greg introduced the first item on the agenda; the approval of the minutes from April 18, 2011. Chet Olson motioned that the minutes be approved. Scott Norton seconded the motion – the motion carried.

**Illinois Broadband Opportunity Partnership Update**

The biggest news is that our environmental assessment study was approved and we received a Finding of No Significant Impact (FONSI). We did, however, have restrictions placed on our project by the Illinois State Historic Preservation Agency (HPA). The HPA mandated that 200 miles of our total 1000 mile project undergo a field survey. The survey is to include soil samplings that will determine that last time the area was disturbed. Based on those results, construction will be approved or denied. We had been working with an engineering firm to obtain quotes for archeologists to do the work and thought we would be incurring approximately \$500,000.00 in unplanned expense, but believe we have found an alternative solution. The archeologist was all set to start work and right before they did the field surveys, Kirk was able to contact DOT who has an archeologist on staff. Fortunately, DOT has performed those studies in the recent past and the data they have should satisfy the requirements of the HPA. All involved parties have spoken and we are currently awaiting written approval from HPA. DOT has sent a written letter regarding their meeting and the field surveys placed on hold. There is another restricted area near Cahokia Mounds by Collinsville and the HPA has asked that we completely avoid this area. The DOT archeologist has indicated that it should not be a problem if we stay in their right-of-way. They will do some further study and will work with HPA. DOT's involvement on this issue will save us money, as we won't have to modify our environmental assessment due to changes in the route.

When we held our last meeting, the construction solicitation was out for bid. We did receive eleven responses, but had to cancel the bid because very few made it past the administrative review. Some requirements are statutes and if they are not in compliance, their bid cannot be considered. We then

reposted the RFP and held a conference call to walk potential vendors through developing a response. The conference call was very helpful, as these construction vendors are not used to responding to the type of procurement that we issue. They are accustomed to the process that DOT and CDB typically follow, whereby a vendor is first prequalified and can then bid. We received eleven responses on the second solicitation. All the vendors made it past the administrative review and through the final review. Five vendors were awarded a master contract. Four of the five vendors are Illinois-based companies and one vendor is from St. Louis. We are currently working with the vendors to establish a process for getting the construction packages from the engineering firm directly to the five vendors who will develop a quote based on their contract pricing. The most competitive vendor will receive the job. We are holding a call with the vendors on Friday to go through the administrative process and determine how quickly they can get the materials and start breaking ground. We are looking at mid to late September before any construction begins. That is about one month behind schedule, but should not impact the critical milestones – 66% of the project spend has to be complete at the two year mark (August 1, 2012) and 100% at the third year mark (August 1, 2013). Through preliminary conversations with the vendors, and based on the rate card response, we are within our budget and timeline. Most construction is along rural interstate/highways, so they will be able to move at a very fast pace.

Once we get a few detailed construction quotes, we will reevaluate our project timeline and budget. Then we will be able to verify our rates to make sure they are in line with our project. The rates then will be made available to any potential and current customers.

A Business Enterprise Program (BEP) goal of 20% was used for this project. All vendors did submit utilization plans that will be incorporated into the contracts. When the vendors submit their quote for each construction package, they will have to list their subcontractors. On the original bid, they had to list all the vendors they would use and the estimated amount they would spend. The total project cost is \$96 million. Approximately \$63 million is for construction and materials (fiber, conduit, connection boxes, etc.). The electronics piece is about \$11 million. One thing we will do to keep on track with the project spend timeline is purchase materials in advance and store them for distribution to the sites.

There is a fiber run that goes from Collinsville to Springfield, using leased fiber that is currently on contract with CMS. It requires some build on both ends just to extend the fiber into our network point-of-presence sites. We are hoping to have that lit in September and then we will work towards getting Chicago to Champaign lit by the end of December. We plan to work with the Governor's Office to prepare an announcement for the Collinsville-Springfield connection and for the first place we are breaking ground (between Kankakee and Champaign on I-57).

We are working with the Chicago Transit Authority (CTA) CIO to develop an agreement to lease their fiber. On August 5<sup>th</sup>, there is a meeting with the City of Chicago, our sister agencies, Cook County, and we would like to invite the State as well, to talk about sharing IT assets. In Cook County, we found if we use CTA it would reduce the costs tremendously. If all the parties using the CTA dark fiber agree to pay their maintenance costs, we may not have to actually lease the fiber. The City just got the Council to approve a general ordinance to allow the City CIO to share IT assets.

June 30<sup>th</sup> was the end of the quarter so we are working on a series of quarterly reports. To date, we have spent approximately \$4 million dollars including both local match and federal funds. This represents 7% of our

project and puts us a little ahead of our original schedule. We will be behind what we forecasted for next quarter, but it will turn around again after that because of the construction activity. There are 2,000 total miles in this project - 1,000 leased and 1,000 new construction. ISU is a sub recipient and their project has a lot of in-town, metropolitan builds within Bloomington/Normal and some of the surrounding communities. The SSMMA Chicago project has a much higher cost per mile due to it being in an urban area and requiring more electronics per mile.

### **Primary Constituent Funding**

Work continues on the allocation model primarily focusing on libraries. At the last meeting, we reviewed a letter sent by Lincoln Library expressing their need for additional bandwidth. We had already looked into how we would provide credits through the allocation to libraries. We went back and took a look at how we were providing bandwidth to larger libraries in highly populated areas. We developed a model for libraries similar to that used by our education sites. In education, we provide an allocation based on student enrollment per organization. We ran into similar difficulties - the smaller libraries in less populated areas (populations between 1 and 26,000) do not see any benefit, so we decided to create a floor (between 35 and 70 meg depending on their location within the state). Libraries will have a certain level of service credits to buy a level of service that will meet their needs. We were able to accommodate that by putting a cap of 2 gigabytes on the largest libraries (Chicago Public Library). By doing that we have a range of allocation awarded to libraries based on population served. We discussed it with the AET and they approved the model. For the past several years, we have followed a policy which allocates a set 8 Mbps for libraries. This has not met their needs.

In addition to the way we were allocating credits for libraries, we took a look at what we might do for Lincoln Library, primarily because they are asking for an allowance right now to meet their demands. We have developed what we call an Individual Case Basis (ICB) model that we are looking at offering for a limited time to some of our constituents who are really struggling with limited budgets during this interim period between now and when we use the new model. If they could just purchase a little more bandwidth, then we will provide them with a burst ability of two times that purchased amount. For example, Lincoln Library would be able to go from 10 Mbps to 20 Mbps for about \$350 per month. It may not be possible to do this in all areas of the state. Available capacity will dictate who can participate.

We contacted the Library after the April meeting and explained what we are doing long-term with the rates and fiber and what we are going to do in the interim. They were very pleased to hear that we are evaluating our model.

This new model will not take effect until we have the fiber in place, roll out rates and standards, and we change the formula on how the general revenue funding for education is allocated. That will then be written up and distributed to constituents. The interim offering for Lincoln Library will not be publicized, because it does not work for every constituent. If they attach to us at a point on the backbone where we have enough capacity to handle the additional traffic, it could be possible. Actually, when we say we have enough capacity, what we mean is that is we have redundancy built into the network. So in theory, a backbone circuit can be disconnected and we have the ability to handle the rest of the traffic on another route. The RTC staff is aware of some of the options and we have been working with other constituents who want to move a lot of after-hour traffic for or to offsite data storage. Everything depends on the customer's needs/problems and where they attach.

One thing to keep in mind on the minimum and maximum we were talking about is that it is all based on a \$13 million General Revenue Fund appropriation. Our appropriation for this upcoming fiscal year is \$6 million. We have to make some adjustments. The new application model has simplicity and is easily adjusted based on the state appropriation.

The Advanced Engineering Taskforce did discuss a possible membership model. The key pieces include: 1) member access to a customer service representative; 2) the ability to take advantage of some on-net point-to-point; 3) afterhours service offerings; and 4) supervised co-location (if an entity wants to co-locate their web servers, they could pay for monitoring of those servers). One of the challenges we face when considering the membership model is the need for additional headcount to provide Customer Service Representatives. Even if it is paid for in the rates, we wouldn't want to take from existing staff because we are stretched to provide basic services. One way to do this is to follow the model used by private competitors. If someone wants additional services then they could sign a multi- three-year contract. The challenge is getting approval to actually hire. We have existing vacant headcount and funding, but the approval to fill these positions is the challenge. The RTC staff is considered customer service representatives however; the intent of the AET is for them to be more personalized. If they are paying a membership fee, they would expect additional analysis, monitoring, or some of the previous suggestions.

#### **AET Membership**

We are making recommendations for appointment or reappointment. We are recommending approval of four individuals who have been serving in good standing for years and have agreed to stay on: Alan Pfeifer, Steve Menken, Troy Brown and Robert Dulski. In addition to the reappointments, Brian Murphy from Eastern Illinois University had been participating in lieu of Greg DeYoung who had been on the taskforce and in good standing but has taken a position outside of the University. There were two individuals on the AET whose terms have expired and they have not attended very regularly: Charles Klein from the University of Illinois and Lucas Kirkbride from the Illinois Critical Access Hospital Network who has not attended any meetings in the last two years. Charles Klein used to be very involved, but his role has changed over the years. We made an attempt to call and email him to make sure he was aware of the fact that his membership appointment had expired and was not able to make contact before this meeting. The intent is to let Mr. Klein roll off. Dr. Deanna Raineri from UIUC is also on the AET and has never attended. Her membership doesn't expire until 2013. We have been discussing how we should follow up and proactively address attendance and participation of the AET, instead of waiting until membership appointment time.

We are recommending that the Policy Committee approve the confirmation of the new member and renewal of the four appointments that expired in 2011. Todd Jorns made a motion to adopt this resolution. Anne Craig seconded the motion. The motion carried.

Twenty of the thirty positions on the taskforce are active. It looks like a good group. There is always very good discussion with a lot of good feedback. The people that participate do a good job of putting topics on the table and providing feedback. Very much appreciated.

One note, if you look at the matrix under community college representation, Scott Armstrong of Kishwaukee Community College happens to be the president of the Community College President's Technical Council for

this school year. Since Scott is already a member, the Council can select a representative to participate in the AET this coming year. Doug Minter hosts the AET a couple times a year and has been an active participant as well.

#### **Erate**

Staff have been working on the 2001 funding appeal. There are five funding requests involved with this appeal and approved in this process. We have actually received \$342,831 of the funding due to their assistance. This has been done by working with the folks at the Illinois State Board of Education, the actual applicant of record on this application.

A funding request for Illinois Bell remains under review. Due to the size of the claim, a request for documentation was received but the records are no longer available. We explained that an identical claim for the first half of the funding year was reviewed and approved; however, USAC stated special consideration could not be granted and the billing records would have to be provided. A response will be submitted but we do not expect to be approved. There is a records retention policy – records are kept at BCCS for a period, then moved to archives and then destroyed after a certain point.

The 2010 application was approved and we are finalizing claims. 2011 remains under initial review – normal activity.

Todd Jorns made a motion to adjourn the meeting; Anne Craig seconded the motion, the motion carried.