

To: Department of Commerce
National Telecommunications and Information Administration (NTIA)

From: University of Hawaii

Subject: Broadband Technology Opportunities Program (BTOP) Extension Request, Ke Ala Ike: Connecting Hawaii's Community Colleges, Universities, Schools, and Libraries (Award ID: NT10BIX5570140) for Award Period September 2010 to August 2013

Date: August 18, 2013

To Whom It May Concern:

The University of Hawaii requests a period of performance extension until February 28, 2014¹ to continue the successful implementation of our Broadband Technology Opportunities Program (BTOP) award. This request includes this project's extension rationale and provides supporting documentation as attachments to the Award Action Request (AAR).

- 1) **Reason(s) for Extension Request:** The University of Hawaii has experienced circumstances that have caused the need for an extension beyond the original project end date. The narrative below provides an explanation of how the project-specific circumstances resulted in the need for a period of performance extension; our proposed plan for addressing any outstanding issues; and the project benefits that will be delivered during the extension period.

The University of Hawaii (UH) is requesting a six month extension to our BTOP project. We encountered three major setbacks during the project, described below, that are preventing us from meeting all our ambitious targets. There are 23 Community Anchor Institutions (CAI) at risk for completion by August 31, 2013. The extension we are requesting will ensure we are able to connect 17 of the 23 at-risk CAIs. The other six at-risk CAIs may take longer than six months to complete due to processes outside the project's control. That said, every effort will be made to get these six sites completed or as close to completion as possible during the extension.

The contributing issues that contributed to setbacks include:

1. **Environmental Assessment:** The actual startup of our network constructions was delayed almost a year from the award date by the Environmental Assessment (EA) requirement. The EA process took much longer than planned. This compressed a 3-year project into just over 2 years. With the cooperation of Oceanic Time-Warner Cable, our primary contractor, and its engineering and construction partners, along with the Department of Education (DOE) and Hawaii State Library System (HSPLS), the project was able to complete over 95% of the builds by prioritizing sites and streamlining approval requests to achieve substantial success. But the time lost during the EA process was a major obstacle to completing the project as proposed.
2. **Unexpected Key Contractor Death:** A second significant setback was the sudden death in November 2012 of the Director of Construction of Oceanic Time Warner Cable. This individual provided primary senior

¹ OMB approved NTIA's waiver request for BTOP recipients and provided a limited authorization for the expenditure of BTOP funds on projects extended beyond September 30, 2013. The approved waiver request only grants NTIA the ability to extend projects up until the closure of the BTOP Treasury account on September 30, 2015; however, at this time, NTIA is only considering extending public safety awards beyond September 30, 2014.

leadership for the project. He had decades of experience in fiber construction throughout the State and with Hawaii's Institutional Network (INET). Work continued, but at a reduced pace, until his replacement was appointed in early 2013. Since his replacement, the project regained substantial initial momentum and has been working to recover from the tragic loss.

3. Time Consuming Review & Approval Process: The process for constructing a fiber network of this magnitude in Hawaii has been more complex and time consuming than anticipated by any of the project participants. Fiber to be placed on utility poles must go through the Public Utility Commission (PUC)-mandated Joint Pole Application process. Each request for pole use must go through both the Hawaiian Telcom and electric utility review processes.

The queue for processing project applications along with all other non-project related applications has been substantial. The total volume of applications and the process for review and approval is beyond the control of the project. The joint pole group has been extremely cooperative and to date has approved almost all applications. Both the project team and Oceanic have been pleased with the responsiveness of the joint pole group; however, the length of time to complete these approvals caused delays greater than anticipated.

In spite of these challenges, the project has progressed well. Based on experience over the past two years and Oceanic's diligent work completing sites, we are confident all sites should be completed or close to completion with a six month extension to the end of February 2014.

Of the 23 sites we believe to be at risk, we are confident that 17 will be completed within the requested six-month extension. Of those 17, 15 are public schools and the remaining two are university sites. Three of the schools impacted are on military bases. All but two of the sites are located on Oahu. The remaining at-risk sites are located on the Big Island. Because of circumstances beyond the control of the project, six of the 24 sites may be a challenge to complete within a six month extension.

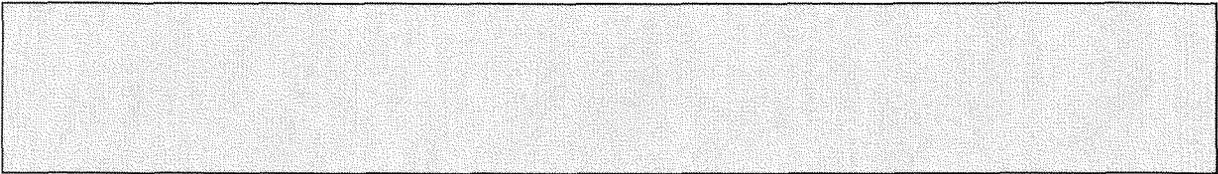
The extension period will provide needed time for joint pole application approvals or other remediation efforts, primarily relating to availability of needed conduit space on the school campus. These items must be completed before Oceanic is able to run fiber into the site. Seven of the at-risk sites require some remediation of infrastructure - either new conduits within the buildings or repair of broken conduits from the public right of way into the site. Nine sites have approvals pending for joint pole access. Once fiber is installed into a site, the fiber is spliced into the completed backbone network to provide full network connectivity.

All remaining CAIs are lateral connections to the completed INET backbone. The mileage that these represent is fairly small - approximately 10 miles of new lateral fiber.

The six sites that may not be completed by the project during the extension will then fall under the normal INET site build schedule procedures. The Hawaii Department of Education and the University of Hawaii would have to cover the cost to build fiber to those locations after the site is prepared and when resources are available. Every effort will be made to include these six sites during the six-month extension. But due to the time necessary for pole and duct replacement, completion of these last six at-risk sites by February 2014 is not guaranteed.

The specific sites and timeline are listed in detail in the Project Plan and Budget Narrative attachment.

Our initial proposal described in detail the need and importance of providing high bandwidth connectivity to Community Anchor Institutions including the positive impact on public education, community access, research and economic development on multiple islands throughout the State of Hawaii. This extension will allow nearly all the sites in the proposal to be connected, providing communities throughout the state with the advantages of broadband in their community anchor institutions.



2) **Supporting Documentation:** The University of Hawaii submits the following documentation to assist NTIA with the review of this extension request. The attached materials have been updated according to revised project plans for an extended award period and reflect the narrative provided above.

- **Revised SF-424C Budget and associated narrative** (documentation of how remaining Federal and match funds in each SF-424C category will be used)
- **Project Plan** (updated timeline/milestones needed to achieve benefits within the extension period)
- **Revised Performance Projections** (table below)

Revised Performance Projections

Performance Indicator	Revised Project Goals
New Network Miles Deployed	409
New Network Miles Leased	0
Existing Network Miles Upgraded	770
Existing Network Miles Leased	0
CAIs Receiving New Access	315
CAIs Receiving Improved Access	73

- **For recipients requesting an extension beyond September 30, 2013, a breakdown of planned expended award funding** (table below)

Funding Period	Planned Federal Amount	Planned Match Amount
Actual Funding Spent to Date and Planned <u>Expended</u> Funding to Sept. 30, 2013	\$32,905,600	\$8,226,400
Planned Funding Needed Beyond Sept. 30, 2013	\$1,67,200	\$266,800

The University of Hawaii understands that it must continue to comply with all statutory and programmatic requirements and that this is a no-cost period of performance extension request only (i.e., no additional BTOP funding will be provided under this extension request).

Sincerely,

Yaa-Yin Fong
Director, Office of Research Services

University of Hawaii

Recipients are encouraged to work with their Federal Program Officer (FPO) prior to submitting the extension request. Upon submission of the extension request and supporting documentation as an AAR, the FPO will forward to the Grants Office. The Grants Office reviews the request and communicates the decision to the recipient.