



Budget Narrative – SIR Q6 Update

Applicant Name: State of New Jersey / Office of Information Technology

EasyGrants Number: 7245

Organization Type (from Question 1D on BTOP application): State or State Agency

Proposed Period of Performance: Three years

Total Project Costs: \$51,188,152

Total Federal Grant Request: \$39,638,152

Total Matching Funds (Cash): \$0

Total Matching Funds (In-Kind): \$11,550,00

Total Matching Funds (Cash + In-Kind): \$11,550,000

Total Matching Funds (Cash + In-Kind) as Percentage of Total Project Costs: 22.47%

1. Administrative and legal expenses \$502,200 Grant Request

- List breakout of position(s), time commitment(s) such as hours or level-of-effort, and salary information/rates with a detailed explanation, and additional information as needed.

The State of New Jersey and NJEdge.Net have partnered to deliver this new network to our critical community anchor tenants in New Jersey. The State's team will serve as the lead with NJEdge.Net driving the vendor activities and site deliverables to meet our timeline.

The SONJ Project Manager has overall tracking responsibility to insure adherence to the timeline.



Title	% of time allocated to project	Annual Cost	3-Year Cost
SONJ Project Manager	100%	\$92,400	\$277,200
NJEDge Budget and Compliance	100%	\$75,000	\$225,000

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.
- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

Total Admin: \$502,200

2. Land, structure, rights-of-way, appraisals, etc. \$2,840,880 grant request.

- Provide description of estimated costs, proposed activities, and additional information as needed.

The proposed New Jersey Broadband Network includes a provision for wireless service for the state’s first responder community. The new electronics will be staged on existing state towers. Based on vendor quotes*, \$2,700,005 is required to efficiently modify and alter the state’s existing towers to support the new equipment.

In addition, we have identified the need to apply for the necessary 4th party attachments in the jurisdictions where the fiber will be placed, based on a quote from Verizon, a line item of \$140,875 was included in the budget to perform the work necessary to secure the attachments.



- Provide description, calculation, and basis of evaluation for Cash Matching Funds.
- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

The SONJ provides an in-kind match of \$11,550,000 which represents the value of our 77 towers to be used for wireless electronics.

Total Land, Structures \$14,390,880

3. Relocation expenses and payment

- Provide explanation for the relocation, description of the person involved in the relocation, method used to calculate costs, and additional information as needed.

N/A

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.
- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

4. Architectural and engineering fees \$2,129,868 grant request.

- Provide description of estimated fees, explanation of proposed services, and additional information as needed.

The broadband provider (Verizon) will conduct field surveys required to develop a 739 mile dark fiber route pathway design. Design will include pole attachment design, underground conduit design, fiber BOM, CAD drawings of route and construction, and make-ready documentation.

Verizon will provide to NJEDge make-ready-work documentation needed for 4th party agreement application. This deliverable will include the following completed documents: N888 forms, Pole Survey forms, route description, and route map.

Verizon will conduct on site surveys for fiber routing at NJEDge fiber node locations. Designs will include building penetration design, interior pathway plan, route drawings, and material BOM.



The wireless provider’s Solution Architect will lead a team doing RF design and optimization including Integration and final testing.

Total \$2,129,868 – Wireless Provider \$1,746,753 + Verizon \$383,115

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.
- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

5. Other architectural and engineering fees \$1,618,825 grant request.

- Provide description of estimated fees, explanation of proposed services, and additional information as needed.

The NJEDge Field Engineer is a certified fiber optic technician who will interact directly with Verizon’s fiber optic team to lead the design effort and insure the as-built outcome meets our requirements.

The wireless provider will field a team to engineer and survey the site, structures, design the modifications for our towers and test equipment to insure proper engineering and staging in their lab.

Title	% of time allocated to project	Annual Cost	3-Year Cost
NJEDge Field Engineer	100%	\$152,750	\$458,250
Project Team	100%	Project Cost	\$395,375



Design and Testing	100%	Project Cost	\$115,200
Survey and Structure Analysis	100%	Project Cost	\$650,000

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.
- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.



6. Project inspection fees

- Provide description of estimated fees, explanation of proposed services, and additional information as needed.

Municipal construction permits are included in Verizon's construction quote.

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.
- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

7. Site work \$7,786,518 grant request.

- Provide description of estimated fees, explanation of proposed services, and additional information as needed.

Anticipated site work includes onsite pathway from last utility point of presence to termination location within the campus. Building penetration where needed and creation of interior pathway. Includes 8 sites at \$50,000 = \$400,000.

Make ready work preparing 500 poles at \$476.60 each ahead of placement of fiber optic cable at a cost of \$238,300.

The wireless provider will install microwave equipment and LTE equipment on our 77 towers at a cost of \$7,148,218.

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.
- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

8. Demolition and removal

- Provide description of estimated fees, explanation of proposed services, and additional information as needed.
- Provide description, calculation, and basis of evaluation for Cash Matching Funds.
- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.



9. Construction

\$11,090,600 Grant Request

- Provide description of estimated fees, explanation of proposed services, state whether the work is being completed by the applicant or an outside contractor, and additional information as needed.

Verizon will install 48 strand SM ADSS fiber drops terminated at seven customer locations. Verizon will procure the equipment from the manufacturer and install the associated transport equipment at each the customer hub locations.

Verizon installed fiber will be transitioned to 48 strand armored plenum when installed beyond 50' of building entrance and the fiber will terminate in new rack mounted fiber box(es) installed in new 19"x84" open equipment rack(s).

Verizon will provide a Single Point of Contact & Ownership for the project management of transport solution. Assigned SPOC will project manage the fiber and electronics, identify information required, resource requirements, processes & tasks, templates, maintain actions register and document/distribute meeting minutes to NJEdge.net during scheduled cutover review sessions. Verizon will develop & maintain global and site specific project plans and change requests, coordinate project resources, coordinate site surveys, coordinate acceptance testing and manage engineering staff, engineering technicians and sub contractors.

Verizon will coordinate equipment ordering & status with project coordinators and provide resource planning & allocations during cutovers. Documentation of process flowcharts, sub-project plans, templates, communications will be provided to NJEdge.net.

Verizon will manage project budget and approve and review customer invoices, obtain customer sign off acceptance and close out the project.

All work will be performed by Verizon and its approved subcontractors.

NJEDge and SONJ will drive the design and delivery process with the staff referenced elsewhere in this narrative.



- Provide description, calculation, and basis of evaluation for Cash Matching Funds.

- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

Total Grant \$11,090,600

10. Equipment \$13,544,926 grant request.

- Provide list of equipment with description, number of units, unit cost, state whether it is being purchased or leased, and additional information as needed.

NJEDge.Net received quotes of \$415,000 for network equipment from Verizon Business detailing all hardware components for 7 nodes.

The wireless provider is providing microwave and LTE components to provide wireless broadband coverage across our 77 towers.

The combined total is \$ (\$415,000 + \$13,129,926).

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.

- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

Total Grant \$13,544,926

11. Miscellaneous \$124,335 grant request.

- Provide additional information as needed.

Wireless NOC requires \$124,335.

- Provide description, calculation, and basis of evaluation of Cash Matching Funds.



- Provide description, calculation, and basis of evaluation of In-Kind Matching Funds.

Addendum

- If indirect costs (i.e., indirect, overhead, general and administrative, facilities and administration, etc.) and/or fringe benefits are included in the budget, please provide a copy of your existing Negotiated Indirect Cost Recovery Agreement (NICRA), if available. If the NICRA is applied accordingly in the budget, there is no need to justify the costs. If a NICRA is not available or is not consistent with the rates/calculations in the budget, please provide an explanation of how the amounts were calculated. Please clearly list the manner in which indirect costs are calculated in the budget.

* NJEdge.net has identified providers of broadband and wireless services for this project. However, due to the State of New Jersey's procurement statutes, the State may conduct a public bid once awarded the funds for the construction of the New Jersey Broadband Network.

General Budget Overview

Budget	Federal Funding Request	Matching Funds (Cash)	Matching Funds (In-Kind)	Budget TOTAL	Last Mile Allocation	Middle Mile Allocation	Allocated TOTAL
Network & Access Equipment (switching, routing, transport, access)	13,544,926		0	\$13,544,926		\$13,544,926.00	\$13,544,926
Outside Plant (cables, conduits, ducts, poles, towers, repeaters, etc.)	11,281,475		11,500,000	\$22,781,475		\$22,781,475.00	\$22,781,475
Buildings and Land – (new construction, improvements, renovations, lease)	2,700,005			\$2,700,005		\$2,700,005.00	\$2,700,005
Customer Premise Equipment (modems, set-top boxes, inside wiring, etc.)	0			\$0			\$0
Billing and Operational Support Systems (IT systems, software, etc.)	0			\$0			\$0
Operating Equipment (vehicles, office equipment, other)	0			\$0			\$0
Engineering/Professional Services (engineering design, project management, consulting, etc.)	3,446,782			\$3,446,782		\$3,446,782.00	\$3,446,782
Testing (network elements, IT system elements, user devices, test generators, lab furnishings, servers/computers, etc.)	7,952,329			\$7,952,329		\$7,952,329.00	\$7,952,329
Site Preparation	762,635			\$762,635		\$762,635.00	\$762,635
Other				\$0		\$0.00	\$0
TOTAL BROADBAND SYSTEM:	\$39,688,152	\$0	\$11,500,000	\$51,188,152	\$0	\$51,188,152	\$51,188,152
Cost Share Percentage:	77.53%	0.00%	22.47%				

BUDGET INFORMATION - Construction Programs

OMB Approval No. 4040-0008
Expiration Date 07/30/2010

NOTE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case, you will be notified.

COST CLASSIFICATION	a. Total Cost	b. Costs Not Allowable for Participation	c. Total Allowable Costs (Columns a-b)
1. Administrative and legal expenses	\$ 502,200.00	\$ 0.00	\$ 502,200.00
2. Land, structures, rights-of-way, appraisals, etc.	\$ 14,390,880.00	\$ 0.00	\$ 14,390,880.00
3. Relocation expenses and payments	\$ 0.00	\$ 0.00	\$ 0.00
4. Architectural and engineering fees	\$ 2,129,868.00	\$ 0.00	\$ 2,129,868.00
5. Other architectural and engineering fees	\$ 1,618,825.00	\$ 0.00	\$ 1,618,825.00
6. Project inspection fees	\$ 0.00	\$ 0.00	\$ 0.00
7. Site work	\$ 7,786,518.00	\$ 0.00	\$ 7,786,518.00
8. Demolition and removal	\$ 0.00	\$ 0.00	\$ 0.00
9. Construction	\$ 11,090,600.00	\$ 0.00	\$ 11,090,600.00
10. Equipment	\$ 13,544,926.00	\$ 0.00	\$ 13,544,926.00
11. Miscellaneous	\$ 124,335.00	\$ 0.00	\$ 124,335.00
12. SUBTOTAL (sum of lines 1- 11)	\$ 51,188,152.00	\$ 0.00	\$ 51,188,152.00
13. Contingencies	\$ 0.00	\$ 0.00	\$ 0.00
14. SUBTOTAL	\$ 51,188,152.00	\$ 0.00	\$ 51,188,152.00
15. Project (program) income	\$ 0.00	\$ 0.00	\$ 0.00
16. TOTAL PROJECT COSTS (subtract #15 from #14)	\$ 51,188,152.00	\$ 0.00	\$ 51,188,152.00
FEDERAL FUNDING			
17. Federal assistance requested, calculate as follows: (Consult Federal agency for Federal percentage share.) Enter eligible costs from line 16c Multiply X 77.53 % Enter the resulting Federal share.			\$ 39,638,152.00

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Approval No. 4040-0009
Expiration Date 07/30/2010

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the

National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-1 33, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

*SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL <i>Adel Eluid</i>	*TITLE <i>CEO</i>
*APPLICANT ORGANIZATION <i>State of NJ, OIT</i>	*DATE SUBMITTED <i>6/22/2010</i>