ANNUAL PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	NT10BIX5570053	855036690

4. Recipient Organization

PTI Pacifica, Inc., dba: IT&E 122 W. Harmon Industrial Park Road
Suite 103, Tamuning, GU 96913-4164

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Annual Report of the Award Period?
12-31-2010	◯ Yes ◉ No

7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.

7a. Typed or Printed Name and Title of Certifying Official	7c. Telephone (area code, number and extension)
Velma Ann Palacios	6706822090
	7d. Email Address
Engineering Manager	velma.palacios@itehq.net

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	01-27-2011

OVERALL PROJECT PERFORMANCE INDICATORS

1. Please provide the following average cost figures for your project. Please review the instructions to determine how to calculate these figures. Write "0" in the second column and "N/A" in the third column if your project does not yet have this information. Depending on whether your project contains Middle Mile and/or Last Mile components, some metrics may not apply. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Cost Indicator	Average Cost / Speed	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Average cost per new mile (Middle Mile)	0	0
Average cost per household passed (Last Mile)	N/A	N/A
Average cost per subscriber (Last Mile)	N/A	N/A
Maximum broadband speed advertised (Middle Mile)	N/A	N/A
Maximum broadband speed advertised (Last Mile)	N/A	N/A
Average broadband speed provided (Middle Mile)	N/A	N/A
Average broadband speed provided (Last Mile)	N/A	N/A

2. Please provide each facility name and type, the county where the facility is located, and census tract information for any facilities funded by your project during this annual reporting period. Report only facilities for which construction has been completed.

Facility Identifier / Name	Facility Type	County	Census Tracts
N/A	N/A	N/A	N/A

Add Facility	Remove Facility

3. Please identify (1) the total number of interconnection, peering, and/or transit agreements entered into during this annual reporting period; (2) the total number of agreements of each type that you are currently negotiating; and (3) whether you have denied any request for interconnection and if so, why. If you have not entered into any agreements, please write "N/A."

Interconnection Agreements (600 words or less)

N/A.

Peering and Transit Agreements (600 words or less)

N/A.

CAPACITY, UTILIZATION, AND CAPABILITY INDICATORS

4. Community Anchor Institutions: In the chart below, please provide information on the types of community anchor institutions capable of receiving service (i.e., anchor institutions connected to your network plus those passed by your network) as a result of BTOP funds.

Type of Community Anchor Institution	Total Number Within Service Area	Type of Community Anchor Institution	Total Number Within Service Area
Schools (K-12)	0	Public Housing	0
Libraries	0	Other Institutions of Higher Education	0
Medical and Healthcare Providers	0	Other Community Support Organizations	0
Public Safety Entities	0	Other Government Facilities	0
Community Colleges	0	Total Community Anchor Institutions	

5. Please indicate the average increase in broadband speed provided to the community anchor institution customers as a result of your project, including a description of how this increase was calculated (600 words or less).

N/A

6. What retail services are being provided by this project? Please describe below. (600 words or less). As an attachment to this report, please provide pricing plans (in $ per month) associated with each retail service. Retail services description:

N/A

7a. What network management policies (e.g., bandwidth limitations, traffic prioritization) are in place for the services provided by your project? 7b. Have you ever limited or blocked consumers from accessing any lawful content, service, service provider, or application, or prevented any consumers from attaching any legal device to the network? If so, please explain why (300 words or less)?
7a. IT&E utilizes various tools and techniques to manage its network. Such products include identifying spam and preventing its delivery to customer e-mail accounts, detecting malicious Internet traffic and preventing the distribution of viruses or other harmful code or content. IT&E employs no traffic shaping and implements no bandwidth limitations.
7b. No. IT&E provides its customers with full access to all the content, services, and applications that the Internet has to offer. In addition, IT&E does not block P2P traffic or applications like BitTorrent, Gnutella, or others as part of its current network congestion management technique. Furthermore, IT&E protects its customers from spam, phishing, and other unwanted or harmful online content and activities.

8. If applicable, please provide the total number and the percentage of subscribers who have dropped the broadband service provided through this project (total number of households and/or businesses and the "churn rate") and the subscribers' reasons for discontinuing their service (600 words or less).
N/A

9. Please provide the following information regarding the number of fiber strand-miles:

Total Number of Strand-miles	Total Number of Active Fiber Strand-miles Used by Recipient	Total Number of Leased Fiber Strand-miles	Total Number of Dark Fiber Strand-miles	Total Number of Strand-miles Being Built		
				Active	Leased	Dark
0	0	0	0	0	0	0

10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:
N/A.

11. Please provide the following information regarding the facility collocation capacity:

Total Facility (total square feet for all facilities)	Number of Square Feet Used by Recipient	Number of Square Feet Leased	Number of Square Feet Available
448	200	4	244

12. If you do not own collocation space, please describe how and where other network providers and/or customers interconnect with your network (600 words or less).

Please see answer to 11.

13. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities (150 words or less).
N/A

14. Please describe any best practices/lessons learned that can be shared with other similar BTOP projects (900 words or less).

A. Management Practices
1. Modification of normal procurement practices to match Federal Regulations (FAR) for all ARRA-related procurements.
2. Strict accounting of time by cost centers using bi-weekly time sheets.
3. All documentation relating to grant activities stored in soft copy on server to insure audit trails are completely visible.
4. Competitive procurement vehicles (IFB, RFP) contain explicit statements of work, contract deliverable requirements lists (CDRLs), explicit statements of conditions under which procurement actions can be cancelled in best interest of IT&E and U.S. Government, and clear, understandable evaluation criteria to guide vendors in developing proposals.
5. Oversight of individual projects and project managers by management team experienced in Federal procurement practices and Federal grants management.
6. Separate accounting for ARRA funds; no mixing of ARRA funds with other company accounts to insure clear audit trails.
7. RFPs evaluated separately on technical and cost factors by teams; evaluators assign raw scores without knowledge of weighting factors; weighted scores computed by procurements administrator and grants management team to select short list of vendors in each step; selection of final contract awardees based on best value to IT&E and U.S. Government in accordance with FAR.
8. Procurement actions reviewed by in house General Counsel experienced in Federal Acquisition Regulations and Federal procurement practices.

B. Adherence to Federal Rules and Regulations
1. Strict Adherence to Special Award Conditions and FAR.
2. Inclusion of appropriate FAR Clauses in all ARRA-funded procurements
3. All sole-source procurements backed by NTIA/DOC approved J&A (Justification and Authorization) per FAR 6.302.1
4. Level Playing Field for all vendors according to intent of Congress as directed in ARRA and implemented in FAR.
5. Pre-evaluation/pre-award vetting of all vendors per Federal suspension and debarment lookup on www.epls.gov.

C. Community Outreach
1. Large signs following criteria spelled out in Special Award Conditions posted at major company locations.
2. Periodic press releases issued at major milestones in project completion.
3. Meetings with Government officials and community organizations with direct interest in the various projects.
4. Pictures of project-related activities collected and saved on server for use in community outreach activities.
5. Establishment of public web site to publicize ARRA-related activities and to advertise ARRA-related procurements. Established links to and from local Government ARRA web sites to insure wider public awareness.

D. Examples
1. On our NOC project, we received a only single quote to a widely advertised and subscribed IFB that was three times the engineer's estimate. It was obvious from the prices listed that the quote was heavily padded with unjustifiable costs. We cancelled the procurement using "outside the competitive range" as the reason. We then devised a different, far more cost-effective strategy to complete the procurement action by breaking the activity into smaller, separately advertised procurements and substituting our own in-house labor force for some of the labor originally intended to be contracted out.
2. On our Prepaid Charging Platform Billing System project, our original RFP produced responses that were all above the engineer's estimate and the available budget by factors ranging from 3 to 10. Again we cancelled the procurement as being outside the competitive range, revised the RFP to make many of the original fixed requirements separately priced options, and re-advertised.

Mostly the same vendors responded and even with the options included, all of the proposals were significantly lower in total cost, proving our suspicions that the original cost proposals were heavily padded with unjustifiable costs. We are in the final process of selecting the winning vendor and hope to make an award early in January after we visit existing customers of the short-listed vendors to gain insight on their experience. The purpose of these visits is to insure we select the vendor who will deliver the best total value to IT&E and the Government even if it is not the vendor with the lowest cost.