

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS**

General Information		
<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT10BIX5570116	<b>3. DUNS Number</b>  866946353
<b>4. Recipient Organization</b>  North Central New Mexico Economic Development District College of Santa Fe Building T40, Santa Fe, NM 87505-7615		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  12-31-2010	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No	
<b>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.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Barbara Deaux	<b>7c. Telephone (area code, number and extension)</b>  X	
	<b>7d. Email Address</b>  bdeaux@ncnmedd.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  02-23-2011	

**Project Indicators (This Quarter)**

**1. Please describe significant project accomplishments completed during this quarter (600 words or less).**

On October 5, a kickoff meeting was held with over 90 people representing all project partners. The REDI Net team presented a description of the award and grant requirements, and the next steps for the project: obtaining the services of contractors, creating the REDI Net governance structure, initiating public outreach, securing all permits and permissions, and beginning construction of the system.

Contracts for the Environmental Assessment, Final Design and Engineering, and Project Management were awarded on November 4, following a competitive procurement process.

The REDI Net team attended the NTIA BTOP Workshop in Washington, DC, where it held several face to face meetings with federal partners and other programs in the region. Individuals representing North Central New Mexico Economic Development District, Rio Arriba County and the environmental and engineering contractors took advantage of the sessions and spent considerable time with federal officials regarding the Environmental Assessment.

Following the BTOP Conference, work began immediately on the final route and draft environmental assessment. Research, survey work and agency consultation for the draft environmental assessment were substantially complete by the end of the quarter and progress was reviewed with NTIA staff. Much of the initial Design and Engineering work involved partnering with the environmental assessment team to insure the final route met all environmental requirements.

Design and Engineering work included meetings with all designated Community Anchor Institutions to answer questions about services, schedules and pricing and to verify interconnections. 123 CAI's had been anticipated. Interest in the project has grown and additional requests for interconnections are being reviewed and discussed with NTIA staff. These meetings served as initial community outreach activities and set the stage for future work.

Design, Engineering and Project Management also included verifying non-overlap with any other federal awards. The REDI Net team engaged with other BTOP and RUS awardees and existing private providers to enhance the impact of all the federal funds received in this region. The project signed non-disclosure agreements with several local utilities and last mile providers to insure that frank and open discussion took place. The team also began the development of the pole attachment agreements with the local electric cooperative that are being provided free of charge for this project.

A Joint Powers Agreement was developed and passed by all partners to govern the operation of this publicly owned network. REDI Net is comprised of five Indian Pueblos, three counties, one city and one council of governments. The agreement to own and operate the completed system under the terms of the federal award had to be presented to each council and commission for their final approval. By the end of December, each of the Five Pueblos had passed the resolution to sign the agreement, as had the three counties, the City of Española and North Central New Mexico Economic Development District.

**2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).**

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2a.	Overall Project	3	Based on total expenditures, only 1% of the funds were obligated. However, of the activities listed in the baseline report, four were completed by 12/31/2010, and the environmental assessment field work and agency consultation with the exception of the Bureau of Indian affairs was completed. The draft EA is on track for timely submission on January 31. The main route verification, POP location and initial POP design are done. Revised network maps and coordinating meetings with community anchor institutions and last mile providers have been held. The team held meetings with Windstream and ENMR regarding interconnect and infrastructure partnerships (route swaps), US Cable regarding infrastructure partnerships (route swaps), PNM regarding infrastructure partnerships (dark fiber) and pole attachments, and Cisco regarding equipment packages. The team did not develop and release RFP's for construction team, materials suppliers, and equipment vendors, as indicated on the baseline. The complex environmental assessment issues demanded more time from the team than anticipated. Release of the RFP is now scheduled for the week of

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			February 7, which would still allow an April start date for construction. In addition, permission to spend federal funds was not received until January 2011, so the project was hindered in its ability to spend money. Although NCNMEDD and the contractors completed most of the tasks, it was not possible to complete them all.
2b.	Environmental Assessment	75	All field work was completed by 12/31/2010. Delays in some agency responses to this complex, multi-agency, multi-jurisdiction project meant that final work on the draft document could not begin. Meetings were scheduled in January and the EA is on track for timely submittal.
2c.	Network Design	1	Network design did not meet the baseline benchmark for two reasons. First, approval for the six month budget was not received until January. Although the engineering firm was under contract as of November 4, it was not clear that the project would be able to fully reimburse costs until the six month budget was approved. Second, the Environmental Assessment required more consultation with the engineering team than anticipated. Some route modifications were required to address issues that arose in the EA. Some changes were made to anchor institutions were made that required consultation among the partners, the EA team and the engineer. However, all key milestones are anticipated to be completed within the next quarter, including final engineering design, construction prints, pole review, materials and equipment specifications, in line with the baseline report.
2d.	Rights of Way	25	None
2e.	Construction Permits and Other Approvals	0	None
2f.	Site Preparation	0	None
2g.	Equipment Procurement	0	None
2h.	Network Build (all components - owned, leased, IRU, etc)	0	None
2i.	Equipment Deployment	0	None
2j.	Network Testing	0	None
2k.	Other (please specify): Project Management	6	The baseline report forecast 12%. The variance is due to time involved with finalizing contract terms with Project Management vendor, amount of effort relative to the EA process, and some budgetary savings from more efficient time management.

3. To the extent not covered above, please describe any challenges or issues faced during this past quarter in achieving planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

The Environmental Assessment proved challenging and considerable assistance from the BTOP program was provided and proved very useful. The intense effort required to insure that all the interconnections and routes were completely accurate for the EA by mid-December meant that other engineering activities were delayed. Delays in gaining approval for the six month budget hindered progress, in that contractors and NCNMEDD needed assurance that expenditures would be reimbursed and needed approval to draw down federal funds in order to meet the six month spending level. This has been resolved, but it did delay expenditures and some activities.

4. Please report the following information regarding network build progress. Write "0" in the Total column and "N/A" in the Narrative column if your project does not include this activity. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	0	n/a

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles leased	0	n/a
Existing network miles upgraded	0	n/a
Existing network miles leased	0	n/a
Number of miles of new fiber (aerial or underground)	0	n/a
Number of new wireless links	0	n/a
Number of new towers	0	n/a
Number of new and/or upgraded interconnection points	0	n/a

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your sub recipient, contractor or subcontractor is negotiating or entered into.

5a. If applicable, please provide the following information with regard to agreements with broadband wholesalers and/or last mile providers as a result of your project.

Indicators	
Number of signed agreements with broadband wholesalers or last mile providers	0
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements (in quarters)	0

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:  
n/a

5c. What wholesale services are being provided by this project? Please describe below. As an attachment to this report, please provide pricing plans (in \$ per month) associated with each wholesale service provided by your product (100 words or less). Wholesale services description:

No services are yet being provided. The project is still completing its Environmental Assessment.

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a sub recipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this this third party operates (600 words or less).

No agreement has yet been signed. The project is still completing its Environmental Assessment.

6. Please provide the data according to the type of subscriber. Write "0" in the Total column and "N/A" in the Narrative column if your project does not pass or serve a particular subscriber type. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (300 words or less).

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	Providers with signed agreements receiving improved access	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	Providers with signed agreements receiving access to dark fiber	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	Please identify the speed tiers that are available and the number of subscribers for each	0	No services are yet being provided. The project is still completing its Environmental Assessment.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
<b>Community Anchor Institutions (including Government institutions)</b>	<b>Total subscribers served</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Subscribers receiving new access</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Subscribers receiving improved access</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Please identify the speed tiers that are available and the number or subscribers for each</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
<b>Residential / Households</b>	<b>Entities passed</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Total subscribers served</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Subscribers receiving new access</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Subscribers receiving improved access</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
<b>Businesses</b>	<b>Entities passed</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Total subscribers served</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Subscribers receiving new access</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Subscribers receiving improved access</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	No services are yet being provided. The project is still completing its Environmental Assessment.

**7. Please describe any special offerings you may provide (600 words or less).**  
No services are yet being provided. The project is still completing its Environmental Assessment.

**8a. Have your network management practices changed over the last quarter?**     Yes     No

**8b. If so, please describe the changes (300 words or less).**  
No services are yet being provided. The project is still completing its Environmental Assessment.

**9. Community Anchor Institutions:**  
Using the table below, please provide a list by service area of the community anchor institutions (including Government institutions) connected to your network as a result of BTOP funds. Figures should be reported for the most recent reporting quarter only (NOT cumulatively). Also indicate whether your organization is currently providing broadband service to the anchor institution. Finally, provide a short narrative description with examples of how institutions are using BTOP-funded infrastructure (300 words or less).

Institution Name	Service Area (town or county)	Type of Anchor Institution (as defined in your baseline)	Are you also the broadband service provider for this institution? (Yes / No)	Narrative description of how anchor institutions are using BTOP-funded infrastructure
N/A	N/A	N/A	N/A	No services are yet being provided. The project is still completing its Environmental Assessment.

**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).**  
The RFP's for construction team, materials suppliers and equipment vendors will be advertised the week of February 7, with a contract execution anticipated by the last week of April. Advance procurement of materials will take place in mid-February. This will enable the

project to catch up to all milestones in the baseline report and to proceed to the following activities, as listed in the baseline.

- Hold one or more public meetings on REDI Net
- Complete 100% Environmental Assessment
- Complete 30%, 60%, and 90% of milestones of Final Engineering Design
- Select contractor and negotiate contract
- Procure OSP materials and network equipment
- Completion of rights-of-way and construction permits
- Site prep for primary POP, renovations for secondary POP

**2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Planned Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the next reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).**

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	9	NCNMEDD and its contractors were unable to draw down federal funds until the six month budget was approved in January 2011. With 78.9% of the funds for all activities to come from the BTOP grant, it was difficult to spend all of the money anticipated until federal funds were released. Aggressive work on the construction contract and materials procurement should allow achievement of milestones, depending on the completion of Special Award Conditions and receiving the FONSI or mitigated FONSI. The increase to 9% from the baseline estimate of 7% will be due to advance procurement of materials.
2b.	Environmental Assessment	100	The draft EA is on target for submittal, but some of the agencies may not finish their review as fast as others. Particular issues with the Bureau of Indian Affairs have been described elsewhere and in conversation with the FPO.
2c.	Network Design	71	The Baseline assumed 85% completion by this time. This variance is due to the time spent in the previous quarter executing the Engineering contract and in obtaining permission to draw down funds for the six month budget. However, all key milestones are anticipated to be completed within this forecasted quarter, including final engineering design, construction prints, pole review, materials and equipment specifications, in line with the Baseline report.
2d.	Rights of Way	100	The JPA governing the network, which was signed by all parties, indicates their willingness to provide rights of way for this project. Some concerns, elsewhere described, have arisen with some of the Pueblos. In the event that this delays activities, a report will be filed immediately. These issues have already been discussed with the FPO.
2e.	Construction Permits and Other Approvals	75	Applications will be initiated with all jurisdictions, with maps, descriptions and all information required, with the exception of that which can only be obtained after the execution of the construction contract. In addition, it is not possible to guarantee that all federal agencies will have completed their review of the EA and issued permits, where required. The percent of completion is listed at 75%, not 100%, because of the need to have the contractor in place to complete the application process.
2f.	Site Preparation	25	Site preparation for the POP in Los Alamos will go forward as planned. Site preparation for the POP in Espanola may be delayed, depending on the timing of the FONSI.
2g.	Equipment Procurement	0	None
2h.	Network Build (all components - owned, leased, IRU, etc.)	0	None
2i.	Equipment Deployment	0	None
2j.	Network Testing	0	None
2k.	Other (please specify): Project management	24	This is in line with the original Baseline report.

**3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).**

The team anticipates some challenges. Discussions scheduled in January indicate that more work may be needed to satisfy Bureau of Indian Affairs and some tribal concerns about what documents are needed to secure permits and what role the Bureau actually has in

the issuing of rights of way. In addition, ongoing discussion between the local electric cooperative and some tribal partners may affect the easement underlying the fiber to be laid by this project. The project may request additional assistance from BTOP on these issues. These issues have been discussed with the FPO.

While not unanticipated, the development of the Broadband Governing Board will be challenging. The current network design was limited by the available funds and the limitations imposed by the environmental assessment deadline. It will be important for the Board to initiate priorities for network expansion to accommodate the requests for connections that have come in since the finalization of the route to meet the EA deadline. While this is not expected to impact the project milestones,

Finally, this quarter the team will submit AAR's to a) add four Pueblos to the sub-recipients on the grant; b) address the issue posed by the in-kind and project income portion of the match (the timing of which may affect project cash flow); c) acknowledge the submission of the EA; and d) address non-overlap issues. Assistance will be requested of the BTOP team to insure these activities are successfully accomplished.

**Infrastructure Budget Execution Details**

**Activity Based Expenditures (Infrastructure)**

1. Please provide details below on your total budget, cumulative actual expenditures (for the period ending the current quarter), and cumulative anticipated expenditures (for the period ending next quarter) for each line item, including detailed disbursements of both matching funds and federal funds from project inception through end of this quarter (actual) or next quarter (anticipated). Actual and anticipated figures should be reported cumulatively from award inception to the end of the applicable reporting quarter.

Budget for Entire Project				Actuals from Project Inception through End of Current Reporting Period			Anticipated Actuals from Project Inception through End of Next Reporting Period		
Cost Classification	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Administrative and legal expenses	\$150,000	\$31,664	\$118,336	\$14,763	\$3,115	\$11,648	\$34,763	\$7,335	\$27,428
b. Land, structures, right-of-ways, appraisals, etc.	\$867,400	\$183,036	\$684,364	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,579,060	\$333,196	\$1,245,864	\$96,940	\$20,454	\$76,485	\$694,889	\$104,854	\$548,267
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$10,794,983	\$2,277,755	\$8,517,228	\$0	\$0	\$0	\$500,000	\$0	\$394,500
j. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	\$13,391,443	\$2,825,651	\$10,565,792	\$111,703	\$23,569	\$88,133	\$1,229,652	\$112,189	\$970,195
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$13,391,443	\$2,825,651	\$10,565,792	\$111,703	\$23,569	\$88,133	\$1,229,652	\$112,189	\$970,195

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

a. Application Budget Program Income: \$0

b. Program Income to Date: \$0