

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information		
1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration	2. Award Identification Number NT10BIX5570103	3. DUNS Number 081275752
4. Recipient Organization Nevada Hospital Association 5250 Neil Rd., Ste 302, Reno, NV 89502-6568		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2011	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> 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 Heather Kydd	7c. Telephone (area code, number and extension) X	
	7d. Email Address hkydd@ecarenevada.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-28-2012	

Project Indicators (This Quarter)

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

In the second quarter of the second year of the Nevada Broadband Telemedicine Initiative Award Period [4Q11], our organization completed the following:

ADMINISTRATIVE

- Weekly calls with FPO/NTIA to update project status and ensure federal grant program compliance.
- Weekly calls with Federal EA team to provide updates on Environmental Assessment consultations and progress against priority Special Award Conditions (SAC).
- Conducted regular project status and review meetings with project participants to ensure progress.
- Completed NTIA Site Visit Audit.
- Continued contract negotiations to execute a Phase II agreement encompassing the construction phase of the project.

ENGINEERING

- Continued new route design utilizing fiber on existing facilities and termination locations for the network.
- Continued MOU negotiations with Nevada State agencies for route development and lit services.
- Continued OSP engineering surveys, return to sites to conduct surveys and design for inside plant.
- Continued development of agreements for pole attachments with multiple facility owners.
- Continued engineering of regenerator shelter sites and negotiation with property owners for space to create network access points.
- Hired additional project resources, specifically regarding contract, ROW, and easement negotiations.
- Continued researching necessary (franchise or other city/jurisdiction) requirements for each network build area.
- Review of submissions for RFP's related to telecommunications equipment, as well as lateral and site building conduit and cable construction.

OUTREACH/SUSTAINABILITY

- Conducted meetings with Community Anchor Institutions in the funded service areas.
- Held briefings with Governor's office and state Department of Health and Human Services.
- Conducted meetings with hospitals to discuss service definitions, pricing and timeline for network connectivity.
- Attended Community Outreach meetings to discuss project status updates and collaboration opportunities with incumbent service providers.
- Attended Health Insight and Connect Nevada task force meetings.
- Finalized marketing strategy for network capabilities and service offerings.

FINANCE/GRANT COMPLIANCE/REPORTING

- ARRA, FFR, and PPR Federal Reporting submitted for quarter ending September 30, 2011.
- Development of proformas supporting sustainability and operating structure for the network.
- NTIA approval of revised budget covering the extended EA/Business Planning Phase.
- Attended BTOP drop in calls and webinars.
- Executed Cost Reimbursement Agreement with state BLM office.
- Submitted revised Baseline Report corresponding with project modifications.
- Additional proposed route change summary submitted for NTIA's initial review.
- Completed NTIA Site Visit Audit.
- Ongoing correspondence with the Office of Inspector General regarding match-share audit of BTOP grant recipients.
- Preparation underway for Program Specific Audit.

ENVIRONMENTAL ASSESSMENT

- Continued consultations with Federal and State agencies.
- Received Biological Opinion from USFWS and complied with requirements contained therein.
- Submission of final draft EA to NTIA for final FONSI approval.
- Submission of final draft EA to BLM for 30 day public review.
- Received "Resolution for Permission to Survey" from Walker River Paiute Tribe.
- Received "Resolution of Support" from Timbisha Shoshone Tribe.
- Received "Letter of Concurrence for No Adverse Affect" from the State Historic Preservation Office as required for Section 106 consultation.

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	13	Progress pending final FONSI approval
2b.	Environmental Assessment	59	Progress pending final FONSI approval
2c.	Network Design	100	No variance from Baseline Plan
2d.	Rights of Way	0	Progress pending final FONSI approval
2e.	Construction Permits and Other Approvals	0	Progress pending final FONSI approval
2f.	Site Preparation	0	Progress pending final FONSI approval
2g.	Equipment Procurement	0	Progress pending final FONSI approval
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Progress pending final FONSI approval
2i.	Equipment Deployment	0	Progress pending final FONSI approval
2j.	Network Testing	0	Progress pending final FONSI approval
2k.	Other (please specify):	0	N/A

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 Nevada Hospital Association encountered challenges in obtaining approval of the Biological Assessment by USFWS, which meaningfully altered the anticipated project timeline. Additionally, negotiations with State agencies related to MOU and IRU agreements have emerged as a priority issue. NHA is actively working through these matters with the relevant agencies to meet substantial project completion requirements.

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	Progress pending final FONSI approval.
New network miles leased	0	Progress pending final FONSI approval.
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	Progress pending final FONSI approval.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	Progress pending final FONSI approval.

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	2
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:

No activity this quarter.

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 activity this quarter.

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).

e-Care Nevada, Inc. was awarded the contract to coordinate engineering and design for the network. This entity functions as a subrecipient of the grant and is responsible for the following elements of project implementation:

- Manage completion of an Environmental Assessment, and seek to secure the appropriate approvals resulting from such assessment.
- Develop policies and procedures needed to secure appropriate permits.
- Provide Final Engineering and Design.
- Develop a working budget to complete the Network design, engineering, operation, maintenance, and QoS standards needed to ensure sustainability.
- Formulate Construction Management specifications.
- Conduct Contractor evaluation and selection.
- Complete Demand/Marketing Studies for Network growth and use; obtain appropriate letters of interest and commitment from Member Hospitals, ancillary facilities, last mile service providers, and other related anchor institutions.
- Review, and where necessary, recalculate the network budget.
- Incorporate leased or IRU facilities into overall Network design and pursue agreements with dark fiber providers and wholesale rates for lit services.
- Construction Oversight.
- Development of product and service definitions focused on initial set of services to be available at network launch, future tiered service offerings, and competitive market pricing review.

e-Care Contact Information:

900 South Pavilion Center Drive, Suite 180
 Las Vegas, NV 89144
<http://www.ecarenevada.com>
 702.405.7000

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	Variance from Baseline Plan due to ongoing negotiations with providers.
	Providers with signed agreements receiving improved access	0	No activity this quarter. No variance from Baseline Plan.
	Providers with signed agreements receiving access to dark fiber	0	Variance from Baseline Plan due to ongoing negotiations with providers.
	Please identify the speed tiers that are available and the number of subscribers for each	0	No activity this quarter.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Progress pending final FONSI approval.
	Subscribers receiving new access	0	Progress pending final FONSI approval.
	Subscribers receiving improved access	0	Progress pending final FONSI approval.
	Please identify the speed tiers that are available and the number or subscribers for each	0	No activity this quarter.
Residential / Households	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Businesses	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A

7. Please describe any special offerings you may provide (600 words or less).

No activity this quarter.

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

8b. If so, please describe the changes (300 words or less).

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
No activity this quarter.	No activity this quarter.	No activity this quarter.	No activity this quarter.	No activity this quarter.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 In the third quarter of the second year of the Nevada Broadband Telemedicine Initiative Award Period [1Q12], our organization plans to complete the following:

ADMINISTRATIVE

- Execute formal contract for Phase II agreement encompassing the construction phase of the project.
- Complete subrecipient monitoring for review of Grants Files, Award requirements, and federal guidelines/compliance.
- Participate in regular calls with subrecipient, engineering and construction to ensure project progress.
- Conduct meetings/conference calls with NHA Broadband Oversight Committee and Board of Directors consisting of hospital representatives.
- Continue review of project plans, agreements and status with Federal Program Officer.

ENGINEERING

- Execute agreements and initiate activation of Data Center(s).
- Select and negotiate agreement for collocation facilities.
- Engineer routes and determine placement of regeneration sites; execute agreements for use of conduit.
- Coordinate upgrades to routes to support lit services including design and construction of new regeneration sites; execute agreement for use of conduit along these routes.
- Negotiate and award contracts for initial OSP materials, ISP materials and equipment, transmission equipment and standalone equipment shelters.
- Execute agreements for fiber leases where applicable.
- Complete permitting for lateral construction in major build areas; issue RFQ's and award contracts for construction of laterals.
- Begin deployment of fiber laterals in major build areas.
- Coordinate route development, engineering design and permitting and materials procurement for southern Nevada routes.
- Pursuant to FONSI approval, initiate phased network construction.

KEY PROJECT INDICATOR PROJECTIONS

- New network miles deployed: 50
- New network miles leased: 713
- Total CAI subscribers served (CAIs connected): 9
- Number of signed agreements with broadband wholesalers or last mile providers: 2

OUTREACH/SUSTAINABILITY

- Finalize service definitions inclusive of technical service descriptions.
- Execute service contracts with NHA member hospital facilities for connectivity to the network.
- Continue to work with Community Anchor Institutions in each service area to maximize participation.

FINANCE/GRANT COMPLIANCE/REPORTING

- Submit ARRA Report, Federal Financial Report, Yearly Progress Report, and Quarterly Performance Progress Report for quarter ending December 31, 2011 per Special Award Conditions.
- Finalize Phase budgets including construction timelines incorporating engineering, O&M and QoS standards needed to ensure sustainability.
- Determine and memorialize a long-term operating structure for the network.
- Attend Grants Management Educational Conference.
- Complete the Recipient A-133 Audit.
- Complete the Subrecipient Program-Specific Audit, due 03/31/12.
- Complete the Dept. of Commerce/OIG review of grant match share.

ENVIRONMENTAL ASSESSMENT

- Receive Finding of No Significant Impact (FONSI) from NTIA, complete NEPA process.
- Receive Finding of No Significant Impact (FONSI) from BLM.

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	35	Progress delayed by extended EA and FONSI approval process

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2b.	Environmental Assessment	100	No variance from Baseline Plan
2c.	Network Design	100	No variance from Baseline Plan
2d.	Rights of Way	30	Progress delayed by extended EA and FONSI approval process
2e.	Construction Permits and Other Approvals	30	Progress delayed by extended EA and FONSI approval process
2f.	Site Preparation	0	Progress delayed by extended EA and FONSI approval process
2g.	Equipment Procurement	100	Progress expedited to exceed Baseline Plan projections
2h.	Network Build (all components - owned, leased, IRU, etc.)	35	Progress delayed by extended EA and FONSI approval process
2i.	Equipment Deployment	35	Progress delayed by extended EA and FONSI approval process
2j.	Network Testing	35	Progress delayed by extended EA and FONSI approval process
2k.	Other (please specify):	0	N/A

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).

NHA does not expect any further significant challenges to project progress, as NTIA FONSI approval is anticipated for January 2012, allowing deployment of network construction and operability to commence.

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	\$1,452,699	\$309,929	\$1,142,770	\$429,031	\$93,000	\$336,031	\$453,031	\$96,653	\$356,378
b. Land, structures, right-of-ways, appraisals, etc.	\$5,186,778	\$1,170,020	\$4,016,758	\$0	\$0	\$0	\$1,556,033	\$331,975	\$1,224,058
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$2,333,889	\$497,929	\$1,835,960	\$2,064,442	\$441,837	\$1,622,605	\$2,333,889	\$497,929	\$1,835,960
e. Other architectural and engineering fees	\$1,740,318	\$371,292	\$1,369,026	\$1,161,327	\$242,881	\$918,446	\$1,331,391	\$284,049	\$1,047,342
f. Project inspection fees	\$1,832,629	\$390,986	\$1,441,643	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$663,264	\$315,425	\$347,839	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$10,548,955	\$3,763,638	\$6,785,317	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$4,225,003	\$1,520,599	\$2,704,404	\$0	\$0	\$0	\$4,225,003	\$901,393	\$3,323,610
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$27,983,535	\$8,339,818	\$19,643,717	\$3,654,800	\$777,718	\$2,877,082	\$9,899,347	\$2,111,999	\$7,787,348
m. Contingencies	\$0			\$0					
n. TOTALS (sum of l and m)	\$27,983,535	\$8,339,818	\$19,643,717	\$3,654,800	\$777,718	\$2,877,082	\$9,899,347	\$2,111,999	\$7,787,348

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
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