

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 NT10BIX5570116	3. DUNS Number 866946353
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4. Recipient Organization North Central New Mexico Economic Development District College of Santa Fe Building T40, Santa Fe, NM 87505-7615
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5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2013	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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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 Tim Armer	7c. Telephone (area code, number and extension) X
	7d. Email Address tima@ncnmedd.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-08-2013
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Project Indicators (This Quarter)

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

- Construction activities: ~6.5 new network miles deployed during the reporting period. 10 new network miles were forecasted. Variance due to pending make-ready activities with electric co-op. In total, 108 of the 115 CAIs are currently connected to REDI Net. The total number of forecasted CAIs has been lowered to 115, as 4 sites were deemed not to be CAIs (although funding eligible). Other significant accomplishments include completing the fiber cable installation to the second microwave site, which serves as a redundant backbone connection between the REDI Net POPs in Espanola and Los Alamos.
- Network operations: Of the 108 CAIs connected, 39 are currently being billed for production services. 3 LMPs are also receiving service from REDI Net (Cyber Mesa, Los Alamos Network, and Plateau Telecommunications). Other CAIs and LMPs under SLA negotiation and/or trial services. Coordinating router upgrade with NOC for performance enhancements and dynamic load balancing on backbone circuits. Refining operational procedures and service profiles.
- Contracts and Agreements: REDI Net executed 1 Last Mile Service Provider Agreement during this period.

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	98	See descriptions below. Total overall based on actual budget and project activities
2b.	Environmental Assessment	100	Complete based on project activities
2c.	Network Design	100	Complete based on project activities
2d.	Rights of Way	100	Complete based on project activities
2e.	Construction Permits and Other Approvals	100	Complete based on project activities
2f.	Site Preparation	100	Complete based on project activities
2g.	Equipment Procurement	100	Complete based on project activities
2h.	Network Build (all components - owned, leased, IRU, etc)	98	Network construction began on June 27, 2011, immediately following issuance of the FONSI on June 20. Activities in the current reporting period include underground conduit/fiber placement, aerial fiber installation, internal building work, and POP activities. The original baseline anticipated 100% completion of the network in calendar Q1 2012. Variance is associated with initial delays in receiving the FONSI, pole replacement requirements, and approval of the EA Addendum. Baseline assumed 100% completion during the reporting period. Remaining work anticipated to be completed in final month of project. Percentage complete based on project activities and reference to budget
2i.	Equipment Deployment	100	Complete based on project activities
2j.	Network Testing	96	Testing completed on ~137.3 miles of the ~142.6 new miles to be built. Original baseline assumed ~149 new miles to be built. The variance between 142.6 and 149 miles is associated with adjustments made via the approved route changes. Baseline assumed 100% completion during the reporting period. Remaining work anticipated to be completed in final month of project. Percentage complete based on project activities.
2k.	Other (please specify): Project Management	94	Project management work continued as planned, providing construction management, procurement, CAI/LMP support, and general oversight. Baseline assumed 100% completion during the reporting period. Remaining work anticipated to be completed in final month of project. Percentage complete based on project activities and reference to budget

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 primary challenge faced this quarter was similar to the previous reporting period, relating to a lengthy make-ready process with an electric co-op to complete pole replacements along a backbone route that feeds a REDI Net microwave site and 2 CAIs. However, those make-ready activities were completed successfully during the reporting period, which enabled REDI Net to complete its fiber

installation and splicing along that route. Although we experienced the respective workflow disruptions this quarter, we were able to complete ~6.5 new miles of fiber construction and currently stand at 137.3 miles of the ~142.6 new miles to be built. ~96% of the total new mileage. The original baseline assumed ~149 new miles to be built. The difference is associated with the approved route changes.

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	137	137.3 new miles completed. Catching up with original baseline, although still behind due to EA, EA Addendum, and make-ready
New network miles leased	0	N/A
Existing network miles upgraded	5	5.33 miles of existing fiber upgraded
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	137	137.3 new miles completed. Catching up with original baseline, although still behind due to EA, EA Addendum, and make-ready
Number of new wireless links	2	2 new microwave backbone connections were built, pursuant to approved route changes.
Number of new towers	0	N/A. The 2 microwave links attach to existing structures.
Number of new and/or upgraded interconnection points	4	4 POIs operational as of the reporting period, which includes 1 IP transit interconnect. 1 LMP (Cyber Mesa) is served from the Espanola POP, 2 LMPs (Los Alamos Network & Plateau Telecommunications) are served from the Los Alamos POP, and 1 IP transit interconnect (Plateau Telecommunications) is provisioned at the Espanola POP.

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	3
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
Average term of signed agreements (in quarters)	4

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
REDI Net has signed SLAs with Plateau Telecommunications, Los Alamos Network, and Cyber Mesa.

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:

The REDI Net Board and Finance Committee are continuously evaluating new wholesale offerings and related policy considerations, for services such as additional tiers of Ethernet transport, Internet access, and co-location. The Board will ensure these requests do not negatively impact current bandwidth commitments to CAIs and other last-mile providers, and would not in the next five years cause REDI Net to exceed its oversubscription rate or fiber asset management strategy. REDI Net is currently billing for network services in production, via SLAs, and supported by the 24x7 NOC. See attached service tiers and pricing. REDI Net is also offering "trial" services to a limited number of CAIs, to aid in stabilizing the network operating environment and establishing baseline performance data.

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).

REDI Net has signed a three-year Network Management Agreement with Kit Carson Electric Cooperative and Telecom, as described in the original BTOP grant application. Kit Carson Telecom will provide network management for 100% of REDI Net. Kit Carson Telecom is not a sub-recipient, contractor or subcontractor under the BTOP grant, but is providing network management at no charge

to REDI Net for its first 3 years of operation. Address: 201 Cruz Alta Road, Suite B, Taos NM, 87571. The main Point of Contact for REDI Net NOC services is Terie Hannay, SVP - Planning and Integration, 616-293-5880, terie@pulsebroadband.net

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	3	REDI Net signed SLAs with Plateau Telecommunications, Cyber Mesa, and Los Alamos Network. Both Cyber Mesa and Plateau Telecommunications serve as last-mile "E-Rate" providers to public school districts. The baseline had projected 6 signed agreements. The variance is primarily associated with the number of additional agreements currently under negotiation, consolidation amongst local service providers in the market, and service provider organizational restructuring.
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	3	Standard services are offered between 1 Mbps to 100 Mbps and the number of subscribers per service tier are indicated below. 1 Mbps = 0 subscribers 3 Mbps = 0 subscribers 5 Mbps = 4 subscribers 10 Mbps = 0 subscribers 15 Mbps = 0 subscribers 20 Mbps = 4 subscribers 35 Mbps = 0 subscribers 50 Mbps = 5 subscribers 75 Mbps = 0 subscribers 100 Mbps = 2 subscriber During the reporting period, REDI Net provided multiple speed tiers to the 3 last-mile providers indicated above, based on destination address of where the service was delivered.
Community Anchor Institutions (including Government institutions)	Total subscribers served	108	A cumulative total of 108 CAIs are connected as of the reporting period, with network access available. Of which, 39 CAIs are currently being billed for services and supported by the 24x7 NOC. The difference of 69 CAIs is reflective of those that are under a "provisional" trial period, to aid in network testing and establishing performance baseline data, and CAIs that are still negotiating SLAs. The original baseline projected 127 CAIs connected at project end and the current forecast is for 115. The 1Q12 PPR reported 97 CAIs connected at that point and forecasted 119 CAIs at project end. The variances in the forecasts are associated with approved route changes, removing some locations that were re-classified as "businesses" (rather than CAIs), and removing other government sites deemed recreational and ineligible for grant funding. Also, Q9 in this PPR reports 16 additional CAIs connected. Adding the 14 new CAIs to the 97 reported in the previous period, minus 3 that were mistakenly reported in duplicate, equals 108 currently connected.
	Subscribers receiving new access	108	See above. 108 CAIs have access to service from REDI Net.
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number or subscribers for each	108	Standard services are offered between 1 Mbps to 100 Mbps. Of the 108 CAIs connected, 39 are currently subscribing to paid-for "production" services, as itemized below: 1 Mbps = 9 CAIs 3 Mbps = 1 CAIs 5 Mbps = 16 CAIs 10 Mbps = 1 CAIs 15 Mbps = 0 CAIs 20 Mbps = 6 CAIs

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
			35 Mbps = 0 CAIs 50 Mbps = 4 CAIs 75 Mbps = 0 CAIs 100 Mbps = 2 CAIs 70 CAIs are not subscribing to services at this point, with no speed tier negotiated.
Residential / Households	Entities passed	18,458	Estimate based on 96% of infrastructure build-out complete. Although, REDI Net is not a last-mile provider.
	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	1,279	Estimate based on 96% of infrastructure build-out complete. Although, REDI Net is not a last-mile provider.
	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).

REDI Net will provide the following service offerings: For community anchor institutions: Bundled Internet/Ethernet Access, Ethernet Transport. For last-mile service providers: Per Subscriber Bandwidth, Aggregated Internet Bandwidth, Ethernet Transport, Co-location.

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

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

N/A

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
White Rock Visitors Center	Los Alamos County	Other Community Support Organizations	No	Not currently taking service
Los Alamos Municipal Building (New)	Los Alamos County	Other Government Facilities	No	Not currently taking service
Pinon Elementary	Los Alamos County	Schools (K-12)	Yes	Local network transport to network hub

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
Chamisa Elementary School	Los Alamos County	Schools (K-12)	Yes	Local network transport to network hub
Los Alamos County Youth Activity Center (White Rock)	Los Alamos County	Other Community Support Organizations	No	Not currently taking service
White Rock Waste Water Treatment	Los Alamos County	Other Government Facilities	No	Not currently taking service
White Rock Branch Library	Los Alamos County	Libraries	No	Not currently taking service
Los Alamos County Senior Center (White Rock)	Los Alamos County	Other Community Support Organizations	No	Not currently taking service
Los Alamos County Fire Station 3	Los Alamos County	Public Safety	No	Not currently taking service
Pojoaque Valley High School	Santa Fe County	Schools (K-12)	No	Not currently taking service
Pojoaque Valley Middle School	Santa Fe County	Schools (K-12)	No	Not currently taking service
New Alcalde Elementary School	Rio Arriba County	Schools (K-12)	No	Not currently taking service
Rio Arriba County Compound - Fleet Services	Rio Arriba County	Other Government Facilities	No	Not currently taking service
Los Luceros Ranch	Rio Arriba County	Other Government Facilities	No	Not currently taking service

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 During the upcoming reporting period, REDI Net plans to complete the project grant requirements. Planned work activities include, but not limited to, reviewing construction as-built drawings, drafting Federal security interest forms as part of transferring the network assets to the jurisdictional partners, and submitting State of NM UCC filings. Particular focus will be on efforts relating to the transition from construction into network/business operations. This includes optimization of network operations policies and procedures, continued negotiation of LMP/CAI SLAs, expansion with existing LMPs/CAIs, community outreach, business development, and increasing education/awareness of REDI Net. In the next quarter, REDI Net forecasts to build ~.25 miles of new fiber cable, connect an additional 3 CAIs, and execute 1 new broadband wholesaler/last mile provider agreements.

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	100	Complete based project activities and reference to budget
2b.	Environmental Assessment	100	Complete based project activities
2c.	Network Design	100	Complete based project activities
2d.	Rights of Way	100	Complete based project activities

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2e.	Construction Permits and Other Approvals	100	Complete based project activities
2f.	Site Preparation	100	Complete based project activities
2g.	Equipment Procurement	100	Complete based project activities
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Complete based project activities and reference to budget
2i.	Equipment Deployment	100	Complete based project activities
2j.	Network Testing	100	Complete based project activities
2k.	Other (please specify): Project Management	100	Complete based project activities and reference to budget

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).

While migrating into grant closeout activities, approval of Federal security interest and/or State of NM UCC filings will involve significant coordination with jurisdictional partners and processing via outside agencies which REDI Net has no direct control over. This makes forecasting the completion of the forms challenging to project with a high degree of accuracy. REDI Net has requested grant extension until 9/30/2013 to accommodate completing these final construction activities

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	\$189,998	\$37,247	\$152,751	\$189,998	\$37,247	\$152,751
b. Land, structures, right-of-ways, appraisals, etc.	\$867,400	\$867,400	\$0	\$843,900	\$843,900	\$0	\$867,400	\$867,400	\$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	\$1,599,060	\$333,196	\$1,265,864	\$1,599,060	\$333,196	\$1,265,864
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	\$1,593,391	\$9,201,592	\$10,542,535	\$1,532,818	\$9,009,717	\$10,734,985	\$1,587,808	\$9,147,177
j. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$13,391,443	\$2,825,651	\$10,565,792	\$13,175,493	\$2,747,161	\$10,428,332	\$13,391,443	\$2,825,651	\$10,565,792
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$13,391,443	\$2,825,651	\$10,565,792	\$13,175,493	\$2,747,161	\$10,428,332	\$13,391,443	\$2,825,651	\$10,565,792

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: \$169,480 b. Program Income to Date: \$0