

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
4. Recipient Organization North Central New Mexico Economic Development District College of Santa Fe Building T40, Santa Fe, NM 87505-7615		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2011	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 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): 11-21-2011	

Project Indicators (This Quarter)

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

- Ramp up of construction activities from 1% to 27%.
- Rights-of-way, construction permits, site preparation and equipment procurement are all near 100% complete. The project overcame delays in fiber procurement with no effect on the project.
- Held public ground breaking event and one additional community outreach event for REDI Net, and issued an RFQ to develop a web portal for better community engagement.
- REDI Net Board and committees continue to meet monthly. In Q3 2011, the policy committee developed an SLA for last-mile providers which is currently being negotiated with five last-mile partners. The committee also developed draft bylaws and network management policies scheduled for adoption in Q4 2011.
- Began negotiations with upstream interconnect providers and network operations provider Kit Carson Electric and Telecom in preparation for signing agreements and contracts.

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	35	Based on total expenditures, 35% of project funds were obligated through the end of Q3 2011. Deviations from the baseline are described below and are associated with delays in receiving the FONSI, which has placed most construction activities about 3 months behind schedule. However, construction has ramped up considerably since the last quarter--from 1% to 27% complete. Also, the project is on track for completion well before the three-year time frame, with construction slated to conclude in spring/early summer 2012.
2b.	Environmental Assessment	100	A Finding of No Significant Impact (FONSI) was issued on June 20, 2011. Completion of this milestone was anticipated in Quarter 3. While the Environmental Assessment was completed on time, the federal review, federal comments and revisions to the EA took longer than expected.
2c.	Network Design	100	All engineering design was completed in Quarter 4 as projected in the baseline.
2d.	Rights of Way	95	There are a few outstanding permits with NM DOT, the National Nuclear Security Administration (NNSA), and San Ildefonso Pueblo which account for the remaining 5%. This is a 5% variance from the baseline, which projected 100% completion. It is anticipated that the ROW permits will be 100% complete by the end of the upcoming reporting period. However, the outstanding permits have not held up construction activities as crews are currently assigned to permitted areas.
2e.	Construction Permits and Other Approvals	95	Local government construction permits are submitted and approved within 2-3 days as the construction crews advance closer to specific work sites. There have been no delays using this approach and none are anticipated, as the local governments issuing the permits are all partners in the project. We will continue on this process throughout the remainder of the project. This is a 5% variance from the baseline, which projected 100% completion.
2f.	Site Preparation	98	The only remaining site prep work is being conducted at our Los Alamos County POP location, where an electrical load assessment is underway. This assessment will be completed during Q4 2011, concluding the site prep activities. Therefore, a 2% variance is reserved.
2g.	Equipment Procurement	98	All major equipment procurement was completed during the current reporting period. However, it is possible that some smaller items, such as additional servers or CPE will be ordered in Q4 2011. Therefore, a 2% variance is reserved.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2h.	Network Build (all components - owned, leased, IRU, etc)	27	Network construction began on June 27, 2011, immediately following issuance of the FONSI on June 20. Activities in the current reporting period include directional drilling, conduit placement, innerduct placement in existing conduit, internal building work, make ready (pole replacements, anchor setting, framing, etc), aerial fiber attachment, and setting the POP foundations. The baseline anticipated 62% completion of the network in this quarter; however, much progress has been made ramping up after the FONSI delays.
2i.	Equipment Deployment	0	N/A. Equipment deployment will begin in Q4 2011.
2j.	Network Testing	0	N/A. Configuration testing on network equipment was conducted in a lab environment, but testing of the outside plant has not commenced yet.
2k.	Other (please specify): Project Management	43	Project management work continued as anticipated, providing construction management, procurement, and general oversight.

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).

- Pole Attachment Applications took longer to process than anticipated,
- Make-Ready expenses are requiring significant negotiations and monitoring to stay within budget.
- FONSI delays have most construction activities about 3 months behind schedule, but ramping up quickly.
- Supply issues on fiber cable took significant time and effort to resolve, with impact to the project mitigated.
- Communications links with NOC (Kit Carson Electric) and upstream bandwidth providers have been delayed to due the slower construction schedules of partner projects (Round 2 Kit Carson Electric BIP grant/loan and Plateau Communications BTOP grant).

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	2	2.27 miles of aerial fiber deployed
New network miles leased	0	N/A
Existing network miles upgraded	0	Tie ins with the existing/upgrade fiber plant will occur in Q1 2012
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	2	2.27 miles of aerial fiber deployed
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	Interconnect points will be established in the upcoming reporting period

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	5
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:

Please see attachment for proposed wholesale pricing schedule which we expect to be approved by the REDI Net Board of Directors by the end of Q4 2011. The REDI Net Board is also adopting policies which allow it to consider requests for Aggregated Internet Bandwidth provided that these requests do not negatively impact current bandwidth commitments to community anchor institutions and other last-mile providers, and do not or will not in the next five years cause REDI Net to exceed its oversubscription rate. CoLocation services are also being developed.

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 third party operates (600 words or less).

REDI Net is in the process of negotiating 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 the REDI Net network. Kit Carson Telecom is not a sub-recipient, contractor or subcontractor under the BTOP grant, but is providing network management free of charge to REDI Net for its first three years of operation. Address: 201 Cruz Alta Road, Suite B, Taos NM, 87571.

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 being provided to date.
	Providers with signed agreements receiving improved access	0	No services are being provided to date.
	Providers with signed agreements receiving access to dark fiber	0	No services are being provided to date.
Community Anchor Institutions (including Government institutions)	Please identify the speed tiers that are available and the number of subscribers for each	0	No services are being provided to date.
	Total subscribers served	0	No services are being provided to date.
	Subscribers receiving new access	0	No services are being provided to date.
	Subscribers receiving improved access	0	No services are being provided to date.
Residential / Households	Please identify the speed tiers that are available and the number of subscribers for each	0	No services are being provided to date.
	Entities passed	0	Residential services will be provided by last-mile providers.
	Total subscribers served	0	Residential services will be provided by last-mile providers.
	Subscribers receiving new access	0	Residential services will be provided by last-mile providers.
	Subscribers receiving improved access	0	Residential services will be provided by last-mile providers.
Businesses	Entities passed	0	Business services will be provided by last-mile providers.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Total subscribers served	0	Business services will be provided by last-mile providers.
	Subscribers receiving new access	0	Business services will be provided by last-mile providers.
	Subscribers receiving improved access	0	Business services will be provided by last-mile providers.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Business services will be provided by last-mile providers.

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, CoLocation.

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
N/A	N/A	N/A	N/A	The inside plant construction is underway, preparing the buildings for receiving and terminating the fiber connections, however the fiber drops have not been placed as of the current reporting period. 66 buildings have been preped to date.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).

- Construction Activities: 29 new network miles will be deployed, POP buildings will be set on the foundations in Espanola and Santa Fe, along with wiring, rack installation, HVAC, and back-up generator. The existing POP facility in Los Alamos will also be retrofitted for operations. The core fibers will be placed in the Espanola POP.
- Route Changes: We expect to submit an EA Addendum for additional laterals in Q4 2011.
- Policy Activities: The REDI Net Board plans to adopt bylaws and network management policies in Q4 2011.
- Contracts and Agreements: Contracts for upstream interconnect bandwidth and network operations management will be drafted in Q4 2011. We are negotiating but do not expect to have signed agreements with broadband wholesalers or last mile providers by the end of Q4 2011.
- We do not anticipate providing service to CAI subscribers by the end of Q4 2011. No network miles will be leased in this project.

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	60	Construction activity will continue to ramp up through Q4 2011, bringing the project closer to baseline performance goals.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2d.	Rights of Way	100	Complete
2e.	Construction Permits and Other Approvals	98	Local government permits are being phased in closer to initiating the construction activities, so it is feasible that a small number of permits might be applied for after the upcoming reporting period. However, this will not impact overall project delivery.
2f.	Site Preparation	100	Complete
2g.	Equipment Procurement	98	All major equipment orders are already complete, although it is possible that some smaller elements (servers, additional CPE) might be needed after the upcoming reporting period, so 2% of the budget is being reserved.
2h.	Network Build (all components - owned, leased, IRU, etc.)	43	Construction and procurement activities started late June 2011, due to delays with the FONSI. Since initiating construction, there were some additional challenges with pole attachment applications, make-ready, and materials supply, all of which have been resolved. Construction and procurement are now ramping up. We are incrementally catching up on network build and will continue to do so in Q4 2011. Upcoming activities include make-ready, pole replacements, aerial fiber installation, boring, conduit placement, underground fiber installation, and POP construction.
2i.	Equipment Deployment	50	Core routing equipment and a portion of the CPE will be installed in Q4 2011.
2j.	Network Testing	25	Field testing will commence on the core routing equipment in Q4 2011.
2k.	Other (please specify): Project Management	54	Project management work continued as anticipated, providing construction management, procurement, and general oversight.

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).

In addition to the issues listed for #3 Performance Indicators for Q3 2011, we have experienced significant delays on route change requests. Based on recent guidance from NTIA, we are revising our route change requests and will likely be directed to complete an EA Addendum. We do not expect the EA Addendum to impact our ability to meet NTIA construction deadlines, however, as we are scheduled to complete network build by summer 2012. New laterals and CAI connections included in the EA Addendum will have to be completed within this time frame, as well, or crews will no longer be mobilized for construction.

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	\$81,012	\$17,094	\$63,918	\$112,012	\$23,094	\$88,918
b. Land, structures, right-of-ways, appraisals, etc.	\$867,400	\$183,036	\$684,364	\$823,900	\$823,900	\$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	\$819,323	\$172,882	\$646,441	\$922,320	\$193,687	\$728,633
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	\$2,994,721	\$628,891	\$2,365,830	\$6,132,221	\$1,287,766	\$4,844,455
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	\$4,718,956	\$1,642,767	\$3,076,189	\$8,033,953	\$2,371,947	\$5,662,006
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	\$4,718,956	\$1,642,767	\$3,076,189	\$8,033,953	\$2,371,947	\$5,662,006

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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