

RECIPIENT NAME:Eagle-Net Alliance

AWARD NUMBER: NT11BIX5570001

DATE: 08/19/2014

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 6/30/2015

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

NT11BIX5570001

3. DUNS Number

964743988

4. Recipient Organization

Eagle-Net Alliance 11800 Ridge Pkwy, Broomfield, CO 80021-6525

5. Current Reporting Period End Date (MM/DD/YYYY)

06-30-2014

6. Is this the last Report of the Award Period?

Yes No

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

7a. Typed or Printed Name and Title of Certifying Official

7c. Telephone (area code, number and extension)

7d. Email Address

7b. Signature of Certifying Official

7e. Date Report Submitted (MM/DD/YYYY):

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Significant project accomplishments completed during this quarter include:
 - Connections completed to four new K-12 CAIs: Buena Vista R31, Hayden RE1, Salida R32 and Steamboat Springs RE2, with service provided to Buena Vista and Steamboat Springs.
 - New Service being provided to four previously connected CAIs: Morgan Community College, Wray Public Library, Littleton 6 K-12 and Monte Vista C8 K-12.
 - Two IRU agreements completed for purchase of dark fiber in Dolores and Montezuma Counties.
 - Deployment of 68 miles of new wireless infrastructure from Moffat to Buena Vista running between the San Luis Valley and the Upper Arkansas Valley.

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	97	The Baseline projection was for the network to be 100% completed by August 31, 2013. We fell short of that projection, however, we did receive an approval of our extension request to continue network construction through December 31, 2014. So, construction has continued through this quarter with our overall percentage complete at 97%.
2b.	Environmental Assessment	100	This milestone and the associated spend were completed with both the awarding of the initial FONSI as well as work done for the Supplemental EA.
2c.	Network Design	100	Although the logical and network design is complete, the design will continue to be fine-tuned as the design/build process continues.
2d.	Rights of Way	100	The dollar amount in this category is substantially higher than the original baseline projection as in the approved budget reprogram, we are now using CDOT rights of way to complete our total match percentage.
2e.	Construction Permits and Other Approvals	100	The original baseline estimate for this category was substantially understated, and has been adjusted in the approved budget reprogram.
2f.	Site Preparation	8	This amount is lower than the baseline projection of 100% as costs that were originally in this category are now part of the Network Build category. This change has been adjusted in the approved budget reprogram.
2g.	Equipment Procurement	97	Although network layer 2 and 3 equipment has been purchased, there will be some additional procurement of wireless equipment as the final stages of the network are constructed.
2h.	Network Build (all components - owned, leased, IRU, etc)	76	This amount, which includes all network build activities in addition to the cost of IRUs, Project Management and other administrative costs for the project, is behind the baseline projection of 100% complete. Although there were weather delays with late snow melts and windy conditions, we did finish connections to four new CAIs and completed 68 miles of new wireless construction.
2i.	Equipment Deployment	42	This amount from the original baseline estimate is high, and has been changed in the approved budget reprogram.
2j.	Network Testing	0	This category had been absorbed into the Network Build costs as these expenses have not specifically been broken out. The adjustment has been made in the budget reprogram.
2k.	Other (please specify):	32	These costs were for the outside testing and warehouse facilities. These facilities were obtained later than anticipated and are less expensive than projected, so these dollars were reallocated in the approved budget reprogram.

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).

Weather continued to be an issue with late snow melts and windy conditions delaying some builds, especially the start of the Durango/Silverton build. In addition, there were delays in completing contracts with local providers, with some final negotiations still pending.

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	880	This quarter, 68 new wireless miles were completed. This gives a total of 809 deployed fiber miles and 71 deployed wireless miles. The baseline projection was for the project to be complete at 1,946 new network miles, however, because of design changes, including the change from wireless to fiber in many routes, and changes in routes deployed, the revised project goals are for a total of 916 new network miles deployed.
New network miles leased	1,947	The total leased miles did not change this quarter as no new IRUs were completed, although we did sign two agreements for an IRU in Dolores County for 6.5 miles and an IRU in Montezuma County for 2.8 miles with fiber to be accepted in July. So, for this quarter total miles remain the same at 1,705 leased fiber miles and 242 leased wireless miles from local, regional and national Colorado providers. This is behind the original baseline total network projection of 2,466 leased miles as the number of wireless leases was decreased. However, the revised project goals are for a total of 2,027 leased miles, so we are closing in on that total.
Existing network miles upgraded	263	The baseline projection was for 317 miles to be upgraded by the end of the project, however all existing miles have been upgraded and completed at 263 miles, 73 wireless and 190 fiber.
Existing network miles leased	0	n/a. Consistent with the Baseline Report.
Number of miles of new fiber (aerial or underground)	809	Please note that the guidance for this metric has changed from total fiber miles in the baseline report (projected to be 1,694 constructed, leased and upgraded fiber miles) to only newly constructed fiber miles, which is the 809 reported here.
Number of new wireless links	29	The baseline projection was for 154 new wireless links. However, the revised project goals will total 37 wireless links, as the network has transitioned from a primarily wireless network to a primarily fiber network. Four new wireless links were added this quarter between Buena Vista and Salida.
Number of new towers	0	The baseline projection was for 154 new towers. However, the revised project goals will total 0 new towers, as the network has transitioned from a primarily wireless network to a primarily fiber network. Although no new towers will be built, there will be some leased space on existing towers as part of the approved design plan.
Number of new and/or upgraded interconnection points	59	The baseline projection was for 184 new interconnection points. However, the revised project goal will total 78 new/upgraded interconnection points.

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	15
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	30
Average term of signed agreements (in quarters)	20

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: We currently have thirteen signed open access service agreements with wholesale or last mile providers completed, which is an increase of four in the last quarter. We have a total of twenty-five Master Service Agreements (MSAs) with wholesale and last mile providers, which provide the framework for service agreements. In addition, we are in negotiations for an additional eighteen MSAs and eventual service agreements. Our baseline projection was for 18 agreements by the end of the project, so we are currently behind that estimate.

The 13 completed open access agreements are with:

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:

We are providing middle mile transport/backhaul to ISPs and other providers.

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).

During the 4th Quarter of 2013, an agreement was reached with Affiniti Colorado, LLC, to be the overall network operator for the EAGLE-Net statewide network. This agreement commenced as of October 1, 2013 and is a 25 year agreement. Affiniti has been approved by the NTIA as a sub recipient and will provide all operational activities for the network, with EAGLE-Net continuing ownership and managerial oversight for the network. Affiniti's headquarters are located at:

9208 Waterford Centre Blvd, Suite 150
Austin, Texas 78758-7682.
1-866-949-6631

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)

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	13	With Affiniti as our Network Operator, business development activity has been accelerated, as shown by the addition of four new agreements with wholesalers and last mile providers this quarter. Although behind our Baseline projection of 18, these agreements should increase in the coming months.
	Providers with signed agreements receiving improved access	0	n/a. Consistent with the Baseline Report.
	Providers with signed agreements receiving access to dark fiber	2	During the last quarter, two dark fiber IRU sales were finalized and accepted, and two more agreements were signed with local providers, but won't be delivered until July. This is higher than our Baseline estimate, which did not anticipate the sale of any dark fiber.
Community Anchor Institutions (including Government institutions)	Please identify the speed tiers that are available and the number of subscribers for each	3	Provider speed tiers include 3 at 100 Mbps, 5 at 300 Mbps, and 5 at 1 Gbps or higher.
	Total subscribers served	124	Four new K-12 school district CAIs were connected this quarter, with two receiving service from EAGLE-Net. These resulted in a total of 124 connected CAIs. In addition, four previously connected CAIs began to receive service during this quarter, for a total of 71 CAIs receiving service either through direct contracts or via partnership agreements.
	Subscribers receiving new access	112	These are new CAI connections from either built fiber, leased fiber, microwave connections or agreements with local last mile providers.
	Subscribers receiving improved access	12	These are upgraded CAI connections from the original Centennial BOCES network.
Residential / Households	Please identify the speed tiers that are available and the number of subscribers for each	4	The 58 school district customers, 5 BOCES customers, 1 Public Library customer and 2 Community College customers to whom we are directly providing service fall into 4 speed tiers: 10-49 Mbps = 31 50-99 Mbps = 11 100-499 Mbps = 17 500 Mbps-1Gbps = 7
	Entities passed	0	n/a. We are a BTOP project with no last mile component.
	Total subscribers served	0	n/a. We are a BTOP project with no last mile component.
	Subscribers receiving new access	0	n/a. We are a BTOP project with no last mile component.
	Subscribers receiving improved access	0	n/a. We are a BTOP project with no last mile component.
Businesses	Please identify the speed tiers that are available and the number of subscribers for each	0	n/a. We are a BTOP project with no last mile component.
	Entities passed	0	n/a. We are a BTOP project with no last mile component.
	Total subscribers served	0	n/a. We are a BTOP project with no last mile component.
	Subscribers receiving new access	0	n/a. We are a BTOP project with no last mile component.
	Subscribers receiving improved access	0	n/a. We are a BTOP project with no last mile component.

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

We are not providing any special offerings at this time.

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
Buena Vista R31 School District	Chaffee County	K-12	Yes	Connection to provide internet to enhance & improve student education.
Hayden RE1 School District	Routt County	K-12	No	Connection to provide internet to enhance & improve student education.
Salida R32 School District	Chaffee County	K-12	No	Connection to provide internet to enhance & improve student education.
Steamboat Springs RE2 School District	Routt County	K-12	Yes	Connection to provide internet to enhance & improve student education.

Project Indicators (Next Quarter)

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

Planned accomplishments include:

- 29 newly deployed fiber miles with an additional 31 newly leased miles. We will also connect to two new CAIs.
- Beginning construction from Durango to Cascade Village, which is an essential part of the Silverton Build.
- Completion of an agreement with the City of Durango for an IRU of fiber within the city.
- Acceptance of our IRU in Dolores County, which allows us to make the final connection to the Dolores County School District.
- Acceptance of our IRU in Mancos, which allows us to make the final connection to the Mancos School District.
- Completion of an agreement to purchase dark fiber to connect to the EAGLE-Net network's grant-named peering location at the NCAR Supercomputing Center in Cheyenne Wyoming.
- The completion of four new service agreements with wholesale or last mile providers.
- Approval of our revised budget that incorporates current activities through the end of the extension period.

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)
	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	98	The main objective for the remaining project spend is to complete the Silverton route, which has both construction and IRU elements.
2b.	Environmental Assessment	100	This spend category is complete.
2c.	Network Design	100	This spend category is complete.
2d.	Rights of Way	100	This spend category is complete.
2e.	Construction Permits and Other Approvals	100	This spend category is complete.
2f.	Site Preparation	8	Most costs that were initially in this category are now in the Network Build category, as shown in the approved budget reprogram.
2g.	Equipment Procurement	98	Some wireless equipment will be purchased for the remaining wireless build completions.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2h.	Network Build (all components - owned, leased, IRU, etc.)	78	Activities will include builds in the city of Durango and from there to Cascade Village as part of the Silverton build, work on Highway 550 and on I-25 north.
2i.	Equipment Deployment	42	There will be some minor costs for wireless equipment deployment in the next quarter.
2j.	Network Testing	0	All costs that were initially in this category are now in the Network Build category, as shown in the approved budget reprogram.
2k.	Other (please specify):	32	Most costs that were initially in this category are now in the Network Build category, as shown in the approved budget reprogram.

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 challenge will be coordinating the many open activities to stay on schedule. Many of the activities, agreements, permits, etc, are dependent on each other, so if one slips, it can cause the entire timeline to slip. We are working hard to keep everything moving as planned, and are keeping the NTIA updated on all of our 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	\$9,230,560	\$0	\$9,230,560	\$8,925,576	\$0	\$8,925,576	\$9,064,458	\$0	\$9,064,458
b. Land, structures, right-of-ways, appraisals, etc.	\$36,811,327	\$33,615,587	\$3,195,740	\$36,150,255	\$33,615,587	\$2,534,668	\$36,217,755	\$33,615,587	\$2,602,168
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$17,333,200	\$1,050,000	\$16,283,200	\$16,277,212	\$1,050,000	\$15,227,212	\$16,302,165	\$1,050,000	\$15,252,165
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	\$53,279,568	\$0	\$53,279,568	\$54,731,517	\$0	\$54,731,517	\$56,519,615	\$0	\$56,519,615
j. Equipment	\$18,646,122	\$0	\$18,646,122	\$14,956,994	\$0	\$14,956,994	\$15,034,603	\$0	\$15,034,603
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$135,300,777	\$34,665,587	\$100,635,190	\$131,041,554	\$34,665,587	\$96,375,967	\$133,138,596	\$34,665,587	\$98,473,009
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$135,300,777	\$34,665,587	\$100,635,190	\$131,041,554	\$34,665,587	\$96,375,967	\$133,138,596	\$34,665,587	\$98,473,009

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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