

**U.S. DEPARTMENT OF COMMERCE**

**Performance Progress Report**

2. Award Or Grant Number

48-50-M09064

4. Report Date (MM/DD/YYYY)

01-12-2011

1. Recipient Name

Connected Nation, Inc - Texas

6. Designated Entity On Behalf Of:

Texas

3. Street Address

1020 College Street,

8. Final Report?

Yes

No

9. Report Frequency

Quarterly

Semi Annual

Annual

Final

5. City, State, Zip Code

Bowling Green, KY 42101-2137

7. Project / Grant Period

Start Date: (MM/DD/YYYY)

01-01-2010

7a.

End Date: (MM/DD/YYYY)

12-31-2014

7b.

Reporting Period End Date:

12-31-2010

9a. If Other, please describe:

N/A

**10. Broadband Mapping**

10a. Provider Table

Number of Providers Identified	Number of Providers Contacted	Number of Agreements Reached for Data Sharing	Number of Partial Data Sets Received	Number of Complete Data Sets	Number of Data Sets Verified
0	0	0	0	0	0

10b. Are you submitting the required PROVIDER DATA by using the Excel spreadsheet provided by the SBDD grants office?  Yes  No

10c. Have you encountered challenges with any providers that indicate they may refuse to participate in this project?  Yes  No

10d. If so, describe the discussions to date with each of these providers and the current status

Cybercom Corporation: Attempted to telephone representatives of the company to invite them to participate in the Texas Broadband Mapping initiative. I spoke with an associate that stated that they were still not interested in participating with the initiative.

ELP Networks, Inc.: Spoke with the owner and he conveyed that he is contemplating selling his Fixed Wireless operations. He stated he would wait to send in documentation until he decided what he was going to do. If he does not sell he would consider joining the program this. Right now he has no interest with participation.

10e. If you are collecting data through other means (e.g. data extraction, extrapolation, etc), please describe your progress to date and the relevant activities to be undertaken in the future

We have not collected any data through extraction programs.

10f. Please describe the verification activities you plan to implement

ESRI is deploying and hosting Connected Nation's BroadbandStat (BBStat) web application. ESRI will house the customized BBStat application in their highly-available, monitored, and managed environment. The scope of services includes setting up a staging environment for data verification and compatibility as well as a production environment for client access.

Connected Nation also collects consumer feedback in the form of broadband inquiries. These inquiries represent any type of communication received from the public regarding broadband service. Once broadband inquiries are received across the state, this information is overlaid with the broadband availability information which was collected through the SBDD program. This allows for a real-world comparison of the broadband landscape to the information received from broadband inquiries. Broadband inquiries are able to provide three types of information: 1) residents who do not have broadband but want it; 2) residents who have broadband but want a different provider; and 3) residents who do not have broadband, but the broadband inventory maps indicate that they do. If residents within a region state that they are without broadband, but the broadband inventory maps show otherwise, this allows Connected Nation to approach the providers within that area in an effort to trim down their coverage to more accurately represent real-world availability on the ground.

Connected Nation has scheduled Q1 2011 field validation tests on 5 additional providers which would yield an increase of 2.95% over year ending 2010

10g. Have you initiated verification activities?  Yes  No

10h. If yes, please describe the status of your activities

BroadbandStat is publicly available on the Connected Texas website and received a total of 978 visits between October 1, 2010 and December 31, 2010.

During this quarter, the Connected Texas project has received a total of 43 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 4 for this quarter.

One hundred eighty-eight broadband providers (which meet NTIA's criteria for voluntary participation) in 254 counties have been identified by Connected Nation at present. In order to engage and involve the broadband provider community and the residents of the state in validating data, numerous public and private meetings have been attended (in addition to on-site meetings with numerous broadband providers).

Site validation testing of 98 broadband providers occurred (almost double from the last reporting period) representing 358 unique test points (202 tests conducted in Q4) demonstrating a 52.13% year end completion rate. Connected Nation played an instrumental role in assisting the community of Chireno, Texas, locate a wireless provider that was willing to develop a broadband system where none had existed before. We anticipate that the construction of this system will be completed in Q1 2011 and will fill one of broadband voids in the state.

10i. If verification activities have not been initiated please provide a projected time line for beginning and completing such activities

N/A

### Staffing

10j. How many jobs have been created or retained as a result of this project?

7.45

Connected Nation has numerous staff working on this project, some at only a small percentage of their time. This approach is beneficial to the project in various ways: some staff provide necessary project support, many staff work together utilizing a team approach, and others are subject matter experts in their respective areas and by leveraging their expertise the project benefits by their knowledge and skills without the necessity of supporting a more expensive full-time resource.

10k. Is the project currently fully staffed?  Yes  No

10l. If no, please explain how any lack of staffing may impact the project's time line and when the project will be fully staffed

The positions not currently staffed are related to the new broadband capacity and local/regional technology planning activities that are only just beginning and as such have no impact on the project's time line. The positions are expected to be filled during the first and second quarters of 2011.

10m. When fully staffed, how many full-time equivalent (FTE) jobs do you expect to create or retain as a result of this project?

9.45

10n. Staffing Table

Job Title	FTE %	Date of Hire
Associate Counsel	2	09/14/2009
Business Programmer Analyst	2	04/02/2007
CAI Data Analyst	12	03/24/2009
CAI Data Manager	1	08/09/2010
Community Technology Specialist	24	01/18/2010
ETS Analyst	3	11/01/2007
ETS Analyst	7	08/03/2009
ETS Analyst	18	07/13/2009

ETS Analyst	66	08/24/2009
ETS Analyst	68	08/24/2009
ETS Analyst	89	02/18/2010
ETS Manager	20	07/01/2007
ETS Sr. Analyst	15	02/18/2010
General Counsel	6	01/01/2007
GIS Analyst	64	11/16/2009
GIS Intern	2	04/01/2010
GIS Services Manager	6	05/15/2007
Outreach & Awareness Manager	12	03/24/2009
Outreach & Awareness Specialist	1	10/01/2007
Outreach & Awareness Specialist	1	01/03/2010
Outreach & Awareness Specialist	5	01/04/2010
Outreach & Awareness Specialist	7	01/04/2010
Outreach & Awareness Specialist	8	02/02/2009
Project Coordinator	24	04/01/2005
Project Management Director	3	12/20/2004
Project Manager	12	01/14/2008
Project Manager	1	12/16/2009
Project Manager	2	08/20/2007
Project Manager	8	01/14/2008
Project Manager	15	03/16/2010
Project Manager	32	09/04/2007
Project Manager	27	03/16/2010
Provider Relations Manager	15	02/17/2005
Provider Relations Specialist	3	11/03/2009

Research & GIS Analyst	40	05/14/2007
Research Analyst	2	06/01/2009
Research Analyst	9	02/01/2010
Research Manager	8	05/14/2007
State Services Associate	90	12/01/2009
State Services Manager	14	07/01/2007
Research Analyst	1	03/22/2010

Add Row

Remove Row

**Sub Contracts**

10o. Subcontracts Table

Name of Subcontractor	Purpose of Subcontract	RFP Issued (Y/N)	Contract Executed (Y/N)	Start Date	End Date	Federal Funds	In-Kind Funds
Eastern Research Services	Research Survey	Y	Y	02/08/2010	02/07/2012	57,360	0
ESRI	GIS Consultants	N	Y	09/21/2009	12/31/2009	73,819	0
Contract Labor	Contract Labor	N	Y	01/01/2010	12/31/2014	473,145	175,690
ESRI	Hosting	N	Y	02/03/2010	02/02/2012	38,683	0

Add Row

Remove Row

**Funding**

10p. How much Federal funding has been expended as of the end of the last quarter? \$1,397,262      10q. How much Remains? \$6,628,738  
 10r. How much matching funds have been expended as of the end of last quarter? \$410,710      10s. How much Remains? \$1,692,569

10t. Budget Worksheet

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Personal Salaries	\$2,861,710	\$651,821	\$3,513,531	\$341,149	\$61,893	\$403,042
Personnel Fringe Benefits	\$613,836	\$175,076	\$788,912	\$69,592	\$25,133	\$94,725
Travel	\$436,998	\$0	\$436,998	\$65,405	\$581	\$65,986
Equipment	\$178,963	\$0	\$178,963	\$79,979	\$0	\$79,979
Materials / Supplies	\$86,035	\$0	\$86,035	\$26,905	\$0	\$26,905
<b>Subcontracts Total</b>	<b>\$926,612</b>	<b>\$175,690</b>	<b>\$1,102,302</b>	<b>\$343,627</b>	<b>\$250,906</b>	<b>\$594,533</b>
Subcontract #1	\$321,061	\$0	\$321,061	\$28,493	\$0	\$28,493
Subcontract #2	\$73,819	\$0	\$73,819	\$19,271	\$0	\$19,271
Subcontract #3	\$473,145	\$175,690	\$648,835	\$283,135	\$250,906	\$534,041
Subcontract #4	\$19,904	\$0	\$19,904	\$3,880	\$0	\$3,880

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Subcontract #5	\$38,683	\$0	\$38,683	\$8,848	\$0	\$8,848
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$167,571	\$911,067	\$1,078,638	\$5,770	\$42,625	\$48,395
Total Direct Costs	\$5,271,725	\$1,913,654	\$7,185,379	\$932,427	\$381,138	\$1,313,565
Total Indirect Costs	\$2,754,275	\$189,625	\$2,943,900	\$464,835	\$29,572	\$494,407
Total Costs	\$8,026,000	\$2,103,279	\$10,129,279	\$1,397,262	\$410,710	\$1,807,972
% Of Total	79	21	100	77	23	100

### Hardware / Software

10u. Has the project team purchased the software / hardware described in the application?  Yes  No

10v. If yes, please list

Hardware/software purchases for the project to date include the following:

- BroadbandStat-\$60,000
- ArchInfo/ArcGIS Software-\$19,979
- Computers-\$5,927
- Speed Test Software-\$4,942
- Spectrum Analyzer-\$5,323
- GPS Units-\$516

10w. Please note any software / hardware that has yet to be purchased and explain why it has not been purchased

Remaining purchases may include SQL server for mapping geodatabase, SQL server software, multiple dedicated storage servers, security application, additional backup replication solution, computers, GPS units BroadbandStat maintenance, ArchInfo/ArcGIS maintenance, and speed test updates as well as computers and software maintenance.

10x. Has the project team purchased or used any data sets?  Yes  No

10y. If yes, please list

All data sets used in this project have been contributed in-kind. Data sets used by the project to date and their respective in-kind contribution value are as follows:

- Commission on State Emergency Communications Regional Planning Councils input - \$7,395
- District & Municipal Public Safety Answering Point data - \$1,419
- K-12 School address data - \$26,895
- TX ISD Superintendents and Technology Coordinators - \$3,768
- TX orthoimagery - In-Kind Contribution Value Yet to be Determined
- TX Workforce Commission IT - \$82
- Workforce Solutions data - \$770

10z. Are there any additional project milestones or information that has not been included?  Yes  No

10aa. If yes, please list

- \*Maintained and updated the budget/finance cost model for Connected Texas
- \*Continued to process speed tests, technology assessments, and broadband inquiries from the Connected Texas website
- \*Produced and distributed weekly status reports, data collection activity log, website statistics, and broadband inquiries to the Connected Texas project team
- \*Updated the project awareness plan and outreach strategy
- \*Briefed several in-state organizations on the project to gain assistance in the mapping and data validation effort
- \*Presented information on the Connected Texas project at the Texas Broadband Expo
- \*Continued to identify and collect data from Community Anchor Institutions within the state of Texas
- \*Distributed and executed Non-Disclosure Agreements with the broadband provider community
- \*Continued to solicit broadband coverage datasets from the provider community
- \*Distributed broadband coverage datasets to the Geographic Information Systems Mapping team for processing
- \*Created broadband maps based on speed tests registered on the Connected Texas website
- \*Conducted field validation tests of broadband provider data

- \*Updated the Texas BroadbandStat instance with the latest data layers and broadband maps
- \*Completed and released a Texas Residential Broadband Technology Assessment based on the results of the residential broadband survey conducted by Connected Texas earlier in the year
- \*Completed analysis of the Texas business broadband survey results and completed a Texas Business Broadband Technology Assessment based on the results and analysis of the business survey
- \*Initiated work on a Texas Broadband Planning Report
- \*Submitted quarterly project reports to the National Telecommunications and Information Administration
- \* In response to the additional State Broadband Data & Development funding extending the grant through December 2014, project plan alterations and expansion commenced.

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Time continues to be of essence. We continue to assign resources to the extent practical in order to meet the predetermined deadline.

10cc. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project  
 On September 27, Connected Texas received notice of a grant award extending SBDD mapping and planning activities for an additional three years. The project plan has been revised to include these new activities and will be formally submitted to NTIA by the scheduled deadline.

### 11. Broadband Planning

11a. Please describe progress made against all goals, objectives, and milestones detailed in the approved Project Plan. Be sure to include a description of each major activity / milestone that you plan to complete and your current status

On behalf of the state of Texas, Connected Nation (CN) is working with its subcontractors to analyze demand-side data collected through statistical telephone surveys of 800 businesses statewide. Quotas were set by industry size and sector to ensure a representative sample of businesses was surveyed, and the results were weighted by industry size and sector to correct for minor variances. Analysis of these business survey results began in Q3 2010, and survey results were provided to the state in Q4 2010. CN designed these surveys to measure technology adoption, barriers to adoption, and awareness of available broadband service among Texas businesses, and those results were compared to statewide figures provided by participating Internet service providers.

Connected Texas, in coordination with the Texas Department of Agriculture, began researching and drafting an initial planning report for the state during Q4 2010. This report will serve as a preliminary assessment of broadband infrastructure and adoption in Texas. The purpose of its development and release is to provide a detailed review of the current state of broadband in Texas and spark discussion across multiple broadband stakeholders in the state on key policy and strategies to expand and enhance broadband services. The report will be formally presented and released publicly within the state during Q1 2011. It will also be available for public review and comment on the Connected Texas website.

11b. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Connected Nation has been working closely with the Texas Department of Agriculture to ensure that our work exceeds expectations. During Q4 2010, there were no significant obstacles during the planning process.

11c. Does the Project Team anticipate any changes to the project plan for Broadband Planning?  Yes  No

11d. If yes, please describe these anticipated changes. Please note that NTIA will need to approve changes to the Project Plan before they can be implemented

Upon approval of the project plan and budget, Connected Nation plans to alter the methodology of the residential survey update that was scheduled for Q1 2011 and is now funded by the SBDD Technical Assistance grant for Texas. This updated and improved methodology will provide a greater level of analysis regarding barriers to technology adoption among different socioeconomic and demographic groups. In particular, this revised methodology will oversample non-adopters in Texas in a way similar to that conducted by the FCC as part of the National Broadband Planning effort. This approach will help create a demographic and socioeconomic profile of the population of non-adopters in Texas. This information can then be applied at the local level of detail by area planning teams in Texas, who will be in a better position to develop local adoption initiatives that will target the barriers that are unique to that area.

On September 27, 2010 Connected Texas received notice of a grant award extending SBDD mapping and planning activities an additional three years. The project plan is currently under development and being revised to include these new activities. The updated plan will be submitted by February 2011 following the guidelines outlined in the extension granted to all awardees.

### Funding

11e. How much Federal funding has been expended as of the end of the last quarter? \$0                      11f. How much Remains? \$0  
 11g. How much matching funds have been expended as of the end of last quarter? \$0                      11h. How much Remains? \$0

11i. Planning Worksheet

Personal Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Personnel Fringe Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Materials / Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Subcontracts Total	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #1	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #2	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #3	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #4	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #5	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0
Total Direct Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Indirect Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Costs	\$0	\$0	\$0	\$0	\$0	\$0
% Of Total	0	0	0	0	0	0

**Additional Planning Information**

11j. Are there any additional project milestones or information that has not been included?

None at this time.

11k. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the Project Team is employing

Connected Nation has been relying heavily on Texas's recommendations to ensure that our work, as well as the work of our subcontractors, exceeds expectations. During Q4, 2010, there were no significant obstacles during the planning process.

11l. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project

All planning costs have been combined with the mapping costs and reported in the mapping section above.

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

12a. Typed or Printed Name and Title of Authorized Certifying Official

Bernie Bogle

12c. Telephone  
(area code, number, and extension)

12d. Email Address

bbogle@connectednation.org

12b. Signature of Authorized Certifying Official

Submitted Electronically

12e. Date Report Submitted  
(Month, Day, Year)

02-21-2011