

RECIPIENT NAME:Nexus Systems, Inc.

AWARD NUMBER: NT10BIX5570118

DATE: 01/28/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

ANNUAL 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 NT10BIX5570118	3. DUNS Number 165271250
4. Recipient Organization Nexus Systems, Inc. 2904 Evangeline St, Monroe , LA 71201-3724		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	6. Is this the last Annual 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 Mark Stevenson	7c. Telephone (area code, number and extension) X	
	7d. Email Address msteve@nexussystems.net	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 01-28-2011	

OVERALL PROJECT PERFORMANCE INDICATORS

1. Please provide the following average cost figures for your project. Please review the instructions to determine how to calculate these figures. Write "0" in the second column and "N/A" in the third column if your project does not yet have this information. Depending on whether your project contains Middle Mile and/or Last Mile components, some metrics may not apply. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Cost Indicator	Average Cost / Speed	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Average cost per new mile (Middle Mile)	0	N/A
Average cost per household passed (Last Mile)	0	N/A
Average cost per subscriber (Last Mile)	0	N/A
Maximum broadband speed advertised (Middle Mile)	0	N/A
Maximum broadband speed advertised (Last Mile)	0	N/A
Average broadband speed provided (Middle Mile)	0	N/A
Average broadband speed provided (Last Mile)	0	N/A

2. Please provide each facility name and type, the county where the facility is located, and census tract information for any facilities funded by your project during this annual reporting period. Report only facilities for which construction has been completed.

Facility Identifier / Name	Facility Type	County	Census Tracts
N/A	N/A	N/A	N/A

Add Facility

Remove Facility

3. Please identify (1) the total number of interconnection, peering, and/or transit agreements entered into during this annual reporting period; (2) the total number of agreements of each type that you are currently negotiating; and (3) whether you have denied any request for interconnection and if so, why. If you have not entered into any agreements, please write "N/A."

Interconnection Agreements (600 words or less)

N/A - Interconnection agreements for this project have not been completed at this time.

Peering and Transit Agreements (600 words or less)

N/A - Peering and Transit Agreements for this project have not been completed at this time.

CAPACITY, UTILIZATION, AND CAPABILITY INDICATORS

4. Community Anchor Institutions: In the chart below, please provide information on the types of community anchor institutions capable of receiving service (i.e., anchor institutions connected to your network plus those passed by your network) as a result of BTOP funds.

Type of Community Anchor Institution	Total Number Within Service Area	Type of Community Anchor Institution	Total Number Within Service Area
Schools (K-12)	51	Public Housing	0
Libraries	2	Other Institutions of Higher Education	0
Medical and Healthcare Providers	0	Other Community Support Organizations	0
Public Safety Entities	0	Other Government Facilities	0
Community Colleges	0	Total Community Anchor Institutions	53

5. Please indicate the average increase in broadband speed provided to the community anchor institution customers as a result of your project, including a description of how this increase was calculated (600 words or less).
 WAN service to schools in Bienville, Claiborne, Lincoln, Winn, and Union Parishes have been upgraded via matching funds in anticipation of connection to the new fiber backbone. Schools in Bienville and Claiborne are being upgraded with very high speed licensed microwave services which effectively increased their prior speeds from 10 MBits to 300 MBits per WAN link. Schools in Lincoln have been upgraded via dedicated fiber providing one gigabit service to each site in the City of Ruston and 300 MBit licensed band microwave to outlying areas of the parish. Schools in Winn have been upgraded via dedicated fiber providing one gigabit service to each site in in the City of Winnfield with 300 MBit licensed band microwave to outlying areas of the parish. School sites in Lincoln and Winn had been operating at anywhere from 3 MBits to 10 MBits prior to the upgrades. Libraries in Claiborne Parish have been upgraded from 1.5 MBit ("T1") service to 20 MBit service delivered via fiber and licensed band backhauls.

6. What retail services are being provided by this project? Please describe below. (600 words or less). As an attachment to this report, please provide pricing plans (in \$ per month) associated with each retail service. Retail services description:
 N/A - Retail services are not provided at this time.

7a. What network management policies (e.g., bandwidth limitations, traffic prioritization) are in place for the services provided by your project? 7b. Have you ever limited or blocked consumers from accessing any lawful content, service, service provider, or application, or prevented any consumers from attaching any legal device to the network? If so, please explain why (300 words or less)?
 There are no bandwidth limitations or traffic prioritization policies in place for customers on this network. Network design is to provide each customer with full bandwidth without blocking or oversubscription.

8. If applicable, please provide the total number and the percentage of subscribers who have dropped the broadband service provided through this project (total number of households and/or businesses and the "churn rate") and the subscribers' reasons for discontinuing their service (600 words or less).
 N/A - No customer churn at this point.

9. Please provide the following information regarding the number of fiber strand-miles:

Total Number of Strand-miles	Total Number of Active Fiber Strand-miles Used by Recipient	Total Number of Leased Fiber Strand-miles	Total Number of Dark Fiber Strand-miles	Total Number of Strand-miles Being Built		
				Active	Leased	Dark
0	0	0	0	0	0	0

10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:
 N/A - There is no wholesale dark fiber at this time.

11. Please provide the following information regarding the facility collocation capacity:

Total Facility (total square feet for all facilities)	Number of Square Feet Used by Recipient	Number of Square Feet Leased	Number of Square Feet Available
0	0	0	0

12. If you do not own collocation space, please describe how and where other network providers and/or customers interconnect with your network (600 words or less).

Co-location planning is underway as part of the design and construction process. Co-location is projected to be available at the Huey P Long Hospital (Pineville - not a Nexus owned facility), and Nexus facilities in Dry Prong, Winnfield, Jonesboro, Ruston, and Vienna. Although construction design has not been finalized at this time, the co-location facilities are projected to be 288 to 384 square feet with approximately half the space available for co-location.

13. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities (150 words or less).

N/A - No contracts to date have been let to concerns as defined by section 8(a) of the Small Business Act.

14. Please describe any best practices/lessons learned that can be shared with other similar BTOP projects (900 words or less).

At this point in the project, we are engaged in engineering design and environmental assessment services. For best practices, we learned the most impressive engineering firms may not be the best contractors for this type of project. In our case, we selected an excellent firm with impressive credentials which appeared to exceed our expectations. We were disappointed, however, when the firm withdrew as it was not willing to commit the resources to meet timelines and other commitments for the project. We also learned many professional engineers appear to not read an RFP, but instead reply with a standardized, vague, response and do not wish to commit to project fee caps or timelines as noted above. We learned our best engineer might be the smaller firm with a good organizational effort. The best practice therefore is to carefully prepare specifications in the engineering RFP and even more carefully evaluate proposals received.

Environmental assessment response appear to be the item which will cause the greatest delays in any of the BTOP or BIP projects. In another project, we have already experienced six to eight month delays for environmental clearances which would normally be routine. the problem appears to be the environmental officers at all levels (local, State, Federal) are overwhelmed with project requests. The lesson learned is environmental clearance processing cannot be a passive request process, but must be pursued on a daily basis.