

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 NT10BIX5570003	3. DUNS Number 623894359
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4. Recipient Organization South Dakota Network, LLC 2900 W 10th Street, Sioux Falls, SD 57104-2543
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5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2012	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 Mark Shlanta Chief Executive Officer	7c. Telephone (area code, number and extension) 6053347185
	7d. Email Address mark.shlanta@sdncommunications.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-27-2013
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Project Indicators (This Quarter)

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

The project construction was completed in this quarter as well as all testing, route closeouts, and all Federal Interest Documents filed for project assets. The final ASAP draw against the Federal Grant Funds was made in December for the project and all accounting records finalized by quarter end.

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	100	No Variance
2b.	Environmental Assessment	100	No Variance
2c.	Network Design	100	No Variance
2d.	Rights of Way	100	No Variance
2e.	Construction Permits and Other Approvals	100	No Variance
2f.	Site Preparation	100	No Variance
2g.	Equipment Procurement	100	No Variance
2h.	Network Build (all components - owned, leased, IRU, etc)	100	No Variance
2i.	Equipment Deployment	100	No Variance
2j.	Network Testing	100	No Variance
2k.	Other (please specify):	100	No Variance

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).

N/A

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	397	Exceeding Baseline Projections.
New network miles leased	0	N/A
Existing network miles upgraded	1,804	Although not originally identified in our Baseline projections, existing network miles have been upgraded with the addition of BTOP funded equipment.
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	397	Exceeding Baseline Projections.
Number of new wireless links	0	N/A
Number of new towers	0	N/A

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of new and/or upgraded interconnection points	9	This metric has been revised from our original Baseline at the request of NTIA. Interconnection points as clarified have been made.

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	0
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: N/A

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).

Sub Recipients identified below will own and operate their portion of the Network they build for expansion to their footprint.

- City of Faith-Telephone Department, 204 N. Main Street, Faith, South Dakota 57626
- Interstate Telecommunications Cooperative, Inc., 312 4th Street West, Clear Lake, South Dakota 57226
- Northern Valley Communications, LLC, 235 East First Ave., Groton, South Dakota 57445
- Northern Hills Transport, LLC, 2900 West 10th Street, Sioux Falls, South Dakota 57104
- TrioTel Communications, Inc., 330 S. Nebraska St., Salem, South Dakota 57058
- Venture Communications, Inc., 218 Commercial Ave. SE, Highmore, South Dakota 57345

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	This milestone originally included the Sub Recipients to calculate the Baseline projection. Based upon feedback from NTIA, we will not be counting Sub Recipients as Last Mile Providers. Agreements with Sub Recipients do not involve interconnection, peering or other related verbiage. It is not anticipated that we will have any agreements with Wholesalers or Last Mile Providers.
	Providers with signed agreements receiving improved access	0	See narrative above under "Providers with signed agreements receiving new access."
	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	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Community Anchor Institutions (including Government institutions)	Total subscribers served	512	Exceeds Baseline.
	Subscribers receiving new access	308	Exceeds Baseline.
	Subscribers receiving improved access	204	Meets Baseline.
	Please identify the speed tiers that are available and the number or subscribers for each	14	1-1Mb/s, 10-5Mb/s, 170-10Mb/s, 4-15Mb/s, 4-20Mb/s, 1-25Mb/s, 12-30Mb/s, 2-40Mb/s, 2-45Mb/s, 1-80Mb/s, 39-100Mb/s, 1-175Mb/s, 1-450Mb/s, 4-1000Mb/s. Not all of the CAI's being served are subscribing to service at this time.
Residential / Households	Entities passed	0	N/A
	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	0	N/A
	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).

N/A

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
Department of Corrections	Aberdeen	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.

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
Federal Building	Aberdeen	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
National Guard	Aberdeen	Public Safety Entities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Aberdeen Human Services	Aberdeen	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Department of Transportation	Aberdeen	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Department of Social Services	Aberdeen	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Department of Health	Aberdeen	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Aberdeen Department of Revenue	Aberdeen	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Department of Labor	Aberdeen	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Marshall County Courthouse	Britton	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Madison Public Library	Madison	Libraries	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Department of Health	Pierre	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Spink County Courthouse	Redfield	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Redfield National Guard	Redfield	Public Safety Entities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Redfield Schools	Redfield	Schools (K-12)	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
South Elementary	Sioux Falls	Schools (K-12)	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Warner Schools	Warner	Schools (K-12)	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
McKinley Elementary	Watertown	Schools (K-12)	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
West Dakota Health	Timber Lake	Medical and Healthcare Providers	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Timber Lake Library	Timber Lake	Libraries	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Dewey County Court House	Timber Lake	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Dewey County Sheriff	Timber lake	Public Safety Entities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.

Timber Lake Schools	Timber Lake	Schools (K-12)	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Timber Lake Community Center	Timber Lake	Other Community Support Organizations	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.
Department of Social Services	Timber Lake	Other Government Facilities	Yes	Internet Broadband Connection including classroom and education, and distant learning opportunities.

Project Indicators (Next Quarter)

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

The project was completed last quarter with minimal closeout activities taking place in the next quarter. The final ASAP withdrawal was made in December and the entire budget has been expended for the project. Final reports and audit requirements will be completed and submitted to NTIA for review and approval to close out the 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	100	Project has been completed.
2b.	Environmental Assessment	100	Project has been completed.
2c.	Network Design	100	Project has been completed.
2d.	Rights of Way	100	Project has been completed.
2e.	Construction Permits and Other Approvals	100	Project has been completed.
2f.	Site Preparation	100	Project has been completed.
2g.	Equipment Procurement	100	Project has been completed.
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Project has been completed.
2i.	Equipment Deployment	100	Project has been completed.
2j.	Network Testing	100	Project has been completed.
2k.	Other (please specify):	100	Project has been completed.

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).

None

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	\$30,000	\$120,000	\$132,484	\$26,497	\$105,987	\$132,484	\$26,497	\$105,987
b. Land, structures, right-of-ways, appraisals, etc.	\$520,000	\$104,000	\$416,000	\$512,980	\$102,596	\$410,384	\$512,980	\$102,596	\$410,384
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$2,173,894	\$434,779	\$1,739,115	\$2,211,716	\$442,342	\$1,769,374	\$2,211,717	\$442,343	\$1,769,374
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	\$17,558,230	\$3,511,646	\$14,046,584	\$17,843,886	\$3,667,055	\$14,176,831	\$17,843,886	\$3,667,055	\$14,176,831
j. Equipment	\$4,670,270	\$934,054	\$3,736,216	\$4,634,384	\$926,877	\$3,707,507	\$4,634,383	\$926,876	\$3,707,507
k. Miscellaneous	\$642,909	\$128,582	\$514,327	\$502,699	\$100,540	\$402,159	\$502,699	\$100,540	\$402,159
l. SUBTOTAL (add a through k)	\$25,715,303	\$5,143,061	\$20,572,242	\$25,838,149	\$5,265,907	\$20,572,242	\$25,838,149	\$5,265,907	\$20,572,242
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$25,715,303	\$5,143,061	\$20,572,242	\$25,838,149	\$5,265,907	\$20,572,242	\$25,838,149	\$5,265,907	\$20,572,242

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: \$770,923
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