QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	NT10BIX5570116	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)	6. Is this the last Report of the Award Period?
06-30-2012	◯ 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)
Tim Armer	X
	7d. Email Address tima@ncnmedd.com

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	08-27-2012

Project Indicators (This Quarter)

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

- Construction activities: 38 new network miles deployed during the current reporting period, ahead of the 30 miles forecasted in the previous PPR.
- Network readiness: conducted network testing, completion of primary POP, CAI and POP equipment installation, all in a effort to prepare for project Q1 Y3 network activation.
- Site prep work completed
- Equipment procurement completed
- Route Changes: EA Checklist submitted for additional CAI laterals and backbone alternatives to Los Alamos County.
- Contracts and Agreements: REDI Net finalized an interconnect bandwidth agreement through a public bid process with an upstream interconnect provider. Network operations agreement and outside plant maintenance agreement in final negotiations.

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	79	Based on total expenditures, 79% of project funds were obligated through the end of Q2 2012. Deviations from the baseline are described below and are associated with initial delays in receiving the FONSI and recent delays involving make-ready.
2b.	Environmental Assessment	100	A Finding of No Significant Impact (FONSI) was issued on June 20, 2011. Completion of this milestone was anticipated in Q1 2011. 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 Q2 2011 as projected in the baseline.
2d.	Rights of Way	99	ROW negotiations with the Pueblo de San Ildefonso will not be resolved during the time constraints of the BTOP grant. Therefore, REDI Net has submitted route changes for an alternative route to connect Los Alamos County. Other route changes proposed in the EA Checklist involve new ROW permits with the Bureau of Land Management (BLM) and New Mexico State Land Office. Both of those ROW permits are in process.
2e.	Construction Permits and Other Approvals	100	All construction permits have been obtained. Please note that some additional permits will be required as a result of the EA Addendum, once approved.
2f.	Site Preparation	98	Site prep is complete for all POP locations, although Certificates of Occupancy are still pending. Please note that changes to the Los Alamos POP location will be requested as part of the EA Addendum. If approved, these changes will require additional site prep work.
2g.	Equipment Procurement	100	All major equipment procurement was completed during project Q3 2011. A smaller order was placed during the current reporting period, completing this aspect of the project.
2h.	Network Build (all components - owned, leased, IRU, etc)	69	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, underground fiber installation, and POP activities. The baseline anticipated 100% completion of the network in project Q1 2012. Deviations from the baseline are associated with initial delays in receiving the FONSI and recent delays involving make-ready. The approval of route changes submitted in the EA Checklist will be critical for overall project completion.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2i.	Equipment Deployment	50	Equipment was deployed at the primary POP location and 55 CAIs during the current reporting period. This is reflective of the two-phase approach for turning up network services. Although baseline assumed 100% completion during project Q1 2012, equipment deployment itself will not impact overall project delivery, as it is pre-staged and ready for installation upon completion of fiber testing.
2j.	Network Testing	57	Testing was completed on approximately 80 of the 140 network miles to be deployed. This is closely in-line with the original baseline, which assumed 60% completion and is not impacting project delivery.
2k.	Other (please specify): Project Management	71	Project management work continued as planned, providing construction management, procurement, and general oversight. In-line between previous quarter PPR forecast of 70% completion and 72% in original baseline.

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).

The primary challenges being faced to complete the project are the approval of proposed route changes and make-ready activities. The route changes include additional connections for CAIs within the PFSA and realignment of the backbone due to unforeseen ROW and access issues. We continue to focus our construction crews on areas that are authorized to build, i.e. "Phase I construction", which has not slowed down productivity to date (76% complete of Phase I), but approval of the route changes will be required for project completion. Regarding make-ready, significant progress has been made with the electric co-op that represents the majority of our pole attachments, but continuous oversight and management is required to keep that effort on schedule.

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	87	Catching up to, but still behind baseline, due to initial EA and make-ready delays.
New network miles leased	0	NA
Existing network miles upgraded	5	5.33 miles of existing fiber
Existing network miles leased	0	NA
Number of miles of new fiber (aerial or underground)	87	Catching up to, but still behind baseline, due to initial EA and make-ready delays.
Number of new wireless links	0	NA
Number of new towers	0	NA
Number of new and/or upgraded interconnection points	1	1 interconnect point established with upstream Internet gateway provider.

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	4
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:
Wholesale pricing schedule provided in Q1 2012. The REDI Net Board and Finance Committee are continuously evaluating new wholesale offerings and related policy considerations, for services such as Aggregated Internet Bandwidth, CoLocation, and potential dark fiber strategies. The Board will ensure 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 or fiber asset management.

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).
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 REDI Net. Kit Carson Telecom is not a sub-recipient, contractor or subcontractor under the BTOP grant, but is providing network management at no charge to REDI Net for its first 3 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.
	Please identify the speed tiers that are available and the number of subscribers for each	0	No services are being provided to date.
Community Anchor Institutions (including Government institutions)	**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.
	Please identify the speed tiers that are available and the number or subscribers for each	0	No services are being provided to date.
Residential / Households	**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.
	Please identify the speed tiers that are available and the number of subscribers for each	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, Ethernet Transport, 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	N/A

Project Indicators (Next Quarter)

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

- Construction Activities: 20 new network miles will be deployed, with further production dependent upon route changes approved through the EA Addendum process. Other work includes network testing, POP setup, and equipment installation.
- Route Changes: REDI Net anticipates receiving approval of its EA Addendum/proposed route changes in the August 2012 and is working in parallel on securing the necessary permits and NEPA compliance measures.
- Contracts and Agreements: REDI Net intends to finalize network management, operations and maintenance, and 4 last-mile provider agreements.
- Services: REDI Net plans to launch broadband services in late September/early October 2012. 3 CAIs will be connected and receiving service by the end of Q3 2012. All other CAIs not dependent on route changes will be connected in early October. The 4 last-mile providers discussed above will be connected in early October.

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	89	Construction activity consistently ramping up closer to baseline projections.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	100	Complete

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2e.	**Construction Permits and Other Approvals**	100	Complete
2f.	**Site Preparation**	100	Complete
2g.	**Equipment Procurement**	100	Complete
2h.	**Network Build (all components - owned, leased, IRU, etc.)**	75	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 in now well underway and will continue to meet our revised quarterly projections. Upcoming activities include completing Phase I construction and beginning Phase II (route changes). Phase II construction will be dependent upon approval of the route changes proposed in the EA Addendum.
2i.	**Equipment Deployment**	75	CAI equipment deployment will be completed for Phase I locations and the core routing equipment will be installed, tested, and activated in the secondardy POP.
2j.	**Network Testing**	70	Network testing will be completed on Phase I construction, which represents approximately 70% of the overall network to be deployed.
2k.	**Other (please specify):** Project Management	80	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 the upcoming reporting period, we expect to complete Phase I construction activities and commence Phase II (route changes)-provided that the REDI Net EA Addendum is approved by BTOP. Prompt approval of the EA Addendum is important from a construction scheduling standpoint, so that we still have the appropriate personnel available to complete the work and avoid demobilization/remobilization expenses. Also in the upcoming reporting period, we intend to begin offering wholesale broadband services to CAIs and last-mile providers, provided that the associated agreements are finalized. As we transition from primarily a construction project into live network operations, we foresee our main focus shifting to day-to-day operational matters and challenges that may arise.

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.

Cost Classification	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		
	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	$158,407	$33,439	$124,968	$162,611	$34,326	$128,285
b. Land, structures, right-of-ways, appraisals, etc.	$867,400	$867,400	$0	$823,900	$823,900	$0	$823,900	$823,900	$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	$1,275,356	$269,112	$1,006,244	$1,427,208	$301,154	$1,126,054
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	$1,593,391	$9,201,592	$8,257,719	$1,233,510	$7,024,209	$9,517,769	$1,404,868	$8,112,901
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	$10,515,382	$2,359,961	$8,155,421	$11,931,488	$2,564,248	$9,367,240
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	$10,515,382	$2,359,961	$8,155,421	$11,931,488	$2,564,248	$9,367,240

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: $169,480	b. Program Income to Date: $0