

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information		
1. Federal Agency and Organizational Element to Which Report is Submitted GOL	2. Award Identification Number NT10BIX5570003	3a. DUNS Number 623894359
		3b. EIN XXXXXXXXXXX
4. Recipient Organization (Name and complete address including country, congressional district, and zip code) South Dakota Network, LLC 2900 W 10th Street, Sioux Falls, SD 57104-2543		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2010	6. Is this the last 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 Marlene Bennett	7c. Telephone (area code, number and extension) 6059952574	
	7d. Email Address marlene.bennett@chrsolutions.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-29-2010	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (150 words or less).
 This quarter was earmarked with the start of Construction at various sites throughout the State. Ground Breaking events were held at several locations celebrating the commencement of South Dakota Network's Broadband Technology Opportunities Program grant to bring high speed internet service to rural and underserved areas of the state. Equipment purchases were made for planned deployment bringing speeds of up to 10 Meg to current and future customers. In addition, site work and permitting continued to enable ongoing progress and completion of the project within the timelines allowed.

2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 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	17	N/A
2b.	Environmental Assessment	100	N/A
2c.	Network Design	100	N/A
2d.	Rights of Way	100	N/A
2e.	Construction Permits and Other Approvals	100	N/A
2f.	Site Preparation	25	N/A
2g.	Equipment Procurement	55	A significant amount of equipment was ordered ahead of planned milestones when the baseline was initially completed.
2h.	Network Build (all components - owned, leased, IRU, etc)	5	Construction and overall project is lagging milestones as Projected in the Baseline Report. The Environmental approval was originally forecasted one quarter prior to actual receipt.
2i.	Equipment Deployment	15	Construction and overall project is lagging milestones as Projected in the Baseline Report. The Environmental approval was originally forecasted one quarter prior to actual receipt.
2j.	Network Testing	0	0
2k.	Other (please specify): N/A	0	N/A

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 (150 words or less).

Construction has lagged the original projections and milestones from the Baseline Report. South Dakota Network plans to accelerate the construction as weather allows to meet the Broadband Technology Opportunities Program guidelines.

4. Please report the following information regarding network build progress. Write "N/A" in the second 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 (100 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	17	The duration of the Environmental Assessment submittal and approval has pushed construction back by approximately one quarter.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	17	The duration of the Environmental Assessment submittal and approval has pushed construction back by approximately one quarter.

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of interconnection points	0	N/A

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your subrecipient, 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	0

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements. Providers:
 None at this time in the project as construction was started this quarter.

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. 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 subrecipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this third party operates (150 words or less).
 N/A

6. Please provide the data according to the type of subscriber. Write "N/A" 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 (100 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	N/A
	Providers with signed agreements receiving improved access	0	N/A
	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
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number or subscribers for each	0	N/A
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 (150 words or less).
 Special offerings are not provided at this point in the project as construction is underway and sites have not been turned up.

8a. Have your network management practices changed over the last quarter? Yes No

8b. If so, please describe the changes (150 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. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent calendar year. 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 (100 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

RECIPIENT NAME:GOL
AWARD NUMBER: NT10BIX5570003
DATE: 2010-11-29 11:46:38

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 12-31-2010

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 (150 words or less).

Construction will continue at several sites as we continue to make progress towards our baseline projections initiated early on in the project. Equipment is projected to be deployed to bring existing customers improved services through increased broadband speeds as a result of Project Connect South Dakota.

2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 words or less).

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	25	Equipment originally planned to be purchased in Q4 of calendar year is being pushed back to the first quarter of 2011.
2b.	Environmental Assessment	100	N/A
2c.	Network Design	100	N/A
2d.	Rights of Way	100	N/A
2e.	Construction Permits and Other Approvals	100	N/A
2f.	Site Preparation	30	N/A
2g.	Equipment Procurement	60	Equipment Procurement is lagging this Q4 of calendar year due to purchases being pushed back into Q1 of 2011. This is a minor gap with us reaching our milestone early in 2011.
2h.	Network Build (all components - owned, leased, IRU, etc.)	20	Overall duration of the Environmental Assessment has impeded progress in Network Build by approximately one quarter.
2i.	Equipment Deployment	75	N/A
2j.	Network Testing	15	Network Testing will follow the Network Build component above, in that the overall duration of the Environmental Assessment has delayed our Network build and testing by approximately one quarter.
2k.	Other (please specify): N/A	0	N/A

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 (150 words or less).

Progress will continue, particularly in the area of construction, as long as we are not affected by extreme early weather conditions that will cause impedance or stoppage beyond projections. Any setback in construction of the Network Build will also affect Testing and potentially site preparation.

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	\$75,000	\$15,000	\$60,000	\$30,848	\$6,170	\$24,678	\$35,000	\$7,000	\$28,000
b. Land, structures, right-of-ways, appraisals, etc.	\$700,000	\$140,000	\$560,000	\$2,000	\$400	\$1,600	\$5,000	\$1,000	\$4,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$3,533,729	\$706,746	\$2,826,983	\$870,673	\$174,135	\$696,538	\$1,100,000	\$220,000	\$890,000
e. Other architectural and engineering fees	\$0	\$0	\$0				\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0				\$0	\$0	\$0
g. Site work	\$0	\$0	\$0				\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0				\$0	\$0	\$0
i. Construction	\$16,511,000	\$3,302,200	\$13,208,800	\$1,458,032	\$291,606	\$1,166,426	\$3,000,000	\$600,000	\$2,400,000
j. Equipment	\$3,513,857	\$702,770	\$2,811,087	\$1,936,723	\$387,345	\$1,549,378	\$2,120,000	\$424,000	\$1,696,000
k. Miscellaneous	\$1,381,717	\$276,343	\$1,105,374	\$78,977	\$15,795	\$63,182	\$90,000	\$18,000	\$72,000
l. SUBTOTAL (add a through k)	\$25,715,303	\$5,143,059	\$20,572,244	\$4,377,253	\$875,451	\$3,501,802	\$6,350,000	\$1,270,000	\$5,090,000
m. Contingencies									
n. TOTALS (sum of l and m)	\$25,715,303	\$5,143,059	\$20,572,244	\$4,377,253	\$875,451	\$3,501,802	\$6,350,000	\$1,270,000	\$5,090,000

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
---	--------------------------------