

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 NT10BIX5570053	3a. DUNS Number 855036690
		3b. EIN XXXXXXXXXXX
4. Recipient Organization (Name and complete address including country, congressional district, and zip code) PTI Pacifica, Inc., dba: IT&E 122 W. Harmon Industrial Park Road Suite 103, Tamuning, GU 96913-4164		
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 Velma Ann Palacios Engineering Manager	7c. Telephone (area code, number and extension) 6706822090	7d. Email Address velma.palacios@itehq.net
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-30-2010	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (150 words or less).
 Issued Purchase Orders for three projects, namely, Increase Capacity of Fiber Optic System, Increase Capacity of Inter-island Microwave System, and 17 Hops-3G Back Haul Project on Guam.
 Request for Proposals were received for the following: Prepaid Charging System, 29 Hops - 3G Back Haul System on Guam, and the Network Wiring for the Network Operations (NOC) Project. For the Network Wiring Project, only one proposer submitted a proposal which was twice the engineer's estimate. This proposal was rejected and another alternative is being considered. Eight proposals were received in response to the 29 Hops RFP. Evaluations were conducted, wherein the proposals were short listed to four based on technical merit, then three based on their cost effectiveness. Seven proposals for the Prepaid Charging System were evaluated. However, it was recommended by the Cost Evaluation Team to Re-issue the RFP as all cost proposals were beyond the estimated budget. A draft Invitation for Bid (IFB) has been prepared for the Enhancement of IT&E's IP Core Network. Questionnaires have been sent out to IT&E's technical team to formulate an RFP for the Billing System Project. BTOP signs have been installed. Community Outreach is being conducted via press releases, print ads, and radio ads.

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	2	IT&E has issued three Purchase Orders for three projects. Implementation is well underway. Projects are moving on schedule, but the expenditures are tracking behind the baseline schedule because IT&E does not draw down and pay until invoices are received from the contractors.
2b.	Environmental Assessment	0	IT&E has received a Categorical Exclusion.
2c.	Network Design	5	RFP for Network Wiring was rejected. RFP for Prepaid will be re-issued. Review of Statement of Work for the Interisland Microwave and Fiber Optic Project. Expenditures will be accrued upon receipt of invoices and recorded in the 4th Quarter PPR.
2d.	Rights of Way	0	IT&E has received a Categorical Exclusion. No Work will be done in the Rights of Way.
2e.	Construction Permits and Other Approvals	0	0.48% Complete - Purchase Order issued for FCC License.
2f.	Site Preparation	3	Materials have a 6 to 8 weeks lead team. Network Wiring RFP was not awarded.
2g.	Equipment Procurement	0	0.02% Complete - Purchase Orders were issued this quarter for three projects. Equipment have a 6 to 8 weeks lead time. Equipment can't be ordered for other projects until network design is finalized. Expenditures will be accrued upon receipt of equipment and invoices. Some equipment has been delivered this quarter and we expect to accrue significant expenditures in the 4th quarter, which will appear in the 4th Quarter PPR.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	N/A
2i.	Equipment Deployment	0	N/A
2j.	Network Testing	0	N/A
2k.	Other (please specify): Travel/Training/ Conversion Strategy	4	Travel to inter-islands for site survey and inspection. Expenditures and the costs were not closed by the September 30, 2010. Thus, these expenditures will be included in the 4th Quarter PPR.]

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).
 Issued a Request for Proposal for the Network Wiring under the Network Operations Center (NOC) Relocation Project. Only one vendor submitted a response to the proposal that was due on 9/3/2010. This proposal was rejected since it was twice the engineer's estimate. Due to this, we have to consider another alternative that would meet the budget amount for this project. Issued a Request

for Proposal for the Prepaid Charging System and seven proposals were received. However, all proposals were beyond the estimated budget. Re-issuance of another RFP will be done. These two projects may be delayed due to this.

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	0	N/A
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)	0	N/A
Number of new wireless links	8	More customers were connected than projected per the Baseline.
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	1
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements	60

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements. Providers:
 Marianas Cablevision (MCV) - The term of the agreement in 5a is 60 months.

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:
 IP Transport between Guam and Saipan on undersea fiber optic cable.

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

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	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
	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).
 None at this time.

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
None this quarter	n/a	n/a	n/a	None this quarter

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (150 words or less).
 Conduct and finalize negotiations for the 3G Back Haul System RFP.

 Re-issue Prepaid Charging System RFP.

 Equipment and Materials are expected to arrive for two projects. Project Implementation will commence for the Fiber Optic Project and the License Microwave Project - 17 Hops. Continue with site preparation work.

 Finalize RFP for the Billing System.

 Continue with site preparation work at the new location of the Network Operations Center. Materials are expected to arrive in November and December.

 Issue Invitation for Bid for MPLS Hardware. Finalize Design.

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	45	Project Implementation begins for two projects.
2b.	Environmental Assessment	0	IT&E has received a Categorical Exclusion.
2c.	Network Design	74	Network Design for other projects will continue.
2d.	Rights of Way	0	IT&E has received a Categorical Exclusion. No work will be done in the Rights of Way.
2e.	Construction Permits and Other Approvals	50	FCC License is anticipated to be completed.
2f.	Site Preparation	57	Site preparation work will continue.
2g.	Equipment Procurement	38	Equipment and Materials for other projects will be procured.
2h.	Network Build (all components - owned, leased, IRU, etc.)	3	Project Implementation begins.
2i.	Equipment Deployment	0	N/A
2j.	Network Testing	0	N/A
2k.	Other (please specify): Travel/Training/ Conversion Strategy	17	Inter-island travel due to site inspection and project implementation.

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).
 Equipment or Material arrival may be delayed due to lead time required by Manufacturers.

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	\$499,200	\$0	\$499,200	\$4,063	\$0	\$4,063	\$148,777	\$0	\$148,777
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$759,456	\$264,000	\$495,456	\$100,596	\$100,596	\$0	\$504,672	\$176,635	\$328,037
e. Other architectural and engineering fees	\$2,553,604	\$1,328,400	\$1,225,204	\$18,060	\$13,560	\$4,500	\$1,696,917	\$882,397	\$814,520
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$354,013	\$0	\$354,013	\$0	\$0	\$0	\$199,821	\$0	\$199,821
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$5,225,979	\$0	\$5,225,979	\$671	\$0	\$671	\$1,974,675	\$0	\$1,974,675
k. Miscellaneous	\$670,740	\$430,800	\$239,940	\$33,333	\$2,968	\$30,365	\$32,383	\$12,629	\$19,753
l. SUBTOTAL (add a through k)	\$10,062,992	\$2,023,200	\$8,039,792	\$156,723	\$117,124	\$39,599	\$4,557,245	\$1,071,661	\$3,485,583
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$10,062,992	\$2,023,200	\$8,039,792	\$156,723	\$117,124	\$39,599	\$4,557,245	\$1,071,661	\$3,485,583

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
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