

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 NT10BIX5570086	3. DUNS Number 079792722
4. Recipient Organization Enventis Telecom, Inc. 2950 Xenium N Ste 138, Minneapolis, MN 55441-2623		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	6. Is this the last Report of the Award Period? <div style="text-align: center;"> <input type="radio"/> Yes <input checked="" type="radio"/> No </div>	
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 Joann Jennings	7c. Telephone (area code, number and extension) X	7d. Email Address joann.jennings@hickorytech.com
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 01-27-2011	

Project Indicators (This Quarter)

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

Quarterly Activities: Members of the project team attended the Broadband Technology Opportunities Program Recipient Post-Award Workshop in Herndon, Virginia; collaborated with other award recipients to analyze a potential overlap situation in Superior, Wisconsin and submitted report on ways to avoid duplication of services in that area; continued working with contractor to complete required Environmental Assessment and have submitted Cultural Resources literature reviews to the Wisconsin and Minnesota State Historic Preservation Offices, continued working with Departments of Natural Resources and have received approval from the United States Fish and Wildlife Service to proceed with the project as designed, continued working with affected federally-recognized tribes on potential disturbances as a result of this project; completed and submitted Environmental Assessment timeline to the Federal Program Officer for review; assessed potential project modification and discussed best way to mitigate changes with the Federal Program Officer; continued infrastructure analysis and implementation of modified/adjusted financial, sales, audit and contract processes to more closely align with federal program standards.

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	2	No variance
2b.	Environmental Assessment	75	No variance
2c.	Network Design	25	No variance
2d.	Rights of Way	0	Applications are being prepared, but had not been submitted by the end of the quarter. We anticipate being back on schedule by the end of next quarter.
2e.	Construction Permits and Other Approvals	0	Applications are being prepared, but had not been submitted by the end of the quarter. We anticipate being back on schedule by the end of next quarter.
2f.	Site Preparation	0	No variance
2g.	Equipment Procurement	0	No variance
2h.	Network Build (all components - owned, leased, IRU, etc)	0	No variance
2i.	Equipment Deployment	0	No variance
2j.	Network Testing	0	No variance
2k.	Other (please specify):	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 (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	0	No variance

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles leased	0	No variance
Existing network miles upgraded	0	No variance
Existing network miles leased	0	No variance
Number of miles of new fiber (aerial or underground)	0	No variance
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	No variance

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	3
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 of 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 of less). Wholesale services description:

Upon completion, this project will provide 100Mg to 10G lit capacity as well as leased dark fiber. Enventis is currently negotiating agreements and final pricing with three wholesale customers. We continue to reassess the broader retail market to determine competitive rates and standard pricing for potential retail customers.

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).

N/A

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 of 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

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 of subscribers for each	0	Current design intends to provide from 100Mg to 10Gig of service to all service providers at all sites.
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 of subscribers for each	0	Current design intends to provide either dark fiber drop (either as a POP or POI) or 100Mg of service to all Community Anchor Institution sites.
Residential / Households	Entities passed	0	We will not be offering last mile service to homes and businesses
	Total subscribers served	0	We will not be offering last mile service to homes and businesses
	Subscribers receiving new access	0	We will not be offering last mile service to homes and businesses
	Subscribers receiving improved access	0	We will not be offering last mile service to homes and businesses
	Please identify the speed tiers that are available and the number of subscribers for each	0	We will not be offering last mile service to homes and businesses
Businesses	Entities passed	0	We will not be offering last mile service to homes and businesses
	Total subscribers served	0	We will not be offering last mile service to homes and businesses
	Subscribers receiving new access	0	We will not be offering last mile service to homes and businesses
	Subscribers receiving improved access	0	We will not be offering last mile service to homes and businesses
	Please identify the speed tiers that are available and the number of subscribers for each	0	We will not be offering last mile service to homes and businesses

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
0	0	0	0	N/A

Project Indicators (Next Quarter)

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

- Initiate permitting & obtain easements for new fiber construction between Twin Cities-Duluth, between Brainerd – Moorhead, and for all laterals.
- Complete Environmental Assessment
- Continue route design
- Initiate RFP for contractors to build routes and laterals
- Initiate bill of materials to order Outside Plant equipment for Twin Cities-Duluth corridor and all laterals

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	6	No variance
2b.	Environmental Assessment	100	No variance
2c.	Network Design	75	No variance
2d.	Rights of Way	75	No variance
2e.	Construction Permits and Other Approvals	75	No variance
2f.	Site Preparation	0	No variance
2g.	Equipment Procurement	10	We will have started ordering equipment but do not anticipate receipt prior to the end of this quarter. We expect we will be back on track to meet our projected percentage of completion as reported by the next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	0	No variance
2i.	Equipment Deployment	0	No variance
2j.	Network Testing	0	No variance
2k.	Other (please specify):	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 (600 words or less).

We expect to have received a FONSI (Finding of No Significant Impact) by this quarter. If not, it may impact our progress by delaying the start of construction. If we require further follow up with the State Historic Preservation Office or with the tribal office, this may impact the start of construction. We do not expect either of these situations to 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.

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	\$652,966	\$195,890	\$457,076	\$29,445	\$29,445	\$0	\$59,445	\$59,445	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$551,505	\$165,452	\$386,053	\$114,813	\$114,813	\$0	\$264,813	\$264,813	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$2,384,746	\$715,424	\$1,669,322	\$35,527	\$35,527	\$0	\$75,527	\$75,527	\$0
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$3,072,060	\$921,618	\$2,150,442	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$1,018,443	\$305,533	\$712,910	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$13,382,331	\$4,014,699	\$9,367,632	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$2,751,000	\$825,300	\$1,925,700	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$219,000	\$65,700	\$153,300	\$57,250	\$57,250	\$0	\$57,250	\$57,250	\$0
l. SUBTOTAL (add a through k)	\$24,032,051	\$7,209,616	\$16,822,435	\$237,035	\$237,035	\$0	\$457,035	\$457,035	\$0
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$24,032,051	\$7,209,616	\$16,822,435	\$237,035	\$237,035	\$0	\$457,035	\$457,035	\$0

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