

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 NT10BIX5570116	3. DUNS Number 866946353
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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) 03-31-2011	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 Tim Armer	7c. Telephone (area code, number and extension) X
	7d. Email Address tima@ncnmedd.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-11-2011
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Project Indicators (This Quarter)

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

The Environmental Assessment was completed in Quarter 3. The draft EA was submitted on January 27, 2011. We received comments back from the agency on March 2, 2011 and submitted our revisions to the EA on March 28, 2011. Authorization to release the revised EA to relevant agencies and tribes was issued on April 8.

60% of aerial engineering design, 45% of underground design, and premise designs for 107 community anchor institutions were completed in the first quarter.

A competitive request for proposal process for REDI Net Construction Services and Materials Procurement was announced on February 7, 2011. A mandatory pre-bid conference was held on February 22, 2011, and was attended by 55 individuals from prospective bidding companies. The RFP process closed on March 7, 2011, when all proposals were opened and screened. Eight complete and responsive proposals were submitted and are currently under review by a technical evaluation team. Further due-diligence is underway on a shortlist of 3 proposals.

A public education meeting was held for REDI Net in Espanola, New Mexico on March 30, 2011 to inform the public about project status, routes and institutions to be connected. The project team provided samples of fiber optic cable, informational handouts and displayed a project map.

The REDI Net governance board held its first two meetings in Quarter 3. On March 2, the group reviewed the overall project and project status. On April 5, the group reviewed the business model and potential changes regarding new subscribers and service offerings. The governance board is now meeting every month, and subsets of the group are serving as the procurement committee and engineering review committee.

We submitted two Award Action Requests in Quarter 3 to change the Authorized Representative on the project to Tim Armer, the new Executive Director of NCNMEDD, and to add four tribes and one local government as sub-recipients on the grant.

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	3	Based on total expenditures, only 3.3% of federal funds were obligated. Of the 7 activities listed in the baseline report, 2 (the Environmental Assessment and public meeting) were completed by the end of the quarter, and 3 additional activities (90% engineering, permits and rights-of-way, and contractor selection) are substantially complete. Material procurement and site prep has not occurred as planned because a FONSI has not been issued on the project. Variances from the baseline are due to more time being required for the Environmental Assessment than expected, delays in receiving review comments on the Environmental Assessment, and delays in federal funding permission to spend federal funds (permission was not granted until January 2011).
2b.	Environmental Assessment	100	The draft Environmental Assessment (EA) was submitted on January 27, 2011, in advance of the January 30 deadline. We received comments back from the agency on March 2, 2011 and submitted our revisions to the EA on March 28, 2011.
2c.	Network Design	45	60% engineering design was completed within the quarter (although only 45% of expenditures have been made), fulfilling the 30% and 60% benchmarks. 90% design was not reached due to reasons identified in the Quarter 2 Performance Progress Report, and reiterated here. While the engineering firm was on contract as of November 4, 2010, the six-month budget was not approved until January 2011. As a result, NCNMEDD was unable to pay for engineering services for two months. Also, the Environmental Assessment required more consultation with the engineering team than anticipated, including route modifications to address issues in the EA.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
	2d. Rights of Way	75	Rights-of-way through tribal lands were established through the Joint Powers Agreement signed by the project partners in 2010. The Bureau of Indian Affairs reviewed the JPA in Quarter 3, and determined that no BIA rights-of-way or permits will be required. The project manager has met with the New Mexico Department of Transportation (NMDOT) and is preparing rights-of-way applications for the underground portions of the project which will be installed in NMDOT right-of-way. Variance from the baseline is due to the NMDOT permitting process, which requires that a separate permit be submitted for every 90 degree turn in the project. Also, NMDOT does not maintain records of utility locations within its rights-of-way, requiring the project team to undertake independent due diligence on this issue. A right-of-way permit has been submitted to and is under review by the Bureau of Land Management (BLM). The US Department of Energy (DOE) is currently evaluating right-of-way permit options through modifying existing agreements with REDI Net sub-recipient Los Alamos County.
	2e. Construction Permits and Other Approvals	75	Minor revisions to Jemez Mountains Electric Cooperative's (JMEC) pole attachment agreement have been submitted and are under review by JMEC. Variance from the baseline is due to delays in receiving final approval from these agencies. Approval is reasonably expected in Quarter 4. Pole attachments to DOE infrastructure will be addressed through the agreement referenced in 2d. Construction on BLM lands is covered through the right-of-way permit referenced in 2d.
	2f. Site Preparation	0	The baseline anticipated site preparation for the primary POP and renovations for the secondary POP. Site preparation was not possible in Quarter 3 because a FONSI has not been issued for the project to date. Also, a contractor for the project was not selected in Quarter 3, although the procurement process was fully implemented. Negotiations with finalists are currently in process. The secondary POP site was inspected for renovations needed and design requirements.
	2g. Equipment Procurement	0	The baseline anticipated procurement of OSP materials and network equipment. Equipment procurement was not possible in Quarter 3 because a FONSI has not been issued for the project to date. Also, a equipment reseller for the project was not selected in Quarter 3, although significant due-diligence was conducted with a vendor on an existing State of New Mexico Purchase Agreement. The network architecture, equipment specifications, bill of materials, and equipment budget is 75% complete.
	2h. Network Build (all components - owned, leased, IRU, etc)	0	None
	2i. Equipment Deployment	0	None
	2j. Network Testing	0	None
	2k. Other (please specify): Project Management	18	Variance in percent complete for project management is due to reasons stated in the Quarter 2 report and reiterated here. Additional time was required to finalize contract terms with the Project Management vendor, additional time was required for the Environmental Assessment, and the project realized some costs savings from more efficient time management.
<p>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).</p> <p>Issues identified in the Quarter 2 report played a large role in the variances in Quarter 3. BTOP assistance was requested and received in Quarter 2 relevant to the Environmental Assessment, approval of the six-month budget, and approval in federal fund expenditures. This assistance was helpful, but these issues caused project delays and variances from the baseline which have carried over into Quarter 3.</p>			

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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	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	0	n/a
Number of new towers	0	n/a
Number of new and/or upgraded 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 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:

No services are being provided to date, and construction on the project will not begin until a FONSI is received.

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).

The agreement with the third party operator has not yet been signed. No services are being provided to date, and construction on the project will not begin until a FONSI is issued.

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, and construction on the project will not begin until a FONSI is issued.

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	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Providers with signed agreements receiving access to dark fiber	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Please identify the speed tiers that are available and the number of subscribers for each	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Subscribers receiving new access	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Subscribers receiving improved access	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Please identify the speed tiers that are available and the number or subscribers for each	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
Residential / Households	Entities passed	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Total subscribers served	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Subscribers receiving new access	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Subscribers receiving improved access	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Please identify the speed tiers that are available and the number of subscribers for each	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
Businesses	Entities passed	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Total subscribers served	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Subscribers receiving new access	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Subscribers receiving improved access	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.
	Please identify the speed tiers that are available and the number of subscribers for each	0	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.

7. Please describe any special offerings you may provide (600 words or less).
No services are being provided to date, and construction on the project will not begin until a FONSI is issued.

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

8b. If so, please describe the changes (300 words or less).

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	Type of Anchor	Are you also the	Narrative description of how anchor institutions are using BTOP-
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	Area (town or county)	Institution (as defined in your baseline)	broadband service provider for this institution? (Yes / No)	funded infrastructure
n/a	n/a	n/a	n/a	No services are being provided to date, and construction on the project will not begin until a FONSI is issued.

Project Indicators (Next Quarter)

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

The following activities are listed in the baseline report for the next quarter:

*Complete 100% of engineering design, with all rights-of-way and construction permits secured

*Complete construction of Phase I core, interconnect and primary POP. Begin construction of Phase I fiber laterals, and connections for 94 CAIs. Network will be approximately 36% complete.

*Negotiate terms with interconnect provider and provision service.

*Enter into contracts for network management and outside plant operation and maintenance.

We anticipate completing 100% engineering design and securing all permits and rights-of-way in Quarter 4. A 90% engineering review meeting is currently scheduled for April 29, 2011. Permits and rights-of-way are currently 75% complete and should be fully executed in Quarter 4. We anticipate entering into contracts for construction services, materials procurement, network management and outside plant operation and maintenance in Quarter 4, as planned. We have been planning for the lineman training program which will be implemented by Northern New Mexico College, and should have curriculum developed and a projected date for the training by the end of Quarter 4. The project manager has been meeting with our anticipated interconnect provider, and will finalize terms with this entity in Quarter 4. Construction activities are now projected to begin in June 2011, due to delays with the Environmental Assessment/FONSI and project funding. This means that network construction is projected at 5% for Quarter 4, rather than 36%.

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	In addition to the project activities discussed above, major milestones anticipated to be completed in Q4 include completion of engineering design, permits and rights-of-way, and finalizing contracts with a construction contract and materials supplier. Awards have already been made to project finalists and contract negotiations are underway.
2b.	Environmental Assessment	100	The agency accepted the revised Environmental Assessment on April 8, and copies were sent to agencies and tribes for review during the week April 11. The agencies and tribes have been given a two-week review window, which will close out the comment period in early May. Assuming a FONSI is issued in a timely manner, we should be able to begin drawing down construction funds by June 2011.
2c.	Network Design	90	A 90% engineering design review meeting is scheduled for April 29, 2011, after which 100% drawings will be finalized. All engineering design is scheduled for completion by the end of May 2011, to enable construction to begin in June. The final engineering prints will become part of the construction contract documents, and serve as a baseline for the final implementation schedule. While engineering work will be 100% complete in Quarter 4, we are reserving 10% of the total engineering budget to cover activities in the construction phase.
2d.	Rights of Way	100	Securing of rights-of-way was 75% complete in Quarter 3, and should be fully complete in Quarter 4.
2e.	Construction Permits and Other Approvals	100	Securing of construction permits and approvals was 75% complete in Quarter 3, and should be fully complete in Quarter 4.
2f.	Site Preparation	25	If a FONSI is issued in May 2011, site preparation for the primary and secondary POPs will occur in Quarter 4.
2g.	Equipment Procurement	25	If a FONSI is issued in May 2011, materials and network equipment procurement will begin in May and early June, in preparation for construction commencement in June. REDI Net has requested funding draw down, pre-FONSI, for qualifying expenses, as lead-times on the fiber cable have been extended due to raw materials shortages. This advance procurement will assist in keeping the overall project timeline on track.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2h.	Network Build (all components - owned, leased, IRU, etc.)	5	Assuming construction commences in June, work would begin on the primary backbone fiber routes and primary POP installation. This is only an estimate until contract negotiations conclude in May and the final implementation schedule is set.
2i.	Equipment Deployment	0	None
2j.	Network Testing	0	None
2k.	Other (please specify): Project Management	30	

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).

Project construction is delayed until June 2011, instead of April 2011. This means that substantially less of the network will be constructed by the end of Quarter 4 than indicated in the baseline. Because the project anticipates a 12-month construction period, we believe that delays to date can be accommodated within the BTOP requirements. The FPO and BTOP team have been notified of this change, and are working closely with us on this issue.

