

**U.S. DEPARTMENT OF COMMERCE**

**Performance Progress Report**

2. Award Or Grant Number  
27-50-M09043

4. Report Date (MM/DD/YYYY)  
04-03-2012

1. Recipient Name  
Connected Nation, Inc. - MN

6. Designated Entity On Behalf Of:  
State of Minnesota

3. Street Address  
1020 College Street,

8. Final Report?  Yes  No  
9. Report Frequency  
 Quarterly  
 Semi Annual  
 Annual  
 Final

5. City, State, Zip Code  
Bowling Green, KY 42101-2137

7. Project / Grant Period  
Start Date: (MM/DD/YYYY)  
12-20-2009

7a. End Date: (MM/DD/YYYY)  
12-19-2014

7b. Reporting Period End Date:  
03-31-2012

9a. If Other, please describe:  
N/A

**10. Broadband Mapping** 10a. Provider Table

Number of Providers Identified	Number of Providers Contacted	Number of Agreements Reached for Data Sharing	Number of Partial Data Sets Received	Number of Complete Data Sets	Number of Data Sets Verified
0	0	0	0	0	0

10b. Are you submitting the required PROVIDER DATA by using the Excel spreadsheet provided by the SBDD grants office?  Yes  No

10c. Have you encountered challenges with any providers that indicate they may refuse to participate in this project?  Yes  No

10d. If so, describe the discussions to date with each of these providers and the current status

Access Broadband: The provider was non-responsive during the April 2012 mapping cycle to NTIA. Multiple contact attempts were made, and as of February 28, 2012, the provider remained non-responsive.

Reliance Globalcom Services, Inc.: The provider was non-responsive during the April 2012 mapping cycle to NTIA. Multiple contact attempts were made, and as of March 8, 2012, the provider remained non-responsive.

Superior Broadband: The provider was non-responsive during the April 2012 mapping cycle to NTIA. Multiple contact attempts were made, and as of February 27, 2012, the provider remained non-responsive.

Utopian Wireless Corporation: The provider was non-responsive during the April 2012 mapping cycle to NTIA. Multiple contact attempts were made, and as of March 9, 2012, the provider remained non-responsive.

10e. If you are collecting data through other means (e.g. data extraction, extrapolation, etc), please describe your progress to date and the relevant activities to be undertaken in the future

No data has been collected through extraction or extrapolation.

10f. Please describe the verification activities you plan to implement

Connect Minnesota has deployed an interactive mapping web application. The application is housed in a highly available, monitored, and managed environment. The application includes a staging environment for data verification and compatibility as well as a production environment for client access.

Consumer feedback in the form of broadband inquiries is also collected. These inquiries represent any type of communications received from the public regarding broadband service. Once broadband inquiries are received across the state, this information is overlaid with the broadband availability information which was collected through the State Broadband Initiative (SBI) program. This allows for a real-world comparison of the broadband landscape to the information received from broadband inquiries. Broadband inquiries are able to provide three types of information: 1) residents who do not have broadband but want it; 2) residents who have broadband but want a different provider; and 3) residents who do not have broadband, but the broadband inventory maps indicate that they do. If residents within a region state that they are without broadband, but the broadband inventory maps show otherwise, this allows Connected Nation to approach the providers within that area in an effort to trim down their coverage to more accurately represent real-world availability on the ground.

As of this report, field validation has been completed on 74.17% of the provider universe. The year-end goal for 2012 (testing a minimum of 60.00% of the viable provider universe) has been achieved. While additional testing is contemplated for 2012, these tests will supplement previous activities and will focus primarily on providers with a substantial (or statewide) presence and will occur in geographic locations not previously tested.

10g. Have you initiated verification activities?  Yes  No

10h. If yes, please describe the status of your activities

An interactive broadband map is publicly available on the Connect Minnesota website (<http://www.connectmn.org/interactive-map>) and received a total of 423 visits between January 1, 2012, and March 31, 2012.

During this quarter, the project received a total of 20 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 4 for this quarter.

For this reporting period, 47 field verification tests were conducted. Thus far, project staff conducted multiple tests on the following providers: A Better Wireless NISP LLC; Ace Telephone Association; Albany Mutual Telephone Association; Alliance Communications; Arrowhead Communications Corporation (also d.b.a. Hector Communications Corporation); Arvig Communications Systems (d.b.a. East Ottetail Telephone and ACS Communications); AT&T; Barnesville Municipal Telephone; Benton Cooperative Telephone Company; Bevcomm (also d.b.a. Blue Earth Valley Telephone Company); Bradco-WISP Inc.; Broadband Corp.; CenturyLink (acquired Qwest Corporation); Charter Communications; Chaska Net; Christensen Communications Company; CitiScape Communications; City of Detroit Lakes ; City of Windom; Clear Choice; Clearwire Corporation; Cloudnet Inc.; Comcast Cable Communications LLC; Cross Lake; CTC Telecom; diversiCOM; Emily Cooperative Telephone Company; Enterpoint; Evertek Enterprises LLC.; Farmers Mutual Telephone; Fibernet Monticello; Frontier Communications Corporation; FTTH Communications; Garden Valley Telephone Company; Gardonville Cooperative Telephone Association; Genesis Wireless; Granada Telephone Company; Halsted Telephone; Harmony Telephone Company; Hickory Tech Corporation; Info Link Wireless Inc.; Interstate Telecommunications Cooperative Inc.; Invisimax; Jaguar Communications; Johnson Telephone Company; Kassor and Manterville Telephone Company;

...Please see the Minnesota Q1-2012 Supplemental Answers document for further information.

10i. If verification activities have not been initiated please provide a projected time line for beginning and completing such activities

N/A

### Staffing

10j. How many jobs have been created or retained as a result of this project?

5.2

Connect Minnesota's FTEs reported for the quarter include 5.12 FTEs for staff, 0.03 FTEs for permanent consultants, and 0.05 FTEs for temporary, cyclical contractors. The project is fully staffed with a base of 5.15 FTEs.

Connected Nation has numerous staff, consultants, and contractors working on the Connect Minnesota project, some at only a small percentage of their time. This approach is beneficial to the project in various ways: some staff provide necessary project support, many staff work together utilizing a team approach, and others are subject matter experts in their respective areas, and by leveraging their expertise the project benefits by their knowledge and skills without the necessity of supporting a more expensive full-time resource.

10k. Is the project currently fully staffed?  Yes  No

10l. If no, please explain how any lack of staffing may impact the project's time line and when the project will be fully staffed

N/A

10m. When fully staffed, how many full-time equivalent (FTE) jobs do you expect to create or retain as a result of this project?

The project is fully staffed with a base of 5.15 FTEs.

10n. Staffing Table

Job Title	FTE %	Date of Hire
Connected Nation - Business Programmer Analyst	1	04/02/2007
Connected Nation - CAI Coordinator	6	12/13/2004
Connected Nation - CAI Data Analyst	1	03/24/2009

Connected Nation - CAI Data Manager	2	08/09/2010
Connected Nation - Compliance Coordinator	5	08/01/2008
Connected Nation - Director Program Support	1	12/01/2004
Connected Nation - ETS Analyst	1	07/13/2009
Connected Nation - ETS Analyst	63	07/13/2009
Connected Nation - ETS Manager	5	07/01/2007
Connected Nation - GIS Analyst	1	05/14/2007
Connected Nation - GIS Analyst	4	11/16/2009
Connected Nation - GIS Analyst	8	04/01/2010
Connected Nation - GIS Analyst	61	10/19/2009
Connected Nation - GIS Services Manager	4	05/15/2007
Connected Nation - Grants Management Officer	6	02/24/2003
Connected Nation - Outreach & Awareness Manager	5	03/24/2009
Connected Nation - Outreach & Awareness Specialist	4	10/01/2007
Connected Nation - Outreach & Awareness Specialist	5	02/02/2009
Connected Nation - Outreach & Awareness Specialist	13	01/04/2010
Connected Nation - Outreach & Awareness Specialist	30	01/03/2010
Connected Nation - Program Director	12	08/04/2008
Connected Nation - Program Manager	100	08/16/2011
Connected Nation - Project Coordinator	1	11/16/2010
Connected Nation - Project Coordinator	6	04/01/2005
Connected Nation - Project Management Director	7	12/16/2009
Connected Nation - Project Manager	2	08/20/2007
Connected Nation - Project Manager	5	09/04/2007
Connected Nation - Project Manager	5	01/14/2008
Connected Nation - Project Manager	6	09/01/2006

Connected Nation - Project Manager	54	03/16/2010
Connected Nation - Provider Relations Manager	11	02/17/2005
Connected Nation - Research & GIS Analyst	30	05/14/2007
Connected Nation - Research Analyst	1	02/01/2010
Connected Nation - Research Analyst	2	06/01/2009
Connected Nation - Research Analyst	2	09/19/2011
Connected Nation - Research Manager	7	05/14/2007
Connected Nation - State Services Manager	5	07/01/2007
Connected Nation - State Services Specialist	29	03/24/2009
Connected Nation - State Services Sr. Specialist	1	12/20/2009
Consultant - Associate Counsel	1	09/14/2009
Consultant - ETS Analyst	1	02/08/2010
Consultant - General Counsel	1	01/01/2007
GISbiz, Inc. - Programmer	3	02/27/2012
GISbiz, Inc. - Systems Architect	2	02/27/2012

Add Row

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**Sub Contracts**

10o. Subcontracts Table

Name of Subcontractor	Purpose of Subcontract	RFP Issued (Y/N)	Contract Executed (Y/N)	Start Date	End Date	Federal Funds	In-Kind Funds
Throughbred Research Group	Research Surveys	Y	Y	02/09/2010	02/08/2012	187,602	0
Contract Labor	Contract Labor	N	Y	12/20/2009	12/19/2014	136,595	79,695

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**Funding**

10p. How much Federal funding has been expended as of the end of the last quarter? \$1,834,774      10q. How much Remains? \$2,635,261

10r. How much matching funds have been expended as of the end of last quarter? \$436,634      10s. How much Remains? \$681,914

10t. Budget Worksheet

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Personal Salaries	\$1,502,448	\$129,840	\$1,632,288	\$559,866	\$998	\$560,864
Personnel Fringe Benefits	\$322,275	\$36,355	\$358,630	\$106,590	\$214	\$106,804

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Travel	\$152,515	\$0	\$152,515	\$70,262	\$582	\$70,844
Equipment	\$145,816	\$0	\$145,816	\$80,786	\$0	\$80,786
Materials / Supplies	\$32,437	\$0	\$32,437	\$23,047	\$0	\$23,047
Subcontracts Total	\$747,164	\$181,552	\$928,716	\$342,686	\$79,695	\$422,381
Subcontract #1	\$437,265	\$0	\$437,265	\$187,602	\$0	\$187,602
Subcontract #2	\$250,834	\$181,552	\$432,386	\$136,595	\$79,695	\$216,290
Subcontract #3	\$21,188	\$0	\$21,188	\$8,051	\$0	\$8,051
Subcontract #4	\$37,877	\$0	\$37,877	\$10,438	\$0	\$10,438
Subcontract #5	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$91,445	\$657,186	\$748,631	\$32,204	\$353,774	\$385,978
Total Direct Costs	\$2,994,100	\$1,004,933	\$3,999,033	\$1,215,441	\$435,263	\$1,650,704
Total Indirect Costs	\$1,475,935	\$113,615	\$1,589,550	\$619,333	\$1,371	\$620,704
Total Costs	\$4,470,035	\$1,118,548	\$5,588,583	\$1,834,774	\$436,634	\$2,271,408
% Of Total	80	20	100	81	19	100

### Hardware / Software

10u. Has the project team purchased the software / hardware described in the application?  Yes  No

10v. If yes, please list

Hardware/Software purchases for the project to date include the following:

Interactive Mapping Application - \$60,000

Computers & Software - \$12,883

GIS Software Maintenance - \$10,521

Spectrum Analyzer - \$4,477

Speed Test Software - \$1,511

Google Earth Pro - \$585

10w. Please note any software / hardware that has yet to be purchased and explain why it has not been purchased

Remaining purchases may include SQL server for mapping geodatabase, SQL server software, multiple dedicated storage server, security application, additional backup replication solution, computers, a spectrum analyzer, GPS units, interactive map upgrades/maintenance, ArcInfo/ArcGIS maintenance, and speed test updates as well as computers and software maintenance.

10x. Has the project team purchased or used any data sets?  Yes  No

10y. If yes, please list

N/A

10z. Are there any additional project milestones or information that has not been included?  Yes  No

10aa. If yes, please list

Connect Minnesota submitted to the National Telecommunications and Information Administration (NTIA) an update to the state broadband dataset. The data update submission includes datasets for 96.67 percent of the Minnesota provider community, or 116 of 120 total providers. There are 112 participating providers and 4 additional non-participating providers whose estimated coverage areas have been submitted. Of the 112 participating providers, 55 supplied an update to their network or coverage area(s), 53 reported no change, and the remaining 4 represent providers who previously submitted data but were non-responsive in this update.

The Connected Nation Engineering and Technical Services (ETS) team worked with a state stakeholder who engaged Idea One's

president. A new contact was made, data gathered, processed, and approved. As a result of this effort Idea One was included in the April 2012 submission.

Similarly, the ETS team completed research, field validation, and a non-participating provider narrative paper which was included in the April 2012 submission for Nextera. This large wireless provider and competitive local exchange carrier (CLEC) serves Minneapolis and the surrounding area.

Connect Minnesota had positive support from the state partner in identifying sector leaders and organizations resulting in increased CAI data. Connect Minnesota continues to receive data thanks to state partner outreach to contacts.

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing Regarding CAI data collection, there is the continued challenge to educate CAI about Connect Minnesota and the intent of gathering location and connectivity information. This obstacle is avoidable by the engagement of sector leaders for the purpose of distribution of the survey on our behalf – which supports the validity of the survey. Across the board, the response is significantly higher when the survey is distributed by a sector leader or organization.

Moreover, it has become obvious that a focused sector approach is most successful as well as clearly engaging the state partner to help identify sector leaders and organizations. Ahead of the October 2012 reporting, Connect Minnesota is focusing on one sector per month to better direct attention toward specific sectors.

In an effort to raise awareness of the CAI outreach efforts, Connect Minnesota (CMN) released a statewide news release: Connect Minnesota is Surveying Community Anchor Institutions to Foster Expanded Broadband Coverage Statewide (<http://www.connectmn.org/blog/post/connect-minnesota-surveying-community-anchor-institutions-foster-expanded-broadband-covera>). Within the release CMN promotes the State Broadband Initiative (SBI) grant program, the CAI effort and the National and interactive broadband maps while also encouraging CAI contacts to complete a secure online survey.

10cc. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project Connect Minnesota maps (<http://www.connectmn.org/mapping/state>) were updated and used to further identify unserved and underserved areas and to help communities plan for expanding service to unserved households.

Connect Minnesota released the Universal Service Fund (USF) Mobility Fund Eligibility Maps & Analysis, a report detailing the Federal Communications Commission's (FCC) preliminary list of areas in Minnesota that are eligible for the FCC's Mobility Fund. <http://www.connectmn.org/blog/post/connect-minnesota-releases-usf-mobility-fund-eligibility-maps-analysis> Ensuring ubiquitous availability of next-generation mobile broadband networks is critical to economic development and growth. Recognizing this importance, the Federal Communications Commission later this year will distribute \$300 million in subsidies to support the construction of high-speed mobile broadband networks in areas that do not currently have mobile broadband access. In line with this goal, on February 10, 2012, the FCC released a list of areas in Minnesota census blocks that it had determined do not currently have access to 3G mobile wireless service. The FCC generated this preliminary list from its review of commercial, industry data sources. For the most part, our data confirms that the vast majority of the areas of Minnesota lacking 3G technology do not, in fact, have adequate mobile broadband service. However, it also appears that many parts of Minnesota that do not have access to high-speed mobile broadband service are not on the FCC's list of eligible areas.

...Please see the Minnesota Q1-2012 Supplemental Answers document for further information.

## **11. Broadband Planning**

11a. Please describe progress made against all goals, objectives, and milestones detailed in the approved Project Plan. Be sure to include a description of each major activity / milestone that you plan to complete and your current status

**Broadband Capacity Building Quarterly Milestones Year 3, Quarter 1**

**Milestone: Connect Minnesota Office Administration and Task Force support**

This milestone was met. Connect Minnesota Program Manager has supported the operations allowing the program to provide administrative project oversight involving a variety of tasks that encompass administering the project plan, managing workflow and timeline, verifying work quality, gathering documentation in support of community outreach/projects, and preparing reports as required by the Minnesota Department of Commerce and the Minnesota Broadband Task Force.

**Milestone: Conduct Task Force Meetings**

This milestone was met. The Minnesota Broadband Task Force met on four different occasions during Q1 2012 to carry out the work of broadband strategy and planning in the state. Administrative support was provided by Connect Minnesota including overseeing meeting preparations and presenting CMN updates including outreach and awareness and summit planning activities.

**Technical Assistance Quarterly Milestones Year 3, Quarter 1**

**Milestone: Confirm research plan for years 3 through 5**

This milestone has been met. Program staff and the Minnesota Department of Commerce discussed the Minnesota research plan for years 3 through 5 during Q1 2012. As a result of this input, and with the intention of ongoing collaboration with the Minnesota



11i. Planning Worksheet

Total Direct Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Indirect Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Costs	\$0	\$0	\$0	\$0	\$0	\$0
% Of Total	0	0	0	0	0	0

**Additional Planning Information**

11j. Are there any additional project milestones or information that has not been included?

To raise awareness of Connect Minnesota, program staff joined representatives from the Minnesota Department of Commerce Office of Broadband Development, in presenting to the Minnesota Indian Affairs Council. During this event an overview of the Connect Minnesota program and broadband-related activities of the Minnesota Department of Commerce and the Governors Broadband Task Force was presented.

11k. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the Project Team is employing

Nothing to report.

11l. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project

**Broadband Capacity Building**

Governor's Task Force on Broadband: The Governor's Task Force on Broadband has been promoted on the Connect Minnesota website since its inception. Additionally, a designated page was added to the site providing information regarding Task Force activities, reports, agendas and meeting minutes - <http://www.connectmn.org/BBTaskForce>.

\* Broadband Plan Outline - Connect Minnesota assisted in coordinating and drafting the Minnesota Broadband Plan Outline. Posted on the CMN website ([http://www.connectmn.org/sites/default/files/connected-nation/Minnesota/files/broadband\\_plan\\_outline\\_final\\_31jan2012.pdf](http://www.connectmn.org/sites/default/files/connected-nation/Minnesota/files/broadband_plan_outline_final_31jan2012.pdf)) Connect Minnesota promoted the completion of this landmark via social media channels.

\* Presentations and Participation - Connect Minnesota staff participated in various events including: providing testimony before the Minnesota Senate's Committee on Energy, Utilities and Telecommunications; presenting to the Minnesota Indian Affairs Council; attending the Minnesota High Tech Association (MHTA) Government Affairs Committee meeting where Task Force activities were discussed related to the MHTA policy goal of supporting Task Force activities; and assisting the chairman of the Governor's Task Force on Broadband prepare for a Minnesota Senate hearing focused on Task Force activities

\* Pending Legislation - Connect Minnesota posted updates of pending broadband-related legislation on the CMN blog, Task Force web page and social media pages.

**Pending Bills Could Reshape Process for Developing Broadband Policy in Minnesota**

(<http://www.connectmn.org/blog/post/pending-bills-could-reshape-process-developing-broadband-policy-minnesota>; <http://www.connectmn.org/blog/post/pending-minnesota-broadband-legislation>)

Bills introduced in the Minnesota legislature during Q1 2012 could have an impact on how broadband policy is developed in Minnesota.

...Please see Minnesota Q1-2012 Supplemental Answers document for further information.

12. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purpose set forth in the award documents.

12a. Typed or Printed Name and Title of Authorized Certifying Official

Bernie Bogle

12c. Telephone  
(area code, number, and extension)

12d. Email Address

bbogle@connectednation.org

12b. Signature of Authorized Certifying Official

Submitted Electronically

12e. Date Report Submitted  
(Month, Day, Year)

04-27-2012