

To: Department of Commerce
National Telecommunications and Information Administration (NTIA)

From: EAGLE-Net Alliance

Subject: Broadband Technology Opportunities Program (BTOP) Extension Request,
Colorado Community Anchors Broadband Consortium (Award ID:
NT11BIX5570001) for Award Period September 1, 2010 to December 31, 2014

Date: December 3, 2014

To Whom It May Concern:

EAGLE-Net Alliance requests a period of performance extension until September 30, 2015 to complete the successful implementation of our Broadband Technology Opportunities Program (BTOP) award. This request includes this project's extension rationale and provides supporting documentation as attachments to the Award Action Request (AAR).

- 1) **Reason(s) for Extension Request:** EAGLE-Net Alliance has experienced circumstances that have caused the need for an extension beyond the current project end date. On August 30, 2013, EAGLE-Net's project was extended beyond the original August 30, 2013 completion date to December 31, 2014. The details related to this no-cost extension were included in EAGLE-Net's Award Action Request (AAR) # 2447180. The approval of the AAR resulted in the issuance of Amendment # 6 to EAGLE-Net's grant award, which has been attached to this memorandum for reference. The narrative below provides an explanation of how project-specific circumstances resulted in the need for an additional period of performance extension; our proposed plan for addressing any outstanding issues; and the project benefits that will be delivered during the extension period.

During the current extension period, EAGLE-Net worked with NTIA to develop plans to complete builds to 29 school district CAIs (later revised to remove one CAI and to add one additional CAI), ten (10) School District E-Rate wins (later revised to nine E-Rate wins), core network construction on I-25 North, and core network construction on Highway 160. Currently, all projects have either been completed or are still scheduled to be completed by December 31, 2014, with the exception of the following:

- Fiber build to the Silverton School District, which is currently under construction, but is not scheduled to be completed until the Summer of 2015. Approximately 7.5 miles will be constructed during the extension period (January 1, 2015 through September 30, 2015).
- Wireless build to the Custer County School District, which is currently under construction, however completion may be delayed until the Summer of 2015. Approximately 55.9 miles will be constructed during the extension period (January 1, 2015 through September 30, 2015).

The extension is being requested in order to complete the fiber build to the Silverton School District and the fiber/wireless build to the Custer County School District.

The fiber construction for the Silverton School District includes a 27 mile build through the mountains located north of Durango, CO. The build season on this route through the mountains is limited due to weather with early fall snows and late spring runoff and any delay in construction has a

significant impact on the timeline for this build. Factors that have caused delays in construction of this route include the following:

- A new species, the New Mexico meadow jumping mouse, was added to the Federal list of Threatened and Endangered Species on June 10, 2014. U.S. Fish and Wildlife Service notified us on July 23, 2014 with their determination of concurrence that the proposed project was not likely to adversely affect the New Mexico meadow jumping mouse. We were fortunate to receive a priority review from U.S. Fish and Wildlife Service for the survey work and documentation prepared by our Environmental Consultant. However, since we weren't able to project when the determination would be received, it did take the contractor a few weeks from receipt of the determination in order to mobilize crews into the area.
- There were also delays related to CDOT permitting and traffic control requirements. The contractor used several local sub-contractors that had not worked with CDOT in the past and these sub-contractors were unfamiliar with the specific insurance coverages (i.e., pollution liability insurance) that they were required to obtain prior to starting work on the project. Also, since the route is located on a busy highway that is popular for summer tourism and is very narrow and steep in spots there were times when the contractor/sub-contractors were not able to close lanes of the highway needed for construction.
- As work progressed, there was a significant increase in the amount of rock that was being encountered on the route, which effected a change in the construction method from plowing to boring. Given construction via boring is much slower than plowing, the increase in the amount of rock added to the overall delay.
- In addition to construction via boring being slower than plowing, the cost for boring is much higher than plowing, which has also resulted in a significant increase in the cost of the build. In an effort to reduce expenditures EAGLE-Net will be using the next few months to determine where there are opportunities to change the construction method in order to reduce the overall cost of the build.

The wireless construction for the Custer County School District includes a 55.2 mile wireless build from near La Veta, CO to Westcliffe, CO. It also includes a short 0.7 mile lateral fiber build to connect the wireless route to existing EAGLE-Net backbone fiber. The potential delay for this route is based on the following:

- The wireless construction is currently scheduled to be completed by the end of December, 2014, however the construction may be delayed until the spring of 2015. The wireless construction utilizes three separate towers along the route. One of the tower owners has determined their tower requires additional structural analysis and modifications in order to support the microwave radio antennas planned to be installed on the tower. The tower owner has indicated it will be at least mid-December before the additional review and design for the modifications will be completed. By mid-December it is likely that wind and winter weather at this site will make it impractical and unsafe for both the tower owner to perform any of the modifications to the tower and for EAGLE-Net to install the microwave radio antennas the site.

Due to these circumstances, it will not be possible to complete the network by the current award end date of December 31, 2014.

Approval of the extension provides benefit to the project in that it allows for completion of the network to the final two sites that were included as part of the sites to be completed during the current extension period. It also provides time for EAGLE-Net to explore opportunities for re-engineering the fiber build route to Silverton in order to provide cost savings to the current projected completion costs.

2) **Supporting Documentation:** EAGLE-Net Alliance submits the following documentation to assist NTIA with the review of this extension request. The attached materials have been updated according to revised project plans for an extended award period and reflect the narrative provided above.

- **Revised SF-424C Budget and associated narrative** (documentation of how remaining Federal and match funds in each SF-424C category will be used)
- **Project Plan** (updated timeline/milestones needed to achieve benefits within the extension period)
 - Please reference the attached project plan document with the timeline/milestones for completion of the network for the remaining sites.
- **Revised Performance Projections** (table below)

Revised Performance Projections

Performance Indicator	Revised Project Goals
New Network Miles Deployed	913
New Network Miles Leased	2,027
Existing Network Miles Upgraded	263
Existing Network Miles Leased	0
CAIs Receiving New Access	116
CAIs Receiving Improved Access	12

- **A breakdown of planned and expended award funding** (table below)

Funding Period	Planned Federal Amount	Planned Match Amount	Other (Non-Federal) Funds
Actual/Projected Funding to Date through December 31, 2014	\$99,844,089	\$34,665,587	-
Planned Funding from January 1, 2015 to September 30, 2015	\$791,101	\$0	\$972,775

The actual/projected federal funds through December 31, 2014 (\$99,844,089) and the planned funding needed to September 30, 2015 (\$791,101), total \$100,635,190, which is equal to the federal share of EAGLE-Net's grant. The Other (Non-Federal) Funds includes funding from EAGLE-Net's network operator agreement with Affiniti. The funding required for the remaining sites to be completed has been budgeted within the remaining grant funds for the project and the Other Funds being provided by the network operator agreement. EAGLE-Net recorded its entire match

commitment prior to September 30, 2013 and as a result we are not planning to contribute matching funds during the extension period.

In addition to the required federal reporting (FFR & PPR), EAGLE-Net will provide a monthly updated schedule with the monthly draw request reviewed by the NTIA to allow for monitoring of construction progress for the remaining sites to be completed.

EAGLE-Net Alliance understands that it must continue to comply with all statutory and programmatic requirements and that this is a no-cost period of performance extension request only (i.e., no additional BTOP funding will be provided under this extension request).

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Ryan", with a long horizontal flourish extending to the right.

Michael Ryan
President
EAGLE-Net Alliance

Recipients are encouraged to work with their Federal Program Officer (FPO) prior to submitting the extension request. Upon submission of the extension request and supporting documentation as an AAR, the FPO will forward to the Grants Office. The Grants Office reviews the request and communicates the decision to the recipient.