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

From: GovNET Inc.

Subject: Broadband Technology Opportunities Program (BTOP) Extension Request, GovNET, Inc./"SACCNet"- Arizona Critical Middle Mile (Award ID: NT10BIX5570136) for Award Period from September 1, 2010 to August 31, 2013

Date: July 30, 2013

To Whom It May Concern:

GovNET Inc. requests a period of performance extension until September 30, 2014 to continue the successful implementation of our Broadband Technology Opportunities Program (BTOP) award. Below please find the rationale for our request for extension along with supporting documentation as attachments to the Award Action Request (AAR).

- 1) **Reason(s) for Extension Request:** GovNET Inc. has experienced circumstances that have caused the need for an extension beyond the original project end date of August 31, 2013. The narrative below provides an explanation of how the project-specific circumstances resulted in the need for a period of performance extension; our proposed plan for addressing any outstanding issues; and the project benefits that will be delivered during the extension period.

GovNET has experienced three major delays during the original grant period:

- **Project Suspension Period:** The GovNET project was suspended from May 22, 2012 to April 29, 2013, at which time NTIA and NOAA partially lifted the suspension. The partial suspension still remains in effect. During the full suspension period, GovNET was restricted to only a very limited number of activities associated with the Corrective Action Plan. GovNET was not allowed to undertake any construction activities. As of April 29, 2013, GovNET was allowed to resume certain approved construction activities, but is restricted in its ability because it is not allowed to seek reimbursement until the full suspension is lifted.
- **FONSI:** GovNET did not anticipate that the FONSI would be issued 15 months after the Grant Award date, which significantly impacted its ability to begin construction and effectively utilized one-third of award period.
- **Match and Additional In-Kind:** Due to the suspension, GovNET lost approximately (b) (4) in committed CAI E-Rate revenue (FCDLs). In an effort to meet the match requirement, GovNET added additional CAI in-kind sites. As a result, the design of the network had to change to support the additional CAIs added to the scope of the project (i.e. Batch 4), which could not begin until April 30, 2013, when the partial suspension was lifted.



The scope of deploying a statewide broadband network was large and challenging from the start, but these delays have prevented the network from being completed within the existing BTOP Grant Award period ending on August 31, 2013.

GovNET has developed a deployment schedule and budget to complete the network by September 30, 2014. This extension will enable the network of (b) backbone/nodal (local market hub sites to centralize service to the CAI sites), 266 CAI sites and (b) extended network CAI sites to be completed.

Please note that GovNET must complete the site acquisition of (b) new backbone/nodal sites in support of the additional In-Kind schools added to the scope of the project. Several of these sites are replacing or modifying sites in the current FONSI. GovNET plans to complete this work by end of September 2013 and submit the associated route modification requests by October 2013. Preliminary planning on these (b) sites projects that (b) of these will be colocations on existing towers and (b) will be new towers/monopoles on previously disturbed ground – the included Batch 5 spreadsheet document provides further detail on this preliminary analysis. Based on the available information, ENVIRON’s professional judgment is that the changes herein do not have a significant impact on an individual site basis, and that, for the project as a whole, impacts will not be different from those presented in the final EA and articulated in the FONSI.

2) **Supporting Documentation:** GovNET Inc. 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)
- **Batch 5** (spreadsheet of new sites requested and initial environmental review of any impact)
- **Revised Performance Projections** (table below)

Revised Performance Projections	
Performance Indicator	Revised Project Goals
New Network Miles Deployed	4,855
New Network Miles Leased	0
Existing Network Miles Upgraded	0
Existing Network Miles Leased	0
CAIs Receiving New Access	0
CAIs Receiving Improved Access	(b) (4)




- For recipients requesting an extension beyond September 30, 2013, a breakdown of planned expended award funding (table below)

Funding Period	Planned Federal Amount	Planned Match Amount
Actual Funding Spent to Date and Planned <u>Expended</u> Funding to August 31, 2013	\$18,167,578	\$5,970,676
Planned Funding Needed Beyond September 1, 2013	\$20,730,093	(b) (4)

GovNET Inc. 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,



Gloria Zemla
Controller
GovNET, Inc.

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.

