

RECIPIENT NAME:
AWARD NUMBER:
DATE:

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 12-31-2010

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 NT10BIX5570053
	3a. DUNS Number 855036690
	3b. EIN 66-0539232
4. Recipient Organization (Name and complete address including country, congressional district, and zip code) PTI PACIFICA INC., DBA IT&E 122 W. HARMON INDUSTRIAL PARK ROAD SUITE 103 TAMUNING, GU 96913 CONGRESSIONAL DISTRICT 98	
5. Current Reporting Period End Date (MM/DD/YYYY) 06/30/2010	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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 LARRY KNECHT EXECUTIVE VICE PRESIDENT	7c. Telephone (area code, number and extension) 670-682-2600
	7d. Email Address velma.palacios@itehq.net
7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY): 07/30/2010

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (150 words or less).
 Satisfied the Accounting System Verification requirement under the SAC. Ensured accounting system and procurement requirements are in place. Conducted meetings with Project Managers to discuss the procurement requirements for the Grant Award. Planning meetings have been conducted among the Project Managers and team members and continues for the following projects: 3G Backhaul System, IP Network Backhaul (MPLS), NOC Relocation, Prepaid Billing System, Interisland Microwave Upgrade and Increase Fiber Capacity. Submitted Sole Source approvals for three projects. Issued Request for Proposals for the 29 Hops – 3G Backhaul System and the Prepaid Billing System in June. A teleconference for the prepaid billing system was conducted in June with 18 prospective bidders in attendance. Site work has started for the NOC Relocation. A Network Wiring request for proposal, for the NOC Relocation, has been drafted and submitted for review by upper management.

2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 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	0.03	New Network Operations Center (NOC) location has been cleared of previous personnel & equipment ahead of schedule.
2b.	Environmental Assessment	0	IT&E has received a Categorical Exclusion.
2c.	Network Design	0	
2d.	Rights of Way	0	IT&E has received an Categorical Exclusion. No work will be done in the Rights of Way.
2e.	Construction Permits and Other Approvals	0	
2f.	Site Preparation	1.77	New NOC space has been cleared of previous personnel & equipment ahead of schedule.
2g.	Equipment Procurement	0	
2h.	Network Build (all components - owned, leased, IRU, etc)	0	
2i.	Equipment Deployment	0	
2j.	Network Testing	0	
2k.	Other (please specify):	0	

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 (150 words or less).
 This is a new process for our company and we are still going through a learning curve trying to understand all the specific requirements.

4. Please report the following information regarding network build progress. Write "N/A" in the second 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 (100 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	
New network miles leased	0	
Existing network miles upgraded	0	
Existing network miles leased	0	
Number of miles of new fiber (aerial or underground)	0	
Number of new wireless links	0	
Number of new towers	0	
Number of interconnection points	0	

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your subrecipient, 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

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as a result of your project.

Indicators	
Number of signed agreements with broadband wholesalers or last mile providers	1
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements	60

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements. Providers:
 Marianas Cable Vision (MCV) - The term of the agreement in 5a is 60 months.

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. Wholesale services description:
 IP Transport between Guam and Saipan on undersea fiber optic cable.

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 subrecipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this third party operates (150 words or less).
 N/A.

6. Please provide the data according to the type of subscriber. Write "N/A" 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 (100 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	
	Providers with signed agreements receiving improved access	0	
	Providers with signed agreements receiving access to dark fiber	0	
	Please identify the speed tiers that are available and the number of subscribers for each	0	
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	
	Subscribers receiving new access	0	
	Subscribers receiving improved access	0	
	Please identify the speed tiers that are available and the number or subscribers for each	0	
Residential / Households	Entities passed	0	N/A - does not apply to Middle Mile Project.
	Total subscribers served	0	N/A - does not apply to Middle Mile Project.
	Subscribers receiving new access	0	N/A - does not apply to Middle Mile Project.
	Subscribers receiving improved access	0	N/A - does not apply to Middle Mile Project.
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A - does not apply to Middle Mile Project.
Businesses	Entities passed	0	N/A - does not apply to Middle Mile Project.
	Total subscribers served	0	N/A - does not apply to Middle Mile Project.
	Subscribers receiving new access	0	N/A - does not apply to Middle Mile Project.
	Subscribers receiving improved access	0	N/A - does not apply to Middle Mile Project.
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A - does not apply to Middle Mile Project.

7. Please describe any special offerings you may provide (150 words or less).

None at this time.

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

8b. If so, please describe the changes (150 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. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent calendar year. 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 (100 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

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (150 words or less).

Will conduct site surveys and a Pre-Proposal Conference for the 29 Hops – 3G Backhaul System RFP. Evaluate the proposal submissions which are due 8/27/2010 and award a contract.

Evaluate the proposal submissions for the Prepaid Billing System RFP which are due on 8/31/2010 and award a contract.

Issue a Network Wiring RFP for the NOC Relocation Project. Conduct a site inspection and answer questions related to the RFP. Evaluate the proposal submissions which will be due this quarter and award a contract. Continue with site work.

Continue with Network Design of the IP Network Backhaul (MPLS). Request for quotes for various equipment like routers, switches, consoles, and servers needed.

Will commence FCC approvals, site survey, and equipment ordering for the Interisland Microwave Upgrade.

Will commence ordering of equipment for the Fiber Project and 17 Hops Microwave Backhaul Project.

2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 words or less).

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	0.03	New Network Operations Center (NOC) location has been cleared of previous personnel and equipment ahead of schedule.
2b.	Environmental Assessment	0	IT&E has received a Categorical Exclusion.
2c.	Network Design	0	
2d.	Rights of Way	0	IT&E has received a Categorical Exclusion. No work will be done in the Rights of Way.
2e.	Construction Permits and Other Approvals	0	
2f.	Site Preparation	1.77	New NOC space has been cleared of previous personnel & equipment ahead of schedule.
2g.	Equipment Procurement	0	

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2h.	Network Build (all components - owned, leased, IRU, etc.)	0	
2i.	Equipment Deployment	0	
2j.	Network Testing	0	
2k.	Other (please specify):	0	
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 (150 words or less). None.			

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	\$499,200	\$0	\$499,200	\$0	\$0	\$0	\$41,750	\$0	\$41,750
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$759,459	\$264,000	\$495,456	\$11,300	\$11,300	\$0	\$210,197	\$73,569	\$136,628
e. Other architectural and engineering fees	\$2,553,604	\$1,328,400	\$1,225,204	\$0	\$0	\$0	\$706,769	\$367,520	\$339,249
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$354,013	\$0	\$354,013	\$0	\$0	\$0	\$8,913	\$0	\$8,913
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$5,225,974	\$0	\$5,225,974	\$0	\$0	\$0	\$368,836	\$0	\$368,836
k. Miscellaneous	\$670,740	\$430,800	\$239,940	\$438	\$438	\$0	\$13,668	\$5,330	\$8,338
l. SUBTOTAL (add a through k)	\$10,062,995	\$2,023,200	\$8,039,795	\$11,738	\$11,738	\$0	\$1,350,135	\$446,419	\$903,714
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTALS (sum of l and m)	\$10,062,995	\$2,023,200	\$8,039,795	\$11,738	\$11,738	\$0	\$1,350,135	\$446,419	\$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
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