

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 NT10BIX5570103	3. DUNS Number 081275752
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4. Recipient Organization

Nevada Hospital Association 5250 Neil Rd., Ste 302, Reno, NV 89502-6568

5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2015	6. Is this the last Report of the Award Period? <input checked="" type="radio"/> Yes <input 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 Sue James	7c. Telephone (area code, number and extension) X
	7d. Email Address sue@nvha.net

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 12-09-2015
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Project Indicators (This Quarter)

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

Network Deployment

*Construction continued resulting in 29.62 miles of new network. The construction included segments between Silver Springs and and Tonopah.

*Environmental assessment work completed with Award Action Request #10 approval.

*Right-of-way acquisition completed.

*Utility make-ready work continued ahead of construction as new segments were licensed for construction.

Outreach and Sustainability Efforts

*Meetings were conducted with hospital community anchor institutions to gather requirements for network connection.

*Project members continued work with the State of Nevada's Broadband Taskforce in an effort to expand the projects impact on rural communities.

*Continuous contact with community anchor institutions and last-mile providers to maintain interest in network participations and to keep CAI's aware of project status.

*Continued participation in Community Outreach meetings to promote and maintain interest in the project.

*Continued negotiations with local providers for backhaul services, ensuring revenue requirements are met for sustainability.

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	100	Progress less than scheduled this quarter due to private funding shortfall. All federal funds received. Additional match of \$475,582 provided by end of grant. Refund of make ready payment recorded in Construction expense Q3 2015.
2b.	Environmental Assessment	100	AAR#10 approval completed environmental assessment.
2c.	Network Design	100	Network design completed.
2d.	Rights of Way	100	Right of way acquisition completed.
2e.	Construction Permits and Other Approvals	89	Permitting activity suspended, awaiting construction restart.
2f.	Site Preparation	85	Remaining site preparation awaiting construction restart.
2g.	Equipment Procurement	100	Equipment procurement completed this quarter.
2h.	Network Build (all components - owned, leased, IRU, etc)	82	Progress lagged behind schedule due to funding difficulties.
2i.	Equipment Deployment	65	Equipment deployment suspended, awaiting construction restart.
2j.	Network Testing	25	No activity this quarter.
2k.	Other (please specify): N/A	0	N/A

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).

A private funding shortage this quarter has delayed construction progress. Additional funding sources are currently being assessed.

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	418	29.62 miles constructed this quarter.
New network miles leased	104	Represents the entirety on new network miles leased for this project. This total also reflects a 42 mile reduction resulting from the elimination of the Reno and Las Vegas rings from the project. The rings were removed after the hospitals in the area notified NHA they no longer required the service the network would provide.
Existing network miles upgraded	0	N/A
Existing network miles leased	213	No activity this quarter.
Number of miles of new fiber (aerial or underground)	418	New fiber construction continued between Tonopah and Beatty.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	4	No activity this quarter

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	3
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	9
Average term of signed agreements (in quarters)	12

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:

Mason Valley Quicknet
 Cox Communications
 Central Nevada Communications and Electric

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:

Dedicated Internet Access
 Ethernet Transport

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 third party operates (600 words or less).

- *Manage completion of an Environment Assessment and seek to secure the appropriate approvals resulting from such assessment.
- *Develop policies and procedures needed to secure appropriate permits.
- *Provide final engineering and design.
- *Formulate construction management specifications.
- *Conduct contractor evaluation and selection.
- *Complete demand/marketing studies for network growth and use; obtain appropriate letters of interest and commitment from member hospital, ancillary facilities, last mile service providers, and other related anchor institutions.
- *Incorporate lease of indefeasible right of use facilities into overall network design and pursue agreements with dark fiber providers and wholesale rates for lit services.
- *Construction oversight.
- *Development of product and service definitions focused on initial set of services to be available at network launch, future tiered service offerings and competitive market pricing review.

Nevada Broadband Networks Contact Information:
10627 Professional Circle Suite B
Reno, NV 89521

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	3	No activity this quarter.
	Providers with signed agreements receiving improved access	0	No activity this quarter.
	Providers with signed agreements receiving access to dark fiber	0	No activity this quarter.
Community Anchor Institutions (including Government institutions)	Please identify the speed tiers that are available and the number of subscribers for each	0	No activity this quarter.
	Total subscribers served	3	No activity this quarter.
	Subscribers receiving new access	3	No activity this quarter.
	Subscribers receiving improved access	0	N/A
Residential / Households	Please identify the speed tiers that are available and the number of subscribers for each	1	One speed tier is currently available (40Mbps) with two subscribers connected.
	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
Businesses	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A

7. Please describe any special offerings you may provide (600 words or less).

- *Ethernet Transport
- *Dedicated Internet Access (DIA)
- *Point-to-Point Ethernet Private Line

*IRU
*Ethernet Transport

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

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

N/A

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 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
N/A	N/A	N/A	N/A	N/A

Project Indicators (Next Quarter)

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

Outreach Efforts

- *Nevada Broadband Networks is seeking additional investment in the project to provide funding for completion.
- *NBN will continue to increase sales effort in an effort to provide additional revenue for project sustainability.
- *Meetings will continue with hospital community anchor institutions to speed delivery of service.
- *Project members will continue to work with the State of Nevada's Broadband Taskforce in an effort to expand the projects impact on rural communities.
- *Contact will continue with community anchor institutions and last-mile providers to maintain interest in network participations and to keep CAI's aware of project status.
- *Estimated number of miles to deploy next quarter-735
- *Estimated number of new network miles deployed next quarter - 418
- *Estimated number of existing network miles leased next quarter - 213
- *Estimated number of new network miles leased next quarter - 104
- *Estimated number of CAIs planned to be connected by next quarter-3
- *Estimated number of broadband wholesaler/last mile provider agreements to be signed next quarter-4

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	100	To date project completion schedule is unknown. 475,582 additional match has been contributed
2b.	Environmental Assessment	100	Environmental Assessment work completed last quarter.
2c.	Network Design	100	Network design completed last quarter.
2d.	Rights of Way	100	All rights of way secured.
2e.	Construction Permits and Other Approvals	100	Permitting and licensing will complete with project construction.
2f.	Site Preparation	100	Site preparation will be completed next quarter.
2g.	Equipment Procurement	100	Equipment Procurement Completed
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Network construction is projected to near completion next quarter.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2i.	Equipment Deployment	100	Equipment deployment is projected to be completed next quarter.
2j.	Network Testing	100	Network testing will track segment completion.
2k.	Other (please specify): N/A	0	N/A

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).

The ability of the subrecipient to secure funding will be critical to project progress next quarter.

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	\$2,263,278	\$482,864	\$1,780,414	\$2,396,276	\$650,855	\$1,745,421	\$2,396,276	\$650,855	\$1,745,421
b. Land, structures, right-of-ways, appraisals, etc.	\$2,006,522	\$428,086	\$1,578,436	\$1,945,105	\$544,392	\$1,400,713	\$1,945,105	\$544,392	\$1,400,713
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$3,139,497	\$669,802	\$2,469,695	\$4,625,486	\$1,228,840	\$3,396,646	\$4,625,486	\$1,228,840	\$3,396,646
e. Other architectural and engineering fees	\$1,532,801	\$327,019	\$1,205,782	\$1,532,801	\$326,849	\$1,205,952	\$1,532,801	\$326,849	\$1,205,952
f. Project inspection fees	\$946,753	\$201,987	\$744,766	\$1,887,066	\$764,585	\$1,122,481	\$1,887,066	\$764,585	\$1,122,481
g. Site work	\$818,506	\$174,626	\$643,880	\$1,078,859	\$456,374	\$622,485	\$1,078,859	\$456,374	\$622,485
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$8,678,553	\$1,851,545	\$6,827,008	\$6,616,482	\$814,394	\$5,802,088	\$6,616,482	\$814,394	\$5,802,088
j. Equipment	\$5,585,357	\$1,191,621	\$4,393,736	\$5,364,774	\$1,016,843	\$4,347,931	\$5,364,774	\$1,016,843	\$4,347,931
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$24,971,267	\$5,327,550	\$19,643,717	\$25,446,849	\$5,803,132	\$19,643,717	\$25,446,849	\$5,803,132	\$19,643,717
m. Contingencies									
n. TOTALS (sum of l and m)	\$24,971,267	\$5,327,550	\$19,643,717	\$25,446,849	\$5,803,132	\$19,643,717	\$25,446,849	\$5,803,132	\$19,643,717

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