

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) 12-31-2013	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" 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): 02-14-2014
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Project Indicators (This Quarter)

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

Network deployment

- * Established project metrics and benchmarks needed to move project forward
- * Completed NTIA required Network Operator Whitepaper
- * Completed detailed CAP Response including new budgets, routes, management team and CAI list
- * Worked on new Agreements/ new business relationship
- * Restructured project management team to become more efficient
- * Laid groundwork to move project forward with NV Energy
- * Conducted audit of federal asset inventory resulting in no finding variances

Outreach

- * Continuous contact with CAIs and last mile providers to maintain interest in network participation and to keep CAIs aware of project status

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	45	Progress pending approval of permits with utility providers related to fiber. Progress pending issuance of ROW and easements from federal agencies and tribal entities. Installation and slow process in executing final agreements with federal agencies and tribes related to Rights of Way (ROW) and easements. Q4 2013 activity was limited because of uncertainty of the future of the project and federal approval.
2b.	Environmental Assessment	95	Progress pending issuance of ROW and easements from federal agencies and tribal entities.
2c.	Network Design	95	Network design is near completion but was put on hold pending federal approval
2d.	Rights of Way	95	Progress pending approval of permits with utility providers and other federal/state/tribal agencies; funding hold preventing further completion
2e.	Construction Permits and Other Approvals	40	Progress pending approval of permits with utility providers and other federal/state/tribal agencies; funding hold preventing further completion
2f.	Site Preparation	30	Pending approval of engineering re-design (route modifications)
2g.	Equipment Procurement	85	Timeframe of procurement modified to ensure the extension of the equipment warranty period during actual deployment
2h.	Network Build (all components - owned, leased, IRU, etc)	14	Progress pending approval of permits with utility providers related to fiber installation
2i.	Equipment Deployment	8	Timeframe of equipment deployment modified due to pending approval of permits with utility providers, federal agencies and tribal entities
2j.	Network Testing	20	Network testing timeline substantially impacted by the delay in project deployment schedule during the previous quarter. Pending approval of permits with utility providers, federal agencies, and tribal entities
2k.	Other (please specify):	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).

CAP approval, negotiation of complete set of new management agreements between NHA and e-Care were issues that provided a challenge to achieving planned progress in the past quarter.

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	75	Network deployment timeline altered due to progress pending approval of permits with utility providers as well as the delay on approval of final agreements with federal agencies and tribal entities related to ROW and easements
New network miles leased	145	This represents the total miles to be leased during the entirety of the project. There are no other leased fibers that are planned for the grant network installation.
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	75	Network deployment timeline altered due to progress pending approval of permits with utility providers as well as the delay on approval of final agreements with federal agencies and tribal entities related to ROW and easements
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	1	Network deployment timeline altered due to progress pending approval of permits with utility providers as well as the delay on approval of final agreements with federal agencies and tribal entities related to ROW and easements

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	1
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
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

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

* See pricing attachment

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 Environmental 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
- Develop a working budget to complete the Network design, engineering, operation, maintenance, and Quality of Service standards needed to ensure sustainability

- 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 Hospitals, ancillary facilities, last mile service providers, and other related anchor institutions
- Review, and where necessary, recalculate the network budget
- Incorporate leased or 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

e-Care Nevada Contact Information:
 10855 West Dodge Road
 Suite 180
 Omaha, NE 68154

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	1	Variance From Baseline Plan due to ongoing network deployment
	Providers with signed agreements receiving improved access	0	Variance From Baseline Plan due to ongoing network deployment
	Providers with signed agreements receiving access to dark fiber	0	Variance From Baseline Plan due to ongoing network deployment
	Please identify the speed tiers that are available and the number of subscribers for each	0	No activity this quarter
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Variance From Baseline Plan due to ongoing network deployment
	Subscribers receiving new access	0	Variance From Baseline Plan due to ongoing network deployment
	Subscribers receiving improved access	0	Variance From Baseline Plan due to ongoing network deployment
	Please identify the speed tiers that are available and the number or subscribers for each	0	No activity this quarter
Residential / Households	Entities passed	0	Variance From Baseline Plan due to ongoing network deployment
	Total subscribers served	0	Variance From Baseline Plan due to ongoing network deployment
	Subscribers receiving new access	0	Variance From Baseline Plan due to ongoing network deployment
	Subscribers receiving improved access	0	Variance From Baseline Plan due to ongoing network deployment
	Please identify the speed tiers that are available and the number of subscribers for each	0	No activity this quarter
Businesses	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	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

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
No activity this quarter	No activity this quarter	No activity this quarter	No activity this quarter	No activity this quarter

Project Indicators (Next Quarter)

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

Network Deployment

- * Execute new Network Management Agreement, Sub recipient Agreement, and six IRU Agreements between NHA and e-Care
- * Complete response to CAP questions and gain NTIA approval
- * Complete license application filings with NV Energy and Valley Electric Association
- * Begin Network construction of two network segments and one CAI lateral
- * Secure easements and licenses enabling construction on Nevada State Lands property
- * Submit AAR#4 with a revised project budget
- * Submit AAR#5 for a Route Modification Request
- *Estimated number of miles to deploy next quarter- 0
- *Estimated CAI's planned to be connected by next quarter-0
- *Estimated number of broadband wholesaler/last mile provider agreements to be signed next quarter-0

Outreach

- * Continuous contact with CAIs and last-mile providers to maintain interest in network participation and to keep CAIs aware of project status
- * Participate in Community Outreach meetings to promote and maintain interest in the project
- * Complete interconnection design and pricing for Nevada Department of Correction locations in Lovelock, Ely and Indian Springs

KPI targets through the end of the project

- *New network miles deployed- 544.2
- *New network miles leased-0
- *Existing network miles upgraded-608
- *Existing network miles leased-144.88

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	48	Upon federal approval we anticipate submission of invoices for work completed ; and reimbursement of basic charges to sustain project activity including ROW and construction permit completion. The budget reflects anticipated payment of past due invoices, including fiber, next quarter.
2b.	Environmental Assessment	100	CAP approval will allow completion of EA.
2c.	Network Design	100	CAP approval will allow completion of redesigned network route.
2d.	Rights of Way	98	Pending CAP approval project advancement on all rights of way are not anticipated until end of May 2014.
2e.	Construction Permits and Other Approvals	100	RE-engaging utilities and federal/state/tribal agencies to finalize permits in order to begin construction Q2 2014.
2f.	Site Preparation	30	Anticipate further advancement of site prep work towards the end of Q2 2014.
2g.	Equipment Procurement	90	Will order long lead items to be delivered shortly before construction.
2h.	Network Build (all components - owned, leased, IRU, etc.)	14	No activity expected pending approval of CAP.
2i.	Equipment Deployment	8	No activity expected until CAP approved.
2j.	Network Testing	20	No activity pending CAP approval
2k.	Other (please specify):	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).

N/A

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	\$1,452,699	\$309,929	\$1,142,770	\$934,283	\$172,449	\$761,835	\$1,008,915	\$188,371	\$820,544
b. Land, structures, right-of-ways, appraisals, etc.	\$3,422,544	\$1,170,020	\$2,252,524	\$1,531,661	\$315,306	\$1,216,355	\$1,556,661	\$320,640	\$1,236,022
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$2,333,889	\$497,929	\$1,835,960	\$2,332,950	\$490,503	\$1,842,447	\$2,332,950	\$490,503	\$1,842,447
e. Other architectural and engineering fees	\$1,740,317	\$371,292	\$1,369,025	\$1,532,002	\$326,848	\$1,205,154	\$1,569,002	\$334,742	\$1,234,260
f. Project inspection fees	\$1,832,629	\$390,986	\$1,441,643	\$533,938	\$75,367	\$458,572	\$533,938	\$75,367	\$458,572
g. Site work	\$589,568	\$315,425	\$274,143	\$147,400	\$0	\$147,400	\$147,400	\$0	\$147,400
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$11,246,049	\$3,763,638	\$7,482,411	\$1,350,201	\$92,869	\$1,257,332	\$2,251,376	\$681,533	\$1,569,842
j. Equipment	\$5,365,839	\$1,520,599	\$3,845,240	\$4,102,677	\$749,637	\$3,353,040	\$4,104,150	\$749,952	\$3,354,199
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$27,983,534	\$8,339,818	\$19,643,716	\$12,465,112	\$2,222,979	\$10,242,135	\$13,504,392	\$2,841,108	\$10,663,286
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$27,983,534	\$8,339,818	\$19,643,716	\$12,465,112	\$2,222,979	\$10,242,135	\$13,504,392	\$2,841,108	\$10,663,286

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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