

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS**

**General Information**

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT11BIX5570001	<b>3. DUNS Number</b>  964743988
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<b>4. Recipient Organization</b>  Eagle-Net Alliance 11800 Ridge Pkwy, Broomfield, CO 80021-6525
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<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  12-31-2011	<b>6. Is this the last Report of the Award Period?</b>  <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.

<b>7a. Typed or Printed Name and Title of Certifying Official</b>  John Bakken  Compliance and Reporting Manager	<b>7c. Telephone (area code, number and extension)</b>  720 210946
	<b>7d. Email Address</b>  john.bakken@co-eaglenet.net

<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  02-29-2012
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**Project Indicators (This Quarter)**

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

Accomplishments in the 4th Quarter included:

- Closing of RFI asking for statewide infrastructure and resources.
- Issuance of 6 major RFPs based on RFI responses.
- Completion of a new IRU agreement for 511 miles of dark fiber with the Zayo Group.
- First purchase and receipt of layer 2 - 3 equipment.
- First purchase and receipt of 100 miles of fiber.
- Identification of warehouse/lab space for equipment storage and testing; lease to be signed in January.
- Moved into our permanent office space.
- Continued to hire and reorganize staff according to staffing plan; five new positions were filled this quarter, including a Project Manager, a System Administrator, a Grants Analyst, a Communications Coordinator and an Order Processing Coordinator.
- Significant Community Outreach activities, including continuation of individual visits to CAIs across the state, continued partnerships with sister grants and other key programs in the state to cross-promote and support each others' efforts, collaborations with the State Office of Information Technology, the IT department of the Secretary of State, the Colorado Government Association for Information Technology and several other organizations, and the finalizing of a pilot program with the Rotary Club to enable them to assist local schools throughout the state with content flow through EAGLE-Net connectivity.

**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	27	The 27% complete is behind the baseline projection of 50% complete because of the delays encountered with the grant transfer and with the statewide Environmental Assessment process. However, significant steps in obtaining new IRUs and our first shipments of equipment and fiber have us ready to move forward with the actual network construction.
2b.	Environmental Assessment	100	The FONSI was obtained and this milestone is complete.
2c.	Network Design	100	Although the logical and network equipment design was completed this quarter, it will continue to be fine-tuned throughout the design/build process.
2d.	Rights of Way	92	The 92% complete is slightly behind the baseline projection of 95% as additional rights of way are under negotiation, but have not yet been finalized.
2e.	Construction Permits and Other Approvals	0	The 0% is behind our baseline projection of 35% complete because of the delays encountered with the grant transfer and achieving the FONSI. Permit spending has begun, but thus far at a very low dollar amount.
2f.	Site Preparation	0	With the physical design being finalized, no money has yet been spent on site preparation. This is behind our baseline projection of 55% complete because of the delays encountered with the grant transfer and in achieving the FONSI.
2g.	Equipment Procurement	24	While 24% is behind the baseline projection of 50% complete, our first order of Cisco layer 2 - 3 equipment was ordered and received and is currently being tested.
2h.	Network Build (all components - owned, leased, IRU, etc)	21	The baseline projection was 44% for this quarter, which includes all network build activities in addition to the cost of IRUs, Project Management, and other administrative costs for the project. Although no physical build was started, we did issue 6 major RFPs for statewide infrastructure and signed a major IRU for 511 miles. Overall, we are behind our baseline projections this quarter because of the delays encountered with the grant transfer and in achieving the FONSI.
2i.	Equipment Deployment	6	The 6% is behind our baseline projection of 47% complete because of the delays encountered with the grant transfer and achieving the FONSI.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
	2j. Network Testing	0	There have been no costs for network testing yet, which is behind the 40% baseline projection because of the delays encountered with the grant transfer and achieving the FONSI.
	2k. Other (please specify):	0	The largest projected expense for this category was the leasing of warehouse space for the staging and testing of equipment. This space was identified and negotiated, but the lease doesn't start until January (the next quarter). So, 0% was spent versus our 44% completion due to not needing the space until the equipment arrived.

**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).**

The last quarter was one of playing catch-up due to the delays in obtaining the grant transfer and the approval of our statewide Environmental Assessment and FONSI, which was finally obtained on August 3. The timing of issuing an RFI and then 6 corresponding RFPs for state infrastructure, and then integrating that knowledge into our design was time consuming during a period when we were trying to make up lost time. However, we did have quite a bit of success, and continue to move forward and closer to our projections.

**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	0	No new network miles have yet been deployed. This is behind our baseline projection of 973 miles because of the delays encountered with the grant transfer and in achieving the FONSI.
New network miles leased	923	The 923 new network miles leased (via capital IRU) is behind our baseline projection of 1,233 miles because of the delays encountered with the grant transfer and in achieving the FONSI. While one new IRU was signed this quarter, 4 RFPs have just closed and new IRUs will be awarded shortly.
Existing network miles upgraded	170	The 170 existing miles upgraded is ahead of of the baseline projection of 159 miles because the legacy network was upgraded at one time instead of in stages.
Existing network miles leased	0	n/a. Consistent with baseline report.
Number of miles of new fiber (aerial or underground)	0	This is behind our baseline target of 847 new fiber miles as construction has not yet started due to the delays encountered with the grant transfer and achieving the FONSI.
Number of new wireless links	0	This is behind our baseline target of 77 new wireless links because of delays encountered with the grant transfer and achieving the FONSI.
Number of new towers	0	This is behind our baseline target of 80 new towers because of the delays encountered with the grant transfer and achieving the FONSI.
Number of new and/or upgraded interconnection points	3	This is behind our baseline target of 92 new interconnection points because of the delays encountered with the grant transfer and achieving the FONSI.

**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	0

Indicators			
Number of agreements currently being negotiated with broadband wholesalers or last mile providers		0	
Average term of signed agreements (in quarters)		0	
<p><b>5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:</b> There are currently no agreements, which is behind our baseline target of six projected providers because of delays encountered with the grant transfer process and achieving the FONSI.</p>			
<p><b>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:</b> While we are not providing wholesale services yet, as part of the project we do intend to offer services including IP transport and add-drop capability at Peering Points and selected POIs to be used primarily for Internet service backhaul.</p>			
<p><b>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 this third party operates (600 words or less).</b> n/a. No third party is operating our network.</p>			
<p><b>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).</b></p>			
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	This is behind our baseline target of six projected providers because of delays encountered with the grant transfer process and achieving the FONSI.
	Providers with signed agreements receiving improved access	0	n/a. Consistent with baseline report.
	Providers with signed agreements receiving access to dark fiber	0	n/a. Consistent with baseline report.
	Please identify the speed tiers that are available and the number of subscribers for each	0	n/a.
Community Anchor Institutions (including Government institutions)	Total subscribers served	467	In our previous PPR we reported 539 CAIs, but that number has been adjusted to 467. The 539 CAIs originally reported included local government connections that we originally understood should be counted in this report. No new connections were made during this quarter. This number is behind our baseline projection of 656 CAIs due to the delays encountered by the grant transfer process and the resulting delays in achieving our FONSI.
	Subscribers receiving new access	206	In our previous PPR we reported 215 CAIs, but that number has been adjusted to 206 for the reason stated above. This is behind our baseline projection of 451 due to the delays encountered by the grant transfer process and the resulting delays in achieving our FONSI.
	Subscribers receiving improved access	261	In our previous PPR we reported 324 CAIs, but that number has been adjusted to 261 for the reason stated above. This is ahead of our baseline projection of 205 CAIs.
	Please identify the speed tiers that are available and the number or subscribers for each	1	The network is capable of providing 1 Gbps, multiple 1Gbps, and 10 Gbps connections based on the anchor institution requests.
Residential / Households	Entities passed	0	n/a. We are a BTOP project with no last mile component.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	<b>Total subscribers served</b>	0	n/a. We are a BTOP project with no last mile component.
	<b>Subscribers receiving new access</b>	0	n/a. We are a BTOP project with no last mile component.
	<b>Subscribers receiving improved access</b>	0	n/a. We are a BTOP project with no last mile component.
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	n/a. We are a BTOP project with no last mile component.
<b>Businesses</b>	<b>Entities passed</b>	0	n/a. We are a BTOP project with no last mile component.
	<b>Total subscribers served</b>	0	n/a. We are a BTOP project with no last mile component.
	<b>Subscribers receiving new access</b>	0	n/a. We are a BTOP project with no last mile component.
	<b>Subscribers receiving improved access</b>	0	n/a. We are a BTOP project with no last mile component.
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	n/a. We are a BTOP project with no last mile component.

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

We are not providing any special offerings at this time.

**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).**

Projected network accomplishments for the next quarter include:

- The completion of 3 new IRUs based on awarded RFPs totalling about 550 miles.
- A new RFP issued for infrastructure in the southeast quadrant of the state.
- New RFPs issued and awarded for builds on the western slope and the southern portion of the state.
- Awarding of the RFP contract for the build along I25 North.
- Ground breaking and the start of construction on the I25 corridor.
- Peering site deployments to begin.
- A second order for layer 2 - 3 equipment.
- Our focus will be on building out our peering sites, so don't anticipate connections to any new CAIs this quarter.
- Due to the previously described delays, we don't anticipate having any signed agreements with broadband wholesalers or last mile providers during this quarter.

Community Outreach activities for the next quarter will include:

- A newly designed and more user-friendly website.
- New communication and educational materials targeted to different segments of our CAIs; Education, Libraries, Government and Healthcare.
- Hiring of Regional Community Representatives for many outreach sessions in different regions of the state. This includes community planning with with regional authorities, economic development councils, Department of Local Affairs, etc.
- Coordinating efforts with other grants offering their services over our peering site connections.
- Increased communications via webinar and remote presentations across all CAI segments.

**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	33	Due to the delays caused by the grant transfer and the statewide Environmental Assessment process that resulted in the delay in receiving our FONSI, we are behind our baseline projection of 60% of our dollars spent. During the next quarter, the focus will be on finalizing the remaining IRUs and beginning construction to deploy the peering sites. Then, construction will begin on several routes in the state, with the majority of that activity falling into the second and third quarters of 2012.
2b.	Environmental Assessment	100	Our Environmental Assessment has been approved and this step is complete.
2c.	Network Design	100	Although there will be future fine-tuning of design activity as we move forward with the network build, this logical network and network equipment design is complete.
2d.	Rights of Way	92	This is the same as the current quarter, although discussions are in progress for additional rights of way. This will be behind our baseline projection of 97%.
2e.	Construction Permits and Other Approvals	27	The 27% projected completion will be behind the 48% baseline projection as the permitting activities will just start in earnest during this quarter. They will accelerate over the subsequent quarters.
2f.	Site Preparation	1	Site preparation costs are minimal during this quarter will just involve the initial peering sites. This is behind the baseline projection of 70%.
2g.	Equipment Procurement	24	Equipment Procurement is behind the baseline projection of 63% complete although more layer 2-3 equipment has been ordered this quarter. However, the equipment won't be received or invoiced until the beginning of the next quarter, so the spend remains flat through March 31. Please note that in the budget categories (last page of this report) layer 2-3 equipment is part of the Construction category.
2h.	Network Build (all components - owned, leased, IRU, etc.)	29	The Network Build baseline projection is 55% complete through this quarter. Obviously, build activities have been delayed due to the grant transfer process and the subsequent FONSI delays. During this quarter as RFPs are awarded and the final IRUs are negotiated, construction will begin and will ramp up to full activity over the next couple of quarters.
2i.	Equipment Deployment	14	As the first layer 2-3 equipment as been delivered, Equipment Deployment has begun, although well behind the 59% baseline projection.
2j.	Network Testing	0	No spend is anticipated here yet, which is behind the 51% projection. Please note that there was an error in this category in the last quarter, as spend projected here was actually for the Equipment Deployment category above.
2k.	Other (please specify):	11	The main cost for this category is for warehousing to store and stage equipment. A space will be leased this quarter and equipment verification will begin in this space. However, it is behind the 55% baseline projection for spend.

**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).**

It's well documented that there were delays that occurred because of the grant transfer process and the statewide Environmental Assessment approval, and these delays challenge our timing when looking at the original Baseline Report projections. However, we have completed our planning and scheduling to ensure that we achieve all Project milestones. Our challenge is to stay on target with that schedule, and by doing so, we will complete the build on schedule and on budget.

**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	\$252,000	\$0	\$252,000	\$116,302	\$0	\$116,302	\$141,302	\$0	\$141,302
b. Land, structures, right-of-ways, appraisals, etc.	\$24,832,866	\$11,912,238	\$12,920,628	\$8,918,958	\$8,918,958	\$0	\$8,918,958	\$8,918,958	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$16,755,059	\$4,687,000	\$12,068,059	\$6,788,073	\$0	\$6,788,073	\$8,062,073	\$0	\$8,062,073
e. Other architectural and engineering fees	\$232,848	\$0	\$232,848	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$93,228,004	\$18,066,349	\$75,161,655	\$20,325,643	\$1,025,000	\$19,300,643	\$26,961,543	\$1,025,000	\$25,936,543
j. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	\$135,300,777	\$34,665,587	\$100,635,190	\$36,148,976	\$9,943,958	\$26,205,018	\$44,083,876	\$9,943,958	\$34,139,918
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$135,300,777	\$34,665,587	\$100,635,190	\$36,148,976	\$9,943,958	\$26,205,018	\$44,083,876	\$9,943,958	\$34,139,918

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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