

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 NT10BIX5570032	3. DUNS Number 107957268
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4. Recipient Organization Lane Council of Government 859 Willamette ST STE 500, Eugene, OR 97401-3174

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	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 Milo Mecham Program Manager	7c. Telephone (area code, number and extension) 5416824023
	7d. Email Address mmecham@lcog.org

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-11-2011
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Project Indicators (This Quarter)

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

Worked on the environmental assessment, reached agreement among all parties concerning a Programmatic Agreement for archeological work. Submitted requests for approval of sole source construction contracts for a portion of total construction.

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	8	Because of the need for tribal compliance, resolution of the historical properties section of the environmental assessment took much longer than expected. That issue has been resolved. We are working to get back on schedule and hope to start construction very soon.
2b.	Environmental Assessment	90	In the course of doing the environmental assessment, some properties with the potential of cultural significance were identified. It took significantly longer than expected to get tribal concurrence on the proposed method of resolving the cultural questions. That tribal concurrence has finally been achieved. The environmental assessment is nearly completed. The final submissions were made in January.
2c.	Network Design	90	The design work is completed for most of the construction. Bid documents are being prepared so that construction can start soon after the environmental assessment is completed. Final design work will be accomplished with the successful bidders.
2d.	Rights of Way	10	Progress has been delayed by the need to finish the environmental work. Initial discussions have begun and it is anticipated that once cleared for construction, progress can be made quickly on this aspect of the project.
2e.	Construction Permits and Other Approvals	10	Applications for the permits have been started. This portion of the project will proceed more quickly when the environmental assessment is completed.
2f.	Site Preparation	0	This work cannot begin until the environmental assessment is completed.
2g.	Equipment Procurement	5	Some of the equipment specifications have been determined. The regulations governing equipment acquisition have been clarified so that procurement can move forward.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	The delay in resolving the ownership issue has caused delays in this aspect of the project. Now that issue is resolved, LCOG has begun the final acquisition steps, so that in the next quarter LCOG will be able to secure nearly all of the network elements.
2i.	Equipment Deployment	0	The baseline projections were too optimistic. Deployment will follow construction, which has been delayed until the environmental assessment is completed.
2j.	Network Testing	0	This is not out of schedule
2k.	Other (please specify):		NA

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 challenges discussed above reflect the problems faced this 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	0	The baseline projection was too optimistic. The resolution of the environmental assessment delayed the start of construction and thus delayed the deployment of new network miles. Constriction is anticipated to start this quarter and progress rapidly after that start.
New network miles leased	0	A lease for additional miles of network has been negotiated and will be completed in January.
Existing network miles upgraded	0	No deviation from expected progress
Existing network miles leased	0	No deviation from expected progress. The agreements have been negotiated and two will be signed in the next quarter for a lease of more than 350 miles of fiber.
Number of miles of new fiber (aerial or underground)	0	Construction will begin as soon as the environmental assessment is completed.
Number of new wireless links	0	NA
Number of new towers	0	NA
Number of new and/or upgraded interconnection points	0	Progress is continuing on this matter, the architects are nearly completed with the design and it is nearing the bidding phase.

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
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
Average term of signed agreements (in quarters)	0

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
None thus far. We have been delayed until the Environmental Assessment was completed and we were certain of the route. When the assessment is completed we expect to get back on track with this quickly.

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:

Maximum service levels are planned at the gigabit or the 100 megabit level. Services are planned to be offered at all levels. No pricing decisions have been made at this time.

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).

No designations have been made yet. It is planned to designate several third party contractors to operate portions of the network.

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	0	Delays in the environmental assessment approval have delayed this aspect of the project. When the exact character of the network has been determined by approval of the environmental assessment, agreements will be negotiated and signed.
	Providers with signed agreements receiving improved access	0	Delays in the environmental assessment approval have delayed this aspect of the project. When the exact character of the network has been determined by approval of the environmental assessment, agreements will be negotiated and signed.
	Providers with signed agreements receiving access to dark fiber	0	Delays in the environmental assessment approval have delayed this aspect of the project. When the exact character of the network has been determined by approval of the environmental assessment, agreements will be negotiated and signed.
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Delays in the environmental assessment approval have delayed this aspect of the project. When construction can begin after approval of the approval of the environmental assessment, LCOG will select providers, who will then be able to contact subscribers and initiate service agreements.
	Subscribers receiving new access	0	Delays in the environmental assessment approval have delayed this aspect of the project. When construction can begin after approval of the approval of the environmental assessment, LCOG will select providers, who will then be able to contact subscribers and initiate service agreements
	Subscribers receiving improved access	0	Delays in the environmental assessment approval have delayed this aspect of the project. When construction can begin after approval of the approval of the environmental assessment, LCOG will select providers, who will then be able to contact subscribers and initiate service agreements
	Please identify the speed tiers that are available and the number of subscribers for each	0	Delays in the environmental assessment approval have delayed this aspect of the project. When construction can begin after approval of the approval of the environmental assessment, LCOG will select providers, who will then be able to contact subscribers and initiate service agreements
Residential / Households	Entities passed	0	NA
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
Businesses	Entities passed	0	NA
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA

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	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA

7. Please describe any special offerings you may provide (600 words or less).
None planned.

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

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

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
None yet	NA	NA	NA	NA

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
This quarter (January-March 2011) we expect that the environmental assessment will be approved and completed. That will allow LCOG to publish solicitations for construction and initiate construction at several locations. LCOG will also follow through with the Programmatic Agreement reached as a part of the environmental assessment, and retain an archeologist to carry out field surveys and oversee construction at sensitive sites identified in the Programmatic Agreement.

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	15	Because the environmental assessment has taken longer than expected, construction has been delayed. We anticipate that we will be able to get back on track soon. We may be back on schedule within eight to twelve months.
2b.	Environmental Assessment	100	Completed
2c.	Network Design	100	Completed
2d.	Rights of Way	25	Because the environmental assessment has taken longer than expected, construction has been delayed.
2e.	Construction Permits and Other Approvals	20	Because the environmental assessment has taken longer than expected, construction has been delayed.
2f.	Site Preparation	20	Because the environmental assessment has taken longer than expected, construction has been delayed.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2g.	Equipment Procurement	10	Because the environmental assessment has taken longer than expected, construction has been delayed.
2h.	Network Build (all components - owned, leased, IRU, etc.)	75	Because the environmental assessment has taken longer than expected, construction has been delayed.
2i.	Equipment Deployment	0	Because the environmental assessment has taken longer than expected, construction has been delayed.
2j.	Network Testing	10	Because the environmental assessment has taken longer than expected, construction has been delayed.
2k.	Other (please specify):	0	NA

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).

LCOG has submitted several sole source justifications for construction of portions of the network. If these can be approved quickly, LCOG will be able to start construction as soon as the environmental assessment is approved. The justification for these sole source contracts is that, for the particular location where the process is proposed, there are no other equally qualified construction contractors, that a several of these proposed contracts are with other governmental entities, and that all of them will provide a significant cost savings to the project.

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	\$39,000	\$39,000	\$0	\$38,467	\$41,115	\$0	\$38,467	\$38,467	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$30,000	\$18,000	\$12,000	\$0	\$0	\$0	\$18,000	\$18,000	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$400,430	\$26,000	\$374,430	\$289,722	\$0	\$289,005	\$320,000	\$20,000	\$300,000
e. Other architectural and engineering fees	\$0	\$0	\$0	\$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	\$8,390,480	\$2,030,505	\$6,359,975	\$0	\$0	\$0	\$50,000	\$0	\$50,000
j. Equipment	\$1,538,655	\$0	\$1,538,678	\$0	\$0	\$0	\$100,000	\$0	\$100,000
k. Miscellaneous	\$40,470	\$0	\$40,070	\$4,627	\$884	\$3,743	\$5,400	\$884	\$4,516
l. SUBTOTAL (add a through k)	\$10,439,035	\$2,113,505	\$8,325,153	\$332,816	\$41,999	\$292,748	\$531,867	\$77,351	\$454,516
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$10,439,035	\$2,113,505	\$8,325,153	\$332,816	\$41,999	\$292,748	\$531,867	\$77,351	\$454,516

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