

RECIPIENT NAME:Charlotte, City of
AWARD NUMBER: NT10BIX5570088
DATE: 05/05/2011

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 12/31/2013

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 NT10BIX5570088	3. DUNS Number 071064166
4. Recipient Organization Charlotte, City of 600 East Fourth Street , Charlotte, NC 28202-2816		
5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2011	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 Nelson Baker Project Manager	7c. Telephone (area code, number and extension) 7043364435	
	7d. Email Address Nelson.Baker@MecklenburgCountyNC.gov	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-05-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 On January 31st 2011, the City of Charlotte canceled the evaluation of its initial wireless broadband RFP responses. In exchange, Charlotte focused on a reevaluation and restructure of its BTOP project. This was in part due to the discovery that the majority of Charlotte's grant match was not consistent with the Office of Management and Budget matching guidelines, and the current RFP afforded little if no opportunity to explore more flexible alternatives as it had solicited a specific solution to design, construct and manage the network
 On February 28th 2011, the City filed a request for a waiver with NTIA for any remaining cost match it could not meet during the grant performance period. NTIA responded on March 21st 2011 that the request was NOT in the best interest at this time but the City should pursue alternatives options.
 On March 3 2011, another quarter milestone was reached when Charlotte completed their Technical Consultant evaluation selection process and awarded a Technical Consultant Contract to RCC. With RCC's assistance the City of Charlotte explored different network design strategies, project scope and business plan solutions.
 On April 4th 2011, the City of Charlotte reissued a new LTE Broadband RFP soliciting broader and more flexible approach. The new RFP invites providers to propose multiple solutions to design construct and manage a 700 MHz public safety LTE broadband network while contributing to the project in a way aligned with NTIA's policies.
 The City of Charlotte did not meet one of its original project milestones for this quarter which was to complete the review of the new RFP Proposals. To lessen this delay, Charlotte had restructured the new RFP response format in a way which will aid in the evaluation process. Also, with the assistance of RCC and assistance of additional contracted legal help, Charlotte hopes to accelerate the RFP selection and contracting process.

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	1	Consistent with Baseline.
2b.	Environmental Assessment	90	Will leave at 90% since an E/A draft was submitted based on original plan. Will change once a solution is chosen and construction plans identified outside the original plans.
2c.	Network Design	0	No variance
2d.	Rights of Way	1	Up 1% - EA Draft + unplanned Contractor for Declaratory Judgement
2e.	Construction Permits and Other Approvals	0	No variance
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	0	No variance
2h.	Network Build (all components - owned, leased, IRU, etc)	0	No variance
2i.	Equipment Deployment	0	No variance
2j.	Network Testing	0	No variance
2k.	Other (please specify): Admin, Legal, Arch & Engineering Fees	24	Off by 1% due to re-structuring of Project. (In-Kind Staff +Travel)

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).
 Last quarter Charlotte reported challenges/issues with grant match, FCC issues with public safety definition and interoperability, LTE device cost, and business plan continuance. This quarter much effort was put towards mitigating these challenges:
 • Charlotte filed for a grant match waiver which was not accepted by the NTIA. This response allowed Charlotte to rule out specific preferred project approaches that were under considerations.
 • Charlotte took the lead in filing a Declaratory Judgment with the FCC regarding who could be a user on the network.
 • Charlotte also took the lead in establishing a 700BTOP Recipients group and document sharing website for interoperability coordination. Charlotte invited NTIA & PSST OAC Group to participate.
 • Charlotte plans to leverage devices acquired for DNC coming in Fall of 2012.

• Charlotte issued a new Broadband RFP to address project challenges mentioned above.

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	N/A
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	N/A
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	N/A

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	0
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:
 N/A

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:
 N/A

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).
 N/A

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)

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	N/A
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	N/A
	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	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number or subscribers for each	0	N/A
Residential / Households	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
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Businesses	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
	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).

N/A

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).
 Receive and Review new RFP Responses.
 Narrow vendor list to top 2 or 3.
 Request top vendor presentations.
 Provide a contracts for top vendors for their review and ask them to red-line any issues.
 Select Primary Vendor.

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	2	Due to new RFP Re-issue, overall project will not meet baseline expectations.
2b. Environmental Assessment	90	Due to new RFP issued E/A will not complete until solution/vendor is determined
2c. Network Design	0	No variance
2d. Rights of Way	2	EA Draft + New Tech. Contractor + Contractor for Contracting support
2e. Construction Permits and Other Approvals	0	No variance
2f. Site Preparation	0	N/A
2g. Equipment Procurement	0	Due to New RFP issued, no equipment will be purchased in this quarter.
2h. Network Build (all components - owned, leased, IRU, etc.)	0	No variance
2i. Equipment Deployment	0	No variance
2j. Network Testing	0	No variance
2k. Other (please specify): Admin, Legal, Arch/ Engr. Fee	33	No variance

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).

Charlotte anticipates a push back from vendors to allow more time to respond to Charlotte's RFP. While plans are in place to make selection process more efficient, vendors need for more response time may likely cause Charlotte to miss all three milestones for next quarter. This will essentially put Charlotte behind their baseline by one quarter.
 As Charlotte reviews the new RFP responses, it is very likely Charlotte will need to issue a new budget and baseline plan for NTIA approval.

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	\$37,291	\$37,291	\$0	\$26,240	\$26,240	\$0	\$32,240	\$32,240	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$4,077,000	\$4,077,000	\$0	\$14,523	\$14,523	\$0	\$84,523	\$84,523	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$275,662	\$275,662	\$0	\$82,037	\$82,037	\$0	\$117,037	\$117,037	\$0
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	\$286,500	\$0	\$286,500	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$1,176,000	\$0	\$1,176,000	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$15,239,990	\$0	\$15,239,990	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$21,092,443	\$4,389,953	\$16,702,490	\$122,800	\$122,800	\$0	\$233,800	\$233,800	\$0
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$21,092,443	\$4,389,953	\$16,702,490	\$122,800	\$122,800	\$0	\$233,800	\$233,800	\$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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