

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 NT10BIX5570016	3. DUNS Number 074747908
4. Recipient Organization Virginia Tech Foundation, Inc. 902 Prices Fork Road STE 400, Blacksburg, VA 24060-3260		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2012	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 Pat Rodgers	7c. Telephone (area code, number and extension) 5402311709	7d. Email Address prodgers@vt.edu
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-06-2013	
Empty space for additional information or comments		

Project Indicators (This Quarter)

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

All of the construction work has been completed on the original proposed route. Construction work began this quarter on the Prices Fork hut and the proposed IRUs from the Eastpark Node to the Cox POP in Roanoke, VA and to Virginia Tech's Carilion School of Medicine authorized under the route modification plan.

The engineering was completed for the Prices Fork hut and the permits from the Town of Blacksburg and VDOT were submitted and approved during the quarter.

Installation continues on the Infinera ring equipment, but can't be completed until the last node is in place.

An Extension Request for this grant was submitted on December 21, 2012 to request extension of the construction complete date from February 1, 2013 to June 30, 2013. This extension will compensate in part for the time lost due to bad weather and delays in getting approval of the Environmental Assessment and a permit from the National Park Service.

We spent \$519,313.69 on the project during the quarter, bringing the total spent to \$6,494,887.39 (93.79%). No additional fiber cable was placed this quarter. The total cable placed to date remains at 105 miles or 100% of the original route. There were no CAI's on the original project, but the route extension will add one CAI to be served on this project. Two new contracts for circuits have been signed this quarter, bringing the total to four for the project YTD. Montgomery County had the most project activity this month.

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	94	Submitted a no-cost project extension on 12-21-2012 to extend the project completion date to 6-30-2013.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	100	Complete
2e.	Construction Permits and Other Approvals	100	Complete
2f.	Site Preparation	80	Original build 100%, work to start January 2013 on Prices Fork. Four (4) of five (5) sites completed. Percent Complete decreased from last quarter as a result of the approved route modification and associated revised budget. A node was added and additional funding was reallocated to Site Preparation budget.
2g.	Equipment Procurement	100	Complete
2h.	Network Build (all components - owned, leased, IRU, etc)	96	Extension requested to complete route modification. Submitted no-cost project extension on 12-21-2012 to extend the project completion end-date to 6-30-2013
2i.	Equipment Deployment	95	Awaiting completion of node to complete equipment installation
2j.	Network Testing	96	Awaiting completion of equipment installation. Percent Complete decreased from last quarter as a result of the approved route modification and associated revised budget. Additional equipment (for the new node) was added to the scope of work. Once this equipment is deployed, it needs to be tested.
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).

- * Commence construction (site work and fiber construction) work on route modification to be finished by grant extension deadline
- * Finalization of the two IRUs with Cox
- * Completion of Prices Fork site plan and its approval

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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	105	Original design complete. Route modification will add 0.8% of the original number of miles
New network miles leased	15	IRU completed from Cox Communications
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	105	Complete
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	4	Three (3) new interconnection points built. One (1) new colocation with Pemtel built.

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	4
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
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:
 Pemtel (1)
 Lumos (3)

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:
 MBC provides optical transport services, using both SONET/TDM, Wavelength, and Ethernet Connections. Ethernet circuits are provisioned as Ethernet over SONET, and each circuit has dedicated STSs for transport delivery. Standard contract terms are 24 months.
 MBC provides secured, carrier-class collocation space (in 1/4 rack increments or 12 rack units) for members. Because grant funds are being used in the construction of the MBC backbone network, dark fiber IRUs are no longer offered. Fiber lease arrangements are considered on a case-by-case basis. (Member pays annual fee for use of the dark fiber strands.) Five year minimum lease term.

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).
 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)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	4	Pemtel, Lumos
	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	4	10 mbps - 100 mbps - Open Access
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 of subscribers for each	0	10 mbps - 100 mbps - Open Access
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	10 mbps - 100 mbps - Open Access
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	10 mbps - 100 mbps - Open Access

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).
 * To receive approval of the project extension request in January, 2013
 * Complete construction of the approved route modification work before March 30, 2013
 * Complete the equipment installation in the nodes

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	98	Project extended to 6/30/13 as projected completion date
2b. Environmental Assessment	100	Complete
2c. Network Design	100	Complete
2d. Rights of Way	100	Complete
2e. Construction Permits and Other Approvals	100	Complete
2f. Site Preparation	100	Complete
2g. Equipment Procurement	100	Complete
2h. Network Build (all components - owned, leased, IRU, etc.)	100	Complete
2i. Equipment Deployment	98	Equipment deployment awaiting completion of new node
2j. Network Testing	98	Testing awaiting completion equipment installation
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).
 * To complete all construction and cutover work on the route modification to be finished before March 30, 2013
 * Be in a position to complete the Infinera ring installation so grant can be closed by June 30, 2013.

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	\$232,913	\$24,418	\$208,495	\$231,809	\$23,510	\$208,299	\$232,256	\$23,957	\$208,299
b. Land, structures, right-of-ways, appraisals, etc.	\$839,327	\$134,190	\$705,137	\$679,487	\$130,217	\$549,270	\$699,487	\$130,217	\$569,270
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$600,452	\$118,945	\$481,507	\$597,800	\$118,878	\$478,922	\$599,487	\$120,556	\$478,931
e. Other architectural and engineering fees	\$80,000	\$15,536	\$64,464	\$75,544	\$15,282	\$60,262	\$79,535	\$15,282	\$64,253
f. Project inspection fees	\$92,132	\$1,186	\$90,946	\$91,014	\$971	\$90,043	\$92,014	\$971	\$90,946
g. Site work	\$178,924	\$93,174	\$85,750	\$104,558	\$25,844	\$78,714	\$169,558	\$90,844	\$78,714
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$3,815,772	\$405,788	\$3,409,984	\$3,650,494	\$402,732	\$3,247,762	\$3,808,494	\$402,732	\$3,405,762
j. Equipment	\$1,059,170	\$565,453	\$493,717	\$1,037,871	\$544,254	\$493,617	\$1,057,871	\$564,254	\$493,617
k. Miscellaneous	\$26,310	\$26,310	\$0	\$26,310	\$26,310	\$0	\$26,310	\$26,310	\$0
l. SUBTOTAL (add a through k)	\$6,925,000	\$1,385,000	\$5,540,000	\$6,494,887	\$1,287,998	\$5,206,889	\$6,765,012	\$1,375,123	\$5,389,792
m. Contingencies									
n. TOTALS (sum of l and m)	\$6,925,000	\$1,385,000	\$5,540,000	\$6,494,887	\$1,287,998	\$5,206,889	\$6,765,012	\$1,375,123	\$5,389,792

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: \$61,852
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