

RECIPIENT NAME:Nelson, County of

AWARD NUMBER: NT10BIX5570049

DATE: 05/16/2012

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 NT10BIX5570049	3. DUNS Number 052551322
4. Recipient Organization Nelson, County of 84 Court House Square, Lovingson, VA 22949-0000		
5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2012	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 Stephen A Carter County Administrator	7c. Telephone (area code, number and extension) 4342637000	
	7d. Email Address scarter@nelsoncounty.org	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-16-2012	

Project Indicators (This Quarter)

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

The county continued to review potential tower sites in Massie's Mill but concentrated on moving forward with pre-construction planning at the Avon and Afton tower sites. Leases and permitting were completed on those towers, geotechnical engineering completed and an RFP developed for tower construction that will be released in the following quarter as will an RFP for construction of one access road. Construction of the fiber network continued with installation of approximately 13 miles of conduit primarily along Rt. 29 from Colleen to Lovingston. A RFP for electronics was issued and eight proposals received and reviewed; product demonstrations were scheduled in the following quarter to aid the county in selecting the electronics vendor. Discussions with providers continued this quarter to determine optimum network interconnection points, last mile options to connect additional end users, and network operation alternatives. All of the remaining outside plant materials were ordered. Davis Bacon Act review activities were conducted to confirm compliance. The Nelson County Broadband Authority and the working subcommittee continued to meet regularly to oversee the project implementation and make business development decisions.

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	49	Overall project completion variance is due to a network redesign to avoid high make ready costs that delayed the project start. Construction did not start in earnest until December and experienced numerous delays due to weather and department of transportation restrictions on work around holiday periods. Construction has since progressed at a steady pace. The overall project progress will continue to lag baseline expectations as measured by expenditures due to a hold back payment contract with the construction company.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	100	No variance
2d.	Rights of Way	100	No variance
2e.	Construction Permits and Other Approvals	100	No variance
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	60	Variance due to a delayed construction start and outside plant materials orders placed on pace with construction to ensure efficient use of materials. The remainder of the outside plant materials have been ordered, most received but expenditures will not be made until next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc)	25	Delayed construction start by approximately 6 months. The fiber network was well underway this quarter and completed approximately 45% of the conduit installation. Tower construction will occur in the third and fourth quarters of 2012.
2i.	Equipment Deployment	0	Delayed construction start by approximately 6 months. Network operating and end user equipment will not be deployed until the fiber construction is complete. Deployment of equipment anticipated to start in quarter 2 of 2012.
2j.	Network Testing	0	Delayed construction start by approximately 6 months. Testing anticipated to begin in Quarter 2 of 2012.
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).

Construction of the fiber network has been slowed due to significant periods of rain in the first quarter. The Virginia Department of Transportation initially imposed numerous restrictions on working hours, but has since agreed to longer work times that will enable the contractor to be more efficient. The contractor is working several crews to make up delays due to weather. The County has continued to experience frustration in locating a suitable tower site in the Massie's Mill area; sites offered by citizens have not met the line of sight

service requirements. Instead, the County has identified suitable properties and is now initiating discussions with property owners to find a willing lessee. The project continues to move forward in deployment at a steady pace.

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	Construction start delayed by approximately 6 months. Approximately 13 miles of conduit was installed in this quarter, but fiber will not be pulled until the following quarter.
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	Construction start delayed by approximately 6 months. Approximately 13 miles of conduit was installed in this quarter, but fiber will not be pulled until the following quarter.
Number of new wireless links	0	Variance due to delay in finalizing a Massie's Mill tower site. The Colleen tower is in place but no equipment will be deployed until both towers are ready.
Number of new towers	0	Variance due to delays in environmental assessment clearance followed by local permitting. Two of the towers to be constructed have all approvals in place. Requests for proposals for road grading and tower construction to be released in Quarter 2.
Number of new and/or upgraded interconnection points	0	Construction start delayed by approximately 6 months, now in progress but conduit only at this time. No fiber circuits completed between interconnection points.

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	1
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:
No agreements signed as of this time, but quotes received this quarter. Negotiations and discussions ongoing with one wholesale provider who will also provide services to end users.

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:

The network is under construction and no services are being provided 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).

A network operator has not been selected at this time, though discussions are ensuing with qualified candidates.

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	Variance due to network construction lagging projections by approximately 6 months. Access not possible until network segments are completed and connected to the network operating center where providers will collocate equipment.
	Providers with signed agreements receiving improved access	0	Variance due to network construction lagging projections by approximately 6 months. Access not possible until network segments are completed and connected to the network operating center where providers will collocate equipment.
	Providers with signed agreements receiving access to dark fiber	0	No variance, not included in baseline projections.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Variance due to network construction lagging projections by approximately 6 months. Access not possible until network segments are completed and connected to the network operating center where providers will collocate equipment.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Variance due to network construction lagging projections by approximately 6 months. No subscribers will be served until all fiber segments and testing is complete. Anticipate last mile service equipment to begin deployment in quarter 2.
	Subscribers receiving new access	0	Variance due to network construction lagging projections by approximately 6 months. No subscribers will be served until all fiber segments and testing is complete. Anticipate last mile service equipment to begin deployment in quarter 2.
	Subscribers receiving improved access	0	Variance due to network construction lagging projections by approximately 6 months. No subscribers will be served until all fiber segments and testing is complete. Anticipate last mile service equipment to begin deployment in quarter 2.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Variance due to network construction lagging projections by approximately 6 months. No subscribers will be served until all fiber segments and testing is complete. Anticipate last mile service equipment to begin deployment in quarter 2.
Residential / Households	Entities passed	0	Variance due to network construction lagging projections by approximately 6 months. Approximately 13 miles of conduit has been deployed but fiber not yet pulled.
	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	Network not completed, services to be offered by last mile providers not the county.
Businesses	Entities passed	0	Variance due to network construction lagging projections by approximately 6 months. Approximately 13 miles of conduit has been deployed but fiber not yet pulled.
	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	Network not completed, services to be offered by last mile providers not the county.
7. Please describe any special offerings you may provide (600 words or less). The project intends to provide high speed middle mile access to private providers at speeds of up to 1 Gbps and access to community			

anchor institutions at broadband speeds desired.

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

8b. If so, please describe the changes (300 words or less).
No change.

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	Network under construction, no community anchor institutions are capable of receiving services at this time.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
Construction of the network is expected to be 85% complete and testing in progress. Deployment of network equipment will be in progress and testing with service providers commenced. An additional 13 miles of network construction is anticipated to have been completed for a total of 26 miles, including last mile drop fiber connections. At least 9 community anchor institutions will be ready to receive services but installation of electronics in the network operating center and testing will be in progress with service to start in the 3rd quarter. A construction firm will have been selected for the Avon and Afton towers and pre- construction work in progress. A tower site in Massie's Mill will have been selected and negotiations in progress with the property owner to be followed by the Section 106 review through FCC application. A signed agreement with one wholesale Internet provider and one service provider will have been completed and collocation in progress to coincide with testing.

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	66	Expect fiber construction to be 85% complete with testing and equipment deployment in progress. Tower construction firm will have been chosen for Avon and Afton towers with pre-construction tasks prior to tower erection in progress.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	100	No Variance
2d.	Rights of Way	100	No Variance
2e.	Construction Permits and Other Approvals	100	No Variance
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	90	Expect the majority of electronics to have been ordered with installation in progress. Miscellaneous server equipment and last minute orders will be pending.
2h.	Network Build (all components - owned, leased, IRU, etc.)	65	Construction of the fiber network will be 85% complete with an additional 13 miles constructed by the end of the quarter. Two towers will be nearing construction and planning for construction of the third tower will be underway.
2i.	Equipment Deployment	65	Expect to have begun deployment of equipment cabinets and interconnection facilities as fiber circuits are complete.
2j.	Network Testing	65	Testing will begin following construction and turn up of all interconnection points and network operating center equipment. Private provider collocated at network operating center will be testing connection.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
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).

Construction is well along and although not on the originally envisioned schedule due to weather and department of transportation delays is still expected to be completed during the optimum construction period and completed well before summer's end. Impediments to construction of the towers at Avon and Afton are not anticipated but at this time tower material availability is unknown and could be impacted by the tower construction across the nation. There are no anticipated delays in the receipt of electronics equipment but will not be known for sure until procurement has been completed. There are no known issues where BTOP technical assistance is needed at this time.

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	\$241,880	\$48,376	\$193,504	\$241,386	\$48,277	\$193,109	\$241,386	\$48,277	\$193,109
b. Land, structures, right-of-ways, appraisals, etc.	\$234,020	\$46,804	\$187,216	\$4,850	\$970	\$3,880	\$24,850	\$4,970	\$19,880
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$315,870	\$63,174	\$252,696	\$315,869	\$63,174	\$252,695	\$315,869	\$63,174	\$252,695
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$42,250	\$8,450	\$33,800	\$26,437	\$5,287	\$21,150	\$27,463	\$3,493	\$23,970
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	\$830,304	\$166,061	\$664,243	\$153,428	\$30,686	\$122,742	\$498,182	\$99,636	\$398,546
j. Equipment	\$618,984	\$123,797	\$495,187	\$375,044	\$75,009	\$300,035	\$402,340	\$80,468	\$321,872
k. Miscellaneous	\$0	\$0	\$0						
l. SUBTOTAL (add a through k)	\$2,283,308	\$456,662	\$1,826,646	\$1,117,014	\$223,403	\$893,611	\$1,510,090	\$300,018	\$1,210,072
m. Contingencies									
n. TOTALS (sum of l and m)	\$2,283,308	\$456,662	\$1,826,646	\$1,117,014	\$223,403	\$893,611	\$1,510,090	\$300,018	\$1,210,072

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