

RECIPIENT NAME:Charlotte, City of
AWARD NUMBER: NT10BIX5570088
DATE: 08/04/2011

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) 06-30-2011	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): 08-04-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Since the City of Charlotte's original project funding match was found not compliant with the Broadband Technology Opportunity (BTOP) grant match requirements, Charlotte decided to redesigned and reissued a new and more open-ended Request for Proposal (RFP) which also asked bidders to assist in meeting Charlotte's grant match requirement. This new RFP was publicly re-issued on April 4th, 2011.

The City also hired a legal consultant to assist in drafting a proposed broadband vendor contract and contract negotiations with hopes to streamline the evaluation and negotiation process. A proposed contract accompanied the BTOP RFP as an addendum and respondents were required to submit their proposed changes to the contract with their RFP responses.

The City held a pre-proposal conference on April 20th and addressed questions and answers for prospective bidders throughout the proposal submission time frame. Charlotte received several requests to allow bidders more time to respond to the new proposal. Charlotte granted an additional month for bidders to respond to the RFP changing the deadline for submissions to June 6th, 2011 at which time Charlotte began the proposal evaluation process. On June 30th the evaluation team met and began the short list 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	Not 6% because Charlotte took a step back and reissued a new RFP.
2b.	Environmental Assessment	90	Not 100%. Set at 90% since an E/A draft was submitted based on original plans that most likely will change once a solution is chosen and final design/construction plans identified.
2c.	Network Design	0	No Variance
2d.	Rights of Way	1	Not 0% because started payments for Technical Consultant to assist in RFP & Planning efforts not originally planned.
2e.	Construction Permits and Other Approvals	0	No Variance
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	0	Not 5% because Charlotte took a step back and reissued a new RFP.
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. Fees	57	Not 33%. due to additional staff time to re-issue a new RFP.

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).

Because the City of Charlotte needed to reissue a new Request for Proposal (RFP) and extend the proposal submission time line by an additional month, Charlotte was not able to meet their three original baseline milestones for this quarter.(Award Contract, Project Kickoff, & System Design studies)

Charlotte's current plan is to accomplish two of these milestones (Award Contract, & Project Kickoff) by the end of next quarter. Charlotte is hopeful that the extra diligence put forth in the redesign of a project solution with the awarded vendor will aid in getting the project back on track by year end. Charlotte plans to work closely with their BTOP Program Officer to help validate that new proposals will properly address Charlotte's match issues.

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 Variance
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	No Variance
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	No Variance

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)
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

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	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	No Variance
	Subscribers receiving new access	0	No Variance
	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 operational at this time.
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

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).
 Pending NTIA's approval of a significant project change that includes a new deployment strategy, and an overhaul in Charlotte's original BTOP project budget, Charlotte's goal would be to have a primary LTE vendor selected and contract negotiated by end of next quarter.

Charlotte is hopeful that a new approved project strategy will allow for a more compressed and streamline implementation schedule by focusing on a solution that will minimize risks that may result in additional project delays. Charlotte's goal with this new approved project strategy and budget framework is to provide the ability to be back on tract with the original baseline plan by end of 2nd quarter year 2. This would include completing any necessary environmental assessment efforts, finalizing a network design and begin the manufacturing of network equipment for deployment.

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	1	Not 20% due to restructuring of project and reissued a new RFP.
2b.	Environmental Assessment	90	Not 100% complete until vendor and solution is selected and design approve.
2c.	Network Design	0	Not 100% due to restructuring of project and reissued a new RFP.
2d.	Rights of Way	1	Not 0% because invested in Technical Consultant services to assist in project restructuring.
2e.	Construction Permits and Other Approvals	0	No Variance
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	0	Not 5% until vendor & solution is selected and approved.
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	85	Not 41% because additional staff time will be spent completing procurement process for a BTOP Vendor.

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's three main project challenges are funding match, network sub stainability, and the grant project time line. Charlotte anticipates that a vendor solution can be identified to resolve Charlotte's match challenge. Charlotte also anticipates working with the selected vendor to identify a fast track project approach/solution that will ultimately achieve the performance requirements of the grant. Charlotte however is still very concerned about investing in a network in which the ability to sustain the network is doubtful due to the use restriction in the FCC license for the spectrum. Until the use and user question is resolved, either by the FCC or through additional legislation, the implementation of the grant is an open question. Charlotte does plan to engage the BTOP program assistance in each of these three areas in this next quarter.

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	\$60,772	\$60,772	\$0	\$98,738	\$98,738	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$4,077,000	\$4,077,000	\$0	\$27,111	\$27,111	\$0	\$94,229	\$94,229	\$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	\$117,796	\$117,796	\$0	\$167,796	\$167,796	\$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			
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	\$205,679	\$205,679	\$0	\$360,763	\$360,763	\$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	\$205,679	\$205,679	\$0	\$360,763	\$360,763	\$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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