

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 NT10BIX5570098	3. DUNS Number 831438424
4. Recipient Organization California Broadband Cooperative, Inc. 1101 Nimitz Ave, Vallejo, CA 94592-1014		
5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2014	6. Is this the last Report of the Award Period? <div style="text-align: center;"> <input type="radio"/> Yes <input checked="" type="radio"/> No </div>	
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 Robert Volker	7c. Telephone (area code, number and extension) X	7d. Email Address Rvolker@digital395.com
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-16-2014	

Project Indicators (This Quarter)

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

Digital 395 Project Accomplishments – 1/1/14 to 3/31/14

Construction:

- Placed an additional 4 miles of backbone/distribution conduit for a total of 548 miles. This is a combination of Praxis placed conduit (520 miles) and Zayo placed conduit (28 miles)
- Placed an additional 50 miles of backbone/distribution fiber cable for a total of 612 miles.
- Cable placing and splicing completed for the Benton Community, remaining Ridgecrest anchors, USMC (Pickles Meadows), Mammoth Lakes anchors, Walker distribution cable repair, Little Lakes and Coso Junction carrier towers. Might want to reword since we are holding back on some anchors and POI's we report
- Completed 11 CAIs (193 Total) & 4 POIs (48 Total). Waiting for AAR approval before finalizing remaining anchors and point of interconnection.
- Ericsson firmware timing issue affecting CBC service order provisioning work still un-resolved and has been escalated to Ericsson upper level management personnel for resolution.

Right of Way:

- Began closing out agency project construction permits with Federal, State and County agencies:
 - o Inyo and Humbolt Toiyabe National Forest Service work in progress.
 - o Bureau of Land Management long term agreement being secured.
 - o All permits for Nevada Department of Transportation and California Transportation District 8 are closed out
 - o Working with California Transportation District 9 to close out project permits.

Environmental

- Commenced work needed to close out the 2081, 404 and 401 Permits.
- Significant work required on the 2081 Incidental Take Permit Mitigation Reduction requiring land acquisition, habitat restoration work, etc.

Administrative:

- All back bone and distribution conduit and cable as-builts completed, updated and/or edited required for project close out work.
- Continued to scale down administrative staff and field personnel

Logistics:

- Began process to re-allocate equipment along project route.
- Planned work to liquidate un-needed equipment still pending AAR approval by the NTIA

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	100	We have expended 106% of our overall budget as a result of excessive environmental and permitting costs. The overrun to the original budget was augmented with a \$9.9MM award by Resolution T-17408, by the California Public Utilities Commission and administered by the California Advanced Services Fund. The additional funds were intended to recover part of the excess costs incurred by state and federal environmental permits and requirements. The funding was allocated by specific distribution components of the project, such as the June Lake, the Benton Paiute and Bridgeport Tribal connections, and the tie-in of the US Marine Corps Mountain Warfare Training Center, as well as outstanding environmental fees. Presently we anticipate that \$2.2MM will not be used as a result of negotiations with State permitting agencies.
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	100	No Variance

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2g.	Equipment Procurement	100	No Variance
2h.	Network Build (all components - owned, leased, IRU, etc)	100	No Variance
2i.	Equipment Deployment	100	No Variance
2j.	Network Testing	100	No Variance
2k.	Other (please specify):	0	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).
Nothing to report.

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	612	Ahead 29 miles from the target of 583
New network miles leased	0	NA
Existing network miles upgraded	0	NA
Existing network miles leased	0	Variance of 30 miles. We will not be leasing the 30 miles of fiber. The fiber is owned by California Broadband and placed in leased Zayo conduit.
Number of miles of new fiber (aerial or underground)	612	Ahead 29 miles from the target of 583
Number of new wireless links	0	NA
Number of new towers	0	No towers constructed on project. While in the base plan, the towers were removed due to Environmental Assessment requirements.
Number of new and/or upgraded interconnection points	48	Variance of 20 due to final end service point connections being complete. Waiting for AAR Approval for remaining connection 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	9
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	11
Average term of signed agreements (in quarters)	80

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
ZAYO Group, LLC. - Purchased wholesale middle mile dark fiber between Reno and Barstow.
Suddenlink - Signed agreement for dark fiber
Level 3 - Signed Interconnection Agreement for collocation and peering for Barstow and Reno
AT&T Nevada - Signed interconnection agreement for NV

Verizon California - Signed interconnection agreement for California
 Plumas Sierra - Signed internet and collocation agreement
 Lone Pine TV - Internet Access
 SchatNet - Internet Access and Transport
 RACE Telecom - Signed agreement for dark fiber

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:
 We have signed an agreement with Plumas Sierra, Lone Pine TV and SchatNet (See Attached)

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).
 Inyo Networks is presently designated as the vendor who will operate entire network its upon completion. This party will serve as a contractor when operating the network.
 Michael Ort - Chief Executive Officer
 1101 Nimitz Avenue
 Vallejo, CA 94592-1014
 Phone (510) 599-4062

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	6	Ahead by 4 - Installation of our backbone has created more competition in the region
	Providers with signed agreements receiving improved access	0	Variance of 2 - Still in negotiation with last mile providers to improve access
	Providers with signed agreements receiving access to dark fiber	3	Ahead by 1 - Installation of our backbone has created more competition in the region
	Please identify the speed tiers that are available and the number of subscribers for each	2	3 subscribers at 50MB 1 subscriber at 1GB, 1 subscriber at 500MB and 1 subscriber at 2GB
Community Anchor Institutions (including Government institutions)	Total subscribers served	193	Variance of 44 - Waiting for AAR Approval for remaining connection points
	Subscribers receiving new access	193	Variance of 44 - Waiting for AAR Approval for remaining connection points
	Subscribers receiving improved access	0	No Variance
	Please identify the speed tiers that are available and the number or subscribers for each	1	3 subscribers at 5MB, 3 subscribers at 10MB, 1 subscriber at 20MB, 2 subscribers at 30MB, 12 subscribers at 50MB, 4 subscribers at 100MB, 1 subscriber at 500MB and subscriber at 1 GB for a total of 27 subscribers
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

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Businesses	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

7. Please describe any special offerings you may provide (600 words or less).

Active Ethernet, dark fiber, 10Gbps and wavelength.

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
SEE ATTACHED	SEE ATTACHED	SEE ATTACHED	SEE ATTACHED	SEE ATTACHED

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).

Work planned for the next quarter will include the completion of the remaining service provisioning held up by the Ericsson firmware problem, closure of all project agency permits, scheduling and/or planning of the required 2081 mitigation work and project close out work required by the NTIA. We will add 0 miles of conduit and cable and connect 58 anchors for a total of 251. We will sign 1 broadband wholesaler/last mile provider 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	100	No Variance
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

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2f.	Site Preparation	100	No Variance
2g.	Equipment Procurement	100	No Variance
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	No Variance
2i.	Equipment Deployment	100	No Variance
2j.	Network Testing	100	No Variance
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).

Nothing to report or anticipated.

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	\$15,109,345	\$3,021,870	\$12,087,475	\$13,144,588	\$2,849,695	\$10,294,893	\$13,268,790	\$2,973,897	\$10,294,893
b. Land, structures, right-of-ways, appraisals, etc.	\$2,285,826	\$457,166	\$1,828,660	\$2,161,496	\$597,237	\$1,564,259	\$2,161,496	\$597,237	\$1,564,259
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$3,006,194	\$601,239	\$2,404,955	\$4,595,886	\$459,013	\$4,136,873	\$4,609,386	\$472,513	\$4,136,873
e. Other architectural and engineering fees	\$2,906,663	\$581,333	\$2,325,330	\$9,144,240	\$1,824,253	\$7,319,987	\$9,240,518	\$1,920,531	\$7,319,987
f. Project inspection fees	\$164,635	\$32,927	\$131,708	\$1,051,677	\$352,056	\$699,621	\$1,051,677	\$352,056	\$699,621
g. Site work	\$314,813	\$62,963	\$251,850	\$1,414,822	\$275,318	\$1,139,504	\$1,414,822	\$275,318	\$1,139,504
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$69,013,409	\$13,802,688	\$55,210,721	\$68,005,145	\$18,075,546	\$49,929,599	\$68,106,849	\$18,177,250	\$49,929,599
j. Equipment	\$8,573,312	\$1,714,663	\$6,858,649	\$7,983,442	\$1,941,307	\$6,042,135	\$8,000,063	\$1,957,928	\$6,042,135
k. Miscellaneous	\$61,800	\$12,360	\$49,440	\$111,112	\$89,195	\$21,917	\$111,112	\$89,195	\$21,917
l. SUBTOTAL (add a through k)	\$101,435,997	\$20,287,209	\$81,148,788	\$107,612,408	\$26,463,620	\$81,148,788	\$107,964,713	\$26,815,925	\$81,148,788
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$101,435,997	\$20,287,209	\$81,148,788	\$107,612,408	\$26,463,620	\$81,148,788	\$107,964,713	\$26,815,925	\$81,148,788

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: \$382,532
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