

RECIPIENT NAME:Carver, County of

AWARD NUMBER: NT10BIX5570109

DATE: 11/07/2011

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 NT10BIX5570109	3. DUNS Number 003265407
4. Recipient Organization Carver, County of 604 E 4th St, Chaska, MN 55318-2102		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2011	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 Mary Kaye Schiller	7c. Telephone (area code, number and extension) X	
	7d. Email Address mschiller@co.carver.mn.us	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-07-2011	

Project Indicators (This Quarter)

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

We completed the key contracts and agreements needed that allowed us to begin construction of the project. The first contract in place was our construction contract with MP Nexlevel, our chosen construction vendor. Signing this contract allowed MP Nexlevel to begin staging materials and lining up human resources and also allowed us to work together to establish a construction kick off and the following construction scheduling. The second agreement was our purchase agreement with Power and Telephone, our chosen supplier for fiber optic cable and conduit. This agreement locked in our order at the factory for the high demand fiber optic cable and allowed us to begin receiving shipments of the dual duct conduit that the fiber will be installed within. Finally, we completed the mutually dependent contract for construction management services and associated project pre-engineering with Jaguar Communications along with the Indefeasible Right to Use (IRU), which establishes Jaguar Communications as our planned on initial private side anchor service provider in the project. To be vigilant regarding any potential environmental impacts, there were four specific locations on the project route where we updated our installation path. In making these changes we had to re-submit them to the Minnesota Historical Society State Historic Preservation Office (SHPO) and the US Fish and Wildlife Service for review. We then had to complete Environmental Assessment Addendums and submit to NTIA for final approval, which we did back in June. We received approval of these submitted changes in July, which allowed us the ability to proceed with project planning for all areas of the fiber route. An official construction kick off was held on August 16, 2011 at the Carver County Public Works Headquarters located in Cologne, MN. At the kick off we were honored to have both US Senators for the State of Minnesota, senior US Senator Amy Klobuchar and junior US Senator Al Franken, along with the Carver County Board Chairman, Randy Maluchnik, all of whom presented and then spent time with attendees. The event was well attended and the weather cooperated, allowing representatives from the Carver County Fiber Project Team, MP Nexlevel, Power and Telephone and Jaguar Communications to answer attendee questions. Attendees were also able to view actual fiber splicing and fiber construction equipment which was on display. After the project kick off, full scale construction began. The County is utilizing MP Nexlevel's multiple crews that complete the various tasks of fiber construction, from directional boring and plowing to restoration. At any given time citizens may see up to five different crews performing work along the identified construction route and as of September 30th we have completed approximately 40 miles of conduit construction. Based on the extremely high demand for fiber optic cable we revised how we will be constructing the fiber ring. Previously we were going to install two 1.25" pvc conduits in the ground and install the fiber optic cable along the way. With the high demand for fiber, the County's order for the over 500,000 feet of fiber optic cable for our approximately 89 mile base fiber ring is tentatively scheduled to begin shipping in December of this year. Since fiber isn't currently available, we have adjusted our construction plan and are instead installing the two pvc conduits in the ground and once fiber is received, we will come back and blow the fiber into the conduit. With this adjustment in how we are constructing, we will still meet our overall construction schedule and budget, but we will be completing different project phases at different times than was originally planned.

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	19	Our overall project expenditures for this quarter are 19%, which is less than our originally budgeted 37%. This lower expenditure was created by two factors, the first being that we are now accounting for the project on a cash basis, so there is an approximate \$550,000 construction invoice for September that will be accounted for in the next quarter. Second, with the delay in our fiber shipments, we will not expend the funds until next quarter for this approximately \$750,000 expense. Combined these amounts if added to this quarters expenditures, would have put us at approximately 36%.
2b.	Environmental Assessment	100	No variance from baseline
2c.	Network Design	50	Our network design is at 50%, which is less than our originally stated 100%. This lower percentage was created by conversations with our community anchor institutions (CAI's) and other interested parties. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. This change has allowed us time to discuss additional connections that CAI's and other interested parties are requesting outside of the original project scope and budget. Based on these discussions we are holding our network design finalization until the spring of 2012, which is when we will be able to begin construction again after the winter. At that time we will finalize our network design to best accommodate any additional outside the original project scope

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			connections in which CAI's would pay for out of their own non ARRA funds.
2d.	Rights of Way	100	No variance from baseline
2e.	Construction Permits and Other Approvals	75	Our construction permits and other approvals is at 75%, which is less than our originally stated 100%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Many of the required permits for these locations have limited timeframes in which the defined work is able to be completed. So instead, we will be obtaining the remainder of the permits in the spring and summer of 2012 as we are closer to the time in which we will actually be constructing to those locations.
2f.	Site Preparation	0	Our site preparation is at 0%, which is less than our originally stated 25%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, the site preparation for our huts will not be needed until the spring/summer of 2012. As such, we will not be doing any site preparation until that time so that we can accommodate any increase in hut size that may be needed from potential out of scope project expansion discussions that may take place over the winter months.
2g.	Equipment Procurement	0	No variance from baseline
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Our network build is at 0%, which is less than our originally stated 41%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, we will not be completing final network build until the end of the project, at which time we would promptly be at 100%.
2i.	Equipment Deployment	0	No variance from baseline
2j.	Network Testing	0	No variance from baseline
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).

Based on fiber availability, we have adjusted our project construction plan. Fiber is not scheduled to begin shipping until approximately the first week of December, 2011, which in Minnesota, coincides with the typical construction shutdown for the season due to the cold and snowy weather. Based on not having fiber to install at time of conduit construction during this quarter, we will instead come back after our conduit construction is completed and once fiber begins arriving, and will blow the fiber into the already installed conduit. This changes the timing in which various portions of our project were scheduled to have fiber installed but does not change our overall project light up time, which is still on schedule to meet the June of 2013 timeline.

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	Our new network miles deployed is at 0, which is less than our originally stated 50. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, we will not be completing any new network miles until the end of the

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
		project, at which time we would promptly be at 100%. Instead, we are installing conduit and have installed approximately 40 miles as of September 30.
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	Our number of miles of new fiber is at 0, which is less than our originally stated 50. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, we will not be completing any new fiber miles until the end of the project, at which time we would promptly be at 100%. Instead, we are installing conduit and have installed approximately 40 miles as of September 30.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	No variance from baseline

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	1
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
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: Jaguar Communications

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	1	No variance from baseline
	Providers with signed agreements receiving improved access	0	No variance from baseline
	Providers with signed agreements receiving access to dark fiber	0	No variance from baseline
Community Anchor Institutions (including Government institutions)	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance from baseline
	Total subscribers served	0	No variance from baseline
	Subscribers receiving new access	0	No variance from baseline
	Subscribers receiving improved access	0	No variance from baseline
Residential / Households	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance from baseline
	Entities passed	0	No variance from baseline
	Total subscribers served	0	No variance from baseline
	Subscribers receiving new access	0	No variance from baseline
	Subscribers receiving improved access	0	No variance from baseline
Businesses	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance from baseline
	Entities passed	0	No variance from baseline
	Total subscribers served	0	No variance from baseline
	Subscribers receiving new access	0	No variance from baseline
	Subscribers receiving improved access	0	No variance from baseline

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
0	0	0	0	0

Project Indicators (Next Quarter)

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

We will be continuing to work on our construction efforts, pushing as long into the months of November and December as the weather permits. We anticipate receiving our first shipments of fiber cable in December, which will allow us, weather permitting to begin blowing fiber into our already installed conduit. We will continue blowing in fiber until the amount of snow becomes problematic in accessing handholes. We do not anticipate deploying or leasing any new network miles nor do we anticipate servicing any CAI's or increasing the number of signed agreements with broadband wholesalers or last mile providers during this quarter.

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	64	No variance from baseline
2b. Environmental Assessment	100	No variance from baseline
2c. Network Design	50	Our network design is at 50%, which is less than our originally stated 100%. This lower percentage was created by conversations with our community anchor institutions (CAI's) and other interested parties. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. This change has allowed us time to discuss additional connections that CAI's and other interested parties are requesting outside of the original project scope and budget. Based on these discussions we are holding our network design finalization until the spring of 2012, which is when we will be able to begin construction again after the winter. At that time we will finalize our network design to best accommodate any additional outside the original project scope connections in which CAI's would pay for out of their own ARRA funds.
2d. Rights of Way	100	No variance from baseline
2e. Construction Permits and Other Approvals	75	Our construction permits and other approvals is at 75%, which is less than our originally stated 100%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Many of the required permits for these locations have limited timeframes in which the defined work is able to be competed. So instead, we will be obtaining the remainder of the permits in the spring and summer of 2012 as we are closer to the time in which we will actually be constructing to those locations.
2f. Site Preparation	0	Our site preparation is at 0%, which is less than our originally stated 50%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, the site preparation for our huts will not be needed until the spring/summer of 2012. As such, we will not be doing any site preparation until that time so that we can accommodate any increase in hut size that may be needed from potential out of scope project expansion discussions that may take place over the winter months.
2g. Equipment Procurement	20	No variance from baseline

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2h.	Network Build (all components - owned, leased, IRU, etc.)	0	Our network build is at 0%, which is less than our originally stated 60%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, we will not be completing final network build until the end of the project, at which time we would promptly be at 100%.
2i.	Equipment Deployment	0	Our equipment deployment is at 0%, which is less than our originally stated 20%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, the equipment deployment will not be needed until the spring/summer of 2012. As such, we will not be doing any equipment deployment until that time.
2j.	Network Testing	0	No variance from baseline
2k.	Other (please specify):		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).

Depending on maintaining the estimated shipping start date for our fiber order, we may not fully realize this expenditure until a later quarter, since the product is not billed until shipped. Also, our timeline anticipates a normal construction season, but if we have unseasonable weather, similar to what we have received this past winter and spring, both which have been record setting in regards to snow accumulation and then corresponding spring flooding, tied with record setting rainfall, it may impact our construction speed, which we would look to regain at the start of construction in spring of 2012.

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$191,807	\$38,361	\$153,446	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$966,760	\$193,352	\$773,408	\$237,936	\$47,587	\$190,349	\$300,000	\$240,000	\$60,000
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$375	\$75	\$300	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$57,915	\$11,583	\$46,332	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$5,474,045	\$1,094,809	\$4,379,236	\$1,184,393	\$236,879	\$947,514	\$4,496,700	\$3,597,360	\$899,340
j. Equipment	\$803,598	\$160,720	\$642,878	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$7,494,500	\$1,498,900	\$5,995,600	\$1,422,329	\$284,466	\$1,137,863	\$4,796,700	\$3,837,360	\$959,340
m. Contingencies									
n. TOTALS (sum of l and m)	\$7,494,500	\$1,498,900	\$5,995,600	\$1,422,329	\$284,466	\$1,137,863	\$4,796,700	\$3,837,360	\$959,340

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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