

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 NT10BIX5570135	3. DUNS Number 961890741
4. Recipient Organization Information Technology, Maryland Department of 45 Calvert Street, Annapolis, MD 21401-1994		
5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2012	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 Gregory Urban Deputy State CIO	7c. Telephone (area code, number and extension) 4102607279	
	7d. Email Address gregory.urban@doit.state.md.us	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-20-2012	

Project Indicators (This Quarter)

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

The project has fully transitioned to construction in every county in the state of Maryland.

Of the planned 1411 route miles, 98% or 1381 miles have been awarded to engineering vendors. Of that total, 1254 miles or 89% of the route total have been fully engineered and submitted to permitting agencies. Permits have already been received for over 975 route miles or 69% of the route total.

Aerial attachment agreements are executed with the 9 different utility pole owners throughout the state. Make ready work has begun on 184 miles of the 331 mile planned aerial route. Of that total, 65 miles have been completed and installed with fiber. Material procurement continues with \$4,668,439 of fiber received, or 43% of the total contract award valued at \$10,819,850.

In addition to the \$4,678,794 reported as spent for equipment during 2012 Q2, we placed orders in Q2 (but not included in a drawdown request yet) a total of \$7,948,791.43 in network electronics that we expect will be invoiced and included in Q3 reporting. Much of this equipment has already been received.

Of the total 1080 planned underground miles, 670 miles of conduit have been installed or 62% of the total underground mileage. Of that total, 291 miles of fiber have been installed, representing 27% of our total underground mileage.

Finally, 40 Community Anchor Institutions (CAIs) sites have been connected out of 1006 CAIs.

Of the 23 Counties and 1 City, Construction has been completed for Talbot County and all it's 3 CAIs are connected.

Construction is in full swing in the remaining 21 counties and 1 City: Allegany Co, Anne Arundel Co, Baltimore Co, Baltimore City, Calvert Co, Caroline Co, Carroll Co, Cecil Co, Fredrick Co, Dorchester Co, Garrett Co, Harford Co, Howard Co, Kent Co, Montgomery Co, Prince George's Co, Queen Anne's Co, Saint Mary's Co, Somerset Co, Washington Co, Wicomico Co, and Worcester Co.

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	45	\$70,859,891 is being reported, 51% was planned. Please see details below for explanation.
2b.	Environmental Assessment	100	Milestone Completed.
2c.	Network Design	56	Planned was 70%. Over 98% of the route total has been fully engineered, and is being permitted or in construction. Network logical designs are being completed in conjunction with construction.
2d.	Rights of Way	69	Planned was 70%. Over 89% of the route has been submitted to the permitting agencies. Now that engineering phase of the project is coming to a close the number of permits received will continue to increase through the next quarter.
2e.	Construction Permits and Other Approvals	69	Planned was 70%. Over 89% of the route has been submitted to the permitting agencies and permits received for 69% of the route. Now that engineering phase of the project is coming to a close the number of permits received will continue to increase through the next quarter.
2f.	Site Preparation	33	Planned was 81%. All 14 Huts were ordered in December 2011. The first 4 Huts were delivered in Q1. All 4 Huts were installed in Q2 ,with subsequent deliveries and installation of the Huts in Q3 and Q4. Final installation of all Huts are scheduled to be completed in Q1 2013.
2g.	Equipment Procurement	14	Planned was 49%. A total of \$4,678,794 is reported as spent for equipment during 2012 Q2. Orders were placed in Q2 for a total of \$7,948,791.43 in network electronics that we expect will be invoiced and included in Q3 reporting.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2h.	Network Build (all components - owned, leased, IRU, etc)	54	Planned was 44%. Currently construction is occurring in all 24 Jurisdictions.
2i.	Equipment Deployment	13	Planned was 38%. Equipment deployment and procurement is maintaining pace with the network build out.
2j.	Network Testing	6	Planned was 38%. As buildout of the network occurs, network testing will follow equipment deployment.
2k.	Other (please specify): Administration	42	Planned was 64%. As construction gains traction during the next reporting quarters, we anticipate that we will obtain our project goals.

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).

1) One of our main challenges for this reporting quarter was obtaining make ready estimates from the utility companies in a timely manner. With the recent storms (El Derecho) the priority of the utility companies is geared towards restoring power and replacing damaged or broken utility poles. We have weekly meetings with the utility companies to aggressively manage the make ready process.

2) A second challenge is the finalization of easements and permits to place Communication Huts in some locations i.e. Annapolis, La Plata and Aberdeen.

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	356	Planned was 414. Now that construction is currently ongoing in all counties, we anticipate meeting our goals during the next reporting quarter. We have installed over 670 miles of conduit and begun 184 miles of aerial make ready work. These numbers are not captured in our reports since we do not report them until fiber is pulled and spliced.
New network miles leased	0	N/A
Existing network miles upgraded	254	This mileage represents the MDBC in kind fiber contribution to the project.
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	356	Planned was 414. Now that construction is currently ongoing in all counties, we anticipate meeting our goals during the next reporting quarter. We have installed over 670 miles of conduit and begun 184 miles of aerial make ready work. These numbers are not captured in our reports since we do not report them until fiber is pulled and spliced.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	6	29 interconnection point were planned. The buildout has not yet reached most of the planned 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	9
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	15

Indicators			
Average term of signed agreements (in quarters)		24	
<p>5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:</p> <p>MdBC is our wholesale provider and signed agreements have been signed with the following last mile providers:</p> <p>ISPs (6 circuits): Utilities (2 circuits): Cooperatives (1 circuit):</p>			
<p>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:</p> <p>N/A</p>			
<p>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).</p> <p>N/A</p>			
<p>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).</p>			
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	9	Currently we have signed 9 agreements with wholesalers receiving improved access.
	Providers with signed agreements receiving access to dark fiber	0	Planned was 3. At least 1 agreement is being negotiated.
	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	40	Planned was 262. Now that construction is actively ongoing in all 24 counties, the number of subscribers served will increase during the next reporting quarters. 1GB of high-speed internet access is available to the current subscribers being served.
	Subscribers receiving new access	40	Planned was 262. Now that construction is actively ongoing in all 24 counties, the number of subscribers served will increase during the next reporting quarters. 1GB of high-speed internet access is available to the current subscribers being served.
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number or subscribers for each	2	39- CAIs at 1GB 1-CAI at 100 Mbps
Residential / Households	Entities passed	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	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
New Market/Green Valley Station	Frederick County	Public Safety	No	1GB of high speed internet access will improve safety coordination
United/ Westview Fire Station	Frederick County	Public Safety Entity	No	1GB of high speed internet access will improve safety coordination
Hughesville Volunter Fire Department	Charles County	Public Safety	No	1GB of high speed internet access will improve safety coordination
Hughesville State Tower	Charles County	Public Safety	No	1GB of high speed internet access will improve safety coordination
Brunswick Library	Frederick County	Library	No	1GB of high-speed internet access will improve educational instruction
Catoctin Creek Nature Center	Frederick County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
Citizens Nursing Home	Frederick County	Other Community Support Organization	No	1GB of high speed internet access will improve Community Support coordination

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
Sykesville Town Hall	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
E-13 T-16 M-4	Baltimore City	Public Safety	No	1GB of high speed internet access will improve safety coordination
Samual P. Massey	Prince Georges County	School (K-12)	No	1GB of high-speed internet access will improve educational instruction
Sheriff's Department/ Detention Center	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
Carroll County Public Schools Headquarters	Carroll County	Schools (K-12)	No	1GB of high-speed internet access will improve educational instruction
Circuit Court	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
Historic Court House	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
Hashawha	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
District Court Building	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
Bear Branch Nature Center	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
Outdoor Learning Center	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
Winfield Elementry School	Carroll County	Schools (K-12)	No	1GB of high-speed internet access will improve educational instruction
Winfield Fire Department	Carroll County	Public Safety Entity	No	1GB of high speed internet access will improve safety coordination
Manchester Elementary School	Carroll County	Schools (K-12)	No	1GB of high-speed internet access will improve educational instruction
Manchester Police Department	Carroll County	Public Safety Entity	No	1GB of high speed internet access will improve safety coordination
Carroll County Maintenance Center	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
Louisville Tower	Carroll County	Other Government Facility	No	1GB of high speed internet access will improve Governmental coordination
E-20 T-18 M-8	Baltimore City	Public Safety Entity	No	1GB of high speed internet access will improve safety coordination
Fallston VFC	Harford County	Public Safety Entity	No	1GB of high speed internet access will improve safety coordination
Fallston High School	Harford County	School (K-12)	No	1GB of high-speed internet access will improve educational instruction
Nanjemoy Fire House	Charles County	Public Safety Entity	No	1GB of high speed internet access will improve safety coordination

Charles County Backup 911 Center	Charles County	Public Safety Entity	No	1GB of high speed internet access will improve safety coordination
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Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 The project has fully transitioned to the construction phase in every county in the state of Maryland. The following are our projected indicators for the next reporting quarter.

Engineering:

- Outside-Plant engineering is coming to a closure. The next phase is the logical network engineering which continues to ramp up.

Permitting :

- Rights of Way (ROW) permitting: At least 76% of the underground and aerial permits will have been received from State Highway Administration (SHA), county, and municipal authorities.

- Aerial Utility permitting:

We continue to submit aerial permit applications to the various utility companies and anticipate receiving pole attachment licenses throughout the next reporting period. The utility companies include; Baltimore Gas and Electric (BGE), Verizon, Potomac Edison, Delmarva Power, PEPCO, Hagerstown Light, Berlin Electric, and Choptank Electric. We expect to cut make ready checks to the utilities for 80% of our aerial route.

- Environmental:

We've been receiving permits from the US Army Corps of Engineers (USACE) and Maryland Department of Environment (MDE) for tidal and non-tidal wetlands crossings. This will be an ongoing process throughout the construction phase. We have begun construction across several permitted environmental resource areas.

- Rail Road Crossings:

We have executed licensing agreements with all railroad companies; CSX, Maryland & Delaware Rail Road, Maryland Midland Rail Ways, Bay Coast Rail Road, Amtrak, George's Creek, and Metropolitan Transit Authority (MTA), Norfolk Southern Corporation. We are currently receiving and anticipate to continue to receive the encroachment agreements with the various Maryland Operating Rail Systems owners, allowing us to construct across their various railroad crossing locations throughout the State of Maryland.

	Total Apps.	Submitted	Received	Completed
Amtrak	7	6	6	1
Bay Coast	2	2	2	2
CSX	39	36	26	15
George's Creek	4	4	4	4
Norfolk Southern	1	0	0	0
Maryland Delaware	2	2	2	2
Maryland Midland	4	4	4	3
MTA	8	7	6	0
TOTALS	67	61	50	27

Fiber Procurement:

- Fiber procurement is winding down and the final deliveries are scheduled throughout the next couple of reporting periods. We expect continued receipt of fiber and related materials at our centralized warehouse locations in sufficient quantities to prevent construction delays.

Equipment Procurement:

- Continue the procurement of the OMBN equipment, with over \$11M in cumulative equipment purchases will be made within the next reporting quarter.

Construction Completion:

- Construction will be completed for Talbot and Charles County.
- Construction is in full swing in the remaining 22 counties and 1 City: Allegany Co, Anne Arundel Co, Baltimore Co, Baltimore City, Calvert Co, Caroline Co, Carroll Co, Cecil Co, Frederick Co, Dorchester Co, Garrett Co, Harford Co, Howard Co, Kent Co, Montgomery Co, Prince George's Co, Queen Anne's Co, Saint Mary's Co, Somerset Co, Washington Co, Wicomico Co, and Worcester Co.

Key project Indicators:

- a. New network miles deployed= 711

- b. New network miles leased= 0
- c. Total CAI subscribers served (CAIs connected)= 378
- d. Number of signed agreements with broadband wholesalers or last mile providers= 9

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	69	We anticipate our planned percentage to rapidly increase since the construction phase is well on its way.
2b.	Environmental Assessment	100	Milestone is at a 100% (Completed)
2c.	Network Design	79	Preliminary logical diagramming is currently being completed. Detailed splice engineering has begun. Plant infrastructure design to be completed.
2d.	Rights of Way	80	We continue to receive ROW permits as needed in all counties and anticipate continued receipt in the next reporting quarter.
2e.	Construction Permits and Other Approvals	80	We anticipate continued receipt of pole attachment licenses from all utility companies as well as encroachment agreements from the various Railroad company.
2f.	Site Preparation	55	The initial 4 Huts received have been installed during Q1. We anticipate the subsequent deliveries and installation during the Q3 and Q4 period., with final installation of all Huts completed in Q1 2013.
2g.	Equipment Procurement	51	Our projection indicates that we would have procured over \$14M of equipment during the next reporting quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	78	The network build component will increase exponentially as construction continues to ramp up.
2i.	Equipment Deployment	14	Network architecture designs are ongoing. Equipment deployment will maintain pace with the network design and build.
2j.	Network Testing	14	Network testing will lag other metrics due to the need to have contiguous fiber paths and CAI/POP connections, which will not occur until later in the project.
2k.	Other (please specify): Administration	47	As construction continues to gains momentum during the next reporting quarters, we anticipate that we will obtain our project goals.

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).

The following issues may cause some challenges,

- 1) With the recent storms (El Derecho) and major power outage, the priority of the utility companies is geared towards restoring power and replacing damaged or broken utility poles. This may lead to limited resources allocated to the OMBN project pole make ready needs. We have weekly conference calls with the utility companies to aggressively manage the make ready process.
- 2) Receiving approvals for our second round of scope and environmental change requests before our construction progress is impacted.

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	\$12,479,100	\$7,394,000	\$5,085,100	\$5,288,361	\$2,583,471	\$2,704,891	\$5,911,160	\$2,770,713	\$3,140,447
b. Land, structures, right-of-ways, appraisals, etc.	\$1,350,000	\$0	\$1,350,000	\$411,089	\$0	\$411,089	\$874,939	\$0	\$874,939
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$15,550,369	\$5,039,020	\$10,511,349	\$4,562,776	\$0	\$4,562,776	\$5,577,995	\$0	\$5,577,995
e. Other architectural and engineering fees	\$6,109,850	\$2,869,099	\$3,240,751	\$5,373,416	\$1,126,154	\$4,247,262	\$8,350,778	\$2,092,599	\$6,258,179
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	\$93,402,141	\$18,671,661	\$74,730,480	\$50,545,456	\$11,092,420	\$39,453,035	\$73,018,602	\$16,272,508	\$56,746,093
j. Equipment	\$29,211,582	\$8,888,681	\$20,322,901	\$4,678,794	\$2,347,814	\$2,330,980	\$14,815,235	\$5,543,353	\$9,271,882
k. Miscellaneous	\$313,479	\$313,479	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$158,416,521	\$43,175,940	\$115,240,581	\$70,859,892	\$17,149,859	\$53,710,033	\$108,548,709	\$26,679,173	\$81,869,535
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$158,416,521	\$43,175,940	\$115,240,581	\$70,859,892	\$17,149,859	\$53,710,033	\$108,548,709	\$26,679,173	\$81,869,535

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