

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS**

**General Information**

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT10BIX5570031	<b>3. DUNS Number</b>  809594377
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**4. Recipient Organization**

Executive Office State of West Virginia 1900 Kanawha Blvd East, Charleston, WV 25305-0009

<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  03-31-2011	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No
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**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.**

<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Belinda (Joan) Smith	<b>7c. Telephone (area code, number and extension)</b>  X
	<b>7d. Email Address</b>  Belinda.J.Smith@wv.ngb.army.mil

<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  05-18-2011
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**Project Indicators (This Quarter)**

**1. Please describe significant project accomplishments completed during this quarter (600 words or less).**  
 During this reporting period the WV BTOP grant received the Finding of No Significant Impact (FONSI), effectively, within the scope of the environmental programmatic agreement, commencing the construction phase of the grant. Lewis County is now a sub-recipient, providing through an existing, grant compliant contract, services to construct towers and antennae on related towers. National Telecommunications and Information Administration (NTIA) completed an on-site review of the WV Grant processes. Specifications were completed for the routers directly associated with the National Radio Astronomy Observatory (NRAO) and West Virginia University fiber connections. A special meeting with Frontier Communications reviewed the Special Award Conditions (SAC), sub-grant roles and responsibilities, and reporting requirements related to the grant. Inventory and accountability was completed for all routers. The Governor's Executive appointed a communications, publicity, and outreach coordinator for actions relating to the grant.

**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	Receipt of FONSI was just awarded, so we are behind projections. We plan to be on target within the next two quarters. The % includes draw down March 29 in the amount of \$13,415.25. Per GEO Fiscal Officer, this transaction was completed before close of business 03/31/2011.
2b.	Environmental Assessment	1	The actual percentage of funds spent on EA is less than 1% of the total grant amount (.027%). Items remain to be resolved directly related to programmatic agreement. There is now a physical plan in place to immediately overcome this shortfall.
2c.	Network Design	60	This completion is on track to be accomplished to complete the grant on time. The 10% lag will be overcome during the upcoming reporting period.
2d.	Rights of Way	85	Rights of Way is on target at 85% completion for all towers. The remaining 15% is for rights of way directly related to CAI, which will be completed on schedule per the baseline.
2e.	Construction Permits and Other Approvals	45	As construction now commences, this number will dynamically increase and we are set to be on target within the next two quarters.
2f.	Site Preparation	10	The FONSI award and PA directly related to towers is now in place. The Community Anchor Institution construction has commenced. Two of the twelve towers have site construction ongoing. We will be on target with the overall plan within the next two quarters.
2g.	Equipment Procurement	45	This is 5% below target; however, within the next quarter we will be on target. Currently tower steel, buildings, generators, and other hardware is being coordinated, released, etc., from the respective vendors.
2h.	Network Build (all components - owned, leased, IRU, etc)	5	Although this percentage is 20% below goal, as construction began at the end of this quarter, with programmatic agreement issues being worked out, we are set to move up to target goals.
2i.	Equipment Deployment	25	The last week of March 2011 the deployment of routers has begun to the 1064 anchor tenants. Programming and installation has commenced. This number will meet targeted goals within the next two quarters.
2j.	Network Testing	5	Vendor bench testing has been completed on the tower portion of the project; however, testing could not commence prior to this date due to inability to physically construct. With release to begin construction, the testing will directly follow installation.
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).**  
 Award of the Finding of No Significant Impact (FONSI) presented some unique problems as we started construction start-up of the project. For instance, the programmatic agreement (PA) specified certain actions necessary for WV to complete to be in compliance

with environmental stipulations. It has been difficult to fully ascertain exactly the detail required by the state agencies to work/satisfy the programmatic agreement. The Special Award Conditions (SAC) caused a medium level of challenge, specifically determination if Davis Bacon applied and to what level to sub contractors of grant sub-recipient. Technical advice from BTOP was instrumental in solving this problem; however, we feel as if Technical assistance will continue to be required in the SAC area. Resolution of overlap due to other BTOP or federal grants was difficult to resolve in that full visibility of overlap locations has been difficult. That said, the NTIA program manager and his staff assigned to WV has been especially instrumental in resolution of this challenge. We processed a draw down request in the amount of \$13,415.25 which did not show in NTIA system as 1st quarter expenditure. As verified by the Fiscal Officer-Governor's Executive Office, this draw down was completed before close of business 03/31/2011, therefore we included this amount in our Overall Project percentage for this quarter.

**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	FONSI received March 10, 2011 with programmatic agreement issues being worked out. We will be on schedule for the upcoming quarter.
New network miles leased	0	N/A
Existing network miles upgraded	0	FONSI received March 10, 2011 with programmatic agreement issues being worked out. We will be on schedule for the upcoming quarter.
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	FONSI received March 10, 2011 with programmatic agreement issues being worked out. We will be on schedule for the upcoming quarter.
Number of new wireless links	0	N/A
Number of new towers	0	Tower construction approval forms signed 03/11/2011. Two of 12 towers have site construction ongoing.
Number of new and/or upgraded interconnection points	0	FONSI received March 10, 2011 with programmatic agreement issues being worked out. We will be on schedule for the upcoming quarter.

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	6
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:**  
Frontier Communications, Sub-recipient. No additional service providers at this point. We expect additional wholesale services during the course of the project.

**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).**  
 Frontier Communications (Sub-recipient) / 304-344-3939 (TELCO portion of MPLS contract); WV Office of Technology (WVOT) / 304-558-8145 (Partial of MPLS network, connectivity with towers) - Serves within the confines of a MOU as partner and contractor facilitating grant implementation, especially with design, engineering, and router purchase; WV Dept. of Health & Human Resources (WVDHHR-OEMS) / 304-581-2900 (Tower portion) - Serves within the confines of a MOU as a partner and contractor facilitating grant implementation, especially with the overall tower portion of the construct; Lewis County Commission,Grant Sub-recipient / 304-269-8200 (Tower construction portion w/ DHHR-OEMS).

**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)
<b>Broadband Wholesalers or Last Mile Providers</b>	<b>Providers with signed agreements receiving new access</b>	0	FONSI received March 10, 2011 with programmatic agreement issues being worked out. We will be on schedule within the next two quarters.
	<b>Providers with signed agreements receiving improved access</b>	0	FONSI received March 10, 2011 with programmatic agreement issues being worked out. We will be on schedule within the next two quarters.
	<b>Providers with signed agreements receiving access to dark fiber</b>	0	N/A - Baseline did not indicate this category
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	FONSI received March 10, 2011 with programmatic agreement issues being worked out. We will be on schedule within the next two quarters.
<b>Community Anchor Institutions (including Government institutions)</b>	<b>Total subscribers served</b>	0	Due to lack of approved FONSI and PA until the end of this quarter, construction is just commencing. We will be on schedule within the next two quarters.
	<b>Subscribers receiving new access</b>	0	Due to lack of approved FONSI and PA until the end of this quarter, construction is just commencing. We will be on schedule within the next two quarters.
	<b>Subscribers receiving improved access</b>	0	Due to lack of approved FONSI and PA until the end of this quarter, construction is just commencing. We will be on schedule within the next two quarters.
	<b>Please identify the speed tiers that are available and the number or subscribers for each</b>	0	<10 meg = 175 10 meg - 50 meg = 475 >50 meg = 414
<b>Residential / Households</b>	<b>Entities passed</b>	0	N/A
	<b>Total subscribers served</b>	0	N/A
	<b>Subscribers receiving new access</b>	0	N/A
	<b>Subscribers receiving improved access</b>	0	N/A
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	N/A
<b>Businesses</b>	<b>Entities passed</b>	0	N/A
	<b>Total subscribers served</b>	0	N/A
	<b>Subscribers receiving new access</b>	0	N/A
	<b>Subscribers receiving improved access</b>	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

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

As construction is completed, special offerings will be provided.

**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
N/A	N/A	N/A	N/A	Construction just beginning

**Project Indicators (Next Quarter)**

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

The second quarter of 2011 will have significant increases directly related to construction – especially the twelve (12) towers. A minimum of six of the twelve will be in the construction phase by the end of June 2011. Further, using Lewis County as a sub-recipient effectively facilitated a vendor to begin installation of antennae on existing and new towers (as completed). During the 2nd quarter over 60 antennae will be installed. The routers for community anchor institutes will have commenced and most, if not all of the routers, not requiring new fiber will be programmed and installed. Engineering and programmatic agreement requirements will be met for the National Radio Astronomy Observatory (NRAO) to West Virginia University (WVU) link and some construction will have started on that leg of the grant.

**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	40	Variance is due to problems with acquiring FONSI. With the FONSI and PA in place, these percentages will improve each much and be so reflected in the next quarterly report.
2b.	Environmental Assessment	80	The EA will be complete; however, with NTIA approval, we may add additional sites due to cost avoidances, and elimination of CAIs. This will have a direct impact on EA.
2c.	Network Design	55	As with 2a., portions of design have been on hold, but with release of FONSI and PA, this effort is gaining great momentum.
2d.	Rights of Way	70	While below baseline projections, the release to commence construction and a dynamic construction plan will bring this milestone in line within the next two quarters.
2e.	Construction Permits and Other Approvals	45	While below baseline projections, the release to commence construction and a dynamic construction plan will bring this milestone in line within the next two quarters.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2f.	Site Preparation	50	Site preparation for twelve towers is underway. Lewis County as sub-recipient, through an efficient contract is expected to move ahead of schedule within the next six months, making 50% realistic. Site preparation for the CAI sites will account for about 25% of the overall project and will rapidly approach the 50% mark as local communications requests are released.
2g.	Equipment Procurement	50	Routers for the Community Anchors were ordered and received. Radios and antennae for the tower portion of the grant are ordered. Routers for the Radio Observatory to the West Virginia University link have been ordered. After next quarter, we will be ahead of schedule in this area
2h.	Network Build (all components - owned, leased, IRU, etc.)	20	While below baseline projections, the release to commence construction and a dynamic construction plan will bring this milestone in line within the next two quarters.
2i.	Equipment Deployment	40	During the upcoming quarter, routers for the Community Anchors will be delivered and programmed. Coupled with radio installation, the installed and functioned routers, and other devices will be deployed at a minimum of 40%.
2j.	Network Testing	30	Network, equipment, functionality, and validation testing will directly remain at about 10% behind equipment deployment. The primary testing portion to be complete next quarter involves the tower and microwave portion of execution. As the radios, routers, and antennae are installed, testing will follow directly behind.
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).**

The next quarter will be the most productive quarter since inception of the grant award. The overall twelve (12) tower build-out will be in full swing with associated microwave antennae being installed. The most significant challenge directly relating to this portion of the grant centers would be for the spring to continue to be extra rainy. While not directly stopping construction, it could be hampered if this condition were to persist. The Community Anchor Institutes will have received most, if not all, of their routers. A challenge to this portion of the grant would be the magnitude of routers to install. This challenge will be mitigated by programmed/scheduled router deployments and cross efforts of installers. The National Radio Astronomy Observatory (NRAO) to West Virginia University (WVU) link (portion) of the grant will be fully engineered. The greatest challenge to the initiation of construction on this link would be the sub-recipient having the majority of construction assets assigned on different portions. Mitigation is to keep the sub-recipient advised as to construction process. During the next quarter, we will be hiring one (1) accountant to assist with the project. NTIA may be asked to assist in the overall train-up of this individual to meet NTIA requirements. Also, the administrative assistant assigned to this grant is retiring in May 2011. As we chose a replacement, we will likely need NTIA technical assistance to train this individual.

**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	\$46,138	\$0	\$46,138	\$200,000	\$105,000	\$95,000
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000	\$0	\$150,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$28,639,999	\$5,000,000	\$23,639,999	\$1,745,444	\$0	\$1,745,444	\$2,600,000	\$0	\$2,600,000
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$650,000	\$0	\$650,000
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$0	\$200,000
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$70,904,657	\$21,810,000	\$49,094,657	\$0	\$0	\$0	\$33,386,055	\$27,386,055	\$6,000,000
j. Equipment	\$56,278,640	\$2,690,000	\$53,588,640	\$28,087,957	\$3,371,583	\$24,716,375	\$27,832,457	\$2,432,457	\$25,400,000
k. Miscellaneous	\$4,000,000	\$4,000,000	\$0	\$420,488	\$420,488	\$0	\$495,488	\$420,488	\$75,000
<b>l. SUBTOTAL (add a through k)</b>	\$159,823,296	\$33,500,000	\$126,323,296	\$30,300,027	\$3,792,071	\$26,507,957	\$65,514,000	\$30,344,000	\$35,170,000
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$159,823,296	\$33,500,000	\$126,323,296	\$30,300,027	\$3,792,071	\$26,507,957	\$65,514,000	\$30,344,000	\$35,170,000

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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