

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 NT10BIX5570032	3. DUNS Number 107957268
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4. Recipient Organization

Lane Council of Government 859 Willamette ST STE 500, Eugene, OR 97401-3174

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
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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.

7a. Typed or Printed Name and Title of Certifying Official Milo Mecham Program Manager	7c. Telephone (area code, number and extension) 5416824023
	7d. Email Address mmecham@lcog.org

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-07-2012
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Project Indicators (This Quarter)

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

Continued construction. Executed final construction contract. Passed sixty seven percent substantial completion milestone. Completed RFP process for last service provider, initiated sustainability analysis for selection of provider. Continued outreach including to several Lane County cities and with the Klamath Tribes.

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	68	This is getting back to the originally projected schedule, after a loss of time due to the extended environmental review. We expect to be back to the original projections sometime in third quarter 2012.
2b.	Environmental Assessment	80	The first environmental review has been completed. A second environmental review was necessitated by the route changes requested. This is progressing but is not complete yet.
2c.	Network Design	100	This is completed, including the route changes.
2d.	Rights of Way	85	Additional permits and franchises have been obtained, there are only a few outstanding.
2e.	Construction Permits and Other Approvals	80	Additional permits have been obtained. Completion is expected this quarter.
2f.	Site Preparation	80	This is nearing completion. All site prep work should be completed early in the third quarter 2012.
2g.	Equipment Procurement	60	We are trying to keep expenditures in line. To be sure that we do not overspend, we are delaying some equipment purchases to deal with some cost changes in the network construction.
2h.	Network Build (all components - owned, leased, IRU, etc)	85	Construction continues. Environmental issues - especially the review of route changes has delayed us again. We expect to pick up the pace and get back to the original schedule in the third quarter 2012.
2i.	Equipment Deployment	30	We have begun deployment in places where construction is finished. This will pick up in the third quarter.
2j.	Network Testing	45	This continues to pick up. We expect to be on schedule in the third quarter of 2012.
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).

The process of route change approval has been difficult. We spent a great deal of time working out how to request changes, and since that time have spent a great deal of time working through the route change request process. In particular, the additional environmental review has been difficult because the portions of the route change where that is no controversy or possible environmental review have been held up by one segment where legitimate questions are being worked through. We have asked if the non-controversial portions of the route change could be released so that those segments could be completed.

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)

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	60	The baseline was too optimistic, both in terms of time and in the estimate of miles to be constructed. The final engineering has reduced the miles needed for construction. The environmental review also delayed the start of construction. We have identified some additional CAIs, which, if approved, will increase the estimated network miles by an estimated 14 miles. The total estimated miles built by the project will be approximately 86 miles. The additional construction will be completed in the third quarter 2012, if approved.
New network miles leased	353	All planned network miles have been acquired.
Existing network miles upgraded	0	No deviation from expected progress.
Existing network miles leased	0	No deviation.
Number of miles of new fiber (aerial or underground)	60	Construction is catching up to projections.
Number of new wireless links	0	NA
Number of new towers	0	NA
Number of new and/or upgraded interconnection points	1	The interconnection point is being brought online this 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	3
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
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: Douglas Fast Net; CoastCom, Inc.; Hunter 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:

The wholesale services are all fiber based ethernet services. As of this date the only provider providing services on the wholesale level as a part of this project id Douglas Fast Net. This was provided in previous reports.

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 third party operates (600 words or less).

CoastCom, Inc. 151 E. Olive St. Newport OR 97365, 541-574-9999, Contractor using one half of the fibers installed in Florence, Oregon.
Douglas Fast Net, 450 NE Oakland Ave. Roseburg, OR 97601, 541-673-4242, Contractor using one half of the constructed fibers in Sutherlin, Myrtle Creek and Riddle Oregon. Will use additional routes as construction is completed.
Hunter Communication, 541-772-9282, Contractor will provide services in the future over one half the installed fiber in Chemult and Chiloquin, Oregon.
The University of Oregon's Network for Engineering Research has been selected as a contractor to operate the network equipment on the route between Eugene and Klamath Falls. Contact information: David Crowe, NERO, crowe@nero.net

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	1	This is a correction, based on a clearer understanding of what is being asked. Based on current understanding a provider is only receiving new access if an entirely new route is being opened up, not just new access to community anchor institutions.
	Providers with signed agreements receiving improved access	2	This report represents a correction based on a clearer understanding of the concept behind the question. The answer to this question (and the others in this section) is that if a provider already has service from City A to City B and the internet and this project gives them, by contract, access to new anchor institutions in City A, that constitutes receiving improved access. This changed understanding reflects a change in understanding from what was reported at the baseline, and therefore a change in the baseline report.
	Providers with signed agreements receiving access to dark fiber	0	No deviation. This question is now understood to ask for a category that is exclusive of the question above (new access). In earlier answers it may have been answered differently, that is, answered as if a provider could be put into two categories.
	Please identify the speed tiers that are available and the number of subscribers for each	8	There are tiers available from 1 Megabit to a gigabit. Thus far most subscribers (approximately 20) select services in the 10 Mgbit range.
Community Anchor Institutions (including Government institutions)	Total subscribers served	50	Because construction was delayed, connectivity for subscribers was delayed. This is now changing rapidly. We anticipate getting back to the baseline in third quarter 2012.
	Subscribers receiving new access	50	Because construction was delayed, connectivity for subscribers was delayed. This is now changing rapidly. We anticipate getting back to the baseline in third quarter 2012.
	Subscribers receiving improved access	0	There were no existing subscribers at the time of the application served by the networks to be constructed, so no subscribers will receive improved access from this project, although some subscribers who had access to broadband from other providers may choose to change because they will get improved service.
	Please identify the speed tiers that are available and the number of subscribers for each	8	here are tiers available from 1 Megabit to a gigabit. Thus far most subscribers (approximately 20) select services in the 10 Mgbit range.
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
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).

Gigabit Ethernet.

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
Fire Station 15	Eugene	Public Safety	No	Internet Service
Housing Authority	Eugene	Public Housing	No	Internet Service
Canyonville Fire	Canyonville	Public Safety	No	Internet Services
Canyonville Health Clinic	Canyonville	Medical	No	Internet Services, connection to regional hospital
Douglas County Library	Canyonville	Library	No	Internet Services
White Bird Clinic	Eugene	Medical	No	Internet Services, connection to regional hospital
Coburg City Hall	Coburg	Governmental Institution	No	Internet Services, connections to other local governments
Danebo Elementary	Eugene	School	No	Distance Learning, Internet connectivity
Bethel Schools	Eugene	School	No	Internet, Distance learning, connectivity to other schools in district
Fires Station 8	Eugene	Public Safety	No	Internet services

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
Start construction in Lane County small cities area; start construction in Klamath County; complete construction in Douglas County; complete construction in Springfield. Additional miles planned to be deployed: 10. Additional CAIs to be connected: 17. Additional broadband providers with service agreements: two.

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	73	This will bring us nearly back to the intended completion.
2b.	Environmental Assessment	100	This will be in line with projections
2c.	Network Design	100	This is already completed
2d.	Rights of Way	100	This will be in line with projections.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2e.	Construction Permits and Other Approvals	100	Completed
2f.	Site Preparation	100	Completed
2g.	Equipment Procurement	75	This will be back on schedule.
2h.	Network Build (all components - owned, leased, IRU, etc.)	90	This includes the route changes
2i.	Equipment Deployment	40	This will be approaching the intended schedule.
2j.	Network Testing	65	This will be approaching the intended schedule.
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).

We need final environmental clearance of the environmental review of the route changes.

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	\$39,000	\$39,000	\$0	\$39,311	\$39,311	\$0	\$39,311	\$39,311	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$30,000	\$18,000	\$12,000	\$18,000	\$18,000	\$0	\$18,000	\$18,000	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$400,430	\$26,000	\$374,430	\$422,905	\$48,475	\$374,430	\$422,905	\$48,475	\$374,430
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$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	\$8,390,480	\$2,030,505	\$6,359,975	\$5,625,426	\$1,894,731	\$3,730,695	\$6,200,000	\$1,930,000	\$4,270,000
j. Equipment	\$1,538,655	\$0	\$1,538,655	\$943,642	\$0	\$943,642	\$960,000	\$0	\$960,000
k. Miscellaneous	\$40,470	\$0	\$40,470	\$7,108	\$884	\$6,224	\$7,538	\$884	\$6,654
l. SUBTOTAL (add a through k)	\$10,439,035	\$2,113,505	\$8,325,530	\$7,056,392	\$2,001,401	\$5,054,991	\$7,647,754	\$2,036,670	\$5,611,084
m. Contingencies									
n. TOTALS (sum of l and m)	\$10,439,035	\$2,113,505	\$8,325,530	\$7,056,392	\$2,001,401	\$5,054,991	\$7,647,754	\$2,036,670	\$5,611,084

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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