

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
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) 12-31-2011	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 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): 02-17-2012	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Additional construction contracts signed. First Critical Anchor Institutions connected. Construction of the interconnection site completed except for fiber connectivity.

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	35	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	100	An amended environmental review will be required due to route changes.
2c.	Network Design	95	The only remaining issue has to do with pole attachments and the demands of the utilities for make ready.
2d.	Rights of Way	75	This continues to move forward ahead of construction. We expect to be back to the baseline projections second quarter 2012.
2e.	Construction Permits and Other Approvals	75	All permits needed have been identified and applied for. We expect to be back to the baseline projections second quarter 2012.
2f.	Site Preparation	55	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 baseline projections second quarter 2012.
2g.	Equipment Procurement	30	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 baseline projections second quarter 2012.
2h.	Network Build (all components - owned, leased, IRU, etc)	75	All IRUs have been secured. Construction is moving forward quickly. We expect to be back to the baseline projections third quarter 2012.
2i.	Equipment Deployment	10	Deployment will follow construction. Some deployments have been carried out as construction is finished at individual sites. We expect to be back to the baseline projections third quarter 2012.
2j.	Network Testing	20	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 baseline projections third quarter 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 challenge that cause a delay was the environmental review. We have proceeded with the installation of underground conduit where appropriate and have ordered the fiber to install later when it arrives. We are working to implement the plan developed with NTIA after the loss of schedule because of the delays caused by the environmental review. Much of the preliminary work, design, permitting and so forth takes up much more time than the actual construction takes, especially for the above ground construction. For that reason, although we are not fifty percent spent, we are well past the fifty percent mark in terms of the time required for completion.

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	35	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.
New network miles leased	353	All planned miles have been leased.
Existing network miles upgraded	0	No deviation from expected progress.
Existing network miles leased	0	No deviation from expected progress
Number of miles of new fiber (aerial or underground)	35	Construction is beginning to catch up with the original too optimistic projections. We expect to be back to the baseline projections third quarter 2012.
Number of new wireless links	0	NA
Number of new towers	0	NA
Number of new and/or upgraded interconnection points	0	The baseline was too optimistic. The environmental review also delayed the start of construction. The interconnection point to be constructed is nearly complete, lacking only fiber access to be completed. Completion is anticipated first quarter 2012.

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. Their pricing is attached.

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a sub recipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this this third party operates (600 words or less).

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 (app. 5) select services in the 10 Mgbit range.
Community Anchor Institutions (including Government institutions)	Total subscribers served	10	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	10	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, 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 or subscribers for each	8	There are tiers available from 1 Megabit to a gigabit. Thus far most subscribers (app. 5) 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

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	NA

7. Please describe any special offerings you may provide (600 words or less).
Gigabit Ethernet at speeds up to 1 Gigabit.

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
Florence City Hall	Florence	Other Governmental Institution	no	Internet access, and developing a institutional network among offices, developing VOIP.
Florence Events Center	Florence	Other Governmental Institution	no	Internet access, and developing a institutional network among offices, developing VOIP.
Lane Community College	Eugene	Community College	no	Internet access, connectivity to other Community College facilities.
Florence Police	Florence	Public Safety	no	Internet access, and developing a institutional network among offices, developing VOIP, Police records information access.
Florence Public Works	Florence	Other Governmental Institution	no	Internet access, and developing a institutional network among offices, developing VOIP.
Sutherlin City Hall	Sutherlin	Other Governmental Institution	no	Internet access.
East Primary School	Sutherlin	School	no	Internet access. Connection to other schools in District.
Walterville Elementary School	Walterville	School	no	Internet access. Connection to other schools in District.
Pacific Gateway Medical Clinic	Drain	Medical Facility	no	Internet access.
Umpqua Regional Medical Facility	Sutherlin	Medical Facility	no	Internet access. Medical record integration with regional hospital.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
Continue construction. File amended environmental assessment for route changes, receive approval for route changes. Let all contracts for construction. Connect an additional 40 Community Anchor Institutions for a total of 50 connected. Deploy an additional 25 miles of new network miles. Because all the anticipated miles of leased fiber has been obtained, no additional miles are anticipated to be leased. Sign an additional two provider agreements.

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	54	The time consuming elements of the project are mostly completed. The environmental review and fiber availability problems delayed the start but we are getting back on the original timeline. We anticipate getting back to the baseline in third quarter 2012.
2b.	Environmental Assessment	100	Completed. Pursuant to the new guidelines, some route modifications will be requested Q1 2012. No significant changes to the approved Environmental Assessment is expected.
2c.	Network Design	100	Completed this quarter.
2d.	Rights of Way	100	Completed this quarter.
2e.	Construction Permits and Other Approvals	100	Completed this quarter.
2f.	Site Preparation	70	This will proceed as construction moves forward. We anticipate getting back to the baseline in second quarter 2012.
2g.	Equipment Procurement	70	We have identified the equipment to be obtained in many cases, and are proceeding to acquire it in advance of readiness for deployment. We anticipate getting back to the baseline in third quarter 2012.
2h.	Network Build (all components - owned, leased, IRU, etc.)	75	We are working to get back on schedule, contracting for construction simultaneously in several areas. We anticipate getting back to the baseline in third quarter 2012.
2i.	Equipment Deployment	15	We have been making arrangements for equipment deployment, so progress has been made in this area, even though little equipment has been deployed yet. We anticipate getting back to the baseline in third quarter 2012.
2j.	Network Testing	35	This will proceed as construction moves forward. We anticipate getting back to the baseline in third quarter 2012, when construction is back on 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 must file a request for route modification and a revised EA. The increased reporting requirements have delayed this already. If review is extended when the request is actually filed, then construction on these elements may be delayed. This will cause some increase in cost because the crews will have to go back to make connections that would have been done as construction passes the site but for the delay.

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	\$0	\$0	\$0	\$18,500	\$18,000	\$500
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	\$471,380	\$48,475	\$422,905
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	\$3,195,525	\$1,885,310	\$1,221,545	\$4,067,310	\$1,867,310	\$2,200,000
j. Equipment	\$1,538,655	\$0	\$1,538,655	\$0	\$0	\$0	\$1,072,044	\$0	\$1,072,044
k. Miscellaneous	\$40,470	\$0	\$40,470	\$5,461	\$884	\$4,577	\$5,780	\$884	\$4,897
l. SUBTOTAL (add a through k)	\$10,439,035	\$2,113,505	\$8,325,530	\$3,663,202	\$1,973,980	\$1,600,552	\$5,674,325	\$1,973,980	\$3,700,346
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$10,439,035	\$2,113,505	\$8,325,530	\$3,663,202	\$1,973,980	\$1,600,552	\$5,674,325	\$1,973,980	\$3,700,346

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