

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 NT10BIX5570095	3. DUNS Number 176553068
4. Recipient Organization JKM Consulting, Inc. 100 Firethorn Lane, Munford, AL 36268-5504		
5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2011	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No	
7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.		
7a. Typed or Printed Name and Title of Certifying Official Meredith Caudle	7c. Telephone (area code, number and extension) X	
	7d. Email Address mcaudle@jkmconsultinginc.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-08-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
During this quarter, our greatest achievement was NTIA's acceptance of the final Environmental Assessment(EA) revisions and notification of the Finding of No Significant Impact(FONSI). During this quarter, our selected fiber vendor (Corning Fiber Systems) defaulted on their bid. This forced us to re-award to an alternative vendor at higher prices and longer delivery times.The Request for Proposal(RFP)for Construction, pre-bid meeting and Construction award were conducted this quarter.

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	7	Finding of No Significant Impact (FONSI) has been delayed beyond the projected time, decreasing the activities that could be undertaken.
2b.	Environmental Assessment	100	N/A
2c.	Network Design	85	N/A
2d.	Rights of Way	75	Engineering issues have delayed some Alabama Department of Transportation (AIDOT) right of way (ROW) approvals and a requirement to make minor route adjustments.
2e.	Construction Permits and Other Approvals	50	Engineering issues have delayed some Alabama Department of Transportation (AIDOT) right of way (ROW) approvals and a requirement to make minor route adjustments. Additionally, US Forestry Service failed to advertise for public comment and had to start approval period as well as requesting additional data causing delays in receiving this permit.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	0	N/A
2h.	Network Build (all components - owned, leased, IRU, etc)	2	Finding of No Significant Impact (FONSI) has been delayed beyond the projected time, decreasing the activities that could be undertaken.
2i.	Equipment Deployment	0	N/A
2j.	Network Testing	0	N/A
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).
The Severe outbreak of multiple tornados throughout Alabama during April generated critical economic losses for two markets of Partner, James Cable LLC. This loss to our partner has effectively caused longer delays to partner and network agreements. Charter Communications has advised that they will be assuming operations of James Cable's Alabama plant. We have had initial favorable conversations with Charter concerning their participation in the project. Additional negotiations with Charter are required and will continue in third (3rd) 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)

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	0	Finding of No Significant Impact (FONSI) was delayed beyond the projected time, decreasing the activities that could be undertaken. Also, the tsunami in Japan created a world wide fiber shortage and increased our delivery time line for fiber cable by ten weeks.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	Finding of No Significant Impact (FONSI) was delayed beyond the projected time, decreasing the activities that could be undertaken. Also, the tsunami in Japan created a world wide fiber shortage and increased our delivery time line for fiber cable by ten weeks.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	Finding of No Significant Impact (FONSI) has been delayed beyond the projected time, decreasing the activities that could be undertaken.

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	1
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:

Broadband service providers may lease dark fiber, as available, on a non-discriminatory basis at a cost based rate to be negotiated with acceptance to binding arbitration

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

n/a

6. Please provide the data according to the type of subscriber. Write "0" in the Total column and "N/A" in the Narrative column if your project does not pass or serve a particular subscriber type. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (300 words or less).

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	0	N/A
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	N/A
	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	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 or subscribers for each	0	N/A
Residential / Households	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
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
n/a	n/a	n/a	n/a	n/a

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 1-. Finalize Anniston Fiber Optics In-kind Contribution Contract 2. Release Optronics Request for Proposal 3. Begin fiber construction

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	25	Finding of No Significant Impact (FONSI) was delayed beyond the projected time, decreasing the activities that could be undertaken. Also, the tsunami in Japan created a world wide fiber shortage and increased our delivery time line for fiber cable by ten weeks.
2b.	Environmental Assessment	100	n/a
2c.	Network Design	85	Delays in receiving FONSI has delayed all construction related baseline time lines.
2d.	Rights of Way	100	n/a
2e.	Construction Permits and Other Approvals	75	Delays in receiving FONSI has delayed all construction related baseline time lines.
2f.	Site Preparation	0	n/a
2g.	Equipment Procurement	0	Delays in receiving FONSI has delayed all construction related baseline time lines.
2h.	Network Build (all components - owned, leased, IRU, etc.)	15	Finding of No Significant Impact (FONSI) was delayed beyond the projected time, decreasing the activities that could be undertaken. Also, the tsunami in Japan created a world wide fiber shortage and increased our delivery time line for fiber cable by ten weeks.
2i.	Equipment Deployment	0	Finding of No Significant Impact (FONSI) was delayed beyond the projected time, decreasing the activities that could be undertaken. Also, the tsunami in Japan created a world wide fiber shortage and increased our delivery time line for fiber cable by ten weeks. Equipment should begin in 1st qtr 2012.
2j.	Network Testing	0	n/a
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).

Fiber delivery is identified by the vendor. However, recent natural disasters have caused delays throughout the fiber manufacturing industry. We have this as a potential 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	\$510,200	\$0	\$510,200	\$197,524	\$0	\$197,524	\$263,449	\$0	\$263,449
b. Land, structures, right-of-ways, appraisals, etc.	\$486,000	\$441,000	\$45,000	\$110,250	\$110,250	\$0	\$112,500	\$112,500	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$514,204	\$0	\$514,204	\$178,562	\$0	\$178,562	\$221,013	\$0	\$221,013
e. Other architectural and engineering fees	\$75,000	\$0	\$75,000	\$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	\$4,470,516	\$1,312,540	\$3,157,976	\$44,248	\$0	\$44,248	\$1,420,529	\$1,312,540	\$107,989
j. Equipment	\$2,078,817	\$162,000	\$1,916,817	\$2,797	\$0	\$2,797	\$5,500	\$0	\$5,500
k. Miscellaneous	\$65,000	\$15,000	\$50,000	\$51,185	\$28,739	\$22,446	\$56,108	\$28,739	\$27,369
l. SUBTOTAL (add a through k)	\$8,199,737	\$1,930,540	\$6,269,197	\$584,566	\$138,989	\$445,577	\$2,079,099	\$1,453,779	\$625,320
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$8,199,737	\$1,930,540	\$6,269,197	\$584,566	\$138,989	\$445,577	\$2,079,099	\$1,453,779	\$625,320

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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