

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 NT10BIX5570158	3. DUNS Number 962696089
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4. Recipient Organization Los Angeles Regional Interoperable Communications System Authority 2525 Corporate PL Ste 200, Monterey Park, CA 91754-7672
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5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2014	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 Arnaldo de la Paz	7c. Telephone (area code, number and extension) 3238818318
	7d. Email Address arnaldo.delapaz@la-rics.org

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-18-2015
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Project Indicators (This Quarter)

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

Overall, the project percent completion climbed up to 12 percent during the quarter.

Environmental assessment. The State Historic Preservation Officer (SHPO) issued a Finding of No Significant Impact (FONSI) for the LA-RICS project on October 15, 2014. We also have received 163 site clearances from SHPO. LA-RICS prepared the draft Final Environmental Assessment (EA), awaiting finalization of the Programmatic Agreement (PA) with the SHPO to document the completion of the Section 106 process in the Final EA. Final EA was completed on 10/11/2014. Consultation with federal land management agencies is ongoing for the use of the four sites on federal lands. Continued the development of supplemental NEPA documents for sites not covered in the current FONSI. Provided supplemental support for federal agency sites. Completed closeout of Section 106 of NHPA with SHPO, Coastal Consistency (with California Coastal Commission and/or entities with applicable certified local coastal programs), and residual Section 7 consultation (if any) with USFS. Percent complete for this effort has been rolled back from 97 percent to 80 percent to reflect supplemental effort associated with sites that were not analyzed in the original EA and current FONSI for the project. LA RICS prepared a submittal of 31 route modifications to capture any of the utility designs that were out of the polygon.

Equipment. LA-RICS has provided the general contractor Notices to Proceed (NTP) for equipment and site civil construction materials for 150 sites. RAN equipment for two sites have been deployed. The EPC is installed and operational.

Rights of way/permits. We have received 26 building permits and have approximately 12 permits pending release from the County Building Department. Additional sets of plans (52) for sites are being submitted weekly to the building department. To-date, 164 Rights of Entry and 150 Site Access Agreements were executed; 164 outreach activities were conducted, and 104 sites were released for geotech drilling.

The Authority received signed Site Access Agreements from the City of Los Angeles (50), City of Azusa (1), Claremont (1), City of Arcadia (1), El Monte (1). We have received signed site access agreements for all L.A. County-owned sites and construction has started on four sites. LA-RICS began dialogues with union members who raised concerns about the safety of radio frequency emissions.

Network design. The remaining network design for finalization of the backhaul design are ongoing and making great progress, although each site has some form of connectivity, such as microwave or fiber.

Network build. Installation of the Evolved Pocket Core started in July and consisted of two phases: phase one was to install and energize the system, phase two is the optimization of the core. Installation was completed within two weeks of start and the optimization is nearly complete. Additional modifications were made to optimize the equipment in December and should be completed in January.

Construction began and two 70 feet monopoles were erected in two sites.

On administrative matters, LA-RICS submitted to the grants office a request for the reduction of its required match contribution.

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	12	The overall project varied from baseline plan at this point because of numerous factors beyond the Authority's control such as the protracted procurement process for a contract with an LTE system builder due to the suspension of the program by NTIA, the creation of FirstNet, lengthy negotiation with FirstNet for terms and conditions of the spectrum manager lease agreement, and delays in securing site access agreements with cities and agencies. The Authority has successfully overcome these challenges although remnants of their impact to the schedule can still be felt.
2b.	Environmental Assessment	80	This milestone varied from the baseline plan because sites had to be dropped, replacement sites had to be assessed, route modifications were made and the prolonged process it took to secure FONSI.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
	2c. Network Design	80	The progress for this milestone was affected by the protracted procurement process due to the suspension of the program. Additional complications regarding line of site confirmation for microwave connectivity also delayed finalization of the design. Site selection and replacement of unavailable sites has also impacted schedule. Each of these efforts was addressed by the Authority and both the System design and Site Access Agreements are mostly complete.
	2d. Rights of Way	95	Variance from the baseline plan resulted from delayed response from agencies.
	2e. Construction Permits and Other Approvals	45	Variance from the baseline plan resulted from delayed receipt of signed site access agreements. Issues raised by labor unions regarding safety of radio frequency emissions impacted final site design drawings and submission of construction permits. Dialogues will continue to help address these concerns.
	2f. Site Preparation	80	Variance from baseline plan resulted from union issues, delayed rights of way and site access agreements. The remaining sites requiring geotechnical drilling is just over 50 out of the required 166. The Authority has performed 40 structural analysis out of 52 required (with more in progress).
	2g. Equipment Procurement	15	Variance from baseline plan resulted from the long process to secure FONSI.
	2h. Network Build (all components - owned, leased, IRU, etc)	15	Variance from baseline plan resulted from the long process to secure FONSI.
	2i. Equipment Deployment	15	RAN equipment for two sites have been deployed. The EPC is installed and operational.
	2j. Network Testing	0	The Authority has not begun testing the PSBN as a whole, although testing and acceptance of the Evolved Packet Core at Los Angeles County Fire Department's Fire Command Control Facility has concluded. The contractual testing will begin in the Q2-2015 with the Special Operations Test.
	2k. Other (please specify):	0	Corrections to the 3Q PPR Infrastructure Budget Execution Details: the correct Actuals Matching Funds for Administrative and legal expenses is \$6,328,795.44 (not \$6,898,550); the correct actuals matching funds for Architectural and engineering fees is \$986,829.84 (not \$1,065,839)

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).

We established backhaul line of site for locations that clear obstructions and have progressed the design to the point where final connectivity using fiber or other means are being determined and finalized. The Authority will likely implement a satellite solution for interim connectivity. The final backhaul design will not occur until we have confirmation of the balance of independent cities that will remain in the program and determination of all final site locations. This will take at least a few more months to obtain all final information that could affect final backhaul design.

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	Variance from the baseline plan resulted from the delayed build out of the network.
New network miles leased	0	N/A
Existing network miles upgraded	0	Variance from the baseline plan resulted from the delayed build out of the network.

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Existing network miles leased	0	Variance from the baseline plan resulted from the delayed build out of the network.
Number of miles of new fiber (aerial or underground)	0	N/A
Number of new wireless links	0	Variance from the baseline plan resulted from the delayed build out of the network.
Number of new towers	2	Two 70 feet monopoles were erected in two sites.
Number of new and/or upgraded interconnection points	0	Variance from the baseline plan resulted from the delayed build out of the network.

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	0
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:

N/A

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)
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

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	The final count of Community Anchor Institutions will be reported after the network design has been made final.
	Subscribers receiving new access	0	Pending system acceptance.
	Subscribers receiving improved access	0	Pending system acceptance.
	Please identify the speed tiers that are available and the number or subscribers for each	0	Pending system acceptance.
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	Not applicable at this time because of the delayed build out of the network.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 During the next quarter, overall project percent completion is expected to reach 30 percent.

Environmental assessment. Continue to develop supplemental NEPA documents for sites not covered in the current FONSI. Provide supplemental support for federal agency sites. Complete closeout of Section 106 of NHPA with SHPO, Coastal Consistency (with California Coastal Commission and/or entities with applicable certified local coastal programs), and residual Section 7 consultation (if any) with USFWS. Complete residual FCC Form 620/ submissions that were contemplated in the original FONSI.

Network design. The final design is expected to be completed early in the next quarter. The list of sites is also expected to be finalized. All PSBN RAN sites and backhaul connectivity will be finalized by the end of Q1-2015.

Rights of way/permits. Continue negotiations with the city Department of Water and Power for the execution of their remaining four site access agreements. Additional independent cities will be added to the permitting process and we will finalize the process of getting sites approved for use in the program. Once we know the final site count, including all participating independent cities, the final equipment orders can be placed and the final stage of backhaul design formalized and completed.

Construction. The projected schedule has construction starts and completions at a total of 52 PSBN sites. The process of system testing will begin and backhaul connections will be made as the network is built out.

Equipment. After the list of sites is made final, final orders for equipment will be placed.

On administrative matters, LA-RICS will submit a modified budget that will update the original budget approved in 2010.

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	30	Labor unions identified sites they are concerned with regarding safety of radio frequency emission. To address this and avoid delay, LA-RICS will continue dialogue with the labor unions.
2b.	Environmental Assessment	99	LA-RICS will submit route modification requests for sites requiring additional power supply which were not contemplated in the original design. For sites that will require supplemental fiber in lieu of microwave, supplemental EA and route mod will have to be prepared. These will have minor temporary impact while awaiting NTIA approval to commence work on these sites.
2c.	Network Design	99	There will likely still be some site access agreements being negotiated with Authority members which would likely impact backhaul design and coverage. System design review has been delayed by the extension of the member opt-out period and multiple tower changes requested as a result of community outreach activities. To avoid further delay in finalizing the system design, member agencies will be given a deadline to decide whether they want potential sites in their areas to be included in the network or not.
2d.	Rights of Way	99	Variance may result from delay in processing of site access agreements.
2e.	Construction Permits and Other Approvals	60	Applications for building permits will be on-going with batches of permits submitted weekly until the process completes in mid 2015.
2f.	Site Preparation	90	Variance may result from delays in processing of construction permits.
2g.	Equipment Procurement	80	Additional procurement will be based upon receipt of pending site access agreements and finalization of the backhaul design.
2h.	Network Build (all components - owned, leased, IRU, etc.)	30	Equipment such as generators and equipment cabinets currently in secure storage awaiting deployment will be deployed as sites come on line for construction.
2i.	Equipment Deployment	45	Progress of construction permits and other approvals and equipment procurement will impact progress for this milestone.
2j.	Network Testing	0	Delayed site access agreements, rights of entry, SHPO approvals, FONSI will impact special operations test, stress test, staging, wide area tuning, KPI testing, coverage testing. Significant testing of the PSBN will not begin in earnest until site clusters are complete. The first clusters expected to go live for testing will be available in late Q2-2015

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
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).

LA-RICS submitted a modified budget that reallocates funds into two new categories namely, 8. Demolition and removal and 9. Construction. Until the modified budget is approved, LA-RICS will not be able to draw down funds for expenditures made under these categories. The BTOP program can provide useful technical assistance in the review and approval of the modified budget.

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	\$13,297,104	\$2,685,484	\$10,611,620	\$10,113,670	\$6,870,422	\$3,243,248	\$13,527,021	\$7,310,466	\$6,216,555
b. Land, structures, right-of-ways, appraisals, etc.	\$73,597,901	\$37,780,781	\$35,817,120	\$4,007,005	\$4,007,005	\$0	\$14,751,370	\$10,091,803	\$4,659,567
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$16,360,786	\$1,543,236	\$14,817,550	\$8,299,309	\$1,044,677	\$7,254,632	\$12,459,187	\$1,167,632	\$11,291,555
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	\$1,337,769	\$0	\$1,337,769
i. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$5,084,560	\$0	\$5,084,560
j. Equipment	\$113,368,574	\$20,394,864	\$92,973,710	\$4,584,514	\$0	\$4,584,514	\$16,045,799	\$0	\$16,045,799
k. Miscellaneous	\$1,270,000	\$850,000	\$420,000	\$0	\$0	\$0	\$2,466,789	\$0	\$2,466,789
l. SUBTOTAL (add a through k)	\$217,894,365	\$63,254,365	\$154,640,000	\$27,004,498	\$11,922,104	\$15,082,394	\$65,672,495	\$18,569,901	\$47,102,594
m. Contingencies									
n. TOTALS (sum of l and m)	\$217,894,365	\$63,254,365	\$154,640,000	\$27,004,498	\$11,922,104	\$15,082,394	\$65,672,495	\$18,569,901	\$47,102,594

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