

**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>  NT10BIX5570016	<b>3. DUNS Number</b>  074747908
<b>4. Recipient Organization</b>  Virginia Tech Foundation, Inc. 902 Prices Fork Road STE 400, Blacksburg, VA 24060-3260		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  12-31-2010	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No	
<b>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>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Pat Rodgers	<b>7c. Telephone (area code, number and extension)</b>  5402311709	
	<b>7d. Email Address</b>  prodgers@vt.edu	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  01-28-2011	

**Project Indicators (This Quarter)**

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

The Programmatic Agreement (PA) was drafted and submitted to the NTIA. The State Historic Preservation Office (SHPO) and other agencies had some questions about content/form. MBC, in consultation with our consultant and the NTIA, decided to forego future work on the PA and move forward with the preparation of a conventional Environmental Assessment (EA). That work is in progress. It was felt that the detailed engineering was now far enough along that it could be accomplished faster than completing the PA. Consultations continue with the National Forest Service (NFS), and they are in the process of doing a biological and archeological assessment. A joint permit was submitted to the US Army Corps of Engineers (USACE) and the Virginia Marine Resources Commission (VMRC). MBC had a meeting with the VMRC during December to discuss the scope of the project and any permitting issues. Our EA consultant is addressing a few issues that the USACE and the VMRC wanted clarified. A field inspector was hired for this project. A vehicle was purchased for use by the inspector. Outside Plant Engineering has been completed on the project. Seventy-five percent of the work orders have been field checked. Approximately 20% of the material has been ordered and received. The interconnection sites have been obtained and approvals acquired. The huts for the interconnection sites have been ordered. The VDOT permits have been obtained by the contractor. Utility pole agreements have been executed and pole permits sent for approval.

**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	4	Awaiting approval of EA before starting construction
2b.	Environmental Assessment	95	Awaiting National Forest Service approval before submission of final EA
2c.	Network Design	100	N/A
2d.	Rights of Way	100	N/A
2e.	Construction Permits and Other Approvals	85	Awaiting permit approval from National Forest Service & VAMRC
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	5	Ordered huts in December; not invoiced.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	N/A
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).**

We have the EA prepared, awaiting response from National Forest Service. This has been a rather drawn-out consultation process. It, along with the submittal of the VARMC permit and SHPO consultations/surveys have held up the construction of this project to the point of very little will be done during the remainder of the winter months.

**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	No additional information to add.
New network miles leased	0	N/A

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	No additional information to add.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	No additional information to add.

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 of less). Providers:

0

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 of 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 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 of 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	No additional information to add.
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	No additional information to add.
	Please identify the speed tiers that are available and the number of	0	No additional information to add.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	subscribers for each		
<b>Community Anchor Institutions (including Government institutions)</b>	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	General Offering of 10-100 MBPS
<b>Residential / Households</b>	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
<b>Businesses</b>	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
0	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).

- APPROVAL OF THE EA
- APPROVAL OF ALL OTHER PERMITS
- COMPLETION OF THE ENGINEERING PRINTS
- COMPLETION OF FIELD VERIFICATION OF THE PRINTS
- START CONSTRUCTION ACTIVITIES

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	20	Delay in approval of EA & winter weather will hinder construction progress. Plan to add additional construction crews after Y2Q1.
2b.	Environmental Assessment	100	Zero Variance
2c.	Network Design	100	Zero Variance
2d.	Rights of Way	100	Zero Variance
2e.	Construction Permits and Other Approvals	100	Zero Variance
2f.	Site Preparation	35	Weather will hinder completing site preparation.
2g.	Equipment Procurement	100	N/A
2h.	Network Build (all components - owned, leased, IRU, etc.)	15	Cable construction will be hindered by weather. Electronics & huts will be purchased.
2i.	Equipment Deployment	0	Zero Variance
2j.	Network Testing	0	Zero Variance
2k.	Other (please specify):	0	Zero Variance

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).

Winter weather will severely limit the amount of construction activity that will get accomplished.

### 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	\$150,000	\$30,000	\$120,000	\$51,521	\$0	\$51,521	\$81,521	\$0	\$81,521
b. Land, structures, right-of-ways, appraisals, etc.	\$300,000	\$60,000	\$240,000	\$30,708	\$30,708	\$0	\$130,708	\$130,708	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$362,500	\$72,500	\$290,000	\$192,952	\$9,819	\$183,133	\$203,021	\$9,819	\$193,202
e. Other architectural and engineering fees	\$20,000	\$4,000	\$16,000	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$135,000	\$27,000	\$108,000	\$0	\$0	\$0	\$13,000	\$0	\$13,000
g. Site work	\$90,000	\$18,000	\$72,000	\$0	\$0	\$0	\$22,000	\$0	\$22,000
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$5,500,000	\$1,100,000	\$4,400,000	\$0	\$0	\$0	\$750,000	\$0	\$750,000
j. Equipment	\$300,000	\$60,000	\$240,000	\$27,953	\$20,100	\$7,853	\$47,953	\$40,100	\$7,853
k. Miscellaneous	\$67,500	\$13,500	\$54,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	<b>\$6,925,000</b>	<b>\$1,385,000</b>	<b>\$5,540,000</b>	<b>\$303,134</b>	<b>\$60,627</b>	<b>\$242,507</b>	<b>\$1,248,203</b>	<b>\$180,627</b>	<b>\$1,067,576</b>
m. Contingencies									
<b>n. TOTALS (sum of l and m)</b>	<b>\$6,925,000</b>	<b>\$1,385,000</b>	<b>\$5,540,000</b>	<b>\$303,134</b>	<b>\$60,627</b>	<b>\$242,507</b>	<b>\$1,248,203</b>	<b>\$180,627</b>	<b>\$1,067,576</b>

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