

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information		
1. Federal Agency and Organizational Element to Which Report is Submitted GOL	2. Award Identification Number NT10BIX5570026	3a. DUNS Number 831415570
		3b. EIN XXXXXXXXXXX
4. Recipient Organization (Name and complete address including country, congressional district, and zip code) Keystone Initiative For Network Based Education and Research 624 North Front St, Wormleysburg, PA 17043-1022		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2010	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 Patricia Campbell Compliance Officer	7c. Telephone (area code, number and extension) 5704227954	
	7d. Email Address pcampbell@kinber.org	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-17-2010	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (150 words or less).
 After completing the environmental assessment, KINBER has received a FONSI and is able to proceed with project construction. KINBER is still in negotiations with its contractor FIBERTECH (FT) related to a 20-year maintenance agreement and finalization of the purchase agreement (construction contract). However FT has requested a waiver of the mandatory performance bond for 100% of the project cost. If FT is not successful in obtaining a waiver, KINBER will need to select another contractor through a competitive RFP process. KINBER has begun developing an RFP as a contingency plan. KINBER has engaged an audit firm to conduct an annual financial review. KINBER staff and board members continue to attend public and professional meetings to promote the project. This included the first statewide Pennsylvania Broadband Summit where KINBER participated as a vendor with an informational booth.

2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 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	5	.
2b.	Environmental Assessment	100	.
2c.	Network Design	25	Due to issues with our current contractor's ability to secure a performance bond, KINBER has started the RFP process to obtain a new contractor (s) to design and build the network.
2d.	Rights of Way	0	Due to issues with our current contractor's ability to secure a performance bond, KINBER has started the RFP process to obtain a new contractor (s) to design and build the network.
2e.	Construction Permits and Other Approvals	0	Due to issues with our current contractor's ability to secure a performance bond, KINBER has started the RFP process to obtain a new contractor (s) to design and build the network.
2f.	Site Preparation	0	.
2g.	Equipment Procurement	0	.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	.
2i.	Equipment Deployment	0	.
2j.	Network Testing	0	.
2k.	Other (please specify):	0	.

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 (150 words or less).
 KINBER's current vendor, FIBERTECH has requested a waiver of the performance bond requirement. KINBER is currently working with their program officer to determine if this is possible. In the meantime, KINBER has started a RFP process if the waiver request is unsuccessful since KINBER will need to select a new vendor or vendors to build the network. Without the waiver, the construction process will be stalled by at least 3 months due to the RFP process, vendor selection and contract negotiations. If necessary, KINBER anticipates being able to select a new contractor in mid-December 2010 and start pre-construction work (make ready and permitting) in January 2011.

4. Please report the following information regarding network build progress. Write "N/A" in the second 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 (100 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	.
New network miles leased	0	n/a
Existing network miles upgraded	0	n/a
Existing network miles leased	0	n/a

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of miles of new fiber (aerial or underground)	0	.
Number of new wireless links	0	n/a
Number of new towers	0	n/a
Number of interconnection points	0	.

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your subrecipient, 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	0

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements. Providers:
 No agreements signed yet.

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. Wholesale services description:
 KINBER is still developing its preliminary schedule of services and related prices. A draft services document was submitted on our Q2 report and is still under review.

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 subrecipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this this third party operates (150 words or less).
 n/a

6. Please provide the data according to the type of subscriber. Write "N/A" 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 (100 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	.
	Providers with signed agreements receiving improved access	0	.
	Providers with signed agreements receiving access to dark fiber	0	.
	Please identify the speed tiers that are available and the number of subscribers for each	0	1G to 10G Ethernet
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	.
	Subscribers receiving new access	0	.
	Subscribers receiving improved access	0	.

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 or subscribers for each	0	100M to 10G Ethernet
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 (150 words or less).
 KINBER has provided a draft services document as an attachment to the Q2 report. This document is still under internal review.

8a. Have your network management practices changed over the last quarter? Yes No

8b. If so, please describe the changes (150 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. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent calendar year. 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 (100 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

RECIPIENT NAME:GOL
AWARD NUMBER: NT10BIX5570026
DATE: 2010-11-17 13:22:01

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 12-31-2010

None at this time	n/a	n/a	n/a	n/a
.	n/a	n/a	n/a	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 (150 words or less).

Completion of the RFP process, selection of construction vendor(s) and engagement in both the master maintenance agreement and fiber purchase agreement (construction contract). Initial drawdown of federal grant funds. Completion of annual audit and 990 form.

2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 words or less).

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	5	KINBER anticipates completing an RFP process in December 2010 to obtain a new vendor(s) to build the network. This change in Prime Contractor will result in a later construction start date of January 2011.
2b.	Environmental Assessment	100	.
2c.	Network Design	25	KINBER anticipates completing an RFP process in December 2010 to obtain a new vendor(s) to build the network. This change in Prime Contractor will result in a later construction start date of January 2011.
2d.	Rights of Way	0	KINBER anticipates completing an RFP process in December 2010 to obtain a new vendor(s) to build the network. This change in Prime Contractor will result in a later construction start date of January 2011.
2e.	Construction Permits and Other Approvals	0	KINBER anticipates completing an RFP process in December 2010 to obtain a new vendor(s) to build the network. This change in Prime Contractor will result in a later construction start date of January 2011.
2f.	Site Preparation	0	.
2g.	Equipment Procurement	0	.
2h.	Network Build (all components - owned, leased, IRU, etc.)	0	.
2i.	Equipment Deployment	0	.
2j.	Network Testing	0	.
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 (150 words or less).

KINBER anticipates entering into purchase and master maintenance agreements with a new vendor or vendors by December 2010. Negotiations related to these agreements may take longer than anticipated.

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	\$1,153,183	\$1,153,183	\$0	\$252,226	\$252,226	\$0	\$362,726	\$362,726	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$375,000	\$155,000	\$220,000	\$24,974	\$10,489	\$14,485	\$54,974	\$23,089	\$31,885
e. Other architectural and engineering fees	\$1,625,000	\$1,625,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$525,000	\$525,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$119,429,848	\$24,229,170	\$95,200,678	\$0	\$0	\$0	\$20,000	\$0	\$20,000
j. Equipment	\$5,850,000	\$1,610,000	\$4,240,000	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$128,958,031	\$29,297,353	\$99,660,678	\$277,200	\$262,715	\$14,485	\$437,700	\$385,815	\$51,885
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$128,958,031	\$29,297,353	\$99,660,678	\$277,200	\$262,715	\$14,485	\$437,700	\$385,815	\$51,885

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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