

### QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information		
<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b> GOL	<b>2. Award Identification Number</b> NT10BIX5570030	<b>3a. DUNS Number</b> 029980307
		<b>3b. EIN</b> XXXXXXXXXXX
<b>4. Recipient Organization (Name and complete address including country, congressional district, and zip code)</b> De Kalb, County of (Inc.) 200 N. Main Street, Ste. 120, Sycamore, IL 60178-1431		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b> 09-30-2010	<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>  Ed Harvey	<b>7c. Telephone (area code, number and extension)</b>  8158957125	
	<b>7d. Email Address</b>  eharvey@dekalbcounty.org	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-29-2010	

**Project Indicators (This Quarter)**

**1. Please describe significant project accomplishments completed during this quarter (150 words or less).**  
 Satisfied Environmental Assessment Special Award Condition. Prepared materials, made presentations, and obtained DeKalb County Economic Development Committee and Board approval of Ordinance designating DeKalb Fiber Optics, LLC as sole source provider for infrastructure to be constructed under this grant. Negotiated drafts of Indefeasible Right of Use Documents with DeKalb Fiber Optics for completed segments. Drafted agreement to be used with Community Anchor Institutions. Started drafting of scope of work for Northern Illinois University Outreach for Community Anchor Institution consulting.

**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	12	Sole source ordinance and public/private agreements have taken longer to negotiate and draft than anticipated. In the baseline report, we had estimated completion by Q6. We now anticipate substantial completion by Q8 and full completion by Q12. DeKalb Fiber Optics has committed to additional resources necessary to complete the project on schedule.
2b.	Environmental Assessment	100	Environmental assessment special award condition satisfied in Q3.
2c.	Network Design	100	Completed network design.
2d.	Rights of Way	50	Contingent on private/public agreements. North part of route in-hand. South part of route to be acquired when north route is underway. Target was 100% at this point but delayed in order to concentrate on agreement preparation.
2e.	Construction Permits and Other Approvals	75	Contingent on private/public agreements. Efforts this quarter have been redirected to getting the agreements completed. When construction is underway, permitting for the south part of the route will be restarted. Target was 100% at this point but delayed in order to concentrate on agreements preparation.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	0	Contingent on private/public agreements. No equipment needed immediately due to construction not started. Target was 20% at this point but delayed in order to work on NIU Outreach agreement.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Contingent on private/public agreements. DeKalb Fiber Optics is prepared to start work immediately upon signing of agreements and has committed to additional resources necessary to complete the project on schedule. Target was 10% at this point but delayed due to lack of agreements that would allow construction to start.
2i.	Equipment Deployment	0	Contingent on private/public agreements. Equipment purchase and deployment will follow start of construction. Target was 20% at this point but delayed due to lack of agreements are needed in order for construction to start and equipment to be deployed.
2j.	Network Testing	0	Contingent on private/public agreements. Network testing will be performed as segments are constructed. Target was 20% at this point but delayed due to lack of agreements that are needed in order for construction to start and testing to take place.
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 (150 words or less).**  
 With assistance from materials provided by BTOP, DeKalb Fiber Optics determined their status as a vendor. Once this determination was completed, justification and presentation of a sole source ordinance was presented for approval by the DeKalb County Board. This approval was followed by the drafting of the needed documents with DeKalb Fiber Optics, which is where we currently are in the process. There are three agreements between DeKalb County and DeKalb Fiber Optics that are being drafted and negotiated: Those

are an Indefeasible Right of Use (IRU), a Contribution Agreement and a Location, Maintenance and Relocation (LMR) Agreement. The IRU is the instrument by which the County will acquire the 48 strands of fiber. The Contribution Agreement outlines the contributions of DFO to the project. We see no reason at this time why the IRU, Contribution and LMR agreements cannot be complete in Q4. The final challenge we are experiencing is receipt of the local cash share being provided by the State of Illinois. We are using all efforts to get the State to provide an written agreement for the funds the State has agreed in writing to provide. We have been promised this agreement will be provided in Q4 and State funds will be released. This entire process has taken longer than we anticipated when we prepared the baseline report.

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	Construction not started. Additional installation crew will be provided to assist in catching up with substantial and final completion requirements.
New network miles leased	0	N/A
Existing network miles upgraded	0	Construction not started. Reflects new fiber to be installed in contributed duct per Contribution Agreement. Will be completed within available resources in construction sequence.
Existing network miles leased	0	Reflects those segments to be acquired by IRU from DeKalb Fiber Optics per Contribution Agreement.
Number of miles of new fiber (aerial or underground)	0	Construction not started. Additional installation crew will be provided to assist in catching up with substantial and final completion requirements.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of interconnection points	0	Construction not started. Additional installation crew will be provided to assist in catching up with substantial and final completion requirements.

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	1
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
Average term of signed agreements	5

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements. Providers:

TBC Net, Inc.

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:

100mb vlan; 1gb vlan; wholesale bandwidth; consumer access.

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 third party operates (150 words or less).

DeKalb Fiber Optic, nc. (Fiber Physical Layer), Vendor  
 Northern Illinois University (Electronics and CAI) , Vendor/ Sub-recipient status tbd

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)
<b>Broadband Wholesalers or Last Mile Providers</b>	Providers with signed agreements receiving new access	0	Discussions are continuing with prospective providers.
	Providers with signed agreements receiving improved access	1	Discussions are continuing with prospective providers.
	Providers with signed agreements receiving access to dark fiber	0	We have approached one possible dark fiber subscriber.
	Please identify the speed tiers that are available and the number of subscribers for each	0	See response to Q. 5c.
<b>Community Anchor Institutions (including Government institutions)</b>	Total subscribers served	41	Current estimate of anchor institutions at end of Q3.
	Subscribers receiving new access	0	None at this time.
	Subscribers receiving improved access	0	None at this time.
	Please identify the speed tiers that are available and the number or subscribers for each	41	dark fiber
<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 (150 words or less).**  
 Work continues on the downtown DeKalb renovation mentioned in the Q2 PPR. Infrastructure to be constructed under this grant will provide connection for the downtown DeKalb project.

**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
N/A	N/A	N/A	N/A	None connected to-date with BTOP funds.

**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (150 words or less).**  
 Assuming we can get the required agreements in-place, we plan to install as much as 40,000 feet of duct and sufficient fiber to connect the first Community Anchor Institutions by the end of Q4. This would include equipment placement and fiber testing. We expect to sign agreement with Northern Illinois University Outreach early in Q4 for recruitment and needs assessment of community anchors.

**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	15	Significant progress in construction and community anchors is expected in Q4. NIU Outreach will start work on Community Anchor Institutions. DeKalb Fiber Optics will operate second plow crew in beginning in April for three months. This should provide the extra resources to get the overall project on schedule
2b.	Environmental Assessment	100	Previously completed.
2c.	Network Design	100	Previously completed.
2d.	Rights of Way	75	Rights-of-Way are in-place for segments to be constructed in Q4. Schedule allows adequate time for acquisition of ROW for center and south routes as construction is underway on north part of project. Target was 100% at this point but delayed in order to concentrate on agreement preparation.
2e.	Construction Permits and Other Approvals	75	Permits are in-place for segments to be constructed in Q4. Schedule allows adequate time for acquisition of ROW for center and south routes as construction is underway on north part of project. Target was 100% at this point but delayed in order to concentrate on agreements preparation.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	15	Northern Illinois University Outreach consulting agreement is expected to be in place early in Q4. Their work includes defining the equipment needs of the community anchors and assisting the County in competitively bidding the purchase of the equipment. First phase of their work will concentrate on community anchors located in north part of route. Network build equipment is available and ready for when construction starts. Target was 40% at this point but delayed in order to work on NIU Outreach agreement.
2h.	Network Build (all components - owned, leased, IRU, etc.)	8	Represents completion of three segments in DeKalb and Genoa in Q4. Extra plow crew to be added in April to catch up with IRU schedule which is bulk of project. Target was 30% at this point but delayed due to lack of agreements that would allow construction to start.
2i.	Equipment Deployment	13	Network build equipment is available when construction starts. Premise participant equipment and core equipment is being purchased by competitive bid. The bids are expected to be awarded in Q5 and will be installed as Community Anchors are brought on-line. Target was 40% at this point but delayed due to lack of agreements are needed in order for construction to start and equipment to be deployed.
2j.	Network Testing	8	For segments installed in Q4. All segments will be tested as they are completed. Adequate resources are in place to assure testing will keep pace with construction. Target was 40% at this point but delayed due to lack of agreements that are needed in order for construction to start and testing to take place.
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).**  
 Good progress has been made toward getting the public/private agreements in-place including approval of a sole source ordinance and the consulting agreement with Northern Illinois University Outreach. We expect agreements with DeKalb Fiber Optics will be completed and construction started in Q4. Construction is contingent on receiving the local cash share being provided by the State of Illinois.

**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	\$7,800	\$31,200	\$15,015	\$3,003	\$12,012	\$21,000	\$4,200	\$16,800
b. Land, structures, right-of-ways, appraisals, etc.	\$1,435,485	\$996,922	\$438,563	\$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	\$646,480	\$491,145	\$155,335	\$89,500	\$17,900	\$71,600	\$114,500	\$22,900	\$91,600
e. Other architectural and engineering fees	\$45,000	\$9,000	\$36,000	\$0	\$0	\$0	\$25,000	\$5,000	\$20,000
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	\$10,969,239	\$766,223	\$10,203,016	\$0	\$0	\$0	\$855,882	\$55,882	\$800,000
j. Equipment	\$1,695,000	\$694,950	\$1,000,050	\$0	\$0	\$0	\$225,600	\$65,600	\$160,000
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	<b>\$14,830,204</b>	<b>\$2,966,040</b>	<b>\$11,864,164</b>	<b>\$104,515</b>	<b>\$20,903</b>	<b>\$83,612</b>	<b>\$1,241,982</b>	<b>\$153,582</b>	<b>\$1,088,400</b>
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	<b>\$14,830,204</b>	<b>\$2,966,040</b>	<b>\$11,864,164</b>	<b>\$104,515</b>	<b>\$20,903</b>	<b>\$83,612</b>	<b>\$1,241,982</b>	<b>\$153,582</b>	<b>\$1,088,400</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
---	--------------------------------