

RECIPIENT NAME:Charlotte, City of
AWARD NUMBER: NT10BIX5570088
DATE: 01/25/2011

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 12/31/2013

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 NT10BIX5570088	3. DUNS Number 071064166
4. Recipient Organization Charlotte, City of 600 East Fourth Street , Charlotte, NC 28202-2816		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	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 Nelson Baker Project Manager	7c. Telephone (area code, number and extension) 7043364435	
	7d. Email Address Nelson.Baker@MecklenburgCountyNC.gov	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 01-25-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 A stakeholder selection committee has been meeting and evaluating vendor proposals from an RFP to build, operate and maintain a new LTE broadband network.
 An additional RFP was submitted seeking a Technical Consultant to serve as a technical team advisor to Charlotte's BTOP project team. A selection committee was formed and is currently evaluating these proposals.
 An Environmental Assessment draft was completed by the selected Environmental Consulting firm and is currently under review by Charlotte's BTOP team.

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	1	.5% of project is actually complete but entry only allows whole numbers. .5% is consistent with baseline.
2b.	Environmental Assessment	90	An EA draft was completed on time by consulting firm and is under review by Charlotte. Charlotte plans to submit EA Draft to NTIA on time per requirement, however possible changes to Charlotte's network design approach may change the final EA study required.
2c.	Network Design	0	N/A
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	0	N/A
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	0	N/A
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): Admin,Legal, Arch & Engineering Fees	14	Cash & In-Kind Match (Staff & Travel Expenses)

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 vendor selection, technical consultant selection and remaining project is expected to be delayed due to several factors that may change the scope and restart of this project. Factors include:
 1. The discovery in November that \$4.077 million of Charlotte's grant match is not allowable via OMB circular A-87 section 37
 2. SAC - FCC definition of a public safety user does not extend to secondary responders
 3. SAC - FCC Order for Interoperability among other recipients create unpredictable costs and time to project
 4. Device Cost - Learned from proposal submissions, cost of the LTE devices are significantly higher than projected
 5. Continuance - Charlotte will need to re-think its business plan, system design, subscriber base, operation and maintainability for this network to be substantiable.
 Efforts are underway to resolve as priority.

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	N/A
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	N/A
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	N/A

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:
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 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 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	N/A
	Providers with signed agreements receiving improved access	0	N/A

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

Select & Award Technical Consultant Contract.
 Re-Structure Project Business Plan and Network approach/design Strategy.
 Re-Structure and issue RFP with new approach/design strategy.

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	1	An additional .5% will be completed for next quarter indicating a 1% completion for next quarter. This is consistent with our baseline.
2b.	Environmental Assessment	90	Possible changes to Charlotte's network design approach may change the final EA study required.
2c.	Network Design	0	N/A
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	0	N/A
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	0	N/A
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): Admin, Legal, Arch/ Engr. Fees	25	Match / Staff Time

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).

Next quarter impacts are contingent to how and how quickly the following issues are addressed/resolved. Issues include:
 1. The discovery in November that \$4.077million of Charlotte's grant match is not allowable via OMB circular A-87 section 37
 2. SAC - FCC definition of a public safety user does not extend to secondary responders
 3. SAC - FCC Order for Interoperability among other recipients create unpredictable costs and time to project
 4. Device Cost - Lessons learned from proposal submissions, cost of the LTE devices are significantly higher than projected.

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5. Continuance - Charlotte will need to re-think its business plan, system design, subscriber base, operation and maintainability for this network to be substantiable.

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	\$37,291	\$37,291	\$0	\$17,900	\$17,900	\$0	\$32,000	\$32,000	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$4,077,000	\$4,077,000	\$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	\$275,662	\$275,662	\$0	\$44,399	\$44,399	\$0	\$80,000	\$80,000	\$0
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	\$286,500	\$0	\$286,500	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$1,176,000	\$0	\$1,176,000	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$15,239,990	\$0	\$15,239,990	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$21,092,443	\$4,389,953	\$16,702,490	\$62,299	\$62,299	\$0	\$112,000	\$112,000	\$0
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$21,092,443	\$4,389,953	\$16,702,490	\$62,299	\$62,299	\$0	\$112,000	\$112,000	\$0

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