

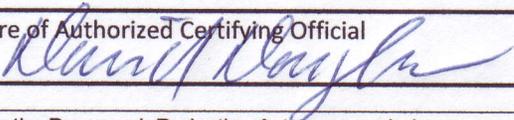


FIRST PERFORMANCE PROGRESS REPORT 2010

1. Recipient Organization (<i>Name and complete address including zip code</i>) CVIN LLC, 1346 N Floyd Ave, Fresno, CA 93723-9519	2. Award Identification Number NT10BIX5570126
<p>3. Performance Narrative (Q1)</p> <p><i>Please describe your project activities and progress for the first quarter of your award period. This should include a description of federal expenditures to date, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any delays or challenges. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i></p> <p>Start-up Activities – Central Valley Independent Network (CVIN) reviewed the award package and accepted the grant on September 14, 2010. We have registered on all of the required grant management websites. We have participated in several grant management webinars including grant compliance and environmental assessment. We have also participated in weekly calls with our grant Federal Program Officer and Grants Coordinator to insure the grant management process progresses smoothly.</p> <p>Federal Expenditures – CVIN has incurred \$227,000 in pre-award expenses which are included in our 6-month Environmental Assessment Procurement Budget.</p> <p>Challenges – California grant recipients have the challenge of meeting both National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA) requirements in the allotted timeframe.</p> <p>Environmental Assessment – CVIN has begun the environmental assessment process. A consultant has been hired and discussions with National Telecommunications and Information Administration (NTIA) and California Public Utilities Commission (CPUC) have begun.</p> <p>Network Design – CVIN utilized Google Earth as our base mapping system to create the preliminary design. The satellite imagery will help speed up the environmental assessment process and reduce the cost of detailed engineering.</p> <p>Other – CVIN, along with our partner, Corporation for Education Network Initiatives in California (CENIC), are conducting extensive community outreach efforts. This includes site visits to all of the anchor institutions as well as multiple visits to each county to meet with community/county leadership to educate them on our project. While primary routes for the project have been determined, these visits help determine the best route in each community to minimize disruption of roadways and to maximize ways to meet their economic development needs. These efforts also help solidify the partnership we have with each community to meet their needs.</p>	
<p>4. Performance Projections (Q2)</p> <p><i>Please describe your anticipated project activities and progress for the next quarter. This should include a description of federal expenditures, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any potential delays or challenges you foresee. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i></p> <p>Federal Expenditures – CVIN will incur approximately \$200,000 for engineering/design, project management, and right-of-way expenses associated with environmental assessment processes. This is included in our 6-month Environmental Assessment Procurement Budget.</p> <p>Environmental Assessment – CVIN, its consultant, and CPUC will continue environmental assessment processes. We will identify the necessary agencies that need to be consulted and insure that we meet their requirements. Environmental protection measures are being incorporated in the environmental assessment which focus on limiting any environmental issues by avoiding areas of concern. We expect to meet the January 31, 2011 deadline for the draft Environmental Assessment (EA) submission to NTIA.</p> <p>Challenges – Some environmental assessment process such as biological surveys must be conducted in spring time conditions which will occur after the initial draft EA submittal. This will extend the timeline of the final EA which will cause delays in starting construction. We plan to utilize multiple construction contractors to overcome this obstacle by working on several phases simultaneously. This will shorten the construction timeline allowing us to stay within the project completion deadlines. Other challenges will include the Caltrans permitting process for state highway rights-of-way. We have been involved in several joint meetings with Caltrans which indicate they are committed to working with California grant awardees to streamline the process so that permitting can be completed in a timely manner.</p> <p>Procurement – Procurement policies and procedures as well as code of conduct policies associated with the grant award will be finalized in this quarter.</p> <p>Network Design – Final route design details will be determined in coordination with environmental assessment. Detailed engineering will begin shortly after the environmental assessment is complete early in 2011.</p>	

Other – We plan to complete anchor institution site visits and community/county leadership visits by early December. The knowledge gathered will aid in detailed project engineering, minimize route changes that could affect environmental assessment, streamline rights-of-way procurement, streamline eventual turn-up of services, and establish a good working relationship with each anchor institution, county and community.

5. 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.

5a. Typed or Printed Name and Title of Authorized Certifying Official	5c. Telephone (<i>area code, number and extension</i>) 559-846-5355
David Douglas, President	5d. Email Address douglasd@cvin.com
5b. Signature of Authorized Certifying Official 	5e. Date Report Submitted (<i>Month, Day, Year</i>) October 29, 2010

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