



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
OFFICE OF ACQUISITION AND GRANTS

January 30, 2013

Laurel Butman
Deputy County Administrator
Clackamas County
2051 Kaen Road
Oregon City, Oregon 97045

Re: Broadband Technology Opportunities Program (BTOP)
County of Clackamas - Clackamas Broadband Innovation Initiative (Clackamas)
Grant Award # NT10BIX5570079

Dear Ms. Butman:

The purpose of this letter is to inform Clackamas of a Corrective Action Plan (CAP) that the National Oceanic and Atmospheric Administration (NOAA) and the National Telecommunications and Information Administration (NTIA) are requesting it complete to ensure that the grant-funded project is compliant with award terms and conditions, completed on time, and is able to deliver the benefits described in the final award agreement.

Upon acceptance of a grant from the Department of Commerce, Clackamas agreed to comply with requirements specified in the terms and conditions of the award. As a condition of the award, the BTOP Round 2 NOFA required the Authorized Organization Representative (AOR) to certify that the entity(ies) he or she represents have and will comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, codes, orders, and programmatic rules and requirements relating to the project. *See* Notice of Funds Availability and Solicitation of Applications, 75 Fed. Reg. 3792, 3810 (Jan. 22, 2010). The AOR must acknowledge that failure to do so may result in rejection or deobligation of the grant or loan award.

During ongoing negotiations between Clackamas and Oregon City, OR (City), the City raised concerns about Clackamas's compliance with the City's Municipal Code. In a December 12, 2012, letter to NTIA, the City alleged that Clackamas violated the City's Municipal Code by deploying fiber within City Rights of Way without obtaining required permits or executing any necessary franchise agreements. As a result the City, in the letter, asserts its intention to pursue enforcement action for these alleged violations including requiring Clackamas to remove the BTOP fiber from City Rights of Way.

Consequently, NTIA is issuing a CAP requiring that Clackamas provide documentation that it has and will comply with City municipal code. NTIA requires Clackamas provide a response by February 25, 2013, in order for the Program Office to review the response and to request and receive any clarifications as needed. NTIA has also recommended that NOAA change

Clackamas's Automated Standard Application for Payments (ASAP) status to reimbursement only until the award closes, given that the award end date is June 30, 2013.

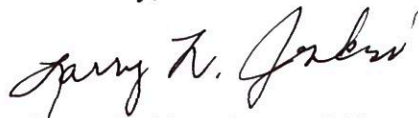
REQUIRED CORRECTIVE ACTION: The CAP items below apply to Clackamas's BTOP grant award. Please respond immediately to your NTIA Program Officer and/or NOAA Grants Specialist.

Oregon City Rights of Way

1. Clackamas must provide to NTIA detailed maps of the fiber deployed in Oregon City and any planned buildings (denoting any buildings that were in its approved application, but no longer expected to be connected) to be connected that are within Oregon City.
2. Clackamas must provide to NTIA copies of the permits or other written communication authorizing the deployment of all aerial and buried BTOP fiber in the City.
3. Clackamas must provide to NTIA documentation to support that fiber was not deployed after the City issued the stop work order on September 13, 2011.

Please provide information to address these CAP items no later than February 25, 2013. If you have any questions, please contact your Federal Program Officer, Tim Moyer, at (202) 482-6423 or your Grants Management Specialist, Craig Reid at (301) 628-9351. Failure to respond to this CAP in a timely or comprehensive manner may result in the suspension and/or termination of your grant award. Thank you for your cooperation and assistance.

Sincerely,



Larry Jenkins, Grants Officer
NOAA Grants Management Division

cc: William Ball, NOAA
Alan Conway, NOAA
Laura Dodson, NTIA
Aimee Meacham, NTIA
Tim Moyer, NTIA
Arlene Simpson-Porter, NOAA
Craig Reid, NOAA
Anthony Wilhelm, Ph.D., NTIA