

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 NT10BIX5570032	3. DUNS Number 107957268
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4. Recipient Organization Lane Council of Government 859 Willamette ST STE 500, Eugene, OR 97401-3174

5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2011	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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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 Milo Mecham Program Manager	7c. Telephone (area code, number and extension) 5416824023
	7d. Email Address mmecham@lcog.org

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-19-2011
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Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Completed project visit. Initiated construction contracting process. Solicited for construction contractors, signed construction contracts. Finalized in-kind match donation.

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	22	The Environmental Assessment took much longer than anticipated in the original baseline plan. We expect that we will be able to work back to the planned progress over the next year.
2b.	Environmental Assessment	100	Completed
2c.	Network Design	90	The design is completed except for the final refinements that will be done during construction to respond to changed circumstances in the field.
2d.	Rights of Way	30	This is proceeding on track according to the revised schedule after the environmental assessment was completed.
2e.	Construction Permits and Other Approvals	20	Applications have been submitted in several cities. With the Environmental Assessment submitted, this portion of the project can begin to move quickly.
2f.	Site Preparation	5	This portion of the project has been waiting for the completion of the Environmental Assessment. With the selection of some of the construction contractors, this work can commence.
2g.	Equipment Procurement	5	Equipment procurement will begin this quarter and is expected to proceed rapidly.
2h.	Network Build (all components - owned, leased, IRU, etc)	40	The IRUs have been approved, and the most significant one has been completed. We expect to catch up to the baseline projections sometime in the second quarter 2012.
2i.	Equipment Deployment	0	This is proceeding on track according to the revised schedule after the environmental assessment was completed.
2j.	Network Testing	10	This is proceeding on track according to the revised schedule after the environmental assessment was completed.
2k.	Other (please specify):	0	NA

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 challenges discussed above encompass the challenges faced. The delay in completion of the environmental assessment delayed the start of construction. We were able to work out with the BTOP program a plan to work back to the original schedule. One area where we have been able to keep with the projected schedule is in terms of match. The match expenditures consist of several relatively small contributions, and one IRU which represents perhaps eighty percent of the match. This IRU was finalized, and put the project ahead in terms of the match contribution. This is likely to remain the case for some time.

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	The baseline was too optimistic, especially with regard to the completion of the environmental assessment. It should be possible to catch up with the original prediction because the IRU for the largest portion of the network is now secure. With construction beginning Q3, we will be able to move forward, top get back in sync with the baseline sometime Q3 2012.
New network miles leased	230	The IRU with the Fiber Consortium has been completed. The only remaining IRU has completed negotiations and should be signed this quarter. This puts us ahead in terms of match, because the largest portion of our match was in one IRU.
Existing network miles upgraded	0	No deviation from expected progress
Existing network miles leased	0	No deviation from expected progress
Number of miles of new fiber (aerial or underground)	230	Construction will begin early Q3. After the completion of the environmental assessment, construction should gradually get back on schedule.
Number of new wireless links	0	No deviation from expected progress
Number of new towers	0	No deviation from expected progress
Number of new and/or upgraded interconnection points	0	The delay in the environmental assessment pushed back the progress on making connections. With construction beginning, we expect tht these interconnection points will be coming on line soon. We should be able to return to the baseline projection sometime in Q3 2012.

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	5
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 or less). Providers: None 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 (100 words or less). Wholesale services description:

Maximum service levels are planned at the gigabit or the 100 megabit level. Services are planned to be offered at all levels. No pricing decisions have been made at this time.

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).

No designations have been made yet. It is planned to designate several third party contractors to operate portions of the network.

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 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	No agreements were negotiated until the environmental assessment was completed. Discussions have started with some of the providers.
	Providers with signed agreements receiving improved access	0	No agreements were negotiated until the environmental assessment was completed. Discussions have started with some of the providers.
	Providers with signed agreements receiving access to dark fiber	0	No agreements were negotiated until the environmental assessment was completed. Discussions have started with some of the providers.
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	After construction is begun in Q3 2011, the project will begin to serve the anchor institutions. We should catch up to baseline projections in Q3 2012.
	Subscribers receiving new access	0	After construction is begun in Q3 2011, the project will begin to serve the anchor institutions. We should catch up to baseline projections in Q3 2012.
	Subscribers receiving improved access	0	After construction is begun in Q3 2011, the project will begin to serve the anchor institutions. We should catch up to baseline projections in Q3 2012.
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
Residential / Households	Entities passed	0	NA
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
Businesses	Entities passed	0	NA
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA

7. Please describe any special offerings you may provide (600 words or less).
 NA

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

8b. If so, please describe the changes (300 words or less).
 NA

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
None yet	NA	NA	NA	NA

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
Start Construction. Connect the first anchor institutions. Complete the match donations of fiber (IRUs). Complete additional procurements for construction.

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	14	The delays in acquiring fiber have slowed progress, but orders are now being received.
2b.	Environmental Assessment	100	NA
2c.	Network Design	100	This should be completed as construction begins.
2d.	Rights of Way	40	This will proceed ahead of construction.
2e.	Construction Permits and Other Approvals	40	This will proceed ahead of construction
2f.	Site Preparation	30	This will proceed ahead of construction
2g.	Equipment Procurement	30	This will proceed as construction moves forward.
2h.	Network Build (all components - owned, leased, IRU, etc.)	75	The completion of the IRUs will establish the largest part fothe network.
2i.	Equipment Deployment	5	Deployemtn will follow construction. As anchor insitutions are connected, equipment will be deployed.
2j.	Network Testing	30	With the IRUs completed the testing of the network backbone can commence.
2k.	Other (please specify):	0	NA

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).

The continued delay in the delivery of fiber will delay some aspects of the project.

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	\$39,000	\$0	\$38,467	\$38,467	\$0	\$38,467	\$38,467	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$30,000	\$18,000	\$12,000	\$0	\$0	\$0	\$18,000	\$18,000	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$400,430	\$26,000	\$374,430	\$522,533	\$79,732	\$439,058	\$522,533	\$79,732	\$442,801
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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$8,390,480	\$2,030,505	\$6,359,975	\$1,763,664	\$1,644,581	\$0	\$2,313,664	\$1,763,664	\$550,000
j. Equipment	\$1,538,655	\$0	\$1,538,655	\$0	\$0	\$0	\$250,000	\$0	\$250,000
k. Miscellaneous	\$40,470	\$0	\$40,470	\$4,627	\$884	\$3,743	\$6,650	\$0	\$6,650
l. SUBTOTAL (add a through k)	\$10,439,035	\$2,113,505	\$8,325,530	\$2,329,291	\$1,763,664	\$442,801	\$3,149,314	\$1,899,863	\$1,249,451
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$10,439,035	\$2,113,505	\$8,325,530	\$2,329,291	\$1,763,664	\$442,801	\$3,149,314	\$1,899,863	\$1,249,451

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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