

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 NT10BIX5570065	3. DUNS Number 046251963
--	---	--

4. Recipient Organization

Buggs Island Telephone Cooperative 100 Nellie Jones Road , Bracey, VA 23919-1732

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
--	---

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 Sarah Thrift	7c. Telephone (area code, number and extension) 4346362274
	7d. Email Address sthrift.bit@gmail.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-29-2011
---	--

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 The April 1, 2011 to June 30, 2011 quarter project accomplishments completed during this quarter include: 1) Buggs Island Telephone Cooperative received a Finding of No Significant Impact following the submission of the Environmental Assessment; 2) Continuing bi-weekly calls between National Telecommunications and Information Administration and Buggs Island Telephone Cooperative; 3) Buggs Island Telephone Cooperative selected a vendor to purchase a Brocade 10 gigabit Core Ring for the core network equipment through their procurement process; 4) Buggs Island Telephone Cooperative is continuing the process of negotiating tower leases; 5) Buggs Island Telephone Cooperative made their second draw down from the grant funds to pay for engineering services provided; 6) Buggs Island Telephone Cooperative selected Airspan as the primary vendor for the WiMax Equipment to be used for the project and signed a contract for the equipment and services.

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	5	The projections for percent completion on the Baseline Report for each of the categories listed below are based on total dollars spent at the end of each quarter. For the Overall Project percent Completion a weighted average of the total percentages for each of the categories below is computed. While there has been progress made on the overall project the percent complete is less than what was originally projected because there are timing differences between when work has been performed in the categories below and the submission of invoices for payment.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	0	The network has been designed, however, Airspan, the WiMax equipment vendor, is working on a detailed propagation map that will be ready next quarter. This will be utilized for planning purposes as well as by sales representatives who will be assisting customers during the sign-up process. The projections for percent completion on the Baseline Report and here are based on total dollars spent at the end of each quarter. While there has been progress made in the Network Design category, the percent complete is zero because no dollars have been spent in this category.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	0	No variance
2f.	Site Preparation	0	The 35 existing tower locations have been identified and tower negotiations have begun. Buggs Island Telephone Cooperative has contacted the owners of each of the towers and has received standard contracts from many of them for review. This is the first step in site preparation, however, the projections for percent completion on the Baseline Report and here for the Site Preparation category, are based on total dollars spent at the end of each quarter. While there has been progress made in this category the percent complete is zero because no dollars have been spent in this category.
2g.	Equipment Procurement	63	Buggs Island Telephone has sent out the last of the Requests for Proposals to vendors for miscellaneous supplies for this project. The selection of vendors for these supplies will be done next quarter, at which time Equipment Deployment will be 100% complete.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	The network has been designed and 35 existing tower locations have been identified for equipment deployment. However, Buggs Island Telephone Cooperative signed the contract with Airspan, the WiMax equipment vendor procured for this project, this quarter. Buggs Island Telephone Cooperative had anticipated signing the contract last quarter, and therefore had reflected that in the percentage completion anticipated for this quarter. Now that the contract has been signed Buggs Island

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			Telephone Cooperative is awaiting shipment of equipment from Airspan and has contractors ready for equipment deployment when the equipment arrives. It is anticipated that this category will be back on schedule by the end of next quarter.
2i.	Equipment Deployment	1	Buggs Island Telephone Cooperative signed the contract with Airspan, the WiMax equipment vendor procured for this project, this quarter. Buggs Island Telephone Cooperative had anticipated signing the contract last quarter, and therefore had reflected that in the percentage completion anticipated for this quarter. Now that the contract has been signed Buggs Island Telephone Cooperative is awaiting shipment of equipment from Airspan and has contractors ready for equipment deployment when the equipment arrives. It is anticipated that this category will be back on schedule by the end of next quarter.
2j.	Network Testing	3	The engineering firm procured by Buggs Island Telephone Cooperative is continuing to write detailed testing procedures throughout equipment deployment to ensure the equipment performs as desired. Buggs Island Telephone Cooperative signed the contract with Airspan, the WiMax equipment vendor procured for this project, this quarter. Buggs Island Telephone Cooperative had anticipated signing the contract last quarter, and therefore had reflected that in the percentage completion anticipated for this quarter. Now that the contract has been signed Buggs Island Telephone Cooperative is awaiting shipment of equipment from Airspan and has contractors ready for equipment deployment when the equipment arrives. It is anticipated that this category will be back on schedule by the end of next quarter.
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 (600 words or less).

Buggs Island Telephone Cooperative (BIT) has begun tower negotiations with the owners of the towers for the sites that have been selected. BIT may face challenges with some of the currently selected tower sites and need to make substitutions. As of August 16, 2011 BIT has identified 5 tower sites that will need to be changed from the originally submitted plan. These site changes are primarily due to the fact that the towers are structurally inadequate. BIT has previously notified NTIA of these changes and is working on the administrative filing to get these changes approved by NTIA. BIT will keep NTIA apprised of developments related to tower negotiations and difficulties encountered.

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)
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	No variance
Number of new towers	0	No variance
Number of new and/or upgraded interconnection points	0	No variance

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 or less). Providers:
No signed agreements to date.

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:
No signed agreements to date.

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 third party operates (600 words or less).
Not applicable.

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 variance
	Providers with signed agreements receiving improved access	0	No variance
	Providers with signed agreements receiving access to dark fiber	0	No variance
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	No variance
	Subscribers receiving new access	0	No variance
	Subscribers receiving improved access	0	No variance
	Please identify the speed tiers that are available and the number or subscribers for each	0	No variance
Residential / Households	Entities passed	0	No variance

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Total subscribers served	0	No variance
	Subscribers receiving new access	0	No variance
	Subscribers receiving improved access	0	No variance
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance
Businesses	Entities passed	0	No variance
	Total subscribers served	0	No variance
	Subscribers receiving new access	0	No variance
	Subscribers receiving improved access	0	No variance
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance

7. Please describe any special offerings you may provide (600 words or less).
 Buggs Island Telephone Cooperative will be offering discounted business rates to Community Anchor Institutions.

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

8b. If so, please describe the changes (300 words or less).
 Not applicable.

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).
 Buggs Island Telephone anticipates receiving all of the core equipment and completing installation of the core equipment, completing procurement for all equipment, and starting the installation of equipment at tower sites.

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)

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	32	The overall project percentage completion has changed due to the reasons stated below.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	32	There is a variance in this category for next quarter. Airspan, the WiMax vendor procured by BIT for this project has created a propagation map and has completed the site surveys for all of the 35 towers. During the surveys it became apparent that some of the sites are structurally inadequate. BIT is therefore, in the process of changing these five (5) tower locations and securing approval for this change.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	0	There is a variance in this category for next quarter. BIT is currently working on the permits and approvals for the tower sites. The site surveys have been completed by our vendor, Airspan, and BIT has finalized the sites for the WiMax equipment. Until the sites were cleared after the site surveys BIT did not want to begin the permitting process.
2f.	Site Preparation	0	There is a variance in this category for next quarter. BIT is currently working on the site preparation for the tower sites. The site surveys have been completed by our vendor, Airspan, and BIT has finalized the sites for the WiMax equipment. Until the sites were cleared after the site surveys BIT did not want to begin the site preparation.
2g.	Equipment Procurement	100	No variance
2h.	Network Build (all components - owned, leased, IRU, etc.)	16	The equipment BIT originally anticipated receiving in quarter 3, 2011 will be sent to BIT's facilities in quarter 4, 2011. Therefore, the percentage completion for this category has been changed for quarter 4, 2011.
2i.	Equipment Deployment	1	The equipment BIT originally anticipated receiving in quarter 3, 2011 will be sent to BIT's facilities in quarter 4, 2011. Therefore, the percentage completion for this category has been changed for quarter 4, 2011.
2j.	Network Testing	3	The equipment BIT originally anticipated receiving in quarter 3, 2011 will be sent to BIT's facilities in quarter 4, 2011. Therefore, the percentage completion for this category has been changed for quarter 4, 2011.
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 (600 words or less).

Buggs Island Telephone Cooperative has identified 5 tower sites that will need to be changed from the originally submitted plan. These site changes are primarily due to the fact that the towers are structurally inadequate. BIT has previously notified NTIA of these changes and is working on the administrative filing to get these changes approved by NTIA.

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	\$267,558	\$59,975	\$207,583	\$38,385	\$16,813	\$21,572	\$38,760	\$16,813	\$21,947
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$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	\$591,877	\$100,423	\$491,454	\$203,254	\$3,196	\$200,058	\$235,479	\$3,196	\$232,283
e. Other architectural and engineering fees	\$361,435	\$61,324	\$300,111	\$145,946	\$118,251	\$27,695	\$145,946	\$27,695	\$118,251
f. Project inspection fees	\$142,800	\$24,229	\$118,571	\$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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$22,003,511	\$4,143,394	\$17,860,117	\$396,270	\$396,270	\$0	\$2,513,176	\$703,247	\$1,809,929
k. Miscellaneous	\$591,516	\$585,704	\$5,812	\$528,688	\$528,688	\$0	\$528,688	\$528,688	\$0
l. SUBTOTAL (add a through k)	\$23,958,697	\$4,975,049	\$18,983,648	\$1,312,543	\$1,063,218	\$249,325	\$3,462,049	\$1,279,639	\$2,182,410
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$23,958,697	\$4,975,049	\$18,983,648	\$1,312,543	\$1,063,218	\$249,325	\$3,462,049	\$1,279,639	\$2,182,410

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
---	--------------------------------