

RECIPIENT NAME:Charlotte, City of
AWARD NUMBER: NT10BIX5570088
DATE: 08/08/2012

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) 06-30-2012	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 Rob Nix	7c. Telephone (area code, number and extension) 7043362917	
	7d. Email Address rpnix@ci.charlotte.nc.us	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-08-2012	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).

One of Charlotte's main goals for second quarter 2012 was to complete all site acquisitions and site preparation activities and begin the deployment of phase 1 sites. These activities included the signing of all site leases, finalizing structural related items and obtain all permitting by June 1. However, early in the second quarter (April 3, 2012), Assistant Secretary Strickling requested the City not purchase any Long term Evolution (LTE) related equipment or services pending a decision by the First Responder Network Authority Board (FirstNet) on Charlotte's continued use of the 700 MHz spectrum. This was clarified and confirmed by the Grants Office in May with a formal notification that Charlotte's Grant would no longer fund any LTE related project activity. The verbal notice initially slowed Charlotte's progress in the early stages of the second quarter and the formal notification eventually stopped all these activities. Below is a status of activities before they came to a stop.

- Received Phase 1 Equipment into Charlotte Warehouse and began staging equipment for phase 1 deployment
- Completed the installation of the Charlotte Data Center including the connection to Alcatel-Lucent's Hosted core located in Naperville Illinois
- Completed the electrical up fit work needed at the first phase 1 site (Charlotte-Mecklenburg Government Center)
- Signed leasing agreements for 11 co-located tower sites
- Submission of 17 sites in for permitting
- Working on structural drawings and bids for 14 structural improvement sites
- Completed around 90% of test plans for phase 1 system acceptance testing
- Assisted device vendors for interoperability device testing
- Charlotte's internal networking detail design was fully completed and partially implemented

For the remainder of the quarter Charlotte's focused has been providing the Grants Office with necessary reporting and maintaining a working relationship with their vendors to define a possible go forward approach acceptable to all parties

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	21	Not 66%. Project under suspension.
2b.	Environmental Assessment	95	Not 100%. Project under suspension.
2c.	Network Design	100	No Variance
2d.	Rights of Way	32	Not 43%. Stopped signing leases due to suspension.
2e.	Construction Permits and Other Approvals	4	Not 100%. Suspended all project activities.
2f.	Site Preparation	0	No Variance
2g.	Equipment Procurement	13	Not 100% Suspended all project activities.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	No Variance
2i.	Equipment Deployment	0	No Variance
2j.	Network Testing	0	No Variance
2k.	Other (please specify):	92	Not 66%. More staff and time was used when re-issue RFP and Project was redefined.

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 suspension of LTE related funding by the Grants Office is the only reason the planned activities for the past quarter were not achieved.

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	No Variance
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	N/A
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:
 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 or 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 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	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 improved access	0	N/A
	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	No Variance
	Subscribers receiving new access	0	No Variance
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number or subscribers for each	0	Network not yet operational.
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	Type of Anchor	Are you also the	Narrative description of how anchor institutions are using BTOP-
------------------	---------	----------------	------------------	------------------------------------------------------------------

	Area (town or county)	Institution (as defined in your baseline)	broadband service provider for this institution? (Yes / No)	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).
 At this time the City of Charlotte cannot predict any future project activities due to the current suspension issued by the Grant Office. The current suspension has stopped all of Charlotte's project activities as all activities for Charlotte are considered LTE related.

 Charlotte's focus in next quarter will be to maintaining an open relationship with their vendors and NTIA to define a possible go forward approach acceptable to all parties. If an acceptable approach cannot be discovered then Charlotte will be forced to terminate the project and begin closeout processes.

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	22	Not 60%. Project on Suspension
2b.	Environmental Assessment	95	Suspension
2c.	Network Design	100	No Variance
2d.	Rights of Way	32	Not 57%. Due to Suspension
2e.	Construction Permits and Other Approvals	4	Not 100%. Due to Suspension.
2f.	Site Preparation	0	No Variance
2g.	Equipment Procurement	13	Not 100%. Due to Suspension
2h.	Network Build (all components - owned, leased, IRU, etc.)	0	No Variance
2i.	Equipment Deployment	0	No Variance
2j.	Network Testing	0	No Variance
2k.	Other (please specify):	100	More staff and time was used when re-issue RFP and Project was redefined.

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 suspension of LTE related funding by the Grants Office is the only reason the planned activities for the past quarter were not achieved.

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	\$1,284,094	\$469,600	\$814,494	\$772,607	\$433,489	\$339,118	\$841,000	\$471,000	\$370,000
b. Land, structures, right-of-ways, appraisals, etc.	\$2,123,797	\$520,159	\$1,603,638	\$781,743	\$318,953	\$462,790	\$812,101	\$318,953	\$492,257
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$859,911	\$0	\$859,911	\$460,945	\$0	\$460,945	\$460,945	\$0	\$460,945
e. Other architectural and engineering fees	\$920,857	\$0	\$920,857	\$828,114	\$0	\$828,114	\$828,114	\$0	\$828,114
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$5,990,044	\$0	\$5,990,044	\$380,696	\$0	\$380,696	\$380,696	\$0	\$380,696
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	\$9,576,630	\$3,400,195	\$6,176,435	\$1,271,095	\$0	\$1,271,095	\$1,271,095	\$0	\$1,271,095
k. Miscellaneous	\$337,110	\$0	\$337,110	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$21,092,443	\$4,389,954	\$16,702,489	\$4,495,200	\$752,442	\$3,742,758	\$4,593,951	\$789,953	\$3,803,107
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$21,092,443	\$4,389,954	\$16,702,489	\$4,495,200	\$752,442	\$3,742,758	\$4,593,951	\$789,953	\$3,803,107

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