

RECIPIENT NAME:Bluebird Media, L.L.C.

AWARD NUMBER: NT10BIX5570091

DATE: 11/23/2011

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 NT10BIX5570091	3. DUNS Number 832385988
4. Recipient Organization Bluebird Media, L.L.C. 213 N. Stadium Blvd, Ste 203, Columbia, MO 65203-1161		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2011	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 Chris Bach	7c. Telephone (area code, number and extension) X	
	7d. Email Address chris.bach@bluebirdmedia.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-23-2011	

Project Indicators (This Quarter)

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

Bluebird started construction on 8-15-11 upon finalizing all agreements with state agencies for the use of state Rights of Way and after receiving several building permits. Four contractors selected through a competitive bidding process started on four different infrastructure segments across the state. As of 9-30-11, these contractors had deployed 62 new network miles of fiber.

Bluebird completed Master Service Agreements with electronics network equipment providers for Dense Wavelength Division Multiplexing (DWDM) and Multiprotocol Label Switching (MPLS) equipment. Through a competitive bidding process, Bluebird posted a Request for Proposal on Bluebird's web site for Node Site Civil Construction.

Bluebird selected an Operational Support Systems (OSS) software program providers, a fiber distribution panel vendor, and a auditing firm through a competitive bidding process. Bluebird completed contracts with the OSS software vendors, the Fiber Distribution Panel vendor, DWDM/MPLS equipment vendors, a shelter vendor, and a certified auditor during the present quarter. Bluebird was substantially complete with the Year one audit at quarter end and hired four new employees during the past quarter.

Bluebird Media took delivery of half of their projects fiber during this quarter. Due to the fiber shortage across the industry, Bluebird also confirmed the timing of the shipments of the remaining 20% of the fiber. Bluebird Media also was approved of a proposed route change that would change a route previously as a approved build route to a fiber Indefeasible Rights of Use (IRU) route.

Lastly, Bluebird continued a community outreach campaign that included; participating in Regional Planning Council meetings covering the 59 county service area, residential and business survey development, meeting with the Office of State Courts Administration regarding service and Request for Proposal process, educating key general assembly members about Bluebird Media. This outreach also consisted of developing brochures and collateral materials that were given to Community Anchor Institutions.

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	11	Delay caused by approved route changes during Q1-2011. The route changes caused a delay in engineering costs and environmental assessment costs during Q1 and Q2 of 2011, delaying construction expenses to start in Q3 2011. Two percent behind revised baseline caused by 45 day delay in obtaining construction permits during the first part of Q3 2011 delaying construction startup.
2b.	Environmental Assessment	95	Bluebird Media was issued a Finding of Non Significant Impact on the environment during Q2 2011, continued environmental monitoring during construction will be the remaining 5 percent to complete. Agrees to revised baseline.
2c.	Network Design	98	Delay caused by approved route changes during Q1-2011. Two percent behind revised baseline due to delay in revised detailed route drawings provided by an engineering firm.
2d.	Rights of Way	100	No variance from baseline plan or subsequent written updates provided to the program officer.
2e.	Construction Permits and Other Approvals	41	Ahead of Baseline schedule caused by obtaining a large amount of permits in August. 14 percent behind revised baseline. The plan is to catch up during Q4 2011. During the first month of Q4 2011, 52 permits were currently waiting to be approved which would catch us up to our revised baseline upon permit approvals.
2f.	Site Preparation	33	Delay caused by approved route changes during Q1-2011. On schedule with revised baseline as all site layout have been completed.
2g.	Equipment Procurement	15	Delay caused by the under estimated amount of time needed to negotiate final equipment contracts. One of two of these contracts were finalized during Q3 2011 and purchase orders have been put in place to procure equipment in Q4 2011. The plan is to catch up to the revised baseline during Q1-2012 once another contract is finalized during

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			Q4-2011 and equipment is shipped during Q1-2012.
2h.	Network Build (all components - owned, leased, IRU, etc)	7	Delay caused by approved route changes during Q1-2011. The route changes caused a delay in engineering and environmental assessment during Q1 and Q2 of 2011, delaying construction to start in Q3 2011. One percent behind revised baseline caused by 45 day delay in obtaining construction permits during the first part of Q3 2011 delaying construction startup. The plan is to catch up to the revised baseline during Q4 2011. The construction permits will all be available during Q4 2011 allowing the construction of the network build to continuously carry on without delays.
2i.	Equipment Deployment	10	No variance from baseline plan or subsequent written updates provided to the program officer.
2j.	Network Testing	0	No variance from baseline plan or subsequent written updates provided to the program officer.
2k.	Other (please specify): OSS Software	0	Software support systems RFP was posted during the past quarter. The delay was caused by reviewing several software support systems and Bluebird Media being unable to decide on a system prior to closing Q2-2011. During Q3-2011 Bluebird Media contracted with a software company to implement software systems during Q4-2011. The plan is to catch up to the revised baseline during Q1-2012 once billing for the OSS Software commences.

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).

Bluebird Media faced the challenge of completing a route change during the past quarter. The issues faced during the route change were minimal since the route change was going from a build route to a fiber IRU route. Since the change was for a fiber IRU route, there were not any environmental implications. Railroad Crossing permits have been challenging to obtain in a timely manner. Bluebird has devoted key employees to handle the railroad permitting process and do not feel like any technical assistance from the BTOP program is needed at this time. Bluebird Media feels confident that the current construction plan in place with all four construction companies gives Bluebird time to fulfill the grant requirements timely.

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	62	25 miles behind revised baseline caused by 45 day delay in obtaining construction permits during the first part of Q3 2011 delaying construction startup. The plan is to catch up to the revised baseline during Q4 2011. The construction permits will all be available during Q4 2011 allowing the construction of the network build to continuously carry on without delays.
New network miles leased	0	None-no miles leased to date which is in line with revised baseline.
Existing network miles upgraded	0	NA
Existing network miles leased	0	NA
Number of miles of new fiber (aerial or underground)	62	25 miles behind revised baseline caused by 45 day delay in obtaining construction permits during the first part of Q3 2011 delaying construction startup.
Number of new wireless links	0	NA
Number of new towers	0	NA
Number of new and/or upgraded interconnection points	0	None-no new and/or upgraded interconnection points which is in line with revised baseline.

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	22
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: Bluebird Media is currently behind the revised baseline due to not having any fiber turned up to date. Bluebird Media has wholesalers and last mile providers ready to sign agreements once certain segments of the fiber has been turned up. Bluebird Media plans to catch up to the revised baseline during Q1-2012.

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:

Dedicated Internet Access, Extended Local Area Network, Extended Wide Area Network, etc. Pricing plans are being currently developed.

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).

NA

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 turned up fiber to date
	Providers with signed agreements receiving improved access	0	No turned up fiber to date
	Providers with signed agreements receiving access to dark fiber	0	No turned up fiber to date
	Please identify the speed tiers that are available and the number of subscribers for each	0	50 MB - 1GB are the speed tiers that will be available. No subscribers since no build to date.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	No turned up fiber to date
	Subscribers receiving new access	0	No turned up fiber to date
	Subscribers receiving improved access	0	No turned up fiber to date
	Please identify the speed tiers that are available and the number or subscribers for each	0	10MB-10GB are the speed tiers that are available. No subscribers since no build to date.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
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).
No special offerings at this time.

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
NA	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).
Bluebird's environmental engineering firm will continue to monitor environmental assessment to comply with the Special Award Conditions while the engineering team completes the network design and while the infrastructure is being built. Bluebird will continue to apply for construction permits and railroad permits in a timely manner to ensure the construction companies are not waiting on permits. Bluebird plans to start site preparation for the node sites and plans to have ground breaking ceremonies across the state once fiber starts to be turned up. Bluebird plans to implement the OSS Software during the next quarter. Bluebird will complete contracts with a Node Site Civil Construction company and will start procuring the majority of the DWDM/MPLS equipment during the next quarter.

Bluebird also plans to devise a rate structure for all products offered in the future. Bluebird will continue to design and implement a Community Outreach Plan including education for community and elected officials along fiber route. Local leaders and media will be notified of these press events. Bluebird Media plans on presenting at the Missouri Association of Counties Annual meeting and to participate in the Mid-Course Workshop for Broadband Awardees in Cleveland, OH.

Bluebird Media plans to catch up to the revised baseline for new network miles deployed of 287 and new network miles leased of 114 during the next quarter. Bluebird Media plans to be behind the revised baseline for CAI subscribers served and for the number of signed agreements with broadband wholesalers or last mile providers. The plan is to catch up those two indicators during Q1-2012 once certain fiber routes have been turned up allowing Bluebird Media to connect CAIs and sign agreements with providers.

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	20	The delay will be caused by the approved route changes during Q1-2011. This in return delayed the issue of a Finding of Non Significant Impact on the environment delaying construction permits and other approvals.
2b.	Environmental Assessment	95	Bluebird Media was issued a Finding of Non Significant Impact on the environment during Q2 2011, continued environmental monitoring during the construction period will be the remaining 5 percent to complete.
2c.	Network Design	100	None
2d.	Rights of Way	100	None
2e.	Construction Permits and Other Approvals	75	The advance of construction permits and other approvals will be caused by completing agreements with Railroad companies and continuing all fiber build routes during this quarter.
2f.	Site Preparation	55	None
2g.	Equipment Procurement	45	Delay caused by the under estimated amount of time needed to negotiate final equipment contracts. One of two of these contracts were finalized during Q3 2011 and purchase orders have been put in place to procure equipment in Q4 2011. The plan is to catch up to the revised baseline during Q1-2012 once another contract is finalized during Q4-2011 and equipment is shipped during Q1-2012.
2h.	Network Build (all components - owned, leased, IRU, etc.)	28	The delay was caused by the approved route changes during Q1-2011. This in return delayed the issue of a Finding of Non Significant Impact on the environment delaying construction permits and other approvals.
2i.	Equipment Deployment	20	None
2j.	Network Testing	10	None
2k.	Other (please specify): OSS Software	50	Bluebird Media was focused on the route changes and FONSI during Q1 and Q2 2011 delaying the roll out of OSS software. Bluebird entered into agreements with software companies during Q3-2011 and plans to implement the OSS software during Q4-2011.

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).

Potential delays and challenges Bluebird Media anticipates during the next quarter include the possibility of worse winter weather than expected.

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	\$1,611,500	\$271,699	\$1,339,801	\$1,154,871	\$196,328	\$958,543	\$1,355,000	\$230,350	\$1,124,650
b. Land, structures, right-of-ways, appraisals, etc.	\$10,500,000	\$10,500,000	\$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	\$2,950,000	\$497,370	\$2,452,630	\$2,689,957	\$457,293	\$2,232,664	\$2,900,000	\$493,000	\$2,407,000
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$424,000	\$71,486	\$352,514	\$0	\$0	\$0	\$12,000	\$2,040	\$9,960
g. Site work	\$111,328	\$18,777	\$92,551	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$33,319,581	\$5,620,036	\$27,699,545	\$802,796	\$136,475	\$666,321	\$4,250,000	\$722,500	\$3,527,500
j. Equipment	\$15,886,941	\$2,678,732	\$13,208,209	\$2,309,191	\$392,563	\$1,916,629	\$4,500,000	\$765,000	\$3,735,000
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$64,803,350	\$19,658,100	\$45,145,250	\$6,956,815	\$1,182,659	\$5,774,157	\$13,017,000	\$2,212,890	\$10,804,110
m. Contingencies									
n. TOTALS (sum of l and m)	\$64,803,350	\$19,658,100	\$45,145,250	\$6,956,815	\$1,182,659	\$5,774,157	\$13,017,000	\$2,212,890	\$10,804,110

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