

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 NT10BIX5570095	3. DUNS Number 176553068
4. Recipient Organization JKM Consulting, Inc. 100 Firethorn Lane, Munford, AL 36268-5504		
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 Steven Moses	7c. Telephone (area code, number and extension) X	
	7d. Email Address smoses@jkmconsultinginc.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-02-2012	

Project Indicators (This Quarter)

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

JKM completed the project match contribution during 2nd quarter 2012. This significant accomplishment allows the project to move forward without concerns for meeting the matching grant funds. Construction reached the sixty (60) mile mark during this quarter and contracts were finalized on the lease of twenty-six (26) miles of fiber. All collocation agreements required for equipment placement were completed this quarter and all entrance requests for educational facilities, along with additional Community Anchor Institution facilities were completed during this quarter.

During this quarter, JKM released the Request for Quote to equipment vendors for last mile equipment. The selection for the wireless equipment was made and orders placed with Double Radius, the selected vendor, during this quarter.

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	65	On track with PIP filed in first quarter
2b.	Environmental Assessment	100	N/A
2c.	Network Design	90	On track with PIP filed in first quarter
2d.	Rights of Way	90	On track with PIP filed in first quarter
2e.	Construction Permits and Other Approvals	85	On track with PIP filed in first quarter
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	30	On track with PIP filed in first quarter
2h.	Network Build (all components - owned, leased, IRU, etc)	70	On track with PIP filed in first quarter
2i.	Equipment Deployment	30	On track with PIP filed in first quarter
2j.	Network Testing	10	On track with PIP filed in first 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).

Challenges faced during this quarter, as in previous quarters, relate to delays with the Alabama Department of Transportation (AL DOT).

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	60	On track with PIP filed in first quarter
New network miles leased	26	On track with PIP filed in first quarter
Existing network miles upgraded	0	n/a
Existing network miles leased	0	n/a
Number of miles of new fiber (aerial or underground)	60	n/a
Number of new wireless links	0	On track with PIP filed in first quarter

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of new towers	0	On track with PIP filed in first quarter
Number of new and/or upgraded interconnection points	3	On track

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	3
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
Average term of signed agreements (in quarters)	20

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:

Earthlink Interconnection Agreement completed on March 27, 2012.
Slapppy Telephone agreement completed May 2, 2012.
AT&T interconnection agreement completed May 24, 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:

Wholesales services: 1). Dark Fiber IRU are individual case basis. 2) Dark fiber lease: \$250 per month plus \$50 per fiber per route mile per month with term and volume discounts to be negotiated. 3). 100 mbs ethernet \$550 per month per connection for three year contract. 4) GigE \$1500 per month per connection, three year contract.

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	3	N/A
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	2	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	1	10/100/1000 and Dark Fiber
Community Anchor Institutions (including Government institutions)	Total subscribers served	14	N/A
	Subscribers receiving new access	6	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Subscribers receiving improved access	8	N/A
	Please identify the speed tiers that are available and the number or subscribers for each	14	100 mps
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	80	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 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
Jacksonville City School System	Jacksonville, AI	education	yes	distance learning, internet access
Alabama School for the Deaf	Talladega, AI	education	yes	distance learning internet access
Alabama School for the Blind	Talladega, AI	education	yes	distance learning, internet access
Alabama Institute for the Deaf and the Blind	Talladega, AI	education	yes	distance learning and internet access, inter-campus data access

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
Talladega College	Talladega, AI	education	yes	distance learning, internet access
Weaver High School	Weaver Ala	education	yes	distance learning and internet access
Pleasant Valley High School	Calhoun County	education	yes	distance learning and internet access
Anniston City School System	Anniston, AI	education	yes	distance learning and internet access

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).

Equipment arrival expected this quarter for the wireless last mile service; as well as the selection of the Civil Engineering and Construction following pre-bid meetings to be held this next quarter. JKM anticipates the revisions required, after permitting, by AL DOT, to be received, as well as route modifications- as approved by NTIA - to be received this quarter. Projections for third quarter performance 21 additional CAI"s connected, 22 additional new fiber miles, no additional wholesale agreements.

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	81	On track with PIP filed in first quarter
2b.	Environmental Assessment	100	n/a
2c.	Network Design	90	On track with PIP filed in first quarter
2d.	Rights of Way	90	On track with PIP filed in first quarter
2e.	Construction Permits and Other Approvals	90	On track with PIP filed in first quarter
2f.	Site Preparation	0	n/a
2g.	Equipment Procurement	50	On track with PIP filed in first quarter
2h.	Network Build (all components - owned, leased, IRU, etc.)	75	On track with PIP filed in first quarter
2i.	Equipment Deployment	50	On track with PIP filed in first quarter
2j.	Network Testing	30	On track with PIP filed in first quarter
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).

One anticipated challenge involves the re-engineer of a lake crossing. This revision is required by the local Electric Cooperative due to National Electric Safety Code (NESC) revisions effective January 2012.

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	\$510,200	\$0	\$510,200	\$421,875	\$0	\$421,875	\$470,000	\$0	\$470,000
b. Land, structures, right-of-ways, appraisals, etc.	\$355,461	\$310,461	\$45,000	\$331,995	\$285,320	\$46,675	\$346,675	\$300,000	\$46,675
c. Relocation expenses and payments		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$514,204	\$0	\$514,204	\$341,276	\$0	\$341,276	\$400,000	\$0	\$400,000
e. Other architectural and engineering fees	\$75,000	\$0	\$75,000	\$930	\$0	\$930	\$35,000	\$0	\$35,000
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	\$4,587,316	\$1,591,340	\$2,995,976	\$3,505,259	\$1,571,340	\$1,933,919	\$4,151,340	\$1,571,340	\$2,580,000
j. Equipment	\$2,078,817	\$0	\$2,078,817	\$606,150	\$0	\$606,150	\$1,200,000	\$0	\$1,200,000
k. Miscellaneous	\$78,739	\$28,739	\$50,000	\$71,509	\$28,739	\$42,770	\$78,739	\$28,739	\$50,000
l. SUBTOTAL (add a through k)	\$8,199,737	\$1,930,540	\$6,269,197	\$5,278,994	\$1,885,399	\$3,393,595	\$6,681,754	\$1,900,079	\$4,781,675
m. Contingencies									
n. TOTALS (sum of l and m)	\$8,199,737	\$1,930,540	\$6,269,197	\$5,278,994	\$1,885,399	\$3,393,595	\$6,681,754	\$1,900,079	\$4,781,675

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