

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 NT10BIX5570099	3. DUNS Number 150664001
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4. Recipient Organization

Bloomingdale Communications Inc 101 W Kalamazoo St., Bloomingdale, MI 49026-8793

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
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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 Robin Epson	7c. Telephone (area code, number and extension) X
	7d. Email Address rempson@bloomingdalecom.net

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-09-2012
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Project Indicators (This Quarter)

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

During this quarter, Quarter 2 of 2012 (Year 2 Quarter 4), Bloomingdale Communications, Inc.'s (BCI) selected contractor, Turnkey Network Solutions (Turnkey), made a lot of progress in the construction of the project. Turnkey had three crews working, one plow crew and two boring crews. By the end of this quarter, a total of 55 miles of duct had been installed, with 34 miles of fiber. The fiber has been placed in the Paw Paw to Watervliet segment as well as the Bloomingdale to Bangor segment.

The joint build coordination with Merit Networks on its Round 1 award also continued this quarter. Merits contractor installed 2.54 miles of duct during this quarter which included 3 railroad crossings, 3 interstate crossings, and a river crossing. All of the underground duct for this joint build has been placed and the aerial strands are being started. Merit is still awaiting some permits to complete the aerial segment.

The necessary permits and easements continued to be worked on this quarter and are in good shape for the continuation of the project. This quarter agreements were made for easements with the landowners that were difficult to reach previously, therefore only three easements are left to obtain for the cabinets. Also, there is only one railroad permit remaining and should be executed the first part of next quarter, however the last payment for these permits was made this quarter.

Contact was made with the other service providers in the City of South Haven regarding the make ready of poles for the project. The parties agreed on the work to be performed, therefore this is moving along.

The Request for Proposals (RFP) were released this quarter for the huts and electronics. This project includes two prefabricated huts for the locations of South Haven and Lawrence. Both huts necessary for the project were ordered this quarter, are currently under construction at Thermobond, and are scheduled to be delivered in the middle of August 2012. The electronics RFPs were released this quarter as well. The RFP for the DC power for the prefabricated huts was sent out in mid June and the vendor will be selected the first part of July. The transport electronics RFP was also released in June and BCI received responses from six vendors by June 19th, therefore the transport electronics will be selected after a technical session the first part of July and acceptance of the contract will be finalized by the end of July.

The Department of Labor provided approval to BCI this quarter on the remaining two wage determinations. Therefore, all four determinations submitted have been confirmed.

This quarter, BCI continued to work with Vantage Point Solutions, the selected engineering firm, regarding the project outside plant inspection services, network design, and overall project management. The network design is complete for the project until the final stages before deployment of the ring.

BCI drew down \$1,561,909 in federal funds in the 2nd quarter of 2012 and the number of jobs created or retained in this quarter due to this BCI project was 12.91 full time equivalent.

This quarter, the project began coming together and moving along as planned with a lot of construction progress, RFPs for the necessary portions of the project, and overall network design. This quarter was very productive as expected and no delays are anticipated for final completion of the project within three years.

This quarter, on June 5-6, 2012, NTIA conducted a site visit to Bloomingdale Communications, Inc. to observe and assess program performance as well as assess financial, asset and program management. NTIA Program Office staff met with key BCI personnel as well as a representative from sub-recipient, Great Lakes Comnet, to review documents, financial records and procedures. The site visit also included a tour of Bloomingdale Communications' facilities and project construction sites.

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	28	Based on expenditures, BCI is 28% complete with the overall project. This is not as high of a percent as projected last quarter of 35% mainly due to not receiving invoices regarding the joint build portion of the project. Only a small percentage of that budget has been paid out to date for the joint build. The BCI project is moving along rapidly as expected.
2b.	Environmental Assessment	100	Completed Year 1 in 4th Quarter, which was Quarter 2 of 2011.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2c.	Network Design	98	N/A, this is the percentage predicted at the end of last quarter for this quarter.
2d.	Rights of Way	98	N/A, this is the percentage predicted at the end of last quarter for this quarter.
2e.	Construction Permits and Other Approvals	100	N/A, this is the percentage predicted at the end of last quarter for this quarter.
2f.	Site Preparation	20	This percentage is lower than predicted at the end of last quarter of 50%. The RFP for the two huts was not released as early in this quarter as BCI predicted, therefore the contract will not be executed until early next quarter. This portion will be back on schedule shortly as the contract has been awarded and the huts are being constructed and should be delivered middle of next quarter.
2g.	Equipment Procurement	5	This percentage is slightly ahead of the prediction of 0% last quarter. The necessary equipment for the project was analyzed, the RFP was finalized, and responses are being reviewed. The vendor will be selected early next quarter after a technical presentation and then the equipment ordering will take place and begin moving along.
2h.	Network Build (all components - owned, leased, IRU, etc)	34	This percentage is lower than predicted last quarter of 43% mainly due to not receiving invoices regarding the joint build portion of the project. BCI had estimated this portion of the project being completed by now, however is still in the process and only one invoice had been received by the end of this quarter for the joint build.
2i.	Equipment Deployment	0	N/A, this is the percentage predicted at the end of last quarter for this quarter.
2j.	Network Testing	0	N/A, this is the percentage predicted at the end of last quarter for this 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).

No issues or challenges other than what is covered above by individual category.

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	34	As of the end of the second quarter 2012, BCI has blown 34 miles of fiber. This fiber will not be lit until the end of the project after all fiber is laid and electronics are installed, each segment is not turned up individually. At the end of last quarter, BCI projected to have about 45 miles of fiber blown, however only ended up with 34 miles. BCI did install 51 miles of conduit this quarter for a total of 55 miles. An additional 2.54 miles of duct was placed in the Merit joint build portion which completes the total of 8 miles of conduit, however fiber has not been blown through that section yet. Construction continues rapidly and the three year project will be completed well ahead of the award period end date.

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles leased	0	N/A no change from report last quarter - Baseline showed "N/A" for new network miles leased for Year 2 Quarter 4 of the award period which is this quarter (Quarter 2 of 2012), however based on discussions with NTIA this category should be "1" by the end of the project due to the misinterpretation of "Existing network miles leased" notated below.
Existing network miles upgraded	0	N/A no change from report last quarter - For this quarter, the baseline initially projected 15 existing network miles to be upgraded. With the re-bid of construction for budget purposes, the overall project was delayed, however will be completed well within the three year grant window. Construction is making great progress and will continue moving rapidly.
Existing network miles leased	0	N/A - No miles were leased prior to the award start date
Number of miles of new fiber (aerial or underground)	34	As of the end of the second quarter 2012, BCI has blown 34 miles of fiber through the 55 miles of conduit laid. Construction continues rapidly and the three year project will be completed well ahead of the award period end date.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	BCI initially projected 13 interconnection points for the this projected by this time period, however as stated previously, the project was delayed from the initial timeline.

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 third party operates (600 words or less).
 No designations.

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
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	N/A
Community Anchor Institutions (including Government institutions)	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
	Total subscribers served	0	BCI initially projected 31 CAI total subscribers served by this quarter end, however as stated previously the project re-bid for budget constraints delayed the overall construction timeline. This projected will be completed well within the three year grant award window.
	Subscribers receiving new access	0	BCI initially projected 31 CAI total subscribers served by this quarter end, however as stated previously the project re-bid delayed the overall construction timeline. This projected will be completed well within the three year grant award window.
	Subscribers receiving improved access	0	BCI initially projected 31 CAI total subscribers served by this quarter end, however as stated previously the project re-bid for budget constraints delayed the overall construction timeline. This projected will be completed well within the three year grant award window.
Residential / Households	Please identify the speed tiers that are available and the number of subscribers for each	0	No speed tiers available yet until the project is complete, which will be well within the three year award window, however not on target with the initial projection due to construction re-bid process for budget constraints.
	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
Businesses	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
	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

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

No special offerings provided at this time during the project.

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, as no network management practices changed during this quarter.

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	None	None	None	No Community Anchor Institutions connected to the network as a result of BTOP funds during this quarter (Quarter 2 of 2012).

Project Indicators (Next Quarter)

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

Continuation of significant project progress is expected for next quarter, Quarter 3 of 2012. Construction will continue to move along rapidly. All easements should be obtained, equipment should be ordered as the vendor will be selected, huts should be delivered and installed, and the RFP for the core router should be released and the vendor should be selected. BCI will continue to make large strides in completing the project and the project will be complete within the three year grant window.

Updated projections for key indicators for next quarter:

- a. New network mile deployed = 120 miles
- b. New network miles leased = 0
- c. Total CAI subscribers served (connected) = 0
- d. Number of signed agreements with broadband wholesalers or last mile providers = 0

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	69	The BCI project was initially projected to be completed before Year 3 Quarter 1 which is next quarter (Quarter 3 of 2012), however due to initial delays stated in other quarterly reports as well as the re-bid of construction for budget constraints pushed the overall project timeline back. However, this project will be 100% completed within the three year grant window.
2b.	Environmental Assessment	100	Completed.
2c.	Network Design	98	The network design portion of the project is complete until network testing is completed.
2d.	Rights of Way	100	All rights of ways for easements should be completed by the end of next quarter.
2e.	Construction Permits and Other Approvals	100	Completed.
2f.	Site Preparation	90	The majority of the site preparation should be complete by the end of next quarter as the huts will be delivered and installed.
2g.	Equipment Procurement	83	The majority of the equipment procurement should be completed by the end of next quarter as the vendor will be selected and equipment ordered.
2h.	Network Build (all components - owned, leased, IRU, etc.)	66	With the re-bid of the construction portion of the project, the overall timeline was pushed back for the project. However, this project will be completed within the three year timeline of the award period.
2i.	Equipment Deployment	0	The equipment will not be deployed next quarter, but should be soon after in the following quarter.
2j.	Network Testing	0	Network testing cannot take place until after the network is constructed and equipment is deployed. The network will be finished prior to the three year award period end.
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).

BCI does not anticipate any challenges or issues during the next quarter that may impact planned progress against the project milestones listed above other than what is listed in the individual categories above. The project will be completed well within the three year award period timeline.

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$150,000	\$30,000	\$120,000	\$1,600	\$320	\$1,280	\$135,000	\$27,000	\$108,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$403,500	\$80,700	\$322,800	\$368,470	\$73,694	\$294,776	\$395,000	\$79,000	\$316,000
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$518,700	\$103,740	\$414,960	\$36,721	\$7,344	\$29,377	\$170,000	\$34,000	\$136,000
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	\$4,535,892	\$907,179	\$3,628,713	\$1,545,596	\$309,119	\$1,236,476	\$3,000,000	\$600,000	\$2,400,000
j. Equipment	\$1,450,000	\$290,000	\$1,160,000	\$0	\$0	\$0	\$1,200,000	\$240,000	\$960,000
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$7,058,092	\$1,411,619	\$5,646,473	\$1,952,387	\$390,477	\$1,561,909	\$4,900,000	\$980,000	\$3,920,000
m. Contingencies									
n. TOTALS (sum of l and m)	\$7,058,092	\$1,411,619	\$5,646,473	\$1,952,387	\$390,477	\$1,561,909	\$4,900,000	\$980,000	\$3,920,000

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