

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS**

General Information		
<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT10BIX5570099	<b>3. DUNS Number</b>  150664001
<b>4. Recipient Organization</b>  Bloomingdale Communications Inc 101 W Kalamazoo St., Bloomingdale, MI 49026-8793		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  12-31-2012	<b>6. Is this the last Report of the Award Period?</b>  <div style="text-align: center;"> <input type="radio"/> Yes    <input checked="" type="radio"/> No                     </div>	
<b>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.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Robin Epsom	<b>7c. Telephone (area code, number and extension)</b>  X	<b>7d. Email Address</b>  rempson@bloomingdalecom.net
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  02-27-2013	

**Project Indicators (This Quarter)**

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

During this quarter, Quarter 4 of 2012 (Year 3 Quarter 2), Bloomingdale Communications, Inc.'s (BCI) selected contractor, Turnkey Network Solutions (Turnkey), finished placing all fiber for the project. By the end of this quarter, an approximate total of 87.6 miles of fiber had been installed, with approximately 81.1 miles of fiber underground and 6.5 miles of aerial fiber. By the end of this quarter, all fiber had been spliced. These totals include buried entrance fiber to all Community Anchor Institutions (CAIs) being included in this project. Fiber testing was performed this quarter and three damaged sections of fiber were found, replaced, and re-spliced. All re-splicing and re-testing will be done early next quarter.

The joint build coordination with Merit Networks (Merit) on its Round 1 award also continued this quarter and fiber and splicing was completed. By the end of this quarter, Merit's contractor has installed and placed fiber in a total of 40.02 aerial miles and 9.71 underground miles. All 23 splice locations were completed by the end of this quarter. Therefore all fiber has been placed and testing is underway. A Memorandum of Understanding was signed this quarter with Merit for them to build a lateral from BCI's backbone into Lake Michigan College, therefore this lateral and splicing was completed this quarter.

The necessary permits and easements continued to be worked on this quarter and are complete. The Covert easement was received for the cabinet and pole attachment permits were received from American Electric Power (AEP) for the aerial fiber lateral to the Gobles Public Library.

This project includes two prefabricated huts which are located in South Haven and Lawrence. The South Haven hut became 100% complete this quarter with commercial power service installed. The Lawrence hut and generator was delivered and installed this quarter. The utility company also installed gas and electric service to the Lawrence hut. The hook up and start up of the generator in Lawrence still remains as well as the installing of the DC equipment.

The fiber equipment cabinets were ordered and delivered this quarter. The concrete pads were poured by Turnkey based on their awarded RFP this quarter. Therefore all five cabinets were received and placed this quarter.

A contract for the new Cisco ASR 9010 core router was executed this quarter and the router was installed and placed into service. With the deployment of the new router, BCI has cut some subscribers over to this new router this quarter and will continue to cut more subscriber traffic.

This quarter, BCI continued to work with Vantage Point Solutions, the selected engineering firm, regarding the project outside plant inspection services and overall project management.

This quarter BCI continued to work with NTIA regarding the action item list from the June 5-6, 2012 on site visit. The action items were resolved.

BCI did update line item budget category amounts, although the overall budget stayed the same the updated costs by classification are shown in the Infrastructure Budget Execution Details at the end of this report.

BCI drew down \$779,911 in federal funds in the 4th quarter of 2012, which is a total of \$3,674,948 since the project began. The number of jobs created or retained in this quarter due to this BCI project was 6.14 full time equivalent.

This quarter, the project continued coming together and moving along as planned with significant construction progress, vendor selections, permits finalized, easements finalized, and overall project progress. This quarter was very productive as expected and no delays are anticipated for final completion of the project within three years.

**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	Based on expenditures, BCI is 65% complete with the overall project. This is not as high of a percent as projected last quarter of 88% mainly due to paying for only a small portion of the equipment which is less than expected this quarter. The BCI project is moving along rapidly as expected and is nearing completion where contracts will be closed out and paid in full.
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. Network Design is complete until final stage just before network deployment.
2d.	Rights of Way	100	N/A, this is the percentage predicted at the end of last quarter for this quarter. All rights of ways for easements were obtained this quarter.
2e.	Construction Permits and Other Approvals	100	Completed Year 2 in 4th Quarter, which was Quarter 2 of 2012.
2f.	Site Preparation	100	N/A, this is the percentage predicted at the end of last quarter for this quarter. The initial site preparation was complete this quarter with all fiber complete and cement pads poured.
2g.	Equipment Procurement	5	The equipment has not been paid for yet by BCI, therefore this percentage is behind last quarter's prediction of 83%. The transport equipment has been received, therefore next quarter this category should be caught back up as the equipment will be installed and majority should be paid. Significant progress is expected for Equipment Procurement and Equipment Deployment next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc)	90	N/A, this is the percentage predicted at the end of last quarter for this quarter. Network Build is continuing rapidly and a lot of progress has been made.
2i.	Equipment Deployment	45	The cabinets have been placed and the CAI CPE has began to be installed, however transport equipment as notated above has not been installed at this point. The transport equipment has been received and will have significant progress next quarter being installed.
2j.	Network Testing	75	N/A, this is the percentage predicted at the end of last quarter for this quarter. Network Testing is well underway. As noted above, a few areas of the network needed new fiber re-buried and re-testing taking place.
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. Progress is moving along rapidly and really coming together as expected. The project will be completed within the three year window.

**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	137	As of the end of the fourth quarter 2012, all fiber has been installed. BCI has placed approximately 81.1 miles of buried fiber and 6.5 miles of aerial fiber. The Merit joint build portion of the project has completed 9.71 underground fiber miles and 40.02 aerial fiber miles by the end of this quarter. This is a total of 137 project miles of fiber placed. The BCI 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 131 miles of fiber placed, therefore is just above the target projection at the end of this quarter. Splicing also was finalized on the placed fiber and testing began. Construction continues rapidly and the

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
		three year project will be completed well ahead of the award period end date as all new network miles have been completed.
New network miles leased	0	N/A no change from report last quarter - Baseline showed "N/A" for new network miles leased for Year 3 Quarter 2 of the award period which is this quarter (Quarter 4 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. This 1 mile will be leased once the network is lit.
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. These 15 miles will be counted for once the network is lit.
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)	137	As of the end of the fourth quarter 2012, BCI has placed 137 miles of fiber which includes the Merit joint build portion of the project. 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 this project by this time period, however as stated previously, the project was delayed from the initial timeline however is moving along rapidly at this time. These interconnection points will be accounted for once the network is lit.

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
	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	29	BCI initially projected in their baseline that 31 CAI total subscribers would be served by this quarter end, however as stated previously the project re-bid for budget constraints delayed the overall construction timeline. Construction is moving along rapidly now as fiber has been placed to 29 of the CAIs by the end of this quarter. This project will be completed well within the three year grant award window.
	Subscribers receiving new access	29	BCI initially projected in their baseline that 31 CAI total subscribers would be served by this quarter end, however as stated previously the project re-bid delayed the overall construction timeline. Construction is moving along rapidly now as fiber has been placed to 29 of the CAIs by the end of this quarter. This project will be completed well within the three year grant award window.
	Subscribers receiving improved access	0	BCI initially projected in their baseline that 31 CAI total subscribers would be served by this quarter end, however as stated previously the project re-bid for budget constraints delayed the overall construction timeline. Construction is moving along rapidly now as fiber has been placed to 29 of the CAIs by the end of this quarter. This project will be completed well within the three year grant award window. There will be 4 CAI that will receive improved access once the equipment is installed.
	Please identify the speed tiers that are available and the number or subscribers for each	11	No speed tiers subscribed to 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. Construction is moving along rapidly now and this project will be completed well within the three year grant award window.  Speed tiers that will be available: 10 Mbps 20 Mbps 30 Mbps 40 Mbps 50 Mbps 100 Mbps 200 Mbps 300 Mbps 400 Mbps 500 Mbps 1000 Mbps
Residential / Households	Entities passed	0	N/A
	Total subscribers served	0	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 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).**

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
Gobles Library	Gobles	Library	No	BCI has installed this Community Anchor Institution fiber, however the lateral is not in use at this time.
Covert Library	Covert	Library	No	BCI has installed this Community Anchor Institution fiber, however the lateral is not in use at this time.
Covert Public Schools	Covert	School (K-12)	No	BCI has installed this Community Anchor Institution fiber, however the lateral is not in use at this time.
Van Buren Intermediate School District	Lawrence	Other Institution of Higher Education	No	BCI has installed this Community Anchor Institution fiber, however the lateral is not in use at this time.
Water Filtration Plant	South Haven	Other Government Facility	No	BCI has installed this Community Anchor Institution fiber, however the lateral is not in use at this time.
Southside Marina	South Haven	Other Government Facility	No	BCI has installed this Community Anchor Institution fiber, however the lateral is not in use at this time.
South Haven Family Resource Center	South Haven	Other Government Facility	No	BCI has installed this Community Anchor Institution fiber, however the lateral is not in use at this time.

**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 1 of 2013. Turnkey will finish miscellaneous splicing and testing, then BCI will begin working on closing out the Outside Plant (OSP) contract. Thermobond will continue working on the generator hook up and start-up for the Lawrence Hut and Power Products Services will install the DC Power equipment. BCI will continue cutting over more subscribers to the new Cisco ASR 9010 router and this contract should also be closed out this next quarter. The Cyan CPE installation will be completed at the CAIs and the transport equipment will be installed. Training is trying to get scheduled next quarter for the Cyan equipment. Contract closeouts should take place and customers should begin to be turned up on to the new network. Next quarter, BCI will continue to make large strides in completing the project and the project will be complete within the three year grant window.

Updated cumulative projections for key indicators for next quarter:

- a. New network miles leased = 1
- b. Total CAI subscribers served (connected) = 33
- c. 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	96	The BCI project was initially projected to be completed before Year 3 Quarter 2 which was this quarter (Quarter 4 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, construction is moving along rapidly and this project will be 100% completed within the three year grant window.
2b.	Environmental Assessment	100	Completed Year 1 in 4th Quarter, which was Quarter 2 of 2011.
2c.	Network Design	99	The network design portion of the project is complete until network testing is completed.
2d.	Rights of Way	100	Completed Year 3 in 2nd Quarter, which was Quarter 4 of 2012.
2e.	Construction Permits and Other Approvals	100	Completed Year 2 in 4th Quarter, which was Quarter 2 of 2012.
2f.	Site Preparation	100	Completed Year 3 in 2nd Quarter, which was Quarter 4 of 2012.
2g.	Equipment Procurement	95	The majority of the equipment procurement should be completed by the end of next quarter as the majority of the equipment has been received. Installation of the transport equipment will be taking place next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	95	With the re-bid of the construction portion of the project, the overall timeline was pushed back for the project. However, the construction has been moving along rapidly as expected and the project will be completed within the three year timeline of the award period. Much progress is expect on all components of the network next quarter.
2i.	Equipment Deployment	95	Significant progress of the equipment deployment will be made next quarter as the transport equipment will be installed. The DC power and AC upgrade may not be complete until the following quarter.
2j.	Network Testing	98	Network Testing should be almost complete by the end of next quarter. 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.	\$450,000	\$90,000	\$360,000	\$250,398	\$50,080	\$200,318	\$450,000	\$90,000	\$360,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$553,500	\$110,700	\$442,800	\$404,065	\$80,813	\$323,252	\$542,430	\$108,486	\$433,944
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$368,700	\$73,740	\$294,960	\$180,033	\$36,007	\$144,026	\$361,326	\$72,265	\$289,061
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	\$3,698,305	\$739,661	\$2,958,644	\$4,309,097	\$861,819	\$3,447,278
j. Equipment	\$1,150,000	\$230,000	\$920,000	\$60,885	\$12,177	\$48,708	\$1,092,500	\$218,500	\$874,000
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	\$7,058,092	\$1,411,619	\$5,646,473	\$4,593,686	\$918,738	\$3,674,948	\$6,755,353	\$1,351,070	\$5,404,283
m. Contingencies									
<b>n. TOTALS (sum of l and m)</b>	\$7,058,092	\$1,411,619	\$5,646,473	\$4,593,686	\$918,738	\$3,674,948	\$6,755,353	\$1,351,070	\$5,404,283

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
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