

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 NT10BIX5570108	3. DUNS Number 957995392
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4. Recipient Organization

Central Management Services, Illinois Department of 120 W Jefferson St, FL 2, Springfield, IL 62702-5103

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2013	6. Is this the last Report of the Award Period? <input checked="" type="radio"/> Yes <input 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 Lori Sorenson	7c. Telephone (area code, number and extension) X
	7d. Email Address lori.sorenson@illinois.gov

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-28-2014
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Project Indicators (This Quarter)

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

Central Management Services (CMS) successfully completed construction and turn up for the planned fiber network and CAI connections. CMS completed installation and turn up of the approved upgraded 100G optical equipment. The final fiber network includes 1,052 of new construction fiber, 460 miles of new leased fiber, 6 miles of upgraded fiber, 282 miles of existing leased fiber and 3 wireless towers. The final number of CAIs connected and/or improved using BTOP funds is 3,711. That total includes 2,837 K12 schools, 187 public libraries, 32 healthcare facilities, 34 community colleges, 151 higher education sites, 89 other community support organizations, 32 public safety entities, and 349 government entities. CMS completed the project within budget with a final project cost of \$95M. During the height of construction, 91 FTEs were dedicated to the project including professional engineers, construction foreman, equipment operators, fiber installers, and fiber splicers.

The new network has resulted in significantly faster broadband speeds and lower operating costs. The speed of the Illinois Century Network (the CMS broadband network) backbone increased from 2.5 Gbps to 10 Gbps with portions of the backbone operating at 100 Gbps. At the same time, CMS is projecting a decrease in its annual operating expenses despite greater utilization and normal cost increases. On average, CAIs have seen a 500% increase in broadband speeds while the cost per Mbps has decreased by more than 80%. For example, Limestone Community High School in Bartonville IL has increased its broadband speeds from 13 Mbps to 50 Mbps while decreasing its monthly spend by \$2,200. The bandwidth for Iroquois West High School in Gillman IL has increased from 3 Mbps to 50 Mbps at a cost increase of only \$350 per month. As a result of the increased bandwidth, the school is piloting 1:1 devices in three grade levels with a plan to expand to all grade levels within three years.

CMS and ISU have executed ten dark fiber agreements and are in negotiations with several additional providers. Service providers are leveraging the dark fiber to expand their service area and to access Internet peering points in Chicago IL. These service providers are expanding their service area to provide faster broadband speeds to more businesses and house holds.

CMS' business strategy is to service CAIs directly and leverage our current and future service provider partners to reach the residential and business customers. Our wholesales services have been designed and priced to encourage service providers to utilize the fiber infrastructure to expand and improve their service offerings. We are working with several wholesale providers who are interested in interconnecting their vast multi-state infrastructure with the intent of reselling services to its service provider customer base. We have connected our fiber network to the neighboring BTOP funded networks such as UC2B, Delta Communications (Clearwave), DATA Network, and iFiber to provide seamless end to end connectivity for CAIs and service providers. The capital investment in the open access fiber infrastructure has ignited a wave of fiber investments from service providers, as competition for services increases the customer is benefiting from faster speeds and better pricing, and our schools, libraries, health care providers and other CAIs are expanding the use of technology and digital education within its daily operations.

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	100	All work is complete and paid. Final costs came in slightly below budget.
2b.	Environmental Assessment	100	All work is complete and paid. The difference represents final costs coming in below budget.
2c.	Network Design	100	All design work is complete and paid.
2d.	Rights of Way	100	All right of way work is complete and paid. The difference represents final costs coming in below budget.
2e.	Construction Permits and Other Approvals	0	NA - CMS has no spend mapped to this milestone. These expenditures are included in 2h Network Build.
2f.	Site Preparation	100	All work is complete.
2g.	Equipment Procurement	100	All work is complete.
2h.	Network Build (all components - owned, leased, IRU, etc)	100	All work is complete. The difference represents final costs coming in below budget.
2i.	Equipment Deployment	100	All work is complete and paid.
2j.	Network Testing	0	NA - CMS has no spend mapped to this milestone. CMS is using existing staff not charged to project plus contractual resources reported in 2k Other.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2k.	Other (please specify): Professional Services such as Project Management, Web Design, Project Engineer	100	All work is complete.

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).
None. CMS has successfully completed the project.

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	1,052	None
New network miles leased	460	None
Existing network miles upgraded	6	None
Existing network miles leased	282	None
Number of miles of new fiber (aerial or underground)	1,512	None
Number of new wireless links	7	None
Number of new towers	1	Baseline target is 3. After an engineering analysis was completed on the tower locations it was determined that only 1 location required a new tower structure. Existing towers were used for the other locations.
Number of new and/or upgraded interconnection points	913	Baseline target is 320. There are more interconnection points than originally planned due to miscalculations in the 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	10
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	17
Average term of signed agreements (in quarters)	80

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: Illinois Rural Healthnet, PEG Bandwidth (3 agreements), Illinois Rural Electric Cooperative, Kaneland School District, Illinois Eastern Community Colleges, Paris School District, Metro Communications, Prairie Power.

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:
Dark Fiber, Lambda/Wave Services, Ethernet Services ranging in speeds of 10 Mbps to 10 Gbps and Internet Services

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).
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	1	NA
	Providers with signed agreements receiving improved access	0	NA
	Providers with signed agreements receiving access to dark fiber	9	9 of 10 wholesale agreements are for dark fiber. The leased dark fiber has been turned over to 5 of 9 providers.
	Please identify the speed tiers that are available and the number of subscribers for each	10	CMS and ISU will sell Ethernet services at any speed between 10 Mbps and 10 Gbps including dark fiber and wave services. Current subscribers: 10 Gbps (1 subscriber) Dark Fiber (9 subscribers).
Community Anchor Institutions (including Government institutions)	Total subscribers served	3,711	3,711 CAIs are connected and capable of receiving services. 385 CAIs were connected directly as a result of a new fiber build. 3,326 CAIs were connected as a result of building fiber to existing access points where the CAIs were already connected. These CAIs are benefiting from the faster speeds made possible by the BTOP project.
	Subscribers receiving new access	2	2 CAIs receiving service previously had no broadband connectivity.
	Subscribers receiving improved access	3,709	3,709 connected CAIs previously had some level of broadband connectivity.
	Please identify the speed tiers that are available and the number or subscribers for each	3,711	CMS and ISU will sell Ethernet services at any speed between 10 Mb and 10 Gb including dark fiber and wave services. Current subscribers: <10 Mb (142 subscribers) >=10 Mb and <50 Mb (1,312 subscribers) >=50 Mb and <100 Mb (607 subscribers) >=100 Mb and <1 Gb (928 subscribers) >=1 Gb (722 subscribers).
Residential / Households	Entities passed	0	NA - The project is a CCI project with no last mile component.
	Total subscribers served	0	NA - The project is a CCI project with no last mile component.
	Subscribers receiving new access	0	NA - The project is a CCI project with no last mile component.
	Subscribers receiving improved access	0	NA - The project is a CCI project with no last mile component.
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA - The project is a CCI project with no last mile component.
Businesses	Entities passed	285,410	This represents the businesses near the operational fiber.
	Total subscribers served	32	All 32 connected businesses are receiving lit services .
	Subscribers receiving new access	0	All 32 businesses previously had some level of broadband connectivity.
	Subscribers receiving improved access	32	All 32 connected businesses are receiving improved broadband services.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number of subscribers for each	32	ISU will sell Ethernet services at any speed between 10 Mbps and 10 Gbps including dark fiber and wave services. Current subscribers: 1-100 Mbps (8 subscribers) 101-200 Mbps (2 subscribers) 201-300 Mbps (5 subscribers) 3; >1 Gbps (17 subscribers). CMS does not intend to sell directory to businesses directly. Whenever possible, businesses will be served by a third party provider purchasing wholesale services from CMS.

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

NA

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
Cannon Elementary School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Danville Area Community College	Vermilion	Community College	Y	Enhanced Internet and Intranet access for internal applications and online services.
Danville High School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Danville SD 118	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
East Park Elementary School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Edison Elementary School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Garfield Elementary School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Illinois Century Network RTC VI	Peoria	Other Government	Y	Enhanced Internet and Intranet access for internal applications and online services.
Lewis and Clark Community College	Madison	Community College	Y	Enhanced Internet and Intranet access for internal applications and online services.
Lincoln Land Community College	Sangamon	Community College	Y	Enhanced Internet and Intranet access for internal applications and online services.
Meade Park Elementary School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
North Ridge Middle School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Northeast Elementary Magnet School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
South View Middle School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.

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 BTOF-funded infrastructure
Southwest Elementary School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
St. Joseph-Ogden High School	Champaign	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Triton College	Cook	Community College	Y	Enhanced Internet and Intranet access for internal applications and online services.
Liberty Elementary School	Vermilion	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Arcola High School	Douglas	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Arcola Elementary School	Douglas	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Arcola Community Unit School Dist. 306	Douglas	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Greenville Elementary School	Bond	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Greenville Jr. High School	Bond	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Greenville High School	Bond	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Greenville County Community Unit Dist. 2	Bond	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Iroquois West High School	Iroquois	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Iroquois West CUSD 10	Iroquois	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Gilman Elementary School	Iroquois	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Pittsfield High School	Pike	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Altamont CUSD 10 Dist. Office	Effingham	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Altamont High School	Effingham	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Parkside Elementary School	Lawrence	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Mt. Olive Grade School	Macoupin	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Mt. Olive School Dist. 5	Macoupin	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Nuttall Middle School	Crawford	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.
Highland CUSD	Madison	School (K-12)	Y	Enhanced Internet and Intranet access for internal applications and online services.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
CMS will work with NTIA to submit all required close out documents.

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	100	None
2b.	Environmental Assessment	100	None
2c.	Network Design	100	None
2d.	Rights of Way	100	None
2e.	Construction Permits and Other Approvals	0	NA - CMS has no spend mapped to this milestone. These expenditures are included in 2h Network Build.
2f.	Site Preparation	100	None
2g.	Equipment Procurement	100	None
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	None
2i.	Equipment Deployment	100	None
2j.	Network Testing	0	NA - CMS has no spend mapped to this milestone. CMS is using existing staff not charged to project plus contractual resources reported in 2k Other.
2k.	Other (please specify): Professional Services such as Project Management, Web Design, Project Engineer	100	None

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).

NA

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	\$3,467,696	\$1,269,084	\$2,198,612	\$3,512,189	\$1,278,979	\$2,233,210	\$3,512,189	\$1,278,979	\$2,233,210
b. Land, structures, right-of-ways, appraisals, etc.	\$399,463	\$399,463	\$0	\$399,463	\$399,463	\$0	\$399,463	\$399,463	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$7,005,603	\$0	\$7,005,603	\$6,976,457	\$0	\$6,976,457	\$6,976,457	\$0	\$6,976,457
e. Other architectural and engineering fees	\$41,696	\$0	\$41,696	\$41,696	\$0	\$41,696	\$41,696	\$0	\$41,696
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$686,691	\$0	\$686,691	\$686,691	\$0	\$686,691	\$686,691	\$0	\$686,691
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$63,968,722	\$30,018,120	\$33,950,602	\$62,754,769	\$29,580,054	\$33,174,715	\$62,754,769	\$29,580,054	\$33,174,715
j. Equipment	\$15,514,534	\$541,209	\$14,973,325	\$15,515,296	\$541,289	\$14,974,007	\$15,515,296	\$541,289	\$14,974,007
k. Miscellaneous	\$5,297,623	\$2,258,870	\$3,038,753	\$5,287,961	\$2,249,798	\$3,038,163	\$5,287,961	\$2,249,798	\$3,038,163
l. SUBTOTAL (add a through k)	\$96,382,028	\$34,486,746	\$61,895,282	\$95,174,522	\$34,049,583	\$61,124,939	\$95,174,522	\$34,049,583	\$61,124,939
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$96,382,028	\$34,486,746	\$61,895,282	\$95,174,522	\$34,049,583	\$61,124,939	\$95,174,522	\$34,049,583	\$61,124,939

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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