

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 NT10BIX5570129	3. DUNS Number 074746439
4. Recipient Organization Rockbridge, County of 150 S. Main St., Ste 6, Lexington, VA 24450-2359		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2011	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 Daniel Grim GIS Manager	7c. Telephone (area code, number and extension) 5404649656	
	7d. Email Address dan_grim@co.rockbridge.va.us	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-28-2012	

Project Indicators (This Quarter)

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

Most of the project activities have continued to focus heavily on project management, geo-technical work on the Data Center, contract negotiations for the construction of the Data Center, and the writing of Invitation for Bids on the Fiber and DSL Network construction work. Project management duties have included route and network design, compliance and reporting documentation, Rockbridge Area Network Authority (RANA) board meetings, continued development of an Operations guide, and the continued development of an interested provider list. A Memoranda of Understanding (MOU) between Virginia Global Communications Systems and Rockbridge County was signed. Rockbridge County has received the needed permits for Railroad crossings and Stream crossings. The Data Center construction company has been selected and a contract has been signed.

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	The project has spent a little over 11% of the total project funds through this quarter. This is less than the anticipated progress update provided in the subsequent 2011 Q3 PPR. The delay is due to the delay of submittal and approval of the Environmental assessment, longer route engineering time, and a delay because of negotiations for the Data Center construction contract.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	100	No variance
2d.	Rights of Way	70	Previous Performance Progress Report anticipated 49% completion of this milestone. We have gathered more easements than was anticipated. The County continues to pursue getting the rest of the easements. The easements that are still needed will NOT delay the start of construction, as most of the routes do not require easements or we have already received the easements.
2e.	Construction Permits and Other Approvals	88	Baseline plan anticipated 100% completion of this milestone by the end of the quarter. Completion is approximately 10% lower but very close to the previous PPR that anticipated 89% completion. Negative variance from baseline plan is attributed to delays in selection of data center design firm and route engineering. All relative permits have been drafted, submitted and approved except the cabinet construction permits, which explains the 1% variance from the previous PPR anticipation.
2f.	Site Preparation	0	Previous PPR anticipated 23% completion of site preparation. Due to the delay on the submission and approval of the environmental assessment, and the delay in the legal review of the construction bid documents, the publishing of the construction bids was delayed and no site work took place.
2g.	Equipment Procurement	0	Previous PPR anticipated 22% completion of this milestone. Negative variance is due to the delay in legal review of the three different procurement bid documents. The procurement bids were advertised during this quarter with bids being due back in January. We expect to make an award and begin equipment procurement during 2012 Q1.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Baseline plan anticipated 33% completion of this milestone and the previous PPR anticipated 2% completion. Negative variance is due to delays with the environmental assessment and data center construction was held up due to contract negotiations. The contract has been signed and data center construction is expected to start early 2012 Q1.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
	2i. Equipment Deployment	0	Baseline plan anticipated 24% completion of this milestone but there is no variance with the anticipated completion from the previous PPR. Due to delays with the environmental assessment and legal review of the bid documents, DSL construction did not begin during this quarter. Equipment for the DSL cabinets and fiber network cabinets was not ordered during this quarter due to delays with legal review of bid documents. DSL equipment (DSLAMs, UPSes, patch panels, etc.) will be installed in the DSL cabinets as construction is complete at each of the 29 sites. This work is expected to begin late 2012 Q1 or early 2012 Q2. The data center is scheduled for completion in 2012 Q2, and fiber equipment will be installed in the data center as soon as all major construction and mechanical work is completed.
	2j. Network Testing	0	Baseline plan anticipated 22% completion of this milestone but there is no variance with the anticipated completion from the previous PPR. Due to delays with the environmental assessment, construction did not begin during this quarter. Testing cannot take place until the equipment is deployed. Network testing will begin as soon as the data center and the first fiber segments are completed. Network testing will continue on a rolling basis as additional fiber route segments are completed.
	2k. Other (please specify): Grant Administration	50	No variance

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).

The contract negotiations for the data center construction held up the data center contract being signed and delayed the start of construction. Construction was scheduled to begin during this quarter but with the delay due to the contract it is now scheduled to begin early next quarter. This will not affect the scheduled completion in 2012 Q2. The data center construction contract has now been signed. We have identified the necessary easements for the cabinet and fiber network construction and are actively pursuing getting those easements from the land owners. 70% of the fiber routes do not need easements, so any delays that come in gathering the easements will NOT delay the start of the fiber network construction. The fiber network and cabinet construction bids were published during this quarter and we expect to make the awards during 2012 Q1.

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	0	The Baseline plan indicated that there would be 8 new network miles deployed by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	The Baseline plan indicated that there would be 8 miles of fiber deployed by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents.
Number of new wireless links	0	N/A
Number of new towers	0	N/A

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of new and/or upgraded interconnection points	0	The Baseline plan indicated that there would be 2 new interconnection points deployed by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents.

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: In 2011 Q3 we met with VGCS and MGW, two local service providers, who indicated keen interest in offering services on the network. We also prepared an informational handout for Service Providers, and developed a draft service provider contract which is currently undergoing legal review. We had discussions with Zayo, a major national wholesaler of Internet access, and Zayo has been provided with more information on the network. In our experience on past projects, service providers will rarely make a written commitment to sign a formal contract until a construction contract for the network has been signed. We expect the construction contract for the network to be signed during 2012, Q1. Accordingly, we plan to aggressively begin marketing the network to service providers in 2012, Q1. Based on high levels of interest that have been expressed so far, we anticipate no difficulty having providers offering services on Day One of network operations. We further note that VGCS is a formal partner in the project, and they have consistently indicated they intend to be a Day One provider. The Baseline plan indicated that we would have 2 signed agreements with 10 more agreements being negotiated. The negative variance is due to the delay in the submission and approval of the environmental assessment and the delay in legal review of the fiber network construction bid documents. Most providers do not want to sign agreements until the network is under construction.

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 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	0	The Baseline plan indicated that there would be 2 signed agreements by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents. We expect to begin getting signed agreements during Q1, 2012.
	Providers with signed agreements receiving improved access	0	No variance

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	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	0	The Baseline plan indicated that there would be 18 total CAI's served by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents. We expect to begin serving CAI's in Lexington during Q3, 2012.
	Subscribers receiving new access	0	The Baseline plan indicated that there would be 18 CAI's served by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents. We expect to begin serving CAI's in Lexington during Q3, 2012.
	Subscribers receiving improved access	0	No variance
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Residential / Households	Entities passed	0	The Baseline plan indicated that there would be 160 residents/ households passed by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents.
	Total subscribers served	0	The Baseline plan indicated that we would be serving 56 residents/households by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents.
	Subscribers receiving new access	0	No variance
	Subscribers receiving improved access	0	No variance
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Businesses	Entities passed	0	The Baseline plan indicated that there would be 30 businesses passed by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents.
	Total subscribers served	0	The Baseline plan indicated that we would be serving 12 businesses by the end of Q4, 2011. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents.
	Subscribers receiving new access	0	No variance
	Subscribers receiving improved access	0	No variance
	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
N/A	N/A	N/A	N/A	N/A

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
For the next quarter, 2012 Q1 (January 1 through March 31), a portion of the fiber and conduit will be ordered. Fiber construction and cabinet construction bids will be received and a contractor will be selected. We are expecting to receive a portion of the conduit and to have a signed contract with both the fiber network construction contractor and the cabinet construction contractor. The cabinet procurement bids will also be received during the next quarter and we are expecting to place an order for the cabinets and have them on hand for when the cabinet construction starts in late 2012 Q1 or early 2012 Q2. There will be 0 new network miles deployed, 0 new network miles leased, 0 total CAI subscribers served, and 1 signed agreement with broadband wholesalers or last mile providers in 2012 Q1. 2012 Q1 completed milestones will include the start of the Data Center construction, selection of a fiber network construction contractor, selection of a cabinet construction contractor, issuance of the fiber and conduit purchase orders, and issuance of the DSL and fiber cabinet purchase orders. We anticipate the project will be 67% complete during Q4, 2012 and 100% complete during Q2, 2013.

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	35	Estimated expenditures of \$3,525,392 represents 35% of the total project funds. Baseline plan indicated 70% of overall project completion by the end of the quarter. As has been explained in previous reports, delays in submission and approval of the environmental assessment, data center design, data center contract negotiations, and route engineering have set the project off of its baseline time line. However, data center construction will start during this quarter and will be completed by Summer 2012. Route engineering has been completed. We are expecting to make an award for the cabinet procurement, fiber procurement, conduit procurement, fiber network construction, and cabinet construction during 2012 Q1. The fiber network construction and the cabinet construction is expected to begin late 2012 Q1 or early 2012 Q2.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	100	No variance
2d.	Rights of Way	80	Baseline plan indicated 100% completion of this milestone by the end of this quarter. Negative variance has been caused by the delay in the submission and approval of the environmental assessment, the delay in route engineering, and the delay in the planned placement of some of the DSL cabinet sites. Delays have also come from the delay in the legal review of the easement agreements. The County has been actively getting easement agreements signed and will continue to get the needed easements. The easements that are needed will NOT delay the start of construction as the majority of the route does not need easements or they will have already been gathered.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2e.	Construction Permits and Other Approvals	96	All relative permits should be submitted by the end of the quarter and we will only be waiting on the approval of the cabinet construction permit. Baseline plan anticipated 100% completion of this milestone by the end of the quarter. Negative variance is attributed to delays in the submission and approval of the environmental assessment, the selection of the data center design firm, and fiber route engineering.
2f.	Site Preparation	27	Planned expenditures of \$10,000 for cabinet site preparation represents 27% of what is budgeted for site preparation work. The baseline plan anticipated a milestone completion of 100%. Negative variance is explained by the delay in cabinet construction due to the environmental assessment submission and approval delay. It can also be attributed by the delay in the legal review of the cabinet site construction bid documents. The cabinet construction bid was advertised during 2011 Q4 and is expected to be awarded during 2012 Q1. We are anticipating the cabinet construction to begin in late 2012 Q1 or early 2012 Q2.
2g.	Equipment Procurement	28	Planned purchase of \$641,816 for cabinets, fiber, and conduit represents over 28% of the equipment budget. Baseline plan indicated 100% completion of this milestone by the end of the quarter. This negative variance is explained by discrepancy in project plan timeline and delays resulting from the environmental assessment. Also, delays in the legal review of the bid documents has delayed the advertisement of the equipment procurement bids. The bid documents were advertised during 2011 Q4 and are due back early 2012 Q1. We are anticipating issuing a purchase order for the fiber, conduit, and cabinets during 2012 Q1.
2h.	Network Build (all components - owned, leased, IRU, etc.)	20	Baseline plan anticipated 45% completion of this milestone. Negative variance is due to delays with the environmental assessment, delay with legal review of the network construction bid documents, and lengthy data center contract negotiations. The data center contract has been signed and construction is anticipated to start during 2012 Q1. Also, the fiber network construction and cabinet construction contracts are expected to be awarded during 2012 Q1 with construction beginning late 2012 Q1 or early 2012 Q2.
2i.	Equipment Deployment	0	Baseline plan anticipated 37% completion of this milestone. Due to delays with the environmental assessment, cabinet construction is not anticipated to begin until late 2012 Q1 or early 2012 Q2. The cabinets, fiber, and conduit will be ordered during this quarter, but no deployment is anticipated. DSL equipment (DSLAMs, UPSes, patch panels) will be installed in the DSL cabinets as construction is complete at each of the 29 sites. Customers will be able to begin purchasing services on a rolling basis as soon as the equipment is installed. The data center is scheduled for completion in 2012 Q2, and fiber equipment will be installed in the data center as soon as all major construction and mechanical work is completed. Network equipment in fiber cabinets will be installed as the fiber construction on fiber segments connected to the cabinets are complete. Portions of the network will be lit and customers will be connected on a rolling basis once the data center is complete and the first fiber segments are completed.
2j.	Network Testing	0	Baseline plan anticipated 35% completion of this milestone. Due to delays with the environmental assessment and legal review of the network construction bid documents, cabinet construction is not anticipated to begin until late 2012 Q1 or early 2012 Q2. The data center contract negotiations also delayed the start of the data center construction, which is anticipated to start 2012 Q1. Network testing will begin as soon as the data center and the first fiber segments are completed. Network testing will continue on a rolling basis as additional fiber route segments are completed.
2k.	Other (please specify): Grant Administration	58	No variance
<p>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).</p> <p>The Data Center construction contract has been signed. Data Center construction is scheduled to begin during 2012 Q1 and is scheduled for completion in 2012 Q2. The necessary easements for the cabinet and fiber network construction projects have been identified. We are actively pursuing getting those signed. The County is planning to go and talk to landowners one-on-one to get the easements signed. 70% of the fiber routes do not need easements, so any delays that come in gathering the easements will NOT delay the start of the fiber network construction. The responses to the cabinet procurement, fiber procurement, conduit procurement, fiber network construction, and cabinet construction are due back during January and we are anticipating making an award on all five</p>			

RECIPIENT NAME:Rockbridge, County of

AWARD NUMBER: NT10BIX5570129

DATE: 02/28/2012

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

during 2012 Q1. We are expecting to issue purchase orders for the cabinets, and portions of the fiber and conduit this quarter. We are also anticipating to have signed contracts for both the fiber network construction and the cabinet construction with work beginning late 2012 Q1 or early 2012 Q2.

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	\$35,150	\$0	\$35,150	\$13,935	\$0	\$13,935	\$30,000	\$0	\$30,000
b. Land, structures, right-of-ways, appraisals, etc.	\$3,219,000	\$2,500,000	\$719,000	\$307,928	\$298,654	\$9,274	\$1,344,000	\$843,741	\$500,259
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,054,718	\$0	\$1,054,718	\$721,831	\$0	\$721,831	\$771,831	\$0	\$771,831
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$108,316	\$0	\$108,316	\$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	\$2,973,056	\$497,171	\$2,475,885	\$37,925	\$31,378	\$6,547	\$712,925	\$213,877	\$499,048
j. Equipment	\$2,239,010	\$0	\$2,239,010	\$0	\$0	\$0	\$641,816	\$0	\$641,816
k. Miscellaneous	\$361,320	\$0	\$361,320	\$18,487	\$0	\$18,487	\$24,820	\$0	\$24,820
l. SUBTOTAL (add a through k)	\$9,990,570	\$2,997,171	\$6,993,399	\$1,100,106	\$330,032	\$770,074	\$3,525,392	\$1,057,618	\$2,467,774
m. Contingencies									
n. TOTALS (sum of l and m)	\$9,990,570	\$2,997,171	\$6,993,399	\$1,100,106	\$330,032	\$770,074	\$3,525,392	\$1,057,618	\$2,467,774

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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