

RECIPIENT NAME:ONECOMMUNITY

AWARD NUMBER: NT10BIX5570067

DATE: 05/11/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

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 NT10BIX5570067	3. DUNS Number 806546326
4. Recipient Organization ONECOMMUNITY 1375 Euclid Ave, STE 500, Cleveland, OH 44115-1808		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	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 Jim Hay	7c. Telephone (area code, number and extension) X	
	7d. Email Address jhay@onecommunity.org	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-11-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 OVERALL PROJECT - program progressed as per schedule, with major milestones met on time
 ENVIRONMENTAL ASSESSMENT - was completed, with receipt of the FONSI on 3-16-2011.
 NETWORK DESIGN - was substantially completed when the EA is submitted. We anticipate some minor design changes may be needed as we deploy the network (e.g., for environmental protection reasons, route optimization, etc...). Therefore we will continue to report this as a % complete based on effort expended versus budget.
 CONSTRUCTION PERMITS, APPROVALS, RIGHTS OF WAY - by qtr end filings for "make ready engineering" work with utility pole owners was underway, along with other permitting (e.g., underground permits, ODOT permits for RR and HWY crossings, etc.) On our critical path is the utility companies' conducting their engineering and sending us a bill for the make ready work.
 SITE PREPARATION - initial hub site was prepared for move-in, post-receipt of FONSI
 EQUIPMENT PROCUREMENT - core network backbone equipment orders and related materials were all issued; first shipments arrived in December, and second shipments arrived during Q1 of 2011.
 NETWORK BUILD & EQUIPMENT DEPLOYMENT- no funds were expended on network build out, as the FONSI was received near the end of the quarter
 EQUIPMENT DEPLOYMENT - no funds were expended on deploying into operations equipment which had been procured, as the FONSI was received near the end of the quarter
 NETWORK TESTING - no progress, dependent on network build & equipment deployment

 MATCH SCHEDULE REVIEW - during the quarter OneCommunity worked with the NTIA to review and refine our matching schedule for the project. This resulted in numerous adjustments to the match schedule for the project, which will be reflected in a budget modification next quarter.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2a.	Overall Project	14	Percent complete is based on amount budgeted vs spent, and includes both federal funds and matching funds. As this reflects the % of total funds available vs actually spent, we are at 14% complete. This is behind our baseline; the baseline assumed large equipment and material expenditures would need to occur in the first 6 months. Favorable shipping and payment terms have allowed us to defer some of the larger "up front" expenditures we anticipated.
2b.	Environmental Assessment	100	COMPLETE
2c.	Network Design	100	Network design is complete as a percent of budget. Initial budgeted amount has been consumed; there may be additional design work as routes are optimized, or need to change if an environmental protection measure detects a problem on a route, etc...
2d.	Rights of Way	0	There were no new rights of way that were needed to be acquired. The project baseline was established as the physical walkouts were being conducted for the EA. It was assumed for planning purposes some new rights of way might be needed, and that these would be acquired during the walkout and EA process. To-date we have found no need for new Rights of Way for the project - we are in existing rights of way and are seeking permit approvals from the utility infrastructure owners. Hence the variance from the baseline. We do anticipate we may need one or two. As these are encountered, and budget from the "Land, Structures, Rights of Way" is expended, it will be reported here.
2e.	Construction Permits and Other Approvals	4	By period end permitting with utility companies was still ramping up; baseline reflects an incorrect plan percentage of 65% based on EA approval dependency. Permissions to enter new hub sites planned will also be reported here, and by 03/31/2011 no new collocation agreements had been signed.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			3.9% complete is expressed as amount spent of the total project budget for construction permits and approvals, which had been expended by 3/31/2011 for permitting with the utility infrastructure owners. We are behind plan due to the arrival of the FONSI late in the quarter.
2f.	Site Preparation	20	Matching funds were expended to move into a new data center facility
2g.	Equipment Procurement	51	The percent complete is based on % of total program budget, both fed and match portions. All initial shipments of networking gear were received by 3/31 on plan; baseline of 60% anticipated more equipment arriving in the quarter than we were able to achieve for federally funded purchases.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Percent complete is expressed as a % of the federal program budget. No construction has been started as of 03-31-2011, as the FONSI was received late in the quarter.
2i.	Equipment Deployment	0	Percent complete is expressed as a % of the federal program budget. No construction or equipment deployment has begun as of 03-31-2011, as the FONSI was received late in the quarter.
2j.	Network Testing	0	Not commenced, dependent on 2h and 2i
2k.	Other (please specify):	0	Other funds were not budgeted, but were expended in the quarter. These other expenses include web conference services (webex), government data publications, bank fees, and misc expenses

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).

ENVIRONMENTAL ASSESSMENT - engineering costs are over budgeted amounts due to incurring excess engineering costs in order to meet a deadline of Jan 2, 2011 for our draft EA filing, 6 months post-award date. Much of the work had to be outsourced to engineering firms in order to get all the work done in time for the EA draft filing. The FONSI for our EA was completed during the period.

BARRIERS TO IMPLEMENTATION - delays in responses to our requests for "make ready" work by incumbent utility pole owners.

NTIA TECHNICAL ASSISTANCE - none.

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	construction not started (FONSI received 3-16)
New network miles leased	0	construction not started (FONSI received 3-16)
Existing network miles upgraded	0	construction not started (FONSI received 3-16)
Existing network miles leased	0	no new leases occurred, as per the instructions
Number of miles of new fiber (aerial or underground)	0	construction not started (FONSI received 3-16)
Number of new wireless links	0	n/a
Number of new towers	0	n/a
Number of new and/or upgraded interconnection points	0	construction not started (FONSI received 3-16)

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	

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	1
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: None had been signed as of 3/31/2011.

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: None at this time

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). Not applicable. OneCommunity operates a 900 mile network in NE Ohio today. This project will double the size and allow us to serve new or improve service to 796 additional community anchor institutions.

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	on plan
	Providers with signed agreements receiving improved access	0	on plan
	Providers with signed agreements receiving access to dark fiber	0	on plan
	Please identify the speed tiers that are available and the number of subscribers for each	0	no speed tiers are available as we have no subscribers in this category, as per the baseline plan submitted 12/09/2010
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	on plan
	Subscribers receiving new access	0	on plan
	Subscribers receiving improved access	0	on plan
	Please identify the speed tiers that are available and the number or subscribers for each	0	50 Mbps 0 customers 100 Mbps 0 customers 250 Mbps 0 customers 500 Mbps 0 customers 1 Gbps 0 customers 10 Gbps 0 customers
Residential / Households	Entities passed	0	n/a

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Total subscribers served	0	n/a
	Subscribers receiving new access	0	n/a
	Subscribers receiving improved access	0	n/a
	Please identify the speed tiers that are available and the number of subscribers for each	0	n/a
Businesses	Entities passed	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).

None at this time

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. OneCommunity currently operates a 900 mile network in NE Ohio benefitting community anchor institutions ranging from hospitals and health clinics to schools and libraries to institutions of higher education. This project will allow us to double our network size and further our non-profit mission to serve community anchor institutions as one means to help communities grow and prosper through adoption of new technologies, in particular broadband. Our current network management practices of operating an open network remain in place.

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	none in this period

Project Indicators (Next Quarter)

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

OVERALL PROJECT - will progress as per plan, with construction starting up (make ready work, underground work, etc..).
 ENVIRONMENTAL ASSESSMENT - is COMPLETE. EA work will only be initiated if a route change is required outside our proposed action area.
 NETWORK DESIGN - Ring segment designs will be completed. Ongoing design activities involve network programming & optimization with donated resources.
 CONSTRUCTION PERMITS, APPROVALS, ROW - utility company engineering and "make ready" statements will be completed for our four (4) highest priority segments. Payments will be issued in order to begin "make ready" work on these ring segments. All other permit requirements will be completed as well. NOTE: this is an area where, given current turn around times and fees, we anticipate being significantly over budgeted amounts for "make ready" work.
 SITE PREPARATION - five (5) existing core sites will begin the upgrade process.
 EQUIPMENT PROCUREMENT & DEPLOYMENT - equipment for Inside Plant (ISP) will be deployed with existing location upgrades;

equipment/materials for Outside Plant (OSP) will begin with construction of the fiber optic network.
 NETWORK BUILD - will commence with "make ready" work being authorized, and underground construction starting where able.
 Other equipment & materials will be deployed as ring segment "make ready" is completed or underground work can commence.
 NETWORK TESTING - will commence with testing of upgrades to the five existing core sites.

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	27	Based on overall budget vs planned spend through 6/30/2011. Almost all equipment and materials will have been received by quarter end (>\$13mm). This % complete is based on anticipated spend versus total project funds; it is behind plan, due to elongated payment terms for equipment, fiber, and construction materials.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	The % complete is expressed as a % of budget consumed.
2d.	Rights of Way	0	We do not foresee the need for any new Rights of Way in Q2-2011, as we will just be starting construction. It was assumed for planning purposes some new rights of way might be needed. To-date we have found no need for new Rights of Way for the project - we are in existing rights of way and are seeking permit approvals from the utility infrastructure owners. Hence the variance from the baseline will continue. We do still anticipate we may need one or two. As these are encountered, and budget from the "Land, Structures, Rights of Way" is expended, it will be reported here.
2e.	Construction Permits and Other Approvals	50	Percent complete is based on % of budget from the project budget category of "Land, Structures, Rights of Way" (424-C category), which we mapped into this PPR and baseline milestone category. So as a % of budget allocated to this milestone category, we will ramp up of "make ready" (MR) engineering activities by utility companies by quarter end. We will still be behind the baseline for the project, as the utility companies have been slow to respond to requests, due to the volume of requests they are dealing with from the federal programs and other requests. NOTE: this is an area where, given current turn around times and fees, we anticipate being significantly over budgeted amounts for "make ready" work.
2f.	Site Preparation	60	Percent complete based on % of budget. Matching funds will be spent on existing hub site upgrade in Q2 2011.
2g.	Equipment Procurement	80	Percent complete based on: fed funding - receipt of additional equipment shipments from PO's placed in December (for equipment) and January (for fiber); and matching funding from payments by sub-recipients in preparation of their network build outs.
2h.	Network Build (all components - owned, leased, IRU, etc.)	11	Percent complete based on ramp up of make ready on aerial routes post-FONSI; commencement of underground where plausible on underground routes. Of 13 overall ring segments we are planning to start work on the top five (5) rings.
2i.	Equipment Deployment	17	Percent complete is based on percent of budget available vs anticipated spending in the quarter. We anticipate being ahead of baseline in upgrading our existing hub sites.
2j.	Network Testing	0	This will be continuous throughout, but with construction ramping up we do not anticipate a significant amount of effort here through 6/30/2011, as we will push to complete "make ready" and permitting while ramping up construction
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).

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EXPIRATION DATE: 12/31/2013

ITEMS SPECIFIC TO THIS PROJECT: A determination on (1) Davis Bacon wages for OSP work in NE Ohio is needed to ensure the rates we submitted are adequate, as construction contracts have been bid and awarded with those rates included.

In addition, we are experiencing significant delays in working with electric and telecomm utilities on getting the "make ready" completed on our first 4 priority routes. We have been exploring creative ways to work with them, such as pre-payments of make ready fees in order to expedite the review and approval process on their end, and possibly incent them to keep us near the top of the priority list.

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	\$268,147	\$24,379	\$243,768	\$175,848	\$12,088	\$163,760	\$181,488	\$12,088	\$169,400
b. Land, structures, right-of-ways, appraisals, etc.	\$4,261,800	\$0	\$4,261,800	\$164,760	\$0	\$164,760	\$5,593,582	\$0	\$5,593,582
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Other architectural and engineering fees	\$1,230,720	\$900,000	\$330,720	\$1,245,402	\$65,824	\$1,179,578	\$1,295,058	\$65,824	\$1,229,235
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$180,250	\$180,250	\$0	\$20,000	\$20,000	\$0	\$20,000	\$20,000	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$35,225,331	\$15,494,088	\$19,731,243	\$18,911	\$0	\$18,913	\$3,947,957	\$394,917	\$3,553,040
j. Equipment	\$28,631,231	\$8,404,716	\$20,226,515	\$8,459,386	\$3,268,414	\$5,190,972	\$19,560,982	\$3,616,862	\$15,944,120
k. Miscellaneous	\$185,000	\$185,000	\$0	\$39,189	\$0	\$39,189	\$39,189	\$0	\$39,189
l. SUBTOTAL (add a through k)	\$69,982,479	\$25,188,433	\$44,794,046	\$10,123,496	\$3,366,326	\$6,757,172	\$30,638,256	\$4,109,691	\$26,528,566
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$69,982,479	\$25,188,433	\$44,794,046	\$10,123,496	\$3,366,326	\$6,757,172	\$30,638,256	\$4,109,691	\$26,528,566

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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