OMB CONTROL NO. 0660-0035 EXPIRATION DATE: 10/31/2010

FIRST PERFORMANCE PROGRESS REPORT Third Quarter 2010



1. Recipient Organization (Name and complete address including zip code)	2. Award Identification Number
Zayo Bandwidth 400 Centennial Pkwy, Louisville, CO 80027	NT10BIX5570071

3. Performance Narrative (Q1)

Please describe your project activities and progress for the first quarter of 2010. This should include a description of federal expenditures to date, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any delays or challenges. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)

Federal Expenditures to date are none \$0.00.

Zayo has recently hired two employees. A contracts manager who will be the primary Point Of Contact (POC) for the government and responsible for government reporting and the government purchasing process. An outside plant manager who will be the person on the ground dealing with the face to face issues with our subcontractors in the field, as well as ensuring that our subcontractors in the field are following the government award conditions and Zayo's processes.

Zayo has gone through their bid process and Awarded their EA subcontract and the recipient has started the EA preliminary work (Driving the route). A majority of this will be complete next quarter. The grants manager will ensure that government regulations regarding the bidding process are met.

Zayo conducted in house planning.

4. Performance Projections (Q4)

Please describe your anticipated project activities and progress for the next quarter. This should include a description of federal expenditures, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any potential delays or challenges you foresee. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)

Zayo's Environmental Assessment should be 90% complete Entire(Route Driven, Map Work Done and submitted to the appropriate agencies, SHPO, Department of Wildlife and the Army Corps of Engineers for a Finding Of No Significant Impact (FONSI).

The last 10% of the Environmental Assessment will be completed the following quarter after the engineering work has begun and any final adjustments (What was assumed to be underground is aerial or vice versa) have been made.

Once the Request for Proposals are received back, Zayo will go through our source selection process and award subcontracts to the successful bidders.

Zayo will be sending out a Request for Proposal for engineering firms and should go through our source selection process and make award of a Fixed Price Subcontract to the successful bidder and start the engineering process.

Federal expenditures should be \$127K.

5. 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.

5a. Typed or Printed Name and Title of Authorized Certifying Official	5c. Telephone <i>(area code, number and extension)</i> (303) 947-7052
David Lundy, Contracts Manager	5d. Email Address
	dlundy@zayo.com
5b. Signature of Authorized Certifying Official	5e. Date Report Submitted (Month, Day, Year) 11/4/2010

According to the Paperwork Reduction Act, as amended, no person is required to respond to, nor shall any person be subject to penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 1 hour and 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this

OMB CONTROL NO. 0660-0035

EXPIRATION DATE: 10/31/2010

burden, to Anthony G. Wilhelm, Director, Broadband Technology Opportunities Program, Office of Telecommunications and Information Applications, National Telecommunications and Information Administration, U.S. Department of Commerce (DOC), 1401 Constitution Avenue, N.W., HCHB, Room 4887, Washington, D.C. 20230.