

FIRST PERFORMANCE PROGRESS REPORT 2010



<p>1. Recipient Organization <i>(Name and complete address including zip code)</i></p> <p>District of Columbia Government Office of the Chief Technology Officer (OCTO) 441 4th Street, NW Suite 930S Washington, DC 20001-2714 USA</p>	<p>2. Award Identification Number</p> <p>NT10BIX5570081</p>
<p>3. Performance Narrative (Q1)</p> <p><i>Please describe your project activities and progress for the first quarter of your award period. 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.</i></p> <p>For the initial quarter, OCTO's DC-NET group has focused on tasks related to acceptance of the DC-CAN grant award; secured spending authority for the award from District Council; completed enrollments in Federal systems; began compliance documentation; and began final review of fiber route plans, to prioritize construction and service delivery to Wards 8, 7 and 5 (and to "service areas" within those wards).</p> <p>Regarding environmental assessment, DC-CAN project has been issued a Department of Commerce Categorical Exclusion A.6, as DC-NET commits to install fiber optic cable only thru existing transmission structures, and through structures and conduits for which it already possesses rights-of-way. (District of Columbia possesses rights of way under a 1905 law, Sec. 306. Section 5 of An Act, regulating the use of telephone wires in the District of Columbia, approved March 3, 1905 (33 Stat. 986; D.C. Official Code § 34-1921.05), and as amended (§ 34-1921.05. Regulations for inspection; ducts for use of fire and police wires [Formerly § 43-1414]. (Mar. 3, 1905, 33 Stat. 986, ch. 1415, § 5; 1973 Ed., § 43-1414; 1981 Ed., § 43-1414; April 12, 2005, D.C. Law 15-342, § 306, 52 DCR 2346.) As a result of this DC-Net has the right of way on conduit use, for government and public safety purposes.)</p> <p>Regarding historic preservation, the SHPO (part of District's Office of Planning, or OP) and DC-NET have defined procedures to ensure no adverse effects under Section 106; these procedures require DC-NET to submit a permit request for any community anchor institution. OP will review in normal course of business, and OP will specify placement, coloration, etc, of rooftop wireless access points, minimizing esthetic disruptions.</p> <p>Regarding network design, DC-NET is specifying equipment configuration at each of the ten mega-POP (core) sites for DC-CAN, which anchor the core District-wide fiber ring, and at which commercial carriers and last-mile partners will connect with DC-CAN. In addition, DC-NET is reviewing equipment configurations to be installed at the possible 291 Community Anchors (223 new sites, and 68 upgraded sites). The original set of sites may be augmented, as suggested by normal operations (new building openings, office moves, closures, etc).</p> <p>Regarding construction permits and approvals, DC-NET operates a fiber network today, and is familiar with permitting and other approval processes. These can be leveraged for DC-CAN with minor service level modifications, and no problems are expected.</p> <p>Regarding site preparation, DC-NET is reviewing its standard operating procedures for new core site installations, and for equipment installation and turn-up at proposed anchor sites. As a current provider of fiber and communications services, existing procedures will provide sound foundation for new sites. DC-NET will label DC-CAN fiber and equipment appropriately, to permit easy identification of capital assets funded as part of the project.</p> <p>Regarding equipment procurement, DC-NET currently relies upon District procurement processes, and seeks competitive bids for both equipment and services through District's Office of Contracting and Procurement (OCP). Separate purchase orders will be issued for equipment and services, and separate invoices will be issued for any DC-CAN expenses; this will permit easy identification</p>	

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of BTOP project expenses. DC-CAN invoices will be reimbursed in their entirety, as necessary, and will require no allocations between Federal and non-Federal work. Equipment and services solicitation and procurement will begin in the October-December quarter (FY 2011 Q1). Equipment procurement will begin consistent with final plan and schedule. No equipment has been procured as of Sep 2010 quarter end. Services have been procured only for project planning, for grant acceptance and for compliance reporting. (Vendor expenses incurred during this quarter are estimated at \$45,000.)

Regarding network build, current plans for DC-CAN expect that all new fiber and electronics will be District-owned, and there are no current plans for leasing dark fiber. If and as plans change, DC-NET will review with NTIA prior to any changes.

Regarding network testing, this will be standard post-installation, as part of turning up new core sites and community anchors. As a current provider of fiber and communications services, existing procedures will provide sound foundation for new sites. No activities have begun on this task.

Regarding challenges this quarter, DC-NET had two small challenges. First, due to priorities around mayoral and Council primaries and elections, District Council approval of grant spending authority was not secured during the Jul-Sep quarter; Council approval was received during October. Second, due to imminent expiration of the contract with the fiber installation vendor (which was originally competitively selected), DC-NET is seeking an extension of the contract. This extension is pro forma, as both sides agree on terms for an extension of up to six-months; however, an item worth tracking.

Regarding financials, DC-NET has used no Federal award funds for the quarter ending September 30, 2010. DC-CAN will be accounted on a cash basis (not accrual), and no invoices have yet been paid for planning services. Just before October month end, District's Council approved spending authority for the grant, and reimbursement of paid invoices will begin during October – December quarter.

4. Performance Projections (Q2)

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.

OCTO's DC-NET will continue route planning, confirming the ten planned core locations, and prioritizing placement of core ring routes and access loop routes, to maximize proximity to planned community anchor institutions. Focus will be prioritized on the under-served Wards 8 and 7, and will also define "service areas" within those wards.

Communication, marketing and sales strategies will be developed for the "discretionary" CAIs (such as charter schools, health clinics, etc), which District government cannot impose requirements for DC-CAN use, and which CAIs have commercial alternatives.

An open, community-wide DC-CAN Last-Mile Partner and Carrier Symposium ("DC-CAN Symposium") will be held on December 9, convening commercial and non-profit entities, with the goals of defining parameters for use of DC-CAN by possible last-mile partners; and for wholesale and backhaul use by commercial carriers; framework for contractual terms of use, etc.

Initial versions of standard cost-based, marginal pricing models will be developed this quarter. Based upon feedback received and information collected at the DC-CAN Symposium, these pricing models will be finalized in the following (Jan – Mar 2011) quarter, defining market prices for DC-CAN services.

Similarly, near-final equipment configurations will be developed for core sites, and standard configurations will be reviewed for CAI placement. Again, based upon feedback received and information collected at the DC-CAN Symposium, completed core site and anchor site configurations will be finalized in the following quarter (Jan – Mar 2011).

DC-NET will plan for installation and upgrade of Community Anchor Institutions in Ward 8 and 7.

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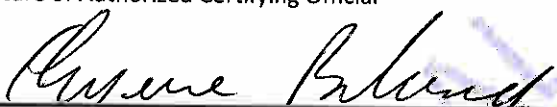
Regarding construction permits, DC-NET does not anticipate the need to obtain permits for new fiber installation, as fiber will be pulled through existing conduit. However, if we install near secured Federal locations, and additional permits are determined to be required, DC-NET will secure appropriate permit approvals. DC-NET does not anticipate that at this time.

DC-NET will finalize and implement control and review procedures for District employee time, and for sub-recipient and vendor purchase orders and invoices.

Regarding possible challengers for the coming quarter, the only one anticipated is securing timely extension of the contract with the fiber installation vendor, as mentioned earlier.

Projected expenditures for the Oct-Dec quarter (FY 2011 Q1) are estimated at approximately \$350,000.

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 Tegene Baharu, Director, DC-NET Office of the Chief Technology Officer (OCTO)	5c. Telephone (area code, number and extension) 202.727.7349
5b. Signature of Authorized Certifying Official 	5d. Email Address Tegene.Baharu@DC.gov 5e. Date Report Submitted (Month, Day, Year) October 29, 2010

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