

FIRST PERFORMANCE PROGRESS REPORT 2010



<p>1. Recipient Organization (<i>Name and complete address including zip code</i>)</p> <p>California Broadband Cooperative, Inc. 1101 Nimitz Avenue Vallejo, CA 94592</p>	<p>2. Award Identification Number</p> <p>NT10BIX5570098</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. (500 words or less)</i></p> <p>California Broadband Cooperative's primary focus early in 1st Quarter was on management and administrative activities relating to project structure and funding agency requirements, including assimilating grant requirements, contract development, policy and procedures for grant administration, stakeholder management, budgeting, project management processes, and staffing the core management team.</p> <p>Environmental Assessment</p> <p>Quickly organized meetings and activities toward 6-month Environmental Assessment goal of January 31. Activities included identifying impacted agencies, coordinating agency priorities with governor's office, on-site agency discussions, develop requirements, issue requests for quotes for environmental consultancy, executed contract with Chambers Group as vendor. Developed list of tribal areas, nodes, staging areas, construction methodologies for environmental impacts. Initiated Section 106 consultation process</p> <p>Network Design</p> <p>Updated overall network plans by verifying location of all community agencies, review of proposed construction methodology along complete 553 mile route, conducted precision estimates of routes to verify location of conduit relative to pavement and obstructions. Conducted negotiations with local counties and agencies to verify precise node locations. Hired initial engineering staff to perform outside engineering planning functions.</p> <p>Rights of Way</p> <p>Negotiated construction guidelines with California and Nevada departments of transportation as to depth of cover, location of facilities, and information needs. Initiated same with County road departments. Investigated use of water pipeline on approved route through Douglas County, Nevada.</p> <p>Federal Expenditures</p> <p>Although no federal funds were drawn down during the first quarter (August 1-September 30, 2010), Federal expenditures during that period were \$5497.00.</p>	

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. (500 words or less)

The second quarter activities will concentrate on completing the development of project management infrastructure and the bulk of the environmental and permitting requirements. In addition, pre-construction activities will be a focus, including: finalizing engineering systems and detailed design parameters, creating detailed construction work prints, as well as defining equipment needs and vendor contracts.

Environmental Assessment

Environmental work will be aggressively executed this period. The team will complete kick-off meetings with lead and participating agencies, complete biological and cultural surveys, file joint documents for state and federal agencies, and initiate impact analysis. There are some very significant challenges to this part of the project, as weather may impact the team's ability to survey the route should snow fall, requiring biological and cultural observation to be deferred until spring. Also there has been some indication from several federal agencies that they are inadequately staffed to support the work in the allowed timeframes. Additional challenges may be presented by input from native lands, which are not held to any specific timeframes for review.

Network Design

Complete detailed base map of routes, complete detailed design parameters, initiate detailed job designs in community distribution areas. Initiate requirements and designs for nodes. Detailed design of several sections of the route will depend on input from key federal agencies, (United States Forest Service, in particular) and several common carriers interconnect agreements. Potential delays in Network Design are anticipated in some sections of the route due to USFS and BLM constraints. In addition, we have outstanding issues with Caltrans that impact design considerations such as depth of cover and locating vaults in the Right of Way. These matters have been escalated to the Governor's Stimulus Taskforce for resolution. There may be some delays to Network design due to inclement weather. To avoid adverse impacts to network design, we have already concentrated field work on higher elevations to capture the necessary data for desktop CAD design during winter months.

Rights of Way

As part of the Environmental Assessment we will submit documentation for Rights of Way, complete title searches, document and resolve discrepancies. Execute agreements for Node and other county rights of way issues. Although the team anticipates no easement issues, if any are encountered in Title searches some delays in agency approvals may take place. We anticipate potential issues with USFS, BLM and Army Corps of Engineers, as Rights of Way may be delayed due to standard timeframes involved with ROW issues in their agencies. Given the size of the route any delays will be accommodated through changes in the sequence of route sections.

Permits

The team will Inventory all permitting agencies impacted, document permitting requirements, initiate preparation of permit packages. The California Department of Transportation is presently reviewing permit guidelines to accommodate project needs in their rights of way. These guidelines will impact budget and the specific location of the route.

Site Preparation

In preparation for node design and development, we will execute agreement for land, conduit and building space with Counties and other local agencies. We anticipate there may be some delay due to agreements that require Board of Supervisor approvals.


Network Build

In anticipation of network build, project planning will consolidate equipment requirements, identify qualified vendors, and further define Procurement processes and requirements. No delays are anticipated in this area.

Federal Expenditures

California Broadband Cooperative anticipates \$2,335,000.00 in federal funds disbursement will be expended in Second Quarter.

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>) 707-551-8200 Ext 210
Robert Volker Chief Executive Officer	5d. Email Address rvolker@digital395.com
5b. Signature of Authorized Certifying Official 	5e. Date Report Submitted (<i>Month, Day, Year</i>) October 29, 2010

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