

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 NT10BIX5570144	3. DUNS Number 001745512
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4. Recipient Organization

Northern Illinois University, Inc. Lowden Hall, Ste 201, Dekalb, IL 60115-3080

5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2011	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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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 Lisa Bergeron	7c. Telephone (area code, number and extension)
	7d. Email Address lbergeron@niu.edu

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-31-2011
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Project Indicators (This Quarter)

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

The Broadband Technology Opportunities program is intended to accelerate broadband deployment in unserved and underserved areas, supporting strategic institutions that are likely to create jobs or provide significant public benefits. The Northern Illinois University IBOP team has been working on or completed the following:

- Completed the analysis of threatened and endangered species for USFWS and ride-out of all planned routes
- Provided EA information to 6 THPOs who requested project information beyond that provided in the Tower Construction Notification System. Two tribes have not responded; the other four responded concurring with the determination of no effect.
- Completed an archeological desk top review and a conditional determination of no effect was issued by SHPO.
- Completed and submitted the Environmental Assessment to NTIA in February.
- Began review and response to NTIA comments on EA.
- Received a letter of no objection to the construction of the project under the provisions of Nationwide Permit Number 12 from the Rock Island District of the Army Corps of Engineers.
- Began archeological field work of 13% of the project region subject to review.
- Received approval from NTIA/NOAA to add iFiber as a sub recipient to the grant.
- Established iFiber as a not for profit to manage construction of the project.
- Developed and released a Request for Qualifications for contractors to build the network. Completed a Contractors Conference and received 23 responses to our RFQ. Review of the proposals is in process.
- Continued finalization of project CAIs through meetings with key contacts.
- Hired two network engineers for the project starting 3/16 and 4/1.

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	1	Variance -9.9% is due to the Shortened First Quarter issue noted in 3. below. According to full project quarters, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to the shortened first quarter within the next two quarters. There were more activities than federal dollars drawn during the report period.
2b.	Environmental Assessment	0	Variance -100% - The environmental assessment was completed and submitted to NTIA on 2/4/2011, less than 5 months after notice of award. While the expense was incurred during the quarter, the initial payment had not yet been drawn down and final invoicing was held until review and approval by NTIA. There were more activities than federal dollars drawn during the report period.
2c.	Network Design	0	Variance of -13.9% is due to the Shortened First Quarter issue noted in 3. below. According to full project quarters, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to the shortened first quarter within the next two quarters. There were more activities than federal dollars spent during the report period. The network design is in progress. We are currently meeting with CAIs to finalize organizations and routes. We have hired two employees to expedite this process.
2d.	Rights of Way	0	Variance of -28.5% is due to the Shortened First Quarter issue noted in 3. below. According to full project quarters, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to the shortened first quarter within the next two quarters. There were more activities than federal dollars spent during the report period. Designs have been submitted to Illinois Dept of Transportation Over the

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			next quarter contractors/engineers will be selected and then they can begin rights of way licensing.
2e.	Construction Permits and Other Approvals	0	<p>Variance of -28.5% is due to the Shortened First Quarter issue noted in 3. below. According to full project quarters, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to the shortened first quarter within the next two quarters. There were more activities than federal dollars spent during the report period.</p> <p>We have received Army Corp of Engineering approvals for waterway crossings. Over the next quarter contractors/engineers will be selected and then they can begin rights of way licensing.</p>
2f.	Site Preparation	0	no variance
2g.	Equipment Procurement	0	<p>Variance of -7.9% is due to the Shortened First Quarter issue noted in 3. below. According to full project quarters, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to the shortened first quarter within the next two quarters.</p> <p>Equipment RFPs will be released early during the next quarter.</p>
2h.	Network Build (all components - owned, leased, IRU, etc)	0	<p>Variance of -3.9% is due to the Shortened First Quarter issue noted in 3. below. According to full project quarters, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to the shortened first quarter within the next two quarters.</p> <p>We are currently working on procurement of IRUs and wireless engineering.</p>
2i.	Equipment Deployment	0	<p>Variance of -2.1% is due to the Shortened First Quarter issue noted in 3. below. According to full project quarters, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to the shortened first quarter within the next two quarters.</p> <p>Contingent upon equipment procurement.</p>
2j.	Network Testing	0	<p>Variance of -2.1% is due to the Shortened First Quarter issue noted in 3. below. According to full project quarters, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to the shortened first quarter within the next two quarters.</p> <p>Contingent upon completed networks.</p>
2k.	Other (please specify):	0	not applicable
<p>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).</p> <p>#1 The approval process for adding a new sub recipient to manage construction could impact our progress. We are working with BTOP to facilitate this change. iFiber has been approved by NTIA and added as a new sub recipient. Procurement is in progress and will be issuing contracts early in the next quarter.</p> <p>#2 We are still waiting on two tribal approvals for the release of the FONSI. We anticipate receiving approvals in the next quarter.</p> <p>#3 In response to the EA conditions, we are working on a cultural review of 13% of the project area for the FONSI. Due to the winter conditions, the cultural review was delayed. We anticipate completion of the cultural review during the next quarter.</p> <p>#4 [Shortened First Quarter] The first official project quarter ended 9/30/2010, two weeks after notice of award on 9/14/2010. Therefore progress does not align with original baseline data which was based on full project quarters. According to full project quarters, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to the shortened first quarter within the next two quarters. Despite the short initial period, we anticipate reaching the overall project target during the grant period.</p>			

#5 Because the progress is based on federal draw down of funds, there will be more activities than federal dollars spent during the report period. The overall project will be at 67% complete in Q8 6/30/2012. We are working with sub recipients and contractors to ensure timely receipt of invoices for expenditures on the project.

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	Based on the shortened first quarter issue noted in 3 above, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Over the next quarter contractors/engineers will be selected and then they can begin deploying network miles.
New network miles leased	0	no variance
Existing network miles upgraded	0	no variance
Existing network miles leased	0	no variance
Number of miles of new fiber (aerial or underground)	0	no variance
Number of new wireless links	0	no variance
Number of new towers	0	no variance
Number of new and/or upgraded interconnection points	0	no variance

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	4
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: not applicable

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: not applicable

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

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	no variance
	Providers with signed agreements receiving improved access	0	Based on the shortened first quarter issue noted above, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Over the next quarter contractors/engineers will be selected and then they can begin deploying network miles.
	Providers with signed agreements receiving access to dark fiber	0	Based on the shortened first quarter issue noted above, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Over the next quarter contractors/engineers will be selected and then they can begin deploying network miles.
	Please identify the speed tiers that are available and the number of subscribers for each	0	no variance
	Community Anchor Institutions (including Government institutions)	Total subscribers served	0
Subscribers receiving new access		0	Based on the shortened first quarter issue noted above, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Service Agreements are in progress.
Subscribers receiving improved access		0	no variance
Please identify the speed tiers that are available and the number or subscribers for each		0	Based on the shortened first quarter issue noted above, there is no variance from the baseline plan for the project at six months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Service Agreements are in progress.
Residential / Households	Entities passed	0	not applicable
	Total subscribers served	0	not applicable
	Subscribers receiving new access	0	not applicable
	Subscribers receiving improved access	0	not applicable
	Please identify the speed tiers that are available and the number of subscribers for each	0	not applicable
Businesses	Entities passed	0	not applicable
	Total subscribers served	0	not applicable
	Subscribers receiving new access	0	not applicable
	Subscribers receiving improved access	0	not applicable
	Please identify the speed tiers that are available and the number of subscribers for each	0	not applicable

7. Please describe any special offerings you may provide (600 words or less).
not applicable

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

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
none	none	none	no	none

Project Indicators (Next Quarter)

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

- Completion of cultural review
- Completion of a partial or completed FONSI.
- Completion of a methodology for project management with construction contractors.
- Completion of a master service agreement and begin execution of CAI agreements.
- Execution of 45% of cash and in-kind match agreements
- Initiation of construction contracts
- Installation of 25 miles of fiber
- Connection to 32 CAIs
- Completion of two significant IRU contracts

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	4	Based on the shortened first quarter issue noted in 3 above, there is no variance from the baseline plan for the project at nine months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Additionally we will be submitting a revised baseline plan to reflect progress based on expenditures rather than activity. Given the time lag between expenditures incurred and federal draw down, there will be more activity than federal funds drawn.
2b.	Environmental Assessment	100	no variance
2c.	Network Design	2	Based on the shortened first quarter issue noted in 3 above, there is no variance from the baseline plan for the project at nine months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Additionally we will be submitting a revised baseline plan to reflect progress based on expenditures rather than activity. Given the time lag between expenditures incurred and federal draw down, there will be more activity than federal funds drawn.
2d.	Rights of Way	0	Based on the shortened first quarter issue noted in 3 above, there is no variance from the baseline plan for the project at nine months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Additionally we will be submitting a revised baseline plan to reflect progress based on expenditures rather than activity. Given the time lag between

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
			expenditures incurred and federal draw down, there will be more activity than federal funds drawn.
2e.	Construction Permits and Other Approvals	17	Based on the shortened first quarter issue noted in 3 above, there is no variance from the baseline plan for the project at nine months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Additionally we will be submitting a revised baseline plan to reflect progress based on expenditures rather than activity. Given the time lag between expenditures incurred and federal draw down, there will be more activity than federal funds drawn.
2f.	Site Preparation	0	no variance
2g.	Equipment Procurement	0	Based on the shortened first quarter issue noted in 3 above, there is no variance from the baseline plan for the project at nine months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Additionally we will be submitting a revised baseline plan to reflect progress based on expenditures rather than activity. Given the time lag between expenditures incurred and federal draw down, there will be more activity than federal funds drawn.
2h.	Network Build (all components - owned, leased, IRU, etc.)	3	Based on the shortened first quarter issue noted in 3 above, there is no variance from the baseline plan for the project at nine months and two weeks from initiation. We anticipate recovering progress lost due to this issue within the next two quarters. Additionally we will be submitting a revised baseline plan to reflect progress based on expenditures rather than activity. Given the time lag between expenditures incurred and federal draw down, there will be more activity than federal funds drawn.
2i.	Equipment Deployment	13	no variance
2j.	Network Testing	11	no variance
2k.	Other (please specify): not applicable	0	not applicable

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).

We anticipate challenges with permitting and acquisition of rights of way which could delay construction initiation. We are working on those areas that can be addressed and/or initiated in advance.

There will be more activities than federal dollars drawn down during the report period due to the lag in expenditures and payments. The overall project will be at 67% complete in Q8 6/30/2012.

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	\$3,711,487	\$0	\$3,711,487	\$480,396	\$0	\$480,396	\$803,376	\$0	\$803,376
b. Land, structures, right-of-ways, appraisals, etc.	\$4,647,688	\$0	\$4,647,688	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,223,700	\$0	\$1,223,700	\$0	\$0	\$0	\$236,293	\$0	\$236,293
e. Other architectural and engineering fees	\$841,250	\$0	\$841,250	\$0	\$0	\$0	\$56,249	\$0	\$56,249
f. Project inspection fees	\$0	\$0	\$0	\$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	\$25,911,490	\$22,416,250	\$48,327,740	\$0	\$0	\$0	\$1,054,140	\$315,000	\$1,369,140
j. Equipment	\$9,778,411	\$0	\$9,778,411	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$46,114,026	\$22,416,250	\$68,530,276	\$480,396	\$0	\$480,396	\$2,150,058	\$315,000	\$2,465,058
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$46,114,026	\$22,416,250	\$68,530,276	\$480,396	\$0	\$480,396	\$2,150,058	\$315,000	\$2,465,058

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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