

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 NT10BIX5570016	3. DUNS Number 074747908
4. Recipient Organization Virginia Tech Foundation, Inc. 902 Prices Fork Road STE 400, Blacksburg, VA 24060-3260		
5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2012	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 Pat Rodgers	7c. Telephone (area code, number and extension) 5402311709	
	7d. Email Address prodgers@vt.edu	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-15-2012	

Project Indicators (This Quarter)

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

Virginia Tech (VT) and Mid-Atlantic Broadband Cooperative (MBC) prepared a route modification request to add one interconnection point (Prices Fork hut) and a proposed IRU from the Eastpark Node to the Cox POP in Roanoke, VA and to Virginia Tech's Carilion School of Medicine at a cost of approximately \$1,400,000. VT and MBC prepared a budget modification to request that the original budget be modified to redistribute existing budgeted funds to cover the additional expenditures. These requests will be sent to the NTIA for approval in the 2nd quarter 2012.

The two huts (interconnection points) on the project have been placed on site and power connected to all of them. This completes the construction of the two nodes (huts) and the co-location site at Pentel. The installation of transport equipment continued in the 1st quarter 2012 and should be complete by the end of the 2nd quarter 2012. Virginia Tech continued regular field inspections of the project, along with MBC's inspector, during the quarter. We spent \$1,293,804 on the project this quarter, bringing the total spent to \$4,661,726 (67.3%). Approximately 10 miles of fiber cable was placed this quarter. This brings the total cable placed to date to 96 miles or 91%. All that remains to be constructed is the aerial cable (strand has been placed). There are no CAI's to be served on this project. We had one new contract for a 50 mbps circuit to a cell site signed this quarter by a last mile provider. Craig County had the most project activity this month.

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	67	Start date delayed approximately 6 months due to EA approval. New completion date is Y3Q2
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	100	Complete
2e.	Construction Permits and Other Approvals	100	Complete
2f.	Site Preparation	100	Complete
2g.	Equipment Procurement	100	Complete
2h.	Network Build (all components - owned, leased, IRU, etc)	91	Completed 10 miles in Y3Q1 for a total of 91% complete
2i.	Equipment Deployment	40	Installation continues at New Castle and East Park
2j.	Network Testing	40	Testing complete from Bedford to EastPark. Tom complete remainder by Y3Q2.
2k.	Other (please specify):	0	NA

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).

- Completion of the aerial construction across mountainous terrain.
- Preparing route modification and budget modification requests

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)

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	96	Aerial cable remains to be placed in Y3Q2
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	96	Completed 10 miles in Y3Q1
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	3	All interconnection points (huts) complete

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	2
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	3
Average term of signed agreements (in quarters)	12

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
 Pembroke Telephone Company
 Lumos

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:

MBC provides optical transport services, using both SONET/TDM, Wavelength and Ethernet Connections. Ethernet circuits are provisioned as Ethernet over SONET, and each circuit has dedicated STSs for transport delivery. Standard contract terms are 24 months.

MBC provides secured, carrier-class collocation space (in 1/4 rack increments or 12 rack units) for members. Due to grant funds being used in the construction of the MBC backbone network, Dark fiber IRUs are no longer offered.

Fiber lease arrangements are considered on case by case basis. (Member pay annual fee for use of dark fiber strands.) Five year minimum lease term.

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).

N/A

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	2	Pemtel-signed in November 2011; Lumos - signed in March 2012

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Providers with signed agreements receiving improved access	2	Pemtel; Lumos
	Providers with signed agreements receiving access to dark fiber	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	2	10 mbps - 100 mbps - Open Access
Community Anchor Institutions (including Government institutions)	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 or subscribers for each	0	10 mbps - 100 mbps - Open Access
Residential / Households	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
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).

N/A

8a. Have your network management practices changed over the last quarter? Yes No

8b. If so, please describe the changes (300 words or less).

N/A

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	Type of Anchor	Are you also the	Narrative description of how anchor institutions are using BTOP-
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	Area (town or county)	Institution (as defined in your baseline)	broadband service provider for this institution? (Yes / No)	funded infrastructure
N/A	N/A	N/A	N/A	N/A

Project Indicators (Next Quarter)

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

- Complete installation of the transport equipment at the three interconnection points (huts)
- Complete 100% of fiber construction, including all the aerial construction
- Complete contracts with Verizon (cell site) and TDS (transport) in Y3Q2

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	84	Became evident during Y3Q1, project would be under budget. A budget modification and route modification to be sent in Y3Q2 for approval.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	100	Complete
2e.	Construction Permits and Other Approvals	100	Complete
2f.	Site Preparation	100	Complete
2g.	Equipment Procurement	100	Complete
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Complete
2i.	Equipment Deployment	100	Complete
2j.	Network Testing	100	Complete
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).

- Progress on completion of Equipment installation is dependent upon manpower resources
- Obtain NTIA approval of the new route modification and budget modification requests.
- Obtain quick EA addendum approval of route modification request

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	\$232,913	\$24,418	\$208,495	\$182,920	\$21,279	\$161,641	\$207,920	\$21,279	\$186,641
b. Land, structures, right-of-ways, appraisals, etc.	\$839,327	\$134,190	\$705,137	\$174,865	\$37,244	\$137,621	\$257,865	\$120,244	\$137,621
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$600,452	\$118,945	\$481,507	\$579,800	\$106,127	\$473,673	\$598,800	\$118,127	\$480,673
e. Other architectural and engineering fees	\$80,000	\$15,536	\$64,464	\$57,897	\$10,282	\$47,615	\$76,897	\$12,433	\$64,464
f. Project inspection fees	\$92,132	\$1,186	\$90,946	\$64,695	\$971	\$63,724	\$79,695	\$971	\$78,724
g. Site work	\$178,924	\$93,174	\$85,750	\$96,254	\$18,174	\$78,080	\$116,254	\$38,174	\$78,080
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$3,815,772	\$405,788	\$3,409,984	\$3,060,636	\$361,561	\$2,699,075	\$3,710,636	\$393,495	\$3,317,141
j. Equipment	\$1,059,170	\$565,453	\$493,717	\$418,726	\$409,295	\$9,431	\$744,658	\$435,227	\$309,431
k. Miscellaneous	\$26,310	\$26,310	\$0	\$25,932	\$25,932	\$0	\$25,932	\$25,932	\$0
l. SUBTOTAL (add a through k)	\$6,925,000	\$1,385,000	\$5,540,000	\$4,661,725	\$990,865	\$3,670,860	\$5,818,657	\$1,165,882	\$4,652,775
m. Contingencies									
n. TOTALS (sum of l and m)	\$6,925,000	\$1,385,000	\$5,540,000	\$4,661,725	\$990,865	\$3,670,860	\$5,818,657	\$1,165,882	\$4,652,775

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: \$21,840
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