

RECIPIENT NAME:Nelson, County of

AWARD NUMBER: NT10BIX5570049

DATE: 08/19/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

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 NT10BIX5570049	3. DUNS Number 052551322
4. Recipient Organization Nelson, County of 84 Court House Square, Lovingson, VA 22949-0000		
5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2011	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 Stephen A Carter County Administrator	7c. Telephone (area code, number and extension) 4342637000	
	7d. Email Address scarter@nelsoncounty.org	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-19-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 FONSI received for EA. Afton and Avon tower applications submitted through FCC e106 process and approved. Review of Massies Mill tower site, costs for electric too expensive from utility, looking for additional sites. Completed agreement with VDOT for limited access ROW approval. Design complete pending VDOT approval and agreement with utility for make ready. Performed pole loading calculations using utility methodology for continued make ready discussions. Completed RFP and proposal review for construction contractor and began negotiations with top two respondents. Ordered fiber for project. Finalizing agreements with property owners for tower site lease in advance of local permitting. Entered into discussions with wholesale carrier to lease fiber or conduit access. Continued discussions with candidates for network operation.

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	16	Variance due to high make ready costs from utility for aerial attachments, potential to revise deployment at least in some areas to underground. Additional design and consultation with VDOT in progress. Waiting for fiber and conduit delivery, protracted delivery times due to inventory shortages. Won't start construction until halfway through Qtr 3. The budget milestones were developed at the beginning of the project and have not matched due to 1) longer time spent on environmental assessment, and 2) cash accounting (expenditures lag work completed). Materials ordered but no expenditures until received in Qtr 3. Expect expenditures to catch up to milestones to a greater extent in Qtr 3 as deployment starts.
2b.	Environmental Assessment	100	No variance at this time
2c.	Network Design	75	Variance: High make ready costs resulted reviewing effects of design changes to go underground and bypass areas of high make ready. Design not finalized until cost review is completed and VDOT input regarding underground in ROW. Design progress percent of completion is correct; regression due to reworking design from aerial to underground to bypass high make ready expense. Expect to catch up in 3rd Qtr.
2d.	Rights of Way	75	Variance: Design changes will require VDOT approval, VDOT reviewing route for preliminary approval then permits to be requested. Technically VDOT has 45 days to approve. Rights of Way percent of completion is correct; regression due to reworking design from aerial to underground to bypass high make ready expenses. VDOT permitting affected by redesign process. Expect to catch up in 3rd Qtr.
2e.	Construction Permits and Other Approvals	60	Variance: Have not finalized VDOT permitting due to potential design changes. VMRC reviewing water crossings to determine extent of permitting required. Construction Permits and Other Approvals percent of completion is correct; regression due to reworking design from aerial to underground to bypass high make ready expenses. Delayed water permitting process. Expect to catch up in 3rd quarter.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	25	Variance: Fiber ordered, conduit and vaults ready to be ordered in Qtr 3. Aerial attachment hardware not ordered yet, pending any design changes; if necessary ready to be ordered in Qtr 3. Payment not made until delivered.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Variance: Construction not started due to make ready issues, delay in fiber delivery.
2i.	Equipment Deployment	0	No variance
2j.	Network Testing	0	No variance

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2k.	Other (please specify):	0	N/A

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).

High make ready costs precipitated evaluation of design changes from aerial to underground and the impact on project budget and timing. The evaluation includes meeting with VDOT for preliminary feedback and approval for underground construction in ROW to be concluded in July and a design made by the County on deployment method. The process to select a construction contractor continued during the design evaluation but a firm will not be under contract until the design is finalized and all costs confirmed. Fiber was ordered but due to inventory shortages will take longer than normal for delivery. The remaining construction materials will be ordered in Qtr 3 as soon as the deployment method is confirmed. No technical assistance from BTOP is required at this time. Changing deployment technique from aerial to underground requires reinitiating consultation with environmental agencies and amendment to EA. Anticipate receiving approvals and completing EA work in 3rd Qtr. Once construction starts, progress indicators will align more closely with baseline. Challenge continues to be availability of fiber and some materials, all ordered but not yet received. Construction scheduled to start in 3rd Qtr.

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	No variance
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	0
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:
 No signed agreements at this time, pending selection of network operator prior to developing agreements.

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:
 Network not constructed, no services provided at this time

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 this third party operates (600 words or less).
 Network operator not yet selected

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	Network not constructed
	Providers with signed agreements receiving improved access	0	Network not constructed
	Providers with signed agreements receiving access to dark fiber	0	Network not constructed
	Please identify the speed tiers that are available and the number of subscribers for each	0	Network not constructed
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Network not constructed
	Subscribers receiving new access	0	Network not constructed
	Subscribers receiving improved access	0	Network not constructed
	Please identify the speed tiers that are available and the number or subscribers for each	0	Network not constructed
Residential / Households	Entities passed	0	Network not constructed
	Total subscribers served	0	Network not constructed
	Subscribers receiving new access	0	Network not constructed
	Subscribers receiving improved access	0	Network not constructed
	Please identify the speed tiers that are available and the number of subscribers for each	0	Network not constructed
Businesses	Entities passed	0	Network not constructed
	Total subscribers served	0	Network not constructed
	Subscribers receiving new access	0	Network not constructed
	Subscribers receiving improved access	0	Network not constructed
	Please identify the speed tiers that are available and the number of subscribers for each	0	Network not constructed

7. Please describe any special offerings you may provide (600 words or less).
 Project intends to provide high speed middle mile access to providers at speeds of up to 1 Gbps, and access to community anchor

institutions at broadband speeds desired

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 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
N/A	N/A	N/A	N/A	Construction not started - no Community Anchor Institutions are capable of receiving services at this point in the project. No change to estimated subscriber time line for connectivity.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
Final design deployment method will be selected, final permit applications submitted for approval, make ready work completed by the utility if necessary and a construction firm under contract and beginning construction. Afton and Avon towers going through local permit process, soil testing to develop bid for turnkey tower construction. Network operator selection to be finalized and contracts in negotiation.

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	40	Construction expected to be underway on middle mile fiber, but delayed start. Towers will not be constructed but will be in development for bidding.
2b.	Environmental Assessment	100	May have to reconsult if changes to construction method but do not anticipate any problems with receiving approval.
2c.	Network Design	100	No variance
2d.	Rights of Way	100	No variance
2e.	Construction Permits and Other Approvals	100	No variance
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	50	All outside plant materials will have been ordered but not anchor or network operating equipment.
2h.	Network Build (all components - owned, leased, IRU, etc.)	15	Construction expected to have just begun on fiber network but not on towers.
2i.	Equipment Deployment	0	Equipment for anchor institutions and network operations will be ordered but not deployed since construction just beginning.
2j.	Network Testing	0	No variance
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).
The start of construction is dependent upon timely response from VDOT and VMRC for permitting, and additionally from environmental agencies that may need to be reconsulted for deployment changes. Materials have been ordered but not received, and the fiber

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vendor has missed the expected delivery date with no hard date yet for delivery. We are not expecting delays in VDOT permitting due to working closely with their personnel for preliminary design approvals in areas that may prove problematic. Expecting to start construction in areas cleared by permitting agencies that will not require make ready work. Should areas of the deployment remain aerial, there may be work required by the electric utility that must be completed prior to construction; the utility has indicated they will expedite work but should an unforeseen event occur that requires attention to electric infrastructure, make ready could experience delay.

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	\$197,666	\$39,533	\$158,133	\$169,921	\$31,146	\$138,775	\$182,921	\$36,584	\$146,337
b. Land, structures, right-of-ways, appraisals, etc.	\$234,020	\$46,804	\$187,216	\$0	\$0	\$0	\$2,500	\$500	\$2,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$165,775	\$33,155	\$132,620	\$204,468	\$36,660	\$167,808	\$258,000	\$51,600	\$206,400
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$131,250	\$26,250	\$105,000	\$0	\$0	\$0	\$4,200	\$840	\$3,360
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	\$750,883	\$150,177	\$600,706	\$0	\$0	\$0	\$187,721	\$37,544	\$150,177
j. Equipment	\$781,714	\$156,343	\$625,371	\$0	\$0	\$0	\$415,039	\$83,008	\$332,031
k. Miscellaneous	\$22,000	\$4,400	\$17,600	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$2,283,308	\$456,662	\$1,826,646	\$374,389	\$67,806	\$306,583	\$1,050,381	\$210,076	\$840,305
m. Contingencies									
n. TOTALS (sum of l and m)	\$2,283,308	\$456,662	\$1,826,646	\$374,389	\$67,806	\$306,583	\$1,050,381	\$210,076	\$840,305

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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