

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 NT10BIX5570091	3. DUNS Number 832385988
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4. Recipient Organization

Bluebird Media, L.L.C. 213 N. Stadium Blvd, Ste 203, Columbia, MO 65203-1161

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2012	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 Chris Bach	7c. Telephone (area code, number and extension) X
	7d. Email Address chris.bach@bluebirdmedia.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-12-2013
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Project Indicators (This Quarter)

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

Three contractors and several subcontractors worked on several different infrastructure segments across the northern 59 counties in Missouri. During this quarter, these contractors deployed 14 new network miles of fiber and placed 29 miles of innerduct for new network miles of fiber to be added next quarter. Bluebird broke out their construction into 7 builds. Of those 7 builds, one is 100 percent complete, 5 are above 95% complete, and the remaining metro build is 25% complete.

Bluebird received a few shipments of Dense Wavelength Division Multiplexing (DWDM) and Multiprotocol Label Switching (MPLS) networking equipment during Q4 2012.

Node Site Civil Construction continued during this quarter completing several sites while some sites are still ongoing. Bluebird took delivery of several shelters during this quarter and completed the construction of seven shelters. Bluebird turned up DWDM equipment, routers, and fiber network hardware at seven node locations.

Bluebird continued to negotiate the terms on fiber IRU agreements with a few companies during the quarter. Bluebird continued Davis-Bacon wage compliance during the quarter.

Bluebird continued a community outreach campaign that included; educating key general assembly members about Bluebird Media, reaching out and visiting Community Anchor Institutions, and staying involved with MO Broadband Now initiatives.

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	93	2 percent behind revised baseline due to the large amount of construction being invoiced, but retainage being held until project completion. As all construction is completed, Bluebird will catch up to the revised baseline in the next quarter once all the final construction payments have been released.
2b.	Environmental Assessment	95	Bluebird Media was issued a Finding of Non Significant Impact on the environment during Q2 2011, continued environmental monitoring during construction will be the remaining 5 percent to complete. The plan is to catch up to the revised baseline during Q1-2013 once all construction has been completed.
2c.	Network Design	100	No variance from baseline plan or subsequent written updates provided to the program officer.
2d.	Rights of Way	100	No variance from baseline plan or subsequent written updates provided to the program officer.
2e.	Construction Permits and Other Approvals	99	Behind revised baseline schedule by 99 percent. The 99 percent of required permits included highway right-of-way permits, railroad crossing permits, and environmental permits. Virtually all permits that had been submitted had received approval. The remaining permits that have yet to be submitted are associated with portions of construction targeted late in the project plan. The plan is to catch up to the revised baseline during Q1-2013 once all permits have been submitted prior to the final construction being completed.
2f.	Site Preparation	92	Behind revised baseline schedule by 8 percent. Focus during the quarter was on obtaining permits and performing due diligence work regarding shelter sites. The completion of these activities are required before physical preparation of the sites can be performed. The plan is to catch up to the revised baseline during Q1-2013 once several shelter sites are prepared for construction.
2g.	Equipment Procurement	82	Behind revised baseline schedule by 18 percent. Delay caused by the under estimated amount of time needed to check in these large orders of equipment prior to remitting payment. The plan is to catch up to the

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			revised baseline during Q1-2013 once the majority of the equipment was shipped and billed during Q4-2012.
2h.	Network Build (all components - owned, leased, IRU, etc)	91	No variance from baseline plan or subsequent written updates provided to the program officer.
2i.	Equipment Deployment	75	No variance from baseline plan or subsequent written updates provided to the program officer.
2j.	Network Testing	50	Delay caused by approved route changes during Q1-2011, delaying construction to start in Q3 2011. 10 percent behind revised baseline. The plan is to catch up to the revised baseline during Q1-2013 once the majority of the route segments have been completed and turned up.
2k.	Other (please specify): OSS Software	0	Software support systems RFP was posted during the Q2-2011 quarter. The delay was caused by reviewing several software support systems and Bluebird Media being unable to decide on a system prior to closing Q2-2011. During Q3-2011 Bluebird Media contracted with a software company to implement software systems during Q4-2011. The plan is to catch up to the revised baseline during Q1-2013 once billing for the OSS Software commences.

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).

Bluebird faced the challenge of deciding to bore or attach to a bridge to get across the Missouri River near Washington Missouri during Q1-2013. It became a much larger challenge when the Missouri Department of Transportation provided information on the future destruction of the bridge many years down the road. Bluebird plans to issue a competitive bid to attach to a bridge to cross the Missouri River during Q1-2013.

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	793	101 miles behind revised baseline. Delay caused by permits being slowly obtained in the St. Louis metro area. Total miles deployed does not count 29 miles of innerduct placed in the St. Louis metro area waiting for fiber to be place.
New network miles leased	0	NA
Existing network miles upgraded	0	NA
Existing network miles leased	376	187 miles behind revised baseline due to delay in signing fiber IRU agreements with a few parties. The plan is to catch up to the revised baseline during Q1-2013 once the remaining fiber IRU agreements are finalized.
Number of miles of new fiber (aerial or underground)	793	101 miles behind revised baseline. Delay caused by permits being slowly obtained in the St. Louis metro area. Total miles deployed does not count 29 miles of innerduct placed in the St. Louis metro area waiting for fiber to be place.
Number of new wireless links	0	NA
Number of new towers	0	NA
Number of new and/or upgraded interconnection points	48	No variance from baseline plan or subsequent written updates provided to the program officer.

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	22
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	5
Average term of signed agreements (in quarters)	20

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
 Bluebird would like to refrain from including the names of the broadband wholesales due to the names being proprietary. The agreements Bluebird has with these providers are proprietary and confidential.

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:
 Dedicated Internet Access, Extended Local Area Network, Extended Wide Area Network, etc. Pricing plans are being currently developed.

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).
 NA

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	7	5 subscribers ahead of the baseline. The plan is to stay ahead of subscribers for the remainder of the project.
	Providers with signed agreements receiving improved access	15	8 subscribers ahead of the baseline. The plan is to stay ahead of subscribers for the remainder of the project.
	Providers with signed agreements receiving access to dark fiber	0	1 Agreement has been signed which agrees to the revised baseline plan, but the schedule for the dark fiber to be turned up is Q1-2013 when the construction has been completed.
	Please identify the speed tiers that are available and the number of subscribers for each	22	50 MB - 1GB are the speed tiers that will be available. All of the broadband wholesalers or last mile providers subscriber for speed tiers between 50 MB -1 GB.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Small amount of turned up fiber to date, fiber being turned up during Q1-2013 will allow Bluebird to catch up to baseline by the end of Q1-2013.
	Subscribers receiving new access	0	Small amount of turned up fiber to date, fiber being turned up during Q1-2013 will allow Bluebird to catch up to baseline by the end of Q1-2013.
	Subscribers receiving improved access	0	Small amount of turned up fiber to date, fiber being turned up during Q1-2013 will allow Bluebird to catch up to baseline by the end of Q1-2013.
	Please identify the speed tiers that are available and the number or subscribers for each	0	Small amount of turned up fiber to date, fiber being turned up during Q1-2013 will allow Bluebird to catch up to baseline by the end of Q1-2013.
Residential / Households	Entities passed	0	NA

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
Businesses	Entities passed	0	NA
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA

7. Please describe any special offerings you may provide (600 words or less).

No special offerings at this time.

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

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

NA

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
NA	NA	NA	NA	NA

Project Indicators (Next Quarter)

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

Bluebird's environmental engineering firm will continue to monitor environmental assessment to comply with the Special Award Conditions while the infrastructure is being built. Bluebird will continue to apply for construction permits and railroad permits in a timely manner to ensure the construction companies are not waiting on permits. Bluebird is planning on issuing a Request for Proposal for a bridge attachment near Washington, Missouri and having the attachment completed during the next quarter.

Bluebird plans to continue site preparation for the node sites, continue constructing shelters for Node sites, and plans to have ground breaking ceremonies across the state once fiber starts to be turned up this quarter. Bluebird will procure the remaining DWDM equipment and complete procurement of the MPLS equipment during the next quarter. Bluebird plans to connect all of their CAIs to the network during the next quarter.

Bluebird also plans to devise a rate structure for all products offered in the future. Bluebird will continue to design and implement a Community Outreach Plan including education for community and elected officials along fiber route. Local leaders and media will be notified of these press events.

Bluebird will continue to monitor covered worked for Davis-Bacon wage compliance and conduct wage interview during the next quarter.

Bluebird Media plans to obtain the revised baseline for new network miles deployed of 941 during this next quarter, and catch up to schedule for new network miles leased of 563 during the next quarter. Bluebird Media plans to catch up to the revised baseline for CAI subscribers served. The plan is to catch to this indicator during Q1-2013 once certain fiber routes have been turned up allowing Bluebird Media to connect CAIs. Bluebird Media plans to be at the following infrastructure key indicators at the end of the next quarter:

- New Network Miles Deployed = 941
- New Network Miles Leased = 575
- Total CAI Subscribers Served = 102

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	98	None
2b.	Environmental Assessment	100	None
2c.	Network Design	100	None
2d.	Rights of Way	100	None
2e.	Construction Permits and Other Approvals	100	None
2f.	Site Preparation	100	None
2g.	Equipment Procurement	98	The delay will be caused by the timing of receiving equipment and remitting payment for equipment. The delay will also be caused by making final adjustments to equipment orders during Q1-2013 with all equipment being in place and invoiced by late Q1-2013.
2h.	Network Build (all components - owned, leased, IRU, etc.)	95	None
2i.	Equipment Deployment	90	None
2j.	Network Testing	75	None
2k.	Other (please specify):	100	None

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).

Bluebird Media faces the challenge of working diligently to receive network equipment, then deploying this equipment to the shelters as they are constructed, and then start testing the network as the build of the segments are completed. Bluebird faces the challenge of completing the last build segment in metro St. Louis. Permitting is tougher in a metro city and challenges the time it takes to get permits in place.

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	\$1,611,500	\$271,699	\$1,339,801	\$1,652,003	\$280,841	\$1,371,162	\$1,667,003	\$283,391	\$1,383,612
b. Land, structures, right-of-ways, appraisals, etc.	\$10,500,000	\$10,500,000	\$0	\$10,500,000	\$10,500,000	\$0	\$10,500,000	\$10,500,000	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$2,950,000	\$497,370	\$2,452,630	\$3,612,940	\$614,200	\$2,998,740	\$3,624,940	\$616,240	\$3,008,700
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$424,000	\$71,486	\$352,514	\$0	\$0	\$0	\$350,000	\$59,500	\$290,500
g. Site work	\$111,328	\$18,777	\$92,551	\$44,426	\$7,552	\$36,874	\$90,000	\$15,300	\$74,700
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$33,319,581	\$5,620,036	\$27,699,545	\$31,362,792	\$5,331,674	\$26,031,118	\$33,500,000	\$5,695,000	\$27,805,000
j. Equipment	\$15,886,941	\$2,678,732	\$13,208,209	\$13,098,954	\$2,226,822	\$10,872,132	\$13,500,000	\$2,295,000	\$11,205,000
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$64,803,350	\$19,658,100	\$45,145,250	\$60,271,115	\$18,961,089	\$41,310,026	\$63,231,943	\$19,464,431	\$43,767,512
m. Contingencies									
n. TOTALS (sum of l and m)	\$64,803,350	\$19,658,100	\$45,145,250	\$60,271,115	\$18,961,089	\$41,310,026	\$63,231,943	\$19,464,431	\$43,767,512

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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