

RECIPIENT NAME:CVIN, LLC

AWARD NUMBER: NT10BIX5570126

DATE: 05/16/2012

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 NT10BIX5570126	3. DUNS Number 010738198
4. Recipient Organization CVIN, LLC 1346 N Floyd Ave, Fresno, CA 93723-9519		
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 David Douglas	7c. Telephone (area code, number and extension) X	
	7d. Email Address douglasd@CVIN.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-16-2012	

Project Indicators (This Quarter)

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

Underground construction continued through this quarter. Permitting processes also continued and are nearing completion. CVIN has hired additional key staff members as Outside Plant Technician, two (2) Construction Management Assistants, Construction Coordinator, Network Technician, and two (2) Outside Plant Inspectors. Besides retaining the services of a construction inspection firm and environmental monitoring firms which work closely with CVIN staff and construction contractors to insure compliance with all aspects of grant project construction, CVIN also hired in-house inspectors. The project has been broken down into 30 segments and construction is in full force. Twenty-five (25) segments have been bid, twenty-three (23) segments have been awarded, and twelve (12) segments are under construction. So far, 200 miles of conduit has been installed. All conduit has been received and 300 miles of fiber optic cable has been received. Fiber optic cable installation will be done by in-house staff and the installation equipment has been received. The first shipment of fiber optic network equipment has been received and additional orders will arrive in the next few months.

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	29	Behind schedule on construction because of initial delays in acquiring FONSI and construction permits.
2b.	Environmental Assessment	100	No change from the baseline.
2c.	Network Design	100	No Change from the baseline.
2d.	Rights of Way	95	Slightly behind baseline. 95% of overall effort is complete. California Department of Transportation (Caltrans) permits are one of the outstanding issues.
2e.	Construction Permits and Other Approvals	95	Slightly behind baseline. 95% of overall effort is complete. Caltrans permits are one of the outstanding issues.
2f.	Site Preparation	20	Behind schedule on construction because of initial delays in acquiring FONSI and construction permits.
2g.	Equipment Procurement	10	Equipment procurement is delayed until it is needed as network construction progresses.
2h.	Network Build (all components - owned, leased, IRU, etc)	30	Behind schedule on construction because of initial delays in acquiring FONSI and construction permits.
2i.	Equipment Deployment	10	Equipment deployment is delayed until it is needed as network construction progresses.
2j.	Network Testing	5	Behind schedule on construction and equipment deployment because of initial delays in acquiring FONSI and construction permits.
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).

The California Department of Transportation (Caltrans) permitting process has been difficult to handle. Initial indications by Caltrans that accommodations would be made for government grant awardees has not materialized. Caltrans is handling the three districts involved in our project area individually rather than collectively, applying separate requirements for each district. CVIN has hired an additional engineering firm with Caltrans permitting experience for each district to monitor progress and to push the process along.

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	27	Construction efforts have been focused on placement of underground conduit. 200 miles of underground conduit has been placed. This 27 miles of fiber was placed in leased conduit sections of our project (overblow).
New network miles leased	0	N/A
Existing network miles upgraded	0	Construction efforts have been focused on placement of underground conduit. Fiber optic cable installation will begin next quarter.
Existing network miles leased	0	Construction efforts have been focused on placement of underground conduit. Fiber optic cable installation will begin next quarter.
Number of miles of new fiber (aerial or underground)	27	Construction efforts have been focused on placement of underground conduit. This 27 miles of fiber was placed in leased conduit sections of our project (overblow).
Number of new wireless links	0	Wireless equipment trials will be conducted next quarter. Deployment will begin in Q3-2012.
Number of new towers	0	Wireless equipment trials will be conducted next quarter. Deployment will begin in Q3-2012.
Number of new and/or upgraded interconnection points	1	Construction efforts have been focused on placement of underground conduit. Fiber optic cable installation will begin next quarter which will allow for establishment of interconnection points.

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	34
Average term of signed agreements (in quarters)	16

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

Sebastian Corp (DBA: Audeamus)
Sierra Tel Internet

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:

Internet access bandwidth at 500 Mbps to 1 Gbps (see attached pricing plans).

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).

Once the project is complete, the services provided to Anchor Institutions will be managed by our partner, the Corporation for Education Network Initiatives in California (CENIC) who is a sub-recipient. We (CVIN) will manage all commercial services to third party providers, business and residential customers. CENIC's Chief Technology Officer, David Reese, is their operations contact for the project (dave@cenic.org, 714-220-3444).

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	Behind schedule due to construction delays.
	Providers with signed agreements receiving improved access	2	Behind schedule due to construction delays.
	Providers with signed agreements receiving access to dark fiber	0	No change from the baseline.
	Please identify the speed tiers that are available and the number of subscribers for each	2	We have two wholesalers, one at 500Mbps and one at 2Gbps.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Behind schedule due to construction delays.
	Subscribers receiving new access	0	Behind schedule due to construction delays.
	Subscribers receiving improved access	0	Behind schedule due to construction delays.
	Please identify the speed tiers that are available and the number or subscribers for each	0	Behind schedule due to construction delays.
Residential / Households	Entities passed	0	Behind schedule due to construction delays.
	Total subscribers served	0	Behind schedule due to construction delays.
	Subscribers receiving new access	0	Behind schedule due to construction delays.
	Subscribers receiving improved access	0	No change from the baseline.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Behind schedule due to construction delays.
Businesses	Entities passed	0	Behind schedule due to construction delays.
	Total subscribers served	0	Behind schedule due to construction delays.
	Subscribers receiving new access	0	Behind schedule due to construction delays.
	Subscribers receiving improved access	0	No change from the baseline.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Behind schedule due to construction delays.

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 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
not yet begun	not yet begun	not yet begun	not yet begun	not yet begun

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 Underground conduit construction will continue full force. We anticipate that all permitting except California Department of Transportation (Caltrans) will be complete. Additional engineering firms will continue to focus on Caltrans permitting processes. We should received all fiber optic cable materials and fiber optic cable installation will commence. We will use our own forces for fiber installation, splicing and testing which will save time and money. Additional orders of fiber optic network equipment will be received. Last mile wireless equipment trials will be conducted. We anticipate 339 miles of fiber, 5 Community Anchor Institutions, and 4 wholesale providers by end of next quarter.

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	60	Behind schedule on construction because of initial delays in acquiring FONSI and construction permits.
2b.	Environmental Assessment	100	No change from the baseline.
2c.	Network Design	100	No change from the baseline.
2d.	Rights of Way	98	Slightly behind baseline. It is anticipated that everything but Caltrans permits will be complete.
2e.	Construction Permits and Other Approvals	98	Slightly behind baseline. It is anticipated that everything but Caltrans permits will be complete.
2f.	Site Preparation	30	Behind schedule on construction because of initial delays in acquiring FONSI and construction permits.
2g.	Equipment Procurement	60	Slightly behind schedule and should be complete next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	60	Behind schedule on construction because of initial delays in acquiring FONSI and construction permits.
2i.	Equipment Deployment	15	Behind schedule due to construction delays.
2j.	Network Testing	15	Behind schedule due to construction delays.
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).

It is anticipated that it will continue to be a struggle to work through the Caltrans permitting process.

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	\$227,000	\$68,100	\$158,900	\$460,135	\$138,041	\$322,094	\$560,000	\$168,000	\$392,000
b. Land, structures, right-of-ways, appraisals, etc.	\$215,963	\$64,789	\$151,174	\$937,313	\$281,194	\$656,119	\$1,100,000	\$330,000	\$770,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,212,173	\$363,652	\$848,521	\$2,983,682	\$895,105	\$2,088,577	\$3,200,000	\$960,000	\$2,240,000
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$730,319	\$219,096	\$511,223	\$277,061	\$83,118	\$193,943	\$600,000	\$180,000	\$420,000
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	\$64,214,212	\$19,264,273	\$44,949,939	\$14,506,475	\$4,351,945	\$10,154,530	\$35,000,000	\$10,500,000	\$24,500,000
j. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$66,599,667	\$19,979,910	\$46,619,757	\$19,164,666	\$5,749,403	\$13,415,263	\$40,460,000	\$12,138,000	\$28,322,000
m. Contingencies									
n. TOTALS (sum of l and m)	\$66,599,667	\$19,979,910	\$46,619,757	\$19,164,666	\$5,749,403	\$13,415,263	\$40,460,000	\$12,138,000	\$28,322,000

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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