

RECIPIENT NAME:CVIN, LLC

AWARD NUMBER: NT10BIX5570126

DATE: 08/04/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

### QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

#### General Information

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT10BIX5570126	<b>3. DUNS Number</b>  010738198
<b>4. Recipient Organization</b>  CVIN, LLC 1346 N Floyd Ave, Fresno, CA 93723-9519		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  06-30-2011	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No	
<b>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.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  David Douglas	<b>7c. Telephone (area code, number and extension)</b>  X	
	<b>7d. Email Address</b>  douglasd@CVIN.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  08-04-2011	

**Project Indicators (This Quarter)**

**1. Please describe significant project accomplishments completed during this quarter (600 words or less).**  
 The Revised Draft Environmental Assessment (EA) was submitted to the National Telecommunications and Information Administration (NTIA) on June 30, 2011 for commenting. All biological and habitat studies, maps and surveys were submitted to the United States Department of Fish and Wildlife (USFWS) on June 29, 2011. NTIA also prepared a letter to USFWS requesting concurrence that the project may affect, but is not likely to adversely affect Federally-listed species. The Engineering Design work commenced for all segments of the CVIN Project alignment. Permit applications commenced for all multi-jurisdictional approvals and encroachment permits. CVIN conducted a Pre-bid Conference for Pre-qualified Construction Contractors presented by CVIN on June 28, 2011. CVIN has prepared and is ready to commence the first several segment construction bid packages for competitive bidding. CVIN is preparing to finalize the Student Internship Program with several California Universities to recruit advanced students of Engineering and Construction Management that will serve to monitor and record all construction compliance activities of the construction contractors. Some of these internships could very well evolve into permanent positions. CVIN has retained several key grant funded staff positions including Construction Manager, Grant Administrator and Outside Plant Manager as well as three additional key administrative staff positions. CVIN has hired 1 new full-time position for Construction Coordinator. CVIN issued a Request for Pricing (RFP) on May 11, 2011 for conduit and fiber optic cable. Bids were received and vendors were selected on May 21, 2011. CVIN has issued several Purchase Orders for materials and first deliveries of fiber, conduit and future path have been received. Efforts have continued regarding wireless spectrum analysis and acquisition in anticipation of construction of the fixed wireless broadband portion of the project. NTIA conducted a two day site visit on June 6-7, 2011. Our Federal Program Officer and Grants Coordinator were on-site to review our project in detail.

**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	3	Construction could not commence this Quarter since the FONSI was not issued. Construction will commence next Quarter and we anticipate catching up to the baseline during Quarter 4, 2011.
2b.	Environmental Assessment	95	All biological and habitat studies, maps, and surveys have been provided to the USFWS seeking a letter of concurrence that the project may affect, but is not likely to adversely affect Federally-listed species. It is anticipated that the Environmental Assessment will be completed by the end of July and back in line with the baseline.
2c.	Network Design	50	Our Engineering Firm experienced some internal issues which resulted in additional delays. Several segments of the engineering design plans are completed and the remaining are anticipated to be completed by August of 2011 which will put us back in line with the baseline.
2d.	Rights of Way	35	No change from the baseline plan.
2e.	Construction Permits and Other Approvals	35	No change from the baseline plan.
2f.	Site Preparation	0	Construction could not commence this Quarter since the FONSI was not issued. Construction will commence next Quarter and we anticipate catching up to the baseline during Quarter 4, 2011.
2g.	Equipment Procurement	0	Construction could not commence this Quarter since the FONSI was not issued. Construction will commence next Quarter and we anticipate catching up to the baseline during Quarter 4, 2011.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Construction could not commence this Quarter since the FONSI was not issued. Construction will commence next Quarter and we anticipate catching up to the baseline during Quarter 4, 2011.
2i.	Equipment Deployment	0	Construction could not commence this Quarter since the FONSI was not issued. Construction will commence next Quarter and we anticipate catching up to the baseline during Quarter 4, 2011.
2j.	Network Testing	0	No change from the baseline plan.
2k.	Other (please specify): N/A	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).**

CVIN has completed all the environmental assessments. The CEQA adoption was delayed by the California Public Utilities Commission and is now expected for July 14, 2011 adoption. The NEPA requirements are not completed therefore project construction cannot commence. The remaining NEPA requirements include: the Final EA submission to NTIA by the end of July 2011; Letters of Concurrence from USFWS and SHPO. CVIN has been waiting for the letters of concurrence for almost 2 months from SHPO and over a month from USFWS. The letters of concurrence have been significantly delayed and it has been difficult to receive communications from these agencies. The Final EA preparation is currently incorporating final comments from the NTIA and BLM and will be submitted to NTIA any day. Once the letters of concurrence are submitted to NTIA and a FONSI is completed, project construction will commence immediately as CVIN is already preparing bid packages for construction.

**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	The FONSI has not been issued by NTIA, as a result no deployment or construction can commence.
New network miles leased	0	N/A
Existing network miles upgraded	0	Not yet begun
Existing network miles leased	0	Not yet begun
Number of miles of new fiber (aerial or underground)	0	Not yet begun
Number of new wireless links	0	Not yet begun
Number of new towers	0	Not yet begun
Number of new and/or upgraded interconnection points	0	Not yet begun

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	36
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:**  
N/A as construction has not yet begun.

**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:**

N/A as construction has not yet begun.

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

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).**  
 NTIA comments are expected back to CVIN in July of 2011 for incorporation into the final EA document. In addition, the Bureau of Land Management (BLM) will submit EA comments to the NTIA in July of 2011. The National Environmental Policy Act (NEPA) requirements are expected to be completed. CVIN will complete the California Environmental Quality Act (CEQA) requirements for the project as the California Public Utilities Commission (CPUC) considers the adoption of the CVIN Project's proposed environmental study and findings of a Negative Declaration on July 14, 2011. Construction contractors will be procured and under contract with CVIN. Materials will be procured and received by CVIN. Many of the Permits required for construction will be completed and approved by jurisdictions. Construction and inspection monitoring will commence for several segments for the CVIN Project. Additional CVIN staff will be hired to help manage construction activities.

**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	15	Construction is delayed until the FONSI is issued. CVIN anticipates construction will commence during Quarter 3, 2011 and significant progress is anticipated during Quarter 4, 2011.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	65	No change from the baseline plan.
2e.	Construction Permits and Other Approvals	65	No change from the baseline plan.
2f.	Site Preparation	12	Construction is delayed until the FONSI is issued. CVIN anticipates construction will commence during Quarter 3, 2011 and significant progress is anticipated during Quarter 4, 2011.
2g.	Equipment Procurement	25	Construction is delayed until the FONSI is issued. CVIN anticipates construction will commence during Quarter 3, 2011 and significant progress is anticipated during Quarter 4, 2011.
2h.	Network Build (all components - owned, leased, IRU, etc.)	12	Construction is delayed until the FONSI is issued. CVIN anticipates construction will commence during Quarter 3, 2011 and significant progress is anticipated during Quarter 4, 2011.
2i.	Equipment Deployment	12	Construction is delayed until the FONSI is issued. CVIN anticipates construction will commence during Quarter 3, 2011 and significant progress is anticipated during Quarter 4, 2011.
2j.	Network Testing	0	No change from the baseline plan.
2k.	Other (please specify): N/A	0	N/A

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**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).**

Commencement of construction activities still hinges on NEPA completion and acceptance of environmental assessment activities. Continued assistance with tribal, cultural, biological, USFWS, SHPO, BLM and Army Corps of Engineers issues is appreciated.

**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	\$231,610	\$69,484	\$162,126	\$271,610	\$81,483	\$190,127
b. Land, structures, right-of-ways, appraisals, etc.	\$215,963	\$64,789	\$151,174	\$7,348	\$2,205	\$5,143	\$215,963	\$64,789	\$151,174
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	\$1,239,311	\$371,794	\$867,517	\$1,950,000	\$585,000	\$1,365,000
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	\$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	\$64,214,212	\$19,264,273	\$44,949,939	\$45,655	\$17,401	\$28,254	\$6,556,000	\$1,966,801	\$4,589,199
j. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	\$66,599,667	\$19,979,910	\$46,619,757	\$1,523,924	\$460,884	\$1,063,040	\$8,993,573	\$2,698,073	\$6,295,500
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$66,599,667	\$19,979,910	\$46,619,757	\$1,523,924	\$460,884	\$1,063,040	\$8,993,573	\$2,698,073	\$6,295,500

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