

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 NT10BIX5570146	3. DUNS Number 142605331
4. Recipient Organization SHO-ME Technologies, L.L.C. 301 W Jackson St., Marshfield, MO 65706-2128		
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 Erica Lafferty	7c. Telephone (area code, number and extension) 4178592615	
	7d. Email Address elafferty@shomepower.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-08-2012	

Project Indicators (This Quarter)**1. Please describe significant project accomplishments completed during this quarter (600 words or less).**

a) Special Award Condition (SAC) accomplishments:

[i] Issuance, submittal and approval of American Recovery and Reinvestment Act (ARRA) Prime Recipient Report for Quarter 4 (Q4) 2011.

[ii] Issuance, submittal and approval of Federal Financial Report (FFR) Standard Form 425 (SF-425) for Q4 2011.

[iii] Issuance, submittal and approval of Performance Progress Report (PPR) for Q4 2011.

[iv] Submittal and approval of Annual Performance Progress Report (APR) for 2011 and addenda, as required.

b) Overall Project Accomplishments:

[i] Prepared for NTIA's second annual visit. FPO and Booz/Allen/Hamilton consultant traveled to Sho-Me Technologies' headquarters, where they reviewed project management, policies, procedures, compliance, and toured fiber construction sites and equipment shelter PoP locations.

[ii] Sho-Me prepared an Award Action Request for a change from aerial construction to purchases of IRUs. NTIA approved the AAR and acquisition of the IRUs will begin in Q2 of 2012.

[iii] 25 additional Community Anchor Institutions (CAIs) were connected bringing total to 48 CAIs connected through the end of 2012's first quarter.

[iv] Continued underground construction resulted in an additional 12 miles of installed conduit during the quarter bringing total miles of installed conduit to 178 for the project overall. An additional 114 miles of underground fiber was constructed during the quarter bringing total miles of underground fiber to 173 since the project's inception. 13 miles of optical ground wire (OPGW) were hung on electrical transmission lines for a total of 29 OPGW aerial route miles. The construction progress in Q1 2012 brings total underground and aerial fiber miles newly built, for the project overall, to 202.

[v] Bid was awarded to contractor for preparation of last equipment shelter site. Site preparation is to be completed during Q2 of 2012. The last one of 15 equipment shelters is expected to be delivered in May 2012 which will complete the shelter procurements.

[vi] Electrical contractor continues installing electric service wiring, emergency back-up generators, and ground wire protection at new equipment shelters.

[vii] Began preparation of two additional Requests For Bids (RFBs), including one RFB for underground fiber construction on the "Versailles to Tuscomb" fiber route and another RFB for 25 lateral builds for additional CAI connections for the project.

[viii] Underground fiber deliveries were completed in Q1 of 2012. Previously, fiber was ordered, but deliveries were delayed due to industry shortage.

[ix] Secured all known, necessary permits including but not limited to those from the US Army Corps of Engineers (USACE) and Missouri Department of Natural Resources (MoDNR), Rights-of-Way with Missouri Department of Transportation (MoDOT) for fiber construction routes.

[x] Successful Community Outreach continuing with ongoing participation in numerous Regional Technology Planning Teams across Missouri including citizens, policy makers, business, industry, higher education, schools, healthcare, Internet Service Providers to advance broadband demand and adoption, broadband service and infrastructure availability, within the 30-county project region. During Q1 of 2012, Sho-Me's marketing team attended and spoke at the annual meeting of the County Commissioners Association of Missouri. The team was well received and delivered information regarding the "Sho-Me MO" BTOP project to over 60 of Missouri's county commissioners. Ongoing media participation including live interviews on local radio stations. Weekly newsletter updates are posted to the "Sho-Me MO" project website and distributed via emails.

[xi] Ongoing PI/PD oversight, including compliance oversight, field inspections of construction throughout the project, biweekly team update meetings, SF-1445 interviews of construction crews by Sho-Me personnel, and conference calls with FPO and BTOP Team.

[xii] A bridge crossing agreement was reached with the MoDOT relating to the Warsaw bridge crossing in 2011. The bridge crossing construction was completed in Q1 of 2012; paving the way for completion of the "Sedalia to Cross Timbers" fiber route in Q2 of 2012.

[xiii] Underground fiber construction contractor started underground construction on the "Hermann to Washington to Bem" fiber route

during Q1 of 2012.

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	56	12% below baseline due to fiber availability issues, a longer than anticipated EA process, and because many costs have come in lower than anticipated thus far. Sho-Me anticipates it will meet baseline projections by the end of 2012.
2b.	Environmental Assessment	89	11% below baseline due to costs being lower than anticipated. A minimal amount of EA related work is possible in the future, thus the remaining budgeted amount may be expended at a future date.
2c.	Network Design	74	14% above baseline due to more engineering and design work being performed at the onset of the project than anticipated.
2d.	Rights of Way	38	53% below baseline due to lower than anticipated rights of way costs. Sho-Me anticipates this category will remain under budget for the remainder of the project as right of way costs continue to come in under budget.
2e.	Construction Permits and Other Approvals	76	12% above baseline due to Warsaw River Crossing Agreement with MODOT.
2f.	Site Preparation	100	No variance.
2g.	Equipment Procurement	53	22% below budget due to lower than anticipated costs relating to DWDM equipment and the delay in fiber cable. Sho-Me anticipates it will meet baseline projections by the end of 2012.
2h.	Network Build (all components - owned, leased, IRU, etc)	55	6% below budget due to the delay in fiber optic cable. However, Sho-Me anticipates it will meet baseline projections by the end of 2012.
2i.	Equipment Deployment	92	28% above baseline due to increased costs of innerduct. Also, Sho-Me's baseline reflects buying innerduct throughout the project as it is needed, but instead Sho-Me chose to buy most of the innerduct up front in order to secure a lower price per foot.
2j.	Network Testing	0	Below Baseline by 61% because these expenses were moved to another category in Sho-Me's approved 2010 budget revision. Sho-Me will not use this baseline category for remainder of the project.
2k.	Legal, Administrative, Pre-Award Expenses	52	13% below baseline due to legal and administrative costs being lower than anticipated.

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).

In early 2011, the Missouri Department of Transportation (MoDOT) announced closing 135 facilities and downsizing its staff size by 1,200 employees which may become a potential constraint on securing timely Rights-of-Way and permitting required for fiber route 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)

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	202	Below baseline of 370 due to unforeseen fiber availability constraint from manufacturers in 2011. However, in the face of this fiber shortage, Sho-Me persisted with continued underground construction. Crews have quickly progressed in aggressive underground conduit plowing schedule on four major route builds between PoP sites. Fiber orders started arriving last Quarter and crews remain actively pulling fiber into the new conduits to progress towards our baseline. Sho-Me anticipates catching up to baseline by the end of 2012.
New network miles leased	0	N/A
Existing network miles upgraded	564	Below baseline of 708, due to fiber availability delays which also offset our ability to splice in-kind segments to pending new fiber builds. However, approximately 107 miles were contributed to the project this quarter. Ongoing testing of remaining in-kind fiber continues toward baseline goal of 880 miles. Sho-Me anticipates catching up to baseline by the end of 2012.
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	202	Below baseline of 370 due to unforeseen fiber availability constraint from manufacturers in 2011. However, in the face of this fiber shortage, Sho-Me persisted with continued underground construction. Crews have quickly progressed in aggressive underground conduit plowing schedule on four major route builds between PoP sites. Fiber orders started arriving last Quarter and crews remain actively pulling fiber into the new conduits to progress towards our baseline. Sho-Me anticipates catching up to baseline by the end of 2012.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	18	Below baseline 32 due to unforeseen fiber availability constraint from manufacturers in 2011. However, 14 of 15 PoP shelters were delivered on schedule and 175 miles of innerduct installed. Sho-Me anticipates catching up to baseline by the end of 2012.

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	4
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	27
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:

Missouri State Office of Administration,
 Missouri Research and Education Network,
 Missouri Office of State Courts Administrator,
 Jefferson City Medical Group

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:

Sho-Me MO project offers Dedicated Internet Access, Time Division Multiplexing (TDM) circuits available at line rates from T-1 to OC-48, native Ethernet products from 5 Mb/s to GigE, Optical Wave Services available in 2.5 Gb/s and 10 Gb/s line rates for express

routes between Points of Presence.

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).
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	Above plan due to more new providers receiving access than anticipated.
	Providers with signed agreements receiving improved access	2	Below plan due to more new providers receiving access than anticipated.
	Providers with signed agreements receiving access to dark fiber	0	No variance.
	Please identify the speed tiers that are available and the number of subscribers for each	4	5 Mbps (0); 10 Mbps (1); 20 Mbps (1); 50 Mbps (0); 100 Mbps (2); 200 Mbps (0); 500 Mbps (0); GigE (0); DS1 (0); DS3 (0); OC-3 (0); OC-12 (0); OC-48 (0); 2.5 Gbps (0); 10 Gbps (0)
Community Anchor Institutions (including Government institutions)	Total subscribers served	48	Below baseline by 16 due to delay in fiber, however Sho-Me now has received all fiber ordered for the project and plans to catch up to baseline by the end of 2012.
	Subscribers receiving new access	17	Above plan as more CAIs will actually be new vs. improved category and due to delay in the fiber, however, Sho-Me now has received all fiber ordered for the project and plans to catch up to baseline by the end of 2012.
	Subscribers receiving improved access	31	Below plan as more CAIs will actually be new vs. improved category and due to delay in fiber, however, Sho-Me now has received all fiber ordered for the project and plans to catch up to baseline by the end of 2012.
	Please identify the speed tiers that are available and the number or subscribers for each	6	5 Mbps (0); 10 Mbps (1); 20 Mbps (2); 50 Mbps (0); 100 Mbps (3); 200 Mbps (0); 500 Mbps (0); GigE (0); DS1 (0); DS3 (0); OC-3 (0); OC-12 (0); OC-48 (0); 2.5 Gbps (0); 10 Gbps (0)
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	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	subscribers for each		

7. Please describe any special offerings you may provide (600 words or less).
None 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).
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
Niangua R-V School District	Niangua	School (K-12)	Yes	Enabling library services, attendance & records compliance, Department of Education and State DESE compliance.
Webster County Library	Marshfield	Library	Yes	TBD
Webster County Courthouse	Marshfield	Other Gov't Facility	Yes	TBD
Camden County Library	Stoutland	Library	Yes	TBD
Texas County Library	Houston	Library	Yes	TBD
Texas County Memorial Hospital	Houston	Medical or Healthcare	Yes	TBD
Houston R-I School District	Houston	School (K-12)	Yes	TBD
Winona R-III School District	Winona	School (K-12)	Yes	TBD
Pettis County Courthouse	Sedalia	Other Gov't Facility	Yes	TBD
Cabool R-IV School District	Cabool	School (K-12)	Yes	TBD
Camden County Courthouse	Camdenton	Other Gov't Facility	Yes	TBD
Camdenton R-III School District	Camdenton	School (K-12)	Yes	TBD
Douglas County Courthouse	Ava	Other Gov't Facility	Yes	TBD
Franklin County Courthouse	Union	Other Gov't Facility	Yes	TBD
Laclede County R-I School District	Conway	School (K-12)	Yes	TBD
Licking R-VIII School District	Licking	School (K-12)	Yes	TBD
Washington Fire Department #1	Washington	Public Safety	Yes	TBD

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
Moniteau County Courthouse	California	Other Gov't Facility	Yes	TBD
Moniteau County R-I School District	California	School (K-12)	Yes	TBD
Morgan County Justice Center	Versailles	Public Safety	Yes	TBD
Oregon County Courthouse	Alton	Other Gov't Facility	Yes	TBD
Texas County Library - Cabool	Cabool	Library	Yes	TBD
Texas County Library - Licking	Licking	Library	Yes	TBD
Texas County Justice Center	Houston	Public Safety	Yes	TBD
Thayer R-II School District	Thayer	School (K-12)	Yes	TBD

Project Indicators (Next Quarter)

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

Rights of Way: Land acquisition has been finalized for last PoP site to be completed next quarter, Q2 2012.

Construction Permits and Other Approvals: Expected to be secured as necessary for ongoing construction.

Site Preparation: Expect to complete all 15 new sites by wrapping up the last site preparation for the remaining shelter. Shelter to be delivered with generators in Q2 2012.

Equipment Procurement: Vendor/RFP/procurement activities will continue for next construction phase. Will begin ordering Phase 3 Ethernet and DWDM equipment in preparation for installation in construction Phase 3.

Network Build: Expect to install DWDM and Ethernet into remaining PoP site shelter. Test, splice, light, and contribute 30 miles of in-kind fiber to the project. Continue underground construction on several routes with expected installation of 70 miles of fiber to catch up rapidly with recently installed conduits. Seasonal rainy weather is expected to offset construction progression slightly during the spring months of Quarter 2, 2012.

Equipment Deployment: Expect to connect next wave of new CAIs as construction continues. Continue negotiation of additional Interconnection Agreements.

Community Outreach: Campaign efforts continue with local media and will include participation with initiative partners for coordination of planned broadband development, accessibility and sustainability.

Sho-Me's planned project accomplishments through Q2 2012:

- New network miles deployed - bringing total new network miles to 272.
- New network miles leased - 0 miles (not planned)
- Total CAI subscribers connected - 64 CAIs
- Number of signed agreements with broadband wholesalers or last mile providers - 4 agreements

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)

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	69	6% below baseline due to fiber availability issues, a longer than anticipated EA process, and because many costs have come in lower than anticipated thus far. However, Sho-Me is catching up to Baseline quickly and anticipates being at the Baseline Projections by the end of 4th Qtr 2012.
2b.	Environmental Assessment	90	10% below baseline due to costs being lower than anticipated. A minimal amount of EA related work is possible in the future, thus the remaining budgeted amount may be expended at a future date. Sho-Me anticipates catching up to baseline by the end of 2012.
2c.	Network Design	80	10% above baseline due to more engineering and design work being performed at the onset of the project than anticipated.
2d.	Rights of Way	75	25% below baseline due to lower than anticipated rights of way costs. Sho-Me anticipates this category will remain under budget for the remainder of the project as right of way costs continue to come in under budget.
2e.	Construction Permits and Other Approvals	80	No variance.
2f.	Site Preparation	100	No variance.
2g.	Equipment Procurement	59	24% below baseline due to lower than anticipated costs relating to DWDM equipment. Sho-Me anticipates catching up to baseline by the end of 2012.
2h.	Network Build (all components - owned, leased, IRU, etc.)	72	4% above baseline due to contribution of in-kind fiber.
2i.	Equipment Deployment	100	28% above baseline due to increased costs of innerduct. Also, Sho-Me's baseline reflects buying innerduct throughout the project as it is needed, but instead Sho-Me chose to buy most of the innerduct up front in order to secure a lower price per foot.
2j.	Network Testing	0	Below Baseline by 61% because these expenses were moved to another category in Sho-Me's approved 2010 budget revision. Sho-Me will not use this baseline category for remainder of the project.
2k.	Other (please specify): Legal, Administrative, Pre-Award Expenses	69	5% below baseline due to legal and administrative costs being lower than anticipated.

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).

In early 2011, the Missouri Department of Transportation (MoDOT) announced closing 135 facilities and downsizing its staff size by 1,200 employees which may become a potential constraint on securing timely Rights-of-Way and permitting required for fiber route construction.

In previous quarters fiber availability was a concern. However, Sho-Me is pleased to report that underground fiber deliveries were completed in Q1 of 2012. Fiber availability is not longer a threat to Sho-Me's project success.

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	\$583,281	\$0	\$583,281	\$303,584	\$64,982	\$238,602	\$400,157	\$64,982	\$335,175
b. Land, structures, right-of-ways, appraisals, etc.	\$572,400	\$0	\$572,400	\$217,152	\$55,614	\$161,538	\$429,300	\$55,614	\$373,686
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,190,000	\$0	\$1,190,000	\$901,148	\$186,503	\$714,645	\$966,998	\$186,503	\$780,495
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$295,000	\$150,000	\$145,000	\$663,746	\$117,477	\$546,269	\$663,746	\$117,477	\$546,269
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$24,114,319	\$8,800,000	\$15,314,319	\$12,476,815	\$6,491,242	\$5,985,573	\$16,982,842	\$7,044,773	\$9,938,069
j. Equipment	\$11,245,000	\$2,450,000	\$8,795,000	\$6,717,363	\$1,018,480	\$5,698,883	\$6,717,363	\$1,018,480	\$5,698,883
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$38,000,000	\$11,400,000	\$26,600,000	\$21,279,808	\$7,934,298	\$13,345,510	\$26,160,406	\$8,487,829	\$17,672,577
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$38,000,000	\$11,400,000	\$26,600,000	\$21,279,808	\$7,934,298	\$13,345,510	\$26,160,406	\$8,487,829	\$17,672,577

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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