

RECIPIENT NAME:COM Net, Inc.

AWARD NUMBER: NT10BIX5570072

DATE: 11/23/2011

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>  NT10BIX5570072	<b>3. DUNS Number</b>  957284334
<b>4. Recipient Organization</b>  COM Net, Inc. 13888 County Road 25 A, Wapakoneta, OH 45895-8316		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2011	<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>  Timothy Berelsman	<b>7c. Telephone (area code, number and extension)</b>  X	
	<b>7d. Email Address</b>  tberelsman@cniteam.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-23-2011	

**Project Indicators (This Quarter)**

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

Administration, Community Anchor Institution Sales, Environmental Assessment Compliance, Contract Negotiations and Operation Support Systems: Com Net was engaged in bid management, implementation of EA measures, contract negotiations and out-reach activities with Community Anchor Institutions. Com Net conducted weekly project calls with its route design and construction firm with expanded participation with vendors and sub-recipients every other week. Com Net has executed an expanded agreement with ZAYO covering joint build relationships between the parties and operation of shared sheath facilities. Com Net has received and is operating consistent with an expanded agreement with the Ohio State University executing on behalf of OARnet. The agreement with OARnet will be executed on clarification of the relationship between OARnet and the Ohio State University. Com Net filed its ARRA, SF-425, Performance Progress and Year 1 Audit Reports in the quarter, and accepted the first amendment to its award on the sale/lease IRU SAC. Com Net awarded its back-up generators for remote huts, executed agreements with three additional Broadband Service Partners and one additional wholesale provider. Com Net delivered improved service to thirty-five (35) Community Anchor Institutions and new service to one Community Anchor Institution. The majority of the Community Anchor Institutions were K-12 educational institutions actively loaded in Com Net's legacy NISC iVUE billing system. Com Net was in process of completing site surveys for satisfaction of its EA Area of Potential Effect study and site acquisition associated with two new remote huts to be construction as points-of-presence.

Network Design including Rights-of-Way and Permits: ~340 route miles released for final route design and permitting, ~245 designed with permits/right-of-ways applied for and ~143 route miles permitted for construction.

Equipment Procurement and Deployment: Cyan equipment for 4 Sites in warehouse, 5 sites installed at the Point-of-Presence and 6 additional sites pending shipment. At the end of the quarter, no equipment had been cut into service.

Network Build including Site Preparation and Testing: Com Net had received materials for construction of ~148 route miles with September's fiber cable allocation still outstanding, Com Net had placed materials for ~81 miles including 4 miles of innerduct and ~7.4 miles in a joint build with BIP recipient Sycamore Telephone Company.

**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	14	Negative Variance of 2% versus 2011Q2 projection and 23% to Baseline. At the end of Q3 2011, Com Net had outstanding obligations that, when taken into account, put the percent completion at 23% or a 10% advancement over the prior quarter. The primary invoices received but not paid were in the area of route design, route inspection, route construction and outside plant materials. Route construction billing continues to lag as segment finalization continues to lag due to outstanding aerial make readies. Com Net plans to implement partial acceptance of route segments in the upcoming quarter to facilitate the activation of service to community anchor institutions.
2b.	Environmental Assessment	100	Com Net is projecting additional expenses in the area of Environmental Assessment as Com Net engages Mannik & Smith for additional consultation with ODNR and OHPO with respect to route modifications and in the implementation of protocols and procedures set forth in the projects special award conditions for Compliance with Environmental Protocols and Measures as construction is modified from underground to aerial to avoid underground obstructions and other unforeseen circumstances. Com Net has also initiated activity to engage Mannik and Smith for historic and cultural resource protection in association with hut site acquisition and site preparation, as well as an ODNR approved herpetologist to conduct a habitat survey for the Eastern Plains Garter Snake in the area around Killdeer Nature Preserve as this route segment is expected to proceed to construction prior to year end 2011.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2c.	Network Design	35	0% Variance versus 2011 Q2 projections, a +1% Variance versus Baseline. Com Net had outstanding obligations that, when taken into account, put the percent completion at 37%. This is consistent with Com Net's objective to ensure significant progress is being made in route design to allow permit application work to proceed in an effort to keep long lead time items like make readies and fiber cable supply from negatively affecting the ability to progress on outside plant route construction.
2d.	Rights of Way	23	A negative 10% variance versus budget and a negative 23% versus baseline. Com Net has refocused resources on permit follow-up. In doing so Com Net has encountered the need to meet with several counties to secure authorization to proceed with direct plow (also referred to as slit-trench construction techniques). At the end of the quarter significant progress was made with authorities for granting use of right-of-ways, however the permits still had not been released.
2e.	Construction Permits and Other Approvals	13	A negative variance of 8% versus Q2 2011 projections and a negative variance of 28% versus baseline. Com Net continues to balance the timing of construction permits and other approvals against securing right of way and outside plant materials versus deposit and ninety day completion time frames being required by some authorities. Com Net has elected to proceed with underground construction where significant contiguous permitted lengths (greater than 10 miles) can be achieved. Com Net will then return to the route segments and finalize construction upon finalization of aerial make readies.
2f.	Site Preparation	0	A negative variance of 7% versus Q2 2011 projections and a 42% negative variance versus baseline. Com Net continues to hold on actual site preparation until such time that the Area of Potential Effect and other environmental protocol and procedures have been completed to ensure historic and cultural resources are protected. The site preparation delay is not impacting to the overall project at this point as route construction has not progressed to the point requiring full completion of site preparation work.
2g.	Equipment Procurement	27	A negative variance versus Q2 2011 projected of 2% and a negative variance versus baseline of 12%. Com Net had outstanding obligations in the area of equipment procurement that, when taken into account, put the percent completion at 31%. Com Net experienced delays in the cut-over of the initial sites installed due to customer notification requirements. Com Net is projecting that in 2011 Q4 the initial sites will be cut over with equipment purchases and site installation accelerated for the upcoming quarter.
2h.	Network Build (all components - owned, leased, IRU, etc)	7	A negative variance versus Q2 2011 projected of 10% and a negative variance versus baseline of 16%. At the end of the quarter, Com Net had outstanding obligations that, when taken into account, put the percent completion at 10%. The liquidated obligations are being impacted due to the inability to complete the full route segments based on aerial spans that are on hold pending completion of make readies in order to proceed with pole attachments. Com Net plans to begin accepting portions of route segments such that they can be placed into service to serve Community Anchor Institutions. This will result in some of the unliquidated obligations being liquidated. Com Net is projecting the gap between liquidated and unliquidated obligations in this area to widen as more route segments involving aerial construction are to be encountered for the upcoming quarter. Com Net expects release of aerial segments for construction to lag behind direct-buried segments by approximately six months. Aggressive build-out of buried construction through the addition of a fourth plow train has been hampered due to continued allocation of outside plant fiber optic cable and delays in securing significant contiguous lengths of permitted route for construction. Com Net will continue to focus on follow-up efforts with

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			right-of-way and permitting authorities, as well as, continue to work with suppliers to increase allocation of Outside Plant Fiber Optic Cable supply.
2i.	Equipment Deployment	0	A negative variance versus Q2 2011 projections of 6% and a negative variance versus baseline of 68%. Com Net encountered delays in activation of the sites planned for the quarter as these sites were on a link of legacy facilities made part of the project that were already in service where the equipment was being upgraded. The delay was due to customer notification periods, as well as additional training and testing to ensure the implementation was successful. Com Net plans to accelerate deployment in the upcoming quarter, however several sites will only be partial implementation as full implementation can not be achieved due to the completion of new routes lagging behind schedule.
2j.	Network Testing	9	A positive variance versus Q2 2011 projections of 2% and a negative variance versus baseline of 28%. Network Testing to date has been limited to route inspection of cable placement to specifications and optical time domain reflectometer (OTDR) testing of fiber optic cable placed and spliced. Testing of facilities with active electronics/optronics installed will occur in the upcoming quarter. Network Testing will continue to lag behind as route construction lags behind.
2k.	Other (please specify): <b>Pre-Award Acceptance and Application</b>	100	Other items included in the Baseline report are Project Management and Administration at 47% complete for a positive variance versus Q2 2011 projections of 6% and 9% versus Baseline as we continue to adjust plans to manage the project based on items within our control. Contractual Solution Sales at 8% for a negative variance versus Q2 2011 projections of 7% and a negative variance versus Baseline of 4%. The variance was driven by contractual sales to Broadband Service Providers lagging behind in parallel with route construction with a partial offset as significant progress was made with relation to Community Anchor Institutions under a term contract. Operation Support System were at 11% completion for a negative variance versus Q2 2011 projections and 56% versus Baseline. The variance was driven by a favorable purchase price on hardware for Cyan CyMS element management system, as well as continued deferral in the purchase of the NISC plant and trouble module, as well as a decision to defer implementation of mapping until finalization of the project at which time Com Net will assume mapping records from Sigma Technologies as the route design firm for the project.

**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).**

Delays in Make Readies for short aerial sections causing inability to complete full segments leaving significant amount of work-in-progress. Com Net will need to accept portions of these routes to allow finalization of connectivity with community anchor institutions.

Delays in securing underground construction permits as Com Net schedules meetings with the authorities having jurisdiction to explain construction method and practices as it relates to repair in the event of damage to existing underground facilities.

Delays in construction progress due to route modification determination associated with the placement of two new poles to cross 2 streams and one railroad track where rock was encountered when attempting to cross underground through boring operations.

Delays in Site Preparation work as CNI completed site surveys and EA field work for Area of Potential Effect study. Other delays in Site Preparation driven by delays in route segment construction.

Delays in ability to close the gap against baseline due to inability to add additional crews due to lack of contiguous mileage of secured permits and right-of-way as well as on-going allocation of outside plant fiber cable supply varying from 24 Miles per Month to as high as 36 Miles per Month.

Delays in Equipment Deployment as CNI worked through customer notices and interim networking changes allowing Com Net to cut the first set of Cyan DWDM chassis in as part of an upgrade to existing facilities made part of the project.

Com Net is reworking project schedules and planned work in an effort to achieve substantial completion measured as 67% of project funds expended by the end of the eighth quarter. The majority of the expenses associated with the project are associated with fiber plant construction and fiber optic cable supply. We are therefore looking at ways to progress the work in order to realize substantial completion by working around factors that are outside of our control. Fiber Optic Cable Supply can not be accelerated due to the fact that we are on allocation from the manufacturer due to world-wide supply shortages following the Tsunami that impacted production out of Japan. Inability to dramatically increase route construction due to delays by Authorities Having Jurisdiction in issuing permits. In the event Com Net can achieve permits, right-of-way and/or pole attachment make readies on a significant portion of route mileage Com Net will implement a contingency plan to deploy innerduct only with cable placed once received.

Com Net has already progressed plans to reduce the number of PoP Sites to be constructed by making use of leased facilities where available. Com Net is also finalizing route modifications that will allow us to construct in areas that do not pose as many challenges in securing permits and right-of-ways as well as present limited challenges with ground obstructions and conditions such that once all right-of-ways are received construction can progress at an expedited rate.

The other significant factors that are outside the control of Com Net that could impact progress will be 2012 Winter and Spring weather conditions, as well as seasonal EA restrictions that are in place on construction in certain areas from April through July of each year for endangered and protected species.

Com Net should be able to complete a significant portion of Site Work, Equipment Procurement, Equipment Installation, Network Design and Other activities in an effort to close on substantial completion based on dollars spent. The challenge remains that the high dollar expense items of Outside Plant Fiber Optic Cable, Outside Plant Construction, Permits and Right-of-Ways are currently limited to factors outside of our control. The inability to accelerate these items limits Com Net's ability to progress Network Testing and Network Cutover activities.

Com Net's confidence in its ability to achieve substantial completion by the end of the 8th quarter has declined based on the challenges encountered during the 3rd Quarter of 2011, which included our inability to increase the amount of mileage with secured permits for right-of-way and to realize an increase in our monthly allotment of Outside Plant Fiber Cable in order to increase the number of construction crews active on the project.

Com Net remains confident in its ability to complete the project in full, however this involves converting the final quarter from being reserved for clean-up activities to construction months for aerial spans that we expect to be outstanding.

**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	81	A negative variance versus baseline of 134 Miles. This variance is due to a later than projected start of construction date. Com Net is planning to construct through the winter months, as well as taking other action to reduce this gap. Com Net's projected New Network Miles Deployed by 12/31/11 is 160 Miles
New network miles leased	1	A negative variance versus baseline of 19 miles. A variance of 2 miles was created when Com Net worked out arrangements with wholesale customer and community anchor institution NOACSC to use customer provided access rather than Com Net securing an IRU to two fiber to NOACSC downtown Lima, Ohio operating center. The balance of 17 miles is due to the fact that Com Net reported joint build miles with Sycamore Telephone Company under this category and progress on construction by Sycamore is lagging behind schedule due to a later than anticipated start date. Com Net projected new network miles deployed by 12/31/11 is 20 Miles.

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Existing network miles upgraded	23	A negative variance of 945 miles versus baseline. This is due to delays in construction progress due to a later than anticipated start of construction date further complicated by delays in Com Net's deployment of Cyan electronics/optronics at existing Points-of-Presence of its Broadband Service Partners. These facilities represent the meet point mileage of the Broadband Service Providers that will be upgraded by equipping the facilities with Cyan DWDM equipment and/or placing previously unlit fiber(s) into service. A portion of the negative variance is due to the fact that Com Net does not plan on counting Existing Network Miles Leased as having been upgraded until such time that the Cyan DWDM equipment is cut over to service on all or a portion of the legacy leased routes included in the project.
Existing network miles leased	221	This represents a reduction from Q2 2011 due to a correction to report route miles rather than fiber miles. The baseline number includes miles secured under a physical lease and those secured under a mid-span meet point billing arrangement, primarily included in the existing network miles upgraded. This number represents a negative variance versus baseline of 747 miles driven by a negative variance in mid-span meet existing fiber facilities upgraded of 747 miles. Com Net projected new network miles deployed by 12/31/11 is 335 Miles.
Number of miles of new fiber (aerial or underground)	81	This is a unique number from baseline. Com Net completed the baseline as Number of Miles of Fiber in total not just NEW fiber. The same comments apply to this line item as they apply to new network miles deployed.
Number of new wireless links	0	No Variance to Baseline
Number of new towers	0	No Variance to Baseline
Number of new and/or upgraded interconnection points	5	A negative variance of 23 versus baseline. This gap is driven by the delay Com Net experienced in being able to initiate construction of fiber routes as activation at several interconnection points is dependent on completion of the new fiber routes. In addition, the gap exists due to delays in the cut over of installed equipment and the installation at additional Points of Presence of Broadband Service Partners.

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	8
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	21
Average term of signed agreements (in quarters)	32

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: This quarter, CNI executed agreements with CISP, Ottoville Mutual Telephone Company, Arthur Mutual Telephone Company and the Middle Point Home Telephone Company. Companies from the prior quarter were not included in the listing due to the word limitation.

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:

The services offered pursuant to the above referenced agreements are Ethernet Transport Services on a multi-provider meet point basis with the designated Broadband Service Provider serving as the single point of contact with the customer. Com Net also

provided the Ottoville Mutual Telephone Company with access to dark fiber for the purpose of providing end-to-end connectivity between the Wayne Trace High School and the Grover Hill Elementary School as Community Anchor Institutions.

**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).**

Subrecipients ZAYO (400 Centennial Parkway, Suite 200, Louisville, CO 80027; 1.303.381.4683) and OARnet (1224 Kinnear Road; Columbus, OH 43212; 616.292.9191) will be designated to operate a portion of the network on activation based on specific spans the providers will be responsible for operating certain fiber within. The specific portions of the network will be detailed on activation. To date, no such portions of the network are available for release to the sub-recipients to operate.

**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)
<b>Broadband Wholesalers or Last Mile Providers</b>	<b>Providers with signed agreements receiving new access</b>	2	Positive variance to baseline. This is the network-to-network interface established with One Community in Worthington, Ohio originally reported in Q2 2011 and the network-to-network interface established with CISP in Toledo, Ohio.
	<b>Providers with signed agreements receiving improved access</b>	5	Positive Variance to Baseline of 4. The positive variance is based on the addition of Arthur Mutual Telephone Company and Middle Point Home Telephone Company to those reported as receiving improved access in Q2 2011.
	<b>Providers with signed agreements receiving access to dark fiber</b>	1	Negative Variance of 1. Variance is driven by the fact that at this point in the project Com Net originally projected to have progressed construction to provide OARnet access to dark fiber from Lima to Findlay. Construction in Findlay isn't complete as we wait on make readies and address route modification associated with encountering rock in an area of construction. In addition OARnet will not be ready to utilize the access to the dark fiber until March 2012. The gap will be closed as Com Net looks to provide at least one Broadband Service Partner access to dark fiber in the 4th quarter of 2011 in association with providing improved service to at least one more K-12 Community Anchor Institution. Ottoville Mutual Telephone Company was provided access to dark fiber for the purpose of connecting it with existing fiber facilities of the company in order to establish an extended local loop for connecting a community anchor institution back to legacy network facilities managed by Com Net.
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	2	Rate Limited 1 Gbps port connectivity with Network-to-Network Interfaces and 100 Mbps User Network Interface Port and Ethernet Transport Service as purchased wholesale by One Community.
<b>Community Anchor Institutions (including Government institutions)</b>	<b>Total subscribers served</b>	36	Positive Variance versus baseline of 18 as Com Net took expedited action to improve service to K-12 schools at the start of the 2011-2012 school year all facilitated by the broadband connectivity put in place with NOACSC in Q2 2011.
	<b>Subscribers receiving new access</b>	3	Positive Variance versus baseline of 3 through addition of Grover Hill Elementary School to those reported in Q2 2011.
	<b>Subscribers receiving improved access</b>	33	Positive Variance of 15 versus Baseline.
	<b>Please identify the speed tiers that are available and the number or subscribers for each</b>	7	4 at 5 Mbps; 4 at 10 Mbps; 7 at 20 Mbps; 5 at 50 Mbps; 10 at 100 Mbps; 1 at 200 Mbps and 5 at 1000 Mbps
<b>Residential / Households</b>	<b>Entities passed</b>	0	NA
	<b>Total subscribers served</b>	0	NA
	<b>Subscribers receiving new access</b>	0	NA
	<b>Subscribers receiving improved access</b>	0	NA

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	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).**  
 Com Net provides Ethernet Transport Service under meet point service arrangements with fiber-facility based providers who operate and maintain carrier class facilities. Com Net takes on full responsibility for the performance of the network, therefore serving as the central point of contact for wholesale customers, providers and subscribers for customer convenience. This allows us to extend the reach of our network beyond our backhaul fiber routes in a fashion that is not only cost effective but also provides for a timely response with a local touch, as well as, a single point of contact for customer care.

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

**8b. If so, please describe the changes (300 words or less).**  
 Com Net's network management practices have not changed.

**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
Wayne Trace High School	Haviland, OH - Paulding County	Schools (K-12)	No	Improved from unlicensed wireless local loop back to Com Net managed backhaul network for point-to-point connectivity to NOACSC, to utilize MetroEthernet over fiber between the Com Net serving Broadband Service Partner Point of Presence (PoP) and the Wayne Trace High School. Transport Capacity was immediately upgraded from 10 Mbps to 100 Mbps made possible by second, diverse 1 Gbps connection to NOACSC reported in Q2 2011.
Grover Hill Elementary School that is part of Wayne Trace School District	Grover Hill, OH - Paulding County	Schools (K-12)	No	New provider service through MetroEthernet over fiber transport between Grover Hill elementary school and Wayne Trace High School. Prior to establishment of service, Wayne Trace School District attempted to establish its own unlicensed wireless connection between sites, which was abandoned due to cost. Implemented at 100 Mbps transport capacity between locations.
Vantage Career Center	Van Wert County Ohio	Schools (K-12)	No	Improved from unlicensed wireless local loop back to Com Net managed backhaul network for point-to-point connectivity to NOACSC, to utilize MetroEthernet over fiber between the Com Net serving Broadband Service Partner PoP and the Vantage Career Center. Transport Capacity was immediately upgraded from 10 Mbps to 100 Mbps made possible by second, diverse 1 Gbps connection to NOACSC reported in Q2 2011.



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
Saint Charles Hospital	Oregon, Ohio	Medical and Healthcare Providers	No	Improved transport capacity between Saint Charles Hospital and Tiffin Hospital to 1 Gbps MetroEthernet over Fiber for telemedicine applications. The connection utilizes a diverse transport path to connect Saint Vincent Hospital to Tiffin Hospital to minimize the potential for a single point of failure.
Saint Vincent Hospital	Toledo, Ohio	Medical and Healthcare Providers	No	Improved transport capacity between Saint Vincent Hospital and Tiffin Hospital to 1 Gbps MetroEthernet over Fiber for telemedicine applications. The connection utilizes a diverse transport path to connect Saint Charles Hospital to Tiffin Hospital to minimize the potential for a single point of failure.
Delphos City Schools	Delphos, OH Van Wert County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 10 Mbps to 50 Mbps.
Fort Jennings Schools	Fort Jennings, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 4 Mbps to 10 Mbps.
Kalida Schools	Kalida, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 10 Mbps to 100 Mbps.
Ottoville Schools	Ottoville, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 4 Mbps to 20 Mbps.
Ottawa Saint Peter and Paul School	Ottawa, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 2 Mbps to 5 Mbps.
Delphos St. Johns Schools	Delphos, OH Allen County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 2 Mbps to 10 Mbps.
Van Wert City Schools	Van Wert, OH Van Wert County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 20 Mbps to 200 Mbps.
Lincolnview Schools	Middle Point, OH Van Wert County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 2 Mbps to 10 Mbps.
Leipsic Saint Marys	Leipsic, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 2 Mbps to 5 Mbps.
Putnam County Educational Service Center	Ottawa, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 2 Mbps to 5 Mbps.
Continental Schools	Continental, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 5 Mbps to 20 Mbps.
Miller City-New Cleveland Schools	Miller City, OH	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps

	Putnam County Columbus			connection to NOACSC. Increased capacity between NOACSC and school from 5 Mbps to 20 Mbps.
Columbus Grove Schools	Grove, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 5 Mbps to 20 Mbps.
Cory Rawson Schools	Mt. Cory, OH Hancock County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 5 Mbps to 20 Mbps.
Pandora Gilboa Schools	Pandora, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 10 Mbps to 20 Mbps.
Celina Schools	Celina, OH Mercer County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 20 Mbps to 100 Mbps.
Coldwater Schools	Coldwater, OH Mercer County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 4 Mbps to 50 Mbps.
Fort Recovery Schools	Fort Recovery, OH Mercer County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 4 Mbps to 50 Mbps.
Mercer County Educational Service Center	Celina, OH Mercer County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 2 Mbps to 5 Mbps.
Lima Central Catholic	Lima, OH Allen County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 2 Mbps to 5 Mbps.
Perry Local Schools	Lima, OH Allen County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 10 Mbps to 50 Mbps.
Shawnee Schools	Allen County Ohio	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 20 Mbps to 100 Mbps.
Apollo Career Center	Allen County Ohio	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 10 Mbps to 50 Mbps.
St. Mary's City Schools	St. Mary's, OH Auglaize County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 10 Mbps to 100 Mbps.
Wapakoneta City Schools	Wapakoneta, OH Auglaize County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 10 Mbps to 100 Mbps.
OARnet	Lima, OH	Other Institutions of Higher Education	No	New 1Gbps Network-to-Network Interface between Com Net Point-of-Presence at 5707 North West Street; Lima, OH and OARnet Point-of-Presence at 1680 North Sugar Street; Lima, OH
Ottawa Glandorf Schools	Ottawa, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 10 Mbps to 100 Mbps.

Leipsic Schools	Leipsic, OH Putnam County	Schools (K-12)	No	Improved transport capacity made possible through use of federally funded facilities to establish second, diverse 1 Gbps connection to NOACSC. Increased capacity between NOACSC and school from 5 Mbps to 20 Mbps.
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**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).**  
 The completion of equipment deployment for the initial Cyan DWDM chassis installed at existing Points-of-Presence through cut over into service. Installation of equipment at a minimum of six (6) existing Points-of-Presence.

EA field studies of ground cover and habitat as necessary prior to initial snow fall to allow for continuous construction during winter months.

Completion of Area of Potential Effect (APE) to allow site preparation work to commence at the Wood County Point of Presence and at the Huntsville Point-of-Presence to be constructed.

Release of construction on route segment to be managed by ZAYO through the Toledo metropolitan area where they will be making use of existing pole attachments that ZAYO has established.

Continuation of direct burial construction with plans to return to rework aerial sections once make readies are complete for pole attachments.

Partial acceptance of new route construction as needed to place community anchor institution in service.

Establishment of flow through process that will cause Federal Interest to be protected as items are moved from Work-in-Process to finalized work in service.

Upgrades and activation of a minimum of two more Community Anchor Institutions.

**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	19	Negative Variance of 30% versus Baseline. Com Net is projecting minimal progress during the 4th quarter of 2011 after November 23, 2011 due to holiday vacations affecting ability to obtain permits especially from villages, townships and counties due to limited staffing. Furthermore, Com Net is projecting limited progress due to moratoriums imposed by carriers and utility providers from mid-December until after the 1st of the year. Com Net projects that unliquidated obligations will increase significantly as we are unable to fully finalize items leaving them as work-in-progress rather than finished goods.
2b.	Environmental Assessment	100	Com Net projects to realize expenditure in this category as it pursues route modifications, as well as, receipt of invoices from EA consultant for EA protocols and measures.
2c.	Network Design	38	Negative Variance of 3% versus Baseline as some of the work ahead progress is given up due to limited permitting activity expected in December of 2011 by Authorities Having Jurisdiction.
2d.	Rights of Way	35	Negative Variance of 19% versus Baseline. Com Net is projecting minimal progress during the 4th quarter of 2011 after November 23, 2011 due to holiday vacations affecting ability to obtain permits especially from villages, townships and counties due to limited staffing.
2e.	Construction Permits and Other Approvals	16	Negative Variance of 30% versus Baseline. Com Net is projecting minimal progress during the 4th quarter of 2011 after November 23, 2011 due to holiday vacations affecting ability to obtain permits especially from villages, townships and counties due to limited staffing.
2f.	Site Preparation	13	Negative Variance of 52% versus Baseline. Com Net is projecting to satisfy EA Area of Potential Effect concerns, as well as, site surveys and site acquisition activities. Com Net doesn't expect to see significant construction progress until after the 1st of the year.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2g.	Equipment Procurement	34	Negative Variance of 17% versus baseline. Com Net sees the ability to increase shipment from the factory to Com Net warehouse inventory, but Com Net does not expect Cyan personnel to progress installation of equipment during the month of January so Com Net plans to continue to have inventory held at the factory.
2h.	Network Build (all components - owned, leased, IRU, etc.)	12	Negative Variance of 20% versus baseline. Com Net is projecting minimal measurable progress for reporting as we are projecting that very few routes will be fully completed prior to year-end leaving a significant amount of work in progress or as unliquidated obligations.
2i.	Equipment Deployment	8	Negative Variance of 74% versus baseline. Com Net is projecting to make progress early in the quarter but with limited progress after November 23, 2011 due to holiday vacation time and company cut-backs in travel time as year-end approaches.
2j.	Network Testing	25	Negative Variance of 23% versus baseline. Network testing will continue to lag as network build and equipment deployment lag behind baseline projections.
2k.	Pre-Award Other (please specify): Acceptance and Application	100	Project Management and Administrative Reporting projected at 60% complete versus a baseline of 44% as Com Net plans to use November and December for budget analysis and route modification activities. Contractual Sales solutions at 12% versus baseline of 14% with community anchor institution term contract sales remaining ahead of projections but Broadband Service Provider contracts lagging behind due to delays in network builds. Operation Support System projected at 11% versus a baseline of 90% as Com Net continues to defer NISC IVUE plant and trouble module implementation, as well as, decision to defer mapping until the end of project when records are transferred from route design firm to Com Net.

**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).**

Delays and/or obstructions in accessing road right-of-way due to fall harvest.

Weather related delays, as well as, utility moratoriums, holiday vacations and year-end travel reductions resulting in limited progress.

Snow causing delays due to habitats that requires visual inspection during construction, if any.

Route modification approval delays, as well as, delays in determination as Com Net implements EA protocols and methods.

Delays in Pole Attachment Make Readies causing significant portion of work to remain in progress making them unliquidated obligations, which will have negative impact on financial-based progress reporting using liquidated obligations.

Delays in securing road right-of-way due to individual authorities having jurisdiction requiring one-on-one meetings to understand construction methods and Com Net's commitment to repair existing underground facilities in the event they are damaged as a result of the GigEPAC construction project. These delays will be pronounced with villages, townships and counties due to difficulties arranging for meetings during the month of December because of their limited staffing.

**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	\$186,863	\$75,013	\$111,850	\$259,995	\$74,788	\$185,207	\$344,965	\$99,230	\$245,735
b. Land, structures, right-of-ways, appraisals, etc.	\$1,497,801	\$542,165	\$955,636	\$121,376	\$30,663	\$90,713	\$176,940	\$44,700	\$132,240
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,536,325	\$368,718	\$1,167,607	\$535,919	\$128,621	\$407,298	\$587,202	\$140,929	\$446,273
e. Other architectural and engineering fees	\$282,530	\$84,759	\$197,771	\$215,002	\$58,363	\$156,639	\$215,001	\$58,363	\$156,638
f. Project inspection fees	\$130,000	\$31,200	\$98,800	\$48,118	\$11,549	\$36,569	\$76,028	\$18,247	\$57,781
g. Site work	\$205,600	\$61,680	\$143,920	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$30,306,281	\$7,831,123	\$22,475,158	\$2,230,100	\$769,165	\$1,460,935	\$3,589,093	\$1,237,884	\$2,351,209
j. Equipment	\$8,758,868	\$3,877,761	\$4,881,107	\$2,475,470	\$1,827,227	\$648,243	\$3,158,300	\$2,331,247	\$827,053
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	\$42,904,268	\$12,872,419	\$30,031,849	\$5,885,980	\$2,900,376	\$2,985,604	\$8,147,529	\$3,930,600	\$4,216,929
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$42,904,268	\$12,872,419	\$30,031,849	\$5,885,980	\$2,900,376	\$2,985,604	\$8,147,529	\$3,930,600	\$4,216,929

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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