

RECIPIENT NAME:Carver, County of

AWARD NUMBER: NT10BIX5570109

DATE: 02/13/2012

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration	2. Award Identification Number NT10BIX5570109	3. DUNS Number 003265407
4. Recipient Organization Carver, County of 604 E 4th St, Chaska, MN 55318-2102		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2011	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 Mary Kaye Schiller	7c. Telephone (area code, number and extension) X	
	7d. Email Address mschiller@co.carver.mn.us	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-13-2012	

Project Indicators (This Quarter)

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

The Carver County Open Fiber Initiative consists of approximately 89 miles of base ring and 33 miles of laterals. The base ring is the backbone of the fiber project and runs a loop of fiber strands in a relative circle throughout the entire county, connecting every city in the county. The base ring also directly feeds all the laterals connected to it. Over the past quarter our primary efforts have focused on the plowing (rural) and boring (urban) construction to install the two communications conduits and associated activities related to this type of construction, which includes jurisdictional and entity communications, field engineering and permitting. There continues to be an industry wide shortage of fiber which is delaying our remaining shipments that were ordered in the third quarter of 2011. During this quarter we have received roughly 20% of the fiber needed to complete the base ring construction. Our fiber distributor has given us a staggered timeline for receiving the remaining shipments, which are scheduled to be delivered up through April of 2012. With this constraint we have adjusted our construction plan and are initially installing the two communications conduits that will hold the fiber cable, and once we receive our remaining fiber, we will come back and blow the fiber into the conduit. With this adjustment, we will still meet our overall construction schedule and budget, but we will be completing different components at different times than were originally planned. There are a number of jurisdictions that the County is communicating with regarding the variety of permits needed for the project including city, railroad, DNR, MN DOT, pipeline and even the County itself. The County is working quickly but deliberately to submit and gain approval of all the permits needed for the project so that construction can continue uninterrupted. We are doing field engineering for each segment of fiber construction prior to beginning construction on that segment. This approach allows us to use current information from the field to more appropriately identify the construction path where the fiber conduits are being installed, as well as allowing us to place hand holes in the best locations to accommodate current and anticipated connections into the fiber ring. At the end of December the County initiated the building penetrations phase of the project, which performs the work needed to physically bring the communications conduit from outside to inside the various buildings that will be directly connected to the fiber. This work will be completed at each Anchor Institution and will continue throughout the winter, until either snow accumulation or frost make this construction inappropriate. The ARRA Funding, along with the County's 20% matching funds, provides one time capital dollars which we are using to help build the CCOFI project. Once the project is complete, there will be ongoing costs associated with the fiber optic network, such as maintenance, equipment replacements and basic administrative costs. CCOFI staff have taken a proactive approach to our project sustainability and within months after receiving notice that the County was selected as a grant recipient back in 2010, staff put together a rough draft pro forma for the project. Even though construction is still between 12-18 months from completion, CCOFI staff are already refining the pro forma and working to establish the structure needed to maintain a long term sustainable fiber network. As of December 31st we have expended approximately \$2.9 million dollars of our overall project budget of \$7.5 million, with the majority for construction costs of which we have completed approximately 88 miles as of December 31.

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	39	Our overall project expenditures for this quarter are 39%, which is less than our originally budgeted 60%. This lower expenditure was caused by the delay in shipments of our remaining fiber, which is now scheduled to be delivered from January through April of 2012, at which time the costs will be realized. Also, we are running our construction costs on a cash basis versus accrual basis, so there will be approximately \$500,000 reported in the first quarter of 2012 that is for work completed in December of 2011.
2b.	Environmental Assessment	100	No variance from baseline
2c.	Network Design	50	Our network design is at 50%, which is less than our originally stated 100%. This lower percentage was created by conversations with our community anchor institutions (CAI's) and other interested parties. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. This change has allowed us time to discuss additional connections that CAI's and other interested parties are requesting outside of the original project scope and budget. Based on these discussions we are holding our network design finalization until the spring of 2012, which is when we will be able to begin construction again after the winter. At that time we will finalize our network design to best accommodate any additional outside the original project scope connections in which CAI's would pay for out of their own non ARRA funds.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2d.	Rights of Way	100	No variance from baseline
2e.	Construction Permits and Other Approvals	75	Our construction permits and other approvals is at 75%, which is less than our originally stated 100%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Many of the required permits for these locations have limited timeframes in which the defined work is able to be completed. Due to this factor, we will be obtaining the remainder of the permits in the spring and summer of 2012 as we are closer to the time in which we will actually be constructing to those locations.
2f.	Site Preparation	0	Our site preparation is at 0%, which is less than our originally stated 50%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, the site preparation for our huts will not be needed until the spring/summer of 2012. As such, we will not be doing any site preparation until that time so that we can accommodate any increase in hut size that may be needed from potential out of scope project expansion discussions that may take place over the winter months.
2g.	Equipment Procurement	0	Our equipment procurement is at 0%, which is less than our originally stated 20%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Due to this factor, we will be working on equipment procurement in subsequent quarters, which will allow us to purchase at the most competitive prices for the most currently appropriate equipment.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Our network build is at 0%, which is less than our originally stated 60%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, we will not be completing final network build until the end of the project, at which time we would promptly be at 100%.
2i.	Equipment Deployment	0	Our equipment deployment is at 0%, which is less than our originally stated 20%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Due to this factor, we will be working on equipment deployment in subsequent quarters, so that we can deploy the most currently appropriate equipment.
2j.	Network Testing	0	No variance from baseline
2k.	Other (please specify):	0	N/A

3. To the extent not covered above, please describe any challenges or issues faced during this past quarter in achieving planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

Based on fiber availability, we have adjusted our project construction plan. Our remaining fiber is not scheduled to begin shipping until the end of January 2012, with deliveries arriving up through April 2012. Based on not having fiber to install at the time of conduit construction during this quarter, we will instead come back after our conduit construction is completed and once fiber begins arriving, will blow the fiber into the already installed conduit. This changes the timing in which various portions of our project were scheduled to have fiber installed but does not change our overall project light up time, which is still on schedule to meet the June 2013 timeline.

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	Our new network miles deployed is at 0, which is less than our originally stated 80. Due to fiber availability, the manner in which we are constructing different phases of the project has changed.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	Our number of miles of new fiber is at 0, which is less than our originally stated 80. Due to fiber availability, the manner in which we are constructing different phases of the project has changed.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	No variance from baseline

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	1
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements (in quarters)	80

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

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

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). 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	1	No variance from baseline

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Providers with signed agreements receiving improved access	0	No variance from baseline
	Providers with signed agreements receiving access to dark fiber	0	No variance from baseline
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance from baseline
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	No variance from baseline
	Subscribers receiving new access	0	No variance from baseline
	Subscribers receiving improved access	0	No variance from baseline
	Please identify the speed tiers that are available and the number or subscribers for each	0	No variance from baseline
Residential / Households	Entities passed	0	No variance from baseline
	Total subscribers served	0	No variance from baseline
	Subscribers receiving new access	0	No variance from baseline
	Subscribers receiving improved access	0	No variance from baseline
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance from baseline
Businesses	Entities passed	0	No variance from baseline
	Total subscribers served	0	No variance from baseline
	Subscribers receiving new access	0	No variance from baseline
	Subscribers receiving improved access	0	No variance from baseline
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance from baseline

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	Type of Anchor	Are you also the	Narrative description of how anchor institutions are using BTOP-
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	Area (town or county)	Institution (as defined in your baseline)	broadband service provider for this institution? (Yes / No)	funded infrastructure
0	0	0	0	0

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 The next quarter runs through the Minnesota winter months of January to March, so many if not all construction and building penetration efforts will be shuttered due to frost, cold and snow accumulation. Construction will resume next spring, which is typically around May 1st, but Minnesota has weather restrictions on many roads for heavy construction equipment due to the frost and melt, which are typically lifted by the State of MN in June. So we will be resuming building penetrations or other project components that do not require heavy construction equipment in May and remainder of construction activities requiring heavy construction equipment, in June or when the road restrictions are lifted. Also, we will be using the winter months to gather data and begin the drafting of our equipment bid so that it can be released in April. Weather dependent, we anticipate the ability to blow in fiber during this quarter, which will allow us to install roughly 80 of our 89 miles of base ring fiber. We do not anticipate installing any fiber to our CAI's during this winter quarter. We also do not anticipate any additional signed agreements with broadband wholesalers or last mile providers.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Planned Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the next reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	60	Our overall project is at 60%, which is less than our originally stated 63%. This lower percentage is based on our anticipation of not receiving the final shipments of our fiber until April of 2012, at which time the expenditures will be reported.
2b.	Environmental Assessment	100	No variance from baseline
2c.	Network Design	50	Our network design is at 50%, which is less than our originally stated 100%. This lower percentage was created by conversations with our community anchor institutions (CAI's) and other interested parties. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. This change has allowed us time to discuss additional connections that CAI's and other interested parties are requesting outside of the original project scope and budget. Based on these discussions we are holding our network design finalization until the spring of 2012, which is when we will be able to begin construction again after the winter. At that time we will finalize our network design to best accommodate any additional outside the original project scope connections in which CAI's would pay for out of their own non ARRA funds.
2d.	Rights of Way	100	No variance from baseline
2e.	Construction Permits and Other Approvals	75	Our construction permits and other approvals is at 75%, which is less than our originally stated 100%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Many of the required permits for these locations have limited timeframes in which the defined work is able to be completed. So instead, we will be obtaining the remainder of the permits in the spring and summer of 2012 as we are closer to the time in which we will actually be constructing to those locations.
2f.	Site Preparation	0	Our site preparation is at 0%, which is less than our originally stated 75%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, the site preparation for our huts will not be needed until the spring/summer of 2012. As such, we will not be doing any site preparation until that time so that we can accommodate any increase in hut size that may be needed from potential out of scope project expansion discussions that may take place over the winter months.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2g.	Equipment Procurement	40	No variance from baseline
2h.	Network Build (all components - owned, leased, IRU, etc.)	0	Our network build is at 0%, which is less than our originally stated 60%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, we will not be completing final network build until the end of the project, at which time we would promptly be at 100%.
2i.	Equipment Deployment	0	Our equipment deployment is at 0%, which is less than our originally stated 40%. Due to fiber availability, the manner in which we are constructing different phases of the project has changed. We will now be installing fiber to our lateral locations in the spring and summer of 2012. Since we will not be lighting up our fiber in phases, but instead lighting up the project at the end of construction, the equipment deployment will not be needed until the spring/summer of 2012. As such, we will not be doing any equipment deployment until that time.
2j.	Network Testing	0	No variance from baseline
2k.	Other (please specify):	0	N/A

3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

We do not consider it an issue, but if fiber is delayed beyond the January through April delivery schedule that we have been provided from our fiber distributor, we will be pushing out the purchase of equipment to a more appropriate time so that we will be purchasing and installing the most appropriately current equipment. Secondly, if we were to get an unseasonable wet spring/summer where we have flooding or other severe weather, our construction plan would be modified to accommodate.

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$191,807	\$38,361	\$153,446	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$966,760	\$193,352	\$773,408	\$269,975	\$53,995	\$215,980	\$370,000	\$74,000	\$296,000
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$375	\$75	\$300	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$57,915	\$11,583	\$46,332	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$5,474,045	\$1,094,809	\$4,379,236	\$2,659,872	\$531,974	\$2,127,898	\$4,126,000	\$825,200	\$3,300,800
j. Equipment	\$803,598	\$160,720	\$642,878	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$7,494,500	\$1,498,900	\$5,995,600	\$2,929,847	\$585,969	\$2,343,878	\$4,496,000	\$899,200	\$3,596,800
m. Contingencies									
n. TOTALS (sum of l and m)	\$7,494,500	\$1,498,900	\$5,995,600	\$2,929,847	\$585,969	\$2,343,878	\$4,496,000	\$899,200	\$3,596,800

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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