

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 NT10BIX5570129	3. DUNS Number 074746439
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4. Recipient Organization

Rockbridge, County of 150 S. Main St., Ste 6, Lexington, VA 24450-2359

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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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 Daniel Grim GIS Manager	7c. Telephone (area code, number and extension) 5404649656
	7d. Email Address dan_grim@co.rockbridge.va.us

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-25-2013
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Project Indicators (This Quarter)			
<p>1. Please describe significant project accomplishments completed during this quarter (600 words or less).</p> <p>The project's activities during this quarter have continued to be project management, cabinet site construction, fiber network construction, ordering fiber and DSL equipment, and reporting. The fiber contractor is making substantial progress on the construction of the network. Project management duties have included compliance and reporting documentation, Rockbridge Area Network Authority (RANA) board meetings, making contact with interested service providers, managing the delivery and inventorying of the DSL and fiber equipment, and managing the construction of both the cabinets and the fiber network. There has been 30 new network miles deployed and 1 signed service provider agreement.</p>			
<p>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).</p>			
	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2a.	Overall Project	67	The project has spent over 67% of the total project funds through this quarter. This is slightly less than the anticipated progress update provided in the subsequent 2012 Q3 PPR. This is due to the delay in invoices for make ready work from the pole owners and CenturyLink cross connect fee invoices. We are expecting those invoices during 2013 Q1.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	100	No variance
2d.	Rights of Way	100	No variance
2e.	Construction Permits and Other Approvals	100	No variance
2f.	Site Preparation	65	Previous PPR anticipated 62% completion of site preparation. Positive variance is due to nice weather continuing through December and cabinet construction crews continuing to make progress.
2g.	Equipment Procurement	50	Previous PPR anticipated 67% completion of equipment procurement. Most of the equipment purchase orders have been sent to vendors. The difference in completion percentage is due to the equipment still in staging or in shipment and have not been invoiced for yet.
2h.	Network Build (all components - owned, leased, IRU, etc)	60	Previous PPR anticipated 65% completion of this milestone by the end of this quarter. Negative variance is due to delays from CenturyLink getting invoices back to be paid for collocating inside their easement and due to the holidays, all fiber construction had to stop work for 1.5 weeks until after the New Year.
2i.	Equipment Deployment	25	Baseline plan anticipated 75% completion of this milestone but there is no variance with the anticipated completion from the previous PPR. Due to delays with the environmental assessment and legal review of the bid document, DSL construction did not begin until 2012 Q2. Equipment for the DSL cabinet and fiber network cabinets has been ordered and is expected to begin installation during 2013 Q1. The equipment being deployed has been primarily the cabinets themselves and the data center equipment.
2j.	Network Testing	5	Baseline plan anticipated 74% completion of this milestone but there is no variance with the anticipated completion from the previous PPR.. Negative variance is due to the delays with the environmental assessment and legal review of the bid documents. Construction is underway and network equipment installation is scheduled for 2013 Q1 which will result in some network testing taking place. DSL equipment has taken place as the equipment has started arriving.
2k.	Other (please specify): Grant Administration	83	No variance

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

The fiber contractor is making substantial progress with construction. There have been issues with obtaining the easements needed for construction but easements have all been received along Forge Road during this quarter. To be able to secure the needed easements along Forge Road, the sides of the road had to be switched in some locations as well as switch from underground to aerial and vice versa. There were easement issues along Route J from Buena Vista to Mountain View Elementary. We will be submitting a route change request to remove this route from construction and to adjust Route C construction for easement locations.

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	30	The baseline plan indicated that there would be 80 new network miles deployed by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents. There has also been a delay in the legal preparation and review of the fiber network construction contract and that delayed the start of construction. There was also a delay in getting the VDOT permits for construction to begin. Construction is now underway and the construction contractor is making substantial progress.
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)	30	The baseline plan indicated that there would be 80 new network miles deployed by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents. There has also been a delay in the legal preparation and review of the fiber network construction contract and that delayed the start of construction. There was also a delay in getting the VDOT permits for construction to begin. Construction is now underway and the construction contractor is making substantial progress.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	The baseline plan indicated that there would be 2 new interconnection points deployed by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents. There has also been a delay in the legal preparation and review of the fiber network construction contract and that delayed the start of construction. Construction began in 2012 Q2.

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

Indicators	
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	4
Average term of signed agreements (in quarters)	8

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
 We have a signed agreement with Rockbridge Global Village (RGV) and Shentel has committed to sign an agreement, we are still working with them to finalize an agreements. We have also been talking with Zayo, CenturyLink, and MGW Communications about becoming service providers on the network.

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 this third party operates (600 words or less).
 RANA (Rockbridge Area Network Authority) will be operating the entire network. RANA has signed agreements with the County of Rockbridge for network handoff once construction and the grant period are complete. The current contact person for RANA information is RANA Secretary Dan Grim, 150 S. Main St., Lexington, VA 540-464-9656.

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	The Baseline plan indicated that there would be 6 signed agreements by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents and contract. Construction began during 2012 Q2.
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	The Baseline plan indicated that there would be 137 total CAIs served by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in legal review of the network construction bid documents and the contract. Construction began during 2012 Q2 and we expect to begin serving CAIs in Lexington during 2013 Q1.
	Subscribers receiving new access	0	The Baseline plan indicated that there would be 137 total CAIs served by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in legal review of the network construction bid documents and the contract. Construction began during 2012 Q2 and we expect to begin serving CAIs in Lexington during 2013 Q1.
	Subscribers receiving improved access	0	N/A

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 or subscribers for each	0	No variance
Residential / Households	Entities passed	700	The baseline plan indicated that there would be a total of 1220 residents/households passed by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents and the contract. The network construction contract has been signed and construction is making substantial progress.
	Total subscribers served	0	The baseline plan indicated that we would be serving a total of 480 residents/households by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents and the contract. The network construction contract has been signed and construction is making substantial progress.
	Subscribers receiving new access	0	The baseline plan indicated that we would be serving a total of 480 residents/households by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents and the contract. The network construction contract has been signed and construction is making substantial progress.
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance
Businesses	Entities passed	150	The baseline plan indicated that there would be a total of 219 businesses passed by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents and the contract. The construction contract has been signed and the contractor is making substantial progress.
	Total subscribers served	0	The baseline plan indicated that there would be a total of 99 businesses passed by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents and the contract. The construction contract has been signed and the contractor is making substantial progress.
	Subscribers receiving new access	0	The baseline plan indicated that there would be a total of 99 businesses passed by the end of 2012 Q4. Negative variance is due to the delay in getting the environmental assessment submitted and approved as well as the delay in the legal review of the network construction bid documents and the contract. The construction contract has been signed and the contractor is making substantial progress.
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance

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

<p>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).</p>				
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
N/A	N/A	N/A	N/A	N/A
Project Indicators (Next Quarter)				
<p>1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less). For the next quarter, 2013 Q1 (January 1 through March 31), fiber construction is expected to continue. Cabinet site construction is also expected to continue. Both contractors are making substantial progress on construction and we expect that to continue. We are expecting to begin to light up portions of the network as fiber is installed inside the conduit. The fiber equipment vendors are expected to install and configure the core and edge network equipment to begin to serve customers. We anticipate the project will be 80% complete during 2013 Q1 and 100% complete during 2013 Q2. We are anticipating to have 60 miles of backbone and drop connections installed, we plan to have 10 CAIs connected, and we are planning to have 2 service provider agreements by the end of 2013 Q1.</p>				
<p>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).</p>				
	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)	
2a.	Overall Project	80	Estimated expenditures of \$7,935,234 represents a little under 80% of the total project funds. Baseline plan indicated 95% overall project completion by the end of the quarter. As has been explained in previous reports, delays in the submission and approval of the environmental assessment, data center design, data center contract negotiations, route engineering, delays in the legal review of the network construction bid documents and contracts, and delays in getting the Rockbridge County-City of Lexington agreement and VDOT permits have set the project off of its baseline time line. However, data center construction is complete. Route engineering has been completed and construction for both the DSL cabinets and the fiber network are underway. All of the cabinets, conduit, and fiber is on site and we have begun getting the fiber and DSL network equipment shipped and will continue to have more delivered during next quarter. We are also expecting the fiber equipment vendors to come and begin installation and configuration of the core and edge network equipment next quarter.	
2b.	Environmental Assessment	100	No variance	
2c.	Network Design	100	No variance	
2d.	Rights of Way	100	No variance	
2e.	Construction Permits and Other Approvals	100	No variance	
2f.	Site Preparation	80	Baseline plan anticipated a milestone completion of 100%. Negative variance is explained by the delay in cabinet construction due to the environmental assessment submission and approval delay. It can also be attributed to the delay in the legal review of the cabinet site construction bid documents and the delay in contract preparation. The cabinet construction contract is signed and construction is underway. We are expecting CenturyLink to get back to us on the cabinet placement requirements for the remaining cabinets during the next quarter and for the cabinet contractor to be cleared to work in the remaining cabinet sites.	

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2g.	Equipment Procurement	72	Planned purchase of \$1,600,000 for fiber and other equipment represents 72% of the equipment budget. Baseline plan anticipated 100% completion of this milestone by the end of the quarter. Negative variance is explained by discrepancies in the project plan time line and delays resulting from the environmental assessment. Fiber has been delivered and we are expecting to continue to have the fiber and DSL network equipment delivered during 2013 Q1. Also, delays in the legal review of the procurement bid documents delayed the advertisement of the equipment procurement bids. The have since been advertised and received and purchase orders are being sent out as the bids are evaluated. All of the conduit, cabinets, and fiber are on site and we are anticipating the remaining shipments of fiber and DSL equipment to be made next quarter, 2013 Q1. The fiber equipment vendors will be installing and configuring the core and edge network equipment during next quarter, 2013 Q1.
2h.	Network Build (all components - owned, leased, IRU, etc.)	80	Baseline plan anticipated 88% completion of this milestone. Negative variance is due to delays with the environmental assessment, delay with the legal review of the network construction bid documents, delay in the legal preparation and review of the construction contracts, and lengthy data center contract negotiations. The data center construction is complete. The cabinet and fiber network construction is underway. The fiber contractor has finished construction in downtown Lexington and they are making substantial progress now that they are working in the County.
2i.	Equipment Deployment	60	Baseline plan anticipated 87% completion of this milestone. Negative variance is due to delays with the environmental assessment and legal reviews of the bid documents and the construction contracts. Cabinet and fiber network construction are underway and both contractors have been making substantial progress towards completion. DSL equipment (DSLAMs, UPSes, patch panels, etc.) will be installed in the DSL cabinets as construction is complete at each of the 29 sites. Customers will be able to begin purchasing services on a rolling basis as soon as the equipment is installed. The data center construction is complete and W&L has installed their equipment and are operating their network out of the data center. Network equipment in fiber cabinets will begin being installed next quarter, 2013 Q1. Portions of the network will be lit and customers will be connected on a rolling basis throughout next quarter 2013, Q1.
2j.	Network Testing	50	Baseline plan anticipated 87% completion of this milestone. Due to delays with the environmental assessment and legal review of the network construction bid documents and preparation of the construction contracts, cabinet construction is underway but no DSL network equipment has been deployed. The data center contract negotiations also delayed the start of the data center construction, which is now complete. Network testing has begun as the DSL equipment has been delivered. Fiber vendors are expected to conduct the installation and configuration of the core and edge network equipment. Once installation and configuration is complete network testing will begin on the fiber network. The DSL equipment is also expected to be installed in the cabinets that are completed and testing of the DSL network will also be taking place during the next quarter, 2013 Q1. Network testing will continue on a rolling basis as additional fiber route segments are completed.
2k.	Other (please specify): Grant Administration	91	No variance

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).

CenturyLink is expected to start working on the connections into their cabinets for the DSL connections and we are expecting to begin being able to build the remaining cabinet sites on the CenturyLink easements during the next quarter. Construction will continue to progress throughout the County as all VDOT permits have been received and the contractor is making substantial progress in installing the conduit and fiber. We expect the fiber equipment vendors to install and configure the core and edge network equipment and we expect to begin being able to light up portions of the network as the fiber is installed.

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	\$35,150	\$0	\$35,150	\$20,517	\$6,155	\$14,362	\$21,500	\$6,450	\$15,050
b. Land, structures, right-of-ways, appraisals, etc.	\$3,219,000	\$2,500,000	\$719,000	\$3,092,734	\$927,821	\$2,164,913	\$3,142,734	\$942,820	\$2,199,914
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,054,718	\$0	\$1,054,718	\$877,235	\$263,171	\$614,064	\$927,000	\$278,100	\$648,900
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$108,316	\$0	\$108,316	\$14,616	\$4,385	\$10,231	\$34,000	\$10,200	\$23,800
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$2,973,056	\$497,171	\$2,475,885	\$1,372,711	\$411,813	\$960,898	\$2,000,000	\$600,000	\$1,400,000
j. Equipment	\$2,239,010	\$0	\$2,239,010	\$1,202,977	\$360,893	\$842,084	\$1,600,000	\$480,000	\$1,120,000
k. Miscellaneous	\$361,320	\$0	\$361,320	\$138,761	\$41,628	\$97,133	\$210,000	\$63,000	\$147,000
l. SUBTOTAL (add a through k)	\$9,990,570	\$2,997,171	\$6,993,399	\$6,719,551	\$2,015,866	\$4,703,685	\$7,935,234	\$2,380,570	\$5,554,664
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$9,990,570	\$2,997,171	\$6,993,399	\$6,719,551	\$2,015,866	\$4,703,685	\$7,935,234	\$2,380,570	\$5,554,664

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: \$744
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