

**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>  NT10BIX5570070	<b>3. DUNS Number</b>  147368641
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<b>4. Recipient Organization</b>  Massachusetts Technology Park 75 North Drive , Westborough, MA 01581-3335
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<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  03-31-2011	<b>6. Is this the last Report of the Award Period?</b>  <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.

<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Lisa Erlandson	<b>7c. Telephone (area code, number and extension)</b>
	<b>7d. Email Address</b>  erlandson@masstech.org

<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  05-24-2011
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**Project Indicators (This Quarter)**

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

MassBroadband 123 accomplishments for the quarter ending March 31, 2010 include:

Administrative:

- Received Finding of No Significant Impact (FONSI) after successful submittal of Environmental Assessment

Procurements

- Completed procurement for and hired Network Operator
- Completed procurement for and hired Environmental Permitting Services firm
- Received responses to the Optical Networking Equipment and Standards RFI
- Drafted and released Request For Quotation (RFQ) for Design Build procurement
- Drafted and released Request For Proposal (RFP) for Design Build procurement
- Created short list of prospective Design Build firms, and held bidder's pre-proposal meeting.

Agreements

- Executed agreement with City of Springfield for a conduit Indefeasible Right of Use (IRU) that will be used to connect the I-91 portion of MassBroadband 123 to the Internet Point of Presence at One Federal Street, Springfield
- Executed Memorandum of Understanding (MOU) with National Grid for expedited pole survey and application process
- Executed Three-Way Pole Attachment Agreement with Verizon and Western Massachusetts Electric Company
- Continued negotiation of Pole Attachment agreement with National Grid
- Continued negotiation of Two-Way Pole Attachment Agreement with Verizon and Two-Way Conduit Agreement with Verizon.
- Continued negotiation with eight municipal electric companies and two telephone companies on Pole Attachment Agreements and

Memorandum of Understanding's (MOU) where applicable

- Continued negotiation on lease of Meet-Me room in One Federal Street in Springfield
- Continued negotiation with Massachusetts Information Technology Department (ITD) and Executive Office of Public Safety and Security (EOPSS)

Design and Engineering

- Completed route validation for entire route, in preparation for field data collection and pole license application submittal
- Received pole data for over 2,500 poles to date
- Submitted applications for licensing and make ready for over 1,800 poles to date

Community Outreach

- Continued community outreach with 3 community representatives, conference calls, several one on one calls with representatives and held an informational technology summit for towns and providers

Jobs Created or Retained

- The Total Number of Jobs Created or Retained were 9.87. This includes the following positions:
- The Massachusetts Broadband Institute (MBI) under the Massachusetts Technology Collaborative (MTC) jobs counted are comprised of various administrative and program positions. They are: Division Director, Deputy Director, Program Director, Outreach Manager,

Procurement Leads, Executive Assistant, Intern and Federal Compliance Manager.

- The MTC Vendor Jobs Created or Retained for Professional Services Consultants providing Programmatic, Engineering and Auditing services to MBI.

**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	11	1% behind Overall Project projection for the quarter, mainly due to delays in field data collection that were caused by the unusually severe weather and have slightly delayed pole license application and the associated fees

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2b.	Environmental Assessment	100	Completed as planned. Construction has not yet begun, so monitoring has not yet begun. Compliance requirements with environmental mitigation was included in the Design Build RFP and the Owner's Project Manager will oversee this work.
2c.	Network Design	34	4% ahead of projection, largely due to the majority of the Owner's Project Manager consulting costs going towards Network Design
2d.	Rights of Way	10	17% behind projection, largely due to the aforementioned delay in field data collection and the pole license application process. With weather improved, contractor is expected to be back on track for next quarter
2e.	Construction Permits and Other Approvals	0	1% behind projection. Both environmental and non-environmental permitting are gearing up in preparation of Design Builder on-boarding, Make Ready work has been delayed due to previously mentioned delay in Field Data Collected. Expected to improve for next quarter
2f.	Site Preparation	0	On par with last quarter's PPR projections and baseline.
2g.	Equipment Procurement	0	On par with last quarter's PPR projections and baseline.
2h.	Network Build (all components - owned, leased, IRU, etc)	12	2% behind projection. Expenditures are representative of the I-91 portion of the build. Consulting costs from this category were allocated to the Network Design category for this portion of the project. As a result, Network Build is 2% behind, while Network Design is 4% ahead. This is expected to even out as construction approaches and commences.
2i.	Equipment Deployment	0	On par with last quarter's PPR projections and baseline.
2j.	Network Testing	0	On par with last quarter's PPR projections and baseline.
2k.	Other (please specify):	91	23% ahead of projection, largely due to outside consultants and legal counsel involvement with agreement negotiation and procurement process.

**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).**

A challenge to MassBroadband 123 in the past quarter has been the severe winter weather affecting the ramp-up of field data collection and pole license applications. The field data collection contractor is expected to be back on schedule with their baseline by the end of June 2011. The complicated negotiations surrounding pole attachment agreements with National Grid and various municipal utility companies also continue to be challenging to bring to completion.

**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	On par with last quarter's PPR projections and baseline.
New network miles leased	0	On par with last quarter's PPR projections and baseline.
Existing network miles upgraded	0	Variance of 55 miles from the baseline equates to those miles provided as match for this quarter but won't be considered "existing upgraded" until they are lit with BTOP funds in a future quarter.
Existing network miles leased	0	On par with last quarter's PPR projections and baseline.
Number of miles of new fiber (aerial or underground)	0	On par with last quarter's PPR projections and baseline.
Number of new wireless links	0	On par with last quarter's PPR projections and baseline.
Number of new towers	0	On par with last quarter's PPR projections and baseline.

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of new and/or upgraded interconnection points	0	On par with last quarter's PPR projections and 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	1
Average term of signed agreements (in quarters)	40

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

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:

No services are being offered at this time.

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).

MTC has hired Axia NGNetworks USA as a contractor to run the entirety of the MassBroadband 123 network. They will also assist with equipment specifications and network and fiber design during the construction period. Tim Scott, Vice President, may be contacted at Tim.Scott@axia.com

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	On par with last quarter's PPR projections and baseline.
	Providers with signed agreements receiving improved access	0	On par with last quarter's PPR projections and baseline.
	Providers with signed agreements receiving access to dark fiber	0	On par with last quarter's PPR projections and baseline.
	Please identify the speed tiers that are available and the number of subscribers for each	0	On par with last quarter's PPR projections and baseline.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	On par with last quarter's PPR projections and baseline.
	Subscribers receiving new access	0	On par with last quarter's PPR projections and baseline.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Subscribers receiving improved access	0	On par with last quarter's PPR projections and baseline.
	Please identify the speed tiers that are available and the number or subscribers for each	0	On par with last quarter's PPR projections and baseline.
Residential / Households	Entities passed	0	On par with last quarter's PPR projections and baseline.
	Total subscribers served	0	On par with last quarter's PPR projections and baseline.
	Subscribers receiving new access	0	On par with last quarter's PPR projections and baseline.
	Subscribers receiving improved access	0	On par with last quarter's PPR projections and baseline.
	Please identify the speed tiers that are available and the number of subscribers for each	0	On par with last quarter's PPR projections and baseline.
Businesses	Entities passed	0	On par with last quarter's PPR projections and baseline.
	Total subscribers served	0	On par with last quarter's PPR projections and baseline.
	Subscribers receiving new access	0	On par with last quarter's PPR projections and baseline.
	Subscribers receiving improved access	0	On par with last quarter's PPR projections and baseline.
	Please identify the speed tiers that are available and the number of subscribers for each	0	On par with last quarter's PPR projections and baseline.

**7. Please describe any special offerings you may provide (600 words or less).**

MTC plans on offering a 15% discount for wholesale offerings to our state partners, Information Technology Division and Executive Office of Public Safety and Security. Our state partners contributed matching funds to the MassBroadband 123 grant application and they have committed to being an anchor tenant on the new network

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

**8b. If so, please describe the changes (300 words or less).**

N/A

**9. Community Anchor Institutions:**

Using the table below, please provide a list by service area of the community anchor institutions (including Government institutions) connected to your network as a result of BTOP funds. Figures should be reported for the most recent reporting quarter only (NOT cumulatively). Also indicate whether your organization is currently providing broadband service to the anchor institution. Finally, provide a short narrative description with examples of how institutions are using BTOP-funded infrastructure (300 words or less).

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

**Project Indicators (Next Quarter)**

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

In the upcoming quarter MTC plans to:

Procurements

- Complete procurement process for Design Build selection, including receipt of responses, full evaluation of bids, contract negotiation with selected firm, and issuance of Notice to Proceed
- Release Dark Fiber Indefeasible Right of Use (IRU) RFP and collect responses.

**Agreements**

- Execute Pole Attachment Agreement with National Grid
- Execute Verizon 2-way Pole Attachment Agreement and Verizon 2-way Conduit Agreement
- Execute Memorandum Of Understanding's (MOU) and Pole Attachment Agreements with Russell Municipal Light, Princeton

**Municipal Light, and Templeton Municipal Light & Water**

- Execute lease agreement at One Federal Street in Springfield
- Execute Master Services Agreement (MSA) with state partners, the Information Technology Division of Massachusetts (ITD) and the Executive Office of Public Safety and Security (EOPSS)

**Design and Engineering**

- Prepare all railroad crossing permits and MassDOT applications for permit
- Submit pole applications for 28 towns
- Continue pole license application process

**Construction**

- Commence make-ready work on existing conduit and utility poles

**Outreach**

- Continue outreach program to 123 communities and last-mile providers, specifically in preparation for Community Anchor Institute (CAI) and Point of Interconnection (POI) outreach
- With input from community representatives, finalize list of 1,392 Community Anchor Institutes (CAI) for connection by the project

**Resources**

- Hire a Project Administrator

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

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	15	Planned expenditures for Overall Project for the upcoming quarter are 1% behind, but expected to ramp up as the Make Ready work increases to full capacity allowing construction to reach higher production rates.
2b.	Environmental Assessment	100	EA completed. No further expenditures planned. Compliance requirements with environmental mitigation was included in the Design Build Request For Proposal (RFP) and the Owner's Project Manager will oversee this work.
2c.	Network Design	61	Planned expenditures are 25% ahead of baseline, but expected to even out as majority of costs will transition into Network Build category as construction approaches.
2d.	Rights of Way	43	Planned expenditures for Rights of Way for the upcoming quarter are on target with baseline projections.
2e.	Construction Permits and Other Approvals	5	Planned expenditures for Construction Permits and Other Approvals for the upcoming quarter are 1% behind baseline projections, but expected to ramp up as the Make Ready Work increases to full capacity.
2f.	Site Preparation	0	No expenditures planned for upcoming quarter.
2g.	Equipment Procurement	0	No expenditures planned for upcoming quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	13	Planned expenditures for next quarter are 4% behind baseline projections, but expected to ramp up as we enter construction stage.
2i.	Equipment Deployment	0	No expenditures planned for upcoming quarter.
2j.	Network Testing	0	No expenditures planned for upcoming quarter.
2k.	Other (please specify):	94	Planned expenditures are 20% ahead of baseline projections, due to protracted negotiations in procurements and agreements, and the associated costs of legal counsel and outside consultants.

**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).**

Looking ahead to the next quarter, we are most concerned about the great amount of make-ready work that will likely need to be completed before pole owners will issue us pole attachment licenses. While Massachusetts Technology Collaborative (MTC) has very good working relationships and regular meetings with the pole owners and even other third party attachers, much of the make-ready work that is required needs to be performed by entities that are not under the control of MTC. It would be very useful to know what other states are doing about these potential road blocks. It would be helpful if the Broadband Technology Opportunity Program ( BTOP) would develop and share best practices it learns about through its recipients.

**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	\$1,871,196	\$598,342	\$1,272,854	\$1,331,941	\$425,955	\$905,986	\$1,499,793	\$479,634	\$1,020,159
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$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	\$9,317,022	\$2,979,253	\$6,337,769	\$1,576,918	\$504,298	\$1,072,620	\$2,671,461	\$854,333	\$1,817,128
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$2,218,560	\$709,417	\$1,509,143	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$51,193,858	\$19,660,308	\$31,533,549	\$4,952,317	\$4,782,129	\$170,188	\$6,707,920	\$5,435,350	\$1,272,569
j. Equipment	\$7,044,808	\$2,252,680	\$4,792,129	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	\$71,645,444	\$26,200,000	\$45,445,444	\$7,861,176	\$5,712,382	\$2,148,794	\$10,879,174	\$6,769,317	\$4,109,856
m. Contingencies									
<b>n. TOTALS (sum of l and m)</b>	\$71,645,444	\$26,200,000	\$45,445,444	\$7,861,176	\$5,712,382	\$2,148,794	\$10,879,174	\$6,769,317	\$4,109,856

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: \$15,111
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