QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	NT10BIX5570122	961960122

4. Recipient Organization

Florida Rural Broadband Alliance, LLC 4636 Hwy 90, Ste. K, Marianna, FL 32446-3508

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Report of the Award Period?
12-31-2013	○ Yes ◉ 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	7c. Telephone (area code, number and extension)
Jim Brook	X
	7d. Email Address brook.jim@gmail.com

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	02-28-2014

Project Indicators (This Quarter)

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

a) SITE CONSTRUCTION COMPLETE: The South network remained at 96% Construction Complete status and the North network moved from 95% to 97% Construction Complete status in 4Q2013.

b) COMMERCIAL TOWER CONSTRUCTION: Construction has been materially completed at all sites that did not require lease execution or amendments in 4Q2013. The last tower lease in the network is being finalized with the State of Florida Law Enforcement Network managed by Harris Corp. Construction for the last remaining sites are tentatively being scheduled or pending waiting on approved Route Modification from the NTIA.

c) DATA CENTER BUILDOUTS: Construction at the Orlando and Tallahassee data centers is materially complete. Both Data-centers have been configured and engineered to accept and process core traffic destined for on-net facilities or the Public Internet. The Wireless millimeter wave link from FRH-022 to the Level 3 Tallahassee Data-center is being scheduled for final installation now that Core site construction has been completed. This link will provide an additional (1Gb) link for core network offloading in the FRBA North network. At the conclusion of 4Q2013 all millimeter wave equipment has been procured and we only await an Notice to Proceed (NTP) from Level 3.

d) QUALITY ASSURANCE/SITE ACCEPTANCE: Quality Assurance testing has been completed at 96% of sites in 4Q2013; Punch-list items have been repaired for QA Completed sites and subsequently have been accepted per FRBA acceptance standards.

e) NETWORK OPERATOR: An Invitation To Negotiate (ITN) was released for a Network Operator in 1Q2013, resulting in multiple respondents. Selection of the Network Operator and a signed Letter of Intent occurred during 2Q2013. Final stages of due diligence are being performed; with a definitive agreement targeted in early 1Q2014. It should be noted that a Definitive Agreement seems eminent and only minor details are being finalized for agreement approval and execution.

f) CUSTOMER OUTREACH: FRBA is in discussions with potential customers, which may initially start as "beta" customers. FRBA's network operator has begun a joint customer outreach effort with FRBA. Customer proposals are being generated currently and service expectations are being defined. FRBA is continuing discussions with last-mile providers in the region to purchase wholesale capacity into the region to serve local markets.

g) BUDGET REALIGNMENT: FRBA has also submitted a budget realignment which realigns the costs more accurately to the project. FRBA has submitted the budget realignment to NTIA which has received approval.

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	85	Project fell short quarterly projections, but continued to make gains in the areas of middle-mile network deployment.
2b.	Environmental Assessment	0	N/A
2c.	Network Design	91	Project fell short of quarterly projections of 100%. During 4Q2013 alternative sites had to be considered in the North and South due to a combination of elevation issues at FRH-024 as well as a failed structural at FRL-063. Alternative sites have been submitted but are pending approval with the NTIA.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	81	Project fell short of quarterly projections of 100%. During 4Q2013 alternative sites had to be considered in the North and South due to a combination of elevation issues at FRH-024 as well as a failed structural at FRL-063. Alternative sites have been submitted but are pending approval with the NTIA.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	90	Project fell short of quarterly projections. Equipment necessary to complete network build has been procured and adequate inventories exist to account for any moderate changes that may occur to middle-mile sites. Remaining percentage exists for miscellaneous equipment and

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			materials that may needed to meet FRBA last mile installation acceptance per the FRBA standard for last mile installations recently created and adopted in 4Q2013.
2h.	Network Build (all components - owned, leased, IRU, etc)	81	Project fell short of quarterly projections of 100%. Network Build is materially complete. Outliers remain to be alternative sites added due to elevation and structural issues.
2i.	Equipment Deployment	81	Project fell short of quarterly projections of 100%. Network Build is materially complete. Outliers remain to be alternative sites added due to elevation and structural issues.
2j.	Network Testing	46	Network testing is materially complete. Only the previously mentioned alternative sites remain in the construction schedule. Consequently, the associated links have cannot be tested.
2k.	Other (please specify): N/A	0	In previous quarters, this section described In-Kind. This quarter In-Kind is included in question 2g.

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) OVERALL SITE CONSTRUCTION SCHEDULE: Project deployment continued its positive trend through 4Q2013. The project made huge strides in link alignments, testing and integration. Punch-list construction items were repaired and a majority of sites were accepted per project standards. A no cost grant extension was submitted and approved during the quarter. Additionally, design changes occurred due to structural and elevation issues with two specific towers. Subsequently, a network route modification was submitted and FRBA is awaiting final approval.

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	617	The following links are Construction Complete: FRH022 - FRH022ILA, FRH063 - FRH016, FRH016 - FRH008 FRH016 - FRH020, FRH035 - FRH001, FRH001 - FRH051 FRH051 - FRH004, FRH004 - FRH012, FRH012 - FRH020 FRH020 - FRH059B, FRH059B - FRH032, FRH032 - FRH022 FRH035 - FRH043, FRH001 - FRH047B, FRH047B - FRH006 FRH046 - FRH006, FRH006 - FRH042, FRH042 - FRH040 FRH040 - FRH009B, FRH011 - FRH009B, FRH009B - FRH005B, FRH005B - FRH049, FRH049 - FRH058 FRH058 - FRH033, FRH033 - FRH023, FRH023 - FRH026 FRH026 - FRH041, FRH041 - FRH018, FRH018 - FRH051 FRH051 - FRH057, FRH057 - FRH057ILA, FRH051 - FRH039, FRH024 - FRH019, FRH019 - FRH002, FRH019 - FRH014 FRH014 - FRH015, FRH015 - FRH021, FRH021 - FRH027 FRH027 - FRH036, FRH036 - FRH022, FRL016ILA - FRL016 FRL016 - FRL009, FRL009 - FRL059, FRL059 - FRL011 FRL011 - FRL023, FRL023 - FRL008, FRL023 - FRL024 FRL024 - FRL005, FRL022 - FRL015, FRL015 - FRL014, FRL014 - FRL013, FRL013 - FRL012, FRL012 - FRL054, FRL054 - FRL020, FRL020 - FRL006, FRL006 - FRL021, FRL021 - FRL005, FRL024 - FRL019, FRL017 - FRL018, FRL018 - FRL004, FRL004 - FRL052, FRL052 - FRL019
New network miles leased	1,201	Level 3 IRU Miles
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	N/A

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of new wireless links	60	The following links are Construction Complete: FRH022 - FRH022ILA, FRH063 - FRH016, FRH016 - FRH008 FRH016 - FRH020, FRH035 - FRH001, FRH001 - FRH051 FRH051 - FRH004, FRH004 - FRH012, FRH012 - FRH020, FRH032 - FRH022 FRH035 - FRH043, FRH001 - FRH047B, FRH047B - FRH006 FRH046 - FRH006, FRH006 - FRH042, FRH042 - FRH040 FRH040 - FRH009B, FRH011 - FRH009B, FRH009B - FRH005B, FRH005B - FRH049, FRH049 - FRH058 FRH058 - FRH033, FRH033 - FRH023, FRH023 - FRH026 FRH026 - FRH041, FRH041 - FRH018, FRH018 - FRH051 FRH051 - FRH057, FRH057 - FRH057ILA, FRH051 - FRH039, FRH024 - FRH019, FRH019 - FRH002 FRH002 - FRH013, FRH013 - FRH053B, FRH019 - FRH014 FRH014 - FRH015, FRH015 - FRH021, FRH021 - FRH027 FRH027 - FRH036, FRH036 - FRH022, FRL016ILA - FRL016 FRL016 - FRL009, FRL009 - FRL059, FRL059 - FRL011 FRL011 - FRL023, FRL023 - FRL008, FRL023 - FRL024 FRL024 - FRL005, FRL022 - FRL015 FRL015 - FRL014, FRL014 - FRL013, FRL013 - FRL012 FRL012 - FRL054, FRL054 - FRL020, FRL020 - FRL006 FRL006 - FRL021, FRL021 - FRL005, FRL024 - FRL019 FRL017 - FRL018, FRL018 - FRL004, FRL004 - FRL052 FRL052 - FRL019
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	N/A

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

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

FRBA has not signed any agreements with wholesale or last mile providers during this reporting period. FRBA is currently finalizing its definitive agreement with its Network Operator which has experience in both self performing last mile installations and brings existing last mile strategic partnerships in which FRBA anticipates will be able to utilize this middle-mile 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:

The FRBA network provides transport, commodity Internet and co-location services to wholesale providers in the region. FRBA's services will allow wholesale providers (LEC's, CLEC's, Broadband Access and Wireless Access) to receive new type 2 middle-mile services across the service area with bandwidths between 5Mbp and 200Mbp. FRBA's wholesale will connect wholesale providers between multiple on-net points within the network or between points within the network and interconnecting data centers located in Orlando, FL and Tallahassee, FL. Data centers provide neutral access with interconnecting carriers utilizing Ethernet-based NNIs (network-to-network interconnections). FRBA also provides commodity Internet access at its data centers for wholesale providers who require transport + IP connections. FRBA also provides dedicated colocation at the Orlando data center for wholesalers needing local presence in this facility.

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).

FRBA has selected Affiniti, Inc to be the operator of the entire network. The definitive agreement is estimated to be completed during the month of January 2014. Contact information for Affiniti, Inc follows:

Bob Roland, Chief Operating Officer, Affiniti, bobr@stingcom.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	0	FRBA is currently in discussions with several wholesalers for purchase of capacity on the FRBA network.
	Providers with signed agreements receiving improved access	0	FRBA is currently in discussions with several wholesalers for purchase of capacity on the FRBA network.
	Providers with signed agreements receiving access to dark fiber	0	FRBA does not provide dark fiber services.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Speed tiers will begin at 5Mbp and scale to 200Mbp and greater in special cases. FRBA will have the capability to provide gigabit speeds on an individual case basis.
Community Anchor Institutions (including Government institutions)	Total subscribers served	3	Previous reports identified 34 CAIs served by the project. These 34 CAIs were served through the Hardee County network which is no longer considered part of the project. As a result of this change, we are reporting an adjustment from 34 CAIs to 0 CAIs. Additional CAIs have been identified to be served through FRBA, as reported in the 2012 APR Template, making up the loss of the 34 CAIs. 3 CAI have been added as of the end 4Q2013.
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	3	N/A
	Please identify the speed tiers that are available and the number or subscribers for each	3	Each subscriber is capable of receiving 10-50Mbs.
Residential / Households	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Businesses	Entities passed	0	Not applicable. FRBA is a middle-mile network only. Last-mile providers will access last-mile service areas through FRBA's middle-mile network.
	Total subscribers served	0	Not applicable. FRBA is a middle-mile network only. Last-mile providers will access last-mile service areas through FRBA's middle-mile network.
	Subscribers receiving new access	0	Not applicable. FRBA is a middle-mile network only. Last-mile providers will access last-mile service areas through FRBA's middle-mile network.
	Subscribers receiving improved access	0	Not applicable. FRBA is a middle-mile network only. Last-mile providers will access last-mile service areas through FRBA's middle-mile network.

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	Not applicable. FRBA is a middle-mile network only. Last-mile providers will access last-mile service areas through FRBA's middle-mile network.

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

FRBA will have built-in capabilities to provide on-net services between community anchors throughout the region. This will allow for collaboration and interconnection between separate CAI organizations that need to share data between one another. FRBA will also have the capabilities to offer colocation and data center space to CAIs requiring secure data backup facilities. CAIs will have layer 2 access to such facilities across the FRBA network, enabling them to maintain direct on-net connectivity to their data, rather than having to provision separate physical circuits or Internet-based VPNs ("virtual private networks") for access to their data.

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
Heartland Workforce	**N/A**	**Community Support Organizations**	**No**	**No Contract - Negotiations in process to purchase Dedicated Internet Access (DIA)**
Florida Rural Broadband Alliance		**Community Support Organizations**	**Yes**	**No Contract - Negotiations in process to purchase Dedicated Internet Access (DIA)**
Veterans Clinic		**Medical and Health Care Providers**	**No**	**No Contract - Have not initiated sales effort with customer yet**

Project Indicators (Next Quarter)

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

a) SITE CONSTRUCTION COMPLETE: The South network should move from 96% to 100% Construction Complete status and the North network should move from 97% to 100% Construction Complete status in 1Q2014. Approximately 96 miles of network will be completed early in 1Q2014.

b) COMMERCIAL TOWER CONSTRUCTION: Lease/Lease Amendments at commercial sites have all been received and all sites are scheduled for construction completion in 1Q2014.

c) DATA CENTER BUILDOUTS: Data Center Buildout has been materially complete. In the Tallahassee Level 3 Data Center, an additional wireless 1GB link will be provided directly from FRH-022 to the Data Center. The link will be completed early in 1Q2014 and will constitute the completion of the Data Center buildouts. FRBA and the Network Operator will continue to pursue IRU Modifications with Level 3 in attempt to reconfigure space, power, and fiber allocations to better fit the needs of the entire network. This modification request does not hinder the capability for FRBA to provide service to end customers.

d) QUALITY ASSURANCE/SITE ACCEPTANCE: Quality Assurance testing is projected to be completed at 100% of sites in 1Q2014.

e) NETWORK OPERATOR: Negotiations of definitive agreement with operator will continue into 1Q2014.

f) CUSTOMER OUTREACH: Establish direct service to as many CAI's as possible through unified outreach of FRBA and Network Operator. Outreach to required and non-required CAI's has begun. Limited campaigns will occur with the intent to secure required CAI's as presented in the grant. Continue to identify last-mile providers, primarily wireless Internet providers, in the region to establish service needs and timing coinciding with construction completion. FRBA expects to have made connection to at least 30 CAIs by the

end of the next quarter, installed as beta customers as the network is completed.

g) Wholesale Agreements: Through FRBA's network operator/partner agreement with Affiniti, additional last-mile providers will be identified through their channels to provide broadband into the FRBA service area. FRBA anticipates at least 1 contract with a broadband wholesaler/last mile provider by the end of the next quarter.

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	100	Completed
2b.	Environmental Assessment	0	N/A
2c.	Network Design	100	Completed
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	100	Completed
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	100	Completed
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Completed
2i.	Equipment Deployment	100	Completed
2j.	Network Testing	100	Completed
2k.	Other (please specify):	100	Completed

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).

Through the extension of the the BTOP Grant, FRBA expects to complete all applicable project milestones 2a-2k.

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.

Cost Classification	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		
	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	$3,853,561	$275,000	$3,578,561	$2,708,697	$0	$2,708,697	$3,183,697	$275,000	$2,908,697
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	$3,058,759	$0	$3,058,759	$3,224,598	$0	$3,224,598	$3,224,598	$0	$3,224,598
e. Other architectural and engineering fees	$2,224,594	$0	$2,224,594	$3,066,208	$0	$3,066,208	$3,066,208	$0	$3,066,208
f. Project inspection fees	$105,000	$0	$105,000	$47,923	$0	$47,923	$105,000	$0	$105,000
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	$4,762,182	$1,221,000	$3,541,182	$1,797,652	$0	$1,797,652	$4,424,593	$1,221,000	$3,203,593
j. Equipment	$20,145,569	$8,960,000	$11,185,569	$18,221,364	$7,175,608	$11,045,756	$20,145,569	$8,960,000	$11,185,569
k. Miscellaneous	$0	$0	$0	$0	$0	$0	$0	$0	$0
l. SUBTOTAL (add a through k)	$34,149,665	$10,456,000	$23,693,665	$29,066,442	$7,175,608	$21,890,834	$34,149,665	$10,456,000	$23,693,665
m. Contingencies	$0	$0	$0	$0	$0	$0	$0	$0	$0
n. TOTALS (sum of l and m)	$34,149,665	$10,456,000	$23,693,665	$29,066,442	$7,175,608	$21,890,834	$34,149,665	$10,456,000	$23,693,665

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