

RECIPIENT NAME:ION Newco Corp

AWARD NUMBER: NT10BIX5570133

DATE: 02/26/2014

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 6/30/2015

### 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>  NT10BIX5570133	<b>3. DUNS Number</b>  961747875
<b>4. Recipient Organization</b>  ION Newco Corp 80 State Street Suite 700, Albany, NY 12207-2543		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2013	<b>6. Is this the last Report of the Award Period?</b>  <input checked="" type="radio"/> Yes <input type="radio"/> No	
<b>7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Michael Shuipis	<b>7c. Telephone (area code, number and extension)</b>  5186894559	
	<b>7d. Email Address</b>  mshuipis@i-o-n.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  02-26-2014	

**Project Indicators (This Quarter)**

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

In 3Q2013 ION, Sovernet and the Development Authority of the North Country (DANC) focused primarily on completing all builds to Community Anchor Institutions, finalizing the Central Office build outs, and installing all network management and monitoring equipment. 100% of middle mile has been deployed across all projects.

DANC has installed fiber at the final 46 Community Anchor Institutions for a total of 87 CAI's with new fiber. Additional 3Q2013 accomplishments includes completing the construction and equipment install at the final new central office. We also installed enhanced network monitoring equipment at 8 of the recently completed equipment locations.

ION is negotiating with last mile providers and wholesalers in this quarter to provide services on the ION network to end users.

ION has submitted the necessary Award Action Requests for IRU lease agreements on projects 2,7,9 and 5b.

ION has continued its aggressive marketing strategy, marketing the future network availability to prospective towns, anchor institutions, last mile providers, and government agencies.

**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	100	\$51,945,538 expended through the end of the Grant. Total budget (Federal and matching funds) is \$48,673,735. Variance was funded by additional matching funds.
2b.	Environmental Assessment	0	The original grant for the project was awarded in December, 2009. As a result of the entity change process, a new grant was assigned in September 2010 which necessitated a revised budget for the remaining amount of the grant expenditures. As required by the original grant Special Award Conditions, the Environmental Assessment (EA) work was budgeted as part of the original grant expenditures. Since the milestones are measured against dollars expended vs. budgeted, and all EA budgeted dollars were expended under the original grant, zero percent is reported here.
2c.	Network Design	100	\$2,382,150 expended through the end of the Grant. Total budget (Federal and matching funds) is \$1,715,332. Variance was funded by additional matching funds.
2d.	Rights of Way	100	\$31,154 expended through the end of the Grant. Total budget (Federal and matching funds) is \$24,093. Variance was funded by additional matching funds.
2e.	Construction Permits and Other Approvals	100	\$155,417 expended through the end of the Grant. Total budget (Federal and matching funds) is \$148,586. Variance was funded by additional matching funds.
2f.	Site Preparation	100	\$4,252,590 expended through the end of the Grant. Total budget (Federal and matching funds) is \$3,309,658. Variance was funded by additional matching funds.
2g.	Equipment Procurement	100	\$8,631,013 expended through the end of the Grant. Total budget (Federal and matching funds) is \$7,960,084. Variance was funded by additional matching funds.
2h.	Network Build (all components - owned, leased, IRU, etc)	100	\$33,477,620 expended through the end of the Grant. Total budget (Federal and matching funds) is \$34,019,486. Variance was funded by additional matching funds.
2i.	Equipment Deployment	100	\$1,725,415 expended through the end of the Grant. Total budget (Federal and matching funds) is \$472,701. Variance was funded by additional matching funds.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2j.	Network Testing	0	Network Testing costs included in Equipment Deployment.
2k.	Other (please specify): Grant Administration	100	\$1,290,178 expended through the end of the Grant. Total budget (Federal and matching funds) is \$1,023,794. Variance was funded by additional matching funds.

**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).**

During the third quarter, ION continued to experience some delays due to make ready obligations not being met by a specific pole owner. Though the requirement is that the owner make necessary alterations on their poles, deadlines and agreed upon completion dates continue to go unmet. In most cases little make ready work has been started under these obligations and agreements. ION representatives have continued to communicate with the pole owner's representatives and use every means available, to urge the pole owner to work within the agreed upon work timetables. There will be some impact to the project timetables due to the continued make ready delays. Though, there will be no risk that the project will not be completed.

**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	944	Baseline = 1,308: Original plans had a higher estimate of miles to be built, with fewer leased. Ultimately fewer miles built, with more leased as long-term IRU's.
New network miles leased	0	Baseline = 0; No variance.
Existing network miles upgraded	0	Baseline = 0; No variance.
Existing network miles leased	378	Baseline = 246: Original plans had a higher estimate of miles to be built, with fewer leased. Ultimately fewer miles built, with more leased as long-term IRU's.
Number of miles of new fiber (aerial or underground)	944	Baseline = 1,554: Original plans had a higher estimate of miles to be built, with fewer leased. Ultimately fewer miles built, with more leased as long-term IRU's.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	45	Baseline = 57:

**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	39
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	3
Average term of signed agreements (in quarters)	12

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

ION Holdco LLC  
 Westelcom  
 SLIC  
 Windstream  
 Verizon Wireless location 1  
 TechValley  
 PEG Bandwidth  
 Level 3

Windstream/Paetec  
 AT&T Wireless location 1  
 AT&T Wireless location 2  
 AT&T Wireless location 3  
 AT&T Wireless location 4  
 AT&T Wireless location 5  
 AT&T Wireless location 6  
 AT&T Wireless location 7  
 AT&T Wireless location 8  
 AT&T Wireless location 9  
 AT&T Wireless location 10  
 Level 3 (Jamestown to NYC)  
 Finger Lakes Technology Group - VZW cell tower at Alfred U.  
 Empire Tel - NASA  
 Finger Lakes Technology Group - CCC  
 Wakefield Champlain Valley Telephone - AT&T  
 Sovernet  
 Verizon Wireless - Vernon Relo tower  
 AT&T Wireless (location 11)  
 NYS - Cooperstown  
 Windstream/Paetec (4th site)  
 Windstream/Paetec (5th site)  
 Tech Valley Communications  
 Sprint  
 ACTION  
 Level3  
 Apogee  
 Apogee/Ithaca  
 Northland  
 SLIC  
 Verizon Wireless (2nd Site)

**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:**  
 150 Mbps circuits  
 10 Mbps circuits  
 2.5 Gbps circuits

**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).**  
 ION's partner, in the application and a sub recipient in the grant, is the Development Authority for the North Country (DANC) based in Watertown, NY which operates a solid waste management facility, water and wastewater facilities, an open access telecom network, and administers several business and housing loan programs. Contact person for this organization is Dave Wolf, General Manager, Telecommunications (315)-785-2593. DANC is responsible to construct and operate approximately 40% of the total Grant project. Sovernet Fiber Corp has been approved as a sub recipient to build and operate the portion of the network in the Burlington VT area.

**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	7	Baseline = 0; Variance is immaterial.
	Providers with signed agreements receiving improved access	32	Baseline = 55; Major reason for actual below baseline due providers waiting for current service contracts to expire.
	Providers with signed agreements receiving access to dark fiber	0	Baseline = 0; No variance

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	3	1 at 2.5 Gbps circuit 29 at 10 Mbps circuit 2 at 150 Mbps circuit
Community Anchor Institutions (including Government institutions)	Total subscribers served	128	Baseline = 125; Variance immaterial
	Subscribers receiving new access	0	Baseline = 0; No variance
	Subscribers receiving improved access	128	Baseline = 125; No variance
	Please identify the speed tiers that are available and the number or subscribers for each	8	9 at 1 gbps 25 at 10 mbps 19 at 100 mbps 1 at 10 gbps 9 at 200 mbps 5 at 300 mbps 9 at 50 mbps 4 at 500 mbps
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	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

**7. Please describe any special offerings you may provide (600 words or less).**  
 The priority for ION with this funding will be to seek out and work with governmental, educational, and healthcare entities that need service or that can offer services to support the vision of the American Reinvestment and Recovery Act. ION is working in close collaboration with Southern Tier West, Southern Tier Central, Southern Tier East, and other development agencies where job creation is central to their mission. ION will address the needs of public safety agencies and has met with agencies to address the need for reliable, affordable and secure capacity to meet the needs of these entities. ION may provide collocation and cross connection services to 3rd party providers requiring such services. ION may provide direct Internet backbone access to anchor institutions or 3rd party service providers to resell to their customers.

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

**8b. If so, please describe the changes (300 words or less).**  
 Network policies statements can be found on both the ION and DANC websites.

**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
Adirondack Park Agency	Saranac Lake, NY	Other Government Facilities	No	Transport
AHMC-Admin	Malone, NY	Medical and Healthcare Providers	No	Transport
AHMC-IT	Malone, NY	Medical and Healthcare Providers	No	Transport
AHMC-Physicians Building	Malone, NY	Medical and Healthcare Providers	No	Transport
AHMC-skilled nursing	Malone, NY	Medical and Healthcare Providers	No	Transport
Alex Bay WWTP	Alexander Bay, NY	Other Government Facilities	No	Transport
AMC Pain Management Center	Saranac Lake, NY	Medical and Healthcare Providers	No	Transport
American Management Association (Non-profit training)	Watertown , NY	Other Community Support Organizations	No	Transport
Bessette Clinic	Watertown , NY	Medical and Healthcare Providers	No	Transport
Carthage WWTP	Carthage, NY	Other Government Facilities	No	Transport
Chaumont WWTP	Chaumont, NY	Other Government Facilities	No	Transport
Claxton Hepburn Health Center	Ogdensburg, NY	Medical and Healthcare Providers	No	Transport
Clayton WWTP	Clayton, NY	Other Government Facilities	No	Transport
Clifton Fine Hospital	Star Lake, NY	Medical and Healthcare Providers	No	Transport
Ed Knox CSD	Russell, NY	K-12 Schools	No	Transport
Essex County 911	Elizabethtown, NY	Public Safety Entities	No	Transport
Essex County Mental Health Services	Elizabethtown, NY	Medical and Healthcare Providers	No	Transport
Essex County PSB	Elizabethtown, NY	Public Safety Entities	No	Transport
Harrisville Fire Department	Harrisville, NY	Public Safety Entities	No	Transport

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
Heuvelton Health Center	Heuvelton, NY	Medical and Healthcare Providers	No	Transport
Heuvelton Library	Heuvelton, NY	Libraries	No	Transport
Heuvelton Schools	Heuvelton, NY	K-12 Schools	No	Transport
Heuvelton Village Office	Heuvelton, NY	Other Government Facilities	No	Transport
Lake Placid Elementary	Lake Placid, NY	K-12 Schools	No	Transport
Lake Placid Schools-Admin	Lake Placid, NY	K-12 Schools	No	Transport
Lewis County Courthouse	Lowville, NY	Other Government Facilities	No	Transport
Lewis county SWMF	Lowville, NY	Other Government Facilities	No	Transport
Madrid Health Center	Madrid, NY	Medical and Healthcare Providers	No	Transport
Mountain Health Center	Watertown, NY	Medical and Healthcare Providers	No	Transport
NCCC CO	Saranac Lake, NY	Other Institutions of Higher Education	No	Transport
NCCC Saint Hall	Saranac Lake, NY	Other Institutions of Higher Education	No	Transport
NCCC-Data Center	Saranac Lake, NY	Other Institutions of Higher Education	No	Transport
Olympic Center-ORDA	Lake Placid, NY	Other Government Facilities	No	Transport
Olympic Regional Development Authority - Admin Site 1	Lake Placid, NY	Other Government Facilities	No	Transport
Olympic Regional Development Authority - Admin Site 2	Lake Placid, NY	Other Government Facilities	No	Transport
Paul Smith's VIC location	Paul Smith, NY	Other Institutions of Higher Education	No	Transport
Saranac Lake HS	Saranac Lake, NY	K-12 Schools	No	Transport
South Lewis Health Center	Lyons Falls, NY	Medical and Healthcare Providers	No	Transport

<b>St. Lawrence County SWMF</b>	<b>Canton, NY</b>	<b>Other Government Facilities</b>	<b>No</b>	<b>Transport</b>
<b>SUNY IT Library</b>	<b>Utica, NY</b>	<b>Other Institutions of Higher Education</b>	<b>No</b>	<b>Transport</b>
<b>Town of Heuvelton WWTP &amp; Tank</b>	<b>Heuvelton, NY</b>	<b>Other Government Facilities</b>	<b>No</b>	<b>Transport</b>
<b>Town of North Elba - Lake Placid Schools</b>	<b>North Elba, NY</b>	<b>K-12 Schools</b>	<b>No</b>	<b>Transport</b>
<b>Tupper Lake Municipal Electric</b>	<b>Tupper Lake, NY</b>	<b>Other Government Facilities</b>	<b>No</b>	<b>Transport</b>
<b>Tupper Lake Village Office</b>	<b>Tupper Lake, NY</b>	<b>Other Government Facilities</b>	<b>No</b>	<b>Transport</b>
<b>US Olympic Training Center</b>	<b>Lake Placid, NY</b>	<b>Other Government Facilities</b>	<b>No</b>	<b>Transport</b>
<b>Village of Cape Vincent Fire Hall</b>	<b>Cape Vincent, NY</b>	<b>Public Safety Entities</b>	<b>No</b>	<b>Transport</b>
<b>Village of Cape Vincent Pump Station</b>	<b>Cape Vincent, NY</b>	<b>Other Government Facilities</b>	<b>No</b>	<b>Transport</b>
<b>Waddington Health Center</b>	<b>Waddington, NY</b>	<b>Medical and Healthcare Providers</b>	<b>No</b>	<b>Transport</b>
<b>Watertown VA Clinic</b>	<b>Watertown, NY</b>	<b>Medical and Healthcare Providers</b>	<b>No</b>	<b>Transport</b>
<b>Allegany County - County Offices</b>	<b>Allegany, NY</b>	<b>Other Government Facilities</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Corning Community College</b>	<b>Corning, NY</b>	<b>Community Colleges</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>SUNY Institute of Technology</b>	<b>Utica, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>A O FOX Memorial Hospital</b>	<b>Oneonta, NY</b>	<b>Medical and Healthcare Providers</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Colgate University</b>	<b>Hamilton, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Hartwick College</b>	<b>Oneonta, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>SUNY Oneonta</b>	<b>Oneonta, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Cuba Memorial Hospital</b>	<b>Cuba, NY</b>	<b>Medical and Healthcare Providers</b>	<b>Yes</b>	<b>Transport and Internet</b>

<b>St. Bonaventure</b>	<b>St. Bonaventure, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Town of Allegany</b>	<b>Allegany, NY</b>	<b>Other Government Facilities</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Faxton Hospital</b>	<b>Utica, NY</b>	<b>Medical and Healthcare Providers</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Hamilton College</b>	<b>Hamilton, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Mohawk Valley Community College</b>	<b>Utica, NY</b>	<b>Community Colleges</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Slocum-Dicson Medical - Ithaca</b>	<b>Ithaca, NY</b>	<b>Medical and Healthcare Providers</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>St. Elizabeth Hospital</b>	<b>Utica, NY</b>	<b>Medical and Healthcare Providers</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>St. Lukes Memorial Hospital Center</b>	<b>Utica, NY</b>	<b>Medical and Healthcare Providers</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Utica College of Syracuse University</b>	<b>Utica, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Cortland County Bus Dev Tech Park</b>	<b>Cortland, NY</b>	<b>Other Community Support Organizations</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>SUNY Morrisville</b>	<b>Morrisville, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>SUNY Alfred - Wellsville</b>	<b>Wellsville, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Elmira College</b>	<b>Elmira, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Cortland Memorial Hospital</b>	<b>Cortland, NY</b>	<b>Medical and Healthcare Providers</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>SUNY Cortland</b>	<b>Cortland, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Allegany County Crossroads</b>	<b>Belmont, NY</b>	<b>Other Government Facilities</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Herkimer County Community College</b>	<b>Herkimer, NY</b>	<b>Community College</b>	<b>Yes</b>	<b>Transport and Internet</b>
<b>Cazenovia College</b>	<b>Cazenovia, NY</b>	<b>Other Institutions of Higher Education</b>	<b>Yes</b>	<b>Transport and Internet</b>

SUNY Cobleskill	Cobleskill, NY	Other Institutions of Higher Education	Yes	Transport and Internet
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**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).**  
 ION and subrecipients have completed all work and do not expect any additional work in 4Q2013.  
  
 All entities plan to accomplish all closeout activities.

**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	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2b.	Environmental Assessment	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2c.	Network Design	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2d.	Rights of Way	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2e.	Construction Permits and Other Approvals	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2f.	Site Preparation	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2g.	Equipment Procurement	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2i.	Equipment Deployment	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2j.	Network Testing	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.
2k.	Other (please specify): Grant Administration	100	Variance to original Baseline is not relevant due to the approval during the fourth quarter 2012 of a revised budget. Non-Federal matching funds will be fully available during the next quarter.

**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).**  
 No challenges or issues anticipated.

**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	\$1,023,794	\$204,759	\$819,035	\$1,290,178	\$471,143	\$819,035	\$1,290,178	\$471,143	\$819,035
b. Land, structures, right-of-ways, appraisals, etc.	\$24,093	\$4,819	\$19,274	\$31,154	\$11,880	\$19,274	\$31,154	\$11,880	\$19,274
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$3,370,766	\$674,153	\$2,696,613	\$4,129,468	\$1,432,855	\$2,696,613	\$4,129,468	\$1,432,855	\$2,696,613
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$3,309,659	\$661,932	\$2,647,727	\$5,027,840	\$2,380,113	\$2,647,727	\$5,027,840	\$2,380,113	\$2,647,727
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$32,512,638	\$6,502,527	\$26,010,111	\$31,885,720	\$5,875,609	\$26,010,111	\$31,885,719	\$5,875,608	\$26,010,111
j. Equipment	\$8,432,785	\$1,686,557	\$6,746,228	\$9,581,179	\$2,834,951	\$6,746,228	\$9,581,179	\$2,834,951	\$6,746,228
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	<b>\$48,673,735</b>	<b>\$9,734,747</b>	<b>\$38,938,988</b>	<b>\$51,945,539</b>	<b>\$13,006,551</b>	<b>\$38,938,988</b>	<b>\$51,945,538</b>	<b>\$13,006,550</b>	<b>\$38,938,988</b>
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	<b>\$48,673,735</b>	<b>\$9,734,747</b>	<b>\$38,938,988</b>	<b>\$51,945,539</b>	<b>\$13,006,551</b>	<b>\$38,938,988</b>	<b>\$51,945,538</b>	<b>\$13,006,550</b>	<b>\$38,938,988</b>

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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