

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information		
1. Federal Agency and Organizational Element to Which Report is Submitted GOL	2. Award Identification Number NT10BIX5570023	3a. DUNS Number 831497651
		3b. EIN XXXXXXXXXXX
4. Recipient Organization (Name and complete address including country, congressional district, and zip code) North Florida Broadband Authority 1500 Mahan Drive Suite 250, Tallahassee, FL 32308-5177		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2010	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No	
7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.		
7a. Typed or Printed Name and Title of Certifying Official Patrick Lien System Manager	7c. Telephone (area code, number and extension) 4077019037	
	7d. Email Address plien@govserv.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-24-2010	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (150 words or less).

1. Final network design: 80% complete.
2. Compliance review for equipment RFPs complete.
3. Final drafts for Equipment RFPs written and ready for distribution (October 1).
4. Deployment/Installation RFPs development in progress: 50% complete.
5. Civil work bid packages (less than \$100,000) being prepared to encourage local bidding. 50% complete.
6. Bulk of commercial tower leases (American Tower/Crown Castle) negotiation of terms completed.
7. Community Outreach plan/Public Relations strategy: 50% complete.
8. Procurement of third party auditing firm complete.
9. Offered services and rate analysis: 70% complete.
10. E-rate registration SPIN number obtained.
11. In Kind assets lease agreement template complete.

2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 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	15	As a result of the re-evaluation of the design approach, the complexity of the specifications for procurement and the modified requirements for the capacity delivery under the IRU are responsible for the resultant delay in the purchase of equipment, progress payments to Level 3, and the execution of commercial tower leases.
2b.	Environmental Assessment	0	Exempt
2c.	Network Design	80	Network Design on schedule
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	5	The Project Management Office is in the process of contacting county agencies to establish permitting procedures for each county and to streamline the overall permitting process.
2f.	Site Preparation	30	Site preparation follows final design parameters and equipment procurement/selection of vendors in order to determine specific site preparation requirements. The delay is due to the re-evaluation of the engineering design from the previous quarter. This milestone will get back on schedule in subsequent quarters as equipment procurement moves forward and final design parameters are resolved.
2g.	Equipment Procurement	30	Delay is due to the re-evaluation of engineering design and the addition of more engineering resources in previous quarters. Network redesign allowed greater participation from vendors, more potential capacity, and higher reliability. Equipment procurement underway and should be largely complete next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc)	15	Master IRU with Level 3 for fiber capacity executed. Work orders initiated. Interim DNS servers in place. Level 3 engineering and provisioning is in progress. Level 3's network plan was revisited due to revised network configuration and design.
2i.	Equipment Deployment	0	Procurement specifications and timeline have been developed. Delay is due to the re-evaluation of engineering design and the addition of more engineering resources in previous quarters for reasons noted above. Should be back on schedule Q1 2011.
2j.	Network Testing	0	Not yet ready for testing- elements will be tested as deployed and the network will undergo extensive testing prior to lanch of formal service.
2k.	Other (please specify): In-Kind Contribution	25	On Target

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 (150 words or less).

In the previous quarter, the interim network design was re-evaluated, yielding increased reliability, greater capacity, and lower cost. The re-design added time in collecting field data and modifying design parameters pushing procurement and deployment activities back by 30-60 days. Engineering tasks will now be performed simultaneously, regaining the original schedule within the next 60-120 days. Expenditure or funds has been commensurately delayed, moving several of the larger expenses (IRU payment, capital leases) into the next quarter.

The recipient in-kind contribution is disproportionate due to the nature of the in-kind contributions. Our city and county membership donated space on municipally-owned towers, buildings, and land. The capital leases are near completion (with the required security interest language), but the site plans, are still being finalized. The prerequisites for site plans include vendor/equipment selection and final network engineering.

The final network design should be complete by next quarter, and our equipment procurement period will begin this quarter, with leases ready for submittal to the appropriate local government owner over the following 2-3 quarters. Once the lease is submitted, approved, and recorded, we can begin booking the assets and reporting recipient disbursement on our quarterly SF-425. We anticipate this disproportionate disbursement will continue for the next 2-3 quarters.

4. Please report the following information regarding network build progress. Write "N/A" in the second 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 (100 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	Deployment of wireless network underway in Q1, 2011
New network miles leased	1,240	Leased IRU capacity provisioning in progress - first circuits available in Q1, 2011
Existing network miles upgraded	0	Upgrading of network facilities performed by upstream partner
Existing network miles leased	1,240	Leased IRU capacity doesn't differentiate between new or existing network facilities. We assume most/all of the fiber is existing and the equipment is new
Number of miles of new fiber (aerial or underground)	0	Fiber plant owned by Level 3 is existing
Number of new wireless links	0	Future core network will have 102 links
Number of new towers	0	We are not building any towers.
Number of interconnection points	0	There will be 102 interconnection points on the core network

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your subrecipient, 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	0

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements. Providers:

None yet. Finalizing products and pricing now with pre-deployment service level agreements. Continuing dialogue with carriers, re-sellers and anchor institutions, with the expectation of signing several after pricing and service level agreements are finalized. While we have not yet signed agreements with other providers as yet, the pricing and ability to describe the value proposition is imminent, and we anticipate the signing of several this quarter and next.

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. Wholesale services description:
 Internet and Transport Services. Services are being offered in standard, premium (protected), and enterprise packages. Will offer term and volume discounts as well. Final list of services matrix is being developed under a rate/services study as part of the update to our initial pricing and services model.

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 subrecipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this third party operates (150 words or less).
 As deployment of the project nears completion, the Authority will advertise in an open and competitive procurement for contract operations services. These services will be performed under the management of Government Services Group, the General Manager of the Authority.

6. Please provide the data according to the type of subscriber. Write "N/A" 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 (100 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	Unless it is a new provider, or just entering the market we will assume that all providers are receiving improved access.
	Providers with signed agreements receiving improved access	0	we are in discussion with several providers, agreements pending finalization of product and service plans - which is imminent.
	Providers with signed agreements receiving access to dark fiber	0	We will not be providing access to dark fiber, as we do not have that access.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Available speed tiers will begin at 510 Mbps, in increments of 10 Mbps to 100 Mbps. Service to 1Gbps will be available.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Our plan outlines service to nearly 200 anchor institutions by project closeout.
	Subscribers receiving new access	0	We will work with our Local Access providers to provide us with this information.
	Subscribers receiving improved access	0	We will assume that if service is provided through our network, that all subscribers that have some kind of service will be receiving improved service.
	Please identify the speed tiers that are available and the number or subscribers for each	0	Available speed tiers will begin at 10 Mbps, in increments of 10 Mbps to 100 Mbps. Service to 1Gbps will be available.
Residential / Households	Entities passed	0	When completed, the NFBA network will allow last mile providers the ability to cover the entire geography of the service area.
	Total subscribers served	0	We will work with our Local Access providers to collect and report on this data.
	Subscribers receiving new access	0	We will work with our Local Access providers to collect and report on this data.
	Subscribers receiving improved access	0	We will work with our Local Access providers to collect and report on this data.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Available speed tiers will begin at 10 Mbps, in increments of 10 Mbps to 100 Mbps. Service to 1Gbps will be available.
Businesses	Entities passed	0	When completed, the NFBA network will allow last mile providers the ability to cover the entire geography of the service area.
	Total subscribers served	0	We will work with our Local Access providers to collect and report on this data.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Subscribers receiving new access	0	We will work with our Local Access providers to collect and report on this data.
	Subscribers receiving improved access	0	We will work with our Local Access providers to collect and report on this data.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Available speed tiers will begin at 10 Mbps, in increments of 10 Mbps to 100 Mbps. Service to 1Gbps will be available.

7. Please describe any special offerings you may provide (150 words or less).
 No special offerings at this time. Rate and services study to evaluate future additional services/needs/offerings complete. Internal analysis underway.
 We have secured very substantial capacity to allow third party providers to provide a wide array of services across our network.. The full range of offerings will be determined by the marketplace - but the network has been designed to efficiently accommodate all types of traffic.

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

8b. If so, please describe the changes (150 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. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent calendar year. 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 (100 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
Not yet deployed	North Florida RACEC	College	NO	Expanding capacity for remote learning, campus-wide WI-fi backhaul, educational institution intranet
Not yet deployed	North Florida RACEC	Local Government	NO	Providing vastly greater capacity to all local government offices and facilities.
Not yet deployed	North Florida RACEC	Library System	NO	Dramatically improve computer service center, job seeker applications, remote learning.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (150 words or less).

1. Final network design.
2. Equipment RFPs distributed to solicit vendor proposals.
3. Equipment vendor proposals evaluated.
4. Equipment vendors selected to initiate contracting process.
5. Deployment/Installation RFP draft complete.
6. Compliance review for Deployment/Installation RFP complete.
7. Completion of civil work bid packages.
8. Civil work contractors selected; contracting process initiated.
9. Remaining commercial tower leases negotiated and completed.
10. In Kind assets lease agreement drafts completed.

2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 words or less).

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	30	Final network design (physical layer) complete, equipment procurement and leasing of commercial towers underway. Delay due to engineering re-evaluation has pushed our expectation for negotiation of all leases beyond this quarter. While substantial progress will be made, the percentage complete (based on dollars spent) will be lower than planned in baseline. We will be fully back on schedule in the subsequent quarters.
2b.	Environmental Assessment	0	Exempt
2c.	Network Design	85	On Target
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	30	The Project Management Office will establish permitting procedures for each county and streamline the overall permitting process. However, permitting for deployment of radios and site equipment will only be complete for a limited number of sites.
2f.	Site Preparation	30	Site preparation will remain behind schedule this quarter due to the delays resulting from re-evaluation of engineering design in the previous quarter. Site preparation should be caught up in subsequent quarters.
2g.	Equipment Procurement	50	RFPs completed, advertised, and distributed, and vendors selected. Evaluation/selection scheduled to be complete by the end of the next quarter. However, contracting (including proof of concept) will not be complete until the following quarter. Again, as a result of engineering delays.
2h.	Network Build (all components - owned, leased, IRU, etc.)	25	Slight modification in requirements of Level 3 IRU orders/delivery as a result of revised engineering design have delayed initiation of Level 3 execution of certain orders (by our request). Level 3 will endeavor to accelerate delivery once final design requirements are completed.
2i.	Equipment Deployment	0	Contracting (including proof of concept) of equipment vendors won't be complete until the following quarter due to delays resulting from revised engineering design as referenced above.
2j.	Network Testing	0	Network testing follows equipment deployment and has therefore been moved forward to later in the schedule due to delays resulting from revised engineering design as referenced above.
2k.	Other (please specify): In-kind Contributions	35	On target

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 (150 words or less).

The engineer is currently evaluating a number of indeterminate commercial tower sites that need to be vetted for structural and cost concerns. This is due in part to the engineering re-evaluation undertaken in the previous quarter in order to design greater reliability and capacity into the network while still remaining within the original budget. The extra field work and engineering redesign caused a delay in progress against the baseline, but will be made up in subsequent quarters due to working tasks in parallel and providing greater efficiency in the new design and deployment plan. An updated engineering design / route change request will be submitted for approval once the associated route change design parameters are finalized.

As a result of the re-evaluation of the design approach, the complexity of the specifications for procurement and the modified requirements for the capacity delivery under the IRU are responsible for the resultant delay in the purchase of equipment, progress payments to Level 3, and the execution of commercial tower leases.

As you will notice in the following Infrastructure Budget Execution Details section, that our projected costs for Administrative and Legal expenses and for Architectural and Engineering fees exceed our current allocated budget amount. We plan to submit a budget re-allocation request to the Project Office for these categories in the next quarter.

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	\$542,568	\$0	\$542,568	\$405,215	\$0	\$405,215	\$732,505	\$0	\$732,505
b. Land, structures, right-of-ways, appraisals, etc.	\$20,247,000	\$9,220,000	\$11,020,000	\$1,432,000	\$0	\$1,432,000	\$10,587,262	\$0	\$10,587,262
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,536,000	\$0	\$1,536,000	\$1,402,605	\$0	\$1,402,605	\$2,420,251	\$0	\$2,420,251
e. Other architectural and engineering fees	\$384,000	\$0	\$384,000	\$53,193	\$0	\$53,193	\$200,982	\$0	\$200,982
f. Project inspection fees	\$753,432	\$0	\$753,432	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$129,500	\$0	\$129,500	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$15,667,576	\$0	\$15,667,576	\$0	\$0	\$0	\$1,250,000	\$0	\$1,250,000
k. Miscellaneous	\$109,600	\$0	\$109,600	\$1,042,790	\$0	\$104,279	\$104,279	\$0	\$104,279
l. SUBTOTAL (add a through k)	\$39,369,676	\$9,220,000	\$30,142,676	\$4,335,803	\$0	\$3,397,292	\$15,295,279	\$0	\$15,295,279
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$39,369,676	\$9,220,000	\$30,142,676	\$4,335,803	\$0	\$3,397,292	\$15,295,279	\$0	\$15,295,279

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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