

**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>  NT10BIX5570096	<b>3. DUNS Number</b>  789438293
<b>4. Recipient Organization</b>  Virgin Islands Public Finance Authority 32-33 Kongens Gade, St. Thomas, VI 00802-0430		
<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>  <div style="text-align: center;"> <input type="radio"/> Yes    <input checked="" type="radio"/> No                     </div>	
<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>  Vicki Johnson	<b>7c. Telephone (area code, number and extension)</b>  3407141635	<b>7d. Email Address</b>  vjohnson@usvipfa.com
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-19-2013	

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

The Virgin Islands Public Finance Authority (VIPFA)/Virgin Islands Next Generation Network (viNGN) team continued to make progress with its network build-out during Quarter 3, Calendar Year (CY) 2013.

With the completion of trenching and continuing successful collaboration with key stakeholders, the VIPFA/viNGN team achieved additional major milestones during Quarter 3, CY 2013. The following is a list of the VIPFA/viNGN's major achievements as of September 30, 2013:

On St. Croix:

Aerial Backbone Fiber Installed = 33.03 miles

Underground Backbone Fiber Installed = 30.86 miles

Lateral Fiber Installed = 50.18 miles

Total Fiber Installed on St. Croix during Quarter 2, CY 2013 = 114.07 miles

On St. Thomas, St. John and Water Island:

Aerial Backbone Fiber Installed = 33.89 miles

Underground Backbone Fiber Installed = 9.76 miles

Lateral Fiber Installed = 89.24 miles

Total Fiber Installed on St. Thomas and Water Islands = 132.89 miles

Cumulative Total Fiber Installed on St. Croix, St. Thomas, Water Island and St. John during Quarter 3, CY 2013:

Aerial Backbone Fiber Installed = 66.92 miles

Underground Backbone Fiber Installed = 40.62 miles

Lateral Fiber Installed = 139.42 miles

Cumulative Total Fiber Installed on All Islands = 246.96 miles

As of September 30, 2013, the construction of two Type C FAPs (Facility Access Points) on St. Croix (Estate La Reine FAP STX-05 and Woodson/VI Corporate Lands FAP STX-06) is 100% completed. Furthermore, construction of the Estate Diamond/The Boys' and Girls' Club FAP STX-03, the University of the Virgin Islands (UVI) FAP STX-04, and the Roebuck Industrial Park FAP STX-16 FAP is approximately 95% complete, and construction of the Cotton Valley FAP STX-12 is approximately 90% complete. Additionally, the construction of the La Grande Princess/U.S. Virgin Islands Department of Education FAP STX-07 is approximately 75% complete, the U.S. Virgin Islands Water and Power Authority (WAPA) Richmond FAP STX-17 is approximately 15% complete, and the Juan Luis Hospital FAP STX-15 is approximately 10% complete.

Also, as of September 30, 2013, on St. Thomas and St. John, the construction of Cruz Bay FAP STJ-01 and of the Myrah Keating Medical Center FAP STJ-02 is 100% complete. The construction of the Roy Schneider Hospital FAP STT-12, Eudora Kean High School FAP STT-09 and Rt. 10 & 32/Nadir FAP STT-10 is approximately 95% complete, and the Fort Mylner FAP STT-11 and the U.S. Virgin Islands Department of Public Works (DPW) Nisky Center FAP STT-16 are approximately 65% complete. Finally, the University of the Virgin Islands (UVI) FAP STT-02 is approximately 55% complete, and the Havensight/West Indian Company Limited (WICO) FAP STT-13 and the Dorothea FAP STT-05 are approximately 10% complete.

With the above-referenced FAPs under construction and the last contract for FAP construction signed (i.e. for Veteran's Drive FAP STT-14), all remaining FAP construction is still expected to be completed during Quarter 4, CY 2013.

The VIPFA/viNGN team also connected its first Community Anchor Institution, the U.S. Virgin Islands Department of Planning and Natural Resources' (DPNR) Althalie McFarlane Petersen Library, in Frederiksted, St. Croix, which is also one of VIPFA/viNGN's BTOP-funded Public Computer Centers, a PCC.

During Quarter 3, CY 2013, VIPFA/viNGN also hired a Network Engineer. The Network Engineer will support service provider network implementation and manage the Internet Protocol Platforms (IP), utilizing the Cisco core switches and routers. He will also work with the lead Network Manager of network operations and resolve network issues. As part of his duties when working with the Network Manager, he will develop, design and approve technologies to accommodate demands for growth and new services. This includes the creation of network test plans and the publication of reports for peer review. In some special cases, the Network Engineer will provide cost data to be used to create budgets for the implementation of designs and technologies. The end result to which he will monitor and control project expenditures, define problems encountered, prepare progress reports and provide recommended solutions to management.

In addition, during Quarter 3, CY 2013, the VIPFA/viNGN team executed its second Master Services Agreement (MSA) with a local ISP, i.e. SMARTNET. SMARTNET is already offering Internet service to some of the Community Anchor Institutions and also plans to offer network monitoring, VPN (Virtual Private Network) solutions, MPLS (Multiprotocol Label Switching) Network Engineering, VOIP

(Voice over Internet Protocol) phone systems and various other managed information technology services.

Further, the VIPFA/viNGN team obtained the approval from NTIA and NOAA for a no-cost extension of its grant award agreement through December 31, 2013.

**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	65	<p>The VIPFA/viNGN team continued to make progress with the construction of its middle mile network during Quarter 3, CY 2013. Refer to the response to Question 1 above for a summary of the significant accomplishments made during the reporting quarter. The progress outlined in the response to Question 1 above, combined with the total expenditures incurred to date, document the significant achievements made by the VIPFA/viNGN team.</p> <p>Also, much of the construction work that was completed has not been invoiced by construction contractors; thus, the actual percentage of completion of the project is underrepresented at 65%, i.e. when considering total federal expenditures plus allowable matching contributions alone.</p> <p>Payments against invoices for work completed through Quarter 3, CY 2013 through to the end of the project are expected to continue through close-out, as construction contractors begin to invoice for work that is confirmed as completed by the team's engineers and architects.</p>
2b.	Environmental Assessment	97	<p>During Quarter 2, CY 2013, an addendum to the Environmental Assessment and an update to the Phase I Archeological Survey were completed to address two FAP relocations. The FAP relocations and modifications were deemed to be minor changes, and no potentially significant cultural resources were identified during the archaeological survey. With these findings from the environmentalist and the archeologist, the U.S. Virgin Islands State Historic Preservation Office (VISHPO) evaluated and approved the new locations, and the design drawings were modified and reissued to the contractors during Quarter 3, CY 2013.</p> <p>The VIPFA/viNGN team continued to monitor its construction sites for artifacts as work was performed near sensitive archaeological sites and for any endangered species that viNGN or its contractors might encounter. To date, viNGN and its contractors have not encountered any artifacts or any endangered species and their habitat on any of the construction sites.</p>
2c.	Network Design	100	The core network design is complete.
2d.	Rights of Way	99	<p>Agreements are in place with all land owners for rights of way for the construction of FAP. As a result, all FAP contracts have been executed.</p> <p>However, as work was underway on the East end of St. Croix, an owner of a property along the planned route notified the team that he prefers not to have an obstruction of his views. The area of concern is only 500 feet. The VIPFA/viNGN team is currently considering the range of fast and network optimal solutions to address with the NTIA and NOAA team during Quarter 4, CY 2013.</p>

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2e.	Construction Permits and Other Approvals	97	<p>VIPFA/viNGN continues to work with the local U.S. Virgin Islands Department of Planning and Natural Resources (DPNR) to ensure that VIPFA/viNGN's permits are updated and in compliance with the previous permits issued.</p> <p>During Quarter 3, CY 2013, DPNR approved two permits for FAPs to-be-constructed on the island of St. John. The construction of both FAPs on St. John are 100% completed.</p> <p>In addition, the Board of Directors and management of the West Indian Company Limited (WICO) approved the construction of FAP STT-13 Havensight, and construction started.</p>
2f.	Site Preparation	50	<p>VIPFA/viNGN and its contractors continued to assess the roads on which road work will be performed. Traffic patterns, road construction and other potential obstructions that may cause unsafe conditions or impact work progress were noted. This activity required upfront planning and coordination with other local government departments and agencies and private entities performing road work. As a result, on a weekly basis, public notifications were issued. Some of the agencies to which public notices were issued are the local telephone company, the U.S.V.I. Department of Public Works (DPW), the Virgin Islands Territorial Emergency Management Agency (VITEMA) and other government agencies and their contractors who are engaging in work in the same zones.</p> <p>In addition, as a part of the daily site preparation activities for FAP construction, VIPFA/viNGN contractors installed construction fencing and storm water pollution control measures as a typical safety process.</p>
2g.	Equipment Procurement	96	<p>The VIPFA/viNGN team is currently performing slightly under the Baseline Milestone that was set at 100% complete for Quarter 3, CY 2013.</p> <p>During Quarter 3, CY 2013, VIPFA/viNGN procured additional support/hanging materials for its aerial fiber installation. These materials arrived during Quarter 3, CY 2013, and fiber installation continued.</p>
2h.	Network Build (all components - owned, leased, IRU, etc)	65	<p>During Quarter 3, CY 2013, VIPFA/viNGN completed a cumulative total of 246.96 miles of underground backbone, aerial backbone and lateral fiber installations across St. Croix, St. Thomas, Water Island and St. John.</p> <p>As of September 30, 2013, the construction of two Type C FAPs (Facility Access Points) on St. Croix (Estate La Reine FAP STX-05 and Woodson/VI Corporate Lands FAP STX-06) is 100% completed. Furthermore, construction of the Estate Diamond/The Boys' and Girls' Club FAP STX-03, the University of the Virgin Islands (UVI) FAP STX-04, and the Roebuck Industrial Park FAP STX-16 FAP is approximately 95% complete, and construction of the Cotton Valley FAP STX-12 is approximately 90% complete. Additionally, the construction of the La Grande Princess/U.S. Virgin Islands Department of Education FAP STX-07 is approximately 75% complete, the U.S. Virgin Islands Water and Power Authority (WAPA) Richmond FAP STX-17 is approximately 15% complete, and the Juan Luis Hospital FAP STX-15 is approximately 10% complete.</p> <p>Also, as of September 30, 2013, on St. Thomas and St. John, the construction of Cruz Bay FAP STJ-01 and of the Myrah Keating Medical Center FAP STJ-02 is 100% complete. The construction of the Roy Schneider Hospital FAP STT-12, Eudora Kean High School FAP STT-09 and Rt. 10 &amp; 32/Nadir FAP STT-10 is approximately 95% complete, and</p>

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			<p>the Fort Mylner FAP STT-11 and the U.S. Virgin Islands Department of Public Works (DPW) Nisky Center FAP STT-16 are approximately 65% complete. Finally, the University of the Virgin Islands (UVI) FAP STT-02 is approximately 55% complete, and the Havensight/West Indian Company Limited (WICO) FAP STT-13 and the Dorothea FAP STT-05 are approximately 10% complete.</p> <p>With the above-referenced FAPs under construction and the last contract for FAP construction signed (i.e. for Veteran's Drive FAP STT-14), all remaining FAP construction is still expected to be completed during Quarter 4, CY 2013.</p> <p>The VIPFA/viNGN team also connected its first Community Anchor Institution, DPNR's Althalie McFarlane Petersen Library, in Frederiksted, St. Croix, which is also one of VIPFA/viNGN's BTOP-funded Public Computer Centers, a PCC.</p>
2i.	Equipment Deployment	11	<p>During Quarter 3, CY 2013, VIPFA/viNGN installed all network equipment in Super FAP STX-02, at Level 3 in New York, at Level 3 in Miami and at the Althalie McFarlane Petersen Library in Frederiksted, St. Croix.</p> <p>As the remaining FAP construction is completed, the equipment racks are installed in the FAPs, the Community Anchor Institutions are connected and all backbone node equipment is installed, equipment is being deployed, and the team will be positioned to come in line with the Baseline Indicator targets.</p>
2j.	Network Testing	35	<p>As the remaining FAP construction is completed, the equipment racks are installed in the FAPs, Community Anchor Institutions are connected and the remaining backbone node equipment is installed, the team will be positioned to come in line with the Baseline Indicator targets. Network testing will be ongoing in alignment with network build out and equipment deployment.</p> <p>The connections through Level 3 in New York and Miami to St. Croix were activated and tested, and a connection was successfully made to the Super FAP STX-02. Also, the connection for the Althalie McFarlane Petersen Library in Frederiksted, St. Croix was activated, and it has been successfully serving the community as a CAI and PCC since early September, CY 2013.</p> <p>As the construction of all other FAPs is completed, the routers and switches will be installed, and final testing and activation will bring the network fully on line.</p>
2k.	Other (please specify):	0	N/A

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

The VIPFA/viNGN team has successfully increased the speed of implementation and will continue to work hard to further speed up the implementation. However, the team determined that additional time was needed to complete the construction activities and to test the network. NTIA and NOAA has initially approved a no-cost grant award extension from July 31, 2013 to December 31, 2013. During the initial grant award extension period, the team is continuing its efforts to complete the construction of the remaining FAPs, to complete testing of the equipment in the FAPs, to connect the CAIs, to test the resulting network connections, to complete the installation of the Operating Support System/Business Support System (OSS/BSS) and to complete the testing of the OSS/BSS, using unspent grant funding. The VIPFA/viNGN team continued to engage in active oversight of all project activities during the initial extension period and to work closely with its contractors to determine whether a follow-on extension will be necessary.

**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	247	As of September 30, 2013, a cumulative total of 246.96 miles of underground backbone, aerial backbone and lateral fiber was installed across St. Croix, St. Thomas, Water Island and St. John. The number of new network miles deployed during Quarter 3, CY 2013 was 158.16.
New network miles leased	3,353	With the leasing of new network miles from Level 3 and AT&T, the VIPFA/viNGN has met its immediate plans for new leased miles.
Existing network miles upgraded	0	The VIPFA/viNGN does not anticipate that it will upgrade network miles. All network miles are expected to be new installations of fiber or new leases of network miles.
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	247	As of September 30, 2013, a cumulative total of 246.96 miles of underground backbone, aerial backbone and lateral fiber was installed across St. Croix, St. Thomas, Water Island and St. John. The number of new network miles deployed during Quarter 3, CY 2013 was 158.16.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	4	All interconnection points are new and are considered from point to point. During Quarter 3, CY 2013, the VIPFA/viNGN team activated connections through Level 3 in New York, Level 3 in Miami, the SuperFAP STX-02 and DPNR's Althalie McFarlane Petersen Library in Frederiksted, St. Croix, the latter which is a CAI and PCC.

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	4
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	4
Average term of signed agreements (in quarters)	18

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

VIPFA/viNGN has two broadband wholesale service contracts, one for 15 years with Global Crossing/Level 3 and the other for 1 year with AT&T, both providing leased fiber miles to viNGN.

In addition, VIPFA/viNGN has Master Services Agreements (MSAs) with two ISPs/last mile providers for 1 year each, with a renewal option. The MSAs are with Orbitel and SMARTNET.

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:

VIPFA/viNGN is building a high speed, open access, 100% fiber optic network which will provide inexpensive, high speed, reliable Ethernet transport to service providers and, by extension, to Community Anchor Institutions (such as government departments and agencies, non-profit organizations, educational institutions, public safety entities, healthcare delivery providers, and other key community stakeholders). VIPFA/viNGN's goal is to serve as a Middle Mile provider, primarily offering wholesale broadband bandwidth on-net (i.e. within the U.S.V.I.) and off-net (i.e. outside of the U.S.V.I.) through a variety of service offerings, starting with 100 Megabit, 1 Gigabit and 10 Gigabit bandwidth plans; Multiprotocol Label Switching (MPLS)/Virtual Private Network (VPN) service to the U.S.;

and, Transport Aggregation services. The team continues to conduct market research to refine its menu of service/product offerings and is not publishing pricing plans at this time. Please refer to the attached Strictly Confidential and Proprietary related information that is made available to NTIA and NOAA only, as required as a part of this report. The attached related information has been redacted from this report and shall not be made available to the public.

**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).**

NOT APPLICABLE

**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	4	Refer to the response to Questions 5a and 5b above.  With the signing of two (2) agreements with last mile providers (i. e. Orbitel and SMARTNET) and the signing of 2 agreements with broadband wholesalers to lease network miles (Level 3 and AT&T), the VIPFA/viNGN team has exceeded the Baseline Indicator target of 2. Though the network build-out is not complete, the VIPFA/viNGN team has agreements in place to allow it to connect its network through these service providers.
	Providers with signed agreements receiving improved access	0	All agreements will result in the provisioning of new access.
	Providers with signed agreements receiving access to dark fiber	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	1	Speed tiers to last mile providers and broadband wholesalers are anticipated at four levels - Tier 1 providers are expected to receive 10Gbps; Tier 2 providers are expected to receive 1Gbps; and, Tier 3 and Tier 4 providers are expected to receive up to 500 Mbps.  As of September CY 2013, VIPFA/viNGN is providing Tier 2 level service to SMARTNET which is, in turn, servicing DPNR's Althalie McFarlane Petersen Library in Frederiksted, St. Croix, which is a BTOP-funded Community Anchor Institution and PCC.
Community Anchor Institutions (including Government institutions)	Total subscribers served	1	Under performance against this Baseline Indicator is due to the fact that VIPFA/viNGN has not completed the construction and connections of the FAPs and the build-out of other portions of the network that will enable viNGN to connect CAIs. As FAPs are connected and other portions of the network are built out, the team will be positioned to come in line with the Baseline Indicator targets.  During Quarter 3, CY 2013, the VIPFA/viNGN team connected its first Community Anchor Institution (i.e. DPNR's Althalie McFarlane Petersen Library) in Frederiksted, St. Croix, which is also a BTOP-funded PCC.
	Subscribers receiving new access	1	As the remaining FAP construction is completed, the equipment racks are installed in the FAPs, Community Anchor Institutions are connected and the remaining backbone node equipment is installed, the team will be positioned to come in line with the Baseline Indicator targets. As the construction of all other FAPs is completed, the routers and switches will be installed, and final testing and activation will bring the network fully on line.  VIPFA/viNGN connected its first Community Anchor Institution (i. e. DPNR's Althalie McFarlane Petersen Library) in Frederiksted, St. Croix.

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	All subscribers will receive new access. As of September CY 2013, VIPFA/viNGN is providing Tier 2 level service to DPNR's Althalia McFarlane Petersen Library through its ISP, SMARTNET. It previously had a low level Tier 4 bandwidth capacity.
	Please identify the speed tiers that are available and the number or subscribers for each	1	Speed tiers to last mile providers and broadband wholesalers are anticipated at four levels - Tier 1 providers are expected to receive 10Gbps; Tier 2 providers are expected to receive 1Gbps; and, Tier 3 and Tier 4 providers are expected to receive up to 500 Mbps. As of September CY 2013, VIPFA/viNGN is providing Tier 2 level service to Althalia McFarlane Petersen Library through its ISP, SMARTNET.
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).**

At this time, there are no special offerings being proposed. Any special offerings will be determined, based upon the results of market research on optimal pricing and the optimal range of services to be offered.

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

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

NOT APPLICABLE

**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



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
The U.S. Virgin Islands Department of Planning and Natural Resources' Althalie McFarlane Petersen Library	Town	Library	No	As of September CY 2013, VIPFA/viNGN is providing Tier 2 level service to DPNR's Althalie McFarlane Petersen Library through its ISP, SMARTNET. The Althalie McFarlane Petersen Library is also a BTOP-funded PCC and offers free Internet service and free, BTOP-funded Digital Literacy and higher-tiered IT-related, business-related and other training courses to the public.

**Project Indicators (Next Quarter)**

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

The VIPFA/viNGN team plans to finalize the following during Quarter 4, CY 2013:

- Estimate of New Fiber Miles To-Be-Installed/Deployed during Quarter 4, CY 2013:

Cumulative Total Fiber To-Be-Installed on St. Croix, St. Thomas, Water Island and St. John during Quarter 4, CY 2013:  
26 miles

- Estimate of CAIs To-Be-Connected during Quarter 4, CY 2013:

On St. Croix = 132 CAIs

On Thomas = 149 CAIs

On St. John = 33 CAIs

On Water Island = 1 CAI

Cumulative Total Number of CAIs To-Be-Connected = 315 CAIs

- Estimate of Broadband Wholesaler or Last Mile Provider Agreements To-Be-Signed during Quarter 4, CY 2013 = 1

The VIPFA/viNGN team also plans to finalize the following during Quarter 4, CY 2013:

- Continue the construction of FAPs (Fiber/Facility Access Points) and the installation of fiber patch panels, AC (Air Conditioning) units, racking equipment, and DC Power on St. Croix, St. Thomas and St. John;

- After FAPs are built, install routers and switches to await the final connections to the aerial or underground fiber to bring the network on line;

- Continue to coordinate with contractors to work on accelerated schedules and actively identify and create ways to speed up the construction activities;

- Continue to assess the project implementation schedule and the network design to identify ways to speed up the build-out and "lighting up" of the network and to reduce network construction, operational and maintenance costs;

- Continue to coordinate with the construction contractors, NTIA and NOAA to determine whether a follow-on extension and/or other project modifications will be needed;

- Continue to assess the budget to determine if a budget modification will be needed;

- Continue with Close-Out activities; and

- Participate in viNGN Business and Technology Committee meetings (formerly called Broadband Coalition meetings) that may be scheduled with Community Anchor Institutions, future VIPFA/viNGN customers and other stakeholders to discuss the status of the network build and to provide updates on the anticipated service offerings.

**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.	<b>Overall Project</b>	87	<p>The VIPFA/viNGN team continued to make progress with the construction of its middle mile network during Quarter 3, CY 2013, and the momentum is expected to continue through Quarter 4, CY 2013 until the completion of the overall project. Refer to the response to Question 1 immediately above for a summary of the significant accomplishments planned during the next reporting quarter.</p> <p>Payments against invoices for work completed during Quarter 3, CY 2013 through to the end of the project are expected to continue throughout final close-out, as construction contractors begin to invoice for work that is confirmed as completed by the team's engineers and architects.</p> <p>The aerial backbone, underground backbone and lateral fiber installations will continue on St. Croix, St. Thomas, Water Island and St. John, as applicable.</p> <p>Also, the construction of FAPs (Fiber/Facility Access Points); the installation of fiber patch panels, AC (Air Conditioning) units, racking equipment and DC Power; CAI connections; and, network testing and monitoring will continue.</p> <p>The team will continue to assess the project implementation schedule and the network design to identify ways to speed up the build-out and coordinate with the construction contractors, NTIA and NOAA to determine whether a follow-on extension, budget modification and/or other project modifications will be needed, some of which will impact the "Planned Percent Complete" targets outlined herein.</p>
2b.	<b>Environmental Assessment</b>	100	<p>No additional environmental assessments are anticipated during Quarter 4, CY 2013, unless a determination is later made that additional work will be required to address any final issues with the right of way on the east end of St. Croix.</p> <p>The VIPFA/viNGN team will continue to monitor its construction sites for artifacts as work is performed near sensitive archaeological sites and for any endangered species that viNGN or its contractors might encounter.</p>
2c.	<b>Network Design</b>	100	<p>The core network design is complete.</p> <p>The routing protocol design will continue to be updated to best utilize new and existing network nodes.</p>
2d.	<b>Rights of Way</b>	100	<p>All Rights of Way will be obtained, unless a determination is later made that additional work will be required to address any final issues with the right of way on the east end of St. Croix.</p>
2e.	<b>Construction Permits and Other Approvals</b>	100	<p>The VIPFA/viNGN team will continue to work with the U.S. Virgin Islands Department of Planning and Natural Resources to ensure that VIPFA/viNGN's permits are updated and that construction activities continue to meet local building codes.</p>
2f.	<b>Site Preparation</b>	100	<p>The VIPFA/viNGN team will continue FAP construction and backfilling activities. Site visits will be conducted along with construction contractors and current land custodians (as needed) to identify and address traffic patterns, any other safety concerns, any environmental concerns, any concerns that may impact the project completion schedule, etc. Further, silt barriers and silt fencing will be monitored on applicable sites to ensure that seepage from the construction zone does not occur.</p>
2g.	<b>Equipment Procurement</b>	100	<p>VIPFA/viNGN will continue to receive equipment as a result of prior procurement activities.</p> <p>Any additional equipment procurement will be the result of needs identified as the final phases of the network build-out continues, as network and equipment testing continues and as network connection activities continue.</p>

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2h.	<b>Network Build (all components - owned, leased, IRU, etc.)</b>	100	<p>During Quarter 4, CY 2013, the VIPFA/viNGN team plans to install/deploy a cumulative total of 26 new fiber miles on St. Croix, St. Thomas, Water Island and St. John and connect 315 CAIs.</p> <p>The VIPFA/viNGN team also plans to finalize the following during Quarter 4, CY 2013:</p> <ul style="list-style-type: none"> <li>• Continue the construction of FAPs (Fiber/Facility Access Points) and the installation of fiber patch panels, AC (Air Conditioning) units, racking equipment and DC Power on St. Croix, St. Thomas and St. John;</li> <li>• Install routers and switches to await the final connections to the aerial or underground fiber to bring the network on line;</li> <li>• Continue to coordinate with contractors to work on accelerated schedules and actively identify and create ways to speed up the construction activities; and</li> <li>• Continue to assess the project implementation schedule and the network design to identify ways to speed up the build-out and coordinate with the construction contractors, NTIA and NOAA to determine whether a follow-on extension, budget modification and/or other project modifications will be needed.</li> </ul>
2i.	<b>Equipment Deployment</b>	100	<p>As the remaining FAP construction is completed, the equipment racks are installed in the FAPs, the Community Anchor Institutions are connected and all backbone node equipment is installed, equipment will be deployed, and the team will be positioned to come in line with the Baseline Indicator targets.</p>
2j.	<b>Network Testing</b>	100	<p>As the remaining FAP construction is completed, the equipment racks are installed in the FAPs, Community Anchor Institutions are connected and the remaining backbone node equipment is installed, the team will be positioned to come in line with the Baseline Indicator targets. Network testing will be ongoing in alignment with network build out and equipment deployment.</p> <p>As the construction of all other FAPs is completed, the routers and switches will be installed, and final testing and activation will bring the network fully on line.</p>
2k.	<b>Other (please specify):</b>	0	N/A

**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).**

Refer to the response in Question #3 above, as it relates to challenges experienced during Quarter 3, CY 2013.

The team will need to continue to assess the project implementation schedule and coordinate with the construction contractors, NTIA and NOAA to determine whether a follow-on extension, budget modification and/or other project modifications will be needed.

Quarter 4, CY 2013 remains within the Atlantic Ocean's Hurricane Season, i.e. an active tropical storm season, during which heavy rain/flooding, wind, and lightning typically result in weather-related delays during the course of construction projects. To date, the season has been mild. The VIPFA/viNGN team will continue on its accelerated schedule during the good weather periods and ensure that it effectively coordinates with the NTIA/NOAA team, its contractors, and its staff during periods of inclement weather. The VIPFA/viNGN team has successfully overcome the delays experienced to date by closely coordinating with its partners at NTIA, NOAA and WAPA and with its contractors and by focusing its efforts on working on accelerated schedules and continuing to identify and create ways to speed up project activities in all areas of implementation, e.g. by focusing on outside construction activities while the weather has remained good. The team will need NTIA's and NOAA's ongoing support during this period of inclement weather through the successful build-out of the network.

Also, VIPFA/viNGN intends to maximize work effort during the first half of Quarter 4, CY 2013, as it is a well known fact that work production decreases throughout the U.S. and other parts of the world during the holiday season, as workers focus on their families and the late November to December holiday season.

**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	\$2,194,110	\$0	\$2,194,110	\$1,128,864	\$0	\$1,128,864	\$1,760,800	\$0	\$1,760,800
b. Land, structures, right-of-ways, appraisals, etc.	\$125,000	\$0	\$125,000	\$85,200	\$0	\$85,200	\$90,200	\$0	\$90,200
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$4,950,000	\$0	\$4,950,000	\$4,109,066	\$0	\$4,109,066	\$4,602,182	\$0	\$4,602,182
e. Other architectural and engineering fees	\$425,000	\$0	\$425,000	\$396,995	\$0	\$396,995	\$405,243	\$0	\$405,243
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$10,000	\$0	\$10,000	\$0	\$0	\$0	\$10,000	\$0	\$10,000
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$29,598,639	\$4,247,130	\$25,351,509	\$15,246,956	\$324,543	\$14,922,413	\$24,075,646	\$324,543	\$23,751,103
j. Equipment	\$35,646,004	\$10,474,987	\$25,171,017	\$26,162,397	\$10,474,987	\$15,687,410	\$33,033,707	\$10,474,987	\$22,558,720
k. Miscellaneous	\$661,833	\$0	\$661,833	\$660,921	\$0	\$660,921	\$661,833	\$0	\$661,833
<b>l. SUBTOTAL (add a through k)</b>	<b>\$73,610,586</b>	<b>\$14,722,117</b>	<b>\$58,888,469</b>	<b>\$47,790,399</b>	<b>\$10,799,530</b>	<b>\$36,990,869</b>	<b>\$64,639,611</b>	<b>\$10,799,530</b>	<b>\$53,840,081</b>
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	<b>\$73,610,586</b>	<b>\$14,722,117</b>	<b>\$58,888,469</b>	<b>\$47,790,399</b>	<b>\$10,799,530</b>	<b>\$36,990,869</b>	<b>\$64,639,611</b>	<b>\$10,799,530</b>	<b>\$53,840,081</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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