

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration	2. Award Identification Number NT10BIX5570122	3. DUNS Number 961960122
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4. Recipient Organization Florida Rural Broadband Alliance, LLC 4636 Hwy 90, Ste. K, Marianna, FL 32446-3508

5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2014	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.

7a. Typed or Printed Name and Title of Certifying Official Jim Brook	7c. Telephone (area code, number and extension) X
	7d. Email Address brook.jim@gmail.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-27-2014
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Project Indicators (This Quarter)

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

a) **SITE CONSTRUCTION COMPLETE:** The South network remained at 96% Construction Complete status and the North network remained at 97% Construction Complete status in 1Q2014.

b) **DEPLOYMENT:** Deployment has been materially completed at all sites in 1Q2014, with the exception of FRL-016, FRH-024, FRH-059 and Chipola College. Construction at FRL-016, FRH-024 and Chipola College are currently more than 50% complete. FRH-059 is pending lease negotiations with the State of Florida / Harris Corporation.

c) **DATA CENTER BUILDOUTS:** Construction at the Orlando and Tallahassee data centers is complete. Both Data-centers have been configured and engineered to accept and process core traffic destined for on-net facilities or the Public Internet. The Wireless millimeter wave link from FRH-022 to the Level 3 Tallahassee Data-center was completed in 1Q2014, which provides a redundant link into the Public Internet.

d) **QUALITY ASSURANCE/SITE ACCEPTANCE:** Quality Assurance testing has been completed at 96% of sites in 1Q2014; Punch-list items have been repaired for QA Completed sites and subsequently have been accepted per FRBA acceptance standards.

e) **NETWORK OPERATOR:** A Definitive Agreement was signed with a Network Operator on February 14, 2014.

f) **CUSTOMER OUTREACH:** Two customer contracts were secured in 1Q2014, with activations scheduled in 2Q2014. FRBA and the Network Operator continue a broad outreach program to community anchors and last-mile providers in the FRBA region.

g) **LAST MILE DEPLOYMENTS:** Installation of base-stations at the 7 planned tower locations in the South is 100% complete - these base-stations provide coverage to serve 92 targeted CAIs. Installation of base-stations at 17 planned tower locations in the North is 100% complete - these base-stations provide coverage to serve 79 targeted CAIs. FRBA can provide service to these targeted 171 CAIs within 1 day after a contract is signed with the customer since the base-stations have been installed.

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	98	Project did not meet quarterly projections due to logistics of completing required lease amendments.
2b.	Environmental Assessment	0	N/A
2c.	Network Design	97	Project did not meet quarterly projections due to logistics of completing required lease amendments.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	84	Project did not meet quarterly projections due to logistics of completing required lease amendments.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	99	The vast majority of equipment has been purchased.
2h.	Network Build (all components - owned, leased, IRU, etc)	84	Project did not meet quarterly projections due to logistics of completing required lease amendments.
2i.	Equipment Deployment	84	Project did not meet quarterly projections due to logistics of completing required lease amendments.
2j.	Network Testing	46	Project did not meet quarterly projections due to logistics of completing required lease amendments.
2k.	Other (please specify): n/a	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).

DEPLOYMENT: Project deployment was behind the planned schedule in 1Q2014 due to longer than anticipated lease and lease amendment processes. With the exception of securing a viable lease for FRH-059, all lease amendments have been executed and construction at the remaining sites is more than 50% complete.

4. Please report the following information regarding network build progress. Write "0" in the Total column and "N/A" in the Narrative column if your project does not include this activity. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	617	The following links are Construction Complete: FRH022 - FRH022ILA, FRH063 - FRH016, FRH016 - FRH008 FRH016 - FRH020, FRH035 - FRH001, FRH001 - FRH051 FRH051 - FRH004, FRH004 - FRH012, FRH012 - FRH020 FRH020 - FRH059B, FRH059B - FRH032, FRH032 - FRH022 FRH035 - FRH043, FRH001 - FRH047B, FRH047B - FRH006 FRH046 - FRH006, FRH006 - FRH042, FRH042 - FRH040 FRH040 - FRH009B, FRH011 - FRH009B, FRH009B - FRH005B, FRH005B - FRH049, FRH049 - FRH058 FRH058 - FRH033, FRH033 - FRH023, FRH023 - FRH026 FRH026 - FRH041, FRH041 - FRH018, FRH018 - FRH051 FRH051 - FRH057, FRH057 - FRH057ILA, FRH051 - FRH039, FRH024 - FRH019, FRH019 - FRH002, FRH019 - FRH014 FRH014 - FRH015, FRH015 - FRH021, FRH021 - FRH027 FRH027 - FRH036, FRH036 - FRH022, FRL016ILA - FRL016 FRL016 - FRL009, FRL009 - FRL059, FRL059 - FRL011 FRL011 - FRL023, FRL023 - FRL008, FRL023 - FRL024 FRL024 - FRL005, FRL022 - FRL015, FRL015 - FRL014, FRL014 - FRL013, FRL013 - FRL012, FRL012 - FRL054, FRL054 - FRL020, FRL020 - FRL006, FRL006 - FRL021, FRL021 - FRL005, FRL024 - FRL019, FRL017 - FRL018, FRL018 - FRL004, FRL004 - FRL052, FRL052 - FRL019
New network miles leased	1,201	Level(3) IRU Miles
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	N/A
Number of new wireless links	60	The following links are Construction Complete: FRH022 - FRH022ILA, FRH063 - FRH016, FRH016 - FRH008 FRH016 - FRH020, FRH035 - FRH001, FRH001 - FRH051 FRH051 - FRH004, FRH004 - FRH012, FRH012 - FRH020, FRH032 - FRH022 FRH035 - FRH043, FRH001 - FRH047B, FRH047B - FRH006 FRH046 - FRH006, FRH006 - FRH042, FRH042 - FRH040 FRH040 - FRH009B, FRH011 - FRH009B, FRH009B - FRH005B, FRH005B - FRH049, FRH049 - FRH058 FRH058 - FRH033, FRH033 - FRH023, FRH023 - FRH026 FRH026 - FRH041, FRH041 - FRH018, FRH018 - FRH051 FRH051 - FRH057, FRH057 - FRH057ILA, FRH051 - FRH039, FRH024 - FRH019, FRH019 - FRH002 FRH002 - FRH013, FRH013 - FRH053B, FRH019 - FRH014 FRH014 - FRH015, FRH015 - FRH021, FRH021 - FRH027 FRH027 - FRH036, FRH036 - FRH022, FRL016ILA - FRL016 FRL016 - FRL009, FRL009 - FRL059, FRL059 - FRL011 FRL011 - FRL023, FRL023 - FRL008, FRL023 - FRL024 FRL024 - FRL005, FRL022 - FRL015 FRL015 - FRL014, FRL014 - FRL013, FRL013 - FRL012 FRL012 - FRL054, FRL054 - FRL020, FRL020 - FRL006

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
		FRL006 - FRL021, FRL021 - FRL005, FRL024 - FRL019 FRL017 - FRL018, FRL018 - FRL004, FRL004 - FRL052 FRL052 - FRL019
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	N/A

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your sub recipient, contractor or subcontractor is negotiating or entered into.

5a. If applicable, please provide the following information with regard to agreements with broadband wholesalers and/or last mile providers as a result of your project.

Indicators	
Number of signed agreements with broadband wholesalers or last mile providers	2
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	1
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: FRBA has signed agreements to interconnect with Freedom WiFi in Moore Haven, Florida and Okeechobee, Florida.

5c. What wholesale services are being provided by this project? Please describe below. As an attachment to this report, please provide pricing plans (in \$ per month) associated with each wholesale service provided by your product (100 words or less). Wholesale services description:

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

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a sub recipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this this third party operates (600 words or less).

FRBA signed a Definitive Agreement in 1Q2014 for Affiniti LLC (Doug Thoutt / doug.thoutt@affiniti.com) to be the Network Operator of the entire FRBA network. Affiniti is pending approval by the NTIA to be a sub recipient.

6. Please provide the data according to the type of subscriber. Write "0" in the Total column and "N/A" in the Narrative column if your project does not pass or serve a particular subscriber type. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (300 words or less).

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	0	FRBA is currently in discussions with several Broadband Wholesalers or Last Mile Providers to utilize the FRBA network.
	Providers with signed agreements receiving improved access	2	FRBA has signed agreements to provide Dedicated Internet Access and Transport to Broadband Wholesalers or Last Mile Providers in Okeechobee and Moore Haven, FL.
	Providers with signed agreements receiving access to dark fiber	0	N/A

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	9	FRBA offers speed tiers of 5, 10,15,20,25,50,100,150 and 200 Mb/s to Broadband Wholesalers and Last Mile Providers.
Community Anchor Institutions (including Government institutions)	Total subscribers served	3	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	3	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	9	FRBA offers speed tiers of 5, 10,15,20,25,50,100,150 and 200 Mb/s to Community Anchor Institutions.
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).
 FRBA will have built-in capabilities to provide on-net services between community anchors throughout the region. This will allow for collaboration and interconnection between separate CAI organizations that need to share data between one another. FRBA will also have the capabilities to offer colocation and data center space to CAIs requiring secure data backup facilities. CAIs will have layer 2 access to such facilities across the FRBA network, enabling them to maintain direct on-net connectivity to their data, rather than having to provision separate physical circuits or Internet-based VPNs ("virtual private networks") for access to their data.

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

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

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

Institution Name	Service Area (town or county)	Type of Anchor Institution (as defined in your baseline)	Are you also the broadband service provider for this	Narrative description of how anchor institutions are using BTOP-funded infrastructure

			institution? (Yes / No)	
Heartland Workforce	Sebring, FL	Community Support Organizations	No	FRBA does not have a contract with Heartland Workforce, but initial discussions have been to provide internet access.
Florida Rural Broadband Alliance	Sebring, FL	Community Support Organizations	No	FRBA does not have a contract with Florida Rural Broadband Alliance, but initial discussions have been to provide internet access.
Veterans Clinic	Sebring, FL	Medical and Health Care Providers	No	FRBA does not have a contract with Veterans Clinic, but initial discussions have been to provide internet access.

Project Indicators (Next Quarter)

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

a) **SITE CONSTRUCTION COMPLETE:** The South network will move from 96% to 100% Construction Complete status and the North network should move from 97% to 100% Construction Complete status in 2Q2014. Approximately 96 miles of network should be completed in 2Q2014.

b) **DEPLOYMENT:** Deployment at FRL-016, FRH-024, FRH-059 and Chipola College are scheduled for construction completion in 2Q2014.

c) **DATA CENTER BUILDOUTS:** FRBA and the Network Operator will continue to pursue IRU Modifications with Level(3) in attempt to reconfigure space, power, and fiber allocations to better fit the needs of the entire network. This modification request does not hinder the capability for FRBA to provide service to end customers or completion of the network.

d) **QUALITY ASSURANCE/SITE ACCEPTANCE:** Quality Assurance testing is projected to be completed at 100% of sites in 2Q2014.

e) **NETWORK OPERATOR:** Efforts to integrate the FRBA network into the Network Operators core network will continue in 2Q2014.

f) **CUSTOMER OUTREACH:** Establish direct service to as many CAI's as possible through unified outreach of FRBA and Network Operator. Outreach to required and non-required CAI's has begun. Limited campaigns will occur with the intent to secure required CAI's as presented in the grant. Continue to identify last-mile providers, primarily wireless Internet providers, in the region to establish service needs and timing coinciding with construction completion. FRBA expects to have made connection to at least 50 CAIs by the end of the next quarter.

g) **WHOLESALE/LAST-MILE AGREEMENTS:** FRBA continues to meet with Wholesale and Last-Mile providers, but does not anticipate that any additional agreements will be signed in 2Q2014.

h) **LAST MILE DEPLOYMENTS:** Installation of base-stations at all 24 planned tower locations is 100% complete, which provides coverage to some 171 targeted CAIs.

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	Scheduled to be Complete
2b.	Environmental Assessment	0	N/A
2c.	Network Design	100	Scheduled to be Complete
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	100	Scheduled to be Complete
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	100	Scheduled to be Complete

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Scheduled to be Complete
2i.	Equipment Deployment	100	Scheduled to be Complete
2j.	Network Testing	100	Scheduled to be Complete
2k.	Other (please specify):	100	Scheduled to be Complete

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).

FRBA shall continue to negotiate for a commercially viable lease at FRH-059 with the State of Florida, but can not accept the current version of the lease which provides the state the option to terminate the lease with a ten day notice. FRBA will continue to look for potential alternate sites in the event a lease cannot be secured under commercially viable terms.

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	\$3,853,561	\$275,000	\$3,578,561	\$3,196,541	\$275,000	\$2,921,541	\$3,275,000	\$275,000	\$3,000,000
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$3,058,759	\$0	\$3,058,759	\$3,720,048	\$0	\$3,720,048	\$3,920,048	\$0	\$3,920,048
e. Other architectural and engineering fees	\$2,224,594	\$0	\$2,224,594	\$3,084,838	\$0	\$3,084,838	\$3,084,838	\$0	\$3,084,838
f. Project inspection fees	\$105,000	\$0	\$105,000	\$47,923	\$0	\$47,923	\$47,923	\$0	\$47,923
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$4,762,182	\$1,221,000	\$3,541,182	\$2,042,416	\$0	\$2,042,416	\$2,428,174	\$0	\$2,428,174
j. Equipment	\$20,145,569	\$8,960,000	\$11,185,569	\$21,100,564	\$9,887,882	\$11,212,682	\$21,393,682	\$10,181,000	\$11,212,682
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$34,149,665	\$10,456,000	\$23,693,665	\$33,192,330	\$10,162,882	\$23,029,448	\$34,149,665	\$10,456,000	\$23,693,665
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$34,149,665	\$10,456,000	\$23,693,665	\$33,192,330	\$10,162,882	\$23,029,448	\$34,149,665	\$10,456,000	\$23,693,665

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

a. Application Budget Program Income: \$0 b. Program Income to Date: \$0