

RECIPIENT NAME:Motorola Solutions, Inc.

AWARD NUMBER: NT10BIX5570089

DATE: 11/07/2013

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>  NT10BIX5570089	<b>3. DUNS Number</b>  001325463
<b>4. Recipient Organization</b>  Motorola Solutions, Inc. 1303 East Algonquin Road, Schaumburg, IL 60196-4041		
<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 type="radio"/> Yes <input checked="" 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>  Tom Breves	<b>7c. Telephone (area code, number and extension)</b>  4107126590	
	<b>7d. Email Address</b>  tom.breves@motorolasolutions.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-07-2013	

**Project Indicators (This Quarter)**

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

In coordination with other BTOP recipients and spectrum lessees, substantial progress was made in preparing documents and negotiation with FirstNet for the eventual Spectrum Management Lease Agreement (SMLA). MSI met with consultants of FirstNet concerning about aspects of the project. MSI applied for and were granted a short term BTOP Award Period Extension through December 31, 2013. We worked closely with NTIA's environmental consultants in an effort to retain our BTOP and DOC categorical exclusions for our route modification. We provided all Site drafts narratives. Limited work continued in support of FCC licensing for the microwave backhaul subsystem and in support of zoning approvals for some of the planned RAN sites. We supported the NTIA submittal for tribal notification for Federal tribes.

**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	10	The indicated variance from the baseline plan for the previous quarter occurred as a result of delays in the finalization and readiness of sites and other program delays. There have been additional delays introduced to the program due to the partial suspension imposed upon on this BTOP project.
2b.	Environmental Assessment	28	Throughout the quarter significant work was performed with regard to National Environmental Protection Act and Historical Preservation Act.
2c.	Network Design	100	Although the Project Baseline report indicates that Motorola Solutions should be 100% complete, Motorola Solutions has currently exceeded 100% (maximum allowed to be reported is 100%). Motorola Solutions is anticipating that the indicated variance from the baseline plan is the result of additional effort required in the finalization and readiness of sites and other program requirements.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	0	N/A
2f.	Site Preparation	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of delays in the finalization and readiness of sites and other program delays.
2g.	Equipment Procurement	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of the partial suspension placed on the program. All LTE-equipment related tasks have been suspended indefinitely.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of the partial suspension placed on the program. All LTE-equipment related tasks have been suspended indefinitely.
2i.	Equipment Deployment	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of the partial suspension placed on the program. All LTE-equipment related tasks have been suspended indefinitely.
2j.	Network Testing	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of the partial suspension placed on the program. All LTE-equipment related tasks have been suspended indefinitely.
2k.	Other (please specify): Other	37	The indicated variance is due to the deferment of staffing program management and other project positions until the start of scheduled implementation, now also impacted by the partial suspension of the LTE equipment portion of the program. Other deferred related staffing expenses such as relocation. There was decreased in actual reported funds under the Miscellaneous cost classification on Infrastructure Budget Details section of this PPR, due to a correction from previous quarters. There were miscellaneous labor charges and facility recorded, but have now been determined to be indirect cost of the project that are not recoverable.

**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).**

Although FirstNet is working with recipients/spectrum lessees closely to fulfill all requirements to cause NTIA to rescind the partial suspension of all grants, the lifting of the suspension has not yet occurred. In the 15 months that has passed since the partial suspension was invoked, reassignment of resources has resulted in a significant loss of momentum among local stakeholders insofar as continued efforts for the regulatory preparation of sites for inclusion in the network.

**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	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of delays in the finalization and readiness of sites and other program delays.
New network miles leased	0	N/A
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	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of delays in the finalization and readiness of sites and other program delays.
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of delays in the finalization and readiness of sites and other program delays.

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

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

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

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

Although the Project Baseline report indicated the Motorola Solutions would have seven wholesale provider agreements in place, the unavailability of sites to accommodate the Public Access system has caused the latter to be removed from the design. This is a portion of the Route Modification request made to NTIA.

**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:**

See 5b

**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).**

No third parties were designated to operate any part of this network.

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	Although the Project Baseline report indicated the Motorola Solutions would have two wholesale provider agreement in place, the unavailability of sites to accommodate the Public Access system has caused the latter to be removed from the design. This is a portion of the Route Modification request made to NTIA.
	Providers with signed agreements receiving improved access	0	Although the Project Baseline report indicated the Motorola Solutions would have five wholesale provider agreements in place, the unavailability of sites to accommodate the Public Access system has caused the latter to be removed from the design. This is a portion of the Route Modification request made to NTIA.
	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	0	No speed tiers are available at this time.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of delays in the finalization and readiness of sites and other program delays. The LTE equipment portion of this program is on partial suspension as is the case for other similar programs.
	Subscribers receiving new access	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of delays in the finalization and readiness of sites and other program delays. The LTE equipment portion of this program is on partial suspension as is the case for other similar programs.
	Subscribers receiving improved access	0	The indicated variance from the baseline plan for the previous quarter occurred as a result of delays in the finalization and readiness of sites and other program delays. The LTE equipment portion of this program is on partial suspension as is the case for other similar programs.
	Please identify the speed tiers that are available and the number or subscribers for each	0	Due to the fact that no agreements have been finalized with subscribers, no tiers of service were available for this quarter.
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

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A

**7. Please describe any special offerings you may provide (600 words or less).**  
No special offerings were provided or anticipated to be provided during the quarter.

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

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

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

Institution Name	Service Area (town or county)	Type of Anchor Institution (as defined in your baseline)	Are you also the broadband service provider for this institution? (Yes / No)	Narrative description of how anchor institutions are using BTOP-funded infrastructure
N/A	N/A	N/A	N/A	N/A

**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).**  
We anticipate the satisfactory conclusion of the SMLA between FirstNet and spectrum lessees. We expect to complete and submit our long-term BTOP Award Period Extension Request Letter and Template and anticipate a favorable decision in its approval. We plan on meeting the NTIA's requirements such that the review and evaluation of our submitted Route Modification can be continued and hope for its eventual approval. We will continue to work with NTIA and our environmental contractor to finish the required narratives to confirm our categorical exclusion and conduct necessary work on Section 106 to complete SAC 12 by the end of the year.  
If the partial suspension is lifted during the upcoming period, we will resume work to result in the eventual placing of orders for LTE equipment and services.

**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	11	Motorola Solutions is anticipating that the indicated variance from the baseline plan for the next quarter will occur as a result of the continuing delays in the finalization and readiness of sites and due to the uncertainties introduced by the partial suspension of LTE related activities.
2b.	Environmental Assessment	100	Fewer SHPO consultations were required at this point in the project. The indicated variance from the baseline plan for the next quarter is anticipated due to additional environmental reviews that will result.
2c.	Network Design	100	Although the Project Baseline report indicates that Motorola Solutions should be 100% complete, Motorola Solutions has currently exceeded 100% (maximum allowed to be reported is 100%). Motorola Solutions is anticipating that the indicated variance from the baseline plan is the result of additional effort required in the finalization and readiness of sites and other program requirements. Motorola Solutions is anticipating that the indicated variance from the baseline plan for the next quarter will occur as a result of additional

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
			effort required in the finalization and readiness of sites and other program requirements.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	0	N/A
2f.	Site Preparation	0	Motorola Solutions is anticipating that the indicated variance from the baseline plan for the next quarter will occur as a result of the continuing delays in the finalization and readiness of sites and due to the uncertainties introduced by the partial suspension of LTE related activities.
2g.	Equipment Procurement	0	Motorola Solutions is anticipating that the indicated variance from the baseline plan for the next quarter will occur as a result of the continuing delays in the finalization and readiness of sites and due to the uncertainties introduced by the partial suspension of LTE related activities.
2h.	Network Build (all components - owned, leased, IRU, etc.)	0	Motorola Solutions is anticipating that the indicated variance from the baseline plan for the next quarter will occur as a result of the continuing delays in the finalization and readiness of sites and due to the uncertainties introduced by the partial suspension of LTE related activities.
2i.	Equipment Deployment	0	Motorola Solutions is anticipating that the indicated variance from the baseline plan for the next quarter will occur as a result of the continuing delays in the finalization and readiness of sites and due to the uncertainties introduced by the partial suspension of LTE related activities.
2j.	Network Testing	0	Motorola Solutions is anticipating that the indicated variance from the baseline plan for the next quarter will occur as a result of the continuing delays in the finalization and readiness of sites and due to the uncertainties introduced by the partial suspension of LTE related activities.
2k.	Other (please specify): Other	40	Motorola Solutions is anticipating that the indicated variance from the baseline plan for the next quarter will occur as a result of the continuing delays in the finalization and readiness of sites and due to the uncertainties introduced by the partial suspension of LTE related activities.

**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).**

Although substantial progress in arriving at consensus among BTOP recipients and FirstNet on project-related topics was made during the past period, many tasks necessary for the deployment of this system remain frozen as a result of the partial suspension. Due to Government shutdown in October caused logistical issues on all tasks and processes. FirstNet has extended the negotiating period for the the SMLA until November 15, 2013 JPA and Motorola are working to meet that date. Receipt of the executed SMLA in this quarter is critical for the timely program completion.

**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	\$165,000	\$165,000	\$0	\$683,276	\$206,349	\$476,927	\$794,901	\$240,060	\$554,841
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	\$24,288,492	\$9,528,787	\$14,759,705	\$4,174,577	\$1,260,722	\$2,913,855	\$4,758,577	\$1,437,090	\$3,321,487
e. Other architectural and engineering fees	\$3,362,099	\$1,319,009	\$2,043,090	\$2,009,317	\$606,814	\$1,402,503	\$2,199,317	\$664,194	\$1,535,123
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$44,668,046	\$10,877,290	\$33,790,756	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$486,598	\$146,953	\$339,645	\$510,501	\$154,171	\$356,330
<b>l. SUBTOTAL (add a through k)</b>	<b>\$72,483,637</b>	<b>\$21,890,086</b>	<b>\$50,593,551</b>	<b>\$7,353,768</b>	<b>\$2,220,838</b>	<b>\$5,132,930</b>	<b>\$8,263,296</b>	<b>\$2,495,515</b>	<b>\$5,767,781</b>
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	<b>\$72,483,637</b>	<b>\$21,890,086</b>	<b>\$50,593,551</b>	<b>\$7,353,768</b>	<b>\$2,220,838</b>	<b>\$5,132,930</b>	<b>\$8,263,296</b>	<b>\$2,495,515</b>	<b>\$5,767,781</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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