QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	NT10BIX5570095	176553068

4. Recipient Organization

JKM Consulting, Inc. 100 Firethorn Lane, Munford, AL 36268-5504

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Report of the Award Period?
06-30-2013	◯ Yes ⦿ 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	7c. Telephone (area code, number and extension)
Steven Moses	X
	7d. Email Address smoses@jkmconsultinginc.com

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	08-09-2013

Project Indicators (This Quarter)

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

Project BEAR (Broadband for East Alabama Region) reached 99 percent completion. Fiber construction continued this quarter to finalize installations at a number of Community Anchor Institutions (CAIs) with minimal installations remaining for 3rd quarter. A recent interconnection allowed a rural clinic to open on-time with the latest technology and connectivity to larger medical facilities in Georgia.

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	99	On track to complete project on time
2b.	Environmental Assessment	100	On track to complete project on time
2c.	Network Design	100	On track to complete project on time
2d.	Rights of Way	100	On track to complete project on time
2e.	Construction Permits and Other Approvals	100	On track to complete project on time
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	99	On track to complete project on time
2h.	Network Build (all components - owned, leased, IRU, etc)	99	On track to complete project on time
2i.	Equipment Deployment	99	Due to issues with radio equipment manufacturer, WiMax equipment deployment may be in jeopardy of completion .
2j.	Network Testing	99	On track to complete project on time
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).

An ongoing challenge to us this quarter is to complete the wireless access network. Delays with the manufacturer of the wireless network equipment has placed a backlog on the customers pre-registered for service. Additionally we learned after the close of the quarter, the primary wireless vender is withdrawing from the market and will not deliver the agreed upon materials. Another challenge we continue to face revolves on completing an agreement with Southern Company for two fibers need to close our ring, providing redundancy for the transport 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	110	n/a
New network miles leased	26	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)	110	n/a
Number of new wireless links	4	n/a
Number of new towers	0	n/a

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of new and/or upgraded interconnection points	16	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	6
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements (in quarters)	20

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
Earthlink Interconnection Agreement completed on March 27, 2012.
Slappey Telephone agreement completed May 2, 2012.
AT&T interconnection agreement completed May 24, 2012.
CenturyLink Interconnection Agreement completed December 6, 2012
SynchGlobal Telecommunications agreement completed March 1, 2013
Roanoke Telephone Company/TEC June 2013

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:
Wholesales services: 1). Dark Fiber IRU are individual case basis. 2) Dark fiber lease: $250 per month plus $50 per fiber per route mile per month with term and volume discounts to be negotiated. 3). 100 Mbps Ethernet $550 per month per connection for three year contract on-net. 4) GigE $1500 per month per connection, three year contract on-net

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).
n/a

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**	2	n/a
	Providers with signed agreements receiving improved access	1	n/a
	Providers with signed agreements receiving access to dark fiber	2	n/a
	Please identify the speed tiers that are available and the number of subscribers for each	1	10/100/1000
Community Anchor Institutions (including Government institutions)	**Total subscribers served**	38	n/a
	Subscribers receiving new access	10	n/a

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	28	n/a
	Please identify the speed tiers that are available and the number or subscribers for each	3	all receiving 100 mbps
Residential / Households	Entities passed	0	n/a
	Total subscribers served	0	n/a
	Subscribers receiving new access	0	n/a
	Subscribers receiving improved access	0	n/a
	Please identify the speed tiers that are available and the number of subscribers for each	0	n/a
Businesses	Entities passed	160	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	10/100/1000

7. Please describe any special offerings you may provide (600 words or less).
n/a

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
Stringfellow Hospital	Anniston, Al	Medical and Healthcare Providers	Yes	Telemedicine, digital medical records access
Hodges Community Center	Anniston, Al	Other Government Facilities	No	future use
City of Anniston BOE	Anniston, Al	Schools (K-12)	Yes	Distance learning, access to Alabama Research and Educational Network

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
Clay County BOE	Ashland, Al	Schools (K-12)	Yes	Distance learning, access to Alabama Research and Educational Network
Calhoun County EMA	Jacksonville, Al	Public Safety Entities	No	Planned to become redundant access to internet
CAlhoun County 911	Jacksonville, Al	Public Safety Entities	No	pending implementation of Next Generation 9-1-1 later this year
Weaver Police Department	Weaver, Al	Public Safety Entities	NO	future use
Talladega County BOE	Talladega, Al	Schools (K-12)	Yes	Distance learning, access to Alabama Research and Educational Network
McClellan Park Medical Mall	Anniston, Al	Medical and Healthcare Providers	Yes	Telemedicine, digital medical records access
Hillyer Robinson Medical Clinic	Anniston, Al	Medical and Healthcare Providers	Yes	Telemedicine, digital medical records access
Jacksonville Medical and Urgent Care	Jacksonville, Al	Medical and Healthcare Providers	Yes	Telemedicine, digital medical records access
Cheaha Women's Clinic/McClellan	Anniston, Al	Medical and Healthcare Providers	Yes	Telemedicine, digital medical records access
Talladega Urgent and Primary Care	Talladega, Al	Medical and Healthcare Providers	Yes	Telemedicine, digital medical records access
Wadley High School	Wadley, Al	Schools (K-12)	Yes	Distance learning, access to Alabama Research and Educational Network
Randolph County BOE	Wedowee, Al	Schools (K-12)	Yes	Distance learning, access to Alabama Research and Educational Network
Jacksonville City BOE	Jacksonville, Al	Schools (K-12)	Yes	Distance learning, access to Alabama Research and Educational Network
Alabama School for the Deaf	Talladega, Al	Schools (K-12)	Yes	Distance learning, access to Alabama Research and Educational Network

Project Indicators (Next Quarter)

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

Third quarter (3Q2013) will bring a close to the project. Therefore, focus will be to complete the project and begin closeout of the grant. One unclear exception involves the deployment of residential services which have been impacted by our wireless vendor withdrawing from the market. We plan to complete the lease for an additional 15 miles of fiber to close our ring giving a project total of 115 miles. We plan to add 11 additional CAI's for a project total total of 49. We do not anticipate signing any additional wholesaler/last mile provider agreement end the project with 6 total.

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	99	n/a
2b.	Environmental Assessment	100	n/a

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2c.	Network Design	100	n/a
2d.	Rights of Way	100	n/a
2e.	Construction Permits and Other Approvals	100	n/a
2f.	Site Preparation	100	n/a
2g.	Equipment Procurement	100	n/a
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	n/a
2i.	Equipment Deployment	99	Selected vender for TVWS RF network has withdrawn from the market and we will need to find alternative manufacturer or alternate technology
2j.	Network Testing	100	n/a
2k.	Other (please specify):	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).

One challenge involves the IRU (Indefeasible Right to Use) from Southern Company Services for the fibers needed to implement a self-healing ring as opposed to offering a linear system for the project. A second major challenge is finding an alternate manufacturer or technology for Television White Space (TVWS) wireless technology portion of the last mile network.

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.

Cost Classification	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		
	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	$610,200	$0	$610,200	$646,571	$35,145	$611,426	$646,571	$35,145	$611,426
b. Land, structures, right-of-ways, appraisals, etc.	$385,461	$310,461	$75,000	$398,173	$285,316	$112,857	$398,173	$285,316	$112,857
c. Relocation expenses and payments	$0	$0	$0	$0	$0	$0	$0	$0	$0
d. Architectural and engineering fees	$514,204	$0	$514,204	$643,878	$0	$643,878	$643,878	$0	$643,878
e. Other architectural and engineering fees	$75,000	$0	$75,000	$930	$0	$930	$930	$0	$930
f. Project inspection fees	$0	$0	$0	$0	$0	$0	$0	$0	$0
g. Site work	$0	$0	$0	$0		$0	$0	$0	$0
h. Demolition and removal	$0	$0	$0	$0	$0	$0	$0	$0	$0
i. Construction	$4,687,316	$1,591,340	$3,095,976	$5,100,450	$1,581,340	$3,519,110	$5,150,387	$1,581,340	$3,569,047
j. Equipment	$1,838,817	$0	$1,838,817	$1,263,241	$0	$1,263,241	$1,263,241	$0	$1,263,241
k. Miscellaneous	$88,739	$28,739	$60,000	$96,557	$28,739	$67,818	$96,557	$28,739	$67,818
l. SUBTOTAL (add a through k)	$8,199,737	$1,930,540	$6,269,197	$8,149,800	$1,930,540	$6,219,260	$8,199,737	$1,930,540	$6,269,197
m. Contingencies									
n. TOTALS (sum of l and m)	$8,199,737	$1,930,540	$6,269,197	$8,149,800	$1,930,540	$6,219,260	$8,199,737	$1,930,540	$6,269,197

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