

**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>  NT10BIX5570122	<b>3. DUNS Number</b>  961960122
--	---	--

**4. Recipient Organization**

Florida Rural Broadband Alliance, LLC 4636 Hwy 90, Ste. K, Marianna, FL 32446-3508

<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2011	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No
--	---

**7. Certification:** I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.

<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Johnene Marcum	<b>7c. Telephone (area code, number and extension)</b>
	<b>7d. Email Address</b>  johnene@johnenemarcumcpa.com

<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-30-2011
---	--

**Project Indicators (This Quarter)**

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

The Florida Rural Broadband Alliance (FRBA) team submitted and has been executing on a 30-60-90 day transition plan to restructure the FRBA governance, project and deployment plans. During this period, FRBA:

- Formalized the new roles and responsibilities of the organization
- Committed to a Letter of Intent (LOI) with Rapid Systems to complete a subrecipient agreement for engineering and deployment support for the FRBA broadband network both in the South Central and in the Northern service areas of FRBA
- Revised the project plan and budget
- Solidified the match and submitted updated reconciliation report
- Began development of a revised business and sustainability plan
- Completed the engineering and equipment specifications for the FRBA broadband network
- Continued to move the project forward in parallel with restructuring the organizational approach and schedule for deployment of the FRBA network

FRBA has been making great strides and in fact actually accelerated a number of activities by creating a parallel process and more transparency within the project. As a result the team has completed the restructuring of the organizational administration, project budget, scheduled and aligned the projects and resources to move the project back to its original baseline over the next two quarters. In addition the project team recognized several opportunities to accelerate the deployment and have developed a project structure and measures that will help FRBA substantially complete the project by the end of the summer in 2012. Some of the key accomplishments include:

**Programmatic Adjustments and Revisions**

- FRBA organizational Authorized Organizational Representative change
- FRBA Revised Budget
- FRBA Match Reconciliation
- FRBA project plan completion and submittal to NTIA Program Office

**Business Services, Outreach and Marketing**

- FRBA business and design review
- FRBA Facebook created for project daily and real-time status update functionality, as well as team-building purposes
- Carrier Relations with DayStar, Tower Cloud, and other small carriers interested in being a part of FRBA
- Anchor/Carrier Community Outreach
- Development of Community Outreach Plan
- Sugar Customer Relations Management system is operational for tracking customer opportunities

**Network Engineering**

- FRBA completed the network design and equipment specifications for the Northern and South Central portions of the network
- FRBA North and South deployment trackers and site management maps created
- FRBA North and South path calculations completed
- FRBA North and South Ring-Configuration validated
- Equipment programming documentation created
- Standardized deployment documentation in development
- Developed FRBA North and South Internet Protocol (IP) address schemas
- IP Addresses Schema Tracker created for both North and South networks
- Developed standard procedures for Safety, Records Retention, Benchmark Interoperability Testing, Asset Tagging and Inventory Control

**Network Procurement**

- FRBA bill of materials for network equipment created and requests for bids in development
- FRBA North warehouse investigation

**Site Permits & Tower Readiness**

- FRBA North and South building permit investigation/acquisition
- FRBA North and South utility application investigation process underway
- FRBA commercial tower lease applications submitted 9/29/2011
- Standardized Close-Out documentation in development

**Network Deployment Test and Turn-Up**

- Network access to the Level 3 Point of Presence (POP) was made available for the first time in the rural communities and connectivity was established into the FRBA network within Hardee County at Ona. This provided a significant increase in upstream capacity that was not available to the rural communities prior to the FRBA project.

• FRBA North and South deployment trackers and site management maps were completed initiating the execution of the acceleration of the network deployment schedule to begin in the 4th quarter of 2011.

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	32	The overall project has been refocused during this period and a new project plan has been put in place. The new plan provides for parallel activities and creates a forward looking approach to managing resources and tasking. Though the overall project is behind its spending baseline it anticipates significant acceleration through the 4th quarter of 2011 and the 1st quarter of 2012. The completion of the equipment procurement and the execution of tower lease agreements during the 4th quarter will enable FRBA to begin new construction efforts beyond the Hardee county network. The previous project reporting metrics were based on percentage of effort/tasks completion and not on actual expenditures. That has been corrected for this reporting period and the percentage of completion now reflects the actual percentage of expenditures.
2b.	Environmental Assessment	0	N/A
2c.	Network Design	37	The major effort of completing the overall design and establishing the equipment specifications for the FRBA network has been completed. This will enable FRBA to begin to run parallel tasks on a site by site basis. Even though the expenditures are behind baseline projections the work effort completed will allow FRBA to accelerate the site engineering as site lease agreements and civil site work begin. The previous project reporting metrics were based on percentage of effort/tasks completion and not on actual expenditures. That has been corrected for this reporting period and the percentage of completion now reflects the actual percentage of expenditures.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	37	With the completion of the build out of the Hardee County portion of the network and the completion of the engineering design, FRBA anticipates an acceleration of construction permits, tower lease agreements and other approvals needed to begin construction. Even though this task is behind the baseline for spending it is in alignment with the work effort needed. FRBA expects to run parallel activities which will accelerate the site and tower work that needs to be completed prior to equipment installation. This work is expected to significantly increase towards the end of the 4th quarter of 2011 and accelerate in the 1st quarter of 2012. This should bring the construction expenditures back within baseline by the 2nd quarter of 2012. The previous project reporting metrics were based on percentage of effort/tasks completion and not on actual expenditures. That has been corrected for this reporting period and the percentage of completion now reflects the actual percentage of expenditures.
2f.	Site Preparation	14	Upon the completion of tower lease agreements and issuance of site permits, FRBA expects to start significant efforts towards the site preparation. FRBA expects civil engineering and site work to remain ahead of the construction/equipment implementation schedule. FRBA expects to be substantially complete with all site prep by the end of the 2nd quarter of 2012. The previous project reporting metrics were based on percentage of effort/tasks completion and not on actual expenditures. That has been corrected for this reporting period and the percentage of completion now reflects the actual percentage of expenditures.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2g.	Equipment Procurement	32	Six separate Requests for Bids have been prepared for the various types of network equipment. Issuance of the Requests for Bids and vendor selection, contract negotiations and Purchase orders are expected to be completed within the 4th quarter of 2011. This will start the production, shipment and delivery process which is expected to be substantially complete before the end of 2011. The previous project reporting metrics were based on percentage of effort/tasks completion and not on actual expenditures. That has been corrected for this reporting period and the percentage of completion now reflects the actual percentage of expenditures.
2h.	Network Build (all components - owned, leased, IRU, etc)	19	The network build out has resulted in the completion of the Hardee County network and the deployment of the Level 3 fiber. The first of four Points of Presence for the Project has been activated and connected to the FRBA network. Additional network build out will begin once the initial permits and tower lease agreements are completed. It is anticipated that significant progress will be made between the 4th quarter of 2011 and the 2nd quarter of 2012. This should bring the project back within expenditure baseline by the second quarter of 2012. The previous project reporting metrics were based on percentage of effort/tasks completion and not on actual expenditures. That has been corrected for this reporting period and the percentage of completion now reflects the actual percentage of expenditures.
2i.	Equipment Deployment	32	The equipment is expected to be substantially available for staging and shipment to the sites by the end of the 4th quarter of 2011. Site preparation and tower readiness will be started and equipment will begin to be shipped for installation late 2011. Substantial completion of this effort is not expected until later in the 2nd quarter of 2012. The previous project reporting metrics were based on percentage of effort/tasks completion and not on actual expenditures. That has been corrected for this reporting period and the percentage of completion now reflects the actual percentage of expenditures.
2j.	Network Testing	0	Hardee County Network Testing was completed at the end of 2010. The continued deployment of the network will be at the end of the 4th quarter of 2011. It is anticipated that the significant testing will not begin until early 2012 and be substantially complete by the end of the second quarter of 2012. The previous project reporting metrics were based on percentage of effort/tasks completion and not on actual expenditures. That has been corrected for this reporting period and the percentage of completion now reflects the actual percentage of expenditures.
2k.	Other (please specify): In-Kind Capital Leases	38	On target for this reporting period.

**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 FRBA team submitted and has been executing on a 30-60-90 day transition plan to restructure the FRBA governance, project and deployment plans. FRBA has been making great strides and in fact actually accelerated a number of activities by creating a parallel process and more transparency within the project. As a result the team has completed the restructuring of the organizational administration, project budget, schedule and aligned the projects and resources move the project back to its original baseline by the end of the 4th quarter of 2011. In addition the project team recognized several opportunities to accelerate the deployment and have developed a project structure and measures that will help FRBA substantially complete the project by the end of the summer in 2012. With the support of the NTIA Program Office, FRBA has been able to continue to make progress during the restructuring of the program. This has helped the FRBA team stay on task and keep momentum, ensuring that FRBA will be able to complete the project as was originally proposed.

FRBA substantially completed all of the tasks in the 30/60/90 day plan and the project is making excellent progress. From a quarterly and cumulative spend standpoint; the project will be back on track and on schedule at the end of next quarter. Equipment procurement will be completed and purchase orders issued within the next quarter. FRBA anticipates equipment delivery by the end of this year. At the same time, we are negotiating tower leases, and our site acquisition activities are well underway. FRBA is also

continuing its outreach activities and making our potential customers aware of FRBA's network capabilities.

FRBA is taking a forward looking program management approach which helps assign tasking in parallel where we see potential timing challenges in the future. Much of the work is just in time, but there are lead times for agreements, licensing and legal issues that need resolution earlier in order not to affect workflow. The FRBA project teams have created a great deal of flexibility and can now be assigned to different regions based on available permits/licenses. This forward looking approach reduces potential slack periods and increases team efficiency.

Since these comprehensive corrective and preventive actions were undertaken, we have documented 500+ fiber route miles (FRBA South), over 230 wireless route miles through the deployment of Hardee County, 22 new wireless links active, and the first of four POPs which is now live. The turn-up of Hardee County has added 26 anchor tenants and over 1,300 subscribers through retail service relationships.

The primary challenge for this project is simply to accelerate the construction activities to meet the milestones and key indicators of the Baseline Plan. We have the right team in place to meet these milestones. We do anticipate a series of Award Action Requests that will be submitted based upon potential changes resulting from the restructuring of the grant administration. FRBA will work closely with NTIA Project Office to determine the actions and sequencing of the Award Action Requests that may be required to reflect the design, budget and schedule acceleration.

**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	230	The completion of Hardee County and extension of services into adjacent communities has resulted in deployment of 230 miles of wireless network.
New network miles leased	505	The Level 3 fiber infrastructure connecting FRBA North and South to the Level 3 upstream network has been deployed and activated.
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	No new wireless links have been added this quarter.
Number of new towers	0	Hardee County is complete and operation and services have been extended into Desoto and adjacent counties.
Number of new and/or upgraded interconnection points	4	One of four Level 3 Points-of-Presence was activated that connects the FRBA/Hardee County to the Level 3 backbone. This is the first of four major nodal connections that will bring much needed upstream access to the rural communities of Florida.

**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	3
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
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:**

- Rapid Systems has agreement with the Hardee County Broadband Project.

- Rapid Systems has a wholesale agreement with Daystar for Last Mile Services within the FRBA project
- Rapid Systems has a wholesale / Last Mile agreement with Knology for Voice over Internet Protocol services within the FRBA project and is currently deploying Hosted and Residential Voice over Internet Protocol

**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:**

FRBA will provide Ethernet Wireless Transport and internet wholesale services as the Middle Mile Network. Additionally, FRBA will provide services to Community Anchor Institutions.

Rapid Systems is providing Broadband Service to anchor facilities using WiMAX and other Licensed and unlicensed products. Rapid Systems has also recently completed integration and testing with Knology for Voice over Internet Protocol service. We currently are testing one community anchor on hosted Voice over Internet Protocol platform and 10 residential customers. Rapid Systems and Knology are currently working on call plans to Mexico to assist the migrant population with enhanced communications.

**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 third party operates (600 words or less).**

FRBA has consolidated its efforts for an integrate operation management strategy that will support both the FRBA North and South Central networks. FRBA has designated a single subrecipient to engineer, test and turn-up the network. The subrecipient, Rapid Systems, has also been designated as the middle mile operator.

1) Rapid Systems will operate the FRBA Networks as a subrecipient. [www.rapidsys.com](http://www.rapidsys.com)

a. 1211 N Westshore Blvd  
Tampa, FL 33607  
813-232-4887

b. Area Served – Florida’s Heartland

Counties Served – Hardee, Desoto, Highlands, Okeechobee, Glades, and Hendry. Also, the community of Immokalee

c. Area Served – Opportunity Florida

Counties Served – Holmes, Washington, Jackson, Gadsden, Calhoun, Liberty, Gulf, Franklin

**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	Unless it is a new provider, or just entering the market, we will assume that all providers are receiving improved access.
	Providers with signed agreements receiving improved access	3	We are in discussion with several providers. Agreements are pending finalization of product and service plans.
	Providers with signed agreements receiving access to dark fiber	0	We will not be providing access to dark fiber, as we do not have that access.
	Please identify the speed tiers that are available and the number of subscribers for each	1	Available speed tiers will begin at 10 Mbps, in increments of 10 Mbps to 100 Mbps. Service to 1 Gbps will be available, but we have conservatively estimated that we will only add customers at that level of service beyond year 3.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
<b>Community Anchor Institutions (including Government institutions)</b>	<b>Total subscribers served</b>	26	Our plan outlines service to 196 anchor institutions by project closeout. In the last report we submitted 33 CAI's, seven of these were duplications that have been corrected in this report.  The 26 CAIs being served include the following: Hardee County IT Hardee County Sheriff's Office Hardee County EDA Hardee County IDA Hardee County Chamber of Commerce Wauchula Municipal Airport Main Street Wauchula USF Polytechnic City of Wauchula Police Dept. City of Wauchula City of Wauchula Annex Hardee County Fire and Rescue Wauchula Bowling Green Fire and Rescue City of Bowling Green City of Bowling Green Police Department Town of Zolfo Springs Hardee County Drug Task Force Hardee County Court House PRECo Parnell Hardee County Parks and Recreation(Hardee Lakes) Desoto County Road and Bridge Desoto County Animal Control Desoto County Fire and Rescue Station Two Desoto County EOC 100' PRECo Pine Level PRECo Lily
	<b>Subscribers receiving new access</b>	0	N/A
	<b>Subscribers receiving improved access</b>	26	We will assume that if service is provided through our network, that all subscribers that have some type of service will receive improved service.
	<b>Please identify the speed tiers that are available and the number or subscribers for each</b>	0	Available speed tiers will begin at 10 Mbps, in increments of 10 Mbps to 100 Mbps. Service to 1 Gbps will be available, but we have conservatively estimated that we will only add customers at that level of service beyond year 3.
<b>Residential / Households</b>	<b>Entities passed</b>	0	When completed, the FRBA network will allow last mile providers the ability to cover the entire geography of the service area.
	<b>Total subscribers served</b>	0	N/A
	<b>Subscribers receiving new access</b>	0	N/A
	<b>Subscribers receiving improved access</b>	0	N/A
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	Available speed tiers will begin at 10 Mbps, in increments of 10 Mbps to 100 Mbps. Service to 1 Gbps will be available, but we have conservatively estimated that we will only add customers at that level of service beyond year 3.
<b>Businesses</b>	<b>Entities passed</b>	0	When completed, the FRBA network will allow last mile providers the ability to cover the entire geography of the service area.
	<b>Total subscribers served</b>	0	N/A
	<b>Subscribers receiving new access</b>	0	N/A
	<b>Subscribers receiving improved access</b>	0	N/A
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	Available speed tiers will begin at 10 Mbps, in increments of 10 Mbps to 100 Mbps. Service to 1 Gbps will be available, but we have conservatively estimated that we will only add customers at that level of service beyond year 3.

**7. Please describe any special offerings you may provide (600 words or less).**  
 Rapid Systems agreement is to provide a discount on services into Hardee County for three years. We are also in the process of securing very substantial capacity to allow third party providers to provide a wide array of services across our network. The full range of offerings will be determined by the marketplace, but the network has been designed to efficiently accommodate all types of traffic.

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

**8b. If so, please describe the changes (300 words or less).**  
 FRBA has consolidated its Northern and South Central network operations under a single agreement with Rapid Systems. This consolidation actually simplifies the network management and integration of services across the FRBA network. In addition it leverages the best practices already implemented in Hardee County and streamlines the need to develop separate business operations practices for the Northern portion of FRBA's network.

**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
None	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).**  
 The project team continues to evaluate conditions that have the potential of impacting the network schedule. At this time the team does not foresee any significant roadblocks that would greatly impact the schedule. The project team has built enough slack into the project so that slight slippages will not impact the substantial completion of the FRBA network.

Once the tower agreements/licenses are finalized, the work can be staged and adjusted to different locations where work is ready to begin. Rapid Systems has developed a flexible "forward looking" project approach that scales and assigns resources based on available tasking. The work teams are managed on a weekly and daily basis so that work can be planned out to maximize work streams as well as resource utilization. This approach will enable FRBA to continue to manage contingencies that arise from time to time while focusing on making continuous progress.

FRBA will be implementing its operational support systems and back office systems during the 4th quarter of 2011. This software implementation will include the customer care, work order management, network asset management, and network monitoring and support services necessary to run the FRBA network operations. During this period FRBA will also be implementing is customer service support and billing systems.

- Business Services and Partner Agreements
- Complete FRBA Sub-recipient agreement
  - Prepare and bid out selective construction request for quotes
  - Pro-Forma financial based on network operating agreements and customer projections
  - FRBA business pricing model agreement, business development and initialization of community outreach
  - Implement project management, deployment tracker and outreach tools for program and outreach management
  - Implement Back Office Support and Operational Support Systems

- Complete Site Engineering Documents (including any civil engineering required)
- Prepare Site plans and civil engineering as tower agreements and construction permits are awarded
  - Complete structural and any final network modifications
  - FRBA North and South utility application finalization

- Site Permitting and Tower Agreements
- Complete negotiations and execute FRBA commercial tower leases
  - Complete In-Kind tower agreements
  - Acquire all permits/licenses required prior to construction and equipment placement

Complete Equipment Bid Process & Procurement



- Issue Requests for Bids and review and evaluate the bids
- Select vendors and negotiate contract terms
- Execute purchase orders
- FRBA North warehouse setup
- Implement FRBA Asset tracking system prior to receipt of equipment

Initiate and begin Construction of Network Roll-out Plan

- Receive internal FRBA and network build partner approvals for roll-out plan
- Assign internal or third party construction management responsibilities for oversight, quality assurance, compliance and reporting
- Provide authorization for network build partners to proceed with construction
- Begin network construction and equipment placement
- Establish Okeechobee Level 3 Point of Presence connectivity into the FRBA network. Continue testing

Network Deployment Updates:

New network miles deployed, No new miles this quarter

New network miles leased, No new miles this quarter

Total CAI subscribers served (CAIs connected), 31 pending connections, with 5 to 10 complete by the end of the 4th quarter.

Number of signed agreements with broadband wholesalers or last mile providers", No new executed agreements this quarter

**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	63	The overall project has been redesigned to run in parallel which will begin to show significant progress the first half of 2012 as network deployment accelerates.
2b.	Environmental Assessment	0	N/A
2c.	Network Design	63	The network design and equipment selection have been completed. The site engineering and final engineering configurations will begin during the 4th quarter of 2011 and be substantially complete by the end of the 1st quarter of 2012. These efforts are running in parallel with the site selection, permitting and tower agreements and consistent with the revised project plan.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	63	The permits and tower agreements are underway and significant progress is expected over the next two quarters.
2f.	Site Preparation	35	Site preparation will begin for the new locations as tower agreements and construction permits are received. Significant progress this quarter will lead to the acceleration of deployment the 1st and 2nd quarter of 2012.
2g.	Equipment Procurement	48	The request for Bid and selection will be completed this quarter. The equipment purchase orders and warehousing of equipment during this period will bring the equipment procurement back in line with baseline expectations.
2h.	Network Build (all components - owned, leased, IRU, etc.)	42	The network build out and expansion beyond Hardee County will initiate the later part of Q4 2011. It is expected that much of the work this quarter will be in staging and preparation for deployment.
2i.	Equipment Deployment	48	Although the equipment deployment will begin this quarter, significant progress will not begin until Q1 and Q2 of 2012. It is anticipated that the equipment deployment will come back within baseline by the middle of 2012.
2j.	Network Testing	10	Most of the network testing to date has come from the deployment of Hardee County. This work effort and spend will increase significantly during the first quarter of 2012 and is anticipated to come back to baseline by the 2nd quarter of 2012.
2k.	Other (please specify):	73	This milestone category is expected to remain on schedule.

**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).**

We will be submitting an Award Action Request for a change in Subrecipient Status. We appreciate the NTIA Program Office's efforts in addressing these matters.

RECIPIENT NAME: Florida Rural Broadband Alliance, LLC

AWARD NUMBER: NT10BIX5570122

DATE: 11/30/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

A large empty rectangular box with a thin black border, occupying the majority of the page. It is currently blank.

**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	\$1,750,000	\$0	\$1,750,000	\$858,329	\$0	\$858,329	\$1,069,018	\$0	\$1,069,018
b. Land, structures, right-of-ways, appraisals, etc.	\$816,370	\$456,000	\$360,370	\$456,000	\$456,000	\$0	\$456,000	\$456,000	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$4,091,000	\$0	\$4,091,000	\$1,524,529	\$0	\$1,524,529	\$2,579,362	\$0	\$2,579,362
e. Other architectural and engineering fees	\$1,539,000	\$0	\$1,539,000	\$191,627	\$0	\$191,627	\$544,229	\$0	\$544,229
f. Project inspection fees	\$450,000	\$0	\$450,000	\$0	\$0	\$0	\$190,085	\$0	\$190,085
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	\$21,503,295	\$6,000,000	\$15,503,295	\$6,198,353	\$3,993,353	\$2,205,000	\$13,823,209	\$4,105,343	\$9,717,866
k. Miscellaneous	\$4,000,000	\$4,000,000	\$0	\$1,541,057	\$1,541,057	\$0	\$2,913,423	\$2,913,423	\$0
<b>l. SUBTOTAL (add a through k)</b>	\$34,149,665	\$10,456,000	\$23,693,665	\$10,769,895	\$5,990,410	\$4,779,485	\$21,575,326	\$7,474,766	\$14,100,560
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$34,149,665	\$10,456,000	\$23,693,665	\$10,769,895	\$5,990,410	\$4,779,485	\$21,575,326	\$7,474,766	\$14,100,560

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