

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
BROADBAND AND ADVANCED TECHNOLOGY COMMITTEE
MINUTES
October 1, 2018
Kandiyohi County Health & Human Services Building, Willmar

Present: Mark Boeschen, Travis Bonnema, Donna Boonstra, Dean Bouta, Michelle Marotzke, Les Nelson, Gregg Price, David Sisser and Donn Winckler

Excused: Bruce DeBlieck, Larry Kleindl, Brian Mort and Ramsey Schaffnit

Absent: Scott Froemming

Staff: Connie Schmoll, Business Development Specialist

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc.

Chairperson Mark Boeschen called the meeting to order at approximately 12:04 p.m. and declared a quorum was present.

AGENDA—Added to the Agenda under Unfinished Business was item c. Rural Broadband Coalition meeting update. This will be included on each month's agenda going forward.

MINUTES

IT WAS MOVED BY Michelle Marotzke, SECONDED BY Les Nelson, to approve the minutes of the September 10, 2018 meeting as e-mailed. MOTION CARRIED.

UNFINISHED BUSINESS

Research of future projects. Chair Boeschen asked committee members to give a summary of their research.

1. Ramsey Schaffnit provided information via email on FiberTRAX, where fiber is laid on top of the road and essentially glued down. This method is being done in six cities across the United States and would be a stop-gap solution. The cost is \$5 per foot compared to \$15-\$300 per foot to bury the fiber.
2. Michelle Marotzke—researched grants and loans similar to what is done by the Minnesota Office of Broadband Development. CERB (Community Economic Revitalization Board) in Washington state has a biannual budget. The proposed budget was \$5 million, which was increased by its legislature to \$10 million. Applications were due in September. Marotzke

will follow up on the types of applications submitted. The program has a minimum 25 megabits per second download speed to rural and under-served communities for the purpose of economic development or community development. Grants are up to 50% of the total award and a community match of up to 25% cash of the total project cost. Eligible applicants include cities, towns and counties. Ineligible activities include retail shopping development or expansion or to facilitate or promote gambling.

3. Dave Sisser—researched electrical coops that are now eligible to bid for funds under the Connect America Fund Phase II (CAF II) program. Cooperatives collectively received more than \$225 million to deploy broadband in rural areas, including Roseau Electric Cooperative in Minnesota. Sisser suggested this committee could do the legwork for Kandiyohi Power Cooperative, however, broadband does not seem to be a priority for it. This committee could find another partner to work with as Kandiyohi Power Cooperative could be a conduit for funds that others cannot obtain, but may not be the leader.
4. Dean Bouta—stated successful projects either received CAF II or USDA funds [Community Connect Grants] and were small telcos and small cooperatives. Bouta suggested partnering with telcos, rural electric cooperatives and local Ag cooperatives.
5. Donna Boonstra—researched the Universal Service Fund (USF), about which U.S. Rep. Collin Peterson and U.S. Senator Amy Klobuchar have spoken. The USF was originally used to fund telephone service to the poorest rural areas of the United States. There is \$7.2 million in the USF, which is protected by the telcos. Boonstra encouraged committee members to read the book *Power Plays* by Ted Case, a history of the electric cooperative program. The USF would need to be released by Congress.
6. Connie Schmoll reported the EDC posted on its Facebook page a Minnesota map recently published by the Minnesota Office of Broadband, which ranks Kandiyohi County 86 out of 87 counties as to wireline service as defined by at least 100 Mbps down and 20 Mbps upload speeds. The post reached 1,134 people with three viewers making the following comments:

David [Baker] et al. This is unacceptable. Contact your candidate, and ask them what they will do to fix this disparity. Ask for specifics, not, "I will keep working to get it done."

It's terrible in Kandiyohi County. We went from big city living to lake living. Now I would never go back to city life but come on..... it's 2018 not 2000. They have much better equipment now to update downloads/uploads. I'm pretty sure someone up in the big house has something to do with this.

Yet we keep improving those roads. Internet is vital economic infrastructure.

Schmoll stated the EDC is a member of the Rural Broadband Coalition at an annual fee of \$500 and suggested this committee form a Kandiyohi County Broadband Coalition, charge a membership fee and brand its message.

7. Donn Winckler—referred to an article, *Seven Models for Community Broadband* that will be emailed to the committee. The article discusses having a cooperative do a project and, if that fails, get an open access provider. The project is owned by local government. The project in Scott County is similar in that it partnered with several providers.
8. Research what city of Willmar's fiber-to-the-home policy is or ask what it plans for the future.
9. Alexandria Light and Power has a fiber ring around the community for its own use and now has opened it for local internet access. Marshall also has a fiber ring, but will not open access to it. It does not seem possible for Willmar to have a similar ring. There are challenges as to responsibility.
10. Gregg Price—researched North Alabama Electric Cooperative, which applied for a rural development grant under the American Recovery and Reinvestment Act funds to bring fiber-to-the-home. The grant paid 80% of the capital costs. Price suggested Kandiyohi Power Cooperative may be an option for a similar project. It was noted this program no longer exists and a new funding source would be needed.
11. Travis Bonnema—spoke with Jaguar Communications located in Owatonna about a project, but its board is not interested. However, if another provider is looking for an ISP, Jaguar Communications may be interested.
12. Les Nelson—suggested finding advocates in the areas of federal, state, local partners, private industry and providers to change tax policies that would allow incumbents to expand or increase broadband ability and fiber-to-the-premises.
13. Chair Boesch—recommended a dig once/dig smart policy be encouraged for all communities. This would cost a little more, but the cost does not need to be fronted immediately. It was recommended to require a provider to use dig once conduit first unless there is no other option. From the road to the house connection will always be an issue.

From the projects researched, the committee determined the following order of priority:

1. Coalition—form a local broadband coalition, work to get USF released, lobby to change tax policies and encourage the city of Willmar to develop a broadband plan, if it does not already have one.
2. Partnership—do an electric cooperative project; partner with telcos, rural electric and Ag cooperatives.

3. Funding—grants, CAF II.

Schmoll announced she will be attending Blandin's Broadband Conference October 23-24, 2018 at Madden's on Gull Lake in Brainerd. She will attend the Rural Broadband Coalition meeting on October 9, 2018 via phone.

ADJOURNMENT—

IT WAS MOVED, SECONDED AND CARRIED to adjourn the meeting.

The meeting was adjourned at approximately 1:00 p.m.

NEXT MEETING—The next committee meeting is 12 noon, Monday, November 5, 2018 at Kandiyohi County Health & Human Services Building, Room 2057, Willmar.