

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
BROADBAND AND ADVANCED TECHNOLOGY COMMITTEE MEETING
MINUTES
April 5, 2021
Via ZOOM Video Conference**

Present: Mark Boesch, Dean Bouta, Bruce DeBlic, Jason Hulstein, Roger Imdieke, Tony Kirby, Michelle Marotzke, Ryan Nelson, Rollie Nissen, Glenn Otteson, Ramsey Schaffnit and David Sisser

Absent: Donna Boonstra

Staff: Connie Schmoll, Business Development Manager

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)

Chairperson Mark Boesch called the meeting to order at approximately 10:00 a.m.

AGENDA—Chair Boesch added a new item 4a to the Agenda, “approve Ryan Nelson as a new member” and change the time of the next meeting to 10 a.m. rather than 12 noon.

IT WAS MOVED BY Rollie Nissen, SECONDED BY Michelle Marotzke, to approve the revised Agenda. MOTION CARRIED.

MINUTES—

IT WAS MOVED BY Dean Bouta, SECONDED BY Larry Kleindl, to approve the Minutes of the March 1, 2021 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS

Approve new committee member.

IT WAS MOVED BY Dave Sisser, SECONDED BY Rollie Nissen, to approve Ryan Nelson as a member of the Kandiyohi County and City of Willmar Economic Development Commission’s Broadband and Advanced Technology Committee. MOTION CARRIED.

Connie Schmoll informed the committee that Nelson has already been for the committee by providing maps of the proposed broadband project area.

Federated Telephone Cooperative project. Schmoll reported she continues to work with Kevin Beyer, of Federated Telephone Cooperative, who has been good to work with and provided financial information to Ehlers for bonding. Schmoll, Chair Boesch and Marotzke met with

the three townships, which agreed to work together and determined tasks on which to work. The townships want to do the same thing as to bonding and want to assess all residential properties, including seasonal property and farmers who have more than one building site. Apartment buildings will be assessed as one parcel with the apartment owner paying for any extra sites. They also agreed that if any resident wants wireless brought to an outbuilding, it would be an additional charge. The township representatives accepted the maps provided by Nelson and each board will mark which sites are farms and which are residential. They agreed the project will only cover unserved and underserved sites. The costs are quite high and they continue to look at that as many residents are elderly. The group will meet again in two weeks as they want to be ready for a meeting with an attorney and accountant; they acknowledged the townships will be responsible for paying their own attorney and accountant fees. Schmoll gave a presentation to Kandiyohi Power Cooperative board and they are considering participating in the project cost. The board voiced a concern that the project was cherry picking sites, but Schmoll assured them the project is filling in the gaps.

SUBCOMMITTEE REPORTS

Education/Marketing. Marotzke reported the subcommittee is working on information for the county commissioner's work session tomorrow.

Grant Writing. Schmoll thanked committee members for obtaining many letters of support, however, more letters are needed from residents in the project area. Nissen stated he put a message on Facebook and will do more. Schmoll reported the Willmar Lakes Area Chamber of Commerce posted the request on its Facebook page. Larry Kleindl has been working with Jean Spaulding, who is getting letters of support from representatives of healthcare, government services and law enforcement. Schmoll has started gathering information for the grant application. Schmoll informed the committee she submitted a proposal to Aaron Backman, Executive Director of the EDC, to continue working on the broadband project on a contract basis starting June 1, 2021. Nelson will be on this subcommittee.

Adoption of Broadband. Sisser reported he, Ramsey Schaffnit, Jason Hulstein and Tony Kirby met the end of March to explore funds for service and computers. Hulstein found information on funding for hardware. Sisser suggested someone contact the local service providers to see if they have any subsidies available. Sisser referred to the American Rescue Plan funds that may possibly be used for broadband. Kirby is researching demand, applications and streaming devices and what they do to bandwidth. Sisser will research educational connectivity and speeds and he and Schaffnit will exploring PCs for People. Schaffnit will also investigate with whom to speak on how local immigrant groups use broadband and the barriers they face. They will meet again next week.

NEW BUSINESS

American Rescue Plan funds. Schmoll reported Kandiyohi County, cities and townships will receive American Rescue Plan (ARP) funds that could possibly be used for broadband. Backman asked Kleindl about using Kandiyohi County's ARP funds for broadband and Schmoll is

giving a presentation to the County Board tomorrow. Kleindl stated 24 townships will receive a total of \$1,693,000. Kandiyohi County will receive \$8,308,000; Willmar will receive \$2.2 million; the other cities will receive a total of \$705,000; St. Johns Township will receive \$50,000 and Mamre will receive \$40,000. One-half of the funding will be released around May 11, 2021 and the second half will be received in May 2022. Nissen reported he met with Randy Kveene of St. Johns Township and Joel Johnson of Mamre Township, who suggested using \$1.9 million of the county's ARP funds. Roger Imdieke questioned if the townships indicated their financial commitment to the project, which they had not. Schmoll noted Kveene and Johnson are the representatives of their townships for the project. Schmoll stated each township will determine how much it will contribute to the project. St. Johns Township also asked Nissen to schedule a meeting with Rep. Dave Baker as to the funds distributed to LTD Broadband. It was noted that LTD is under federal grant rules rather than state grant rules. It is believed the townships intend to spend ARP funds on their broadband projects. Nissen also spent some time educating a farmer in the Pennock area on the increase to his property value if it had broadband access.

Schmoll provided the following estimates for the project:

State broadband grant at 45% of the cost	\$3,068,395
Service provider at 25% of the cost	\$1,704,664
Kandiyohi County (\$25,000 per township)	\$ 100,000
Township contributions	\$1,945,597

The above contributions will result in each resident paying a total of \$3,264 (\$27.20 per month for 10 years). That amount will increase in the townships affected by LTD Broadband. The number of sites in the project area are:

	<u>Total</u>	<u>Deducting sites affected by LTD</u>
St. Johns Township	137	64
Mamre Township	155	152
Dovre Township	146	133
Arctander Township	247	247

A Petition to Deny against LTD Broadband was filed and Chair Boeschen noted the state was holding a meeting with LTD today. It is anticipated the state grant will be competitive as every county may place a priority on broadband with its ARP funds; thus, Kandiyohi County asking for 45% of the project's cost may need to be lowered. Chair Boeschen stated the grant process is a point system that can be found online. Imdieke commented the assessment per resident could come from a variety of sources. Schmoll stated Federated is committed to contributing 25% to the project. Chair Boeschen suggested the state should allow our application to go through the challenge process as to the LTD areas. Planning is going forward both with including the LTD areas and excluding the LTD areas. Schmoll showed a map of the area awarded to LTD with St. Johns Township being affected the greatest. Kleindl requested the map be shown to the county commissioners at tomorrow's meeting.

Kleindl questioned if it is known how much it would cost to include all townships? There are estimates in the study updated by the county, which were verified by Beyer. A new study would need to be done for the entire county to know total costs; Kleindl felt this should be

done. Glenn Otteson stated a study could be completed fairly quickly. Chair Boeschen noted we have the original study, which would need to be updated; it may be easier to look at the state map to see what areas need help. Schmoll noted the state has not yet passed funding for broadband and APR funds can be used until the end of 2024. Schmoll spoke with Century Link, her home provider, about increased speed and it appears it is now targeting her area to show it is served. Otteson suggested this information be provided to the state Office of Broadband.

Vibrant Broadband. Schmoll stated Vibrant Broadband is now willing to look at doing a project in a couple of townships. Hanson Communication is also interested in doing Prinsburg. Schmoll informed Hanson a couple of townships would need to be included.

Broadband Day on the Hill. Marotzke reported she attended Broadband Day on the Hill. The Office of Broadband Development is working on allowing ARP funds to be used as matching funds for the state grant. Potential state funding of \$120 million was discussed, as well as including wireless in the definition of broadband. The state is also discussing an easement bill to avoid providers needing to go to each resident to obtain an easement for a broadband project. Marotzke also spoke with Rep. Baker where LTD was discussed and he mentioned the challenge process was being worked on. He suggested possibly increasing the state's portion of the grant match from 50/50 to 80/20 and also suggested a one-time allocation of half the broadband budget being allocated to the most remote areas of the state. Rep. Baker is interested in what is being done in the area of broadband. Marotzke reiterated to Rep. Baker that fiber is the best option. The legislative session ends May 17th.

REPORTS

Minnesota Rural Broadband Coalition. Chair Boeschen reported the Coalition will meet on April 15th. The Coalition continues to monitor the legislative session and is seeking funding.

Kleindl announced the county's work session tomorrow will be on the county's YouTube site from 9-9:45 a.m.

ADJOURNMENT—There being no further business,

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

The meeting was adjourned at approximately 11:00 a.m.

NEXT MEETING—The next committee meeting is **10 a.m., Monday, May 3, 2021** via ZOOM video conference.