

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
BROADBAND AND ADVANCED TECHNOLOGY COMMITTEE MEETING
MINUTES
May 1, 2017
Kandiyohi County Health & Human Services Building, Willmar**

Present: Mark Boeschen, Travis Bonnema, Dean Bouta, Larry Handlin, Larry Kleindl, Michelle Marotzke and Les Nelson

Excused: Donna Boonstra, Kathy Dillon, Scott Froemming, David Sisser and Donn Winckler

Absent: Bruce DeBlieck and Brian Mort

Staff: Connie Schmoll, Business Development Specialist

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

Chairperson Dean Bouta called the meeting to order at approximately 12:02 p.m.

MINUTES—

IT WAS MOVED BY Mark Boeschen, SECONDED BY Travis Bonnema, to approve the minutes of the April 3, 2017 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS—

CTC BORDER-TO-BORDER GRANT PROJECT

Bonding. Larry Kleindl reported the County Commissioners tabled the bonding in April. Kleindl stated if bonds are sold within 60 days after being tabled, there will be no extra cost for the bond call; however, if it is more than 60 days, there is a charge of approximately \$20,000. The county's goal is to bond before June 6, 2017. Kleindl noted the longer the project waits, interest rates will likely increase.

Sign up of subscribers. Connie Schmoll announced 379 more subscribers are needed to begin the project. TDS is pushing its subscribers to extend their contracts. CTC (Consolidated Telecommunications Company) has indicated it will begin door-to-door marketing in May; Schmoll will find out when they will begin. Travis Bonnema reported he made some calls last week. Schmoll, Mark Boeschen, Michelle Marotzke and David Sisser have been going door-to-door in the project area and actively signing up subscribers for CTC. Schmoll reported each EDC Joint Powers Board member was given a folder of information, including sign-up forms and Roger Imdieke has signed up several. Subscribers can sign up online or call CTC's 800 telephone number. It was the committee's consensus to have June 6, 2017 as a goal date for sign ups. Each committee member received a packet of information to help with signing up subscribers. The packet includes an updated map of the project area (see attached).

Meet and Greet events. Schmoll reported in addition to the Meet and Greet events held in Spicer, four others were held at the Lake Andrew Town Hall on April 24 and 25 at 3:00 and 5:00 p.m. each day. There was a large attendance at each of the 3:00 p.m. events. CTC representatives were present at the 5:00 p.m. Meet and Greet on April 24 and for both events on April 25. Kevin Larson, CTC's CEO attended on April 25. CTC staff toured the project area while in the area for the Meet and Greets. The committee suggested holding a Meet and Greet one evening, possibly at the New London/Spicer High School.

Marketing. Schmoll provided suggestions by the EDC's Marketing and Public Relations Committee for marketing the project, which included: 1) a Facebook ad that links to simple, easy to read details about the project on the EDC's website; 2) publish an article on LinkedIn; 3) mail a flyer to the 149 businesses in the target area; and 4) create a visual, such as a goal chart and include a goal date. It was noted a letter was sent to the 149 businesses in the project area. Other suggestions included listening to the customers as the incumbent providers are not and communicate the value of subscribing as a "need to have," not a "nice to have."

Schmoll stated Aaron Backman offered to take the committee member who signs up the most subscribers to lunch as a reward. Schmoll provided marketing suggestions offered by Sisser: get others involved; get a statement from a group in support of the new service; get Ridgewater College students to help with door knocking; hold town hall meetings in schools; do a media blitz on the radio—Sisser spoke with Steve Linder, who may assist. Possible radio shows could include Paul Stagg's 5:00 p.m. show on KWLM and the Morning Show on Q102. Schmoll stated Darlene Schroeder, who lives in the project area, offered the following suggestions: start a "Neighbors for Broadband" group and get those individuals to help recruit subscribers; be a guest on Open Mic; put posters up in the project area and put flyers on cars in church parking lots. It was noted that Backman and Harlan Madsen have both discussed the broadband project on Open Mic. Schmoll stated the Lake Andrew Lake Association is meeting on May 13 and would like someone to speak about the project. Marotzke suggested doing a final push for sign ups at the Willmar BPW Girlfriends Night Out at Jeff and Rita Pattison's home on Green Lake on June 2, 2017.

Schmoll suggested if 10 people go out in the next 30 days and get 40 people each, we could reach the goal. Committee members commented that it may be more legitimate for CTC representatives to go door-to-door rather than EDC committee members or others, but timing is important. It was agreed that CTC needs to show more commitment to the project. It was noted CTC provided road signs and created post cards it mailed twice and the committee has been distributing. Schmoll stated CTC is working on a joint letter with the EDC and a flyer (see attached). Schmoll gave CTC a deadline of this week to complete the flyer. The committee offered the following comments on CTC's proposed flyer:

- it needs to create a sense of urgency;
- it does not show a local connection;
- add a statement to indicate we are more than halfway to our goal, but more subscribers are needed (no progress is shown);
- add a statement to join your neighbors who have signed up; and
- add to the flyer to contact your legislators to continue funding for broadband projects.

Boeschen stated he could create a google map showing who has signed up. Lake Andrew has been gone around once and the focus now should be on Norway Lake, Games Lake and the seasonal people on Lake Florida. Marotzke stated the seasonal people she spoke with had very positive responses. Schmoll stated that once individuals list themselves as a Champion on CTC's website, they can add emails of others. Schmoll will remind CTC that if it does a direct mailing, information should be mailed to the taxpayer

mailing address not the property address. Committee members volunteered to put flyers on cars at churches over the next couple of Sundays. Schmoll will find out if any committee members who are not present at today's meeting can help with placing fliers on cars at churches. Larry Handlin will inquire of Mike at Ridgewater College if students would be available to help with door knocking. Schmoll stated there were several clicks on the ad on the West Central Tribune's website.

It was suggested that a post card be mailed to everyone who has signed up and invite them to a Champion's meeting. At the meeting they would receive a packet of materials to speak with and sign up their neighbors. It was suggested the meeting be held Tuesday, May 16, 2017 from 4:00 to 6:00 p.m. at the Lake Andrew Town Hall or the Prairie Woods Environmental Learning Center. Having a big map on which can be marked the areas the volunteers will target could be helpful. Boeschen will speak with Matt Runke about getting a large laminated map. It was decided to forgo another Meet and Greet at this time.

It was suggested to have a separate website or a separate page on the EDC's website to provide more information and information on the project; FAQ's on the project.

Legislative issues. Kleindl stated the House and Senate are currently in conference committees. The House has recommended \$7 million for broadband grants for one year only and the Senate has recommended \$20 million (\$10 million each year of the biennium). The governor is suggesting \$60 million be appropriated. The House also promotes disbanding the Office of Broadband Development. Kleindl read an email he sent to Rep. Dave Baker in response to the House's low funding level for broadband. Schmoll referenced an article, "A telecom deregulation warning from Sen Simonson and Sen Johnson" by Ann Treacy on the Blandin on Broadband blog (see attached).

NEW BUSINESS—

EDC boards' goals and committee's goals. Schmoll reported the EDC boards met and determined their 2017 goals (see attached). It was the committee's consensus to revise its 2017 goals by eliminating item D, Submit a Phase II Border-to-Border Broadband Grant Application to Office of Broadband/DEED. Schmoll indicated the committee could provide letters of support in preference of another fiber project, but it would not commit to providing matching funds.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 1:12 p.m.

NEXT MEETING—The next meeting is **12 noon, June 5, 2017**, at the Kandiyohi County Health & Human Services Building, Willmar.

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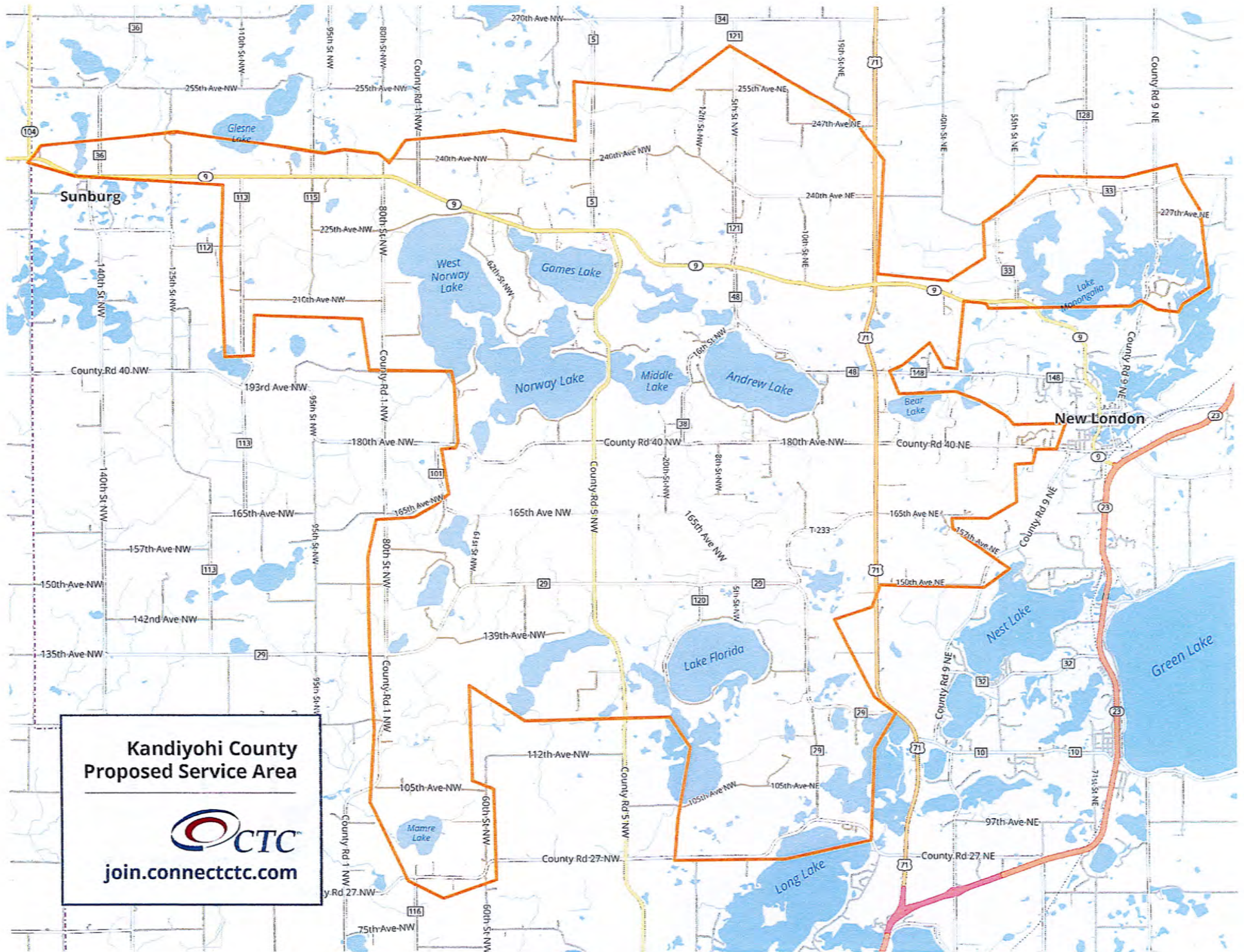


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Kandiyohi County and City of Willmar ECONOMIC DEVELOPMENT COMMISSION 2017 Strategic Plan



Adopted DATE

ECONOMIC DEVELOPMENT GOALS for 2017

Work session participants identified four overarching goals for EDC to focus its organizational efforts. Staff met separately with facilitator Linda Mathiasen to craft goals and establish strategies.

GOAL 1.	ASSUMPTIONS	STRATEGIES:
<p>EDC will strengthen partnerships and connections with existing businesses to be a catalyst and build capacity for organic growth</p> <p>OBJECTIVE:</p> <p>Increase the credibility of existing partnerships for continued success and expansion</p>	<p>We recognize:</p> <p>A. Actions to cultivate relationships and build on strengths need to be intentional and tangible</p> <p>B. Business owners and seasoned leadership are aging</p> <p>C. Entrepreneurs with diverse backgrounds are growing and reaching business milestones</p> <p>D. Committees are established and may not align with future goals</p>	<p>A. Education Partners: Ridgewater College, Mid-Central Research and Outreach Center (MCROC) and School Districts are meeting the learning needs of future workforce by partnering in joint programs/events</p> <p>B. Midtown Plaza in Downtown: Project meets goals and financial objectives in year one</p> <p>C. MinnWest Technology Campus: Assist with identifying one to two prospects it may not otherwise encounter</p> <p>D. Public and Private Broadband Investors: Assist with recruiting 50% of target area to sign up</p> <p>E. Angel Fund: Identify one to two suitable prospects and bring potential funding proposals</p>
GOAL 2.	ASSUMPTIONS	STRATEGIES:
<p>EDC will explore and increase operations to support efforts to improve the tax base by attracting new residents with higher income and educational levels</p> <p>OBJECTIVE:</p> <p>Kandiyohi County will have retail, amenities and activities attracting middle and upper income families</p>	<p>We recognize:</p> <p>A. Trends support that people choose where to live based on quality of lifestyle over job</p> <p>B. Kandiyohi County has low taxable sales in leisure services, amusement and personal services</p> <p>C. Access to outdoor activities is a high-ranking factor in deciding where to live</p>	<p>A. Pilot Program: Create a pilot program among new businesses, such as Procore and ERC (Enhanced Resource Centers) with emerging fields such as technology and communication to increase candidate pool to support their growth goals</p> <p>B. Retail, Tourism, Leisure and Outdoor Activities: Explore initiatives to attract quality retail, enhance and expand tourism and promote diversity of activities</p>

GOAL 3.

EDC will position and market itself as the expert in business development and be a conduit of information, resources and making connections

OBJECTIVE:

Prospective and current developers and business owners will seek counsel from EDC

ASSUMPTIONS

We recognize:

A. Kandiyohi County needs to expand its industry diversity and attract higher paying jobs

B. Succession planning is important to ensure business sustainability after changes in life whether due to health, death or retirement

C. State and federal resources and regulations can restrict business development

STRATEGIES:

A. **Finance:** Promote, package and educate funding programs available from traditional and gap financing, local lender partnerships, TIF, abatement, angel fund, crowd sourcing, venture capital, etc.

B. **Governmental Relationships:** Continue work on Highway 23 state funding, Willmar Wye, broadband projects, Willmar's airport master plan, and development of industrial parks

C. **Marketing:** Develop a positive message to current residents and tourists and create materials to support the goals and activities of the 2017 Strategic Plan

GOAL 4.

EDC staff and board members will work intentionally with data to drive decision-making and investments

OBJECTIVE:

EDC will align the organization to respond to data trends by allocating staff, resources and investments

ASSUMPTIONS

We recognize:

A. EDC gathers data and needs to identify processes for implementation and evaluation

B. Staff, board and committee members need to participate in professional development

C. Becoming data-driven may change committees and organization structure

STRATEGIES:

A. **Agribusiness:** Create plan(s) to address at least two hurdles identified in recent Ag Producer BRE Report

B. **Agribusiness:** Using Ag Producer BRE Report data, conduct a feasibility study on an emerging ag-related industry and identify systematic justification process for future feasibility studies for any industry

C. **Taxable Sales Data:** Conduct board and committee development on the use of state and local metrics to set benchmarks

D. **Business Retention & Expansion:** Provide committee development to study, analyze and implement recommendations to diversify retail and balance industries



Broadband and Advanced Technology Committee 2017 Goals and Projects

Board Goal 1. Expansion of High-Speed Broadband in Rural Kandiyohi County

Strategy 1.1 Business Retention and Expansion

Objectives/Actions		Responsibility	Target Date	Status/Update/Comments
A.	Facilitate and support a shovel-ready broadband project in Kandiyohi County.	Connie, EDC Broadband Committee, Kandiyohi County	Throughout 2017/2018	<ul style="list-style-type: none"> State of Minnesota awarded CTC (Consolidated Telecommunications Company) of Brainerd, a grant award of \$4.94 million, which will be matched with loan funds from Kandiyohi County in the amount of \$4.94 million. Construction in northern Kandiyohi County is planned to begin in spring of 2017
B.	The EDC will facilitate efforts to market the broadband options to residents and businesses in the project area. A take-rate surpassing 45% is necessary to pay loans and provide a positive ROI for CTC.	Connie, EDC Broadband Committee		<ul style="list-style-type: none"> Subcommittee formed to plan marketing efforts
C.	Continued planning for broadband deployment in unserved areas of Kandiyohi County, including legislative networking, securing stories and letters of support, adoption and utilization projects, securing private partnerships for the next stage of deployment, and securing public and private partnerships for funding.	Connie	Throughout 2017/2018	<ul style="list-style-type: none"> Conducted meeting with Rep. Dave Baker on 12/28/2016 Conducted meeting with Senator Andrew Lange on 1/13/2017 Securing team to participate in first Broadband Day on the Hill on 3/15/2017
D.	Submit a Phase II Border-to-Border Broadband Grant Application to Office of Broadband/DEED	Connie, EDC Broadband Committee, Kandiyohi County	October 2017	

Blandin on Broadband

News and information on broadband use, policy, and trends

A telecom deregulation warning from Sen Simonson and Sen Johnson

Posted on [April 25, 2017](#) by [Ann Treacy](#)

The [Post Bulletin](#) posted a letter to the editor from Senators Erik Simonson and Sheldon Johnson

AT&T, Comcast, and the Minnesota Cable Communications Association are coming for your consumer rights as local phone customers.

Be afraid. Be very afraid — especially if you live in Greater Minnesota.

These companies are asking the Minnesota Legislature to completely deregulate local phone service if it's provided by a new technology — Voice-over-Internet Protocol (or VoIP). They claim they shouldn't have to follow any rules at all because they're providing phone service using this more modern technology.

But don't let them fool you. You don't even need an Internet connection for calls to travel over VoIP technology. Basically, VoIP is just a method of getting calls from one place to another. To the consumer, the phone call is the same if it travels by VoIP, copper, fiber, carrier pigeon, or two tin cans and a string.

And if you're a consumer, you couldn't care less how the call gets to its destination, but you do care that calls to 911, your doctor, your families, your friends are reliably completed. You care if the company drags its feet on installing your new phone or if you have service problems and the company doesn't fix them. You care if you go on vacation and perhaps the bill is late, you'll still have a phone when you get home. And you care if you get bogus charges on your bill, you have recourse if the company refuses to refund them.

If AT&T, Comcast and the other cable companies get their way this year at the Legislature, all those basic protections will vanish in a heartbeat. Immediately, consumers whose telephone company sends your calls in whole or in part using VoIP technology will lose those protections.

It would be disastrous for consumers if this bill became law, especially for those who live in

Greater Minnesota, where the local phone company is the only reliable provider they have.

First, under the bill there will no longer be a right to have phone service. It is expensive and unprofitable to serve rural customers and maintain infrastructure. Companies will invest their money in densely populated, more profitable urban areas and disinvest in maintenance of the network in rural, more expensive-to-serve, less profitable areas. Rural consumers will experience decreasing service quality and more outages as the system is allowed to deteriorate and resources are moved elsewhere.

Second, existing protections against charging exorbitant connection or reconnection charges would be gone. If the bill becomes law, phone companies can shut you off for no reason even if you always pay their bill on time or without notice if you are late. Companies can shut off customers simply because they are too expensive to serve and not sufficiently profitable. Who are these customers? They are older Minnesotans, people with disabilities, people on fixed incomes, and people who live in Greater Minnesota.

Third, AT&T and Comcast tell legislators that deregulation will produce more competition, lower prices, better service, more jobs, and broadband for everyone. Beware of would-be deregulated telecommunications companies bearing "gifts."

Broadband is already deregulated "and there has been no investment. The Legislature has ponied up \$50 million over the last two years (and more is proposed this session) to give to our cities to bring broadband to Greater Minnesota. If there was money to be made private sector money would be flowing.

Every part of their rationale is wrong. There isn't a single legislator who represents rural Minnesota communities and citizens who should be supporting this bill.

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