

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
BROADBAND AND ADVANCED TECHNOLOGY COMMITTEE MEETING
MINUTES**

August 29, 2016

Kandiyohi County Health & Human Services Building, Willmar

Present: Mark Boeschen, Travis Bonnema, Donna Boonstra, Dean Bouta, Larry Handlin, Linda Kacher, Larry Kleindl, Michelle Marotzke, Les Nelson and Donn Winckler

Excused: Kathy Dillon and Brian Mort

Absent: Bruce DeBlieck, Scott Froemming and David Sisser

EDC Staff: Connie Schmoll, Business Development Specialist

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

Chairperson Dean Bouta called the meeting to order at approximately 12:00 p.m.

MINUTES—

IT WAS MOVED BY Les Nelson, SECONDED BY Michelle Marotzke, to approve the minutes of the August 1, 2016 meeting as emailed. MOTION CARRIED.

Broadband Feasibility Study and Border-to-Border Grant. Chairperson Bouta reported the Broadband Feasibility Study was presented to the Kandiyohi County Board of Commissioners, who accepted it. The county now needs to come up with funding for at least 50% of the grant. Another presentation on the funding will be given to the County Board on September 6, 2016. Larry Kleindl reported the county has been in contact with Ehlers & Associates several times and provided them with information from Joe Buttweiler of Consolidated Telecommunications Company (CTC). Kleindl intends to ask for a resolution from the County Board to bond \$5 million, however, if CTC cannot show it can finance the project, Kleindl will not make a request to the board. CTC's collateral of at least \$5 million and cashflow must be presented by this Thursday to the county. Chairperson Bouta reported three incumbents, TDS, Frontier and Century Link all responded to the proposed grant with their intent to do projects in the county. A PowerPoint presentation (see attached) was shown, which included the incumbents' responses and service areas, potential project areas and CTC's preferred area where it feels it could make a project work. Kleindl indicated the County Commissioners felt the southern part of the county had the greatest need and should be the area for the project, however, it is important to look at the number of potential subscribers and total project cost. CTC's proposed project area is area 1, which was being reserved for Federated Telephone Cooperative. Federated is okay with this area being considered by CTC. Kleindl noted the project needs to be below \$10 million so the county's portion is more than a 50/50 match. Swift County has had challenges in getting subscribers, which is what we want to avoid. The final project area for Kandiyohi County has not yet been determined.

[Travis Bonnema was excused from the meeting.]

IT WAS MOVED BY Linda Kacher, SECONDED BY Michelle Marotzke, to select map #7 as shown in the PowerPoint presentation for the broadband project contingent upon Consolidated Telecommunications Company providing collateral and pro formas to present to the bonding company. MOTION CARRIED.

Chairperson Bouta stated the next steps are to obtain letters of support from the proposed project area for inclusion with the broadband grant application. Schmoll requested she receive the letters by September 7th and noted letters from businesses would be beneficial. Marotzke volunteered to obtain a letter of support from Sibley State Park. Schmoll has received a letter of support from the New London-Spicer School District and will follow up with Kathy Dillon on letters of support from medical providers. Schmoll announced CTC is videotaping testimonials tomorrow afternoon and Wednesday morning. Kleindl and/or Schmoll will inform the committee of the results of the County Board's meeting. Chairperson Bouta stated community awareness is important as some people are voicing opposition to the project. It should be communicated that the county is not funding the project, but using its bonding capacity to provide financing. CTC will borrow the funds and make repayment through subscriber fees.

UNFINISHED BUSINESS

Broadband Utilization Project for Border to Border grant. Schmoll reported she spoke with Larry Handlin and Bill Coleman about education. Handlin stated he is looking at how to expand a virtualization project and providing software to area schools for students to take classes remotely. Chairperson Bouta stated basic uses of Internet and connectivity with families to allow seniors to live in their homes longer could be an option. Agencies to include in education options could be the Area Agency on Aging, Vision 2040 and University of Minnesota Extension. Handlin suggested he could also bring in PCs for People and have them work on refurbishing computers. Schmoll indicated the more specific a project for the grant application, the better.

NEW BUSINESS

Other. Handlin reported Hack₂0 will be held October 14-16, 2016 at WORKUP. They have three sponsors and will be looking for community apps to develop.

NEXT MEETING—The next meeting is **12 noon, October 3, 2016**, Room 2057, Kandiyohi County Health & Human Services Building, Willmar.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 1:00 p.m.

KANDIYOHI COUNTY BROADBAND

2016 Project



August 16, 2016

To: Joe Buttweiler, CTC (via email: joe@connectctc.com)

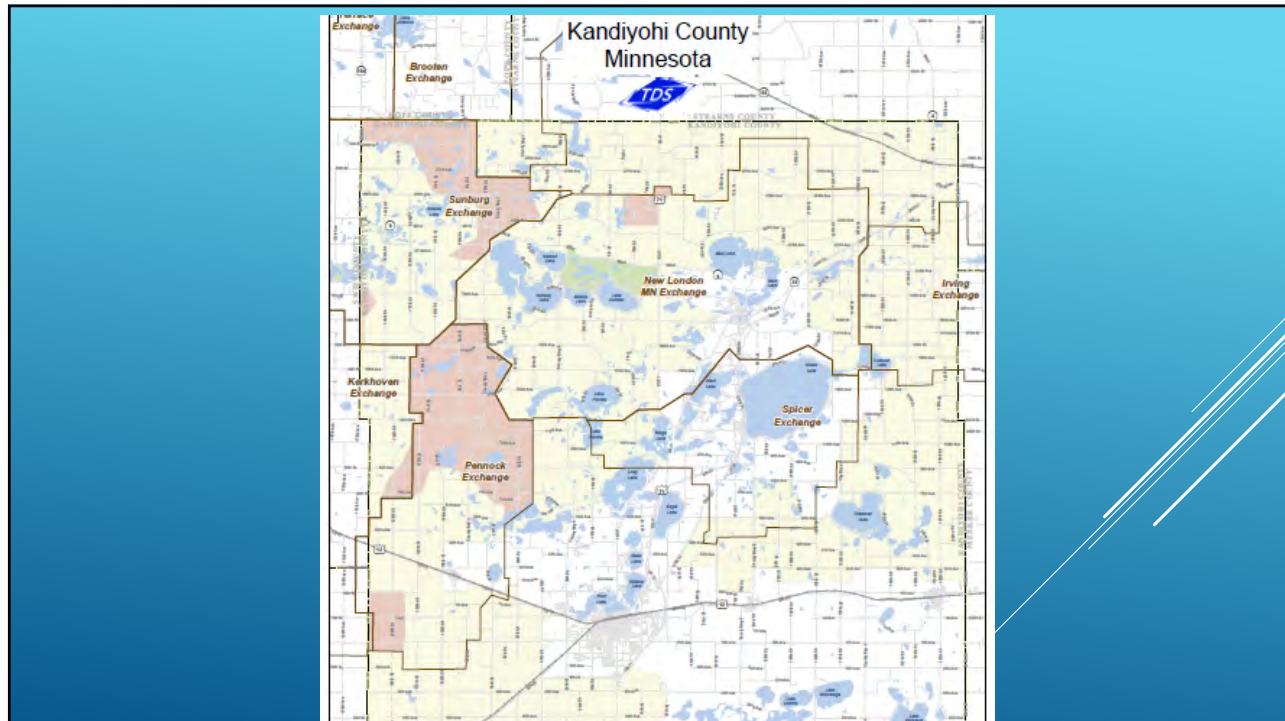
RE: TDS Telecom Response – Current Broadband Coverage for Kandiyohi County, Minnesota


TDS provides broadband service in all or a portion of the area associated with this project at speeds. Depending on location, we currently offer download speeds ranging from 768 Kbps to 100 Kbps and upload speeds of 768 Kbps. Our records show that we provide service to approximately 2,293 locations in the proposed project area, with no service available to 250 locations. Please see the attached map showing areas that are served and unserved.

TDS is currently reviewing the FCC's August 3, 2016 Public Notice for rate of return carriers in order to determine whether it will have its universal service support and buildout obligations determined by the FCC's Alternative Connect America Cost Model (ACAM) or a revised rate of return mechanism by November 1, 2016. If we select model-based support, at a minimum, we would anticipate improving broadband service in Minnesota within the 10 year timeframe specified by the ACAM model. The broadband service speeds that will be provided after that date will be at least 25 Mbps downstream and 3 Mbps upstream for 75% of the locations and at least 10 Mbps downstream and 1 Mbps upstream for the remaining locations. A map showing the speeds that will be available by location is not yet available as network designs are not finalized.

TDS is also considering filing for one or more state broadband grant applications and may be able to upgrade some or all of these locations more quickly if state broadband grant funds are awarded to us.

Name and contact information for person completing this form:





10 E. Dory Street
Suite 800
Madison, WI 53703
608 441 5730

August 18 2016

To: Joe Buttweiler
Consolidated Telecommunications Company
Via email

Re: Minnesota Border to Border Notification – Wilmar

Dear Mr. Buttweiler:

Thank you for contacting CenturyLink regarding your interest in a possible Minnesota Border-to-Border Broadband grant through the Office of Broadband. CenturyLink appreciates the opportunity to comment on its broadband deployment plans in this area.

As you may know, the Federal Communications Commission (FCC) established the Connect America Fund Phase II (CAF II) to provide financial support to bring broadband to rural locations that lack broadband service. By participating in the FCC's program, CenturyLink accepted \$54 million per year for six years in Minnesota. In return, CenturyLink's committed to bring broadband to more than 114,000 unserved households by the end of the program and to meet 40% of its build commitment by the end 2017.

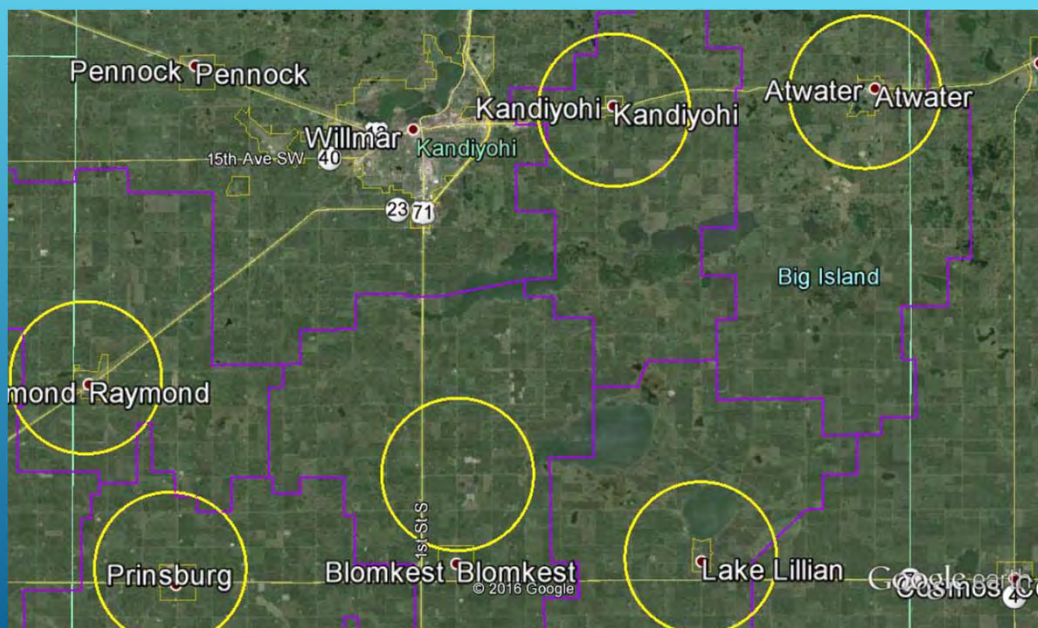
The maps that were submitted with the proposed broadband build overlap with the CAF II eligible areas in Minnesota where CenturyLink plans to deploy to broadband consistent with the rules associated with the CAF II program. CenturyLink intends to have completed engineering and construction of this area by 2016. Broadband speeds in CAF II eligible area will vary based on the customer's distance from our facilities and the maximum speed available will 80 Mbps down and 40 Mbps.

Due to the overlap of CAF II eligible locations contained in your proposed grant application, CenturyLink will object to the use of state broadband funds being used to overbuild areas being built with federal funds within the same timeframe.

Frontier Response

RE: Broadband Coverage for Consolidated Telecommunications – Kandiyohi County
 Information on current broadband coverage:

X We do provide broadband service in the area associated with this project. Broadband service at speeds of 42 Meg download and 6 Meg upload is available throughout the city limits of the cities of Atwater, Kandiyohi, Lake Lillian, Svea, Prinsburg, and Raymond. In addition, we can provide broadband speeds of 115 Meg download in certain locations within the cities of Atwater, Kandiyohi, and Raymond. As shown on the attached map (“6MegService.pdf”), speeds of at least 6 Meg download are available within the area circumscribed by the yellow circles. Slower broadband speeds are available outside the yellow circles.



Frontier Response

Information on planned improvements to broadband coverage:

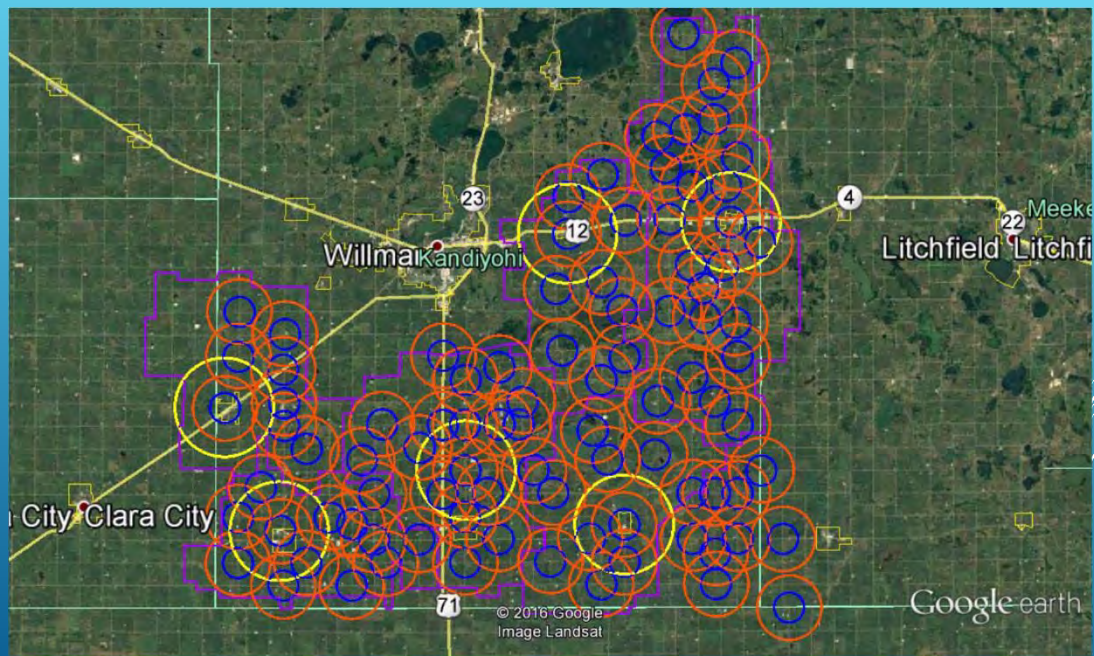
X We do have plans to improve the broadband service in the project area by June 30, 2019. The broadband service speeds that will be provided after that date will be at least

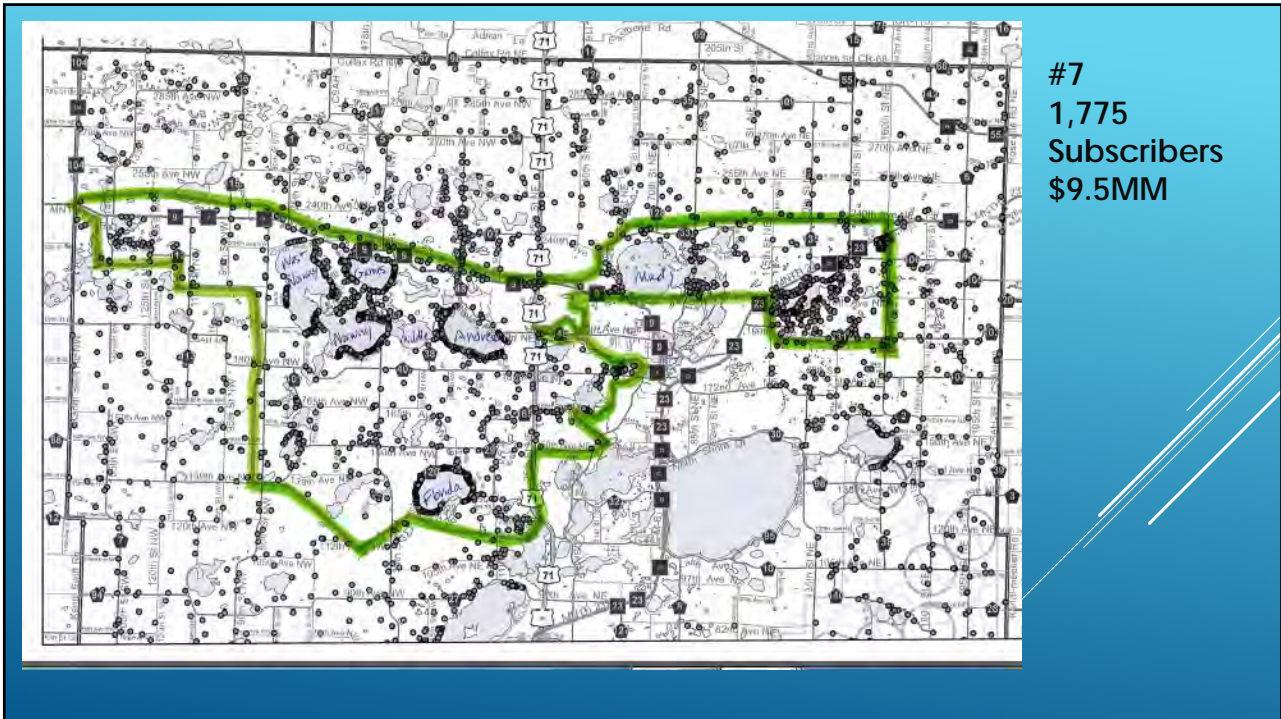
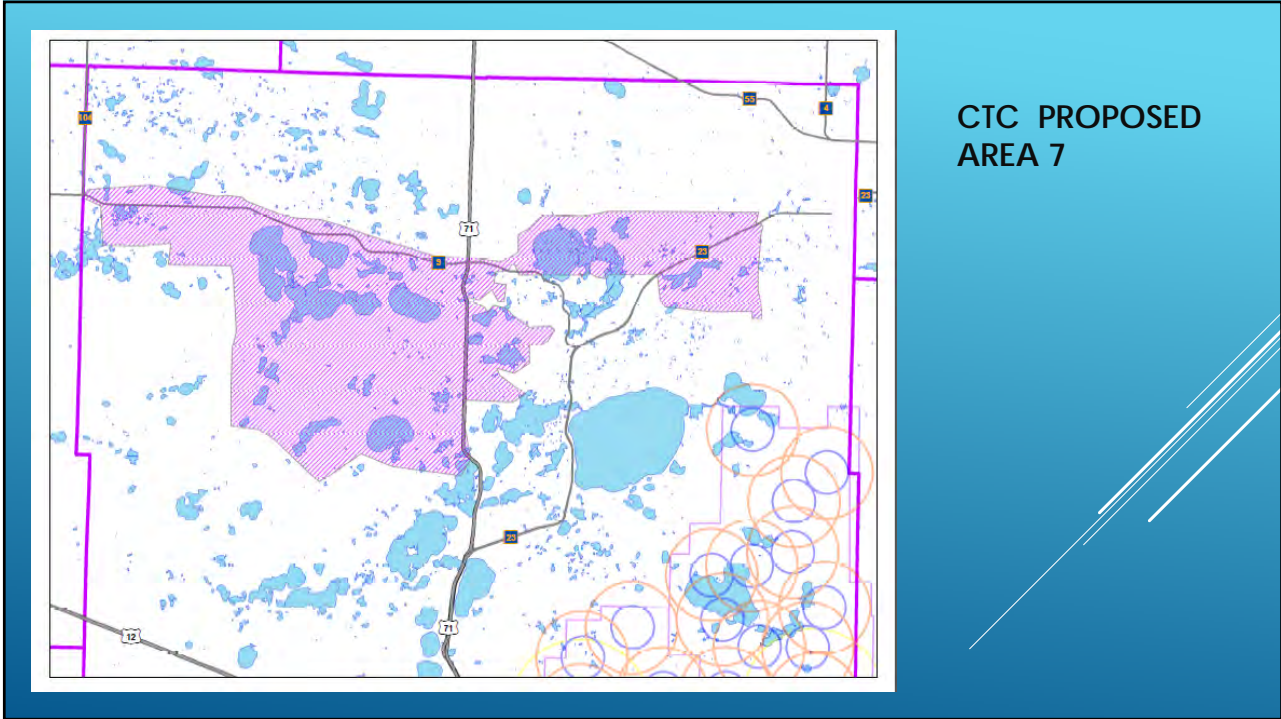
10 Mbps download and 1 Mbps upload.

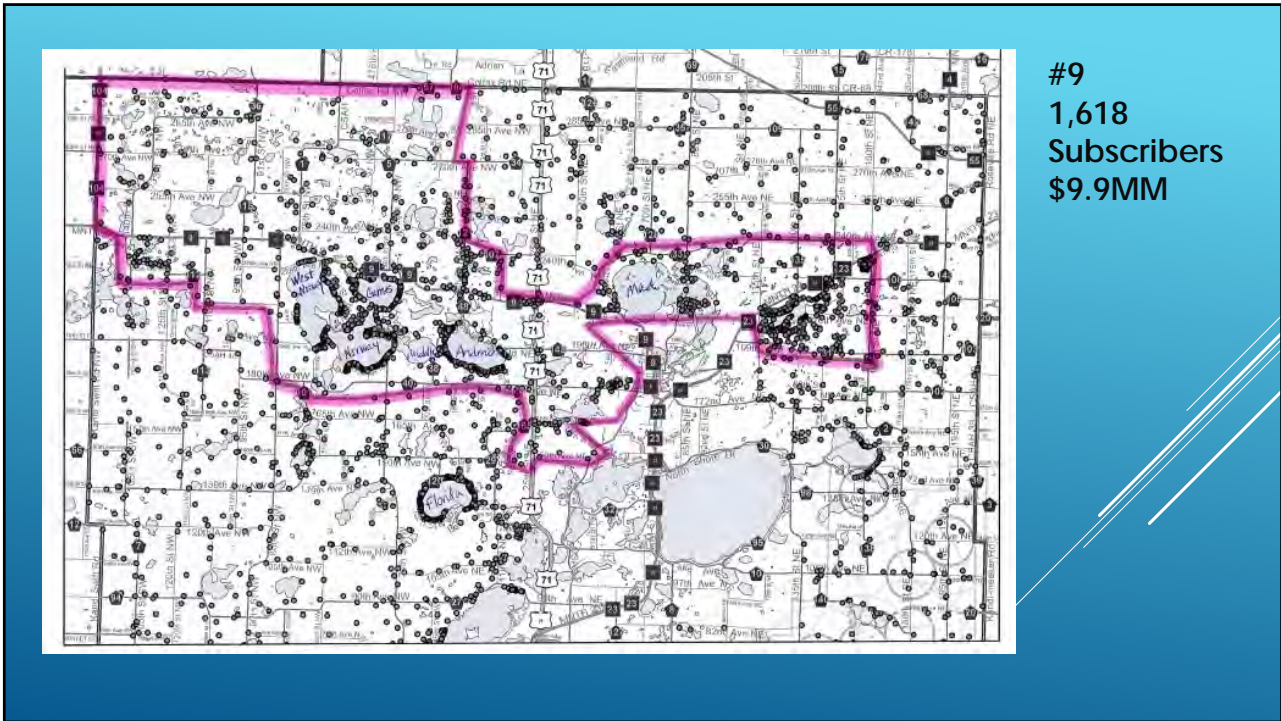
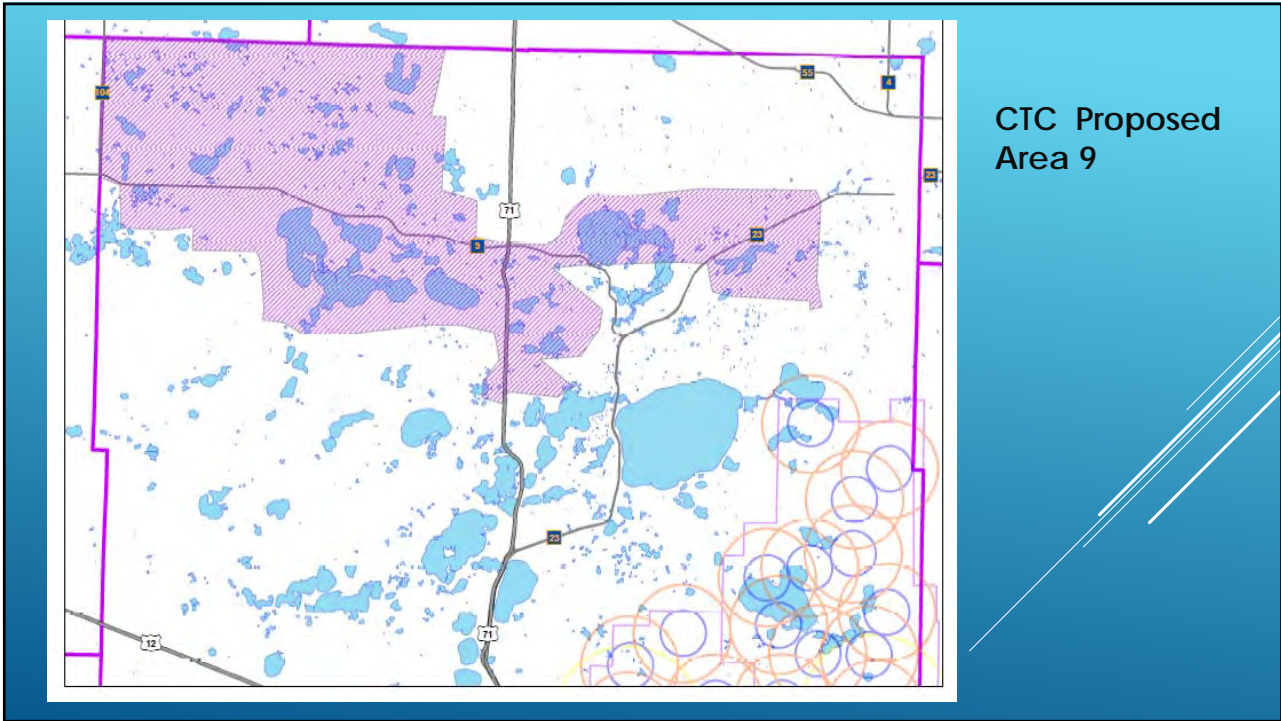
Attached is a map ("Kandi with CAF II.pdf") showing planned expansion. Without any additional line-specific equipment, the area inside the blue circles will have speeds of at

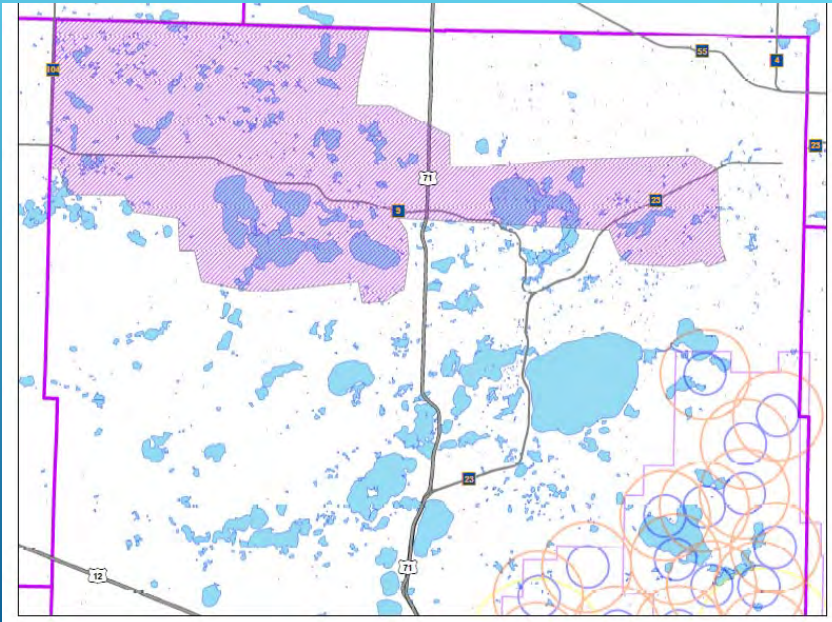
least 25 Meg down and 3 Meg upload and the area inside the orange circles will have

speeds of at least 10 Meg download and 1 Meg upload. Electronic mapping files in Google Earth format are also attached.

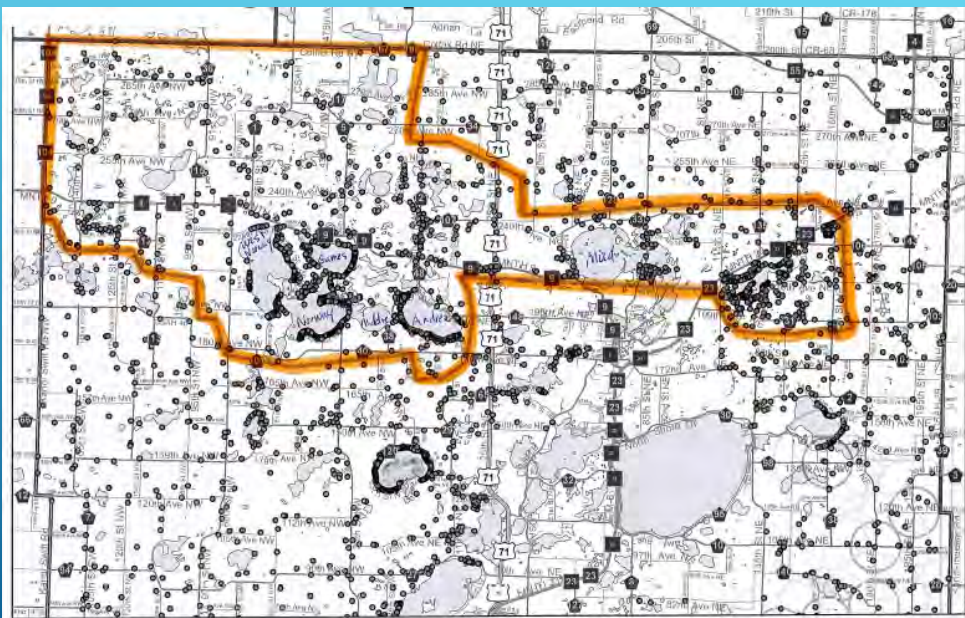




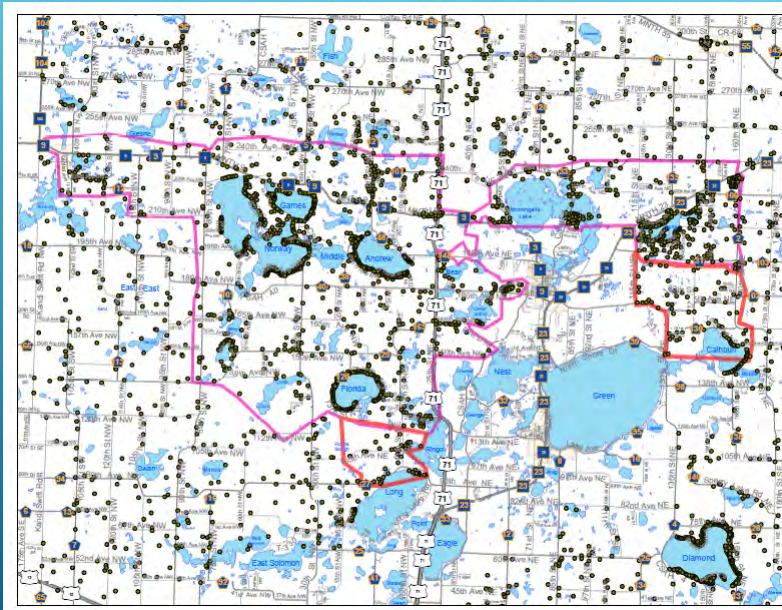




CTC Proposed Area 12



12
1,548
Subscribers
\$10MM



CTC Additional
Proposed
\$10MM

- ▶ Next Steps
 - ▶ Letters of support
 - ▶ Video taping stories
 - ▶ Match funding & County resolution