

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

**April 4, 2022**

**Kandiyohi County Health & Human Services Building, Willmar and Via ZOOM Video Conference**

Present: Mark Boesch, Donna Boonstra, Dean Bouta, Bruce DeBlieck (via Zoom), Jason Hulstein (via Zoom), Roger Imdieke, Tony Kirby, (via Zoom), Larry Kliendl, Michelle Marotzke, Rollie Nissen, Goldie Smith (via Zoom) and David Sisser

Absent: Ryan Nelson

Staff: Sarah Swedburg, Business Development Manager

Secretarial: Cathy Skindelien, Legal & Administrative Assistants, Inc. (LAA)

Chairperson Mark Boesch called the meeting to order at approximately 10:09 a.m.

**AGENDA**—The agenda was approved as emailed.

**MINUTES**—

IT WAS MOVED BY Roger Imdieke, SECONDED BY Donna Boonstra, to approve the Minutes of the March 7, 2022 meeting as emailed. MOTION CARRIED.

**UNFINISHED BUSINESS**—

**Vibrant Broadband.** Chair Boesch reported Vibrant Broadband applied for the United States Department of Agriculture ReConnect grant for eastern Kandiyohi County, which will be referred to as the “East Project.” Although there is no firm deadline, application results are anticipated in October, 2022. Construction will occur in 2023. Vibrant Broadband proposed another project in northeastern Kandiyohi County (see attached). One hundred fifteen homes and one business would be passed using 4.25 miles of fiber, just north of Long Lake near Hawick. The total cost of the project is \$351,800. Vibrant Broadband is requesting a 50-50 cost split with Kandiyohi County, making the county’s cost per pass just over \$1500.00, which meets the typical allocation. Chair Boesch will check on whether the city of Hawick could be included in this project, which will be referred to as the “Hawick Long Lake Project.”

IT WAS MOVED BY Roger Imdieke, SECONDED BY Michelle Marotzke, to bring the Hawick Long Lake project of 116 passes at a local cost of \$175,900 to the Kandiyohi County Board.  
MOTION CARRIED.

**Charter.** Chair Boeschen reported agreements have been signed for Riverwood Circle, 141<sup>st</sup> Avenue, 199<sup>th</sup> Avenue and 30<sup>th</sup> Avenue, located in New London, Burbank, Dovre and Willmar Townships. Construction is anticipated in 2022. A new proposal for unserved and underserved areas in New London Township will be discussed at the next meeting. Charter has updated its maps to fill in more of the gaps in service.

**Federated Telephone Cooperative (FTC).** The three-township project serving Lake Andrew, Norway Lake and Colfax Townships will now be referred to as the “Northwest Project,” while the four-township project serving Arctander, Mamre, Dovre and St. Johns Townships will be the “West Project.” Preparations are being made to apply for state Border-to-Border grants for each project. Connie Schmoll, former broadband contractor, provided a draft of the grant application proposal for the West Project.

**Arvig.** Arvig’s project in Prinsburg is progressing well. Central Minnesota Christian School will have live fiber by June, and the entire town will be completed in 2022. One hundred thirty-seven residents have signed up for drops and 60 for service orders. Drops refer to people agreeing to have the service in their homes, while service orders refer to a subscription to the service once it is available. Arvig is happy with the participation rate of the Prinsburg residents.

**Kandiyohi County Line Extension Grant.** Chair Boeschen and Sarah Swedburg requested committee input on a draft of the Kandiyohi County Broadband Line Extension Grant Program, which uses \$300,000 in Kandiyohi County’s American Rescue Plan Act (ARPA) funds that were designated for people considered served due to proximity to internet access, but lacking infrastructure to their homes. In some cases, the cost to bring service to a home is \$13-17,000. The state will not allow these residences to be added to larger projects because they are considered served. The Kandiyohi County Line Extension Grant would cover part of the cost for these residents. Grant funds would be used to provide service from whichever provider is closest to the resident, provided that resident has no access to any other high-speed internet. The funds will cover up to 60 percent or \$12,000 of a property owner’s construction costs, whichever is less. The grant will be structured similarly to COVID relief grants, with EDC acting as administrator for each applicant. Funds will be awarded on a first come, first serve basis. The number of residents qualified to apply is not known.

Committee members posed the following questions:

1. If a provider is working in an area and someone passes on service, can they apply later?  
There will be an end date set, the program will last for approximately one year. The program will end immediately when funds are exhausted.
2. If there is a potential project in a development, can we avoid taking care of one person who could be added to that project?  
This committee will review the applications to identify where there are clusters of residents with the issue.
3. Would it be easier to deal with the provider instead of the resident?  
This would create a large amount of legal paperwork.
4. Can residents put the balance owed on their property taxes?  
No, these are voluntary applications that are available to anyone who qualifies.
5. What is the right tactic for marketing?  
This will be determined, since we don’t know how many residents will apply.
6. Do we need to worry about the provider’s schedule?  
The resident is responsible for contacting the provider before applying for the grant.

No action will be taken at today's meeting. The timing of this grant in relation to the Border-to-Border grant awards will be taken into consideration. Committee members were invited to send comments and concerns to Swedburg, who will compile the information for next month's meeting.

The state is considering similar funding, but if passed, the funds would be provided only if there are excess Border-to-Border grant funds, up to \$5 million. A decision is expected at the next legislative session.

**National Telecommunications & Information Administration (NTIA) Grant.** Marotzke reported that of the \$288 million available for NTIA grants, \$277 million was awarded, leaving \$11 million available. The Kandiyohi County project request was \$28 million. Once the \$11 million is awarded a debrief of the application will be requested. NTIA will be administering \$60 billion from the Infrastructure, Investment and Jobs Act (IIJA). NTIA is holding webinars on March 23, April 6, April 27 and May 11 for their "Pre-Notice of Funding Opportunities Technical Assistance" for future IIJA grant programs.

#### **REPORTS—**

**Broadband Day on the Hill.** Broadband Day on the Hill was a virtual event held on Wednesday, March 23, 2022. Chair Boesch, Marotzke and Swedburg attended. Chair Boesch reported the Border-to-Border grant funds are delayed at the U.S. Treasury. U.S. Senator Tina Smith is aware of the situation and is looking into it. Applications for the Border-to-Border grant will become more complicated if there is only one round. The deadline will be 90 days after applications are opened. This year's construction season has been lost. FTC is still interested, but it has funded projects already scheduled for this year. It would like to handle the West Project next year, and the Northwest Project the following year. Angie Dickson from the Office of Broadband Development stated that Rural Digital Opportunity Fund (RDOF) areas should be included in local broadband projects. As long as the federal government has not awarded the funds yet, other projects can move forward. The provider needs to understand that if the federal government awards RDOF funds, projects may change. There was a township by Prinsburg excluded due to its location in an RDOF area. Concerns were raised about the delay in grants, if projects are delayed waiting for grant awards, ARPA money could expire. The first report of encumbered ARPA funds is due on April 30, 2022. All funds must be encumbered by December of 2025 and spent by the end of 2026.

**Legislation update.** Swedburg reported the Minnesota State House of Representatives has proposed a bill to use \$100 million from the general fund for Border-to-Border grants. A second bill proposed will increase the limit for Border-to-Border funds from 50 to 75 percent match, and increase the cap from \$5 million to \$10 million. The Northwest Project, as it stands, cannot be funded solely through Border-to-Border if that increase doesn't happen. The increases have broad support in the legislature. The Minnesota State Senate has approved the increase to \$100 million, but the match hasn't been proposed. Letters and texts from this committee and township leaders supporting the increase were encouraged.

**ADJOURNMENT—**There being no further business, the meeting was adjourned at 11:04 a.m.

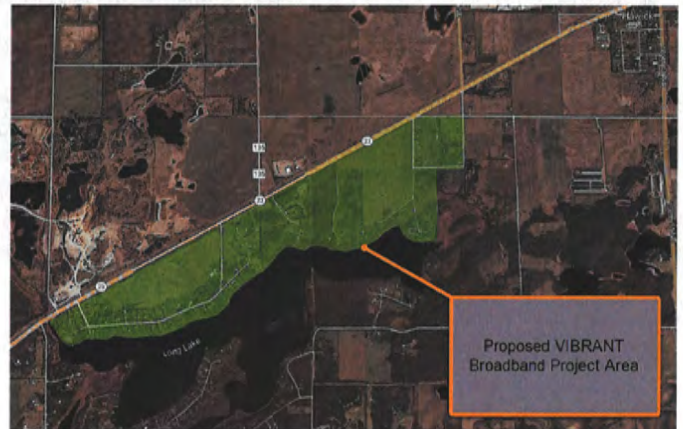
**NEXT MEETING—**The next regular committee meeting is **10:00 a.m., Monday, May 2, 2022** at Room 2057, Kandiyohi County Health and Human Services Building, Willmar and via Zoom video conference.

## Meeker Cooperative Light and Power Association/VIBRANT Broadband - Kandiyohi County Funding Proposal

**Kandiyohi County** (*proposed coverage area represented in green, see photo below*)

-Project scope falls within the SW quarter of Roseville and NW quarter of Irving Townships

- 115 Homes Passed
- 1 Business- Campground
- 4.25 Miles of Fiber
- \$351,800 – Total Project Cost to Construct & Install Customers
- \$175,900 – 50% Split Cost
- \$1,516 – Cost per passing



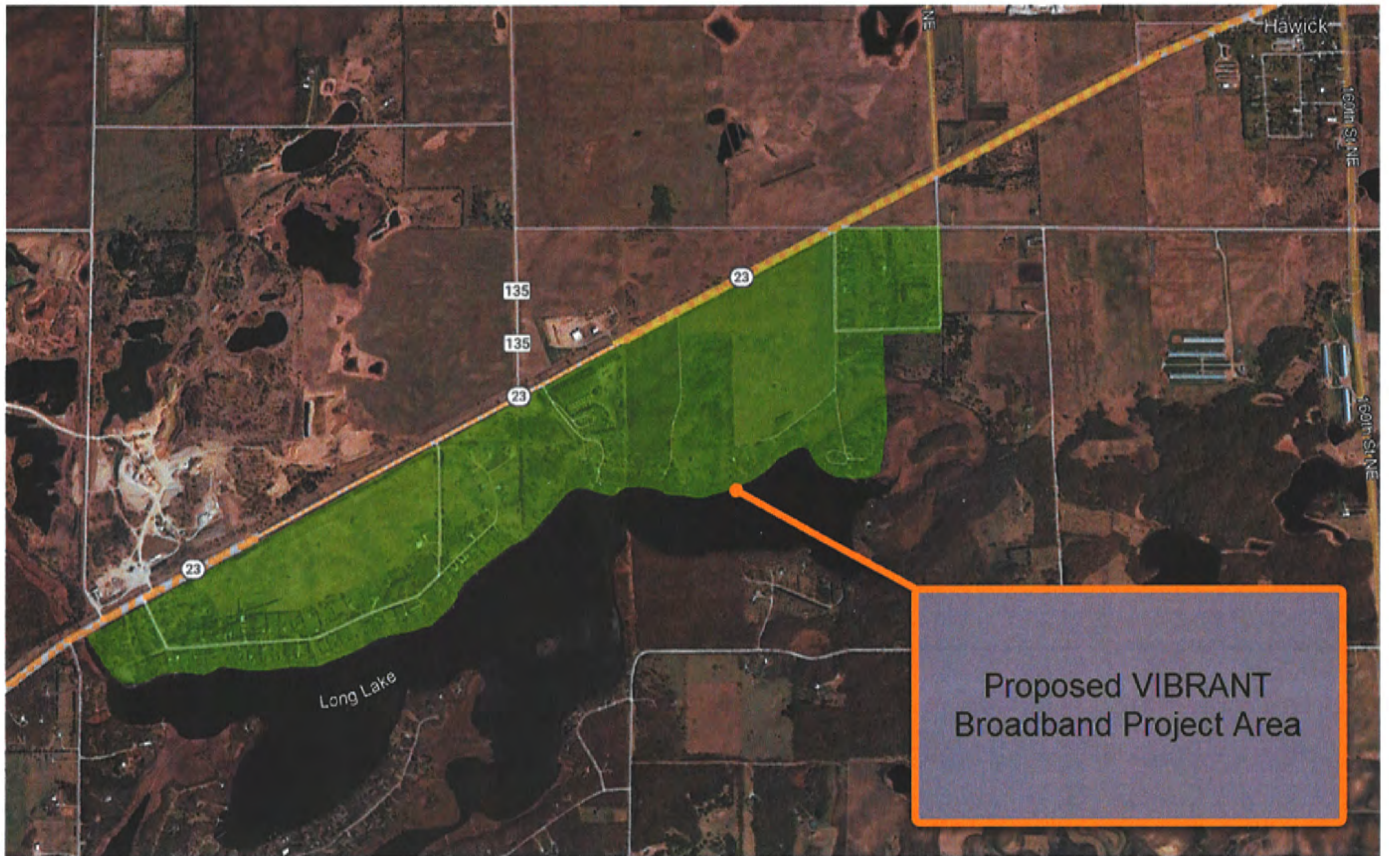
Meeker Cooperative requests 50% funding of total project cost. Meeker Cooperative also requests the aid of Kandiyohi to waive R.O.W. permit costs.

*This proposal is high-level, as an engineering study and design review will need to be conducted to verify associated costs. Project dependent on Meeker Cooperative Board approval.*



*Meeker Cooperative is an  
Equal Opportunity  
Provider and Employer*





*Meeker Cooperative is an  
Equal Opportunity  
Provider and Employer*



## Kandiyohi County Broadband Line Extension Grant Program

Many residents have not connected high-speed wireline internet from the Right-of-Way (ROW) to their homes because of high installation costs. Kandiyohi County has committed \$300,000 of its Federal American Rescue Plan Act (ARPA) funding to expedite and facilitate access to high-speed internet to assist in education, telehealth and business. This amount will fund a line extension grant program which will be administered through the Kandiyohi County and City of Willmar Economic Development Commission (EDC) Broadband Committee.

1. Using the above stated funds, the EDC will administer a grant to cover a portion of a property owner's construction costs to access high speed internet.
2. Up to 60% or \$12,000 of a property owner's construction costs can be covered, whichever is less. Total project costs, without provider's contribution, must exceed \$1,000.
3. The program provides these grants to bring high speed wireline internet onto the property when existing infrastructure is already within close proximity to the property.
4. The property to be served must be located in Kandiyohi County.
5. The wireline internet must be capable of meeting minimum speed standards of 100 Mbps download and 20 Mbps upload, scalable to speeds of at least 100 Mbps download and 100 Mbps upload.
6. The property cannot already have access to the above minimum speed standards from another wireline provider.
7. This program is available on a **first-come first-serve basis** and the County or EDC reserves the right to modify this program at any time.

### Application Requirements:

- The Kandiyohi County Broadband Line Extension Grant application must be completed in its entirety by the applicant and submitted to the EDC Office located at 222 20<sup>th</sup> ST SE, PO Box 1783, Willmar, MN 56201; or submitted electronically to [edc@kandiyohi.com](mailto:edc@kandiyohi.com) by XXX in order to be considered.
- A copy of the cost estimate for the project from the provider
- Proof of access to funds for property owner's portion of the project costs
- Grant recipients agree to provide proof of payment to the provider within 45 days following grant disbursement
- Other items as requested by the review committee

### Award Determination:

Grant award determinations will be made by the EDC Broadband Committee on a monthly basis at their regular committee meetings on the first Monday of each month. If an applicant is determined to be eligible for the grant, the amount awarded will be determined based on:

- The amount of eligible expenses submitted in the application process and verified through sufficient supporting documentation accepted by staff as satisfactory to prove grant eligibility,
- The amount of funding available in relation to the number of eligible applicants and/or
- A first-come first-serve basis, determined by date and time of complete application received, if more applications are received than are able to be meaningfully supported by available funds.

Authorization for Release of Information & Acknowledgements

I declare that the information provided in this application and on the accompanying exhibits is true and complete to the best of my knowledge. I understand that The Kandiyohi County and City of Willmar Economic Development Commission (EDC) has the right to verify any information contained in this application and may contact any individuals and agencies involved and that the EDC reserves the right to make modifications to the program in response to community need and available funds.

Signature/Title of Application: \_\_\_\_\_ Date: \_\_\_\_\_

Signature/Title of Application: \_\_\_\_\_ Date: \_\_\_\_\_

Contact the EDC office at 320-235-7370, toll free 866-665-4556, or [edc@kandiyohi.com](mailto:edc@kandiyohi.com) if you need assistance or accommodations to submit this application.

## **Kandiyohi County Broadband Projects April 1, 2022**

- 1. The Federated Four-Township Border-to-Border Project includes Arctander, Dovre, Mamre and St. Johns Townships and includes 656 locations.**

**The provider for this \$9,786,007 fiber-to-the-premise project is Federated Telephone Company, Kevin Beyer, CEO**

**When Minnesota Border-to-Border grants become available for application, Federated along with the EDC will apply for 50% of the funding in a state Border-to-Border grant application, a request of \$4,893,003. A local funding match of \$4,893,004 is planned as follows:**

<b>Provider</b>	<b>\$ 2,451,339</b>	<b>25%</b>
<b>County ARPA</b>	<b>\$ 1,314,386</b>	<b>13%</b>
<b>County Funds</b>	<b>\$ 100,000</b>	<b>1%</b>
<b>Township ARPA funds</b>	<b>\$ 200,543</b>	<b>2%</b>
<b>Townships/constituents</b>	<b>\$ 826,736</b>	<b>9%</b>

**This project is shovel-ready with all four townships having made plans for tax levy, use of existing funds or a subordinated service district tax levy plan.**

**A challenge for this project has been to not include all locations within the townships. Two reasons exist. Federal Rural Digital Opportunity Funds (RDOF) awards were tentatively announced for some locations in some of the townships, excluding them from eligibility for state funded projects.**

**The grant application is in draft form with EDC portions nearly complete. Federated needs to complete all provider portions. Letters of support have been secured but there is a need for more business and farm letters of support. Requests have been made and the township leaders are seeking these letters from their constituents. Some of the letters that have been secured are over one year old. This may be fine as the state is behind on opening up the grant application process and will expect that communities have been working on project plans and funding proposals for some time. The application process is expected to open soon.**

**The Minnesota Office of Broadband sent work that a determination has been completed that allows local area use of federally disbursed ARPA funds as a match for the state grants in the project funding plans.**

- 2. The Three-Township Border-to-Border Project is under planning to be submitted in the year following the Four-Township project proposal and includes an estimated 1390 locations.**

**The Three-Township project includes Colfax, Lake Andrew and Norway Lake Townships in NW Kandiyohi County. The total cost is estimated to be around \$15,400,000. The area includes lakes**



and hills as well as farm sites. The population is greater in the lakes areas and sparse in the farmland areas. The provider for this fiber-to-the-premise project is Federated Telephone Company, Kevin Beyer, CEO.

This project is not feasible for deployment unless the Minnesota Legislation session leads to a change in funding policy to allow more than a 50% match. Plans would have to include applying for approximately \$10,000,000 in state Border-to-Border grant funds and in addition, secure Kandiyohi County and Township ARPA funds and conduct township-level tax levy for the project. Federated will contribute 25% of the project cost.

The townships have selected leaders for the planning process. Two of the three townships have more than one leader selected. All leaders have been actively participating in the planning meetings. A list of potential locations for deployment has been secured and formatted for township leaders' use. The Township broadband planning leaders are tasked at this time with verifying locations to be served and identifying the businesses and farms in the project area including the names of the businesses and farms. They will also list people they know of that are working from home. Letters of support are being sought by the leaders as well as by members of the EDC's Broadband Committee.

### 3. Arvig Fiber Broadband Project for the City of Prinsburg (210)

A \$1,000,000 fiber-to-the-premise project to be completed by Arvig is underway for all businesses and residences in the City of Prinsburg.

Funding has been allocated and approved for the project as follows:

Provider	\$ 450,000	45%
Kandiyohi County ARPA	\$ 330,000	33%
City of Prinsburg ARPA	\$ 45,000	4.5%
City/Tax Levy	\$ 175,000	17.5%

Mark Birkholz of Arvig reported on March 28<sup>th</sup>, "What a terrific community Prinsburg is. They are really forward looking and willing to work/pay for it. That is a great partnership with Kandiyohi's willingness to support financially too.

We will be working to get a "lit" fiber to the School by the end of June. Construction will be happening in earnest in the coming weeks, we had a brief supply issue with the needed vaults but we are past that! As of the start of this week we have 137 signed up for drops with 60 service orders. We should have residential customers up and working by fall 2022."

**4. Charter Project 141<sup>st</sup> Avenue in New London Township (37 locations)**

**Charter Communication will provide cable broadband infrastructure with near gigabit speeds to 141<sup>st</sup> Avenue NE in New London Township. Funding has been approved as follows:**

<b>Provider</b>	<b>87%</b>
<b>County &amp; Township ARPA</b>	<b>13%</b>

**A subrecipient agreement has been secured by Kandiyohi County and Charter.**

**5. Charter Project Riverwood Circle in New London Township AND Burbank Township (84 locations)**

**Charter Communication will provide fiber broadband infrastructure to Riverwood Circle in New London and Burbank Townships. Funding has been approved as follows:**

<b>Provider</b>	<b>68%</b>
<b>County &amp; Township ARPA</b>	<b>32%</b>

**6. Charter Project for a portion of New London Township (32 locations)**

**Charter Communication will provide cable broadband infrastructure with near gigabit speeds to 199<sup>th</sup> Avenue in New London Township. Funding has been approved as follows:**

<b>Provider</b>	<b>77%</b>
<b>County &amp; Township ARPA</b>	<b>23%</b>

**A subrecipient agreement has been issued by Kandiyohi County and Charter.**

**7. Charter Project for an area in portions of Dovre and Willmar Township (23 locations)**

**Charter Communication will provide cable broadband infrastructure with near gigabit speeds to 30<sup>th</sup> Ave NW which is on the north border of Willmar Township conjoining the south border of Dovre Township. Funding has been approved as follows:**

<b>Provider</b>	<b>59%</b>
<b>County &amp; Township ARPA</b>	<b>41%</b>

- 8. Charter is working on a proposal to deploy cable/fiber broadband to the remaining premises in New London Township. A first estimate was 224 locations at a cost of \$710,238 with the provider providing 63% of the funding and asking Kandiyohi County and New London township to together provide 37% of the funding. Members of the EDC’s Broadband Committee have asked Charter to recalculate. The number of remaining locations is under question.
  
- 9. The National Telecommunications and Information Administration (NTIA) Seven-Township Project includes Arctander, Dovre, Mamre, St. Johns, Colfax, Lake Andrew and Norway Lake Townships and would deploy fiber broadband to 2060 locations.

Kandiyohi County was the applicant for a grant proposal submitted to the National Telecommunications and Information Administration (NTIA). The application requested funds covering 88% of the cost for Federated Telephone Cooperative to deploy fiber to the premise infrastructure to eligible locations in seven rural townships including Arctander, Colfax, Dovre, Lake Andrew, Mamre, Norway Lake and St. Johns. The total project cost is \$32,618,662. News was released in late February listing the projects awarded the NTIA grants. The Kandiyohi County project was not on the list. After several inquires it was reported that there remains \$11 million left to award and it is not yet known if this grant application can be moved forward to the next round of federal grant funds for rural area broadband.

The grant application proposed the following for financing for this project:

NTIA Grant	\$ 28,695,623	88%
Provider	\$ 3,823,039	11%
Kandiyohi County	\$ 100,000	1%

- 10. The East Side Vibrant Project includes Burbank, Roseville, Irving, Harrison, Genessee, and East Lake Lillian Townships.

Vibrant Broadband of Meeker County has proposed conducting a two-part project for portions of nine townships on the east side of Kandiyohi County. The East Side Project includes all or portions of Burbank, Roseville, Irving, Harrison, Kandiyohi, Genessee, Fahlun, Lake Elizabeth and East Lake Lillian Townships (# of premises unknown at this time).

Vibrant Broadband, a component of Meeker County Power and Light Cooperative, has submitted a ReConnect grant for eligible portions of the nine townships listed. If awarded, the ReConnect grant would provide funding for phase-one buildout and no local financial support will be needed in addition to the grant. Non-eligible homes and businesses in the townships will not be left out. Vibrant Broadband is planning a phase-two build out of high-speed fiber broadband for the additional structures. Phase-two build out will require local financial support from Kandiyohi County and the Townships. The funds could be APRA funds and/or township level bonding.