

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

November 6, 2023

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

Present: Duane Anderson, Kelsey Baker, Mark Boeschen, Paul Bolle, Bruce DeBlicek, Jesse Gislason (via Zoom), Jason Hulstein (via Zoom), Roger Imdieke, Tony Kirby (via Zoom), Ryan Nelson (via Zoom), Rollie Nissen, David Sisser and Chuck Stranberg

Excused: Michelle Marotzke

Staff: Sarah Swedburg, Business Development Manager

Secretarial: Cathy Skindelien, Legal & Administrative Assistants, Inc.

Chairperson Mark Boeschen called the meeting to order at approximately 10:01 a.m.

MINUTES—

IT WAS MOVED BY Rollie Nissen, SECONDED BY Chuck Stranberg, to approve the Minutes of the October 2, 2023 meeting as emailed. MOTION CARRIED.

NEW BUSINESS—

Fall 2023 Border-to-Border Recommendations. Chair Boeschen presented plans to apply for Border-to-Border Broadband Development grants on three projects (see attached). The first project includes Lake Andrew Township (with the exception of 189th and 198th Avenues, which are served by TDS), Colfax Township, 27 passings in Norway Lake Township that are on the route of the mainline, 34 passings in St. Johns Township and seven passings in Dovre Township that were not covered in the West Project. The project will be funded as follows:

- 50% Border-to-Border Broadband Development Grant - \$8,500,001.14
- 25% Federated Telephone Cooperative (FTC) - \$4,250,000.57
- 15% Kandiyohi County American Rescue Plan Act (ARPA) funds - \$1,675,700.00 (\$1,997/passing)
- 10% Township contribution - \$1,675,700.00 (\$1,300/passing)

[Ryan Nelson and Roger Imdieke joined the meeting]

One issue may arise regarding TDS's involvement in the Enhanced Alternative Connect America Model, a funding program designed to address rural connectivity challenges in the broadband telecommunications sector, which could eliminate some of the passings in Lake Andrew Township. TDS has been notified of this pending project, but has not responded. Lake Andrew and St. Johns Townships have approved the project and Colfax Township

will address it at tonight's meeting. Norway Lake Township will be asked to provide a letter of support. The addition of Norway Lake Township's 27 passings will make the overall project more economical. Lake Andrew and Colfax Townships are expected to bond and will work with Ehlers to help analyze that capacity. The project is feasible due to the increase in the Border-to-Border request limit from \$5 million to \$10 million.

The second project includes Genessee, Fahlun and Kandiyohi Townships, with approximately 500 total passings. All of Genessee Township is included with the exception of those already served, including the ethanol plant, golf course and Central Counties Cooperative. Fahlun Township will be complete with the exception of those already served around Big Kandiyohi Lake. Kandiyohi Township excludes only those served by Charter Communications near the cities of Willmar and Kandiyohi. Funding will be provided as follows:

- 50% Border-to-Border Broadband Development Grant - \$2,120,786.50
- 25% Vibrant Broadband - \$1,081,497.80
- 20% Kandiyohi County ARPA funds - \$860,888.70 (\$1,742/passing)
- 5% Township contribution - \$178,400.00 (\$361/passing)

The township contribution of \$361/passing represents a commitment already made by Kandiyohi Township, however, they will be asked to raise that number to \$400/passing at the next meeting. Genessee and Fahlun Townships will be asked to commit as well.

The third project covers Lake Lillian Township with the exception of a small served area. It qualifies for the Lower Population Density Border-to-Border grant which will cover up to 75% of the project costs. It contains 87 passings and funding plans are:

- 75% Border-to-Border Broadband Development Grant - \$1,092,055.50
- 13% Vibrant Broadband - \$189,289.62
- 11% Kandiyohi County ARPA funds - \$156,128.88 (\$1,794/passing)
- 1% Township - \$18,600.00 - (\$213/passing)

The cost to Kandiyohi County for the three projects (1870 passings) is \$3.591 million. Remaining ARPA funds earmarked for broadband (including the \$300,000 approved for the line extension grant) are \$3.476 million, leaving a shortfall of \$114,000. This could be reduced based on township contributions, however it will not be enough to cover the entire shortfall. If all three projects are recommended, the line extension grant will be not be honored. The projects will be submitted separately and if any aren't awarded, the ARPA funds will become available for other use in the county.

IT WAS MOVED BY Chuck Stranberg, SECONDED BY David Sisser, to recommend to the Kandiyohi County Commissioners that it allocate the remainder of the American Rescue Plan Act broadband designated funds, totaling \$3,591,000, plus the shortfall of approximately \$114,000 allocated from other funds, for three projects covering all or part of Lake Andrew, Colfax, Norway Lake, St. Johns, Dovre, Genessee, Fahlun, Kandiyohi and Lake Lillian Townships. MOTION CARRIED.

The motion will be discussed at the County Commissioners Board meeting on November 26, 2023. Scheduled township meetings could cause a slight variation in the numbers submitted. Grant applications are due on December 7, 2023. Projects will be awarded in March 2024 with a completion deadline of March 2026.

GRANTS—The State of Minnesota has not released information regarding individual recipients of the Line Extension Grant. Providers are aware and it has been determined that some recipients were located in St. Johns Township.

REPORTS—

Digital Connection Task Force. The Biden administration has requested \$6 billion to extend the Affordable Connectivity Program, which provides broadband subsidies of \$30 per month to low-income households.

Current Local Projects

West FTTP – Federated Telephone Cooperative (FTC). Work continues on the West Project. Additional funds were approved to add approximately 30 passings to this project with 25 being used up to this point. FTC is willing to make these additions provided they are in the area being served.

City of Willmar. Sisser reported the City of Willmar has conducted several meetings regarding Hometown Fiber, with discussion revolving around the use of general obligation bonds as opposed to revenue bonds.

Vibrant ReConnect Project. The Open House on December 6th in Atwater has been postponed until a date to be determined after the first of the year.

ADJOURNMENT—Being no further business, the meeting was adjourned at 10:54 a.m.

NEXT MEETING—The next regular committee meeting is **10:00 a.m., Monday, December 4, 2023** at Room 2057, Kandiyohi County Health and Human Services Building, Willmar and via Zoom video conference.