

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

February 5, 2018

Kandiyohi County Health & Human Services Building, Willmar

Present: Mark Boeschen, Travis Bonnema, Donna Boonstra, Dean Bouta, Bruce DeBlicek, Larry Kleindl, Michelle Marotzke, Les Nelson, Gregg Price and David Sisser

Excused: Brian Mort, Ramsey Schaffnit and Donn Winckler

Absent: Scott Froemming

Staff: Connie Schmoll, Business Development Specialist

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

Chairperson Mark Boeschen called the meeting to order at approximately 12:00 p.m. and stated a quorum was present.

Les Nelson invited everyone to attend a legislative roundtable on broadband Tuesday, February 13, at the Meeker County Courthouse, hosted by the Blandin Foundation and facilitated by Mid-Minnesota Development Commission. Bill Coleman will be present representing the Blandin Foundation and Connie Schmoll will be speaking on lessons learned by Kandiyohi County during the Border-to-Border Grant process. Chair Boeschen noted he will be attending.

AGENDA—Added to the Agenda was an update on Hiawatha Broadband Communications.

MINUTES—

IT WAS MOVED BY David Sisser, SECONDED BY Michelle Marotzke, to approve the minutes of the January 8, 2018 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS

Minnesota Rural Broadband Coalition. Schmoll reported the Minnesota Rural Broadband Coalition will hold Broadband Day at the Capitol on April 12 and Schmoll would like to rent a bus to travel from Kandiyohi County. The Coalition hired a consultant and has a budget of \$30,000 of which \$15,000 is from the Blandin Foundation. Schmoll attended the Coalition's first meeting where they discussed the first right of refusal in the grant process and the desire for it to be discussed at the legislative session. The Coalition also discussed the served and unserved areas and the consultant will be working on a consensus as to desired speeds. The consultant has a history and experience in working with the legislature. No one has yet replaced Tina Smith as an advocate of broadband in the Governor's office. The Coalition is proposing \$75 million be

budgeted by the state for broadband. Michelle Marotzke, Donna Boonstra and Dave Sisser indicated an interest in attending the February 13<sup>th</sup> roundtable and Larry Kleindl stated he would be attending.

2018 Goals. Chair Boeschen presented the 2018 Draft Goals developed at last month's meeting (see attached). Chair Boeschen intends to use the goals in preparing for each monthly meeting. Travis Bonnema noted the committee also has advanced technology in its name and questioned if that was addressed in the draft goals. It is a goal of the committee to make sure businesses in Kandiyohi County are aware of technology and how to use it and to keep aware of new technologies that benefit businesses. Schmoll also noted that if grants are applied for, adoption needs to be a part of the committee's goals. It was suggested to revise goal 7 to incorporate advanced technology and adoption.

IT WAS MOVED BY Michelle Marotzke, SECONDED BY Larry Kleindl, to approve the 2018 Goals with revising goal 7 to read:

Keep informed of and educate the public and businesses on broadband and advanced technology offerings and what they can do for them. Promote and assist communities in utilizing broadband and advanced technologies and assist with adoption of these technologies for those who need help.

MOTION CARRIED.

#### NEW BUSINESS

Meeting with County Administrator and Commissioners. Schmoll reported a meeting was held with Harlan Madsen and Rollie Nissen on the county's commitment to broadband and how to move forward with requests by providers. Bonding may be available, but what can be done will be based on what each project offers and needs. There cannot be a set policy. Larry Kleindl stated the county does not want to fund a project that either isn't good enough and keeps up with technology or that meets the standards. The county is limited in what it can bond and it has upcoming projects.

MVTV Wireless. David Sisser, Schmoll and Chair Boeschen met with MVTV Wireless last week. Sisser stated MVTV explained its network and informed them it has been upgrading its backhaul system. MVTV also showed them the details of their backbone and their network monitoring system, which was impressive. The company's services are very spread out from the Iowa border to north of Kandiyohi County. MVTV will move forward with a project if it sees a pocket and has commitments from interested users. MVTV appears committed to providing reliable service to its customers. Schmoll stated MVTV continually upgrades its equipment. Committee members questioned the various wireless providers that are coming into the county and how well they will maintain their service. MVTV's longevity and commitment to upgrading its equipment enforces trust. Dean Bouta stated MVTV is committed and really plans its networks. MVTV just installed fiber to the Spicer water tower and will then be going toward New London. Chair Boeschen noted the committee has discussed whether it should make vendor recommendations and before doing so, it may need to explore what maintenance they do and the longevity of the company. Boeschen stated MVTV was very happy that the group visited its facility and they would like to work with this committee in some way. MVTV did ask about any tall structures in Kandiyohi County on which it

could put access points. Sisser asked if this committee could identify a large population to help increase their broadband and provide that to vendors. Schmoll reported TracksUSA is currently using MVTV after the EDC referred them. It was noted MVTV was surprised that the Willmar Industrial Park did not have any infrastructure and indicated it is interested in providing temporary service to the park. MVTV's goal is to fill in its coverage, not necessarily extend it. The company was willing to open up and discuss its goals. MVTV indicated it is also unable to get information from providers. It was noted that topography affects wireless service. MVTV does an onsite service visit to determine if it can provide service to a potential customer. Nelson stated MVTV has done quite a bit of advertising. MVTV can provide service up to 25 Mbps and higher, if an individual business needs it. Schmoll stated it was good to learn what MVTV has to offer in order to provide information to potential customers.

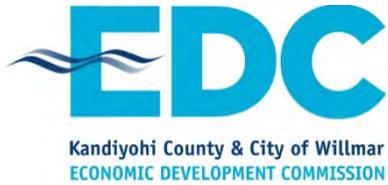
Hiawatha Broadband Communications. Schmoll reported Dan Pecarina was unable to attend today's meeting. Schmoll stated in his email to her, Pecarina stated Hiawatha Broadband Communications (HBC) is looking at bringing its fiber from the Kandiyohi County/Renville County border to Willmar. It provides gigabit fiber connectivity wherever possible and has two broadband wireless solutions it has used in other rural areas of southern Minnesota. That service is capable of 100 Mbps download speeds and between 25 and 50 Mbps upload. Committee members felt HBC offers fiber to a point and then it is wireless, which is not different from what MVTV offers. HBC may own its own fiber. Committee members has the following questions: Is the 100/20 minimum guaranteed to all subscribers? What is the maximum advertised rate? Who will own the service when the project is done? What is the cost to install their service and the monthly subscription rate? Schmoll reported she provided HBC with letters from potential customers, a list of businesses south of Willmar and the feasibility study. Schmoll will again invite Pecarina to a meeting.

LTD Broadband. The committee indicated it would like to hear from LTD Broadband and find out about its plans for long-term support. Travis Bonnema stated LTD has a technician out of Watkins and another one in the area. Bonnema will ask Corey Hauer to attend a future committee meeting. MVTV stated it is having interference with LTD. There is only so much height and bandwidth available. The Prinsburg area now has pretty good wireless service. The committee noted a need to identify customers who cannot get wireless and how can they be helped. This committee has pushed competition to do something as to broadband services.

Institute of Local Self Reliance. Schmoll noted the Fast Company article, "City-Run Broadband Can Keep Net Neutrality Alive—and It's Cheap" ([see attached](#)) and stated Minnesota is mentioned throughout the article. Chair Boeschen suggested Kandiyohi Power Cooperative's members might be interested in having their co-op provide broadband. The article discusses electric power had access to government financing. Great River Energy is writing articles on how important it is to become partners.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 12:58 p.m.

NEXT MEETING—The next committee meeting is 12 noon, Monday, March 5, 2018 at Kandiyohi County Health & Human Services, Willmar.



## BROADBAND AND ADVANCED TECHNOLOGY COMMITTEE

# 2018 DRAFT GOALS

1. Expand a robust high-speed broadband network, utilizing fiber-to-the-premise (FTTP) networks wherever possible and a mix of other communication technologies where fiber is not possible, to attain broadband access to every premise and business in Kandiyohi County.
2. Educate legislative leaders on broadband and continue to advocate for state and federal legislative action that secures helpful policies and adequate funding to support robust high-speed broadband development, including through membership in the Minnesota Rural Broadband Coalition.
3. Identify and secure funding sources to proceed with implementation of broadband in Kandiyohi County.
4. Secure public/private partnerships with one or more broadband providers to move forward with improved broadband network deployment in Kandiyohi County with a preference for FTTP wherever possible.
5. Continue to gather data and secure updated maps on current broadband offerings.
6. Recommend solutions that the Kandiyohi County Board of Commissioners will approve and invest in with financial support.
7. Educate the public and businesses, on what is broadband and what it can do for them. Promote participation in broadband services by encouraging the public and businesses to subscribe to broadband services when available.

## City-Run Broadband Can Keep Net Neutrality Alive—And It's Cheap

It's still tough to say how much more affordable municipal broadband networks are than standard cable services—but it is clear that they improve equitable internet access across communities.



[Photo: marekuliasz/iStock]

*By Ben Schiller* 4 MINUTE READ

In recent years, dozens of cities and towns have built their own [municipal broadband networks](#), hoping to drive down prices and boost economic development for residents. And they seem to be succeeding somewhat, according to a [new report](#). Municipal broadband networks generally cost less than private services in the same market, at least when it comes to higher-end fiber-to-the-home (FTTH) offerings.

Researchers at the Berkman Klein Center for Internet & Society at Harvard compared prices for entry-level services in 27 communities, from Lafayette, Louisiana, to Concord, Massachusetts. In 23 cases, prices for the publicly owned networks were between 2.9% and 50% less than those of the equivalent services offered by companies like Comcast, AT&T, and Verizon. (The comparisons are for prices over a four-year period.)

A running total kept by the [Institute of Local Self Reliance](#) (ILSR), which campaigns for municipally run networks, lists 95 communities with a publicly owned FTTH reaching all or most of a community. More than 200 places have public fiber networks that reach just part of a community. The end of net neutrality may [inspire more places](#) to develop networks, as they look to keep services [open to all users](#).



[Photo: epantha/iStock]

ILSR backs up the new report’s conclusions. Tennessee has several municipal networks, for instance, and [most of have never raised prices](#). Chattanooga’s, run by the locally owned electric utility, EPB, offers speeds six times faster than when it launched in 2010; a blazingly fast 100 Mbps connection is just \$57.99 per month. (The standard definition of a broadband connection is 25 Mbps download and 3 Mbps upload). As a point of comparison, AT&T offers a 50 Mbps connection for \$40—well less than half the value of EPB’s service.

	Community network	Annual cost savings (or premium) relative to private competitor(s)	Community network	Annual cost savings (or premium) relative to private competitor(s)
1	Lafayette, LA	\$600.00	14	Monticello, MN
		\$311.36		\$122.74
2	Sebewaing, MI	\$352.15		\$38.34
3	Morristown, TN	\$324.12	15	Concord, MA
		\$259.23		\$115.12
4	Highland, IL	\$295.23	16	Chattanooga, TN
5	Pulaski, TN	\$237.24		\$107.25
6	Dalton, GA	\$216.98	17	Bristol, TN
7	Longmont, CO	\$172.74		\$79.22
		\$301.45	18	Auburn, IN
8	Bristol, VA	\$199.23		\$92.76
		\$126.74	19	Reedsburg, WI
9	Sandy, OR	\$170.00		\$62.97
10	Brookings, SD	\$163.13	20	Marshall, MO
		\$148.60		\$25.90
11	Opelika, AL	\$139.23	21	Bellevue, IA
12	Clarksville, TN	\$138.75		\$35.52
13	Indianola, IA	\$130.39	22	Crosslake, MN
				\$37.25
			23	Cedar Falls, IA
				\$24.88
			24	Tullahoma, TN
				\$19.22
			25	Jackson, TN
				(\$50.13)
			26	Issaquah Highland, WA
				(\$100.48)
				(\$108.10)
			27	Churchill, NV
				(\$298.28)

However, many state legislatures, including North Carolina, Nebraska, Texas, Missouri, and Arkansas, have either outlawed municipalities from building networks or put up serious roadblocks. In other states, telecom companies have lobbied hard against new projects. Fort Collins, Colorado, passed a ballot initiative last November to establish a new utility despite telecom lobby groups spending [up to \\$900,000 to defeat the measure](#).

“More communities are considering this, but it’s politically challenging. Cable and telephone companies try to convince people that the municipalities will go broke if

they build new networks,” Chris Mitchell, director of ILSR’s Community Broadband Networks Initiative, tells *Fast Company*. (The Obama Administration, which hoped to expand the number of municipal networks, failed in efforts to pre-empt state laws).

While the new report sheds some light on internet-service pricing, its scope is limited. It doesn't cover ordinary broadband like DSL or cable. Researchers struggled to gather comparable data for a larger number of communities because there are no public pricing databases (the Federal Communications Commission doesn't keep one, for instance). The researchers had to go market to market, provider website to website, trying to work out what companies were charging. Often, internet services were bundled with other services, or they were offered at teaser rates that likely aren't sustained over time.

"To me, the real finding here is that comprehensive data is simply not available about what broadband service actually costs U.S. consumers, or what exactly they get for what they're paying," says David Talbot, a fellow at the Berkman Klein Center, who led the research. "We also don't know what levels of service are actually available by address. We do know, however, that pricing and service plans are all over the map and that promotional rates and gimmicks abound."

The lack of data makes it hard for municipalities to understand the potential benefits of investing in their own networks. "It means we can't precisely and systematically quantify and track the extent to which additional competition, such as from a muni provider, reduces prices or improves service quality overall in a community—information any policymaker or consumer would love to have," Talbot says.

Cheap, reliable broadband is generally considered good for economic development and social equity. The Obama Administration campaigned [to allow municipalities to set up their own networks](#), citing in a statement how "barriers like income and geography keep many Americans from taking advantage of the economic, educational and social benefits of broadband access." Cities like Stockholm point to public fiber networks as key to driving internet innovation and [creating the next Silicon Valley-like hotspots](#).

Surveys of lower-income consumers show that price is a big factor in why households forgo buying internet services. A third of non-users cited cost as their main reason for not buying broadband, according to [one survey](#). About [10% of Americans](#) lack access to wired broadband service.

And price variability is another deterrent for consumers looking to buy internet service. "We can't tell whether companies, especially the private ones who generally use teaser prices that later jump higher, are treating everyone the same when taking the long view," says Talbot, previously a reporter with the *MIT Technology Review*.

"It stands to reason that some groups of consumers aren't negotiating for better rates and as a result get stuck with higher bills for years," Talbot says. "But exactly which demographic groups are these? Nobody knows. We can't see at what price point lower-income people, who say price is a barrier, dive in and take service, helping advance equity."