

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

**MINUTES**

**April 1, 2019**

**Kandiyohi County Health & Human Services Building, Willmar**

Present: Mark Boesch, Donna Boonstra, Dean Bouta, Bruce DeBlicke, Scott Froemming, Roger Imdieke, Michelle Marotzke, Les Nelson, Rollie Nissen, Gregg Price, Ramsey Schaffnit, David Sisser and Donn Winckler

Absent: Travis Bonnema and Brian Mort

Excused: Connie Schmoll

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc.

Chairperson Mark Boesch called the meeting to order at approximately 12:04 p.m. and declared a quorum was present.

**MINUTES—**

IT WAS MOVED BY Donn Winckler, SECONDED BY Michelle Marotzke, to approve the Minutes of the March 4, 2019 meeting as emailed. MOTION CARRIED.

**UNFINISHED BUSINESS—**

**Presentations to Townships.** Michelle Marotzke, Dave Sisser and Ramsey Schaffnit attended the Green Lake Township meeting last Thursday night. Marotzke reported a TDS representative was at the meeting requesting a franchise for IP TV. A big concern for the township was that the township is covered by two providers, TDS and CenturyLink. If the EDC partners with one provider for a project, will that provider only cover their territory and not the part of the township covered by the other provider. Dave Sisser reported TDS has some fiber to the nodes, but nothing to populated space. TDS has fiber runs through a good portion of Green Lake Township.

[Les Nelson joined the meeting.]

Committee members felt it may be worth speaking with TDS to see if it is willing to partner on a project. The township representatives received good education about fiber and wireless. Approximately nine people attended the meeting, most of whom were township board members. Attendees expressed their dissatisfaction to the TDS representative in attendance. It was good for TDS to hear about broadband in the county. The township is to contact Connie Schmoll if they are interested in having a public meeting. The township was concerned that everyone would be taxed. Schmoll's PowerPoint Presentation used at the township meeting was distributed to the

committee (see attached). The presentation included information about fiber to the node and fiber to the premise and why they are superior to copper. Ramsey Schafnitt stated the slide with the website for speed testing needs to be corrected to [www.checkspeedminnesota.com](http://www.checkspeedminnesota.com). This should be done before other presentations are given. Presentations are scheduled with St. Johns Township on April 8<sup>th</sup> at 1:30 p.m. at Pennock City Hall and Mamre Township at 8:00 p.m. Marotzke will attend and Sisser will try to attend both meetings.

**NEW BUSINESS**—There was no new business.

## **REPORTS**

**Minnesota Rural Broadband Coalition.** Chair Boeschen reported Schmoll, Donna Boonstra and Roger Imdieke will be attending Broadband Day at the Capital on April 3, 2019. Rollie Nissen indicated he may also attend. Meetings are set up with Senator Lang at 11:30 a.m. in a committee room and with Rep. Baker at 2:00 p.m. at the State Office Building and 11:30 a.m. It was the consensus that this committee's message to the legislators is to continue funding for the Office of Broadband and the state grants and that the incumbent policy relative to the state grant application remains an issue. It was reported that a provider cannot use CAF II and the state grant for one project. Sisser reported TDS has not done any of the work it promised during the last grant process. Scott Froemming asked if any language has been drafted relative to changing the incumbent policy? Boonstra replied that language was submitted a couple of years ago, but it was not approved.

[Gregg Price joined the meeting.]

**Meeker County project.** Froemming reported he and Schmoll met with Tim Mergen of Meeker Cooperative Light & Power Association as to its \$23 million broadband project. Meeker Cooperative is using RUS (Rural Utilities Service) funds for fiber to substations and no other grants. The first part of its project is fiber to the substations and then installing 45 120' poles for fixed wireless. The cost to cover Meeker County is \$70 million. It is installing 150 miles of fiber backbone and 120 miles fiber-to-the-home (FTTH). It will be 50/50 underground vs. overhead. Meeker Cooperative is working with Pulse and NeoNova out of Raleigh, North Carolina, to design and build the service packages and billing processes. The project will create 10 new jobs—five have already been hired. They are advertising 25/3 as the speed, but FTTH will do better.

[Roger Imdieke joined the meeting.]

One issue Meeker Cooperative has encountered is working with landowners to install poles on their property. Its service is called Vibrant Broadband. The program has managed services where Meeker Cooperative can look into the home for issues. It is still working on the back haul part. CenturyLink and Windstream fell through; it is now looking to work with Arvig. One of the companies did the study. The cost for minimum service is \$65 less \$5 per month for members. The estimated completion is in two years; the first phase will be done this year and the second phase next year. Meeker Cooperative estimates it will start making money in 10 years. It is

covering its entire service area, which includes part of Kandiyohi County. There was good public support. The project has some competition with MVTV, LTD, Arvig and HughesNet.

Donn Winckler announced Meeker County recently lost its economic development staff person.

Schaffnit stated speed test reports are done by the number of pings by zip code. Boeschen stated that is not really a valid test. The website does ask what kind of equipment you are using. Roger Imdieke stated the National Association of Counties uses [www.naco.org/testit](http://www.naco.org/testit) for speed tests.

**ADJOURNMENT—**

IT WAS MOVED, SECONDED AND CARRIED to adjourn the meeting.

The meeting was adjourned at approximately 12:40 p.m.

**NEXT MEETING—**The next committee meeting is **12 noon, Monday, May 6, 2019** at Kandiyohi County Health & Human Services Building, Room 2057, Willmar.



### Kandiyohi County Broadband

- Broadband Situation
- Broadband Successes
- Where do we go from here?

### Use of Broadband

**Education**

- Year-round E-learning for K-12
- College opportunities for any age
- Professional Continued Education Units (CEUs)
  - Teachers, Accountants, Realtors, etc

**Agriculture**

- GPS guidance and section control technology
- Cost efficiency

**Healthcare**

- Telemedicine
  - Keeps seniors in their home longer
  - Reduces spread of germs

Source: The Minnesota Rural Broadband Coalition, "Benefits of Broadband by Sector"

### Kandiyohi County

2018 Broadband Service Inventory

**Legend:**

- Interstate
- US Road
- Local Road
- Municipal Boundary
- County Boundary
- Water
- Wireline Broadband of at Least 100Mbps
- Underserved Area (25Mbps Download/3Mbps Upload)
- Unserved Area (No Wireline Broadband of at Least 25Mbps)

Source: Minnesota Department of Information Security, "Minnesota Broadband Development Map"

### Use of Broadband

**Public Safety and Emergency Response**

- Real-time weather and traffic data
- Response to critical situations

**Property values**

- Increases home value ~\$5,437
- "More and more buyers are refusing to buy homes without fast Web access." Wall Street Journal (June 30, 2015)

**Economic and Workforce Development**

- Entrepreneurship
- Tele-commuting

Source: The Minnesota Rural Broadband Coalition, "Benefits of Broadband by Sector"

### Estimated Availability of Wireline Broadband Service by County in the State of Minnesota

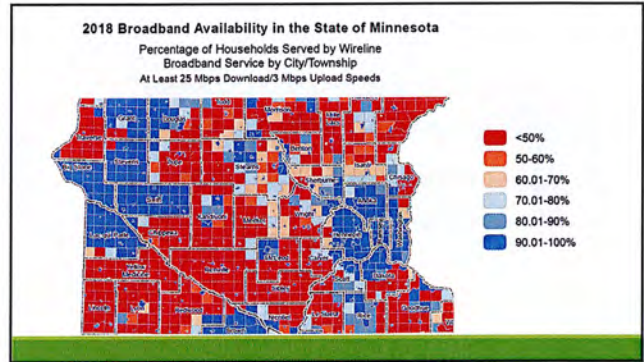
Areas Served by at Least 25 Mbps Download/3 Mbps Upload

County	Household Density	Number of Households	Served Households	Unserved Households	Percentage Households Served
Kandiyohi	19.4	16,732	12,917	3,815	77.20

**Estimate of Wireline Broadband Service Availability in the State of Minnesota by Speed Combinations**

Download/Upload Speed	Unserved Households (000)	Served Households (000)	Percent of Households Served
At Least 10 Mbps/1 Mbps	115	1,972	94.49
At Least 25 Mbps/3 Mbps	165	1,902	91.13
At Least 100 Mbps/20 Mbps	540	1,547	74.11
At Least 1 Gbps/1 Gbps	1,628	459	22.01

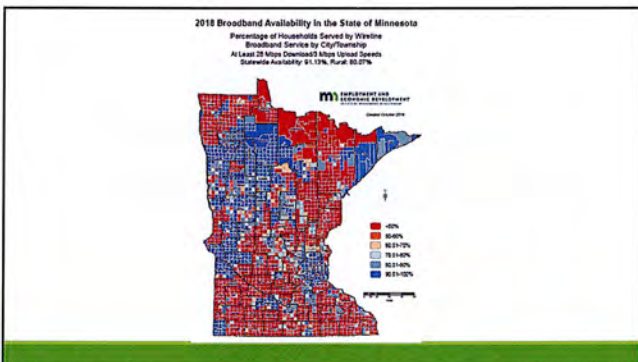
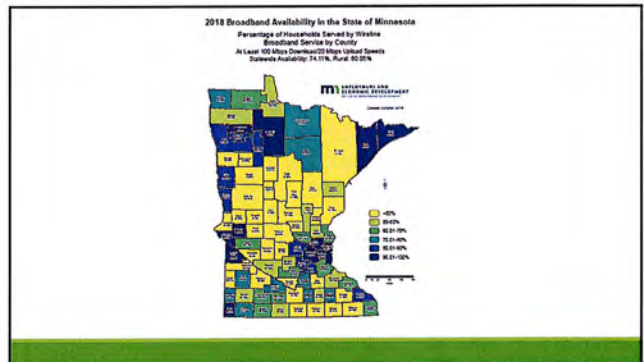
Source: Connected Nation, Oct. 2018.



**Historical Estimate of Wireline Broadband Service Availability in the State of Minnesota (Rural Areas)**

Date	10 Mbps/5 Mbps	25 Mbps/3 Mbps	100 Mbps/20 Mbps	1 Gbps/1 Gbps
February 2015	69.55	68.08	40.68	5.81
July 2016	71.86	72.24	48.93	11.39
October 2016	71.69	72.03	49.33	12.03
April 2017	70.99	73.07	52.46	14.24
October 2017	71.43	73.45	52.88	14.62
March 2018	78.20	79.26	58.99	19.24
October 2018	78.34	80.07	60.05	19.37

Source: Connected Nation, Oct. 2018.



## Kandiyohi County

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Info on Access:

The speeds reflect the Minnesota speed goals:

- 25 Mbps down and 3 up by 2022
- 100 Mbps down and 20 up by 2026

Speeds	Served October 2018
25/3	77.20%
100/20	10.64%



## Kandiyohi County

Info on Access:  
The speeds reflect the Minnesota speed goals:  
•25 Mbps down and 3 up by 2022  
•100 Mbps down and 20 up by 2026

Speeds	Kandiyohi County October 2018	Statewide October 2018	MN Rural October 2018
25/3	77.20%	91.13%	80.07%
100/20	10.64%	74.11%	60.05%



## 2016 Kandiyohi County Feasibility Study Telephone and Online Surveys

- 379 Respondents
- 56% definitely would subscribe to better service
  - 28% somewhat likely to subscribe to better service

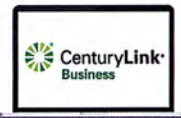
Web site to test your internet speeds, and record your speed with the State of Minnesota

<https://mn.gov/deed/programs-services/broadband/>

## Reasons for change – wish list

Higher Speed	60%
Increased Reliability	14%
Land-based Service (non-wireless)	9%
Availability of More Service Options	7%
Better Service	6%
Fiber-optic Internet Service Specifically	4%

## Sunrise Township Broadband Project Partnership



**Sunrise Township (CenturyLink) Fiber to the Home - Grant: \$1,074,852**  
 Total eligible project cost is \$2,388,560. Local match is \$1,313,708.

This last mile project will serve 584 unserved households, 10 unserved businesses, and 2 community anchor institutions in rural Sunrise Township in Chisago County, MN. In a funding partnership with the State of Minnesota and Sunrise Township, CenturyLink will leverage CAFIL funding from the FCC to bring 1 Gigabit service to two-thirds of the township, exceeding the 2026 state speed goal of 100 Mbps by 20 Mbps. When Stepp Manufacturing based in the township found that one of their highest operating costs was broadband, they started making calls to CenturyLink, Sunrise Township, and the Chisago County HRA-EDA. That resulted in the entire community working together, including a township match of nearly \$600,000 in bonding, to secure the fiber-to-the-home project and improve business, education, health care, and telecommuting opportunities in the area.

**MN Border to Border Broadband**

- Shovel Ready Project
- Driven by the Residents
- Request is less than 50% of the project
- Three partners for a strong proposal

**Sunrise Township Partnership Financing**

584 Residents – 10 Businesses

CenturyLink – CAF 2 (30%)	\$ 742,551
Sunrise Township (25%)	\$ 571,157
MN Border to Border Grant (45%)	<u>\$1,074,852</u>
<b>Total Costs</b>	<b>\$2,388,560</b>

**Partnerships = Success**

- Willing Provider
- Willing Townships/Cities/County
- Residents willing to advocate
- Border to Border Grant Application



**Sunrise Township Financing**

- Bonding Options
  - Subordinated Service District
- Petition signed by 50% of the residents in favor of the project
- Township determine the residents would be assessed by Parcel not Property Value

**With Township Partners**

2019 Application – 2020-2021 install

- Predicting a September grant deadline.
- Resident advocates –surveys and letters of support
- Arvig and Hiawatha willing partners with a designated project
- History says that Century Link may also be an option for a partner

## Which townships?

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- 24 townships
- Rural areas of the cities



### Broadband & Advanced Technology Committee

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Commission  
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