KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
BROADBAND AND ADVANCED TECHNOLOGY COMMITTEE MEETING
MINUTES
April 2, 2018
Kandiyohi County Health & Human Services Building, Willmar

Present: Mark Boeschen, Travis Bonnema, Donna Boonstra, Dean Bouta, Bruce DeBlieck,
             Scott Froemming, Larry Kleindl, Michelle Marotzke, Gregg Price, Ramsey Schaffnit,
             David Sisser and Donn Winckler

Excused: Brian Mort and Les Nelson

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 added to
the Agenda under New Business, Legislative bills/updates.

MINUTES—

        IT WAS MOVED BY Larry Kleindl, SECONDED BY David Sisser, to approve the minutes of the
        March 5, 2018 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS

Hiawatha Broadband Communications. Connie Schmoll reported she spoke with Dan Pecarina of
Hiawatha Broadband Communications (HBC), which is working toward doing a project in Kandiyohi
County. HBC is aware of Arvig installing fiber optic cable in Kandiyohi County ditches. Once HBC
has determined its time lines, Pecarina will ask for assistance with introductions to the townships.
Pecarina is writing a white paper on the proposed broadband project and working with power
companies and has had conversations with Great River Energy. Schmoll has spoken with Scott
Froemming about Kandiyohi Power Cooperative supporting the broadband project. Froemming
noted broadband is getting national attention with cooperatives. Kandiyohi Power Cooperative is
interested in hearing about HBC's intentions, is open to the project and what participation will be
requested. As noted at last month's meeting, HBC would install fiber in and between individual
cities and in rural areas; HBC would bring fiber to its towers and then have wireless service from
the towers. Schmoll stated Kandiyohi County and Kandiyohi Power Cooperative should be doing
due diligence on HBC. Schmoll stated HBC puts a lot of thought into its projects and works directly
with cities and townships. Kleindl noted townships set their budgets in March so if HBC is seeking
financial support for next year, it could be difficult. Froemming will ask HBC for financial
information, if talks progress.

NEW BUSINESS

Broadband Day at the Capitol. Schmoll reported she, Donna Boonstra, Chair Boeschen, Ramsey Schaffnit and Donn Winckler will be attending Broadband Day at the Capitol Thursday, April 12, 2018. Schmoll has requested meetings with legislators. A copy of the Agenda was distributed (see attached).

Legislative Bills/Updates. Schmoll stated the legislators are on break and now is the time for committee members to contact our legislators encouraging support of the $51 million being proposed for 2018 to bring broadband funding up to $71 million for the biennium. Representative Garofalo wants to remove the words "unserved" and "wireline" from the broadband grant language (see attached), which this committee opposes. Dean Bouta commented Rep. Garofalo and the FCC want satellite service included in the grant progam. Bouta contacted Magnum Trucking about its broadband service. Magnum had a satellite installed, but only used it for three days due to its unreliability; it is now using cell hot spots. Travis Bonnema stated Jennie-O Turkey Store did the same thing. The Willmar Industrial Park is served by Charter/Spectrum and CenturyLink, which both have high installation fees and monthly rates.

Schmoll distributed information from the Minnesota Rural Broadband Coalition and a Broadband 101 fact sheet (see attached). The Coalition has links to a variety of educational information on its website. It was noted that Chippewa and Yellow Medicine Counties have been speaking with legislators.

Froemming stated LTD Broadband has spoken with Kandiyohi Power Cooperative about electric service and installing antennas to its poles.

Larry Kleindl reported Arvig came to Kandiyohi County about Arvig installing fiber optic cable in ditches and under Lake Wakonda to Litchfield. Arvig evidently reached out to Lake Lillian residents, but stated no one was interested in its service. Arvig had indicated to Schmoll that it would do a crowd fiber campaign in Lake Lillian, but she did not hear that it proceeded with this plan.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 12:30 p.m.

NEXT MEETING—The next committee meeting is 12 noon, Monday, May 7, 2018 at Kandiyohi County Health & Human Services Building, Willmar.

Minnesota Rural Broadband Coalition
http://mnbroadbandcoalition.com/

I. Broadband Day at the Capital

II. Who endorses the vision

III. Education
    a. Broadband 101
    b. Wireless 101
    c. How to calculate unit price
    d. Understanding satellite
    e. Myth-busting documents

IV. Myth-Busting Talking Points
    a. Check this out!

V. Broadband Advocacy Tools
    a. Broadband Fact Sheet
    b. Top 10 Economic Reasons for Broadband
    c. Unserved/Underserved Minnesotans tell their stories
    d. Benefits of broadband by sector
    e. Map of townships with access to broadband at speeds of 25 Mbps down and 3 Mbps up

Rep Garofalo introduces changes to MN broadband grant program – removes "unserved" from grant program language

Posted on **February 23, 2018** by **Ann Treacy**

On Thursday (Feb 22), Representative Garofalo introduced

6. F. No. 3002, A bill for an act relating to broadband; modifying eligibility for the border-to-border broadband grant program; amending Minnesota Statutes 2016, sections 116J.39, subdivision 4; 116J.394; 116J.395, subdivisions 1, 5, 6. The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

You can see the proposed changes online; it impacts the eligibility for the border-to-border broadband grant program.

Here are the proposed changes:

Remove "unserved areas" from the definition by removing the following:

(start line 3.15) ~~(i) "Unserved areas" means areas of Minnesota in which households or businesses lack access to wire-line broadband service, as defined in section~~ 116J.39~~.~~

And remove the term/idea from the following (I'll make the deleted terms bold below):

(start line 3.19) A grant program is established under the Department of Employment and Economic Development to award grants to eligible applicants in order to promote the expansion of access to broadband service in **unserved or** *underserved areas of the state.*

(starting line 3.12) In the definition second of Underserved – "wireline" is removed: "Underserved areas" means areas of Minnesota in which households or businesses lack access to **wire-line** *broadband service at speeds of at least 100 megabits per second download and at least 20 megabits per second upload.*

(start line 3.25) An applicant for a grant under this section shall provide the following information on the application:
(1) the location of the project;
(2) the kind and amount of broadband infrastructure to be purchased for the project;
(3) evidence regarding the **unserved or** *underserved nature of the community in which the project is to be located;*

(start line 4.18) Subd. 6.
Awarding grants.
~~(a) In evaluating applications and awarding grants, the commissioner shall give priority to applications that are constructed in areas identified by the director of the Office of Broadband Development as unserved.~~

Minnesota Rural Broadband Coalition

The Vision is for everyone in Minnesota will be able to use convenient, affordable world-class broadband networks that enable us to survive and thrive in our communities and across the globe.

Access to high speed broadband is important for a sustainable rural economy in Minnesota. All sectors and corners of Minnesota need robust broadband connections: education, agriculture, main street businesses, manufacturing and health care.

Minnesota's Governor's Task Force on Broadband consistently recommends funding the Border-to-Border Broadband Development Grant Program. The 2017 Report recommends $71.48 million per biennium, in on-going funding over the next four years. This will provide broadband internet speeds of 25 Mbps/3Mbps to the 252,000 households that currently lack such service – and be poised to help Minnesota achieve its statutory broadband speed goal of connecting all Minnesotans with broadband internet speeds of 100 Mbps/20Mbps by 2026.

Members of the Minnesota Rural Broadband Coalition are experienced in the challenges and opportunities to bring broadband to all corners of Minnesota.

2018 Goal
The Minnesota Rural Broadband Coalition and its supporters request the 2018 Legislature to fund the Border to Border Broadband Development Grant program with $51.48 million in 2018 in order to achieve state's 2026 broadband speed goals of 100Mbps/20Mbps upload. Consistent and stable funding of the grant program is important to allow economic development agencies, local governments and others to be creative and collaborative in their approach to providing broadband services to these areas.

Vision Statement
The MN Rural BB Coalition is group of local units of government, schools, economic development agencies, main street businesses, health care providers, organizations and individuals who came together to advocate for the broadband vision created in the fall of 2015 at a Border to Border Broadband: Better Together conference hosted by Blandin Foundation and the MN Office of Broadband Development.
The Vision is for everyone in Minnesota will be able to use convenient, affordable world-class broadband networks that enable us to survive and thrive in our communities and across the globe.

Broadband 101

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A handy guide to the **basics of broadband terminology** and **technology for policymakers and concerned citizens.**
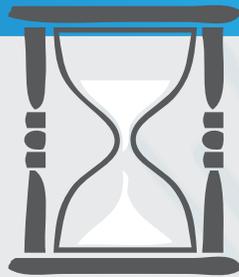
Basic Terminology

• **Bits** are the base unit of information in computing. Network speeds are usually measured in "bits per second"

   • 1 **Kilobit** (Kbps) = 1,000 bits transferred per second (bps) Dial-up connections are 56 Kbps

   • 1 **Megabit** (Mbps) = 1,000,000 bps; about 30 seconds to download an MP3 song

   • 1 **Gigabit** (Gbps) = 1,000,000,000 bps; about 10 seconds to download an HD movie

• **Bytes** are the base unit for file size and used in computing monthly caps

• FCC Definition for "**basic broadband**" is 4 Mbps downstream; 1 Mbps upstream; users can perform basic tasks but many argue this definition sets the bar too low

• **"Download"** is the speed, measured in bits, that your computer receives data

• **"Upload"** is the speed that your computer sends data

• **"Symmetric"** connections are comparable in upload and download speeds. DSL and cable often has upload speeds 5-10x slower than downstream. Businesses increasingly need symmetric connections to maximize productivity

Traditional Technology

• **DSL** uses the copper telephone lines to deliver access to the Internet. Common DSL downstream speeds are .5 to 6 Mbps, though they can get up to 40 for people living very close to the equipment that generates the signal. Upstream speeds are often below 1.5 Mbps and rarely exceed 4.

• **Cable,** fittingly enough, uses a cable network to deliver services. Speeds commonly vary from 6-30 Mbps download and 1-3 Mbps upload on standard tiers. Some cable companies offer 100 Mbps down and 10 Mbps up for a hefty premium. However, **cable networks are shared**, meaning you may not achieve the advertised speeds during periods of peak usage due to congestion from your neighbors.

• **Wireless** Internet access is a complement to wired connections, not a substitute. Many 4G networks have **caps that strictly limit usage**. For more on wireless, see our Wireless Fact Sheet.

http://muninetworks.org/content/wireless-internet-access-fact-sheet

Common Broadband Goals

• **Faster speeds now**

• **Affordable service**

• **Reliable performance**

• **Universal access**

• **Scalable Networks (often fiber-optic) that allow capacity to grow as a rapidly as demand**

Fiber Optics

• The Gold Standard.

• Basic idea: Lasers shoot pulses of light across very thin strands of glass.

• Fiber optic networks are **reliable**, **resilient**, and use technology that offers nearly **unlimited** expansion. They have fewer points of failure than copper and cable networks.

• Fiber strands last for **decades** and capacity can be increased by upgrading the lasers on each end without having to lay new fiber.

• The high cost of new fiber networks is mostly the labor to put the cables in place on poles or in conduit underground; operating costs are lower than for cable, DSL, or wireless networks.

Cable and DSL Are Inadequate

• 21st Century businesses require faster connections – "basic broadband" is not sufficient

• DSL/Cable technology is unreliable: Interrupted Service = Lost Revenue

• Cable and DSL advertise "up to" speeds – actually reaching those speeds is rare

"All the Internet-connected, data-hungry gadgets that are coming to market sent a strikingly clear message: we're going to need faster broadband networks."

FCC Chairman Genochowski, 2013

COMPETITION

• In many industries, market competition ensures good outcomes. Unfortunately, cable and Internet networks are, and will remain, largely uncompetitive.

• Most of us have two options at home for Internet access. DSL is the slow, less expensive option and cable a more expensive, faster option.

• Wired telecommunications networks are a **natural monopoly** - they have very high upfront capital costs and declining marginal costs. This makes **robust competition all but impossible**... and Wall Street knows it.

"We're big fans of [Comcast's] Video and High-Speed Internet businesses because both are either monopolies or duopolies in their respective markets."

SeekingAlpha.com, 2012

Learn More – Increase Your Understanding – Impress Your Friends, Neighbors, and In-Laws!

To learn more about broadband and the Internet, check out our other fact sheets, case studies, reports, podcasts, and more on **MuniNetworks.org**

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