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

April 3, 2017

Kandiyohi County Health & Human Services Building, Willmar

Present:	Mark Boeschen, Travis Bonnema, Donna Boonstra, Bruce DeBlieck, Larry Kleindl, Michelle Marotzke, Brian Mort, Les Nelson, David Sisser and Donn Winckler	
Excused:	Dean Bouta, Kathy Dillon, Scott Froemming and Larry Handlin	
Guests:	Kevin Smith, Director of Advertising and Megan Bergeson, Marketing Consultant, West Central Tribune	
Staff:	Connie Schmoll, Business Development Specialist	
Secretarial:	Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)	

Donna Boonstra called the meeting to order at approximately 12:01 p.m.

MINUTES—

IT WAS MOVED BY Larry Kleindl, SECONDED BY David Sisser, to approve the minutes of the March 6, 2017 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS-

CTC Border-to-Border Grant project. Connie Schmoll reported more than 50 people attended each of the first two meet and greet events hosted by the EDC and CTC (Consolidated Telecommunications Company) at the Dethlefs Community Center in Spicer. CTC had different speakers at each event. The EDC obtained a speaker system to use for the second event, which will also be used for the last event tomorrow night. Schmoll asked the committee to encourage New London-Spicer residents to attend tomorrow night. CTC is requiring 808 individuals to sign up before continuing with the project—at present more than 20% have signed up. It is not known who has signed up, however, CTC's website includes a champion page where individuals who sign up can publicize their name. Boonstra felt CTC's representatives at the second presentation, one of whom was its marketing person, were better speakers and communicated better to the audience. An article on the project appeared in Saturday's *West Central Tribune* (see attached). Members felt it was good the article noted a commitment of 50% is required, creating a sense of urgency. Kleindl believes one-on-one conversations with attendees at the meet and greet events are best. Committee members volunteered to bring their laptops tomorrow night to sign up people right away. As Dean Bouta will not be available tomorrow night, Schmoll will make the introductions.

Marketing. Schmoll stated the EDC purchased online advertising through the West Central Tribune and introduced Kevin Smith, Director of Advertising and Megan Bergeson, Marketing Consultant. Smith and Bergeson stated they have been doing targeted advertising using geo-/micro-fencing of the project area.

A copy of the online ad was distributed (<u>see</u> attached). The campaign has been running just over a week and will run through April 11, 2017. Smith reviewed the online report to date showing 38,628 impressions, which means the ad appears on a page viewed by an individual using a cell phone, tablet or computer; 111 click throughs, which means people actually clicked on the ad; and .2874% click through rate for the ad, which is almost five times the national rate (<u>see</u> attached). The geomarketing tracks people who leave the site and retargets them with another view of the ad. Committee members asked if adding a deadline to the ad would be beneficial to create a sense of urgency? Residents have indicated they will be signing up, but have not yet done so. Smith recommended committee members also submit letters to the editor. Smith will provide an estimate to extend the ad through the end of the month. After April 10, the ad could be changed. It was the committee's consensus to create a sense of urgency as CTC is requiring 50% sign up. Schmoll noted the geomarketing ad is one piece of the marketing campaign.

[Kevin Smith and Megan Bergeson were excused from the meeting.]

Schmoll reiterated the ad only targets people in the project area. The EDC paid \$950 to run the ad. The ad does include the EDC's logo to make it recognizable as a local campaign.

Schmoll reported she and Boonstra drafted a letter that was mailed to all farmers and businesses in the project area (<u>see</u> attached). It was also sent to lake associations to forward to their memberships. One township clerk also sent it to township residents. Individuals who have called in response to the letter are asked to send it to others. CTC mailed post cards (<u>see</u> attached) to the project area; however, it does not project any urgency. Schmoll thanked committee members for individually calling people. Boeschen came across individuals who will only sign up their main home, if they also have a cabin in the area. Travis Bonnema stated he is encouraging everyone to sign up all of their locations. It was noted some of the project area includes bare lots, which CTC has included in its total number. Dave Sisser reported he only received one no from those he called.

Schmoll will request a new list from CTC with the names of those who have already signed up. Boeschen will create an Excel file from the list already received and add it to a shared folder on Google Drive for everyone to access. As individuals are contacted, the committee member should note it on the shared file. As of now, 170 have signed up, 11% of the total needed for the entire project or 22% of the 50% needed. Schmoll stated CTC will bring yard signs tomorrow night. Sisser will call Lakeland Broadcasting to do a sound bite for the radio. Schmoll will call KDJS radio. Boeschen indicated individuals must sign up for a minimum two-year commitment for the Internet. Schmoll stated people must go through the sign-up process and it is recommended they sign up for the minimum package. Schmoll will ask CTC if auto-pay is required.

Bonding. Kleindl reported the County Board will open the bond bids on April 18, 2017 and can accept or reject the bids at that time. If the project does not move forward after the bonds are committed to on April 18, there would be a penalty incurred and the county's bond rating would go down as it would be considered a default. The closing date is May 11, 2017. If defaulted, the county would make interest-only payments for two years and then principal and interest payments for 20 years until paid off. There is no penalty, if the bond is rejected beforehand. Schmoll reported the EDC agreed to pay to CTC the interest expense above the estimated interest of \$700,000 up to a maximum of \$10,000 per year, limited to three years or until the project meets a 60% sign-up rate, whichever occurs first. Kleindl stated CTC must sign the loan agreement before April 18. It is believed CTC would like additional local funding. CTC has until June to sign the contract with the state. Schmoll and Kleindl are communicating on a regular basis with

CTC. It was the committee's consensus that if CTC does not sign a commitment with Kandiyohi County by April 17, this committee recommends the County Board not go ahead with the bonds. It was noted the feasibility study indicated 82% want higher-speed broadband, however, that is in the entire county. It was felt if the county's residents do not want broadband, the county should not bond for it. Kleindl stated the county has an interview with the bonding company today, which will determine the bonding rate. CTC will only run fiber-to-the-premise to those who actually sign up. Schmoll noted that in researching other projects, a 35% take rate is anticipated the first year, 45% the second year and 50% the third year so CTC's requirement for Kandiyohi County to have a 50% take rate is higher than those researched.

Until a decision is made, the committee agreed to continue its marketing efforts. Committee members reiterated the best way to reach people is by a personal call. Schmoll stated she, Boonstra and Marotzke are willing to go door knocking after the meet and greet tomorrow night and Boeschen is willing to assist as his schedule allows. Others are welcome to join them.

NEW BUSINESS—Schmoll reported the EDC's boards held their annual strategic planning session. The goals are broad at this time. Schmoll noted this committee's goals will change as to doing another project this year. Schmoll reported she received contact names for Frontier Communications. Two fiber rings are being installed around parts of Diamond and Big Kandi Lakes.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 1:17 p.m.

NEXT MEETING—The next meeting is **12 noon, May 1, 2017**, at the Kandiyohi County Health & Human Services Building, Willmar.

Sign-up underway for Kandiyohi County broadband project

Half of users need to commit to make Kandiyohi County job financially viable

By Anne Polta on Apr 1, 2017 at 7:07 a.m.

WILLMAR—Customer sign-ups are underway as Consolidated Telecommunications Co. begins laying the groundwork to bring high-speed internet to rural north central Kandiyohi County.

The last in a series of meet-and-greet sessions on the project will be held at 5 p.m. Tuesday at the Dethlefs Center in Spicer. Representatives of the company will be on hand to provide information and answer questions. There also will be a chance to sign up for the service.

Commitments from future users will be important to keep the project moving forward, said Andy Isackson, marketing manager for Consolidated Telecommunications.

"We need a commitment of 50 percent to make it financially viable," he said. "We want to get people signed up and committed as soon as possible."

The goal is to obtain commitments from about 800 homes and businesses within the neighborhoods targeted for the project, Isackson said. Consolidated Telecommunications currently is at 20 percent of the goal.

The company hopes to reach the target within the next few weeks, which would allow it to start placing orders for materials and get crews in place so that construction can be launched this summer, Isackson said.

Meeting the benchmark by mid- to late April "would be ideal," he said.

The \$10 million project is among 42 rural broadband projects statewide that were awarded grants this year through the Minnesota Office of Broadband Technology's border-to-border program. Frontier also received a \$1 million grant to expand broadband in southeastern Kandiyohi County.

The grant award to Consolidated Telecommunications Co. will cover about half of the project costs. The remaining local share comes from Kandiyohi County, which is issuing \$5 million in tax abatement bonds this month.

The project will bring much needed broadband availability to a rural area that lacks service. The target area includes about 1,400 households, 149 businesses and four community anchor institutions in the north central part of the county.

Consolidated Telecommunications is conducting an engineering study that will help determine the final boundaries of the project. Homes that lie just outside the preliminary border could be brought into the project if it's financially feasible and the homeowner commits to signing up, Isackson said.

"We might be able to loop in a few more that way," he said.

There's another incentive to sign up now: The company will waive installation fees during the initial deployment of the service.

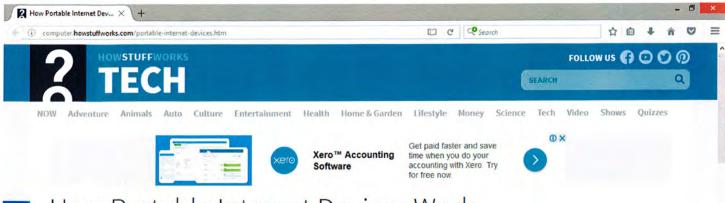
Those who wait until after the project is complete can still obtain service but they will have to pay an installation fee.

The response to the project has been positive, Isackson said.

About 100 people attended the first two meetings in Spicer this past month, he said. "There was a lot of interest, a lot of great questions."

Future customers also have the option of signing up online at the company's website, <u>www.connectctc.com</u>.

4/3/2017



How Portable Internet Devices Work

BY DIANE DANNENFELDT TECH | WIFI & MOBILE



Ultra mobile PCs combine the portability of a smartphone with the functionality of a PC. See more pictures of essential gadgets. IMAGE COURTESY OF FUJITSU

Ads Top 10 Phone Systems 2017 Reviews, Pricing, Features & More. Get Your Free **Comparison Chart Now!**

NEXT »

When most people think about accessing the Internet on the go, they think about using a laptop at a Wi-Fi-enabled coffee shop, or checking e-mail from a smartphone while waiting at the airport.

While these smartphones and PCs work remotely, they're not the only available options. A growing category of devices, called portable Internet devices, combine the portability of smartphones with the functionality of a PC.

MORE ON THE INTERNET

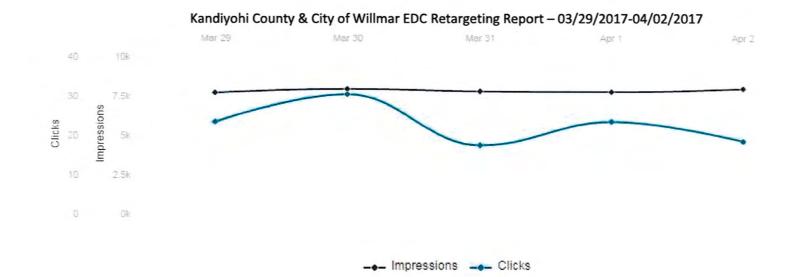


TODAY'S HEADLINES



Becoming Better Solar Meteorologists, With Help From Some **Monster Waves**

https://drive.google.com/drive/u/0/folders/0BzvemgH4thNrSDICdzRjQXhxSU0



March 29 - April 2, 2017	Impressions	Total Clicks	Average CTR	
Search/Keyword Retargeting	20,499	72	0.3512%	
Category Contextual	13,296	29	0.2181%	
Site Retargeting	144	1	0.6944%	
Geo-fencing (map)	4,689	9	0.1919%	
Total:	38,628	111	0.2874%	



Dear Kandiyohi County Resident:

The EDC's Broadband and Advanced Technology Committee is working diligently on getting broadband to rural Kandiyohi County. Consolidated Telecommunications Company (CTC) was awarded a state broadband grant of \$4.94 million. Kandiyohi County is issuing bonds in the amount of \$5 million as a grant match which will be repaid to the County by CTC.

CTC wants to bring high-speed, frustration-free fiber Internet to your business, **BUT FIRST...we need to show at least 50% interest from residents and businesses in the project area.** For high-speed Internet that will not slow down when more devices are added or in the evenings when many people in the area are connecting, this project is essential because it has fiber services that will meet access and speed demands well into the future. The prices are comparable to other services in the area that are not offering such speeds. And, **because of the state grant, there will be no installation charges for those signing up** during the project timeline.

We need every each and every one of you to **show your interest in this project by signing up today** at CTC's website at http://join.connectctc.com. Showing interest and signing up is not a commitment at this time and no billing information will be required. We are requesting that you go on-line to show your interest by April 10th in order to secure the project. Because a service option needs to be selected to complete and be counted as showing interest, we suggest you choose the minimum service at this time which is the 50M Internet plan.

Here are the residential Internet service rates that are available on the site.

Internet Only - 1 Gig	\$300.00/mo
Internet Only - 250M	
Internet Only - 50M	
(Pricing for businesses may be	

At a later time, someone from CTC will be calling you to determine the level of service you're interested in and answer all your questions. They will also ask for a \$25 deposit that will be credited back to you on your first billing if you commit to services when they call.

The next CTC Meet & Greet event will be held on April 4th at Dethlefs Community Center, 217 Hillcrest Ave., Spicer, MN and it will be an additional opportunity for individuals and businesses to:

- Meet with the broadband provider, CTC;
- Ask any questions they may have; and
- Sign up for future broadband services if they haven't already.

The **2016 Broadband Feasibility Study** for rural Kandiyohi County residents **revealed that 82% of respondents desire better Internet service and speeds** and would support such a project. Many who are not in the project area are calling and asking when they will be able to receive such services. I hope you will help us secure the project that will move forward in your area if enough interest is shown by April 10, 2017.

Thank you for your consideration,

Donna Boonstra Donna Boonstra, President Kandiyohi County & City of Willmar EDC Joint Operations Board

www.kandiyohi.com | 320.235.7370 | 866.665.4556 | 222 20th Street SE | P.O. Box 1783 | Willmar, MN 56201

BE A CTC COMMUNITY CHAMPION!

CTC Fiber is looking to come to Kandiyohi County.





You deserve faster Internet!

CTC wants to bring high-speed, frustration-free fiber Internet, high definition TV, and unlimited phone to your neighborhood, **but first we need 50% interest from the area.**

With CTC Fiber, you'll enjoy:

- The fastest Internet speeds in central Minnesota—up to 1 Gigabit download speeds (that's 1,000 Mbps!)
- Enough bandwidth to use all of your devices without losing speed
- Streaming online movies, TV shows, videos and games without buffering
- The highest quality and most reliable connection
- Unlimited Internet usage
- Increased home values*
- Awesome local service from genuine peopleand more!

BE A CTC COMMUNITY CHAMPION! Sign up today at **join.connectctc.com** to help bring CTC Fiber to your neighborhood.

*Based on a 2015 study by the FTTH Council

(800) 753-9104 | (218) 454-1234 connectctc.com | **f** ♥ **D**

