

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

MINUTES

August 2, 2021

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

Present: Mark Boeschen, Donna Boonstra (via Zoom), Dean Bouta, Bruce DeBlieck, Roger Imdieke, Tony Kirby (via Zoom), Larry Kleindl, Michelle Marotzke, Ryan Nelson, Rollie Nissen and Glen Otteson (via Zoom)

Excused: Jason Hulstein, Connie Schmoll and David Sisser

Absent: Goldie Smith

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

Chairperson Mark Boeschen called the meeting to order at approximately 10:03 a.m.

AGENDA—Chair Boeschen added Item 5d, the Mid-Minnesota Development Commission Community Input Meetings. The tentative date of the next meeting was changed to Monday September 13th.

IT WAS MOVED BY Dean Bouta, SECONDED BY Rollie Nissen, to approve the revised Agenda.
MOTION CARRIED.

MINUTES—

IT WAS MOVED BY Rollie Nissen, SECONDED BY Michelle Marotzke, to approve the Minutes of the July 12, 2021 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS—

Arvig. Chair Boeschen reported the Broadband and Advanced Technology Committee recommended that Kandiyohi County approve \$330,000 for the City of Prinsburg project. This leaves a \$270,000 gap in the project. Central Minnesota Christian School and the City of Prinsburg are working together to secure the additional funding. Arvig will finance approximately 50% of the project. The project will serve the entire city of Prinsburg.

Charter's Expansion Plans. Chair Boeschen reported Charter is handling the paperwork for the \$35,000 in approved funds for 141st Avenue. Charter will not apply for a Border-to-Border grant for any of its proposed projects in Kandiyohi County. Amanda Duerr, Director of Government Affairs for Charter Communications, is working to see if Riverwood Circle and 199th Avenue can be done at a cheaper cost or with increased contribution by Charter. Larry Kleindl reported he is working with a law firm in the Twin Cities regarding agreements on how each provider will use the American Rescue Plan (ARP) funds provided. Each provider will have a separate agreement.

Vibrant's Expansion Plans. Chair Boesch reported the wireless Vibrant Broadband is offering is 100 megabits per second (Mbps) download/10 Mbps upload speed and the minimum required for ARP funding is 100/20, scalable to 100/100. Chair Boesch will meet with Vibrant after the meaning of "scalable" is clarified. According to Vibrant's engineer it can do 100/20 to 99% of the residents, but there are a couple that will need to be redone. The State of Minnesota's definition of served is a minimum of 100/25. The Committee will not make a recommendation until it is confident the ARP funds can be used. Ryan Nelson commented the restrictions are unfortunate because most people don't have problems with an upload speed of two or less. Providers of fiber and cable will be extremely busy. Kleindl questioned what would happen if a commitment is made and the cost of the project increases substantially. The cost of fiber has gone up 50% in the past year and these projects will go on for two years. This will need to be addressed in the initial negotiations and written into the agreement with the provider.

Federated Telephone Cooperative's Plans. Chair Boesch reported the four townships (Arctander, Dovre, Mamre and St. Johns) have each had at least one meeting with good responses. Arctander will levy the project with a bond, St. Johns and Mamre will spend out of reserves, and Dovre will do a subordinated service district. Letters have been sent to the affected Dovre residents. Kleindl suggested a radio ad to the residents reminding them about the August 5th response deadline. Marotzke mentioned using Open Mic or Facebook. There are approximately 280 properties and there have been 40 responses. Schmoll had two meetings at her house, each with attendance of approximately 30 residents. Kleindl went door-to-door in Chadwick Estates, and everyone he talked to was in favor of the project, although many people were on vacation. Because the Border-to-Border grant will be funded with ARP funds they will need work with the U.S. Treasury to see what rules there are about the money. This should delay the due date for the grant and give Dovre Township enough time to get their subordinated service district project completed. There is a form that the owners (husband and wife) both have to sign. If one owner doesn't sign it constitutes a no vote. Nothing can be assumed since sometimes there is only one owner or a trust. The Dovre town board requested it be done this way. They couldn't levy it because this only covers about 25% of their population. It hasn't been a week yet and they have 10 days to respond. Marotzke asked if the Committee should wait until August 5th and then start knocking on doors with the form readily available for signing. This will be decided after the August 5th deadline passes and the response rate becomes known.

LTD Broadband. Chair Boesch reported LTD Broadband has been denied Rural Digital Opportunity Funding (RDOF) in California and two other states, but there is no information about Minnesota yet. If LTD Broadband is not awarded funding there will still be money available in the area, but with no provider. It would be better for LTD Broadband to get the money and move forward. There are concerns that LTD has no experience with fiber and poor financing. There has been a little movement from the FCC to other companies. The deadline for awarding the funds is not known. Chair Boesch will add this to the agenda for the next meeting.

American Rescue Plan Funds. Imdieke commented it would be helpful to know where the broadband infrastructure is in Kandiyohi County and questioned whether the grant money could be tied to the provider supplying a map. Chair Boesch was concerned if this was a demand and the answer was no Kandiyohi County could lose the provider. These are trade secrets so they probably won't disclose it. Chair Boesch added that since the county has money now, this would be the time to send notices to other providers asking if they are interested in a certain area. Vibrant has been very open; it is aware of what this committee is trying to do in Kandiyohi County and it would have informed the committee if it had the ability to service other areas. Charter monitors Kandiyohi County's board meetings. Charter is willing to look at any areas requested. If there are areas that have been overlooked, now is the time to let the officials of these companies know. The hard part will be providing the funding. Imdieke expressed reluctance to let anyone else bid on the Federated area.

National Telecommunications & Information Administration (NTIA) Grant. Marotzke reported that Kandiyohi County has been registered in grants.gov. Schmoll, Chair Boeschen and Kleindl have been added to the workspace. Schmoll will do the narratives for the NTIA grant next week. The grant will be written to cover seven townships: Dovre, Mamre, Arctander, St. Johns, Lake Andrew, Norway Lake and Colfax. If Kandiyohi County is awarded the NITA grant, ARP funds could be used elsewhere. This grant request would cover 88% of the seven-township project cost and Federated would pick up the other 12%. Marotzke feels Kandiyohi County has a strong project with a solid partner in Federated. It has a history of success and county support is very strong. The grant application is due August 17th and it will be awarded in November or December. The Border-to-Border grant application will still be submitted for the four townships. Kleindl commented that the federal government is asking for volunteers from counties that aren't applying for the NTIA grant to read through the grant proposals.

REPORTS—

SUBCOMMITTEES.

Education/Marketing. Marotzke will be in Sunburg for the community picnic on Sunday August 8th at 11:30 a.m. to talk about the broadband project.

Mid-Minnesota Development Commission (MMDC) Community Input Meeting. As a regional development organization, the MMDC is funded by the federal government and justifies its funding using a document called the Comprehensive Economic Development Strategy (CEDS). This is a road map for the region. The MMDC serves Kandiyohi, Meeker, McLeod and Renville counties. CEDS is updated every five years and is due on January 31, 2022. Meetings will be held with each county inviting the public to go through strategic planning, SWAT analysis and a blank check exercise. The following meetings have been scheduled:

Renville County – Tuesday August 3rd, at the Government Services Building, Olivia
McLeod County – Tuesday August 10th, at the Event Center, Hutchinson
Meeker County – Thursday August 12th, at the Community Center, Litchfield
Kandiyohi County – Wednesday August 18th, at Heritage Bank, Willmar

The intent is to develop the CEDS, make it stronger and encompass what is going on in rural Minnesota. Each meeting has three sessions. Information on the meetings will be sent to the Kandiyohi County Boards and EDC Committees.

Grant Writing. There is nothing new to report.

Addoption. Dave Sisser sent updates on internet TV that will be added to the flyer.

Rural Broadband Coalition. Chair Boeschen, Swedburg and Schmoll will attend the Rural Broadband Coalition meeting on August 18th. There was discussion during a Southwest Counties meeting about the connection between Border-to-Border funds and ARP funds and whether a project can be funded from both sources. This could be a major issue for Kandiyohi County. This committee has asked the Coalition what can be done to resolve the issue. Nathan Zacharias, lobbyist for the Coalition, spoke with Angie Dickison, Executive Director of the Office of Broadband Development, who informed him they are waiting to hear from the U.S. Treasury on how to apply and proceed with the capital projects funding they are allocating from the state government. The Minnesota Department of Employment and Economic Development is not disallowing funds unless the capital fund guidance expressly prohibits it. If this were blocked, it would be at the federal level. Zacharias doesn't

expect that to happen but is a possibility. He encouraged this committee to send comments to the Treasury. Swedburg, Backman and Marotzke have informed Representative Dave Baker and Cory Becker from Michelle Fischbach's office of the situation. They are very concerned. The state Border-to-Border grant is funded by ARP money so it may appear that federal funds are being used twice for the same project. This is an unintended consequence. Swedburg, Backman and Marotzke will work to rectify the situation. Swedburg will draft a summary of the situation. Imdieke will forward the information to the Association of Minnesota Counties. Marotzke added it will be sent to the National Association of Development Organizations (NADO), this will encourage the counties of all 50 states to influence the treasury. Chair Boesch commented if it did become an issue, our local state officials could do something, such as finding other funding for the Border-to-Border grant if necessary.

NEXT MEETING DATE--Due to the Labor Day holiday the next meeting date was changed to September 13th at 10:30 a.m.

ADJOURNMENT—There being no further business,

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

The meeting was adjourned at 11:00 a.m.

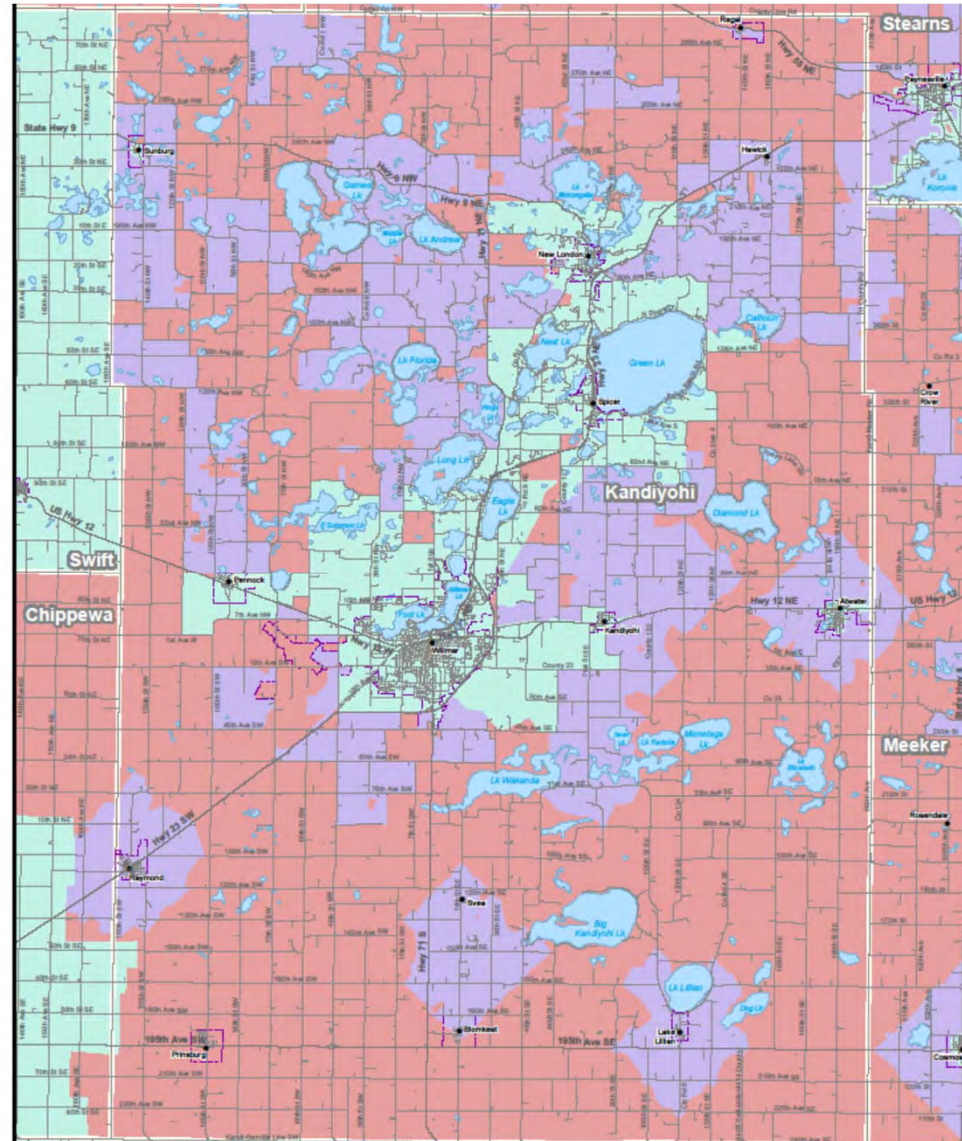
NEXT MEETING—The next regular committee meeting is **10:30 a.m., Monday, September 13, 2021** at Room 2057, Kandiyohi County Health and Human Services Building, Willmar and via Zoom video conference.

High-Speed Broadband for Kandiyohi County

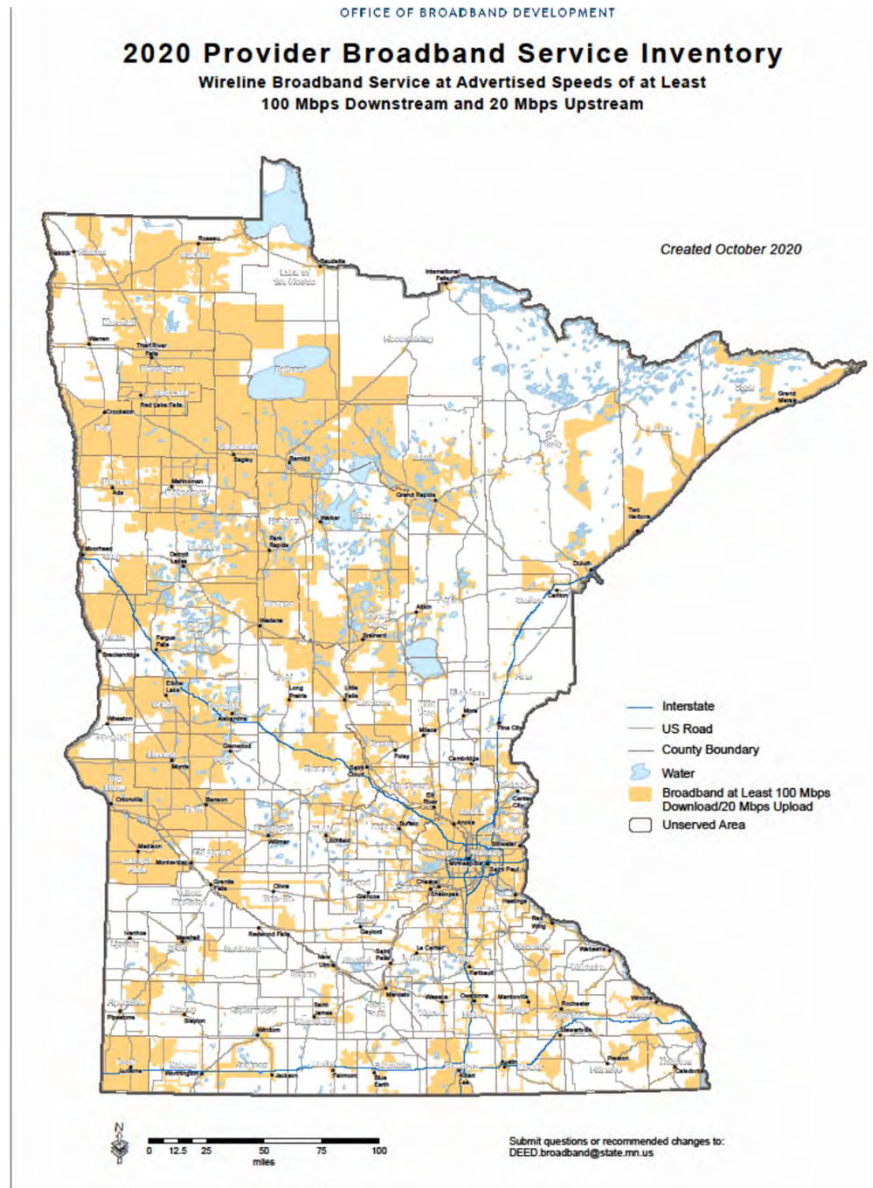
Kandiyohi County

May 2020
Service Inventory

by Minnesota
Broadband
Development
Program



October 2020 Provider Broadband Service Inventory at least 100/20 Mbps



OVERVIEW

- **Why Now?**

- Pandemic
- Survey
- Current Funding Opportunities
- Telehealth
- Education
- Smart Cities, Smart Farms
- Viability of Property
- Economic Growth

OVERVIEW

- **Why Fiber?**

Fiber

FTTH/P – to the home/premise, direct connection with fiber to the building

Symmetrical upload/download speeds up to 1 Gigabit per second (Gbps)

FTTN – to the node,

Fiber runs to a node point, then copper delivers service to the building

Slightly slower than FTTH/P due to copper delivery to end point, but still faster than traditional DSL

Rural Digital Opportunity Fund (RDOF) Auction

LTD Area



Federated Telephone Cooperative

- \$9,786,007

667 locations

- Arctander 180, Dovre 251, Mamre 153, St. Johns 79

With added locations - 681

Arctander 182, Dovre 267, Mamre 153, St. Johns 79

Total Project Funding

- \$9,786,007

Investments as follows:

• Federated, 25% of total cost -	\$2,446,501
• State grant 50% of total cost -	\$4,893,003
• Kandiyohi County-	\$100,000
• Kandiyohi County ARPA -	\$1,314,386
• Dovre ARPA-	\$112,280
• St. John's ARPA -	\$21,216
• Arctander ARPA -	\$33,481
• Mamre ARPA-	\$33,566

Remainder (\$831,574) divided equally by premises to be served. \$1246 each premise is estimated amount, subject to change.



Grant Application Seeking Contributions

**Minnesota Office of Broadband Development
Border-to-Border Broadband Grants**

Minnesota Border-to- Border Grants

from the

MN Office of
Broadband
Development

- **Dependent on legislative action to allocate the funds**
Passed at \$ 70 million for biennium - \$35 million for 2021 grants
- **Competitive**
- **120 possible points based on several factors**

2020 Selection Criteria and Grant Scoring Categories - 120 points possible

Anticipated Broadband Improvements: *0 to 20 points possible*

Unserved or underserved total passings potentially served by project and increase in speed

Grant Funding Request Amount: *0 to 10 points possible*

Percent of state grant request compared to total eligible project costs:

Community Participation: *0 to 15 points possible*

Financial commitment from community partner(s) and evidence of community support

Project Readiness: *0 to 25 points possible*

Comprehensive knowledge and evidence of being fully prepared to build, implement, and operate the project

Project Sustainability: *0 to 25 points possible*

Strong internal capacity to effectively support and sustain broadband infrastructure proposal:

Economic Development & Community Impact Review: *0 to 15 points possible*

Demonstrated economic development and community enhancement potential

Broadband Adoption Assistance: *0 to 10 points possible*

Additional points for adoption activities, technical support or training and assistance for low income subscribers.

Timeline

Border-to-Border Grant

Submit by Late August to Late September

Awards announced November to end of January

Construction

Spring 2022 to December 2023

Payments made

After project is complete and working properly

OTHER PROJECTS

2022

**Border-to-
Border
Project**

Federated

Three Townships

Colfax, Lake Andrew, Norway Lake

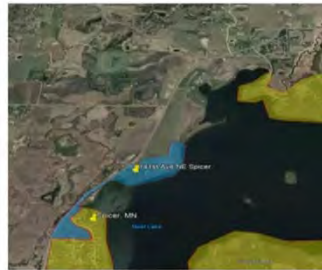
NTIA

- National Telecommunication and Information Administration (NTIA)
- \$288 million in Funding available to states to build broadband infrastructure
- Kandiyohi County to apply
- Grant due August 17th
- Including the 7 Federated project townships: Arctander, Colfax, Dovre, Lake Andrew, Mamre, Norway Lake and St. Johns
- Project cost: Approximately \$33 million
- Funding: 88% NTIA 12% Federated

Charter Proposals

141st Ave NE New London Township

- 37 homes passed
- Unserved
- \$89,000 total cost
- \$35,000 local share
- 2020 B2B grant application denied, TDS committed to improving service



Charter: Confidential

Charter
COMMUNICATIONS

199th Ave NE New London Township

- 32 homes passed
- Unserved
- \$145,000 total cost
- \$100,000 local share



Charter: Confidential

Charter
COMMUNICATIONS

Charter Proposals

141st Ave NE New London Township

- 84 homes passed
- Unserved
- FTTH
- \$433,000 total cost
- \$300,000 local share



Charter: Confidential

Charter
COMMUNICATIONS

Arvig

- City of Prinsburg, 510 premises
- \$1,000,000 project
- Arvig investment: \$450,000
- Kandiyohi County ARPA proposed: \$330,000
- Prinsburg ARPA: 45,000
- City/School/People: \$175000

VIBRANT BROADBAND

Fiber Wireless Hybrid

- 1613 homes passed
 - 122 FTTH, 1491 FW
- 32.2 miles of fiber and 7 Monopoles
- Cost: \$3,750,000
- Request:
 - cover 50% of cost
 - waive R.O. W permit costs
 - Aid with marketing & securing property

Full Fiber Project

- 1527 homes passed
 - 1527 FTTH
- 248 miles of fiber
- Cost: 17,600,000
- Request:
 - cover 80% of cost
 - waive R.O. W permit costs
 - Aid with marketing