

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

**MINUTES**

**May 2, 2022**

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

Present: Mark Boeschen, Donna Boonstra, Bruce DeBlieck (via Zoom), Jason Hulstein, Roger Imdieke, Tony Kirby (via Zoom), Larry Kleindl, Michelle Marotzke, Ryan Nelson (via Zoom), Rollie Nissen, Goldie Smith (via Zoom) and David Sisser

Excused: Dean Bouta

Staff: Sarah Swedburg, Business Development Manager

Secretarial: Cathy Skindelien, Legal and Administrative Assistants, Inc. (LAA)

Chairperson Mark Boeschen called the meeting to order at approximately 10:05 a.m.

**AGENDA—**

IT WAS MOVED BY Michelle Marotzke, SECONDED BY Jason Hulstein, to approve the Agenda as emailed. MOTION CARRIED.

**MINUTES—**

IT WAS MOVED BY Roger Imdieke, SECONDED BY David Sisser, to approve the Minutes of the April 4, 2022 and April 11, 2022 meetings as emailed. MOTION CARRIED.

**NEW BUSINESS—**

**Standard Setting for New Projects.** Chair Boeschen presented a draft of a new form entitled “Broadband Project Evaluation Criteria” (see attached). The form’s purpose is to document pertinent project information and set guidelines for what this committee is willing to request when using American Rescue Plan Act (ARPA) funds. Chair Boeschen requested comments and suggestions, and will update the draft accordingly.

- Imdieke suggested a start date and expected completion date.
- Marotzke asked if this is for the provider to complete. Boeschen responded it can be a combination of both, but this committee should be able to fill out the entire form.
- Sisser recommended provider and end user commitment lines to identify how much each is willing to provide for the project.

- Sisser questioned the intent of the “Local Distribution of Funds-Are government funds being fairly spread across the county?” line on the form. Boeschen responded the intent is to make sure this committee is helping as much of Kandiyohi County as possible and is aware of where the money is being spent.
- Rollie Nissen questioned where the form will be used since this committee has already gathered much of this information for some townships. He would prefer to avoid little projects here and there so that no one gets stranded with no service. Boeschen responded it will be used with any project that has a provider ready to go. He cited the Hawick project as an example. It is intended to make sure nothing is missed when recommending the expenditure of county dollars. It would establish a baseline for project funding approval, so future decisions can be more easily made. It is not intended to be a static document and nothing prevents the committee from making exceptions. The idea is to document why decisions were made and provide explanations when more expensive projects are approved to maintain consistency.
- Larry Kleindl recommended that the line pertaining to Technology/Speed, for auditing purposes, be changed to read “Does the project include fiber-to-the-premise or does the project meet the minimum speed standards as defined by the state and ARPA funds?” If funds other than ARPA are used, an exception will be noted. This form is not intended to be a legal document.
- Sisser suggested the provider name should be listed, along with the date of the document.
- Number ranges were discussed, such as a minimum number of passes that need to be involved for a project to be considered, or a cost range. Imdieke suggested keeping the cost range internal since future projects will become more expensive.

Chair Boeschen gave a brief description of the following line items on the Broadband Project Evaluation Criteria form:

- **Cost per Passing/Ask per Property**–This is the total project cost divided by the number of passings. This should also delineate the amount each property would individually be responsible for. This item could affect approval differently depending on whether there is a cost to the individual. For example, if a project is put on a tax roll or subordinated service district, it may be treated differently than if there is no cost to the individual.
- **Total number of passings**–All properties that would be eligible for the proposed service. This committee prefers the provider commitment be as large as possible, since the provider will be receiving the recurring revenue.
- **Population Density**–Describe location of passings relative to each other. This committee’s goal is to reach all residents within Kandiyohi County, regardless of population density. Nissen maintains there is a conflict between population and density. It was suggested that this committee consult a map of designated areas to ensure there is no one in close proximity left out. Because the providers are competing, they are not willing to share maps providing service information. Kandiyohi Power Cooperative has an extensive map noting where customers that require electricity are located. It is willing to share this information because it doesn’t compete. Kleindl suggested the committee call those in close proximity to projects to see if they need service. Ultimately Kandiyohi County would see that adjacent properties were considered. Whether this would be a reason to turn down a project was discussed. The decision would be difficult because it would stop everyone else from getting service. Making the case for adjacent areas is important and has been done on previous projects, such as the Hawick project.
- **Existing Infrastructure**–Where are current providers located or could this provide a benefit long term? Various scenarios regarding provider overlap and right-of-way permits were discussed. This committee

should not favor one provider over another, nor should it advise townships on issuing permits, only provide information helpful to their decision-making process.

“Last mile” issues were discussed. An example is Arvig’s Prinsburg project, which excludes one resident a mile and a half out of town because the project was funded for city limits only. Sisser suggested Vibrant Broadband provide point-to-point service to “last mile” residents wirelessly. Boeschon responded that because service information is not public, this committee doesn’t know what level of service currently exists for these residents.

Chair Boeschon thanked the committee for the discussions and asked if the proposed document would be a helpful tool to evaluate future projects. The Committee agreed the document should be used to ensure the information required to make an informed decision is available.

#### **UNFINISHED BUSINESS—**

**Vibrant Broadband (Including USDA ReConnect Grant).** Boeschon reported Irving Township did not take action on the \$20,000 requested for the Hawick Long Lake Project because it is anticipating updated broadband service from TDS Telecom. Kandiyohi County already approved this project and will need to address the missing \$20,000. Swedburg will speak with the Chairperson of Roseville Township today. The committee’s approval process will be revised to improve communication with the townships. Withdrawal of support for this project was discussed, along with alternative funding options. Concerns were raised that if the \$20,000 was funded from another source, other townships would decline to commit their funds. No committee action is necessary at this time.

**Charter.** Charter Communications will have a ground-breaking ceremony at the 141<sup>st</sup> Avenue NE project location at 11:00 on May 16, 2022. Everyone is welcome to attend.

**Federated Telephone Cooperative (Including NTIA Grant).** This project is on hold until the Border-to-Border Broadband Development Grant Program is released.

**Kandiyohi County Line Extension Grant.** Chair Boeschon presented a draft of the Kandiyohi County Line Extension Grant and asked committee members to provide feedback to Swedburg via email. It will be discussed at the next meeting.

#### **REPORTS—**

**Legislative Updates.** Swedburg reported the Minnesota State Senate approved the \$110 million that is remaining in the capital project funds for broadband projects, although the funds are still under review by the U.S. Treasury. The Minnesota House of Representatives has approved \$25 million from the general fund. These funds are in addition to the \$70 million previously approved. The Senate proposed an increase in the cap on the Border-to-Border Grant program from 50 to 75 percent. The House proposed an increase from \$5 million to \$10 million. The Minnesota Rural Broadband Coalition has recommended this committee send a letter to Governor Walz and state senate and house leaders urging them to finalize the approval of general fund dollars.

**Subcommittees.** A proposal will be made at the June meeting to dissolve the broadband subcommittees.

**Minnesota Rural Broadband Coalition.** Swedburg reported that Nathan Zacharias, lobbyist for the Minnesota Rural Broadband Coalition is moving to the Association of Minnesota Counties (AMC), where he will be the AMC Technology Analyst and Minnesota Counties information Technology Leadership Association Director.

**ADJOURNMENT**—There being no further business, the meeting was adjourned at 11:06 a.m.

**NEXT MEETING**—The next regular committee meeting is **10:00 a.m., Monday, June 6, 2022** at Room 2057, Kandiyohi County Health and Human Services Building, Willmar and via Zoom video conference.

# Broadband Project Evaluation Criteria

Project Name \_\_\_\_\_ Total Project Cost \$ \_\_\_\_\_

**Cost per Passing / Ask per Property** – *This is the total project cost divided by the number of passings. This should also delineate the amount each property would individually be responsible for.*

(The Committee desires to keep the cost per passing and ask per property as low as practicable.)

Cost per Passing: \$ \_\_\_\_\_ Ask per Property: \$ \_\_\_\_\_

**Total Number of Passings** – *All properties that would be eligible for the proposed service.*

(The Committee desires a larger project to spread the cost out across many passings.)

\_\_\_\_\_  
**Population Density** – *Describe location of passings relative to each other.*

(The Committee's goal is to reach all residents within the County, no matter the density.)

\_\_\_\_\_  
**Existing Infrastructure** – *Where are current providers located or could this provide a benefit long term?*

(The Committee is provider agnostic and work with existing providers should be prioritized if possible.)

\_\_\_\_\_  
**Provider Commitment** – *Is the internet provider willing to share in the cost? If so, how much?*

(The Committee desires for the provider commitment to be as large as possible since the provider will be receiving the recurring revenue.)

\_\_\_\_\_  
**Demand** – *Are residents, businesses, townships, or other parties seeking increased internet speeds or a different provider?*

(Even though the Committee's goal is to reach all properties within in the County, those with more demand should be targeted first.)

\_\_\_\_\_  
**Location Distribution of Funds** – *Are government funds being fairly spread around the County?*

(The Committee desires to spread funds throughout all County districts.)

\_\_\_\_\_  
**Existing Grant Areas** – *Are existing grant areas included in the project? If so, why?*

(The Committee does not want to "double-up" on funding and existing grant areas should be avoided.)

\_\_\_\_\_  
**Technology / Speed** – *Does the project include fiber-to-the-premise or does the project meet the minimum speed standards as defined by the State?*

(The Committee gives preference to fiber projects and all projects must meet the 2026 State speed goal of 100/20.)

\_\_\_\_\_  
*\*nothing in this document prevents the Committee from making exceptions to stated goals.*

## Kandiyohi County Broadband Wireline Extension Grant Program

Many residents have not connected high speed wireline internet from the Right-of-Way (ROW) to their homes because of high installation costs. Kandiyohi County has committed \$300,000 of its Federal American Rescue Plan Act (ARPA) funding to expedite and facilitate access to high speed internet to assist in education, telehealth and business. This amount will fund a wireline extension grant program which will be administered through the Kandiyohi County and City of Willmar Economic Development Commission (EDC) Broadband Committee.

1. Using the above stated funds, the EDC will administer a grant to cover a portion of a property owner's construction costs to access high speed wireline internet.
2. Up to 60% or \$12,000 of a property owner's construction costs can be covered, whichever is less. Total project costs, without internet provider's contribution, must be greater than \$1,000.
3. The program provides these grants to bring high speed wireline internet onto the property when existing internet provider infrastructure is already within close proximity to the property.
4. The wireline internet must be capable of meeting minimum speed standards of 100 Mbps download and 20 Mbps upload, scalable to speeds of at least 100 Mbps download and 100 Mbps upload.
5. The property to be served must be located in Kandiyohi County.
6. The property cannot already have access to the above minimum speed standards from another wireline provider.
7. The property cannot be within the designated areas of proposed internet wireline projects being pursued by the EDC Broadband Committee.
8. This program is available on a **first-come first-serve basis** and the County or EDC reserves the right to modify this program at any time.

### Application Requirements:

- The Kandiyohi County Broadband Line Extension Grant application must be completed in its entirety by the applicant and submitted to the EDC Office located at 222 20<sup>th</sup> ST SE, PO Box 1783, Willmar, MN 56201; or submitted electronically to [edc@kandiyohi.com](mailto:edc@kandiyohi.com) by XXX in order to be considered.
- A copy of the cost estimate for the project from the internet provider
- Proof of access to funds for property owner's portion of the project costs
- Grant recipients agree to provide proof of payment to the provider within 45 days following grant disbursement
- Other items as requested by the review committee

### Award Determination:

Grant award determinations will be made by the EDC Broadband Committee on a monthly basis at their regular committee meetings on the first Monday of each month. If an applicant is determined to be eligible for the grant, the amount awarded will be determined based on:

- The amount of eligible expenses submitted in the application process and verified through sufficient supporting documentation accepted by staff as satisfactory to prove grant eligibility,
- The amount of funding available in relation to the number of eligible applicants and/or

- A first-come first-serve basis, determined by date and time of complete application received, if more applications are received than are able to be meaningfully supported by available funds.

Authorization for Release of Information & Acknowledgements

I declare that the information provided in this application and on the accompanying exhibits is true and complete to the best of my knowledge. I understand that The Kandiyohi County and City of Willmar Economic Development Commission (EDC) has the right to verify any information contained in this application and may contact any individuals and agencies involved and that the EDC reserves the right to make modifications to the program in response to community need and available funds.

Signature/Title of Application: \_\_\_\_\_ Date: \_\_\_\_\_

Signature/Title of Application: \_\_\_\_\_ Date: \_\_\_\_\_

Contact the EDC office at 320-235-7370, toll free 866-665-4556, or [edc@kandiyohi.com](mailto:edc@kandiyohi.com) if you need assistance or accommodations to submit this application.