



COMMITTEE MEETING MINUTES

BROADBAND COMMITTEE

APRIL 25, 2022

Christine Husom	District 1
Darek Vetsch	District 2
Mark Daleiden	District 3
Mary Wetter	District 4
Michael Kaczmarek	District 5

DATE APPROVED: MAY 3, 2022

Members Present: Darek Vetsch, Mark Daleiden, Lee Kelly, Clay Wilfahrt, John Holler, Mark Kellogg (Remote): Matthew Fomby, Heather Lemieux
Members Absent: Elizabeth Karels, Lindsey Meyer, Greg Kryzer
Others Present: Laine Stephan, (Remote): Virgil Hawkins, Schawn Johnson

I. Grant Application Update

County Administrator Lee Kelly started by discussing grant application details. The application deadline was Friday, April 22. The Committee received thirteen applications, two from townships, two from cities, and nine from ISPs. Monetary requests came out to be double the initial allocation, making the requests \$2.5 million. Information Technology Director Matthew Fomby presented a spreadsheet presentation to break down the statistics and who would benefit. About 2,000 residents and businesses would benefit from this program.

Commissioner Darek Vetsch asked if any of the townships put local funds in their own project applications. Fomby explained that it was not consistent across the board. The spreadsheet showed underserved or unserved communities, there were eight businesses included. The spreadsheet showed the cost households and businesses were asking for. There was no consideration for matching funds from counties however cost per person and ranking was included in spreadsheet. Vetsch pointed out that the Committee wanted to give more points to those who had ISP and local municipality contributions. He argued that these cities and townships should not be penalized for finding other forms of funding as this is the most effective use for the County funds. The more funding a community could get from an ISP the better. Vetsch pointed out there was a different number of points given based on the funding percentage provided by an ISP. If an ISP were providing the majority and the county paying the remainder, the applicant would receive more points from the ISP perspective.

Communications Specialist John Holler asked if it was expected to see such a wide range in the cost per household. Fomby explained the cost-per-person range from \$400-\$7,000 was surprising, but that the funding requests had come in far under what was expected. The numbers were promising when considering the recoupment on the investment. Vetsch wondered if the cost per unit would be diluted down when considering the ISP contributions. He additionally asked whether the Rockford Township applications met the underserved criteria they had established. Holler explained that the region this township was in made it questionable. Kelly confirmed they would verify this township's qualification with Project Administrator Elizabeth Karels.

Assistant County Administrator Clay Wilfahrt asked if there was an analysis to see if the private sector would help resolve these issues. The communities the Committee wanted to help were the ones that were less likely to be solved by a private provider. He asked if the points system was backwards on the spreadsheet regarding who should have been approved.

Vetsch said Karels was going to take these metrics and compare them against the Border-to-Border grants. He reiterated the fact that applicants would receive more points if they had more funding sources. There

were factors on the spreadsheet that had not been taken into consideration. Everyone expressed the desire to wait for the next meeting to consider the overall ranking. Wilfahrt added that Karels informed them of a scoring teams meeting taking place on Thursday, April 28. It was decided by the Committee to wait for these scoring metrics to be established before moving forward with ranking applications.

Holler said he would provide the results from a Design Nine study conducted in the Summer of 2021 that mapped exactly where the coverage was the worst. Information Technology Technical Services Manager Mark Kellogg wanted to know more about the City of Buffalo's application, as they have their own internet and serve themselves as an ISP. This had the potential to be very expensive if the City is asking for the majority of the funds to be provided by the County. Vetsch explained he did not know the scope of the project but just the funding applicants were asking for. The spreadsheet did not give all the information. Commissioner Mark Daleiden was curious if the businesses on the spreadsheet had provided the number of individuals they employed. If providing this service helped expand businesses, this was something the Committee should have been helping with. Vetsch agreed, especially since a lot of the area was rural. It could have been taken into consideration if it was included on the applications. Kelly also agreed that there should be follow up to find out the number of employees.

Fomby broke down the spreadsheet to show that the number of underserved and unserved businesses was between eight and twenty-five however the nature of the project was not included. Vetsch explained the points system regarding projected project date. 2023 projects received three points, 2024 projects received two points, 2025 projects received one point, and any projects after 2025 received no points. The main issue with this process was running into availability of funds. Holler asked for clarification on the Windstream Lakeside application and Vetsch explained it was a conglomeration of Annandale, Maple Lake and Albion Townships. Holler asked if the intention was to abandon doing grid coverage. Vetsch explained they were looking into costs and were exploring requests for information for fixed wireless and traditional fiber. All the requests they had at that time were fiber because the request for information had not gone out at that point.

Vetsch suggested that there be another broadband meeting in a few weeks. Kelly agreed and added that it was important to see how the scoring meeting went. Fomby said he would update the spreadsheet to include businesses, projected project year, municipal funds percentage of cost, and ISP funds percentage. He was worried that too much information had the potential to overburden the progress and put off the decision-making stage. It was agreed that once a scoring metric is completed. The Committee should meet again. With a scoring metric, it would become simple data entry and decision-making. It was noted that there may need to be some consolidation of the list. Wilfahrt asked if the goal of the scoring metric meeting was to make the metric and present the decisions to the Broadband Committee and it was confirmed by Vetsch that this was the goal.

Fomby pointed out that as they reached out for ISPs, the cost consideration needed to be considered on a case-by-case basis as there could be a wide cost range. Vetsch's understanding was that the applicants already have ISP and community funds to decrease the cost request in these applications.

Fomby added that Karels was confirming that their data does not conflict with the Rural Digital Opportunity Fund (RDOF) areas, which might weed out some applicants. He reiterated the items he would be adding to the spreadsheet data. Vetsch agreed this is enough information. Daleiden wanted to see the number of employees per business as well. Vetsch suggested breaking this down based on a range. The range being businesses with 25 employees or more receive three points, businesses with ten to twenty-five employees receive two points, businesses with more than two employees receive one point, and a home business receives no points.

Holler asked whether the Rockford Township projects were the same project. Fomby had the same question in addition to the Middleville and Middleville Township/Cokato projects and the Stockholm and Stockholm/Victor Township projects. He confirmed that they need to find out who each applicant is and

what their area is. Vetsch assumed they were the same but were asking for different dollar amounts based on contributions. Wilfahrt added that Karels had noted that there were two different funding areas for the same township, but he was unsure of which township she referred to. Fomby pulled up the project cost information from the applications and confirmed that the different amounts were due to ISP provisions being taken into consideration. There was a consensus regarding the need to clarify fund requests from townships and cities. Holler added that there were some projects on the spreadsheet that seemed to make more sense to pay for based on the low cost to the County. Vetsch agreed with this, referencing the considerations with scoring and funds provided from ISPs. The Committee agreed that these were good considerations to consider making the most impact with funds available to disperse.

RECOMMENDATION: Set the next Broadband Committee meeting for 11:30 a.m. on Monday May 9, 2022.

II. Fixed Wireless RFI Review & Next Steps

Kelly explained that Karels drafted up Requests for Information (RFI) for fixed wireless and fiber and asked if there were any changes to be made. Vetsch confirmed it was ready to be sent out noting that he was open to hearing perspectives as there are follow up questions on the request.

Holler wanted to know if the towers at the old Government Center were of any value to the Committee. Vetsch said they needed to confirm with the Sheriff that they were no longer using them. The only thing the tower was still being used for was the bailiff's internal radio. Kelly added that the plan was that towers would not be owned by the County once the move to the new Government Center was complete. There had been a lot of shifting around of fixed wireless options as there was a need for a tower to provide coverage. Water towers had been utilized for fixed wireless because of the difficulty in rural areas to find a structure tall enough. Often water towers are not tall enough even though there was a want to utilize them. This sparked the need to send the RFI to find out the cost of putting towers in these rural areas and to additionally see what the service area would be. Holler explained that it has been tried in the past but there was a moratorium put on the construction of towers. The reason was because farmers would sell small parcels to build these towers, but the resulting aesthetic of the landscape was very unpopular. Vetsch wanted to check with the Planning and Zoning Department to see what the structure ordinances were. Wilfahrt added that typically there would be a study done prior to construction to mitigate these issues. Vetsch noted the need to consider the fearmongering regarding fixed wireless radio waves and how to address the public reaction to this if it was decided they would go this route.

RECOMMENDATION: Approve sending out the Request for Information Forms.

III. Fiber Infrastructure RFI Review & Next Steps

Daleiden wanted to reach out to other counties who had a fiber infrastructure and see if people were using it. Vetsch clarified that the plan was just to put conduit in and not the fiber. Daleiden understood and asked who would be responsible for the maintenance and if only one ISP would be able to utilize it. Wilfahrt shared that he had done this type of project in Big Lake and there was some success with it. He explained that when the city had a construction project it would reach out to ISPs. The ISPs would work with the construction deadline, and put fiber in. The success was working with an ISP so there is not an overlap or doubling up of work, time, or cost. These projects were still young in their institution so there was the potential that there was not a lot of utilization at that point. Scott, Carver, and Stearns counties were working on this as well at that point. Fomby pointed out that this is a long-term strategic effort which made it hard to overtly quantify.

Kellogg pointed out that this project was being set up with the long-term in mind. With these systems in place, this would allow the County to utilize the established systems to barter with companies for use,

ultimately growing the county. Since the County was already opening the road, it should be put in to have for future use. Wilfahrt understood the desire to pull data from other counties but warned that if there had not been a ton of utilization at that point, that should not be a deterrent. Daleiden agreed and thought the County should reach out to the ISPs so it can consider putting fiber in. Holler asked County Highway Engineer Virgil Hawkins if he knew of other highway departments using a similar plan. Hawkins did know of other counties who were using this process to some degree, but echoed Formby's point about the availability of being there for future use. Daleiden asked if the County should allow the ISPs to do it on their own. Hawkins said there was a preconstruction meeting scheduled for Wednesday, April 27 that Karels would be attending. Dig First Policies would be discussed at that meeting. Vetsch asked about the cost and the next phases for this project in 2026. Hawkins pointed out that these providers were the type of companies the County would want putting empty conduits in while construction is going on. This would be a good cost consideration because there would just be the cost of the empty conduit and the labor to do so. It was confirmed that the ISPs would be at the meeting on Wednesday, April 27. Kellogg added that there could be more than one ISP using one conduit. He discussed Hennepin County's website that was created to allow different departments within the county to see what active projects were going on. This gave departments the potential to piggyback on another project to save on cost, labor, and time. This website allowed departments to work together to cost share and minimize the impact on the public. The goal was project transparency to increase overall efficiency and it seemed successful.

Holler brought the group's attention to the updated spreadsheet. He pointed out that South Haven specifically is asking for such a small portion of the total project cost. Vetsch added that South Haven had put together a lot of the local shares. He wanted to stay consistent with what was told to the applicants, specifically that the more funding these communities put into their projects, the more likely they would be to receive funding from the county. Holler wanted to know if the bottom line would be affected and if they were able to help more communities considering the lower cost to the County. Vetsch explained that these communities were the ones who were able to apply for the Border-to-Border grants. The others were not likely to receive funding from those grants and that was where they should be spending county funds. He stressed the need to compare programs after the Border-to-Border grant comes out. The first round of funding should go to those communities the Committee knows would not receive the Border-to-Border grants and move forward with the ones that have the potential to receive this grant in the second round.

Daleiden pointed out that Rockford Township was applying for the Border-to-Border grant. Vetsch added that they may want to put this project on hold to see how the Border-to-Border grant goes. That strategy would allow them to make those communities whole who could not get this Border-to-Border grant. The Committee expected to have the grant results by the next meeting on Monday, May 9.

Fomby added project costs and the percentage that the ISP is carrying to the spreadsheet. He noted that some communities may be using multiple ISPs to minimize the impact on the county. However, it was showing very little municipal aid. There was further discussion about needing to clear up some unknowns on the spreadsheet and gather more data for the next meeting. Daleiden asked Hawkins to see what the ISPs thought about this project during the pre-construction meeting. If there was no interest, Daleiden thought it would be a waste of County funds to move forward. Hawkins reiterated that these empty conduits could be for future vendors, not just the current ones. Kellogg added that this could make the County more attractive to companies who would help facilitate County growth. Daleiden was hesitant to spend the money without the guarantee of use. Vetsch asked what technology is used to put electrical underground. Kelly offered that it may be direct bury cable, but no one was able to confirm this.