

The Scandia Economic Development Authority met in the Board Room at the Scandia Community Center on Monday, May 12, 2014 beginning at 6:30pm. Commissioners Present: Tom Triplett, Sally Swanson, Greg Isaacson and Dan Lee. Absent: Bruce Swenson. Staff Present: Kristina Handt.

The meeting was called to order at 6:30pm by Swanson.

Motion by Triplett, seconded by Lee to approve the April 14, 2014 minutes. Motion carried.

Triplett asked to add "Co-Working Space" to the agenda 5.b). Motion by Lee, seconded by Isaacson to approve the agenda as amended. Motion carried.

Handt provided a summary of the survey results. There were 128 respondents. Triplett asked how many of those who responded they had problems also said they would use a subscription based location. Handt will look at the surveys and get that info.

Erik Mohr, 13987 236<sup>th</sup> St N, Scandia, addressed the EDA. He has an IT background and is willing to help in any way he can. Lee asked him if he thought people would use a subscription based location. Mohr wasn't sure if it would be worth the investment although maybe one-two office spaces for printing would be a good idea.

Jeff Singer, 10561 202<sup>nd</sup> Street N, Scandia shared his 18 month struggle to get Internet service adequate to allow him to work from home. Before purchasing the home he contacted Midcontinent and was told it was available on his street. After moving in he learned he was 1,000 feet from the drop. Even after offering to pay \$7,000 to connect he couldn't get MidCo service. He and his wife currently have three Internet providers at a cost of \$3,600/year and still have uncertain service. They would not have moved to Scandia had they known this. After the City approved a new franchise agreement, Singer called Mid Co on 12/30/13 about extending service and he still has not gotten a response. Frontier has told him they will be improving service in his area this year.

Kirk Lehman and Kevin Wallick from Frontier provided information on their efforts to improve backhaul services first as the demand for data increases 4% a month and their focus now on bringing it out to the residences. Frontier is share holder funded so there is not an unlimited supply of funds. Everyone in Scandia proper (Village Center) has access to 6mbs. There are six remote offices in Scandia. Three of them (Bone Lake, 220<sup>th</sup> St. and 185<sup>th</sup> St) will see upgrades in the near future. The other three (Quality Trail, Parade, and Oakhill) are in less populated areas. Copper has some limitation but can provide the level of service needed for more residences so fiber is only planned near 185<sup>th</sup>. They also commented that sometimes slow speed is due to an old computer or the site someone is visiting. Frontier is willing to work with the City/EDA in a public private partnership to improve services. Lastly, as improvements are made to increase to 6-12 mb, customers will not see an incremental increase.

John Adams and Jason Sachs from Midcontinent addressed the EDA next. They are looking into expanding into the Wyldewood Acres development. They mentioned MidCo was voted 2<sup>nd</sup> fastest provider in the country two years in a row. They apologized for sales staff in offices not familiar with Scandia but pointed out the unique characteristics of Scandia being much less densely populated. Roads are broken up into sections so their staff in the office doesn't always realize service may not be available on all segments when checking addresses. MidCo is working on updating their maps and will provide them to the City Engineer. Also MidCo speeds are often 8% higher than advertised. Mayor Simonson confirmed this; at his house he gets 65 mb upload and 6.5mb download.

Jackie Singer asked if some of the cabling work could be subcontracted out. They were willing to pay the fee to connect but found that MidCo didn't have the resources to put in the cable extension. MidCo reps explained they had just recently acquired the system from US Cable at the time but now have the resources to lay cable if the funds are there.

Mayor Simonson pointed out there is a new franchise agreement in place now that offers some things that weren't included in the previous agreement such as only needing 6 houses in a quarter mile of the drop to connect and some cost share language beyond 200 feet.

The providers will be in touch with the City moving forward on expanding services.

Triplett mentioned Sue Rodjso is considering creating a co-working space at her property on Olinda Trail. She couldn't make the meeting tonight but will share more info at the June meeting.

The board reviewed the draft budget Handt prepared. Motion by lee to approve the budget as presented. Motion died for lack of a second. Commissioners were encouraged to research and come back with any changes at the next meeting.

Commissioner Reports: Swanson mentioned only 50 people signed up for natural gas. They needed 80 so perhaps they'll try again next year. She hasn't started her BRE surveys but will soon. Isaacson has gotten a couple surveys back so far. Triplett has gotten all but one of his surveys out. Commissioners mentioned some businesses were hesitant to complete the survey- they didn't want to take the time or didn't want to disclose information. Triplett suggested a gathering with the businesses.

Executive Director Report: Handt mentioned the County adopted the final version of their Economic Development Strategic Action Plan. Copies to be emailed to members.

The next meeting will be Monday, June 9, 2014 at 6:30pm. Agenda items will include the 2015 budget, Sue Rodjso, Broadband, Affordable Housing, and Zoning Issues.

Motion by Triplett, seconded by Lee to adjourn. Motion carried. Meeting adjourned at 8:05pm.

Respectfully Submitted, Kristina Handt, Secretary