

COTTAGE GROVE CITY COUNCIL

12800 RAVINE PARKWAY SOUTH

COTTAGE GROVE, MN 55016

TRAINING ROOM - 5:45 P.M

May 7, 2025

1. CALL TO ORDER

The City Council of the City of Cottage Grove, Washington County, Minnesota, held a Special Meeting on May 7, 2025, at Cottage Grove City Hall, 12800 Ravine Parkway. Mayor Bailey called the meeting to order at 5:45 p.m. Present for the Special meeting was Councilmember Thiede, Councilmember Clausen and Mayor Bailey.

2. AGENDA

A. Citywide Fiber Workshop

Staff Recommendation: Receive information regarding the Citywide Fiber Project and provide Feedback for staff.

Mayor Bailey said he'll turn this item over to Jennifer to start with; Administrator Levitt replied actually, I'm going to turn it over to Ryan, he had a much better intro than I did.

Public Works Director Burfeind said thank you, Mayor and Council, tonight we're here to talk about our Citywide Fiber project. This has been a long process with all of the different staff, Crystal Raleigh, our Assistant City Engineer, she's been kind of the spearhead of this project, along with other folks from our consultant team, and Kori, our City Attorney. It really started off several years ago when these fiber companies started coming at us really heavily to all want to be in Cottage Grove, and Citywide Fiber, that's a huge project, a huge undertaking, and a good benefit to our residents, but a huge impact as well. So, with all of that, Crystal is really going to lead the presentation tonight. Brian and I have a few things to add in, but I'll turn it over to Crystal to get started.

Crystal stated thanks for the opportunity to tell you a bit more about this project we've been working on pretty hard for the last several months. As Ryan said, this maybe started before the summer of 2024, but that's when it was big in my brain was 2024. Several of these fiber companies reached out to us and said we want to put in large-scale fiber projects in big neighborhoods in Cottage Grove, and they were all coming at once, and some of them were overlapping one another, and it was a little scary. Metronet came at us, Gateway, Intrepid, Novos Fiber, and then Quantum Fiber (Quantum is also known as Lumen, also known as Century Link, Qwest back in the day, so that is Quantum now).

In 2023, we received a permit from Quantum or Lumen, I guess it was in 2023, and it was for a buildout of a fiber network in the Thompson-Grove neighborhood, so, this little pink triangle highlighted on the screen. We got the permit in, and we were like wow, that is a big footage, but okay, let it rip, and we issued the permit, and the project went off. We spent so much time on the phone with residents, as they were complaining about restoration in their yards, there were safety issues with equipment in the street; it just took a lot of time to manage this project, and we weren't really able to manage it to the level that we wanted to manage it, and it got a little bit out of hand. So, imagine having five different companies working, some of them overlapping one another, it was pretty terrifying.

I'm going to speak a little bit deeper into the concerns that we have: Safety is a big concern on projects like this. These contractors are not afraid to park equipment out on the street, and sometimes they're nice and they put cones around it, other times they do not. That equipment can stay there overnight or several nights or months sometimes and not be moved. So, we take a lot of complaints about what's the status, can this be moved? I'm going to hit it, it's not under a light, and I can't see it. They also periodically have to close lanes, have to close

sidewalks. I think you'll all remember 80th Street, now this was a gas project, which is different than fiber, but it's very similar activity as far as a hole or a trench in our Right-of-Way. So, 80th Street last year, that lane was closed for a long time, and it closed again more recently, as they're still not done with this project. They've closed pedestrian trails so we had to reroute pedestrian traffic into other neighborhoods, and it's been a bit of a headache.

There are a lot of resident concerns also with these projects, so our residents do a really nice job of keeping their lawns really nice and they're proud of what they've got out front of their house. They get a big bore hole in their front yard, and they're not happy about it. So, these bore operations have to dig a hole when they're going in and then another hole when that conduit is coming out, and they're going to place some infrastructure in that area. So, they dig these holes, oftentimes they leave them open overnight; they're not supposed to, we don't have the time to drive around every neighborhood with an open Right-of-Way permit at night to ensure that these holes are closed up. So, sometimes they're open, residents are concerned about that. A lot of times when these holes are backfilled, the contractor will use gravel and then they'll use a little bit of topsoil on the top, that topsoil can be really rocky, and then they seed these holes. Now, seeding is okay per our ordinance, we can't require sod because we can't require them to come back and continue to water sod until it establishes. Our residents really just don't like waiting for seed to get established, and sometimes the establishment is not to the level that they would appreciate. Also, there are a lot of residents that have planters or landscaping around mailboxes that are close to the street, and those items will be damaged in projects like this. Sometimes stamped or colored or paver driveways are damaged in projects like this, and those can be really hard to match.

On top of resident concerns and safety concerns, we also have some concerns in staffing projects like this. So, currently, our Right-of-Way permit process has a permit coming in through our portal. Our Engineering team takes a look at that permit, we draw a polygon of it on a map so that if a resident calls, we can look up their address and figure out who has the open permits by them. We also download our record plans of existing City infrastructure that's in the area of the Right-of-Way permit; we give that to the permittee so that they know what's out there of our stuff. Then we review the permit and charge the fees, issue the permit, and then as the construction project is starting, they call in utility locates; so every piece of infrastructure that is in the Right-of-Way or near the permit area has to be located with marks or flags. So, the City does all their own locating, so our utility staff will go out there and mark all of our sewer pipes, our water pipes, our storm sewer pipes, and our lighting conduit within that Right-of-Way, and other utility owners need to come out and mark all of their stuff as well. After that, we're communicating with the fiber contractor or the Right-of-Way permittee and following up with residents as needed. Our construction inspection part of this is really reactionary at this point; we're only really out there if we're having trouble.

We had an idea: What if we are able to better control this process by issuing a Request for Proposals; in our Request for Proposals, we would be able to identify our key priority areas for fiber internet service. We would also identify the timeline, we would make it manageable so that our staff could adequately manage these projects and not be on the phone all night. We would choose our provider, we would choose one that we're comfortable with, that we know will do good follow up with their subs and ensure that they're meeting our needs. In addition, we could ask for things that we want; for example, connection of our City facilities, and Brian's going to talk about that in a later slide.

So, thinking through that, there are some additional pros and there are some cons, too, with having a Request for Proposals. Pros:

- We have one fiber provider working in any particular area; this would limit repetitive disturbances where one contractor comes in there and makes a mess, gets it established, the grass is growing, and then another one comes in a month later and makes a similar mess, and it keeps going down the line.
- We would also limit staff management of having multiple permits and multiple work areas going on at the same time.
- We would limit the potential for road construction detours from one project to detour itself into another detour and have confusion and the mess of detours.
- We could do better at resident communication when we're kind of controlling the process like this.
- Less private underground infrastructure in our Right-of-Way. Our Right-of-Ways vary, the width of the Right-of-Way varies around town based on the capacity of the road, but our typical Right-of-Way is

anywhere from 6 feet to 150-180 feet; outside of the Right-of-Way we have a 10-foot drainage and utility easement. Ideally, we like these smaller utilities to be in that 10-foot drainage and utility easement, but that's a lot of stuff to have in a 10-foot area. So, the sewer service, the service between the house and between the sewer main, the water service between the house and the main, storm sewer is typically in the street. But these other smaller ones on the bottom of this image are what we refer to as smaller utilities: Electric, gas, cable, fiber, sometimes copper, those things we like to be in that 10-foot on the outside of the Right-of-Way. However, some of these utilities have spacing requirements, so some of them can't be right next to one another, so it really crams that 10-foot area. If you can imagine us having three fiber provides in that area, we're really tying that up.

So, with the Request for Proposal (RFP), we needed to kind of provide a carrot to get these folks to come in and say yes, I will commit to doing a big build throughout Cottage Grove; the carrot in our eyes was some exclusivity, so you are going to be the fiber provider for this neighborhood, but we were concerned about that. By saying yes to one, and saying no to the others, we're recreating a monopoly here with internet service. So, we were thinking through that, and Lumen, who was Century Link, Quantum that we mentioned before, they are our ILEC (Incumbent Local Exchange Carrier). The way that I understand this, and Kori can correct me if I'm wrong, but the ILEC refers to a 1996 Telecommunications Bill where geographic areas were designated for certain telephone providers. So, long ago, US West or whatever they were at the time, was designated as the telephone service provider in Cottage Grove; that means we cannot say no to them putting their infrastructure in our Right-of-Way, so they will always be an option here. Comcast is another one, Comcast is our only cable provider in the City. So, while residents are sort of moving to streaming services, not everybody is, there are still several that want cable. We have the Cable Commission that we continue to want to partner with, so Comcast is another one that will continue to have fiber and accessibility to our Rights-of-Way with their projects. So, the company that we would partner with as a provider would be a third option for most of our geographical areas in the City.

With that, we have partners on our team that know a lot about the internet, and we have partners that are good engineers, but we don't know anything about writing a Request for Proposals for a Citywide fiber install. So, we reached out to several fiber consultants, and there were two of them that responded to us. Through this process we met Kyle Moorhead with Hometown Fiber, and I'm going to have Kyle come up and tell you a little bit about his firm and the work he's doing with us on this project.

Kyle thanked Crystal, said I'm Kyle with Hometown. We're a consulting group that helps municipalities with broadband ranging from we can't get somebody to come in and we're going to build our own infrastructure, all the way to what you guys have, which is a problem on the opposite end, where you have too many people wanting to come in all at once. So, we just kind of help Engineering Departments and municipalities sort it all out. In this case, we wrote an RFP, and we did get a pretty decent response, I felt, and we have some options to consider and score. So, it's better than the other side of the coin where we don't have anyone that wants to come in, and we have to entice sort of a development; you guys are sitting in a really good spot to have these choices. That's a little bit about us, we really just focus on our broadband expertise on municipalities, from counties to cities to townships, and that's us. Thanks, Crystal.

Crystal thanked Kyle and said Kyle's team has really been a good fit for us for this project. But who's the rest of our team?

- Kyle is our Fiber Consultant.
 - Brian, as he's the most knowledgeable staff person as it relates to the internet, so Brian is a key member of our team.
 - Kori Land, our City Attorney, is also a key member to make sure that we don't get in trouble with anything that we are doing here.
 - Any good project needs lots of engineers, so there's a big team of engineers with us:
- 1) Myself and Genevieve Tester, our graduate engineer, we are the day to day on our Right-of-Way permits; Genevieve does all the day-to-day management as the permit comes in. I just approve them and pass them along, and we get them out in the construction.

- 2) Mike Boex from Bolton & Menk, he's a longtime City consultant, he's on the team to provide any insights that Genevieve and I might have been missing out on. He's got a great history with the City, so he had a lot of good insight for us.
- 3) This project couldn't have gotten off without some support from our City Administrator, so it's important to have Jennifer Levitt be part of our team as well.

Our Process

In November, 2024, the Council approved an Agreement with Hometown Fiber on the project that was called Broadband Aware. I'll show you the results from that project in the next slide, but the intention of that project was to do an inventory of our existing internet options in the City. So, this was really boots on the ground field work to determine what we've got going on, and this would allow us to determine our priority areas as we wrote our RFP, so we could communicate that to the potential ISPs. We also partnered with Hometown, the EDA approved our contract with them on November 12 to write this RFP for us. So, as part of writing the RFP, Kyle's team helped us identify what needs we have. He helped us rewrite our Right-of-Way permit requirements, which you'll see in a future slide, I'll show you where we were and where we are now, which is great. He helped us identify a reasonable schedule for this project, helped us identify some scoring criteria: How do we want to rank these proposals that come in? We've got to do it fairly; Kyle brought up some great points about how we could fairly rank these. He wrote several drafts of the RFP and then we finally settled on a draft on March 12, 2025, and we released it to the public. We emailed it to the providers that had contacted us and other providers from whom we've received Right-of-Way permits. We also posted it on our City website.

Going back to that Broadband Aware project, this map is the result of that project. Kyle's team went out and identified where we're seeing Coaxial or Cable TV type internet service and that's primarily Comcast, so the yellow areas, that's the type of service we mostly have throughout town. The green areas do have a modern symmetrical internet fiber connection, and that's provided by various providers but primarily Lumen. The blue areas are private fiber networks, so the School District has a private fiber network, the dot down here is 3M, I assume, and we also have our own private network. So, there's a little bit of that throughout our City. The red area is old copper that we still have around.

Right-of-Way Permit Requirements

This is where we were and where we're going; this image on the left is typical of what would we get in for a service draw. These contractors are literally taking a screenshot on a cell phone and using their finger to draw their permit map of what they want to do. This one was really nice and they gave us a north, south, east, and west, which is great, but this is what we're dealing with, and when we're doing big neighborhoods, we need more detail than that. So, Kyle's team developed permit standards for us: We're going to be asking for them to show the Right-of-Way, show the drainage and utility easement, existing infrastructure, what type of cable they're putting under the ground in conduit and how many. All of that is really important information, and that's going to show up on these large-scale fiber submittals.

As I mentioned before, the RFP was issued on March 12, 2025. On March 19, we had given these service providers about a week with our RFP, and we had a pre-proposal meeting that three service providers attended: Lumen, Gateway, and Intrepid. By that time, Metronet had contacted us and said we're not interested anymore, so they had kind of pulled themselves out of that.

At that March 19 meeting, we walked them through our RFP, allowed them to ask some questions of us, which were recorded, and then questions were due to us in writing by March 27, 2025. We issued a clarifying document on March 31, 2025.

Some of the key inquiries that they had, questions on this process:

- How you can restrict the Right-of-Way? We have every right to be here per the Telecommunications Act, and Kori had to help us with this one; so, the difference is that these are broadband providers, they're not telecommunication providers. Lumen is our telecommunication provider, we can't restrict them. We can restrict broadband providers, and Kori can provide more on that if you have questions.
- They asked a lot about the exclusivity agreement, what does that look like? We noted exclusivity through 2030.

- They asked questions about permits that were submitted before our RFP came out, and we are sitting on a couple of permits that we've been sitting on for a long time.
- Timeline: They asked how flexible are we with our three-year buildout timeline.
- They asked about how we came up with our prioritized areas.
- Our Right-of-Way access to existing facilities, can they fix their existing facilities? They wanted to know that, and we said yes, you can fix it, and what we are saying no to is expansion of existing facilities.
- One of the things we had written into our RFP was we'll give you extra points if you can provide empty conduit or dark fiber that could be leased to other fiber providers so that there is more than just the one that's going in the trench. We said that we would provide additional points for that, but it wasn't a deal breaker for us.

So, we received two proposals: Gateway Fiber and Intrepid Fiber. Our team reviewed the proposals, we contacted references, we asked some clarifying questions about the scope and the maps and stuff that they had provided, and we're still working through our favorite, but Gateway had risen to the top of our list.

On Gateway's proposal, their latest map is on the screen before you. They have a plan to buildout the green areas in 2025, the blue areas in 2026, and the yellow areas in 2027. What's missing here is connectivity of City facilities, our Business Park, just southwest of the highway, and our commercial areas on 80th Street and Jamaica. We're still working with Gateway to determine what this final exhibit is going to look like and what their build plan is going to be, and that will be incorporated in an Agreement if and when that comes forward to the Council.

Administrator Levitt asked Crystal what is the red hatch? Crystal replied the red hatch is areas that they've confirmed there's a lot of fiber competition in that area, so they're not interested in going into the areas with the red hatch.

Crystal said as noted, they plan to build out in 2025, 2026, and 2027. Their 2025 start would be from St. Luke's Church at Hinton and 70th, that's going to be their hub of activity, and they would spider out from there. Like I mentioned, we continue to work on our plan to provide service where it's needed, that will be finalized the next time you might see an action on this. We're also asking them to install empty conduit in subdivisions; for example, Mississippi Landing, Preserve at Prairie Dunes, Graymont Village. They don't have a plan to be down in that southwest corner of our City yet, but they are open to the idea of installing empty conduit and at such time that they are able to bring service down there, they've got pipe in the ground and they're ready to serve.

Then, how to handle other competitors wanting to come in, in areas that Gateway isn't proposed to serve; what we're going to do with that is have a First Right of Refusal process. So, if Intrepid comes in and wants to serve a particular area that Gateway doesn't have on their map, we're going to contact Gateway; we're giving them 45 days to provide service to that particular area, and if they can't, then we would issue that permit to a competitor.

So, with that, Brian is going to talk a little bit more about connecting our City facilities and how that plays out.

Brian said Mayor and Council, basically this is high-level overview of our current facilities we have: City buildings, wellhouses, booster stations, tanks, all of our proposal plans and everything into this fiber project. What we're looking at doing is working with the provider, if Gateway is chosen, to be able to provide us with dark fiber at some locations like wellhouses and towers and everything so that we can really save money for the City by having them pull that initial mile to go into those facilities. Additionally to that, we're looking at partnering with them to provide services to places like our parks; for example, we had a lot of discussion about Kingston Park and to be able to pull that in there and have them provide service, and again, save taxpayer dollars and be able to kind of build out a hub-and-spoke network. Initially, right now, we'll probably start at the Central Fire Station because that's kind of central to their buildout through this whole project.

For us to connect the City facilities to dark fiber, we would connect with places that would allow security and everything like that for our status as to security purposes. So, dark fiber, in case you aren't aware, is fiber that nobody else is on, it would be our own network enveloped into our current City network. So, that's built a level of security to us right now.

Council Member Thiede asked so, did you say that Gateway has already agreed to do this, or?

Brian replied we're working on the Agreement.

Administrator Levitt said right now, they've tentatively, you know, they're working on how many strands we actually provide as part of it, and then they've offered like on a park building, the light fiber side, to provide it free of charge to us as well. So, those things will all be memorialized in the Agreement. Right now, it's really in Kori's hand and their attorney to wordsmith it so you could see it at your next Council Meeting.

Crystal said next, I'm going to have Ryan talk a little bit about staffing.

Ryan said like Crystal mentioned, currently we have obviously a Right-of-Way permit program largely, and this always has been that way. The graduate engineer position, it's just a portion of what they do, and it's complaint based, you know, if we actually have issues. Yes, we're managing a lot of Right-of-Way permits, but they're just individual permits that we have throughout the City with I'd say on like the 80th Street project, which is a bigger permit, but also just impacting about less than a mile of City roadway, so you think about that context. The process Crystal talked about earlier on, this is how we collect our fees; this has been consistent for quite some time with some increases over the years, and we want to stay consistent with other communities in how we calculate and collect Right-of-Way permit fees. For something like this, directional drilling underground, it's 75 cents per foot, and then we have this per-hole fee of \$325, and that's how we fund our program. On the right, with what Gateway's planning to be, you can see how rapidly they are submitting permits; I mean, think about it not being all of Cottage Grove, but a large portion of Cottage Grove. We have 200 miles of roadways, so even if they're leaving out some of those areas that already have it or whatever, we're talking about 150-160 miles of directional drilling over the course of three years. It's a massive project. Obviously, our Right-of-Way permit revenue would reflect that.

So, on the next slide, you can get more of a historical context: The blue has been kind of our standard Right-of-Way permit program. The green is the additional fees; historically, it's always been about \$20,000-\$30,000. We had a little bit of a blip in 2018, 2017, and that's when Lumen was going in on the poles in all those areas, which is a little different fee structure, but we still collect fees for that. And then you can see it go up to like \$80,000 in 2024, with our new franchise agreements with Xcel Energy and Center Point, we now collect Right-of-Way permit fees for those; so we would expect that \$80,000, roughly, per year to continue, and it'll probably slightly go up. Then you can see 2025, in total, up to \$200,000, \$320,000 in 2026, and then 2027, that's their wrap up, back down to \$170,000. So, it's a very large revenue increase, and really with that comes the staffing demand.

We've looked at this two ways: Do we hire a consultant? That's some type of consultant like you would on a road project to handle all this work: We're talking about more active inspections, constantly monitoring this work, are they being safe, are they following the rules? Resident follow up, there's going to be a lot of resident follow up, and when we really looked at that, we feel having an on-staff City member is going to provide a much better level of service for our residents, we think that's really important. And, really, with our program as a whole, these projects are getting more complicated; outside of this, we're seeing more big projects, like Xcel Energy doing these large infrastructure upgrades. As Crystal mentioned, the Right-of-Way is getting tighter. If you noticed on 80th Street a couple weeks back, there was an army of back trucks working on the frontage road, west of St. Rita's; that's because there is literally no room left in the Right-of-Way, and with their standards, they had no place to go. So, their options were under the road, which we have no part of that because then we can't use our road, so they had to back a trench behind the curb to install that. So, just thinking about that, there's another benefit of having that staff member that can really actively work on these projects, inspect and manage them. Clearly, the revenue is there to support that position, not an engineer position, more of like a technician-type position. It is very common. Crystal was at a conference, our Engineering Conference, and with other cities talking, it's becoming more and more common to have like a dedicated Right-of-Way permit or engineering technician to handle those projects as we looked at it. And then, holistically, there's many other things that would be beneficial to have a position like that: They'd be pretty focused, obviously, for several years on that work, but if you look at a lot of our maintenance work, our Mill and Overlay programs, a lot of this other work that we contract out right now, we want to look to maybe actually bring inhouse and be more cost effective with those projects when you look really long term. So, that's something if this project moves ahead and we get an Agreement, that's something we want to bring forth. It's kind of unusual, right, for midyear, but we do need to get someone like that on board and working on this. There's going to be a gap, right? If they're going to hit the ground in June, we're going to have to

work with consultants in the time being, but you would see that at Council for a request to hire that type of position to manage this project.

Project Goals

Crystal said just wrapping it up, then, our project goals:

- We really wanted to ensure the safety of our public.
- We really wanted to minimize restoration concerns, that takes a lot of staff time, and it makes for a lot of unhappy residents.
- We wanted to create a manageable scope and timeline, something that we're comfortable with as staff, and we know we can get out to and respond to.
- We also wanted to meet the needs of our businesses and residents in our own City infrastructure. We have these broadband needs, and we wanted to have a really thoughtful, methodical, intentional approach to this project.

Plan

Our plan is to bring an Agreement in front of you at the May 21, 2025 City Council Meeting, and if that were to pass, we would hope to start construction in these neighborhoods in June, 2025.

Crystal said so, with that, staff is available for any questions you have.

Mayor Bailey said some of this might sound really, I'm not the tech guy, I'll say that right off the bat, I'm the one calling Brian going, okay, I can't get my password working. But my first question is so let's say this company comes in and they start building out the network, if you will, where's the network starting from?

Brian replied the initial phase is at St. Luke's.

Mayor Bailey said okay, so something's going to St. Luke's, or are they just going to have a hub there, and then it goes out from there?

Brian replied correct, they're actually putting in a cabinet at St. Luke's; I think they already discussed talking with St. Luke's on that. Crystal said yes, they have. Brian said and that's from that cabinet, I cannot remember how the first one here, there's a number of houses that they can support off of that one cabinet and our businesses also.

Mayor Bailey said so, you've got that. Then a second question I had is as they build this out, I'm assuming everything we're going to be doing is making them put it underground, correct? Versus on poles?

Crystal replied that's the intention. There may be neighborhoods where aerial work could make sense; I guess we can dig through those as those come up, but I think the intention will be underground.

Administrator Levitt said my understanding is you do not want anything on a pole.

Mayor Bailey replied no, I don't, but I do know that there are parts of our community out there where there are poles, and I guess what I'm saying is I definitely don't want us to see adding poles, but if the intent is hey, this is all going to be underground going forward, that's great. But definitely not wanting to see poles in areas that don't have poles, and I don't want to add poles.

And then because of how we're doing this, so, we get beat up sometimes on having "one trash carrier" in the community, right? There supposedly isn't competitiveness or whatever. So, in this particular case, my question is how do we make sure that this vendor is going to be "competitive" with their service to the areas of the communities that are going to be there.

Crystal replied we did ask the respondents to provide pricing information. They were very similar to one another and as I recall, they were less than the Comcast internet services that are out there, but we questioned Gateway specifically about that. They said they haven't raised their prices since they began as a corporation, that's not to say that they won't, but they don't anticipate getting here and having giant price increases, and they have the same pricing structure at all their builds. They're actually started their operation in Missouri, and they are expanding into Minnesota, and they have the same pricing structure throughout Missouri and Minnesota, wherever they are.

Mayor Bailey said sorry, I have one more question. Again, I don't know this, maybe this is for the attorney, so let's say hypothetically they start building out the City and all of a sudden their prices just substantially jump. Is there any repercussions or any fallback or something where we can say, hey, this is a little ridiculous? The reason I bring

that up is let's say I live in one of the areas that is going to be serviced by them, and then their price goes way up, but I have a family member that lives in the other area that's down in the red, who has multiple vendors, whose price is much cheaper. Do you see what I'm saying? How are we going to make sure if they "have the monopoly" that they're not going to be able to?

Crystal replied one clarification: We don't think that there will be just one carrier anywhere in the City. There will always be two, Comcast and Lumen there, so this is a third provider.

Mayor Bailey said okay, so, this will be the third option, so there are still going to be other options around the City, which Crystal confirmed. Mayor Bailey said we're just giving the opportunity to bring just a third one. So, all my questions then earlier almost I want to say are nonexistent then, because there will be some other options for residents in most areas of the community currently, and they're going to get actually one more option to use. Okay.

Crystal said this is a little bit different type of service, symmetrical internet, which is as much as I'm going to say about it.

Brian explained it's the same speed download, the same speed upload. So, currently if you have service at home from Comcast, you can get 3K gigabit service, so you have supposedly 1,000 gigabits per download, but your upload speed is typically 25 to 30 on there; whereas symmetrical fiber, it's equal on both sides, which is important for things like Netflix and streaming, those type of things, it's very important.

Council Member Thiede said and didn't you say it's between Gateway and Intrepid, one of them was really more of a service provider to put the fiber in, and then actually leases the use of the fiber to somebody else? Brian replied correct. Council Member Thiede asked which one was it, was it Gateway that was that way, or?

Brian replied Intrepid, and they actually partner with T-Mobile right now, that's who they're partnering with. So, they actually own the lines and they lease it to T-Mobile, whereas Gateway is the owner and carrier.

Council Member Thiede said and you really didn't talk too much, I mean we talked a little bit, but you really didn't talk too much about, for the record, for why you chose Gateway vs. Intrepid.

Brian replied well, we talked about the scoring sheet on there and stuff. So, Gateway we just felt they weren't overdelivering, for one, so we felt that the delivery was there, and that they actually have more skin in the game with owning the lines, servicing the lines, everything with this. So, overall, it was just a better package we felt for the City, you know, on our scoring sheets and everything.

Crystal said actually, and from my perspective, one big jump for Gateway for us was their customer service and their response time to issues. I felt like they had a really good management structure in place to manage their stuff and their private contractors and take care of all these issues without us having to jump in, that was huge for me.

Council Member Thiede replied okay, good.

Council Member Clausen asked so the cross-hatched area, that's service that was installed in 2017, 2018, and that's being serviced by, is it Frontier?

Crystal replied not necessarily 2017 or 2018, the red areas are just areas that have come in over the years, but likely Lumen or Comcast service.

Council Member Clausen said but they are being serviced by a fiber provider right now.

Brian replied yes, Lumen had a big project that, those are the areas with poles, I should just add with the concern about poles. So, the red almost exclusively is where poles are, and it was Lumen who said we can just attach to these poles and provide fiber, so they did that like that in like a year. So, that's why they have, and they probably, I guess from my understanding, is the only option that they have from like a fiber perspective. So, that hopefully alleviates the pole concerns because Gateway would be going into areas that are underground and have to stay underground.

Council Member Clausen said so those areas are going to stay with whatever service they have now. Has there been any complaints or feedback from customers, have we heard anything, is there any problems with like their speeds, the cost? Have we heard anything on that, not that we would, but anything that's coming back to the City?

Brian replied in a way, I mean I know two people that have switched over to Quantum, and they're extremely happy with Quantum right now in those neighborhoods on our overhead lines.

Council Member Clausen said the next question is can you explain black fiber, dark fiber; is the fiber there just not being used? I've heard that term black fiber or dark fiber used as a higher level with more data in it; maybe I'm hearing it wrong. Can you explain the difference between the two?

Kyle replied so, think of it as a reserve pipe that is given to you, as the City in this case. So, Brian can hook up whatever network configuration he wants at whatever speed he wants; it's going to provide building-to-building connectivity or in the lift station example, it would be getting control back to wastewater. It's dedicated and it doesn't go over the internet, it's secure, and it's controlled by the City. They're putting it in, but they're allocating a certain amount of fiber, and that's what Kori is negotiating right now is how many to what locations. It just allows you to have that path.

Council Member Clausen replied got it. And they're an internet service provider, they don't provide any other things like TV or phone or anything like that, it's just the internet. Kyle replied correct.

Council Member Clausen said okay, thank you.

Mayor Bailey said I have another kind of interesting, weird question. So, let's say I'm in the neighborhood where they put the fiber in underground. Getting it to my house, is it underground?

Crystal replied yes.

Mayor Bailey said okay. The only reason I bring it up is, I'm looking at him only because of his previous work with the cable, a lot of times what I noticed what happened with cable is they would just leave it on the top of the soil or top of the grass, they wouldn't put it underground. Or if they did put it underground, it was like that little bit underground, and as soon as you're even mowing, you might hit the lock, literally and figuratively. Is there a process in this place where they're going to have to make sure that it's put underground? And it doesn't have to be, you know, like pipes, but I'm just talking about making sure it's not just going to be left laying there for the resident to have to do something with it.

Crystal replied we've taken some complaints like that a lot in the last month or so, and we're actually developing some communication to all of our Right-of-Way permittees, not just Gateway, but you guys can't do these one inch under the ground. We're going to have, I believe it's a 12-inch minimum, and we're going to start, as much as we can, making them stick to that 12-inch minimum. Mayor Bailey said perfect.

Administrator Levitt said and I think the one nice thing, too, is Gateway seems to have a really good communication strategy of how they're going to notify residents when they're moving into the area, communicating with them. And also then making sure they know how to sign up or get pricing and price estimates for it, and so they have a very robust communication system with residents. So, as they're moving through the area, the residents will know what's happening, but then also they'll be aware of the opportunity to get pricing from them.

Mayor Bailey said all right, where I live, am I year two? Kyle replied you are year two. Mayor Bailey said thank you. Kyle said you've got a star on the map here. Council Member Thiede said you're in the blue.

Mayor Bailey said I'm just interested because I'm also one of those people that sometimes if the cable goes down or the speed can be a challenge sometimes. Brian replied yes, especially for home workers. Mayor Bailey said yeah, so whether I'm doing my personal stuff, mayor stuff, or my business that I work with, but yeah, there are challenges sometimes with that. And if we have another option, and what I'm hearing from you is you've talked to people that have switched over, and they're happy with their service?

Brian replied, yep, to Quantum; I've talked to people who have switched to that one.

Council Member Thiede said why don't you explain real quick what Quantum is?

Brian replied Quantum is Lumen; so, that's basically their residential fiber carrier, they do businesses also. And Lumen is more of their business end of things. So, it's just another name for Century Link.

Administrator Levitt said and one area that will be a little bit slower, because you'll probably notice some of you that are in this year's Pavement Management, there'll be a little bit more coordination in that; so they might not be as fast as they would because they need to maybe coordinate more directly with our contractor.

Crystal said that's correct.

Council Member Thiede said gees, who would that be? Crystal replied yep.

Mayor Bailey said, well, you've got the two neighbors sitting, they're both watchdogs there, I'm going to wait for that.

Council Member Clausen replied oh, we'll be watching.

Mayor Bailey said well, I know, Brian, too, but I'm talking about for you electeds, at some point.

Crystal replied well, our goal will be to have all that restoration happen at once, so that the internet will be there and the street will be new all at one time.

Administrator Levitt said well, the thing is, I'm thinking, you know, we're going to be, to get an employee on board fast enough, maybe we just need to give you guys some inspector vests, and you guys could do the neighborhood, you know, for that area. Council Member Thiede replied sure.

Mayor Bailey said what are you talking about? Crystal said that would be fantastic.

Council Member Thiede said yeah, I will, but I can use some help.

Attorney Land said mayor, getting to your question about price increases, the one question that we asked them was what kind of contracts do you make people enter into? So, if you get stuck, and then they increase their rates, you're stuck for a year or two years. They don't have contracts.

Mayor Bailey said, oh, really? Attorney Land said you can get out in a month. Mayor Bailey said so, it's just a month-to-month type deal. Attorney Land said yep. Mayor Bailey said awesome. Attorney Land said, so, if they jack up the prices, they're just probably cutting off their. Mayor Bailey said and actually that would make sense that they wouldn't want to jack up their prices because they would lose people, especially if there are other options in the area.

Crystal said I think it's probably worth mentioning, too, they are in the City of Blaine, they're in the City of Brooklyn Park, and I know there are some other metro cities as well, but those contacts that they provided had nothing but great things to say about the coordination with the residents and how the construction projects have been going. They're like you would never know the amount of footage that they're putting in, based on the calls that we're getting, so.

Mayor Bailey said that's good to hear.

Mayor Bailey asked Council if there were any other questions, none were asked.

Council Member Thiede said no, we're good. Council Member Clausen said thank you.

Mayor Bailey replied well, of course, you are, you're in year one. Council Member Thiede said yeah, we're going to have our streets torn up.

3. RECESS

The meeting was adjourned at 6:31 p.m.

Minutes prepared by Judy Graf and reviewed by Tamara Anderson, City Clerk.