

Southwest Minnesota
Broadband Services Board Minutes
June 8, 2010

Board Members Present: Keith Stubbe –Chair, Darrell Nissen, Darren Kalvig, John Hay, Mitch Jasper

Alternate and Others Present: Jim Koep, Brian Estrem, Byron Kroeger, Joe Sherack, Carol Goeman

The meeting was called to order at 6:04 p.m. Members present included, Keith Stubbe, Darrell Nissen, John Hay, and Darren Kalvig. Member Mitch Jasper entered the meeting at 6:25p.m.

The meeting began with a conference call with Chris Sandberg, attorney for the group. He shared information with the board concerning statutory obligations of the group. Items include posting of meetings, bidding requirements as well as other items. The laws that apply to municipalities are the laws that apply to the organization. Examples including material orientated work must be bid; professional services (consulting), specialty services, and engineering do not need to be bid. Bidding parameters can be set specific to the project for equipment that is the best fit with the Windomnet system.

Open meeting law does apply to the organization. Meetings must be posted in a timely manner and agenda materials must be available for the public and minutes need to be taken and available for the public. The partner cities should post meeting date and time and location in the same manner as they currently post city council meetings. This could include posting on city web sites.

Records need to be kept. Unless a particular statute creates a document as private, documents should be accessible for the public. Contracts and bid documents, as well as employee records, to a degree could be considered private, non-public.

Motion to approve the minutes of the May 19, 2010 meeting made by John Hay/Darren Kalvig. All yes, motion carried.

(Member Jasper arrived)

Bank Account information – Lakefield Savings Bank is not interested, Bank of the West, First National Bank, Jackson Federal Savings and Loan, United Prairie Bank, Bank Midwest, Commercial Bank in Heron Lake is reviewing the package—they commented if another bank took the lead, they would be a potential partner. No definite information from any bank at this time. A line of credit would take some time to become accessible. Member Nissen shared that, until the line of credit becomes available, the Lakefield Public Utilities would loan \$50,000 to the group to use a funds. The loan would carry a 5% interest rate and be payable when the line of credit is available. **Motion to accept the loan made by Mitch Jasper/Darren Kalvig. All yes, motion carried.**

Project Time Line – the timeline has not changed and seems to be on track from presentation at past meetings. The packet for funding from RUS has been received. There are now 60 days, from June 4, 2010, to accept the document. The date that many things deadline to is June 4, 2010.

Endangered species permission is in process

Interconnects with phone service providers are in process

Historical preservation notifications are in process

Building any part of the system before 2011 is very unlikely. 500 customers are needed to be up and operational through the winter to make it feasible to operate. The good part is the entire project can be built in one season. The winter season can be used for marketing and promotion, getting people signed up.

Motion to approve attendance of at least two board members at the Broadband Symposium on June 23 and 24, 2010 in Chicago made by Darren Kalvig/John Hay. All yes, motion carried. This symposium is a "must attend" for representation from this group to become more familiar to RUS staff.

CLEC application – this is the application for the Public Utilities Commission, allows Southwest Broadband to operate as a phone company in the State of Minnesota.

Contract with Windomnet – this is in process. A contract for wholesale services is required to be in place for RUS funding.

Model Franchise Agreement – is currently with the attorney. Expecting it to be available for approval at the next board meeting. This will be used by member cities for cable television service.

Billing Vendor update – U-reka recommends using Midwest Data. They do billing for many small independent phone companies and do a good job. Windomnet currently uses them for their billing. A motion was made by Mitch Jasper to utilities Midwest Data, as long as Windomnet uses their services. No second was provided because a contract is not available yet for approval. The contract is being drawn up and will be provided at a future meeting for approval.

RUS reporting requirement on vendors – discussion ongoing for this. More information will be provided after attendance at the Symposium in Chicago.

Qwest Interconnect agreement – Motion to sign agreement with Qwest made by Darrell Nissen/John Hay. All yes, motion carried.

U-reka Consulting Agreement—copies provided to the board. Board members will review and vote at a future meeting.

Payment receipts for customer billing – the system presented in the banking documents is a "lock box" system. This provides that all payments from customers are collected at the bank. Local banks may have a concern about this system. Face-to-face meetings will be held with interested banks to discuss details of what the bank will provide for services.

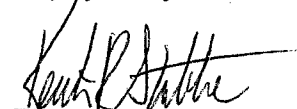
Channel line-up discussion – with construction delay, will channel line-up decisions be delayed? This discussion should move forward. Moving forward will allow for better marketing of the product over the winter months. This is not critical at this time but is a continued item that needs attention.

Logo Contest – no update available at this time.

Next meeting will be held on June 29, 2010, at 6:00 p.m. in Lakefield Fire Hall.

The meeting was adjourned with a motion by Darrell Nissen/Darren Kalvig at 7:10 p.m. All yes, motion carried.

Respectfully Submitted by
Kelly Rasche
City of Lakefield



Keith Stubbe, Board Chairman

June 29, 2010
Date