

Dakota Broadband Board

**Board of Directors Meeting
Preliminary Agenda
July 14, 2021
4pm**

The regular meeting of the Dakota Broadband Board will be held via Zoom due to ongoing COVID-19 health impacts.

Join Zoom Meeting

<https://us02web.zoom.us/j/88574743336?pwd=enlQZFRkTmUrZjdxL3NCTzdjdk1Ldz09>

Meeting ID: 885 7474 3336

Passcode: 103141

1. Call to Order
2. Roll Call
3. Approval of the Agenda

CONSENT AGENDA

4. Approval of meeting minutes from the regular board meeting of June 9, 2021
5. May 2021 DBB Expense and Revenue Report

REGULAR AGENDA

6. 2022 Budget
7. 2020 Annual Report
8. DBB Meeting Format

EXECUTIVE DIRECTOR UPDATES

OTHER ITEMS AND BUSINESS

ADJOURN

NEXT REGULAR MEETING: August 11, 2021 via Zoom

June 9, 2021 DBB Meeting Minutes

PRESENTER(S): None-Consent Agenda Item

ACTION: Recommend Approval Receive Item/Update Other

BACKGROUND:

The following items were discussed at the June 9, 2021 DBB Board meeting:

RECOMMENDATION:

Approve the meeting minutes from June 9, 2021 following a review for any inaccuracies or additions.

ATTACHMENTS:

Attachment A: June 9, 2021 DBB Board Meeting Minutes

SUPPLEMENTAL DISTRIBUTION:

None

ATTACHMENT A

DBB BOARD OF DIRECTORS MEETING MINUTES

June 9, 2021

The regular meeting of the Dakota Broadband Board was held via Zoom on Wednesday, June 9, 2021 due to Emergency Declaration 20-20 by Governor Walz and ongoing COVID-19 health impacts.

1. Call to Order

The meeting was called to order at 4:00pm by Vice-Chair Hoyt.

2. Roll Call

The following members were present: Luke Hellier (Lakeville-Chair); Joshua Hoyt (Farmington-Vice-Chair); Cara Schulz (Burnsville); Liz Workman (Dakota County); Tom Bartholomew (Inver Grove Heights); Stephanie Levine (Mendota Heights); Joshua Lee (Lakeville)

Others Present: Carah Koch (DBB Executive Director); Marc Gade (Inver Grove Heights); Jean Erickson (Dakota County); Dan Cater (Dakota County); Tom Lawell (Apple Valley); Tom Venables (Burnsville); Justin Roggenkamp (LOGIS); David Asp (Dakota County); Paul Beaumaster (DBB Legal Agent); Mathew Wohlman (Land O' Lakes); ISP representatives; Members of the general public.

3. Approval of the Agenda

Motion by Workman, second by Schulz to approve the agenda as presented. Voice vote; all ayes. Motion carried.

Folch joined the meeting at 4:01pm.

CONSENT AGENDA

4. Approval of DBB Board meeting minutes from April 14 2021

5. Approval of Expense and Revenue reports from April 2021

Motion by Levine, second by Bartholomew to approve the consent agenda. Voice vote; all ayes. Motion carried.

REGULAR AGENDA

6. Land O' Lakes Presentation

Executive Director Koch introduced Matthew Wohlman from Land O' Lakes. Wohlman presented a background on Land O' Lakes as an organization and also the efforts the organization is taking to reduce the digital divide.

Koch asked about the selection process for the identification of projects and fellowships, and Wohlman shared the current plan for implementation. Workman asked for additional information about the role Land O' Lakes is playing in broadband; Wohlman further described the coalition and its outcomes. Workman suggested that Dakota County would be a good option for a host community; Hellier and Vice-Chair Hoyt agreed. Wohlman will connect with Workman for future conversation.

7. Annual Insurance Renewal

Executive Director Koch provided an overview of the proposed renewal for insurance for the DBB. The premium for 2021-2022 will be \$1000.

Motion by Folch, second by Bartholomew to approve the renewal of insurance for 7/2021-7/2022 through LMC for \$1000, and to not waive the statutory tort limits cap. Voice vote; all ayes. Motion carried.

8. Employee Interchange Agreement

Executive Director Koch provided a background on the current agreement between the City of Farmington and the DBB for the Executive Director position, and the potential renewal of the agreement by the City of Farmington. Workman indicated no concerns with the agreement but highlighted that the former Board Chair is currently listed in the agreement; Koch indicated this will be corrected as appropriate.

Information only; no concerns were raised regarding the expected continuation of the agreement by the City of Farmington.

9. RFI Responses: Business Analysis/Systems Plan Update

Executive Director Koch offered a background to this item. Bartholomew suggested that the City of Inver Grove Heights City Council will be reviewing this at an upcoming meeting and requested that decisions about the RFP be made at a future DBB Board meeting. Vice-Chair Hoyt offered Executive Director Koch's assistance for other member discussions. Hellier and Vice-Chair Hoyt indicated he would be fine holding this over but would be open to conversation now.

Schulz reported on the feedback from the Burnsville City Council including a commitment to DBB membership as well as identifying some preferred changes to INET and CNET structure and definition. Hellier shared outcomes from the conversation held at the City of Lakeville, including the desire for a separation of the INET and CNET in the IRU. Workman indicated that the Dakota County Board has not yet had a chance to discuss the topic on an agenda, and shared a desire to have INET and CNET separated in the IRU as well as an examination of CNET definition. Vice-Chair Hoyt indicated that Koch met with the Farmington City Council and that the City Council sees future broadband opportunities, has no objections to the IRU, and would like to see agreement as a Board for future steps. Folch asked for clarification on the purpose of the conversations for members to consider as the initiation of this discussion was started due

to the RFP discussion. Hellier suggested that the conversations were intended to have the right things in the RFP. Koch reiterated that the purpose of the RFP is to be a data collection tool to provide members with information to make policy decisions in the future.

Information only; no action.

10. Construction Guidelines/OSP Review

Executive Director Koch provided an overview of the background of the network construction guidelines and recommended by the Technical Advisory Committee and the Executive Committee. Roggenkamp summarized the purpose of the document as it relates to vendor management and interaction.

Hellier highlighted that LOGIS will be the point of contact for any customer complaints during construction. Vice-Chair Hoyt shared perspectives about the value of understanding which specifications to use when contractors interact with DBB members on fiber projects. Folch asked for clarification on the current project process as it relates to contracts; Koch provided an overview of the current project workflow/process. Roggenkamp noted the standards provided are the ones that are currently being issued to vendors for DBB contracts. Cater and Venables concurred that the proposed standards meet Dakota County and Burnsville standards and are common for this region.

Vice-Chair Hoyt asked if additional discussion had taken place from a legal perspective and about potential standard conflicts between members. Koch indicated that if it is adopted as a policy it will have enforcement capability; Beaumaster concurred and indicated that if it is a DBB project it would follow this policy. Workman asked if this policy is for future projects only; Beaumaster indicated this standard would apply for future projects/lines. Folch expressed support for adoption of these standards as a policy for consistency on the network going forward; Workman concurred.

Motion by Folch, second by Workman to adopt the Network/OSP as an organizational policy. Roll call vote; all ayes. Motion carried.

EXECUTIVE DIRECTOR UPDATES

Executive Director Koch reviewed the current status of 2022 budget process and provided an overview of federal grant opportunities including details around a new NTIA program. Koch also highlighted some new data available regarding EBB utilization as well as additional outreach.

OTHER ITEMS AND BUSINESS

None

ADJOURN

Motion by Folch, second by Schulz to adjourn. Voice vote; all ayes. Motion carried. Meeting was adjourned at 5:13pm.

May 2021 DBB Expense and Revenue Report

PRESENTER(S): None-Consent Agenda Item

ACTION: Recommend Approval Receive Item/Update Other

BACKGROUND:

As the DBB Fiscal Agent, Dakota County provides monthly reports of the expenses and revenues as it pertains to the approved budget line items. Per Board decision, any unspent funds at the end of 2021 will move to the contingency fund account in 2022.

RECOMMENDATION:

Receive the report as presented.

ATTACHMENTS:

Attachment B: May 2021 Expense and Revenue Report

SUPPLEMENTAL DISTRIBUTION:

None

Specific Expenses/Revenue by Unit and Account Group

As Of 5/31/2021

013300-DAKOTA BROADBAND ADMIN

Key	Object	Description	MTD Actual	% Budget	YTD Actual	% Budget	YTD Annual Budget	Balance
3701330030	43113	DAKOTA BROADBAND OPERATIONS/MEMBER DUES	0.00	0 %	5,500.00	100 %	5,500.00	0.00
3701330030	43114	DAKOTA BROADBAND OPERATIONS/OPERATIONAL	163,205.50	17 %	393,073.75	42 %	919,472.00	(526,398.25)
3701330030	43116	DAKOTA BROADBAND OPERATIONS/ACCESS FEES	0.00	0 %	38,500.00	100 %	38,500.00	0.00
Total for: 43 - Other Revenues			163,205.50	16 %	437,073.75	45 %	963,472.00	(526,398.25)
Total for: 48 - Other Intergovernmental Rev			0.00	0 %	0.00	0 %	0.00	0.00
Total for: 49 - Other Financing Sources			0.00	0 %	0.00	0 %	0.00	0.00
3701330031	57011	NETWORK OPERATION/DIRECT PROGRAM	125,810.76	28 %	197,729.76	45 %	439,201.00	241,471.24
3701330032	57011	JPA STAFF/DIRECT PROGRAM	0.00	0 %	91,763.87	50 %	181,297.00	89,533.13
3701330032	57027	JPA STAFF/DIR PROG-TRAINING	0.00	0 %	0.00	0 %	5,000.00	5,000.00
3701330033	57011	LEGAL SERVICES/DIRECT PROGRAM	1,377.00	6 %	4,233.00	19 %	22,006.00	17,773.00
3701330034	57011	FISCAL AGENT/DIRECT PROGRAM	0.00	0 %	3,000.00	25 %	12,000.00	9,000.00
3701330037	57011	INSURANCE/DIRECT PROGRAM	0.00	0 %	0.00	0 %	1,000.00	1,000.00
3701330038	57011	OFFICE ADMIN/DIRECT PROGRAM	0.00	0 %	127.92	2 %	5,000.00	4,872.08
3701330040	57011	LOCATES/DIRECT PROGRAM	0.00	0 %	16,664.22	7 %	213,968.00	197,303.78
3701330041	57011	CONTINGENCY RESERVE/DIRECT PROGRAM	0.00	0 %	0.00	0 %	44,000.00	44,000.00
3701330042	57011	SYSTEMS PLAN CONSULTING/DIRECT PROGRAM	0.00	0 %	0.00	0 %	25,000.00	25,000.00
3701330043	57011	MARKETING/COMMUNICATIONS/DIRECT PROGRAM	0.00	0 %	0.00	0 %	15,000.00	15,000.00
Total for: 57 - Citizen/Client Related Service			127,187.76	13 %	313,518.77	32 %	963,472.00	649,953.23
Revenues:			163,205.50	16 %	437,073.75	45 %	963,472.00	(526,398.25)
Expenditures:			127,187.76	13 %	313,518.77	32 %	963,472.00	649,953.23
NCC 013300 - DAKOTA BROADBAND ADMIN			(36,017.74)		(123,554.98)		0.00	(123,554.98)

Specific Expenses/Revenue by Unit and Account Group

As Of 5/31/2021

013305-DAKOTA BROADBAND I-NET

Key	Object	Description	MTD Actual	% Budget	YTD Actual	% Budget	YTD Annual Budget	Balance
3701330530	48191	DAKOTA BROADBAND - I-NET/FROM OTHER	12,616.62	0 %	104,856.94	0 %	0.00	104,856.94
3701330530	48297	DAKOTA BROADBAND - I-NET/FROM CITIES	25,951.65	0 %	83,329.26	0 %	0.00	83,329.26
Total for: 48 - Other Intergovernmental Rev			38,568.27	0 %	188,186.20	0 %	0.00	188,186.20
3701330530	59160	DAKOTA BROADBAND - I-NET/OTHER CAPITAL	17,799.10	0 %	286,834.60	0 %	0.00	(286,834.60)
Total for: 59 - Capital, Debt, Other Financing			17,799.10	0 %	286,834.60	0 %	0.00	(286,834.60)
Revenues:			38,568.27	0 %	188,186.20	0 %	0.00	188,186.20
Expenditures:			17,799.10	0 %	286,834.60	0 %	0.00	(286,834.60)
NCC 013305 - DAKOTA BROADBAND I-NET			(20,769.17)		98,648.40		0.00	98,648.40

Specific Expenses/Revenue by Unit and Account Group

As Of 5/31/2021

013306-DAKOTA BROADBAND C-NET

Key	Object	Description	MTD Actual	% Budget	YTD Actual	% Budget	YTD Annual Budget	Balance
Total for: 48 - Other Intergovernmental Rev			0.00	0 %	0.00	0 %	0.00	0.00
Total for: 59 - Capital, Debt, Other Financing			0.00	0 %	0.00	0 %	0.00	0.00
Revenues:			0.00	0 %	0.00	0 %	0.00	0.00
Expenditures:			0.00	0 %	0.00	0 %	0.00	0.00
NCC 013306 - DAKOTA BROADBAND C-NET			0.00		0.00		0.00	0.00

2022 Budget

PRESENTER(S): Carah Koch - DBB Executive Director

ACTION: **Recommend Approval** **Receive Item/Update** **Other**

BACKGROUND:

The proposed 2022 budget has been reviewed by the Executive Committee and the Technical Advisory Committee, and feedback from these committees has been incorporated. As discussed in previous meetings, the adoption of the budget in July is intended to provide numbers to members as soon as possible to assist in the municipal/county budget process. Due to COVID-19 impact the Metropolitan Council (whose data has historically been used for the population numbers used in the budget calculation) will not have updated numbers until later this year. However, population data (when updated) is not expected to significantly change the cost allocation formula for members

RECOMMENDATION:

Approve the 2022 annual budget with the caveat that the budget calculation will be updated once the Metropolitan Council population numbers are released for 2020.

ATTACHMENTS:

Attachment C: 2022 Budget Summary

SUPPLEMENTAL DISTRIBUTION:

None

2022 DAKOTA BROADBAND BOARD BUDGET SUMMARY

BUDGET OVERVIEW

The 2022 budget reflects continued expansion of the overall network by members, and increased understanding of annual operational costs as the organization matures. 2020/2021 highlighted the value of broadband throughout Dakota County, and the members of the Dakota Broadband Board (DBB) continued to identify and pursue opportunities to respond to the service needs of their citizens. Per the JPA, operational costs for the DBB remain distributed to members based on three formulas:

- Network operations are allocated based on the share of the total asset value of the network
- Costs for the Locates contract are allocated based on the number of route miles to be located in a member community
- All other operational costs are allocated based on population (See Appendix A for current data)

Revenue streams are expected to remain constant in 2022 and are received from the following sources:

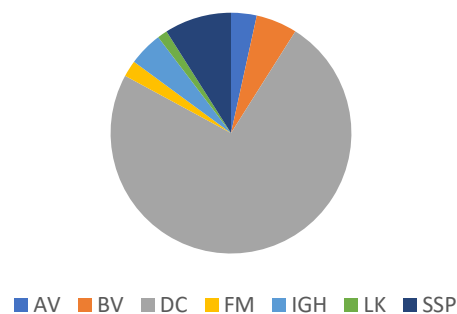
- Membership dues-\$500 annually per member
- Access fee-\$3500 annually per member
- Operational cost share divided by member based on network asset value and population

2022 BUDGET SNAPSHOT

The operational budget for 2022 is \$960,044. This reflects an overall increase of \$40,572, or 4.3%, from the 2021 budget that was adopted in October 2020. Of that total, \$34,264 was the result of direct costs associated with adding addition fiber assets to the network (fiber/conduit) and the corresponding increase for those members in the locates contract. Changes in administrative and contracted services expenses account for the remaining \$6,308 in increase for the overall budget.

The contingency reserve fund balance is projected to be \$397,399 at the end of 2021. Current DBB policy regarding contingency fund balance is to retain a minimum contingency reserve at 15% of operating cost; for 2022 this would be \$144,006. Previous Board conversations have suggested that some of the reserve funds could be used to cover expenses in excess of the \$40,000 budgeted for the Systems Plan Update/Business Analysis in 2021.

Increase in Fiber Footage Between 2020 and 2021



2022 DAKOTA BROADBAND BOARD BUDGET SUMMARY

2022-2024 BUDGET SUMMARY

Expenses and revenues continue to be projected over a three-year time frame. Projections for 2023 and 2024 are estimates only, and are based on historical changes in cost and current trends.

	2020 Actual	2021 Adopted	2022	2023	2024	3-Year Total
Membership Fees	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$16,500
Access Fees	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$115,500
Operational Member Share	\$861,370	\$919,472	\$960,044	\$989,847	\$1,020,441	\$2,970,331
Total Revenue	\$905,670	\$963,472	\$1,004,044	\$1,033,847	\$1,064,441	\$3,102,332
Operational Expenses (Detail)						
Network Operations * (LOGIS)	\$477,081	\$439,201	\$454,572	\$468,209	\$482,255	\$1,405,036
Exec Director Salary**	\$163,391	\$126,442	\$132,205	\$138,570	\$145,090	\$415,865
Exec Director Benefits		\$47,955	\$39,368	\$42,304	\$45,252	\$127,024
Exec Dir Merit Pay***	\$6,600	\$6,900	\$0	\$0	\$0	\$0
Legal Services Agent	\$19,765	\$22,006	\$22,666	\$23,326	\$24,046	\$70,038
Fiscal Agent	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$36,000
Administrative Agent	\$732	\$5,000	\$5,000	\$5,000	\$5,000	\$15,000
Insurance	\$925	\$1,000	\$1,000	\$1,000	\$1,000	\$3,000
Locates	\$161,203	\$213,968	\$248,232	\$254,437	\$260,797	\$763,466
Training/Travel	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$15,000
Systems Plan Consulting	\$0	\$25,000	\$25,000	\$25,000	\$25,000	\$75,000
Marketing and Communication	\$0	\$15,000	\$15,000	\$15,000	\$15,000	\$45,000
Total	\$841,697	\$919,472	\$960,044	\$989,847	\$1,020,441	\$2,970,331

*2020 LOGIS costs include a portion of 2019 billing

**2020 Salary also includes benefits in the total

***This item was removed at the 12/2020 DBB Board meeting after the 2021 budget was adopted in 10/2020.

2022 DAKOTA BROADBAND BOARD BUDGET SUMMARY

2022 TOTAL COST PER MEMBER

The table below identifies cost per member for 2022. Changes between 2021 and 2022 reflect the addition of route miles from fiber projects which resulted in an increase in the Locates contract, and general increases/decreases in individual administrative/vendor expenses. The breakdown by member is below.

Member	DBB Operational Costs	Member and Access Fee	Total	% of Total Cost
Apple Valley	\$34,027	\$4,000	\$38,027	3.8%
Burnsville	\$113,268	\$4,000	\$117,268	11.7%
Dakota County	\$626,609	\$4,000	\$630,609	62.8%
Farmington	\$27,580	\$4,000	\$31,580	3.1%
Hastings	\$14,697	\$4,000	\$18,697	1.9%
Inver Grove Heights	\$21,500	\$4,000	\$25,500	2.5%
Lakeville	\$53,245	\$4,000	\$57,245	5.7%
Mendota Heights	\$8,775	\$4,000	\$12,775	1.3%
Rosemount	\$17,134	\$4,000	\$21,134	2.1%
South St Paul	\$22,648	\$4,000	\$26,648	2.7%
West St Paul	\$20,562	\$4,000	24,562	2.4%
Total	\$960,044	\$44,000	\$1,004,044	100%

2021 TOTAL COST PER MEMBER

For comparison purposes, the table below identifies cost per member in 2021.

Member	DBB Operational Costs	Member and Access Fee	Total	% of Total Cost
Apple Valley	\$32,938	\$4,000	\$36,938	3.8%
Burnsville	\$113,135	\$4,000	\$117,135	12.1%
Dakota County	\$594,133	\$4,000	\$598,133	62.5%
Farmington	\$26,882	\$4,000	\$30,882	3.2%
Hastings	\$15,521	\$4,000	\$19,521	2%
Inver Grove Heights	\$18,599	\$4,000	\$22,599	2.3%
Lakeville	\$55,121	\$4,000	\$59,121	6.1%
Mendota Heights	\$9,097	\$4,000	\$13,097	1.3%
Rosemount	\$17,766	\$4,000	\$21,766	2.2%
South St Paul	\$16,269	\$4,000	\$20,269	2.1%
West St Paul	\$19,968	\$4,000	23,968	2.4%
Total	\$919,472	\$44,000	\$963,472	100%

2022 DAKOTA BROADBAND BOARD BUDGET SUMMARY

Appendix A: Budget Data Points

Metropolitan Council Population Data (July 2020 Update)*

Member	2019 Est.
Apple Valley	54,400
Burnsville	62,785
Farmington	23,123
Hastings	22,962
Inver Grove Heights	35,321
Lakeville	65,381
Mendota Heights	11,747
Rosemount	25,202
South St Paul	20,744
West St Paul	21,205
Dakota County	342,870 (Total of DBB Members Only)
Total	685,740

*It is expected that the Metropolitan Council will update their population numbers in July 2021. When this is available the data will also be updated in the DBB budget; this may alter member obligations slightly.

Fiber Route Miles By Member (Projected As of September 2021)

Member	Footage	Mileage
Apple Valley	8,453	1.6
Burnsville	179,400	33.97
Dakota County	856,031	162.12
Farmington	37,158	7.03
Hastings	69	0.01
Inver Grove Heights	15,189	2.87
Lakeville	16,356	3.09
Mendota Heights	9,029	1.71
Rosemount	15,590	2.95
South St Paul	21,518	4.07
West St Paul	23,265	4.41
TOTAL	1,182,058	223.83*

Totals include fiber assets that are being maintained through the DBB and LOGIS. Members own additional fiber miles in collaboration with external partners that are being maintained through a separate agreement.

2020 Annual Report

PRESENTER(S): Carah Koch - DBB Executive Director

ACTION: Recommend Approval Receive Item/Update Other

BACKGROUND:

The 2020 Annual Report is intended to provide an overview of DBB activity in the past year. As the organization continues to mature the report will incorporate additional outcomes and measures for Board members to consider and review.

RECOMMENDATION:

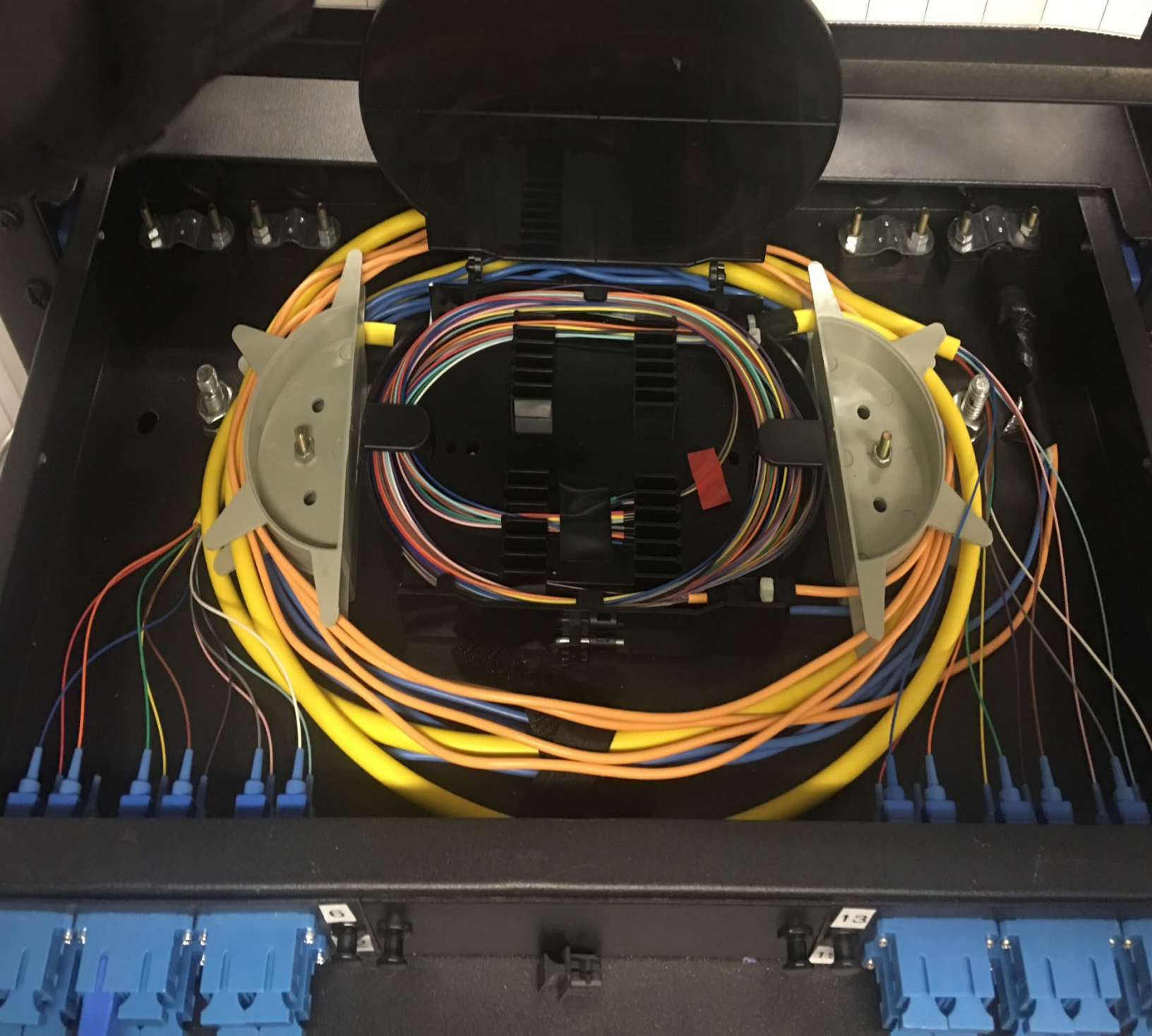
Information only; no action required.

ATTACHMENTS:

Attachment D: 2020 Annual Report

SUPPLEMENTAL DISTRIBUTION:

None



Dakota

Broadband Board

2020 Annual Report

June 2021

2020 Overview

In 2020 the Dakota Broadband Board continued to make significant strides towards its goal of connecting and serving public facilities throughout its member communities in an efficient manner. As stated in the Joint Powers Agreement, the intent of the DBB is:

- To create a high-performance institutional network for the efficient management of physical network assets owned among members (conduit, fiber, cable, etc.), and to enable more efficient and lower cost price agreements for member for a variety of IP-based services
- To utilize excess capacity to enhance business attraction, business retention, and economic development opportunities through wholesale access to private sector providers
- The DBB will not be a retail provider of services to businesses and residents in Dakota County

Project activity continued to increase in 2020 for DBB members. These projects not only improved the way that members were able to serve the public across a variety of programs and platforms, but also increased redundancy in the network to protect against unexpected interruptions and enabled members to better plan for and react to emergencies in their communities. Over 17 miles of fiber were added to the network as a result of DBB projects in 2020.



Through collaborative planning efforts and improvements in administrative processes, the organization also continued to produce effective and responsive outcomes for its members.

The broadband landscape in Dakota County in Dakota County will continue to change. At the conclusion of 2020, the DBB was in the process of considering the issuance of a Request for Proposal (RFP) to facilitate the update of its current Systems Plan. This process will help provide DBB Board members with the data needed to continue to move the organization forward in the future.

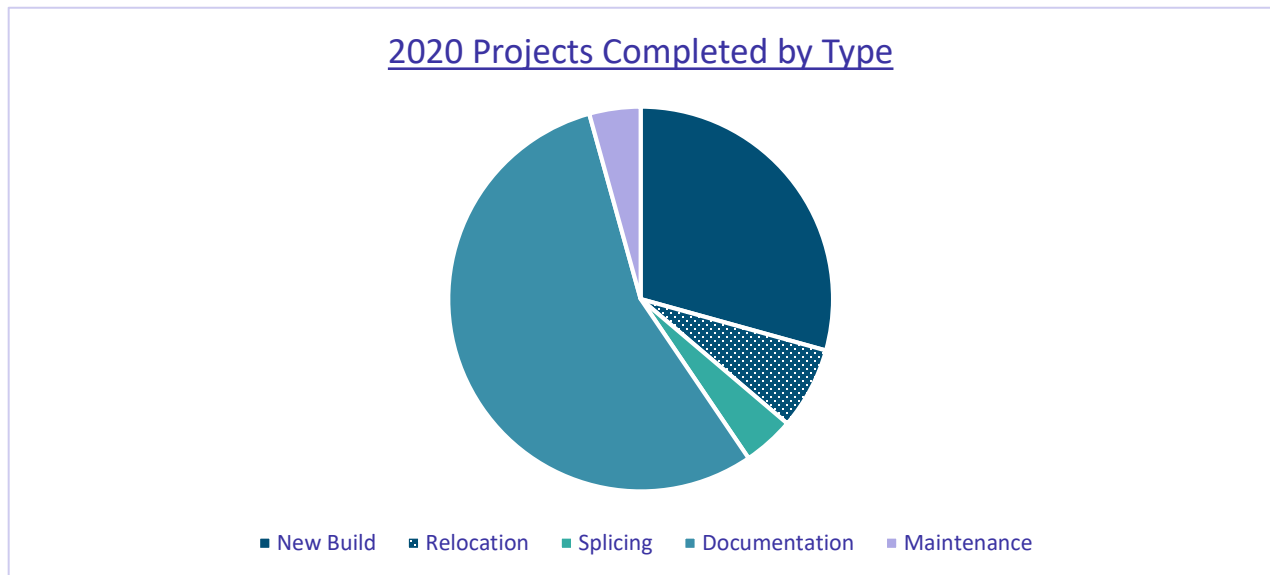
2020 DBB Primary Board Members

Mary Hamann-Roland (Apple Valley) Dan Gustafson (Burnsville)
Liz Workman (Dakota County) Joshua Hoyt (Farmington)
Tina Folch (Hastings) George Tourville (Inver Grove Heights)
Luke Hellier (Lakeville) Neil Garlock (Mendota Heights)
Bill Droste (Rosemount) Jimmy Francis (South St Paul)
Dick Vitelli (West St Paul)

DBB Projects

In 2020 116 DBB member projects were completed. Types of projects varied, and included activities such as new builds, documentation, relocations, splicing, and maintenance work. Projects centered on documentation included the capture of historical and current state data including as-built records, network diagrams, and other construction documentation to support long-term management of the network. LOGIS maintains these records for the DBB, and this information (in addition to being critical for maintenance) also supports future project builds across the county for DBB members.

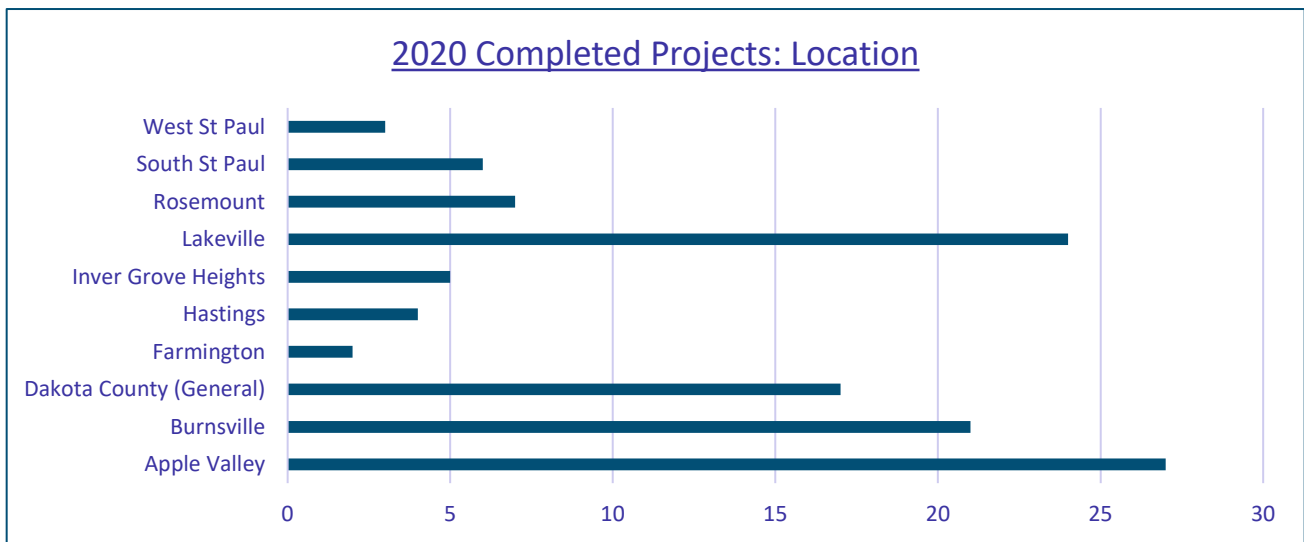
DBB projects in 2020 resulted in 92,811 feet of fiber being placed; this is over 17 additional miles of fiber in the network. In addition to the fiber that was installed, 185,622 feet of conduit was used as well as 77 handholes. Given the significant influx in federal dollars for broadband projects in recent years, sometimes it can be challenging for entities to secure critical materials as part of the project process. Through a combination of project planning, bulk purchasing and project specific orders, the DBB and its members did not encounter any significant challenges with acquiring these materials that impacted projects in 2020.



Project Planning

Fiber projects were identified by members throughout the year. In 4th quarter 2020 members also met with individually with DBB and LOGIS staff to identify projects for 2021 and forward. This process supports efficiency in project planning from a labor and materials standpoint, as well as enhances the opportunity for additional collaborative endeavors between members for future projects.

Dakota County was the project owner or a project partner in the majority (over 80%) of projects in 2020. The County's historical investment in its broadband assets supports its ongoing efforts to improve county services for all citizens, and also enables municipal DBB members to expand their fiber assets to facilitate improvements for specific city endeavors as well.



Collaboration and Partnership

Members collaborated on a number of projects throughout 2020 that resulted in cost savings, improved network functionality, and resource efficiency. By negotiating cost sharing between DBB partners for construction and future maintenance costs, members were able to reduce the overall burden for their taxpayers.

Some of these projects included:

- Fiber installation along Southview Blvd between West St Paul/South St Paul
- Installation of fiber to Fire Station #3 in Lakeville
- Fiber installation along Johnny Cake Ridge Road

In addition to partnership with other DBB members, members also engaged with non-DBB members to complete projects such as school districts, the State of Minnesota, other government and quasi-government entities, and existing internet service providers (ISPs). Through these partnerships public entities throughout the county were able to more effectively provide critical services to citizens. County residents also received enhanced access to broadband as a result of public-private partnerships and the pursuit of grants between DBB members and private sector ISPs.



These relationships with non-DBB members also significantly expand the size of the network. While DBB members owned and were responsible for maintenance on 197 route miles of fiber in 2020, the inclusion of additional fiber miles utilized through standing agreements with external entities expands the total DBB network to over 300 route miles across the county. The DBB network as a whole continued to grow and expand in size in 2020, as members moved forward with new projects. This expansion not only benefitted members through the ability to expand service provision in public buildings and sites across the county, but also improved redundancy throughout the network to help minimize or eliminate service disruptions in the future.

The DBB also received inquiries in 2020 from private sector ISPs seeking additional information regarding the potential leasing of DBB fiber to expand and enhance broadband service opportunities to citizens and businesses in Dakota County. As of the end of 2020, the DBB as an organization had not developed a plan for leasing these assets, and was in the process of seeking an update to its existing Systems Plan that would include an analysis of the current state of broadband in Dakota

County. The data collected as part of the Systems Plan update is intended to provide additional insight to DBB Board members for future Board conversation and policy discussions.

Budget Summary

2020 Budget

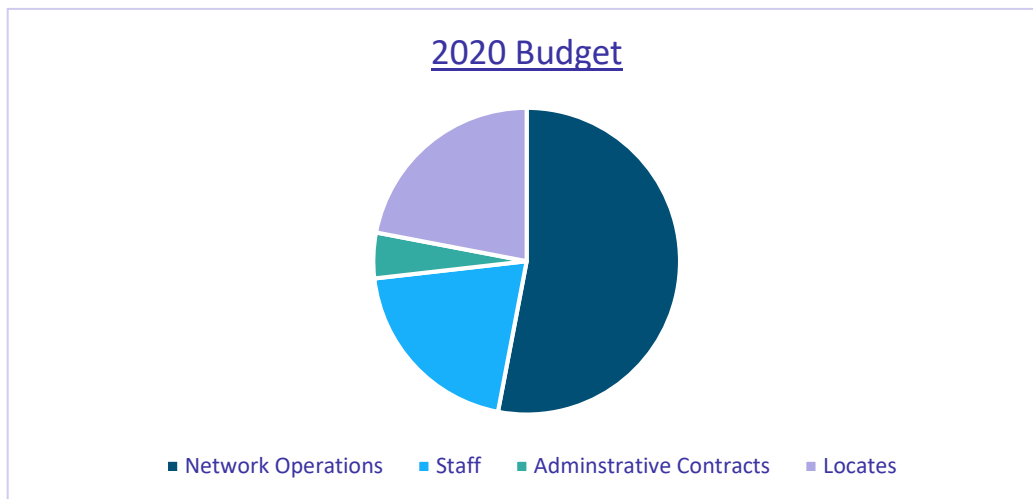
Annual costs for the DBB continued to be allocated to members based on a defined funding formula. This formula includes three elements:

- Network operations are allocated based on the member share of the total asset value of the network
- Cost of the locates contract are allocated based on the number of route miles of fiber/conduit to be located in a member community
- All other operational costs are allocated based on population

In addition to their share of the operating costs, all members pay annual access and membership fees totaling \$4,000 for use of the network.

The 2020 operational budget for the DBB was \$861,670. Administrative cost categories for 2020 included:

- LOGIS contract for Network Operations
- Contracted agreements for fiscal and legal services, as well as insurance
- Executive Director salary, benefits, and training
- Locates contract



As expected, the amount allocated for the Locates contract continued to increase. When members add to their fiber assets (whether it is fiber or conduit only) in the ground, this increases the total footage that is required to be included in the annual contract for locate services to prevent these

assets from being damaged or destroyed when construction occurs. However, due to economies of scale, DBB members continued to see savings on annual locates costs versus each member retaining its own individual contract.

\$40,000 was also allocated towards hiring a consultant to update the existing Systems Plan, but because existing contingency reserve funds were intended to be utilized for these expenses this \$40,000 was not included in the 2020 operational budget total. This work was not completed in 2020, so these funds remain in the contingency account. At the conclusion of 2020 the contingency fund balance was \$353,399.

Communication & Process Improvement

Due to the impact of COVID-19, 2020 resulted in a number of challenges and opportunities in regards to communication.

Implementation of ZOOM Platform

All DBB Board and Committee meeting converted to the ZOOM platform in early 2020 as a result of the COVID-19 pandemic. One positive outcome from this change was an increase in the volume of non-Board/Committee member attendance at the meetings. Through the use of Zoom, the DBB Board hosted presentations from incumbent ISPs during late-Spring/early Summer, as well as a presentation from the Minnesota Office of Broadband. The ability to meet virtually enabled these important connections and conversations to continue.

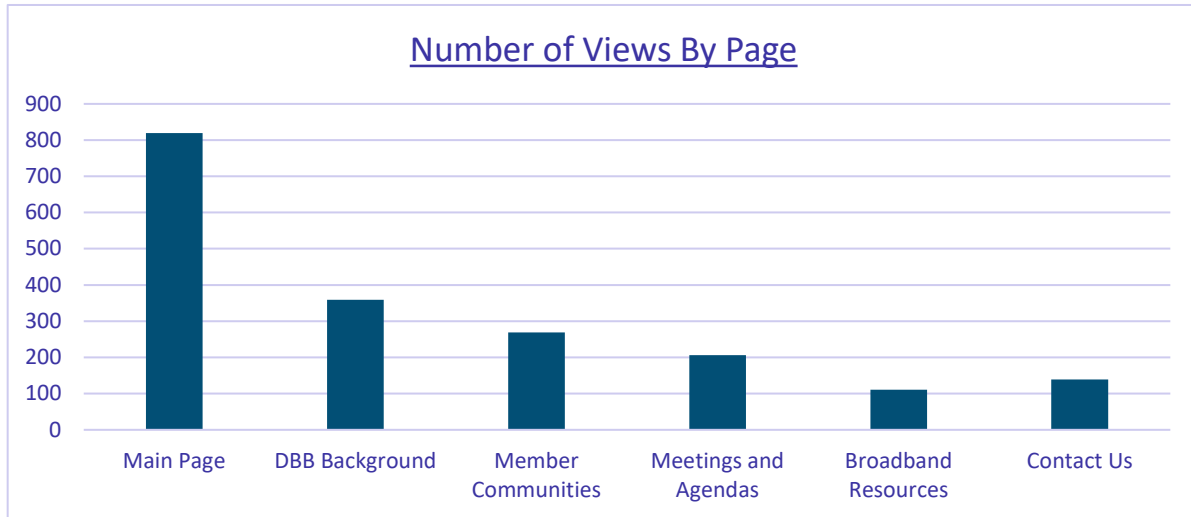


Launch of the DBB Website

The DBB launched its own website in late summer of 2020. Previously information about upcoming meeting agendas and minutes were on a page hosted on the Dakota County site. With the launch of www.dbbmn.gov, the organization now has the ability to easily share not only meeting information, but also core documents and information regarding structure and purpose, links to state broadband data and industry resources, and also an opportunity for members of the public to send questions or sign up to receive meeting notifications.

Website traffic has been increasing since the launch of the site; between August 2020 and June 2021 there have been 660 unique visitors. While 95% are from the United States (including 12 states outside of Minnesota), the site also attracted visitors from Canada, Germany, Australia, and

Singapore. The page that is focused on Broadband Resources retained visitors for the longest period of time, followed by DBB Background. In addition, members of the public have used the Contact Us page to reach out and ask questions, or sign up for meeting notices.



Process Improvement and Future Opportunities

Throughout 2020 a number of administrative changes were made to enhance overall performance in the organization. In addition to the implementation of the aforementioned website, a variety of changes and updates were made to the project process for members including modifications to the project request form and the monthly project update. These changes resulted in expanded communication, reporting, and improvement in project management activities.

In August 2020 the first Executive Committee meeting took place. The DBB Board determined that there was value in creating an additional committee to enable an enhanced review of upcoming Board topics before a full Board discussion, and also to manage administrative tasks such as the annual review for the Executive Director. Additional process changes in 2020 included the adoption of an E-Signature policy, and the update of the DBB bylaws. As the organization continues to mature, ongoing improvements in process and structure will continue.

COVID-19 highlighted the critical importance of broadband access in 2020 for residents, businesses, and organizations throughout Dakota County and its communities. Legislative activity at all levels recognized the importance of access, and as 2021 continues to progress, communities will have additional opportunities to access funding and collaborate as DBB members to ensure that county residents have the resources they need in the future.

DBB Meeting Format

PRESENTER(S): Carah Koch - DBB Executive Director

ACTION: Recommend Approval Receive Item/Update Other

BACKGROUND:

Since early 2020 the DBB Board and its committees have been meeting virtually due to Governor Walz’s Emergency Order and the ongoing impacts of COVID-19. Per previous Board discussions, members expressed interest in continuing to meet virtually. The Governor’s Emergency recently ended, and this may impact the ability of the Board/Committees to continue to meet via Zoom.

The DBB Legal Agent will be available during the meeting for discussion on this topic and to provide legal insight.

RECOMMENDATION:

None-Outcome pends conversation between Board members and the DBB Legal Agent

ATTACHMENTS:

None

SUPPLEMENTAL DISTRIBUTION:

None