

**Approved Meeting Minutes**  
**Friday, December 19, 2008**  
**9:30 a.m. to 3:00 p.m.**



**Facilitator:** Anne Losby

**Task force members in attendance:** Steve Cawley, Tom Garrison, Jack Geller, John Gibbs, JoAnne Johnson, Jack Ries (for Gopal Khanna), Rick King, Tim Lovaasen, Dan McElroy, Mike O'Connor, Vijay Sethi, Dick Sjoberg, Karen Smith, Joe Schindler (for Mary Ellen Wells), John Stanoch, Chris Swanson, Craig Taylor, Peg Werner (joined via phone), Robyn West

**Public attendees:**

**Staff in attendance:** Shirley Walz from Thomson Reuters; Diane Wells from the MN Department of Commerce.

**Opening comments; review meeting agenda – Rick King**

**11:35-12:15 Wireless Panel:** Don Brittingham – Verizon Wireless

Don Brittingham – 15 MB wireless in the next few years – that's impressive. There is the right tool for the right problem. There is a tool to make it happen – we have the technology to make it happen and that should be the focus.

Vijay Sethi - is there enough incentive there to do this in rural MN.

Don It's all about cost effectiveness – return on investment. I currently use 900 MHz may cost more – 350 per customer – a year ago 450 – next year I expect the equipment to come down in price. I can then take my assets and move them out. Eventually it will cover everyone as it will be cost effective to do so.

Randy Young – half the geography of the state is covered by the small companies. The basic premise that there are big holes in Minnesota is just not true. Where you are going to see the big holes is up in the boundary waters.

John Stanoch – this is an area where Minnesota is behind in other states, ways to incent, retooling the local service fund. You could argue that it is a failure of a free market system, if the system is not able - missed this. Should be very focused on where the gaps exist.

John Gibbs - Look at in regards to services that will help us focus on the solution. It might be accurate

Joanne Johnson – even thou we have those specific pockets we need to step back as a task force and look at services. We need to look at the entire environment. 44 billion as a new universal service fund that would juice up the multi-technology solutions and get them to different technologies. That plus the fact we need to start talking about potential solutions here. Once the maps come out we'll have a better idea about services, speeds, costs. If you talk to a lot of people and they say they don't have broadband, but you talk with them for awhile and you find out that they do have broadband

12:25 break for lunch

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**Expert Presentation** – Scott Wallsten

Senior Fellow, Georgetown Center for Business and Public Policy; Lecturer in Public Policy at Stanford University; VP for Research and a Senior Fellow, Technology Policy Institute (30 min presentation, 30 min Q&A/discussion) – took notes in his presentation.

Rick King - asked for someone to talk about what is going on in the world. Scot will present for 30 minutes and we allocated 30 minutes for discussion. We'll confine to the material that was presented.

I took my notes within his slides – see attached

Rick King – opened up for questions

Karen Smith – Referred to the graph where Scott had broadband speed – what was that based on?

Scott Wallsten – all based on adoption.

Karen Smith – Is there movement to try and improve the gathering of the data?

Scott Wallsten – Broadband data improvement act. Focused purely on mapping, but thinks that this misses the mark in that we are not looking at the low cost options to gather data.

Tom Garrison – would you recommend that we collect data in a certain way?

Scott Wallsten – Try and piggy back on the data collections that is already being done. Would what to know who does not have broadband and why they do not have.

Randy Young – sounds like what you are talking about is something that Dick Sjoberg and others are doing.

Scott Wallsten – Focus on low income – why – because there are a lot more low income people that don't have access because they cannot afford it.

Tim Lovaasen – in looking at all your data – one thing that is missing – what are all the other countries paying for high speed internet service compared to what we are paying.

Scott Wallsten – comparing prices is really hard – they'll try to normalize price by speed. If you pay \$30 per month for a 100MB – problem – price divided by speed. The connections has value to someone, but there may be different things people really value and pay for. Japan had 1 GB available. I don't know the right way to look at it.

Tim Lovaasen – that's what's in front of us – what is going to be the cost and what are the incentives

Scott Wallsten – thinks is it possible to get the cost of building out in certain areas, but then it's going to depend on - missed this.

Joe Schindler – Do you think the market will take care of some of this adoption?

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Scott Wallsten – thinks overall that the market is taking care of it but that does not mean that there are not people that are left out. Need to target a market failure or overall – missed this. Thinks there is a role for government as there are regulatory issues.

Mike O'Connor – if this were 1952 this same argument.

Scott Wallsten – We need universal help – we need roads and bridges fixed. I would not have said this in 1952 as electricity is a better comparison.

Karen Smith – do you have a view on high end users that are a drain on everyone's network. Seems there are a small number of user that use the network more – do you have an opinion?

Scott Wallsten – broadband is a platform that connects users with content. It is never clear on how to price this. May want to price in a way the congestion is imposed on the network. There may be people who have very low demands. Congestion can clearly be a problem – If something is priced all you can eat, people will eat too much, but not sure that anyone has figured out how to price this.

Chris Swanson - Have different pricing model been looked at. What hurts the long distance model?

John Stanoch – What he has found is that by just contacting the consumer they have been able to suggest and create a model that works for them. This is an issue that everyone is facing. Promoting and try to get to something that works for their needs with a pricing model that is rational.

Randy Young – thinks the whole financial structure of the network has to change – it is not sustainable.

Rick King – called on Tom Garrison to present the Revised Report Framework

Tom Garrison – Brent and Mike feel free to interject. Their direction from the last meeting g was to take the first draft and figure out what would be a reasonable flow. Had discussions about what fit where. Start first with the second page. The overall organization of the report. There was a transmittal letter from the chair. Want to get to the charge and then the chapters. Have the end notes in the chapter versus at the end of the report. Talked a lot about and heard a number of acronyms today. It is really important to give people definitions. First time you use a definition – use the full name and then the acronym. Roll up in a glossary. List of members and then the index.

The group talked about the values statement but we need to have that discussion and some of those listed before the goal of collaboration, the where we have been piece, we will hear from Mike about that.

The key piece – some will come from the mapping project. Some discussion of the unserved and also underserved. Where our competitors are and who are the leaders and where do we want to be in connection with that. The where we want to be discussion – is still in the document. If you look at the 8 points of legis.

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We go from where we want to be to how practical we want to get there or make it happen. Recommendations and policies necessary. The opportunities to collaborate and then the piece of how to pay of this. With any roadmap – unexpected things happen

Item F – this is not a one size first all – need to define the BB need by functionality. What should the state be reasonably be prepared for. At the end tally the policy recommendation and reference back to the legislation. Also record things that we have learned along the way.

The group did not come to a clear resolution on how to handle minority reports. Thought this was a decision that should be deferred until we know how many minority issues we have. Also, the group did not get to the details of formatting.

Rick King - How does the framework feel?

Craig Taylor - Is there a distinction between residential and rural?

Mike O'Connor – in section F, we could talk about the difference between residential and hospital – maybe we can build this in here.

Tom Garrison– where we want to be – this may be a

Joanne Johnson – may have discovered something to be of best practice.

Robyn West – it sounds like availability is not a huge issue. But there are issues about focus for the rural. There is so much of this that is going to be taken care of in the market place. I was in a meeting with local legislation and delegators – not going to be much money in the future. A lot of programs will be cut across the board. There are programs that are going to be cut because there are other items more critical. Imaging that there are others in the federal government that we could get money transferred if we need it. When she came here it does not seem like there are many places where it does not exist

Rick King – there is a mixed view – we have not heard from business and residents on demand side. Some views would be slightly different. When you hear from one side about the capabilities that are a number of capabilities that are . There are people that are close to the metro that do not have broadband service. We heard from the provider side, but not the demand side. To the point about the economics of the issue and we know the state was not going to be in the position that this is going to become a priority – if it was low on the list before it feel lower now. Last time post the election - it's lit up more on the national agenda. Need to be opportunistic about those things that might open up and be new in the area. Need to pay close attention to federal funding.

John Stanoch – think that we need to be open to a more robust section on business. Some of the issues that come up in a business – He'll provide any model to the business that is willing to pay the cost. Issue with those that was business speeds and want to pay residential rates.

Vijay Sethi – earlier we talked about some gaps in the rural Minnesota area. Maybe there is an issue out there. Getting the roll- **Couldn't hear him.**

Craig Taylor - Having some sort of education and there are portal that will tell you about – maybe that is part of our role. Get the information well known.

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Karen Smith – what is our access definition – no matter where we live in Minnesota is there access to my home, to my community and the second question about what is the speed.

Rick – 3 people on the task force have written in about the values. The idea of the value is for us to say I want the group to come to the conclusion about what this means. This is one of those things that we need to define – what everyone has access means – what are the values that we will have as a task force – want to reiterate the need for values from everyone and that is one of the discussions for . For the three that sent them in – thank you.

Rick King - How do we feel about the framework? Are we ok with going with this now? Anyone opposed? No one is opposed.

Rick King – this report was about if you look at the report is was very short. It's pretty much recommendations and the feedback from the report it is easy to read, this is not the direction they are going.

Mike O'Connor – talked about in the subcommittee. If you look at the outline of what they put together – the report will be too big – we may have to summarize once or even twice.

Rick King – want to make sure the group is comfortable with the approach – more powerful as long as you can get a condensed version

Tom Garrison – this was one that the governor and legislators received will and they enacted a number of items. You may need to give this to the media.

Mike O'Connor – Brent Christensen, Joanne Johnson, and I have been working on the history chapter. They have been capturing things in the Wiki – add the link to the Wiki to the notes. Is this close enough to what you were expecting?

Joanne Johnson – talking about the consensus of what people saw – what if we did one of those timeline charts in a very visual manner. Something that could be picked out.

Mike O'Connor – too many, too few, right ones, wrong ones. When we send you the link – looking for feedback on the track. What they have is the initiatives that got us to the current regulatory environment.

Tom Garrison – trying to not loose the Steve Kelley piece. Thinks the legislators will want to know what we have been before.

Karen Smith – looking at the outline, make more concise – where we've been is the timeline. What is important is where we are today.

Mike – not a total content play.

Rick King – **missed this.**

Mike O'Connor – probably one of the things we want to have – from a regulatory standpoint is how did we get here.

Joanne Johnson – make sure we insert some visual references – MTA have a chart on how things were regulated. Some of that can go into an appendix or in the body of the report.

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Mike O'Connor – a lot of this stuff can be compiled and placed online. Others will not have to search.

Tom Garrison – if you see a chart that jumps out at you or something that is creative include it.

Dick Sjoberg - Would like to see a section about initiatives

Craig Taylor – **didn't hear this.**

Mike O'Connor – technology milestones versus catalysts

Joanne Johnson – one of the big catalysts in Minnesota was ? and it grew as the number of providers grew.

Mike O'Connor – Key accessible this in one place and chronological.

Craig Taylor – one of the main common themes is that they want to understand speeds. Showing that over a timeline – not sure if you want to wrap other milestones in there.

Karen Smith – this is all going to be printed in a booklet or available online. Saving \$\$\$. Going green, using technology to present our report.

Joanne Johnson – as we see it grow, then we determine whether it gets

Linked online model and unlinked hard copy – one hesitation on totally online is that the target audience needs it in print to be able to carry around. Let's see where we go.

Mike O'Connor – will send the link to the page. You can't edit it. We are in a collection mode

Rick King – three – four things that will come out as actions.

Rick King – ask Tom Garrison, Chris Swanson, Robyn West – lead, Vijay Sethi – to think about an hour/hour 20 minutes in February. Need some metro county, rural people to talk about municipal issues. A way to get input from the cities and towns.

Mike O'Connor – suggestion - that there need to be some power users. Mike and Steve Cawley.

Karen Smith – do we need to hear from local and global companies – 3M,

Mike O'Connor – could role into the tech crowd.

Tom Garrison – might be good to look at high tech and business communities at the same time.

Joanne Johnson – need to pay attention to small business.

Rick King - Small and the home

Mike O'Connor – could role all of them into there

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Karen Smith - Small, Med. And large business

Mike, steve, John

Dick Sjoberg – working on getting broadband to loan individuals may be interesting to hear his presentation. Asked if he could have Rey Viscargy – One economy do a presentation.

Steve Cawley – Discussed meeting location for greater MN  
Top three locations - Mankato, Fergus Falls, Grand Rapids – June, July, August meetings – work this out media wise. Get the local legislators there. Picked June to be outside of session. How do people feel about locations?

Tom Garrison – the league of MN cities indicated that they would be happy to assist.

Rick King – repeated the locations.

Mike O'Connor – Blandin was also interested in assisting.

Rick King – will let Blandin know about the locations.

Peg Werner – will make sure the locations are ready

Steve Video conferencing – U of MN and MNSCU – make available their interactive links. They have agreed to do this, just a space, time and available, location issue. Have reserved 6 locations in the state – St. Paul – metro state, Rochester – common, Lake Superior College, SW State, St. Cloud state, U of M Crookston.

Rick - Have a possibility to do video conferencing for the next meeting. Do members want to give it a go?

Steve Cawley – one more feature – we can stream out and anyone can log in and watch.

Tom Garrison – when we get to that

Mike O'Connor – a big fan of the idea – it's walking the talk.

Steve Cawley – Peg offered 6 library locations that could be utilized.

Rick King – what we do want to do. Thinks the next meeting is good to discuss. Three of the four things we are going to do are internal. I think this is the perfect time. It's the start of the bad weather. Start with the 6 locations that Steve mentioned. Like to make sure if anyone is against it or we give it a shot. What we'll do if we do this – we will post where the meeting is. Get the locations. Each of you will pick the location that is close for you.

Mike O'Connor– get presentations in early and posted on the web prior to the meeting.

Steve Cawley – get power point presentations posted to the web.

Rick King – if we are recruiting the presenter – push to get the material.

Anne Losby – we should be able to control the materials up front.

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Peg Werner – I thought that we would get more public attendance to outstate areas.

Joanne Johnson – this is an excellent opportunity to write to the cities, counties, and telephone companies, if we get the message

Rick King – take the initiative to promote going out – everyone in favor.

Vijay Sethi – in favor, but know that when we have members present via telephone. Video conference can vote.

Rick King – two way communication voting is permissible. Will still have the phone dial in for those who cannot make it.

Rick King – January Mike – history  
Diane Wells – pull together values  
Peg Werner – K-12 leader on public library  
Joanne Johnson – summaries of best practices

Anne Losby – for the history report drafts and summary do you want people to review and distribute prior

Joanne Johnson – John Gibbs, Mike O’Connor, Jack Ries – 26 states – date of report, who it went to, key recommendation, programs initiated, provide them electronically on a web site that is reachable. Pulling out the statement of values, where we are today, where we want to be, how we are going to get there, tiers of service. Looking at each of those reports and pulling out best practices. It’s a summary of the summaries. E.g., how many had minority reports?

Craig Taylor – has there been any follow-up reports from these states?

Tom Garrison – CA followed up.

Joanne Johnson – Frontier just got two grants to build out in – **messed this**

John Stanoch – there have been a number of grants and loans

Craig Taylor – recommendation to say you should do XYZ and then a follow-up that did this.

Mike O’Conner– it would be great if there were staff to follow-up

Craig Taylor – were there follow-up reports

Joanne Johnson – if they are there we have them. Measurements, follow-up an

Rick King – places that have something going where progress was made. Saving everyone a lot of reading. It’s going to be great work.

Tom Garrison – on the values – follow-up e-mail after the first of the year.

Rick – Mary Ellen –

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Tim L. – report from CWA

Rick King - March – Gates foundation report – Peg has not heard anything additional McElroy and the economic development factors.

Rick – Feb Muni and county – in Feb. Had some interesting presenters today. Getting the panels takes time, but don't always we'll post the march material and actually where we are having the discussions about the issues. Start moving from presentation to the committee structure and if we get stuck bring in another presenter as needed. Be ready in Jan. to assign another chapter. Won't assign today. Those that have not had assignments think about volunteering. The net of the legal opinion as long as it is an accessible facility we can meet where we want. Other items stand. The Blandin conference – 4 of use spoke, two others in the audience – Brent Christensen & Craig Taylor. Kim Ross spoke, Mike O'Connor was in the audience. Took a lot of input. The materials will be compiled for the task-force. Expressed that trying to get service was an important part of the task force. Gave the information that there would be opportunities with the Federal Government as programs come along. Dick Sjoberg was there too.

Rick King – really appreciate the work the group is doing. It was be the low incline, if we were climbing the mountain the climb becomes the biggest challenge. We are faced with the task the more we can do outside in the sub groups, maybe look at needing to meet more than once per month. We all want to good work product that is actionable. We have 10 more meetings prior to the report being delivered. Any input on topics, send to Rick, Diane, a proposal to see if we have to have more meetings. Divide and concur sub groups – we can still make it where.

Motion to adjourn – 3:10 p.m.