



# Board of County Commissioners Agenda Request

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Agenda Item #

**Requested Meeting Date:** August 22, 2017

**Title of Item:** Approve Aitkin County Broadband Grant

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| <input checked="" type="checkbox"/> REGULAR AGENDA<br><input type="checkbox"/> CONSENT AGENDA<br><input type="checkbox"/> INFORMATION ONLY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Action Requested:</b><br><input checked="" type="checkbox"/> Approve/Deny Motion<br><input type="checkbox"/> Adopt Resolution (attach draft) | <input type="checkbox"/> Direction Requested<br><input type="checkbox"/> Discussion Item<br><input type="checkbox"/> Hold Public Hearing*<br><small>*provide copy of hearing notice that was published</small> |
| <b>Submitted by:</b><br>Ross Wagner                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                 | <b>Department:</b><br>Economic Development & Forest Ind                                                                                                                                                        |
| <b>Presenter (Name and Title):</b><br>Ross Wagner, Economic Development & Forest Industry Coordinator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                 | <b>Estimated Time Needed:</b><br>20 Minutes                                                                                                                                                                    |
| <b>Summary of Issue:</b><br><p>Aitkin County initially received 4 applications for the Aitkin County Broadband Grant program. At the July 25th County Board meeting the Board awarded a \$100,000 grant to SCI Broadband for there requested \$150,000 to provide a Fiber to the Premise Network (FTTP) in the Bridge Road area of Big Sandy Lake. At the same meeting, preliminary approval for a \$50,000.00 grant award was given to Mille Lacs Energy Coop and CTC for the Farm Island and Pine Lake areas. The award was preliminary since the original request was also for \$150,000.00 and the companies needed to determine if financially they could make a grant of \$50,000.00 work and still provide service to the same area although a smaller area. After much study and number crunching, they have declined the \$50,000.00 grant award.</p> <p>A third proposal that was received and very highly regarded by the Economic Development Committee, was also submitted by SCI Broadband. Which was for the Mille Lacs Lake north shore in Wealthwood Township. The request was for \$112,040.00. SCI Broadband would commit to the full Wealthwood project with the \$50,000.00 grant that MLEC/CTC were not able to utilize if awarded to them. The original application is attached.</p> <p>It is the recommendation of the Economic Development Committee that the remaining \$50,000.00 from the 2017 Aitkin County Broadband Grant be awarded to SCI Broadband for a FTTP network in Wealthwood Township. This is a great project for Aitkin County and the Mille Lacs area, among many others, is in great need of additional broadband capabilities.</p> <p>The Bridge Road application is also attached for reference. All told our \$150,000 investment would leverage an additional \$241,264 of private investment in Aitkin County Broadband infrastructure.</p> |                                                                                                                                                 |                                                                                                                                                                                                                |
| <b>Alternatives, Options, Effects on Others/Comments:</b><br><br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                 |                                                                                                                                                                                                                |
| <b>Recommended Action/Motion:</b><br>Approve grant recommendations of Economic Development Committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                 |                                                                                                                                                                                                                |
| <b>Financial Impact:</b><br>Is there a cost associated with this request? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br>What is the total cost, with tax and shipping? \$ 50,000.00<br>Is this budgeted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>Please Explain:</i><br>Previous board action set aside \$450,000.00 from Economic Development Fund for this purpose.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                 |                                                                                                                                                                                                                |

# Aitkin County Broadband Development Grant Application Form

**Project Title:** Aitkin County (Wealthwood)

**Name of Applicant Organization:** Savage Communications Inc. DBA SCI Broadband

**Applicant Primary Contact Person:** Scott Savage

Applicant Address: 111 Tobies Mill Pl

City: Hinckley Zip Code: 55037

Telephone Number: 320-384-7442 Ext. 708 Email Address: ssavage@scicable.com

**Authorized Signature:** 

By signing this application on behalf of the above organization I am agreeing that I have the authority to do so and that all information contained in this application is true and accurate.

**Description of your project, area to be covered, speeds that will be obtained now and in the future:**

*This project would include passing 283 homes and 3 Businesses with FTTH (Fiber to the Home) within Wealthwood Township located in Aitkin County, MN. See attached map. SCI would offer residential customers with Internet speeds up to 250Mbps/20Mbps with infrastructure designed for up to 1Gig. Digital Phone service with unlimited long distance calling and Digital Cable TV services. Businesses will have access to dedicated Internet services up to 10Gig and phone service solutions including Hosted PBX and SIP Trunking. Below is our current residential speed offerings and Pricing.*

*Performance 5Mbps/1Mbps - \$34.95*

*Performance Plus 30Mbps/3Mbps - \$49.94*

*Performance Ultra 60Mbps/6Mbps - \$64.95*

*Performance Ultra 100Mbps/10Mbps - \$79.95*

*Performance Ultra 250Mbps/20Mbps - \$149.95*

**Description of need, why are Aitkin County funds necessary to complete this project:**

*SCI has been servicing rural communities in East Central and Northern Minnesota for over 30 years and with our experience the estimate of return for this project is low do to the low density and seasonal residents within the project area. See attached project costs and funding projections. The Aitkin Broadband grant would move the project into organizational return on investment expectations.*

**Provide information on any activities planned to actively promote the adoption of broadband services in the project area when the services become available:** Include a description on any marketing and training programs on broadband applications for residents, businesses and institutions in the areas served by the project.

*When project is nearing completion we plan to do a canvass marketing campaign for the homes passed within the project area including Direct Mailers, Door Tags and Signage.*

**Grant request amount:** How much funding are you seeking from the Aitkin County Broadband Development Grant Program for this project? How much are you committing?

**Total cost of project:** \$224,084.00

**Local/Provider match provided:** \$112,042.00

**County Funds Applied for:** \$112,042.00

**Other Funds applied for or anticipating to apply for:** \$0

**What is the source of these funds:** *SCI Corporation Cash and Senior Debt.*

**General Time Frame of Grant Project:**

*Starting upon approval of the broadband grant and execution of an agreement between parties; then ending within 12 months of said agreement*

**Location(s) of your project:**

In addition to the written location information supplied above, you must provide a map of the project area, including geographical boundaries and road segments where broadband will be provided. Include the service area boundaries and also include place names, boundaries, buildings, road/street names, street addresses, or other features that clearly identify the project coverage area. Please be clear and concise and add any other information you feel is pertinent. *See Attached Map*

**Total number of eligible properties to be served:**

Provide information on what properties will be eligible for broadband under this project. Include what broadband speeds will be available to that property and what if any options for scalability there is. This can be provided on the map requirement above or on a separate map. Information that needs to be provided;

- Number of and location of properties that will be able to receive service of at least 10Mbps down and 5Mbps upload as a result of this broadband development grant project.
- Number of and location of properties that will be receiving less than 10Mbps down and 5Mbps upload but will be scalable to meet those speeds in the near future.
- Number of locations that will be receiving less than 10Mbps down and 5Mbps upload now and into the future.
- What is your estimated time table to meet 10Mbps down and 5Mbps upload for those properties not meeting those speeds.
- Provide a three year work plan as it relates to your planned work in Aitkin County, it is our intention to not duplicate services in the same area. *See Attached Map*

**Project Costs,** Attach a list or schedule of all project elements including materials, equipment, design services, etc. to be purchased for the project. This will be used to determine the applicants match for this grant request. *See Attached List of Projected Costs*

**Attachments:** Please attach any additional information or use attachments for the application questions. Label each attachment for the question you are intending to provide information on.



## Aitkin County Development Broadband Grant Application

### Project Cost and Funding Projections

#### Area: Mille Lacs (Wealthwood)

**Homes Passed Data:**

|                      |              |
|----------------------|--------------|
| Homes Passed (HP)    | 286          |
| Homes Per Mile       | 39           |
| Cost Per Home Passed | <b>\$784</b> |
| Cost Per Subscriber  | \$1,567      |

**Financial Data:**

| <u>Gross Revenue</u>   | <u>Month</u> | <u>HP</u> | <u>Subscribers</u> | <u>Avg MRC</u> | <u>Annualized</u> |
|------------------------|--------------|-----------|--------------------|----------------|-------------------|
| Subscriber (Permanent) | 12           | 20%       | 57                 | \$55           | \$37,512          |
| Subscriber ( Seasonal) | 6            | 30%       | <u>86</u>          | \$55           | <u>\$28,134</u>   |
|                        |              |           | 143                |                | \$65,646          |

EBITA (22% of Gross Revenue) \$14,442

Tax \$712

Capital Improvement (Escrow) \$296

|              |           |             |                   |
|--------------|-----------|-------------|-------------------|
|              |           | <u>Term</u> | <u>Annualized</u> |
| Depreciation | \$112,042 | 10          | \$11,204          |

| <u>Funding Sources</u>    |     | <u>Outlay</u>  | <u>Term</u> | <u>Rate</u> | <u>Annualized Payment</u> |
|---------------------------|-----|----------------|-------------|-------------|---------------------------|
| Grant                     | 50% | 112,042        | NA          | NA          | NA                        |
| Savage Communications Inc | 5%  | 11,204         | NA          | NA          | NA                        |
| Senior Debt               | 45% | <u>100,838</u> | 10          | 6%          | \$13,434                  |
| <b>Total</b>              |     | <b>224,084</b> |             |             |                           |

**Capital Outlay Data:**

| <u>Hub Equipment</u> | <u>Type</u> | <u>Cost</u> | <u>Quantity</u> |         |
|----------------------|-------------|-------------|-----------------|---------|
| OTN Cabinet          | Unit        | \$4,500     | 1               | \$4,500 |
| UPS                  | Unit        | \$1,500     | 1               | \$1,500 |
| Backup Battery       | Unit        | \$985       | 1               | \$985   |
| Chassis/wPS          | Unit        | \$769       | 1               | \$769   |
| Forward Transmitter  | Unit        | \$3,610     | 1               | \$3,610 |
| EDFA (8 Port)        | Unit        | \$8,892     | 1               | \$8,892 |

|                    |      |         |   |                |
|--------------------|------|---------|---|----------------|
| EDFA (2 Port)      | Unit | \$2,250 | 1 | \$2,250        |
| WDM                | Unit | \$200   | 4 | \$800          |
| Return Transmitter | Unit | \$700   | 3 | \$2,100        |
| Receiver           | Unit | \$535   | 4 | <u>\$2,140</u> |
| Net                |      |         |   | \$27,546       |

| <u>Plant Infrastructure</u> | <u>Type</u> | <u>Cost</u> | <u>Quantity</u> |                |
|-----------------------------|-------------|-------------|-----------------|----------------|
| Engineering/Field Staking   | Mile        | \$600       | 7               | \$4,369        |
| Last Mile Fiber Cable       | Foot        | \$0.25      | 38444           | \$9,611        |
| Labor                       | Foot        | \$1.35      | 38444           | \$51,899       |
| Pedestal                    | Unit        | \$100       | 145             | \$14,500       |
| Optical Splice Case (Large) | Unit        | \$122       | 9               | \$1,090        |
| Optical Splice Case (Small) | Unit        | \$57        | 136             | \$7,756        |
| Optical Splitter 1x32       | Unit        | \$679       | 9               | <u>\$6,069</u> |
| Net                         |             |             |                 | \$95,294       |

| <u>Installation/CPE Equipment</u> | <u>Type</u> | <u>Cost</u> | <u>Quantity</u> |                 |
|-----------------------------------|-------------|-------------|-----------------|-----------------|
| Drop Fiber Cable                  | Foot        | \$0.15      | 57200           | \$8,580         |
| Labor                             | Foot        | \$0.65      | 57200           | \$37,180        |
| Demarcation Box                   | Unit        | \$33        | 143             | \$4,719         |
| ONU                               | Unit        | \$155       | 143             | \$22,165        |
| Modem                             | Unit        | \$80        | 143             | \$11,440        |
| Activation                        | Unit        | \$120       | 143             | <u>\$17,160</u> |
| Net                               |             |             |                 | \$101,244       |

Total (Capital Outlay) **\$224,084**

| <u>Map Data:</u> | <u>HP</u> | <u>Footage</u> | <u>Pedestal</u> |
|------------------|-----------|----------------|-----------------|
| D4MA100DATA      | 32        | 7372           | 22              |
| D5MA100DATA      | 165       | 18671          | 76              |
| D6MA100DATA      | 71        | 9962           | 38              |
| E4MA100DATA      | 18        | 2439           | 9               |
|                  | 286       | 38444          | 145             |

| <u>Drop Data:</u> |          |
|-------------------|----------|
| Average Distance  | 400      |
| Drop Labor Cost   | \$260.00 |

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# Aitkin County Broadband Development Grant Application Form

**Project Title:** Big Sandy (Bridge Road)

**Name of Applicant Organization:** Savage Communications Inc. DBA SCI Broadband

**Applicant Primary Contact Person:** Scott Savage

Applicant Address: 111 Tobies Mill Pl

City: Hinckley Zip Code: 55037

Telephone Number: 320-384-7442 Ext. 708 Email Address: ssavage@scicable.com

**Authorized Signature:** 

By signing this application on behalf of the above organization I am agreeing that I have the authority to do so and that all information contained in this application is true and accurate.

**Description of your project, area to be covered, speeds that will be obtained now and in the future:**

*This project would include passing 323 homes and 1 Businesses with FTTH (Fiber to the Home) within Shamrock Township located in Aitkin County, MN. See attached map. SCI would offer residential customers with Internet speeds up to 250Mbps/20Mbps with infrastructure designed for up to 1Gig, Digital Phone service with unlimited long distance calling and Digital Cable TV services. Businesses will have access to dedicated Internet services up to 10Gig and phone service solutions including Hosted PBX and SIP Trunking. Below is our current residential speed offerings and Pricing.*

*Performance 5Mbps/1Mbps - \$34.95*

*Performance Plus 30Mbps/3Mbps - \$49.94*

*Performance Ultra 60Mbps/6Mbps - \$64.95*

*Performance Ultra 100Mbps/10Mbps - \$79.95*

*Performance Ultra 250Mbps/20Mbps - \$149.95*

**Description of need, why are Aitkin County funds necessary to complete this project:**

*SCI has been servicing rural communities in East Central and Northern Minnesota for over 30 years and with our experience the estimate of return for this project is low do to the low density and seasonal residents within the project area. See attached project costs and funding projections. The Aitkin Broadband grant would move the project into organizational return on investment expectations.*

**Provide information on any activities planned to actively promote the adoption of broadband services in the project area when the services become available:** Include a description on any marketing and training programs on broadband applications for residents, businesses and institutions in the areas served by the project.

*When project is nearing completion we plan to do a canvass marketing campaign for the homes passed within the project area including Direct Mailers, Door Tags and Signage.*



**Grant request amount:** How much funding are you seeking from the Aitkin County Broadband Development Grant Program for this project? How much are you committing?

**Total cost of project:** \$258,448.00

**Local/Provider match provided:** \$129,224.00

**County Funds Applied for:** \$129,224.00

**Other Funds applied for or anticipating to apply for:** \$0

**What is the source of these funds:** *SCI Corporation Cash and Senior Debt.*

**General Time Frame of Grant Project:**

*Starting upon approval of the broadband grant and execution of an agreement between parties; then ending within 12 months of said agreement*

**Location(s) of your project:**

In addition to the written location information supplied above, you must provide a map of the project area, including geographical boundaries and road segments where broadband will be provided. Include the service area boundaries and also include place names, boundaries, buildings, road/street names, street addresses, or other features that clearly identify the project coverage area. Please be clear and concise and add any other information you feel is pertinent. *See Attached Map*

**Total number of eligible properties to be served:**

Provide information on what properties will be eligible for broadband under this project. Include what broadband speeds will be available to that property and what if any options for scalability there is. This can be provided on the map requirement above or on a separate map. Information that needs to be provided;

- Number of and location of properties that will be able to receive service of at least 10Mbps down and 5Mbps upload as a result of this broadband development grant project.
- Number of and location of properties that will be receiving less than 10Mbps down and 5Mbps upload but will be scalable to meet those speeds in the near future.
- Number of locations that will be receiving less than 10Mbps down and 5Mbps upload now and into the future.
- What is your estimated time table to meet 10Mbps down and 5Mbps upload for those properties not meeting those speeds.
- Provide a three year work plan as it relates to your planned work in Aitkin County, it is our intention to not duplicate services in the same area. *See Attached Map*

**Project Costs,** Attach a list or schedule of all project elements including materials, equipment, design services, etc. to be purchased for the project. This will be used to determine the applicants match for this grant request. *See Attached List of Projected Costs*

**Attachments:** Please attach any additional information or use attachments for the application questions. Label each attachment for the question you are intending to provide information on.





## Aitkin County Development Broadband Grant Application

### Project Cost and Funding Projections

#### Area: Big Sandy (Bridge Road)

**Homes Passed Data:**

|                      |              |
|----------------------|--------------|
| Homes Passed (HP)    | 324          |
| Homes Per Mile       | 37           |
| Cost Per Home Passed | <b>\$798</b> |
| Cost Per Subscriber  | \$1,595      |

**Financial Data:**

| <u>Gross Revenue</u>   | <u>Month</u> | <u>HP</u> | <u>Subscribers</u> | <u>Avg MRC</u> | <u>Annualized</u> |
|------------------------|--------------|-----------|--------------------|----------------|-------------------|
| Subscriber (Permanent) | 12           | 20%       | 65                 | \$55           | \$42,496          |
| Subscriber ( Seasonal) | 6            | 30%       | <u>97</u>          | \$55           | <u>\$31,872</u>   |
|                        |              |           | 162                |                | \$74,368          |

EBITA (22% of Gross Revenue) \$16,361

Tax \$756

Capital Improvement (Escrow) \$110

|              |           |             |                   |
|--------------|-----------|-------------|-------------------|
|              |           | <u>Term</u> | <u>Annualized</u> |
| Depreciation | \$129,224 | 10          | \$12,922          |

| <u>Funding Sources</u>    |     | <u>Outlay</u>    | <u>Term</u> | <u>Rate</u> | <u>Annualized Payment</u> |
|---------------------------|-----|------------------|-------------|-------------|---------------------------|
| Grant                     | 50% | \$129,224        | NA          | NA          | NA                        |
| Savage Communications Inc | 5%  | \$12,922         | NA          | NA          | NA                        |
| Senior Debt               | 45% | <u>\$116,302</u> | 10          | 6%          | \$15,494                  |
| Total                     |     | \$258,448        |             |             |                           |

**Capital Outlay Data:**

| <u>Hub Equipment</u> | <u>Type</u> | <u>Cost</u> | <u>Quantity</u> |         |
|----------------------|-------------|-------------|-----------------|---------|
| OTN Cabinet          | Unit        | \$4,500     | 1               | \$4,500 |
| UPS                  | Unit        | \$1,500     | 1               | \$1,500 |
| Backup Battery       | Unit        | \$985       | 1               | \$985   |
| Chassis/wPS          | Unit        | \$769       | 1               | \$769   |
| Forward Transmitter  | Unit        | \$3,610     | 1               | \$3,610 |
| EDFA (8 Port)        | Unit        | \$8,892     | 1               | \$8,892 |
| EDFA (2 Port)        | Unit        | \$2,250     | 1               | \$2,250 |

|                    |      |       |   |                |
|--------------------|------|-------|---|----------------|
| WDM                | Unit | \$200 | 4 | \$800          |
| Return Transmitter | Unit | \$700 | 3 | \$2,100        |
| Receiver           | Unit | \$535 | 4 | <u>\$2,140</u> |
| Net                |      |       |   | \$27,546       |

| <u>Plant Infrastructure</u> | <u>Type</u> | <u>Cost</u> | <u>Quantity</u> |                |
|-----------------------------|-------------|-------------|-----------------|----------------|
| Engineering/Field Staking   | Mile        | \$600       | 9               | \$5,239        |
| Last Mile Fiber Cable       | Foot        | \$0.25      | 46101           | \$11,525       |
| Labor                       | Foot        | \$1.35      | 46101           | \$62,236       |
| Pedestal                    | Unit        | \$100       | 189             | \$18,900       |
| Optical Splice Case (Large) | Unit        | \$122       | 10              | \$1,235        |
| Optical Splice Case (Small) | Unit        | \$57        | 179             | \$10,196       |
| Optical Splitter 1x32       | Unit        | \$679       | 10              | <u>\$6,875</u> |
| Net                         |             |             |                 | \$116,206      |

| <u>Installation/CPE Equipment</u> | <u>Type</u> | <u>Cost</u> | <u>Quantity</u> |                 |
|-----------------------------------|-------------|-------------|-----------------|-----------------|
| Drop Fiber Cable                  | Foot        | \$0.15      | 64800           | \$9,720         |
| Labor                             | Foot        | \$0.65      | 64800           | \$42,120        |
| Demarcation Box                   | Unit        | \$33        | 162             | \$5,346         |
| ONU                               | Unit        | \$155       | 162             | \$25,110        |
| Modem                             | Unit        | \$80        | 162             | \$12,960        |
| Activation                        | Unit        | \$120       | 162             | <u>\$19,440</u> |
| Net                               |             |             |                 | \$114,696       |

Total (Capital Outlay) **\$258,448**

| <u>Map Data:</u> | <u>HP</u> | <u>Footage</u> | <u>Pedestal</u> |
|------------------|-----------|----------------|-----------------|
| A4MC100DATA      | 194       | 32699          | 108             |
| A5MC100DATA      | 31        | 2283           | 31              |
| H4JA100DATA      | 37        | 5312           | 19              |
| H5JA100DATA      | 62        | 5807           | 31              |
|                  | 324       | 46101          | 189             |

| <u>Drop Data:</u> |          |
|-------------------|----------|
| Average Distance  | 400      |
| Drop Labor Cost   | \$260.00 |

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Scott Savage (SCI Broadband):

We are writing this letter in support of activities designed to bring SCI Broadband to our Big Sandy Lake/McGregor area and specifically, to our location on Big Island which is known historically as Bridge Road. It is our understanding that SCI is investigating expanding their service if it is successful in obtaining Aitkin County grant money available for improving broadband service to areas underserved by internet providers. That description certainly describes our residence on Bridge Road.

We are currently customers of Frontier internet which provides DSL service over existing phone lines. While I won't go into great detail, I will say that our existing Frontier speed of 1.4 Mbps at a cost of \$49/month is totally unacceptable. We have tried for months to improve our inadequate internet speed and reliability with Frontier only to meet with pushback from the company. It seems Frontier is very reluctant to upgrade their infrastructure on Bridge Road, despite the fact that Big Island is very densely populated with middle to upper income lakehomes and seasonal cabins. Our frustrating experiences with Frontier are best reflected in an article written by a former Frontier call center employee:

<https://badbusinesspracticesfrontier.wordpress.com/2014/06/02/exposing-frontiers-bad-business-2/>

There are a few alternative internet providers, such as cell-based Verizon and satellite-based Exede, but because of their monthly cap on data and cost, they are not the best choice for us. We are retired professionals who rely very heavily on a robust and reliable broadband speed to power our multiple computers, IP security cameras, voice-over-internet phone and residential security system in addition to the streaming content provided by Netflix, Amazon and Direct TV. It is our opinion that a connection to SCI's fiber network would easily satisfy those needs.

In terms of TV service, we are considered a "fringe" area where receiving antenna digital signals from TV stations in Duluth and the Iron Range are quite inconsistent. Your cable TV service is therefore enticing to us.

In summary, we would like to offer our support to improve the broadband service to Big Island/Bridge Road. We are anxious to take advantage of the e-commerce, continuing education, entertainment and communications technologies that a powerful broadband service, such as SCI, can provide. Please feel free to contact us in any way that we might provide assistance for this endeavor.

Best regards,

Grant and Kathy Garriott  
51130 207<sup>th</sup> Place  
McGregor, MN 55760  
218/426-3448 (landline)

CC:

Dale Lueck – MN House of Representatives (District 10B)

Ron Smith – Shamrock Township Supervisor

Jack Brula – Shamrock Township and McGregor School District

Janet Hill – Big Sandy Lake Association Board of Directors

