

# COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE MEETING MINUTES

May 14, 2024 – 6:30 pm

Chairman Dan Carncross called the meeting to order at 6:30 pm. City Administrator Leone called roll to establish a quorum. Committee members present: Chairman Dan Carncross, Alderman Jay Schulz, Alderwoman Lori Lancaster and Alderwoman Rosa Luna. Also present were Mayor Kelly, Alderman Charles Gorman, City Administrator Lou Leone and Community Development Director Donovan Day.

**Public Comment**

Chairman Carncross opened the floor to public comment for any item not on the agenda. There were none.

**RFP Broadband Feasibility Study – Review Proposals**

City Administrator Leone presented the proposals for the Broadband Feasibility Study; all submitted proposals were posted on the website with the two lowest included in the agenda packet. Surf Internet is a viable alternate option. The budgeted amount for broadband was \$200,000 from ARPA funds with approximately \$60,000 budgeted for the feasibility study.

	DesignNine	Essentia	Finley	Bonfire	Tribal	EN Engineering	Denman	Mission	Uptown Services
Demand for Broadband service	\$18,500.00	\$13,600.00	\$25,600.00	\$26,808.84	\$21,400.00	\$23,139.00	\$4,500.00	\$12,825.00	
Education/community engagement plan	\$17,500.00	\$10,200.00	\$25,300.00	\$24,054.01	\$25,600.00	\$12,600.00	\$22,850.00	\$16,200.00	
Engineering Design Options	\$18,325.00	\$17,000.00	\$8,350.00	\$18,896.98	\$38,700.00	\$25,200.00	\$22,000.00	\$90,500.00	
Broadband Model Option(s) recommendation	\$17,650.00	\$17,000.00	\$16,250.00	\$23,002.81	\$93,300.00	\$16,800.00	\$15,000.00	\$22,500.00	
Capital Funding options	\$13,435.00	\$6,800.00	\$19,400.00	\$17,473.10	\$18,500.00	\$7,250.00	\$7,500.00	\$8,100.00	
MISC				\$15,085.26		\$8,000.00	\$46,500.00	\$46,350.00	
Total Cost prof. Services	\$85,410.00	\$64,600.00	\$94,900.00	\$125,321.00	\$197,500.00	\$92,989.00	\$118,350.00	\$196,475.00	\$135,000.00
Optional	\$5,370.00			\$62,500.00					\$36,000.00
Total Cost w/optional	\$90,780.00	\$64,600.00	\$94,900.00	\$187,821.00	\$197,500.00	\$92,989.00	\$118,350.00	\$196,475.00	\$171,000.00
Projected Timeframe (months)	5	4	5	8	5	6	5	5	8
Notes								Plus Travel	Lump Sum

Ranked by Price	Company	Cost
	Essentia	\$64,600.00
	DesignNine	\$90,780.00
	EN Engineering	\$92,989.00
	Finley	\$94,900.00
	Denman	\$118,350.00
	Uptown Services	\$171,000.00
	Bonfire	\$187,821.00
	Mission	\$196,475.00
	Tribal	\$197,500.00

Alderman Gorman indicated he reviewed all of the submitted proposals. Both Design Nine and EN Engineering did a specific break out by task; both companies are third party. He thought the City should do the first two tasks: demand for broadband service (survey/study) and education and community engagement which could be done at a cost of \$35K. The Committee discussed whether to move forward with a City-owned fiber network or with a provider(s) who would bring fiber network into the community.

Alderman Schulz recommended that the item be tabled until after the Surf Internet discussion. Subsequent to the discussion, a motion was made by Alderman Schulz, seconded by Alderman Carncross to table the RFP Broadband Feasibility Study for an indefinite period of time. All ayes. Motion carried.

**Surf Internet Discussion**

Jennifer Alvarez, Surf Internet, gave a presentation and history relative to broadband internet and bringing fiber to the community. She has been working to get access to this area since 2021.

- At Alderman Gorman’s inquiry, Jennifer stated they are privately funded; they also seek state grants to reach rural areas outside of City borders. The typical charge for their internet package is approximately \$95 per month; the 2-gig service comes with 2 modems.
- At Alderman Schulz’ inquiry, Jennifer said that as a provider, all they need to move forward is approval of the permitting process. They would prefer a blanket permit as opposed to phase permits to keep the project going; each phase takes about a month to go live.

- Alderman Carncross confirmed that the infrastructure is being provided at no cost to the resident.
- Assuming it's in the design area and within the plant reach, it is feasible for Surf Internet to provide service and connection to a new business.
- City Administrator Leone related that Surf Internet will install connection points to municipal buildings and the parks with potential free Wi-Fi in the downtown and in the parks; this will also help access security cameras. He said that while municipal internet is a viable option, it is cost prohibitive. Associated costs incurred by the City would include buying equipment and fiber line, creating another department, hiring/training staff, billing management, insurance and infrastructure maintenance; outsourcing is a possibility. It would take less than a year for Surf Internet to wire the entire City whereas municipal internet would take 14-18 months at a minimum.
- Mayor Kelly said the grand goal is to get fiber into the community. Prior to Surf Internet coming on scene, there was no other way forward other than creating a municipal internet. If a private party can give residents and businesses the infrastructure they want and it can be done more efficiently and faster, he would recommend considering it.

The general consensus was to forward the permitting process for Surf Internet to the City Council on May 28<sup>th</sup>. Jennifer will contact the City Administrator to schedule a Pre-Design meeting prior to the City Council Meeting which will help define details and the timeline.

Mayor Kelly indicated that staff is preparing options for eligible projects for use of the ARPA funds.

### **Revolving Loan Fund Policy**

Director Day reviewed his memo outlining the Economic Development Loan Program (EDLP) and the application process that was developed in conjunction with Attorney Clifton. The policy adds City Council approval upon staff review/recommendation. The loans will be offered with an annual interest rate of ½ of the current market rate, but no less than 3%, for the duration of the loan. Alderman Schulz brought up discussion about reducing the interest rate to 2%. The Mayor and City Administrator noted that the 3% interest rate will go back into the fund to help grow the fund. After further discussion, a motion was made by Alderman Schulz, seconded by Alderwoman Lancaster to submit the EDLP to the City Council for approval as presented. All ayes. Motion carried.

### **New Business**

- Alderman Schulz brought up discussion of starting some sort of mural art program within the community; he referred to the area behind DC Cobb's in Woodstock where they have an area with a wall that has panels of art. Also an "Art in the Alley" project in Munising, MI that has individual paintings in the alley. Alderman Schulz noted that funds were previously allocated for a mural program than never went through. He suggested investigating starting some sort of Art Council to move forward with the concept; his preference was to drive art with "cows". The Mayor, City Administrator and Director Day recently met to discuss festoon type lighting across Ayer St. and other ways to build a creative economy. Staff was given direction to set up parameters and draft some type of policy program for the Committee's review.
- City Administrator Leone reported that Director Day is placing challenge coins near an artifact in the community to give residents an opportunity to earn challenge coins.
- Director Day reported that A State of the City for business owners has been scheduled for June 17, time and location TBD, to provide goals of the City Council and staff and to get business feedback/input. Mayor Kelly indicated this will be geared to small businesses.
- Director Day reported that Starbucks has submitted their plans; a meeting is scheduled to discuss engineering comments.
- The City is working on many other projects in various degrees of preparation.

A motion was made by Alderwoman Luna, seconded by Alderwoman Lancaster to adjourn the meeting. All ayes. Motion carried.

Meeting adjourned at 8:02 pm.

Submitted by:  
Chairman Dan Carncross