



**MARATHON COUNTY
BROADBAND TASK FORCE MEETING
AGENDA**

Date & Time of Meeting: **Monday, June 24, 2024 at 3:00 P.M.**

Meeting Location: **Assembly Room, Marathon County Courthouse, 500 Forest St, Wausau, WI**

Task Force Members: Chair John Robinson, Michael Ritter, Brandon Jensen, Jasper Hartinger, Randy Radtke, Jordan Reynolds, Jon Euting, Eric Budleski, Milton Olson, Valerie Carrillo

Task Force Purpose: *Develop recommendations identifying the potential role of Marathon County in facilitating the expansion of Broadband access in Marathon County. Review the Report: Broadband for Marathon County Broadband Assessment and Plan prepared by Design Nine and develop broad policies and partnership recommendations relating to the expansion of broadband/internet services throughout Marathon County.*

Phone #: 1-415-655-0001

Access Code: 120 112 4516

When you enter the telephone conference, **PLEASE PUT YOUR PHONE ON MUTE!**

1. **Call Meeting to Order**
2. **Public Comments (15 Minute limit)**
3. **Approval of the May 28, 2024 minutes**
4. **Educational Presentations and Committee Discussion:**
 - A. Update on Grant Funded/Assisted Broadband Projects
 1. Ongoing Grants Report
 2. Frontier
 3. Bug Tussel
 4. Charter RDOF
5. **Policy Discussion and Possible Action:**
 - A. Broadband Equity, Access, and Deployment (BEAD) Program
 1. BEAD Eligible Addresses
 - a. Impact of Frontier PSC/Charter RDOF changes
 2. County Role in working with ISPs
 - a. Meetings with ISPs to explore areas of interest
 - b. Parameters for determining projects for County to support
 - c. Community Engagement
 - B. Bug Tussel Financing Agreement
 1. 2022 PSC Grant Funding/Loan
 2. 2021 Supplemental Conduit Borrowing Request
 3. Update on County Board process and concerns
 - C. PSC Capital Projects Digital Connectivity and Navigator Program
 1. United Way of Marathon County /United Way of Wisconsin
 - a. Request of support from Marathon County
6. **Next Steps and Timelines**
7. **Next Meeting Date – July 22, 2024**
8. **Adjournment**

“Any person planning to attend this meeting who needs some type of special accommodation in order to participate should call the County Clerk’s Office at 715-261-1500 or e-mail countyclerk@co.marathon.wi.us one business day before the meeting.

SIGNED /s/ John Robinson _____
Presiding Officer or Designee

EMAILED TO: Wausau Daily Herald, City Pages, and other Media Groups

EMAILED BY: Toshia Ranallo

DATE & TIME: 6/20/2024 at 3:00 pm

NOTICE POSTED AT COURTHOUSE _____

BY: Toshia Ranallo

DATE & TIME: 6/20/2024 at 3:00 pm



**MARATHON COUNTY
BROADBAND TASK FORCE MEETING**

Minutes

Monday, May 28, 2024 at 3:00 P.M.

Assembly Room, 500 Forest St, Wausau WI

Members	Present/Web-Phone	Absent
Chair John Robinson	x	
Mike Ritter	x	
Brandon Jensen	x	
Jasper Hartinger		x
Randy Radtke		x
Jordan Reynolds		x
Jon Euting	x	
Milton Olson	x	
Valerie Carrillo	x	

Also Present: Gerry Klein, Erin Andrews

VIA Web or Phone: Preston Vande Voort, Lance Leonard, Mike Puerner, Scott Feldt, Bill Flood, Kevin O’Brien, Joseph Muia, Todd Kruse, Gaylene Rhoden, Kimm Weber, Chris Crawford

1. **Call Meeting to Order:** Chair Robinson called the meeting to order at 3:02pm.
2. **Public Comments** (15 Minute limit) – Bill Flood asked questions regarding functions on the website. Since the item specific was not on the agenda, they were not able to discuss.
3. **RITTER MAKE A MOTION; SECOND BY EUTING TO APPROVE THE MARCH 25, 2024 BROADBAND TASK FORCE MEETING MINUTES. MOTION CARRIED.**
4. **Educational Presentations and Committee Discussion:**
 - A. Introductions and Overview/History of Broadband Task Force – Members and involved individuals introduced themselves and Supervisor Robinson gave an overview and history.
 - B. Update on Grant Funded/Assisted Broadband Projects
 1. Ongoing Grants Report – There is an ongoing report in the packet that Erin Andrews reviewed.
 2. Frontier – Todd Kruse reviewed their report in the packet.
 3. Bug Tussel – Scott Feldt reviewed their current status and information sent in the packet.
 4. Charter RDOF – Chris Crawford discussed current map. The western part of Marathon County should be complete by the end of June.
5. **Policy Discussion and Possible Action:**
 - A. Broadband Equity, Access, and Deployment (BEAD) Program
 1. BEAD Overview and Timeline – Erin reviewed the information in the packet including maps and timelines.
 2. April 22nd meeting with Internet Service Providers – Supervisor Robinson discussed the meeting held with ISPs to go over BEAD timelines and chances of success.
 3. Community Engagement in BEAD – Communities will need to work with ISP to show support and the ISPs will need to be engaged at the community level as well. Presentations have been done at the Eastern and Western Towns Association meetings and will also be done at all towns meeting in July.
 - a. Letters of support for specific ISP BEAD projects – The county will need to determine priorities for applications to pick specific projects.
 4. County Role in working with ISP – Supervisor Robinson discussed that the county would need to help with strengthening and facilitating the ISPs application and connections in the community. They also need to work with the towns to gather support as well.

- B. Bug Tussel
 - 1. 2022 PSC Grant Funding/Loan – Supervisor Robinson reviewed the grant funding.
 - 2. 2021 Supplemental Conduit Borrowing Request – Supervisor Robinson gave a review of the borrowing request.
- C. PSC Capital Projects Digital Connectivity and Navigator Program – Erin discussed program and options. It is only eligible for non-profits.
 - 1. United Way of Marathon County/United Way of Wisconsin – United Way of Wisconsin is connecting with Marathon County and others to gauge interest. The grant cannot cover cellphone coverage and the provider has to have a digital navigator, someone to help guide and teach.
 - a. Request support from Marathon County – **Marathon County will support United Way’s grant application relative to digital connectivity and navigator program funding. Motion Olson, 2nd Ritter. Motion carried unanimously.**

6. **Next Steps and Timelines**

- A. Map Prioritizations
- B. Incentivizing ISPs
- C. Areas of highest needs

7. **Next Meeting:** June 24, 2024

8. **Adjournment: RITTER MOTION TO ADJOURN MEETING, OLSON SECOND. MOTION CARRIED UNANIMOUSLY. MEETING ADJOURNED AT 4:13pm.**

Respectfully Submitted by,
Kathy Johnson

INTERNET SERVICE PROVIDER (ISP)	Grant/Funding Program	Year Awarded	Goal of Completion	Approx # Served	Description	Status
Frontier	PSC Grant	2022	2024	10,000	Deploy fiber to the home network to 10,696 locations in 25 towns or Villages within Marathon County	Frontier revoked Grant request 6/6/2024. Approximately 1,600 un/underserved addresses will become BEAD eligible.
Bug Tussel	Conduit Loan	2021	2024	1,800	Fiber run to approximately 1800 homes(see map in packet)	Bug Tussel requests \$12 million conduit bond to complete middle mile fiber/towers and Leathercamp project.
Bug Tussel	PSC Grant	2022	2024	600+	"LeatherCamp" project to connect approx 600 premises South of Kronenwetter/East of I39 (see map)	Not completed - goal to complete by end of 2024; Bug Tussel requests \$12 million conduit bond to complete middle mile fiber/towers and Leathercamp project.
Charter/Spectrum	RDOF -Rural Opportunity Development Fund	2022	2026		Fiber to regions W, NW and E of Wausau (see map in packet)	Charter intends to default on 156 addresses in the 2025 portion of RDOF project
TDS	E- ACAM - Enhanced Alternative Connect American Cost Model		2027		Upgrade DSL to existing customers, primarily in Mosinee and south central Marathon County	25% done by end of 2024, 50% by end of 2025, 75% by end of 2026, 100% by end of 2027
Cirrinity	E- ACAM - Enhanced Alternative Connect American Cost Model		2027		Provide Fiber to the home in SE Marathon County	



June 5, 2024

Electronic Filing: Docket 5-BF-2022

Mr. Cru Stublely
Secretary to the Commission Public Service Commission of Wisconsin
North Tower, 6th Floor Hill Farms State Office Building
4822 Madison Yards Way
Madison, WI 53705

Re: 5-BF-2022 (Frontier/Marathon County Grant Project)

Dear Mr. Stublely

Frontier would like to give you an update on the Marathon County grant project that is under Commission review. Since our initial response, Frontier has recently been made aware of additional material information it would like to share with the Commission prior to its final determination on the status of the grant. Based on the below intervening and changed circumstances, Frontier is regrettably compelled to seek to withdraw its grant request.

First, there is new uncertainty regarding the amount and timing of the \$945K in funding Marathon County was prepared to contribute to the project. Marathon County officials have advised Frontier that they intend to reduce their contribution to the project. Frontier has not yet received formal notification of the reduced contribution. However, Marathon County has suggested their contribution will be reduced by more than half—from \$945K to \$385K based on the reduced number of grant eligible locations. Although Frontier understands the County's reasoning for a reduced contribution, a reduction of this magnitude fundamentally and negatively impacts the project.

Further, the number of grant eligible locations has significantly changed with the passage of time. For example, Frontier has determined that the revised project plan area includes approximately 393 RDOF awarded locations and County officials have advised Frontier that these locations have already been built.¹ Additional review indicates that 5,321 total

¹ The original grant included 1,049 RDOF locations that were identified as grant eligible at the time and formed an anchor for the overall network design. The current figure accounts for recent RDOF relinquishments made by Charter.

locations (or 77%) are now served by another provider or covered by an enforceable commitment. These two factors combined negatively impact the expected take rate of services and fundamentally alter the project's (and network's) financial sustainability.

Last, as previously communicated, Frontier has continued construction of its broadband network in Marathon County since the Commission's February 16, 2024, letter suspending payment and while the status of the grant has been under review. In fact, Frontier has already enabled fiber to the premises service to 4,274 locations within Marathon County including 1,802 locations contained in Frontier's grant proposal.

Given the totality of the impact of these intervening factors, Frontier believes the better course of action is to relinquish the grant so that any remaining grant eligible locations can be included in the BEAD process. Accordingly, Frontier respectfully requests the ability to voluntarily withdraw its grant request.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Diane Williams-Stinson
Vice President, Grant Administration
Frontier Communications

cc: Alyssa Kenney, Director, Bureau of Broadband, Digital and Telecommunications
Access
John Robinson, Marathon County Board Member
Lance Leonhard, Marathon County Administrator

PUBLIC SERVICE COMMISSION OF WISCONSIN

FY 2022 Broadband Expansion Grants

5-BF-2022

Comments of the Wisconsin State Telecommunications Association

The Wisconsin State Telecommunications Association (“WSTA”) hereby files these comments in response to the Public Service Commission of Wisconsin’s (“Commission’s” or “PSC’s”) limited reopening of its July 28, 2022, Order awarding \$4,293,662 to Frontier Communications (“Frontier North”) grant (project ID 393) in Clark, Lincoln, and Marathon Counties.¹

Founded in 1910, WSTA is Wisconsin's premier telecommunications and broadband industry association. WSTA serves as a unified voice for our member companies with state and federal lawmakers and regulators, a broad base of stakeholders, and the general public. Currently, WSTA represents more than 70 incumbent local exchange carriers, internet service providers and wireless carriers. Many WSTA members participated in the FY 2022 Broadband Expansion Grant program administered by the Commission and are actively seeking support, with state and federal grants, for the provision of networks that

¹ Public Service Commission of Wisconsin, *Order for Limited Reopening, Notice, and Request for Comments*, 5-BF-2022, PSC Ref#: 502536, May 23, 2024 (“Notice”).

offer high-speed reliable broadband services to residents and businesses in the state. This limited reopening of the FY2022 Broadband Expansion Grants award presents significant issues related to Wisconsin's grant administration. WSTA welcomes the opportunity to provide the following comments. WSTA recommends the Commission modify the support consistent with the project scope revisions, with one exception (the Commission not remove 85 locations from the project because they are projected to be high-cost), recalculate the support reduction proposed by Frontier using, at a minimum, a pro rata adjustment, reducing Frontier North's project support to \$2,799,551 from \$4,293,662, and allow WSTA to file comments on Frontier North's request to withdraw its grant application.

I. Background

The FY 2022 Broadband Expansion Grant Round awarded \$124,967,392 to 71 specific grant projects. These grant funds were matched with \$185,780,074 in provider support. This \$310,744,466 in funding is providing critical infrastructure to communities throughout Wisconsin who have no or limited broadband service options. By all accounts, the FY 2022 Grant Round was a success.

On March 1, 2024, Frontier North notified the PSC by letter explaining a data error in Project ID 393 involving Clark, Lincoln, and Marathon Counties. Accordingly, Frontier North requests a reduction in locations to 6,889 from an original and contractually agreed 10,696 locations. Frontier North proposes to reduce the number of unserved residential locations to 1,356 from 9,289—an 85.4 percent reduction (unserved business locations are also reduced to 286 from 755 initial locations). Additionally, Frontier North submits that 175

locations should be removed. Frontier North states that upon further investigation, 90 of these 175 locations have a Rural Development Opportunity Fund (“RDOF”) award, and the remaining 85 are too costly for Frontier North to serve and should be funded through the National Telecommunications and Information Administration’s (“NTIA”) Broadband Equity Access and Deployment (“BEAD”) program that has awarded Wisconsin \$1,055,823,573.71 for broadband deployment for unserved, underserved locations, as well as other purposes.

Concurrent with Frontier North’s reduction in scope in the provision of broadband for fewer locations as originally agreed to, Frontier North proposes to revise its grant award to \$3,293,662 from \$4,293,662, a \$1,000,000 reduction in the grant award or a 23 percent reduction from the total award. Frontier argues its revised budget for the project has increased by 130.3 percent and notifies the Commission that its match based on these new budget numbers would increase to 92 percent from 75 percent. It uses these new 2024 budget numbers to argue the Commission should not make a pro-rata reduction to the grant award.

The Commission has determined in a draft opinion that the request for a change in scope appears reasonable in part because “the existing project would allow locations still within the scope to obtain broadband access in a more timely way than they could through

separate projects yet to be initiated.”² The Commission requests comment on this draft opinion.

On June 5, 2024, Frontier North filed a letter to Commission stating that due to new additional information Frontier North seeks to withdraw its grant request for project ID 393. It cites a significant reduction in Marathon County’s contribution to the project. More importantly, the number of grant eligible locations has changed yet again, with 5,321 total locations “now served by another provider or covered by an enforceable commitment.”³ This leaves 1,568 locations remaining which represent less than 15 percent of the initial locations used to support the grant application.

In light of this new development, WSTA files these comments in advance of the decision by the Commission to either grant Frontier North’s withdrawal request or to continue to require Frontier North to serve the 1,568 eligible locations (6,889-5,321). If afforded the opportunity, WSTA would briefly respond to the withdrawal request. The request raises significant public policy issues regarding grant management that WSTA recommends the Commission consider in making its determination.

II. WSTA Comments on Revisions to Project Scope

WSTA has three comments and one recommendation for the Commission’s consideration as it relates to Frontier North’s proposed revisions to its project scope.

² Wisconsin Public Service Commission, ORDER FOR LIMITED REOPENING, NOTICE, AND REQUEST FOR COMMENTS, Ref#: 502596, 5-BF-2022, May 23, 2024, p. 3.

³ Frontier North, Request [Motion] to Withdraw, 5-BF-2022, June 5, 2022, p. 1-2.

First, WSTA observes that Frontier North alleges that the errors in project 393 are a one-time event and do not appear in its three other project grants. WSTA believes that efficient grant management and the public interest are served by removing the duplications of locations explained by Frontier North.

Second, WSTA objects to the removal of 85 locations. These 85 locations are not part of the duplication errors, nor are they currently served locations. The only reason Frontier seeks to remove these 85 locations is due to revised internal budget projections that reveal they are high-cost locations. The physical location of these 85 locations has not changed since the grant proposal and subsequent signed grant agreement—they were and remain high-cost locations. Frontier North included these locations in its initial grant proposal and they should remain part of the grant agreement. Efficient grant management and the public interest are not served with the removal of 85 actual locations in the grant application when the locations do not have a prior commitment from another federal grant program. Assurances that these locations will be covered by a future NTIA BEAD award are unavailing as there is no guarantee these locations—having been agreed to be served by Frontier North—will receive BEAD funding. Nor is it in the public interest to have Frontier North remove locations from its current grant agreement in the hopes of getting more funding from a future grant program. Keeping these locations in the existing project will allow these locations to obtain broadband access in a more timely way than they could through separate projects yet to be initiated.

Third, grant of the Frontier North revision of the 85 locations presents a moral hazard exposure for the management of Wisconsin grants. “In a moral hazard situation, one party

entering into the agreement provides misleading information or changes their behavior after the agreement has been made because they believe that they won't face any consequences for their actions. When a person or an entity does not bear the full cost of a risk, they may have an incentive to increase their exposure to risk. This decision is based on what will provide them with the highest level of benefit.”⁴ Grant of the petition will signal to Frontier North and other grant awardees that changes in contractually-bound behavior will not be met with a proportional response.

WSTA recommends the Commission require Frontier North to serve the 85 locations it seeks to remove, and only remove from the project scope locations that were either the result of duplication errors or locations that have a binding prior existing commitment for service (RDOF locations).

III. WSTA Comments on Proposed Grant Award Reductions

WSTA notes that the July 28, 2022, award order states that in circumstances where there is a reduction in locations of 10 percent or more, or it is discovered or identified that the project cost, including force majeure costs, may exceed the estimated project cost by more than 10 percent, “the grant recipient shall promptly notify the Commission as soon as it becomes aware of the possible change or cost increase.”⁵ WSTA is not aware of when Frontier North notified the Commission of its data error or subsequent revised cost

⁴ See <https://www.investopedia.com/ask/answers/042415/what-difference-between-moral-hazard-and-adverse-selection.asp>.

⁵ Wisconsin Public Service Commission, Order, Ref# 444257, 5-BF-2022, July 28, 2022, p. 26.

estimates. We recommend the Commission determine whether the notification was timely and in keeping with the award instructions.

Moreover, the Commission states in its order: “Changes in scope, design, location, projected number of customers or locations served, project costs or other changes to the approved project shall be subject to the terms and conditions in the grant agreement.”⁶ WSTA is not privy to the Frontier North grant agreement with the Commission that was signed on October 25, 2022. The Commission should at minimum reference the applicable terms of that agreement and provide only relief that is permitted in the agreement.

WSTA has access to the preliminary draft 5-BF-2022 Grant and Security Agreement. This draft details the process to amend the grant proposal in paragraph 25 but does not prescribe what changes may be made when there is a significant change in either the project scope or project budget. Frontier North argues against a pro rata adjustment in favor of a \$1,000,000 or 23 percent reduction from the initial award—this is compared to a 34.8 percent reduction in obligated locations. In support of this reduction, Frontier North argues that due to its poor projections, which errors it attributes to an outside consultant, and due to the “passage of time,” a pro rata adjustment should not be applied.

Frontier North is actually requesting a per location grant award increase. The original award was \$401.43 (\$4,293,662/10,696) and the revised proposal is for a per location award of \$478.10 (\$3,293,662/6,889). Viewed based only on unserved locations the increase is more dramatic. The original award was \$427.49 (\$4,293,662/10,044) and

⁶ Id.

the revised proposal is for a per location award of \$2,005.88 (\$3,293,662/1,642). The justification for this increase is projection error and the passage of time. If the Commission grants the proposed Frontier North adjustment, Wisconsin grant programs will face increased exposure to revise upward per location grant awards for a variety of reasons, including the simple passage of time and related inflation pressures that were calculable at the time of the grant request in 2022. WSTA cautions the Commission that such action may not be in the public interest since it signals to grant applicants that they are not held to their proposals and agreement terms.

The grant revision request also presents a unique issue regarding Frontier North's grant participation. Based on the data provided, the number of unserved and underserved locations has changed significantly without a clear explanation why this happened. Frontier North's original data showed a total location count of 10,696 locations with a total of 10,044 locations unserved. This yielded a total of 652 locations presumed to be underserved. The revision request data show a total of 6,889 locations with 1,642 unserved. These new data show that 5,247 are presumed underserved. Frontier North does not make any representation to the Commission why these locations moved from unserved to underserved designation. While we cannot unring the award bell, WSTA wonders if Frontier North would have received the grant in the first place had it provided accurate data to the Commission.

In light of this exposure, WSTA recommends the Commission take a different approach than that proposed by Frontier North. Absent more specific location data offered by Frontier North, if the location obligation is reduced by 35.6 percent, then the support

should be reduced by 35.6 percent—a pro rata adjustment of total locations. WSTA recommends the Commission add the 85 locations into its calculations which yields a location reduction of 34.8 percent (10,696 to 6,974 locations). A 34.8 percent reduction of grant support is a \$1,494,111 reduction—compared to the proposed \$1,000,000 reduction. Calculated this way, the Frontier North grant for project ID 393 would be adjusted to \$2,799,551. This would retain a \$401.43 per location grant award.

WSTA submits this proposal is the minimum reduction the Commission should consider. If further investigation determines that Frontier North did not act in good faith in its initial proposal, the Commission should consider even further reductions in grant support while simultaneously requiring Frontier North to maintain its obligations to the remaining unserved customers. WSTA believes effective grant management principles require severe penalties for misrepresentation of data in Wisconsin grant applications. Such action would be in the public interest.

WSTA does not recommend the Commission give weight to Frontier North's projection errors. Apparently, none of the other FY 2022 projects suffers from projection error and Frontier North does not currently seek changes to its other FY 2022 grant awards. There is good cause to hold grant applicants to their original project estimates without substantial documentation to show otherwise, especially when only one project suffers from revision. If such changes were commonplace, a grant applicant could receive an award and then modify the cost of the project and increase the per unserved location support dramatically—which is what is proposed in this case when comparing per-location support for unserved locations.

WSTA notes that if the location removals are attributed to location duplication, the Commission need not examine more specific cost data per location to prevent Frontier North from shedding more costly locations and keeping lower cost locations in its proposal. However, if the Commission determines that further analysis is warranted due to the shift in locations to underserved from unserved designation, it may conduct a comparative cost analysis using the Wisconsin BEAD office data for these counties and the underlying estimated cost to served unserved locations. Using these data as well as the internal applicant's cost data for each location, the Commission could prevent potential net benefit increases. This is just one method to assure that grant recipients do not seek to adjust their grant agreement without proper review and justifiable cause.

IV. Conclusion

WSTA recommends the Commission correct the Frontier North project scope to eliminate duplicate locations. WSTA further recommends that the Commission not remove 85 locations from the project because they are projected to be high-cost. Such locations and their characteristics were known or able to be known at the time of the application. These 85 locations now have a path to reliable high-speed broadband in the current grant award. None of these locations should have to wait for unknown future grant opportunities.

With regard to the reduction in support, WSTA recommends the Commission, at a minimum, use a pro rata reduction of \$1,494,111 making Frontier North's grant award for project ID 393 is \$2,799,551. A pro rata method is administratively efficient and does not

allow for per-location increases in support beyond what was requested in the project application.

Finally, WSTA requests the opportunity to comment on the Frontier North's request to withdraw its grant application to ensure efficient grant administration, including a claw back of any grant funds disbursed under the project and an assessment of how the remaining unserved locations will receive access to high-speed broadband in a timely manner.

The WSTA respectfully requests that the Order and Frontier North grant agreement be modified consistent with the recommendations set forth herein.

Sincerely,

/s/ William C. Esbeck

William C. Esbeck

Executive Director

Wisconsin State Telecommunications Association

1502 West Broadway, Suite 102

Monona, WI 53713

C: 608-469-7171

Filed June 6, 2024

MARATHON COUNTY

Work in Progress Report

Bug Tussel has contracted with Michels Corporation to assist in the completion of the work that was left unfinished by our previous contractor. We are working to obtain local permits (Athens and Wausau) so that we can repair those areas that need to be addressed and begin work on the Leathercamp Project. With Michels on board and discussions regarding a revised design and funding, we believe that 2024 will be a very productive year.

JUNE 2024

Week Ending June 16

Report to be received June 25.

Week Ending June 16

Crews: 6 Workers: 30

In Progress:

Proofing crews working through the Hamburg and Little Chicago OLT at the same time.

Fiber Blowing Crew has started the Rainbow Drive OLT.

Plow Crews are working North going up Ropel Rd.

Drill Crews are working South along Camp Rd.

Completed:

Proofing crew is Completely done in Athens OLT and WI-29 OLT.

Drilling and Setting is complete in the city of Athens, and along CR-A.

WI-153 is 100% Drilled out.

Week Ending June 9

Crews: 6 Workers: 30

In Progress:

Proofing crews working through the Hamburg and Little Chicago OLT at the same time.

Fiber Blowing Crew is headed to Brokaw to begin blowing Fiber.

Plow Crews are working North up Oak Rd.

Drill Crews are working South towards Camp Rd.

Completed:

Proofing crew is Completely done in Athens OLT and WI-29 OLT.

Drilling and Setting is complete in the city of Athens, and along CR-A.

WI-153 is 100% Drilled out.

Week Ending June 2

Crews: 6 Workers: 30

In Progress;

Proofing crews working through the Hamburg and Little Chicago OLT at the same time.

Crews are completing dig ups in Brokaw OLT.

Plow Crews are working east out of Mosinee along WI-153.

Drill Crews are working South towards Camp Rd.

Completed:

Proofing crew is Completely done in Athens OLT, and WI-29 OLT.

Drilling and Setting is complete in the city of Athens, and along CR-A.

WI-153 is 100% Drilled out.

MAY 2024

Week Ending May 26

Crews: 6 Workers: 30

In.Progress;

Proofing crews working through the Hamburg and Brokaw OLT at the same time.

Plow Crews are working east out of Mosinee along WI-153.

Drill Crews are working on Pioneer Rd, 16th Rd, Oak Rd, Spring Rd, and Maple Ridge Rd.

Completed:

Proofing crew is Completely done in Athens OLT, and WI-29 OLT.

Drilling and Setting is complete in the city of Athens, and along CR-A.

WI-153 is 100% Drilled out.

Week Ending May 19

Crews: 4 Workers: 22

In.Progress;

Proofing crews working through the Hamburg and Brokaw OLT at the same time.

Plow Crews are working east out of Mosinee along WI-153.

Drill Crews are working on Pioneer rd, 16th rd, Oak Rd, Spring Rd, and Maple Ridge Rd.

Completed;

Proofing crew is Completely done in Athens OLT, and WI-29 OLT.

Drilling and Setting is complete in the city of Athens, and along CR-A. f. WI-153 is 100% Drilled out.

Week Ending May 12

Crews: 4 Workers: 22

In.Progress;

Proofing crews working through the WI-29 OLT and Brokaw OLT at the same time.

There are a couple of sections in Athens that are scheduled for repair.

Drill and Plow Crews are working east out of Mosinee along WI-153.

Plow Crew Scheduled. Moved all equipment to Mosinee and will start on 5/6/2024.

Action;

Bug Tussel to obtain Town of Maine Permits.

Completed;

Proofing crew is Completely done in Athens OLT.

Drilling and Setting is complete in the city of Athens, and along CR-A.

WI-153 is 100% Drilled out.

Action Item: Bug Tussel to obtain Town of Maine Permits 5/15/24

Week Ending May 5

Crews: 4 Workers: 22

In.Progress;

Proofing crew working through the WI-29 OLT, and is scheduled to move to Brokaw 5/13/24.

There are a couple of sections in Athens that are scheduled for repair.

Drill Crews are working east out of Mosinee along WI-153.

Plow Crew Scheduled. Moved all equipment to Mosinee and will start on 5/6/2024.

Action;

Michels to send out updated schedule for Marathon County.

Bug Tussel to provide Brokaw shapefiles.

Completed;

Proofing crew is Completely done in Athens OLT.

Drilling and Setting is complete in the city of Athens, and along CR-A.
RR Bore and Scrap Yard boring complete in Wausau.

APRIL 2024

Week Ending April 28

In.Progress;

Proofing crew working through the WI-29 OLT.

Setting Crew is working through the town Athens swapping out HH's as necessary.

Drill Crews are working east out of Mosinee along WI-153.

Plow Crew Scheduled for Leathercamp/Mosinee East 5/6/24.

Action;

Bug Tussel to provide Shapefiles for WI-29 OLT

Completed;

Proofing crew is Completely done in Athens OLT.

Drilling and Setting is complete in the city of Athens, and along CR-A.

RR Bore and Scrap Yard boring complete in Wausau.

Week Ending April 21

Crews: 4 Workers: 17

In.Progress;

Proofing crew working through the Athens OLT

Setting Crew is following proofing crew up Pioneer Rd. towards Athens.

Drill Crews are working east out of Mosinee along WI-153.

Completed:

Drilling and Setting is complete in the city of Athens, and along CR-A.

RR Bore and Scrap Yard boring complete in Wausau.

Week Ending April 14

In.Progress;

Proofing crew working through the Athens OLT

Setting Crew is working east along County Rd A.

Drill Crew is headed to Leathercamp.

Completed:

Drilling and Setting is complete in the city of Athens. e. RR Bore and Scrap Yard boring complete in Wausau.

Week Ending April 7

In.Progress;

Proofing crew working through the Athens OLT

Setting Crew working in city of Athens to place Hand Holes.

Brokaw RR Bore Scheduled for 4/9/24

Completed:

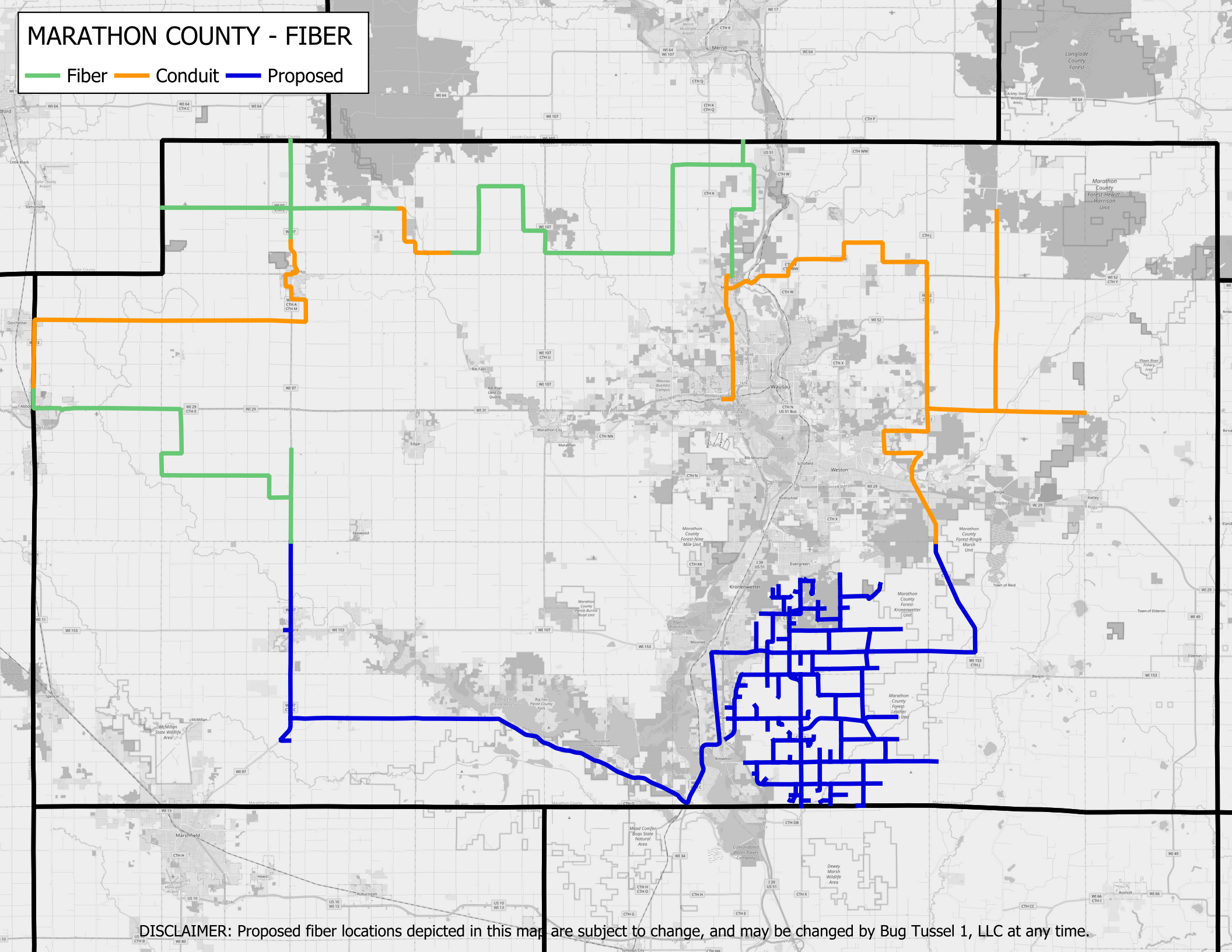
Drilling in the city of Athens is complete.

Upcoming Activities:

Michels to start working on Leathercamp - Locates have been called, and yard has been secured.

MARATHON COUNTY - FIBER

Fiber Conduit Proposed



DISCLAIMER: Proposed fiber locations depicted in this map are subject to change, and may be changed by Bug Tussel 1, LLC at any time.

MARATHON COUNTY - TOWER MAP



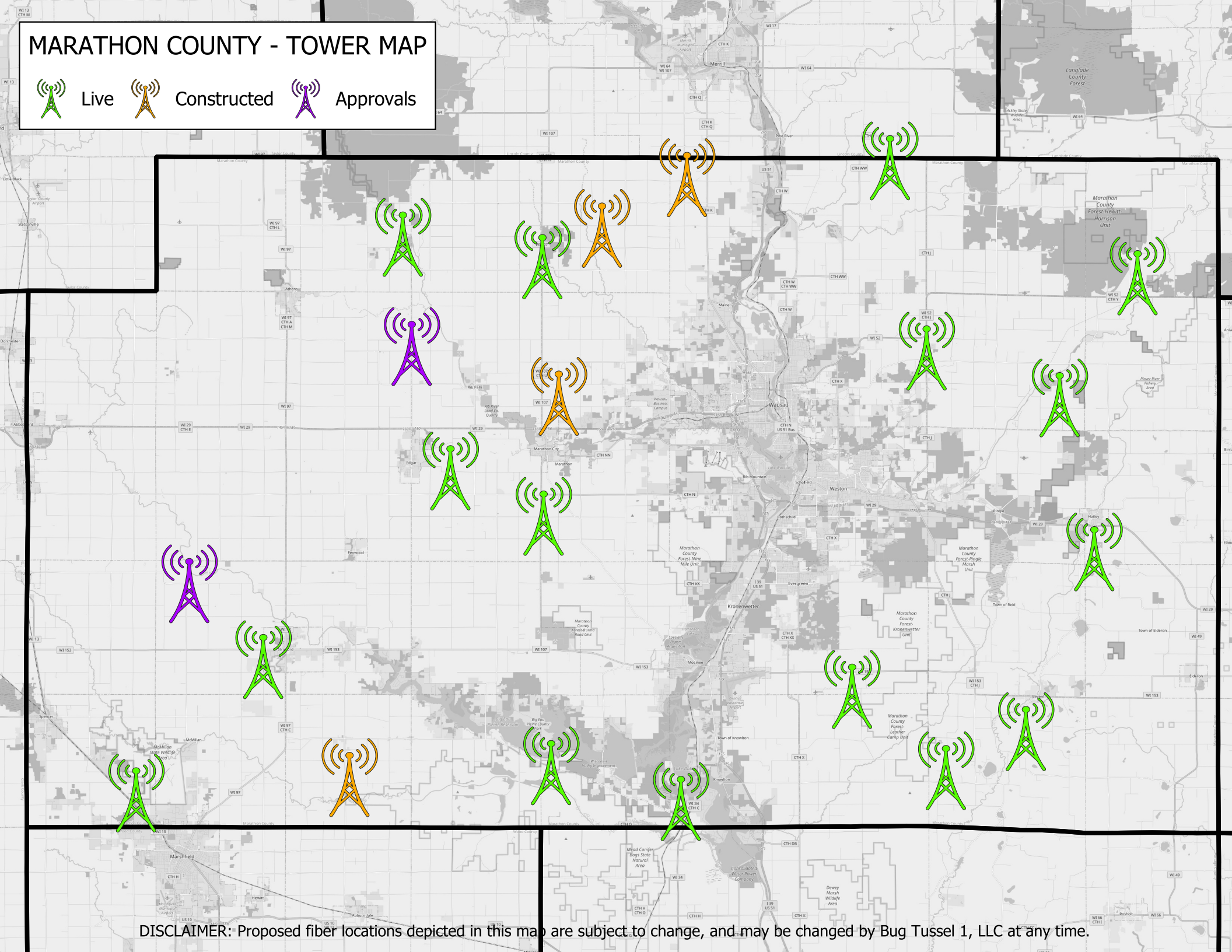
Live



Constructed



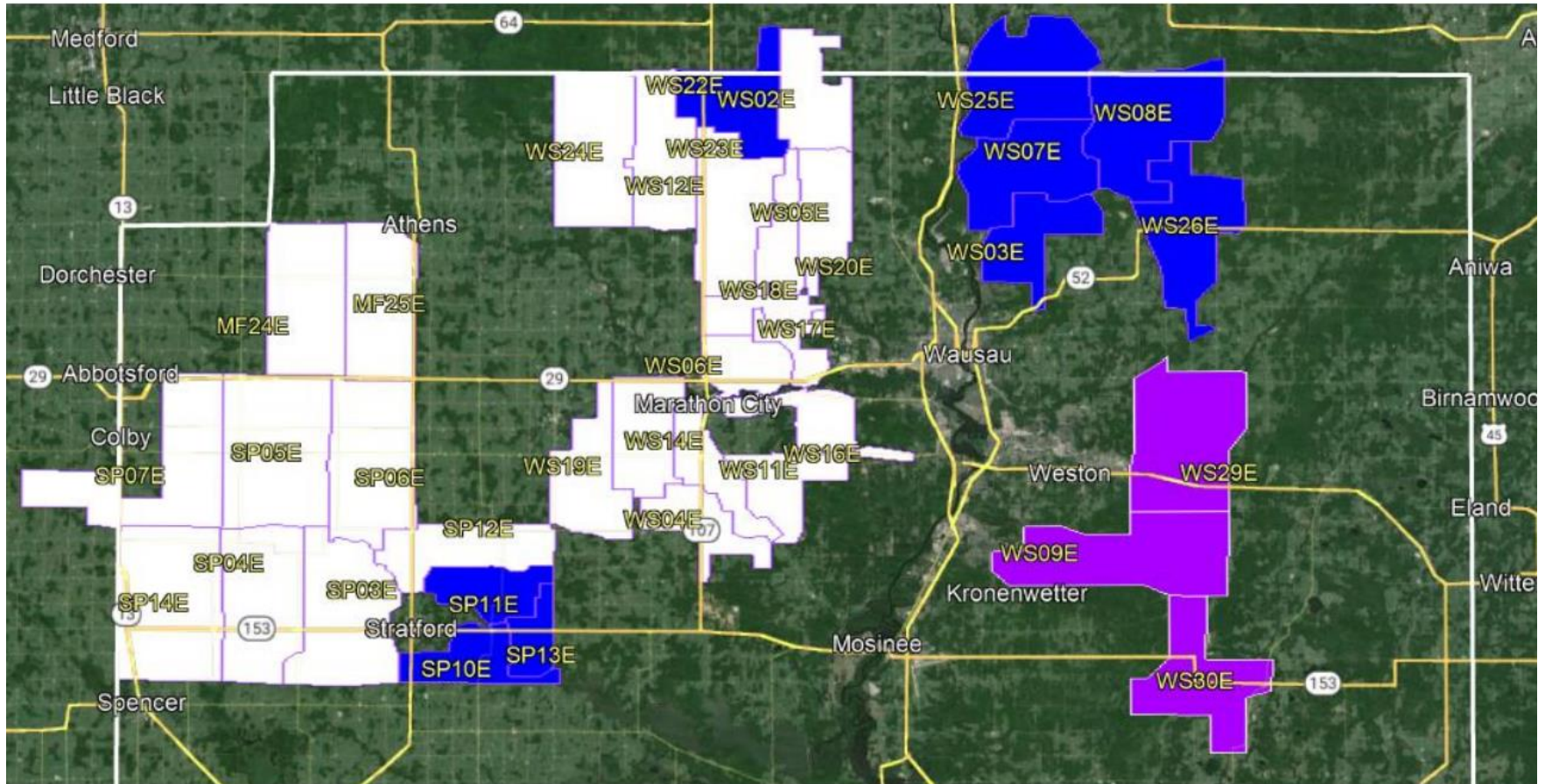
Approvals



DISCLAIMER: Proposed fiber locations depicted in this map are subject to change, and may be changed by Bug Tussel 1, LLC at any time.


Charter RDOF Marathon County March 2024


- Completed – White
- 2024 – Blue
- 2025 – Purple



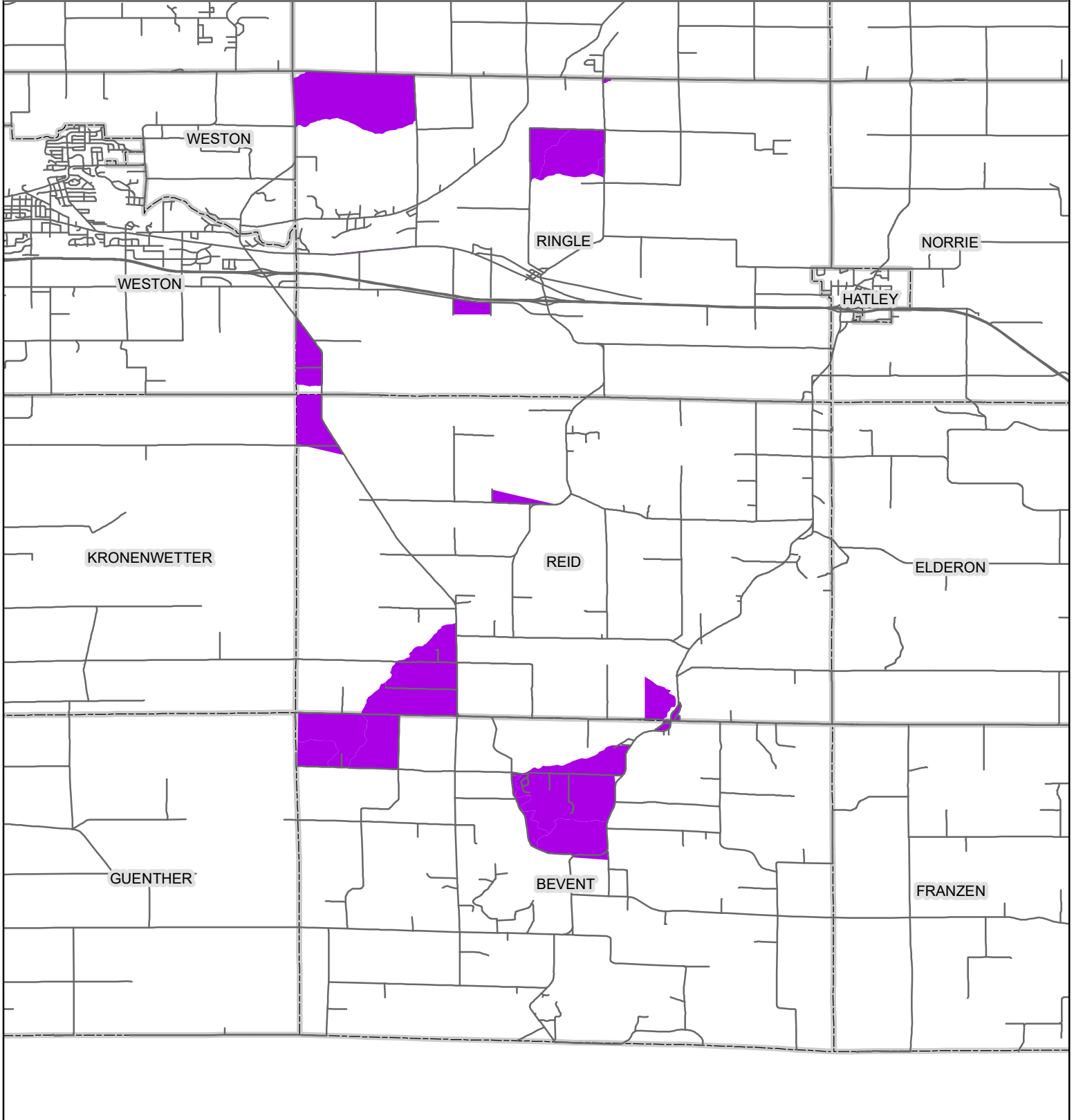
Marathon County Broadband

Charter RDOF Default

 Census Blocks Default

 Municipal Boundary

Census Block List - PSC.WI



IMPACT OF GRANT CHANGES ON BEAD PROCESS

Marathon County BEAD MAPS

The maps that follow report different pieces of data on Broadband Serviceable Locations (BSLs) in Marathon County.

Map 1: RDOF Default Areas Circled in red 156 Addresses

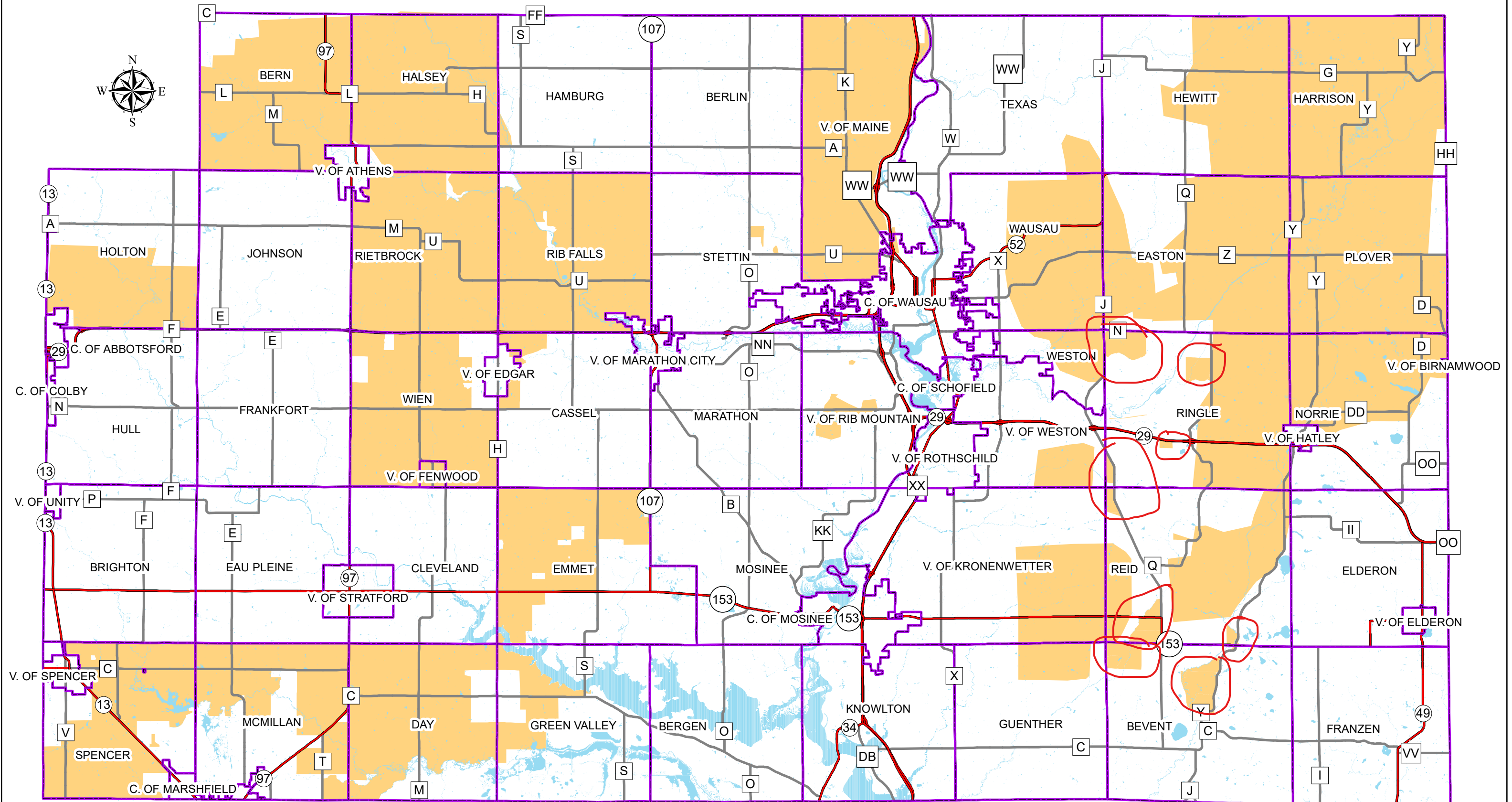
Map 2: Frontier PSC Revised Grant Map – 6,889 addresses were included in the revised grant request that has now been withdrawn. 1,543 of those addresses are BEAD eligible

Map 3: Map of all (BSLs) in Marathon County.

Map 4: Map of BEAD Eligible BSLs (Un/underserved addresses).

Note: Map 3 will be updated when the PSC updates their BEAD data to reflect the Frontier and Charter grant changes. We anticipate an addition of approximately 1,700 BEAD eligible addresses as a result of these changes (156 from Charter and 1,543 from Frontier)

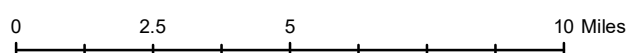
MAP 1 - Charter RDOF Default areas circled in red



Broadband Equity, Access, and Deployment Planning Areas

- Proposed BEAD Areas
- Municipal Boundary
- State & US Highways
- County Roads

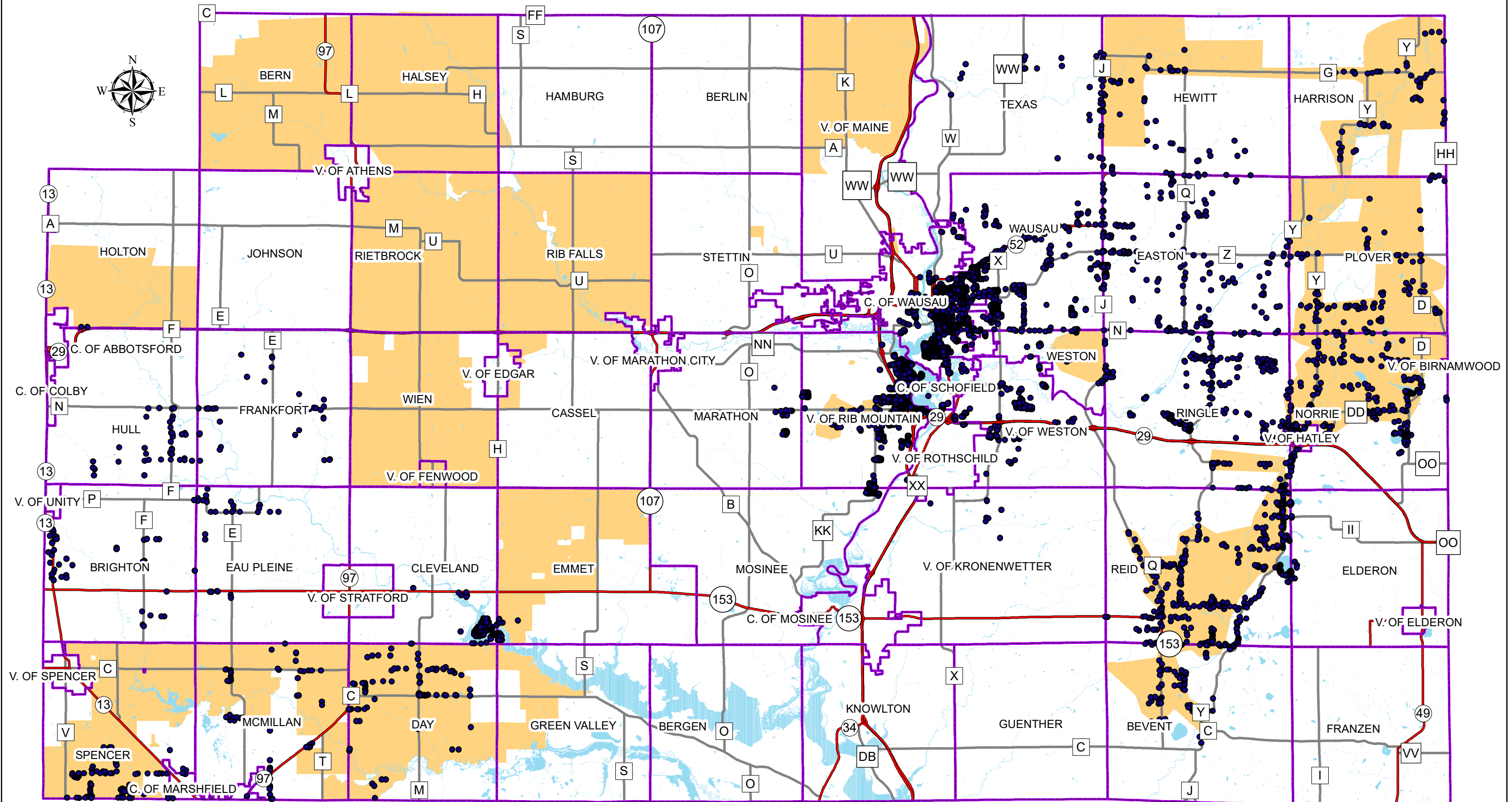
Map Date: 6/18/2024



Map data as of 6/18/24.
 This information is tentative and subject to change.



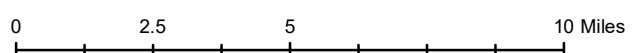
MAP 2 - Frontier PSC Grant - Revoked 6.6.2024



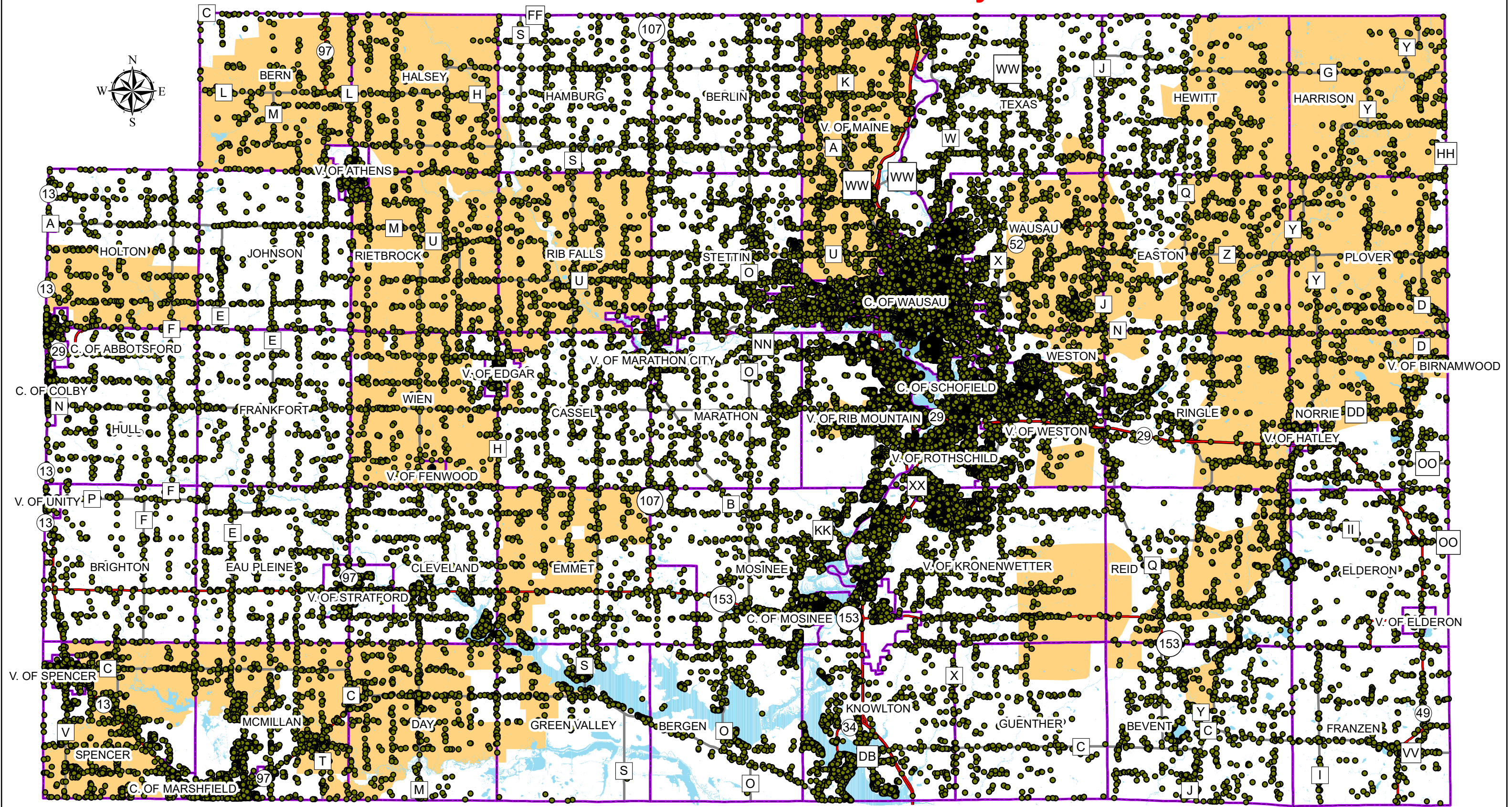
Broadband Equity, Access, and Deployment Planning Areas

●	FTR Marathon County Revised Project		State & US Highways
	Proposed BEAD Areas		County Road Draft
	Municipal Boundary		

Map Date: 4/22/2024



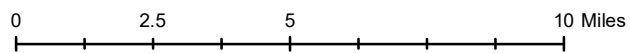
MAP 3 - ALL BSLs in Marathon County



Broadband Equity, Access, and Deployment Planning Areas

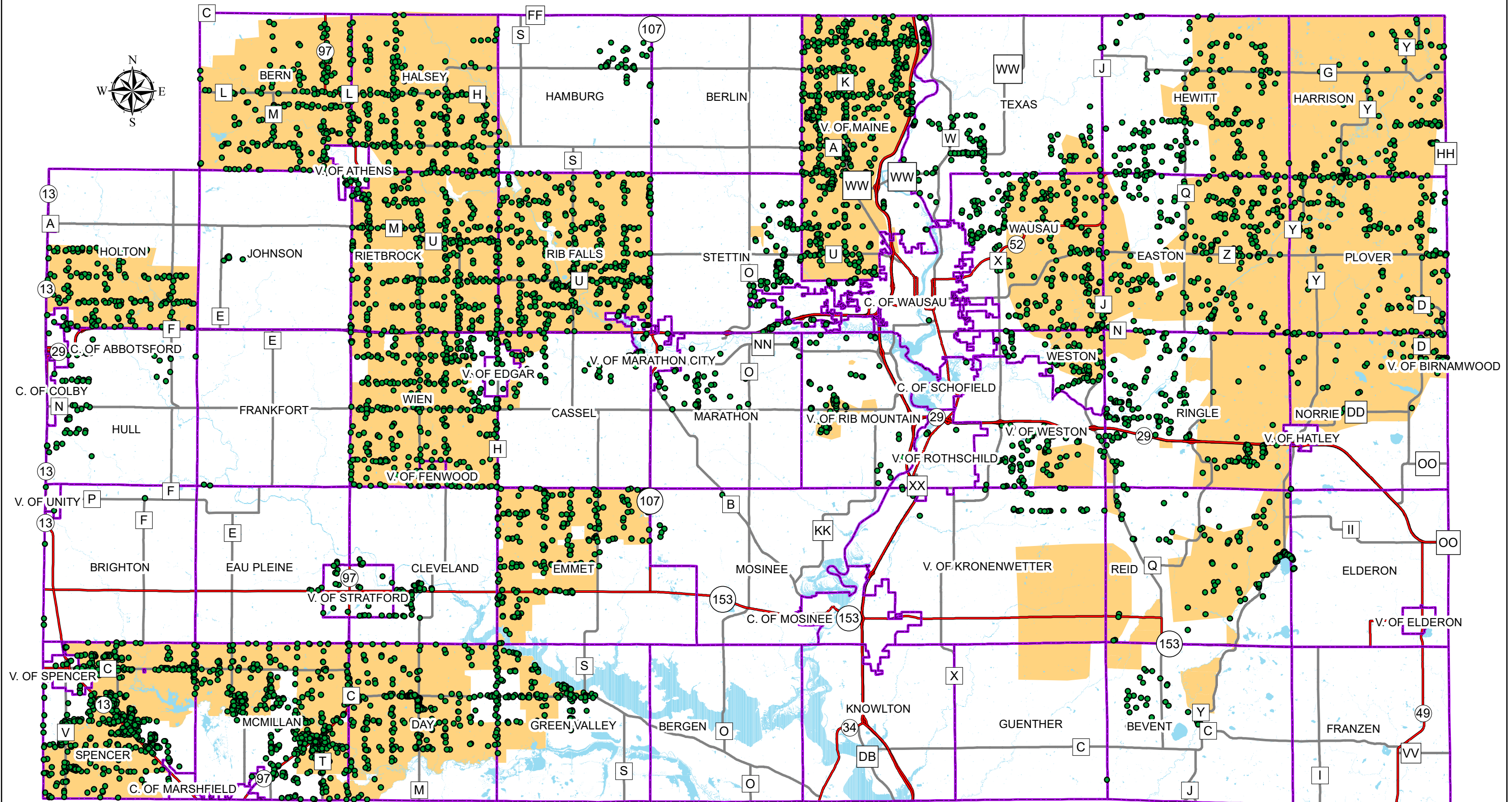
- Proposed BEAD Areas
- Municipal Boundary
- Site Addresses
- State & US Highways
- County Roads

Map Date: 6/20/2024



Map data as of 6/18/24.
This information is tentative and subject to change.

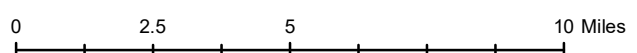
MAP 4 - Unserved & Underserved BSLs as of 6.18.2024



Broadband Equity, Access, and Deployment Planning Areas

- BEAD Eligible (PSC Data)
- Proposed BEAD Areas
- Municipal Boundary
- State & US Highways
- County Roads

Map Date: 6/21/2024



Map data is prior to the DEFAULT of Charter and Frontier Grants.
 This information is tentative and subject to change.

BEAD GRANT APPLICATION SUPPORT Decision Matrix

Criteria	Weighted Rating	ISP #1		ISP #2		ISP #3	
		Rating	Weighted Rating x Rating	Rating	Weighted Rating x Rating	Rating	Weighted Rating x Rating
Timeline of Project Completion	2	3	6	2	4	2	4
Private Investment of requested match (%)	5	3	15	3	15	5	25
Proven Record of Successful Projects	3	4	12	3	9	5	15
Population Density	1	3	3	2	3	5	5
Request for public dollars	2						
Efforts in Community Engagement							
Total Value		13	36	11	31	17	49

Rating Scale	1-Doesn't Meet Criteria	2-Somewhat Meets Criteria	3-Meets Criteria	4-Exceeds Criteria	5-Significantly Exceeds Criteria
--------------	-------------------------	---------------------------	------------------	--------------------	----------------------------------

DRAFT

Memo

To: Marathon County Board of Supervisors
From: John Robinson – Broadband Task Force Chair
Date: June 19, 2024
Re: Consideration of request for conduit financing to Bug Tussel Wireless in connection with 2021 Broadband expansion project and 2023 Public Service Commission project

Overview

This memorandum is intended to provide a summary of the partnership between Marathon County and Bug Tussel Wireless LLC, aimed at expanding broadband access to residents and businesses. The partnership involves significant projects funded by a 2021 conduit bond issuance and a Public Service Commission (PSC) funded project known as the Leathercamp project. Ultimately, this overview is intended to provide background and context for the Board of Supervisors in evaluating whether to support requests for additional conduit borrowing to support their efforts in Marathon County.

Bug Tussel Wireless LLC - Who is Bug Tussel?

Bug Tussel Wireless LLC, founded in 2003, is a telecom company wholly owned by Hilbert Communications LLC. The ownership of Hilbert Communications includes Paul Gehl, Steve Schneider, Bob Eddy, and approximately twelve other phone companies and individuals. Bug Tussel specializes in providing broadband and cellular solutions, focusing on rural and underserved areas. The company reported a 2020 revenue of \$64 million and a net income of \$19 million. Sister companies under Hilbert Communications include Red Tail Tower LLC (construction), Midwest Data Core LLC (switching and routing), Michigan Wireless LLC (spectrum holdings), and Cloud 1 Services LLC (site acquisition).

Key employees at Bug Tussel include:

- **Steve Schneider:** Founder, President, and CEO
- **Jason Wied JD:** Chief Operating Officer and General Counsel
- **Scott Feldt:** Executive Director of Public Affairs
- **Mitch Olson:** Chief Development Officer and General Counsel

Counties Worked With: In addition to Marathon County Bug Tussel has successfully collaborated with several counties in Wisconsin, including Fond du Lac, Green Lake, Kewaunee, Marquette, and Waushara,

Marathon County Projects

Conduit Bond Issuance (2021) In 2021, Marathon County joins four other counties led by Fond du Lac County that led to the issuance of up to \$78 million conduit bonds to fund the

expansion of broadband infrastructure in partnership with Bug Tussel. The project involves the deployment of fixed wireless broadband, middle mile fiber, and fiber-to-the-premise (FTTP) services. Key components include:

- **Broadband Towers:** Installation of 18 broadband towers.
- **Middle Mile Fiber:** Deployment of approximately 198.33 miles of fiber optic network.
- **Consumer Connectivity:** Connecting approximately 1,920 consumer premises.

The conduit bonding project allowed Bug Tussel to access capital at a lower interest rate. The county agreed to guarantee the repayment of funds in exchange for:

- Marathon County shall receive an annual guaranty fee equal to 40 basis points (0.40%) of the outstanding par amount of the Bonds covered by its County Guaranty, payable on a semi-annual basis on each May 1 and November 1
- Access to 24 strands of dark fiber for Marathon County's use, and
- Access to space on the towers for our use. The Sheriff's Department is installing equipment on a tower near Dancy.

To date Bug Tussel has completed construction of towers and has been laying middle mile fiber to connect the towers. During the work they have experienced an increase in costs associated with the performance of one of their contractors; increased costs associated with construction due to the presence of rack and inflationary pressures for equipment and contractors. This has resulted in their costs going up, which resulted in Bug Tussel requesting additional conduit bonding of \$_ million for this project.

Leathercamp Project (Public Service Commission Funded) The Leathercamp project, funded in large part by a \$3,000,000 grant from the PSC, aims to deploy 90.7 miles of fiber optic last-mile infrastructure to provide complete coverage in the Town of Knowlton, Village of Kronenwetter, and Town of Guenther., In March 2022 the County Board adopted the resolution committing \$142,175 for Bug Tussel as a forgivable loan funded through ARPA. There was a commitment on a loan to Bug Tussel for up to \$3,000,000. However, approval of the loan would need to be returned to a future Board meeting for final approval. This project focuses on:

- **Fiber-to-the-Premise (FTTP):** Delivering high-speed internet with symmetrical speeds of up to 1 Gbps to 636 residential locations and 16 business locations, all in underserved or unserved areas.
- **Open Access Network:** Encouraging future expansion and faster deployment of countywide fiber by providing an open network for other providers.
- **Economic Impact:** Enhancing economic opportunities for residents and businesses by improving broadband access, which supports remote work, education, and telehealth services.

Project Impact and Timeline:

- **Impact:** The project aims to provide reliable, high-speed internet access to areas currently lacking sufficient broadband options. This will improve remote work capabilities, educational opportunities, and access to healthcare.
- **Timeline:**
 - **Conduit Bonding Project.** 16 Towers are operational and another 7 are at various stages of construction, lease acquisition or permit approval. 182 miles of conduit have been laid some with fiber Final route design and engineering will be done soon. The main-line fiber is expected to be completed by the end of 2024, with last-mile connections starting shortly thereafter and the entire project completed in 2025.
 - **Leathercamp:** The project is underway and should be done in 2024.

The Ask

Bug Tussel's first project in the county is over budget. They have requested that the County consider supporting the issuance of up to an additional \$12 million of conduit bonding to fund the two projects. \$5 million in additional bonding for the 2021 Conduit Bonding Project and \$3 million to meet the County's commitment associated with the Leathercamp project. There are additional costs associated with the issuance of the bonds, capitalized interest, and funding for debt reserves.

Bug Tussel have indicated that the need for additional funding for the 2021 Conduit Borrowing project this was associated with several factors including: 1) The original intent was to place some of the fiber on overhead utility poles. Aerial spans were too far apart and so much more fiber had to be buried than planned. 2) They encountered much more rock than expected in laying the fiber. 3) They had performance problems with their primary contractor who has since been terminated and replaced. 4) The costs for some of the materials and labor have gone up. Other internet providers doing work in Marathon County have experienced many of these issues.

Bug Tussel's second project – the Leathercamp project, Marathon County committed to partner with Bug Tussel committing to providing a forgivable loan of up to \$142,175 which would be satisfied at completion of the project and a long-term loan up to \$3 million. The original intent was to use ARPA funding for the loan. However, the long-term loan was not eligible for ARPA and the County committed to look at providing the loan through other funding sources. The County evaluated the potential use of fund balance as the source. Bug Tussel has expressed a willingness to seek conduit bonding for this project which would not affect our fund balance.

What is a Conduit Bond Issuance?

A conduit bond issuance is a financing mechanism where a governmental entity issues tax-exempt bonds on behalf of a private company or project. The proceeds from the bond sale are provided to the private entity, which is responsible for repaying the debt. Key features include:

- **Issuer:** The government entity (e.g., Fond du Lac County) issues the bonds.
- **Borrower:** Bug Tussel Wireless LLC receives the loan proceeds.
- **Repayment:** The private entity (Bug Tussel) repays the bond debt, typically with project revenues.
- **Risk and Returns:** The risk to the issuing government stems from any potential default of the borrower (i.e., Bug Tussel). The risk is mitigated somewhat by guaranties, which in this case exist with Hilbert Communications, and through the securitization of collateral, which in this instance is the towers and related fiber network. The potential benefits of the project are the expanded service to local residents and businesses, as well as the direct financial benefits received by Marathon County in connection with the administrative payments that it receives from Bug Tussel in accordance with the conduit issue (i.e., 40 basis points).
- **Timeline:** The County Board will be asked to approve an initial resolution supporting conduit bonding in June and a final resolution in September. The June vote is a simple majority and the September vote will require a 3/4ths vote of all members of the County Board.

Conclusion

The partnership with Bug Tussel Wireless LLC represents a significant investment in the digital infrastructure of Marathon County. By leveraging conduit bond financing and PSC funding, the access to high-speed internet will be enhanced, particularly for unserved and underserved residents and businesses, which will in turn foster economic development, enhance educational opportunities, and improve quality of life.

Address

Dear ,

[Your Name]

[Your Title]

[Your Organization]

[Your Address]

[City, State, ZIP Code]

[Email Address]

[Phone Number]

[Date]

[Recipient Name]

[Recipient Title]

[Wisconsin Public Service Corporation]

[Recipient Address]

[City, State, ZIP Code]

Dear [Recipient Name],

I am writing to express my enthusiastic support for the United Way's Techquity initiative in response to the Wisconsin Public Service Corporation's CPF Digital Connectivity and Navigator Program. As [Your Title] at [Your Organization], I have seen firsthand the critical importance of bridging the digital divide in our community and the positive impact such initiatives can have on individuals and families.

The Techquity initiative is an exemplary program that aims to ensure fair access to technology and digital literacy resources for all Wisconsin residents. By addressing the barriers to digital connectivity, this initiative not only enhances educational and economic opportunities but also fosters a more inclusive and connected society.

CPF Digital Connectivity and Navigator Program funding will enable United Way to scale throughout Wisconsin two Techquity program elements – device distribution and digital skill building. A key part of the Techquity initiative is the inclusion of navigators who will aid households receiving a device through the program with navigation services. Navigators will ensure that recipients can maximize the benefits of their digital tools, from accessing educational content and job opportunities to connecting with healthcare services and social support networks.

Our organization, [Your Organization], has collaborated with [add United Ways you have partnered with] on [briefly describe partnership], and we have always been impressed by their commitment to improving lives and strengthening communities. The Techquity initiative is another testament to their innovative and impactful work. We believe that by supporting this

initiative, the Wisconsin Public Service Corporation will be investing in a brighter and fairer future for all Wisconsin residents.

Our organization is committed to supporting this initiative by [add commitments].

In closing, I urge the Wisconsin Public Service Corporation to support United Way's Techquity initiative. This program is a crucial step towards ensuring that all Wisconsinites have the tools and resources they need to thrive in the digital age. Thank you for considering this important initiative.

Sincerely,

[Your Name]

[Your Title]

[Your Organization]