



# GOODHUE COUNTY MINNESOTA

TO EFFECTIVELY PROMOTE THE SAFETY, HEALTH, AND WELL-BEING OF OUR RESIDENTS

## BOARD OF COMMISSIONERS AGENDA

COUNTY BOARD ROOM  
GOVERNMENT CENTER, RED WING

MARCH 1, 2022  
9:00 A.M.

### **VIRTUAL MEETING NOTICE**

The Goodhue County Board of Commissioners will be conducting a county board meeting pursuant to this section on March 1, 2022 at 9:00 a.m. in the County Board Room. The County Administrator and/or County Attorney will be present at the meeting location. All County Commissioners attending will appear by telephone or other electronic means. The public may monitor the meeting from a remote site by logging into <https://global.gotomeeting.com/join/940545109> or calling 1 866 899 4679 OR 1 571 317 3116 any time during the meeting.

Access Code: 940-545-109

#### **Pledge of Allegiance**

#### **Disclosures of Interest**

#### **Review and approve previous board meeting minutes.**

Documents:

[Feb 15.pdf](#)

#### **Review and approve the county board agenda**

#### **Regular Agenda**

#### **Land Use Management Director's Report**

1. Conditional Use Permit (CUP) Amendment - Nate's Garage LLC  
Request for Conditional Use Permit (CUP) amendment submitted by Nate Icaza (owner/operator) to amend CUP Z16-009 to allow an existing agricultural equipment repair business to construct a building addition. Parcel 41.017.1101.

1471 310th ST Way Cannon Falls, MN 55009. Part of the SE ¼ of the SW ¼ of Section 17 TWP 112 Range 18 in Stanton Township. A-2 Zoned District.

Documents:

[CBPacket\\_Icaza.pdf](#)

### **Finance Director's Report**

1. Tax Forfeited Land Red Wing HRA Request

Documents:

[Tax Forfeited Land Red Wing HRA Request.pdf](#)

### **Information Technology Director's Report**

1. Broadband Partnership Program Grant Awards

Documents:

[Board-2022.03.01-BBPPGrantAwards.pdf](#)  
[Goodhue County Broadband Agreement \\_Nuvera Draft 2.23.2022.pdf](#)  
[Goodhue County Broadband Agreement \\_Bevcomm Draft 2.23.2022.pdf](#)  
[Nuvera\\_GCBBPP\\_FullApplication.pdf](#)  
[Bevcomm\\_GCBBPP\\_FullApplication.pdf](#)

### **County Administrator's Report**

1. County Board Room Historic Paint Proposal-Alternative Options

Documents:

[Board Room Paint Alternatives 03.2022.pdf](#)

### **For Your Information**

1. Project Status Report.

Documents:

[Project Status Report 01 Mar 22.pdf](#)

2. Monthly Finance Reports

Documents:

[Capital Plan 1-2022.pdf](#)  
[Debt Services 1-2022.pdf](#)  
[Ditch Fund 01-2022.pdf](#)  
[Fund Balance 1-2022.pdf](#)

### **County Board Committee Reports**

#### **New and Old Business**

#### **Review & Approve County Claims**

Documents:

[County Claims 3-1-22.pdf](#)



**ADJOURN**

**BOARD OF COMMISSIONERS' PROCEEDINGS, GOODHUE COUNTY, MN  
FEBRUARY 15, 2022**

The Goodhue County Board of Commissioners met on Tuesday, February 15, 2022, at 9:00 a.m. by virtual meeting with the County Administrator appearing from the Goodhue County Boardroom, Government Center, Red Wing, MN, with Commissioners Anderson, Majerus, Drotos, Greseth and Flanders all present and appearing by virtual meeting.

C/Majerus asked for any disclosure of interest. C/Anderson noted that he knew people involved in the snowmobile grant, however, he had no connection to the association.

<sup>1</sup> Moved by C/Anderson, seconded by C/Majerus, and carried to approve the February 1, 2021 County Board meeting minutes.

<sup>2</sup> Moved by C/Anderson, seconded by C/Drotos, and carried to approve the February 15, 2022 County Board Agenda.

Administrator Arneson added an employee recognition video under For Your Information.

<sup>3</sup> Moved by C/Anderson, seconded by C/Greseth, and carried to approve the following items consent agenda.

1. Approve the Accurate Controls, Inc. service agreement for the ADC from 5/1/22-4/30/25.
2. Approve the Off Highway Vehicle (ATV) Enforcement Grant for 7/1/21-6/30/23.
3. Approve Land Leases 2022-2025 with Stanton and Warsaw Townships.
4. Approve MN DNR Snowmobile Trail Grant.
5. Approve the Lateral Transfer to the Senior Recorder Position.
6. Approve the County Administrator Annual Employee Evaluation - 2021.

**HUMAN RESOURCE DIRECTOR'S REPORT**

**Personnel Committee Report.** The Personnel Committee met on February 15, 2022 prior to the board meeting with the following items on the agenda:

*Recommended Job Reclassifications.* The Personnel Committee recommended the full county board discuss the issue at the county board meeting.

<sup>4</sup> Moved by C/Anderson, seconded by C/Flanders and carried to approve the following position grade changes as recommended by David Drown & Associates retroactive back to December 25, 2021:

Job Title	Current Grade	New Grade
Recorder Clerk*	79	81
Adult Case Administrator*	81	82
Legal Secretary/ Database Admin*	81	82
Facilities Maintenance Supervisor	82	83
Executive Assistant I: Special Projects Lead	83	84
Human Resource Generalist	83	84
Financial Manager - Sheriff*	83	84
Assistant to the County Administrator	85	86
Communications Captain	85	86

\*Denotes positions covered by the AFSCME collective bargaining agreement. Staff would work with AFSCME to implement the changes.

*Healthy Communities Inter- Rural Health Assessment Grant Funded.* This issue would be addressed by the Health and Human Services Board Meeting.

**COUNTY ADMINISTRATOR'S REPORT**

**Budget Committee Report.** The Budget Committee met on February 15, 2022, prior to the county board meeting with the following items on the agenda:

*Sheriff Out of State Travel Request.* The Budget Committee recommended approval of the out of state travel for Emergency Management Director, Josh Hanson, to attend the Annual National Radiological Emergency Preparedness

**BOARD OF COMMISSIONERS' PROCEEDINGS, GOODHUE COUNTY, MN  
FEBRUARY 15, 2022**

(REP) Conference April 11-14, 2022, in Nashville, TN. All costs associated with the conference would be paid using grant funds.

- <sup>5</sup> Moved by C/Drotos, seconded by C/Majerus, and carried to approve the out of state travel request for Josh Hanson to attend the Emergency Management Director, Josh Hanson, to attend the Annual National Radiological Emergency Preparedness (REP) Conference April 11-14, 2022, in Nashville, TN.

*2021 Carryover Requests.* The Budget Committee recommended approval of the 2021 carryovers as presented.

- <sup>6</sup> Moved by C/Flanders, seconded by C/Majerus, and carried to approve the following 2021 budget carryovers:

Capital - \$1,361,305 total as presented

Operating - \$988,785

\$17,000 – Assessor

- \$6,000- 01-55-6284 Contracted Services
- \$5,000- 01-55-6357 Conferences & Schools
- \$6,000- 01-55-6332 Meals & Lodging

\$7,000 – Sheriff's Dept 01-201-6416 Ammunition & Range Fees

\$963,885- Public Works 03-310-6321 Maintenance Projects

\$900- Waste Management 61-398-6569 Tools & Equipment

*4th Quarter Financial Report.* This item was for information only.

**County Board Room Project - Historic Paint Proposal.** The County Board approved the construction and technology contracts for the County Board Room project at the December 2, 2021 meeting. Red Wing Construction began work within the next week. Upon removal of the old jury box, evidence of historic paintings were found, many of the colors matched what Conrad Schmitt Studios, Inc. (CSS) had determined to use on the rehabilitation and painting of the rotunda and mural. Estimated cost to bring the paintings back to its original state. This is an unbudgeted piece of the project, however, this would fall in the category for use of the Building Contingency Fund. The approximate cost total was \$179,034.

The board discussed the issue and was not in favor of moving forward with the proposed contract amount. The board directed staff to bring back less expensive options to incorporate some of the history of the room.

### **IT DIRECTOR'S REPORT**

**Review of Broadband Partnership Program Grant Applications.** IT Director, John Smith, reviewed the two broadband grant applications with the board.

### **For Your Information.**

**Employee Recognition Video.** Sheriff Marty Kelly updated the board and showed a video of two county employees who were involved in a lifesaving situation. Public Works employees, Steve Matthees and Noah Wandersee received the Sheriff's Citizen Award.

### **COMMITTEE REPORTS:**

C/Drotos	•
C/Greseth	• Planning Advisory Commission Meeting Update.
C/Anderson	•
C/Majerus	•
C/Flanders	• Tribal County AMC Meeting Update.
Administrator Arneson	•

**BOARD OF COMMISSIONERS' PROCEEDINGS, GOODHUE COUNTY, MN  
FEBRUARY 15, 2022**

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**New Business.** Administrator Arneson asked for clarification on if the board wanted staff to bring back agreements for the next step in the process for the broadband partnership program. C/Anderson pointed out that the process was already approved by the board, so he supported it. That was the consensus of the board.

**Mask Mandate.** The board discussed the issue. C/Greseth made a motion to recommend masks be worn in county buildings, but it is not mandatory. C/Majerus seconded the motion.

<sup>7</sup> Moved by C/Greseth, seconded by C/Majerus, and motion failed (2-3-0) C/Anderson, C/Drotos, C/Flanders dissenting to approve to open all buildings and recommend masking.

**Review and Approve the County Claims**

<sup>8</sup> Moved by C/Greseth, seconded by C/Anderson, and carried to approve to pay the County claims in the amount of 01-General Revenue \$1,280,296.21, 03-Public Works \$1,192,603.99, 11- Human Service Fund \$298,172.17, 12- GC Family Services Collaborative \$00, 15- County Ditch 1 \$359.50, 21-ISTS \$00, 25- EDA \$00, 30-Capital Improvement \$00, 31-Capital Equipment \$00, 34-Capital Equipment \$88,076.62, 35-Debt Services \$00, 40-County Ditch \$00, 61-Waste Management \$40,317.29, 62-Recycling Center \$00, 63-HHW \$00, 72-Other Agency Funds \$15,145.63, 81-Settlement \$226.48, in the total amount of \$2,915,197.89.

**Adjourn**

<sup>9</sup> Moved by C/Flanders, seconded by C/Greseth, and carried to approve to adjourn the February 15, 2022, County Board Meeting.

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SCOTT O. ARNESON  
COUNTY ADMINISTRATOR

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JASON MAJERUS, CHAIRMAN  
BOARD OF COUNTY COMMISSIONERS

MINUTE

1. Approved the February 1, 2022 County Board Meeting Minutes. (Motion carried 5-0)
2. Approved the February 15, 2022 County Board Meeting Agenda. (Motion carried 5-0)
3. Approved the consent agenda. (Motion carried 5-0)
4. Approved the Job reclassifications. (Motion carried 5-0)
5. Approved the Out of State Travel Request for the Sheriff's Department. (Motion carried 5-0)
6. Approved the 2021 Carryover Requests. (Motion carried 5-0)
7. Motion failed to recommend masking in county buildings. (Motion failed 2-3-0)
8. Approved the county claims. (Motion carried 5-0)
9. Approved to adjourn the February 15, 2022 County Board Meeting. (Motion carried 5-0)

# Goodhue County Land Use Management

Goodhue County Government Center | 509 West Fifth Street | Red Wing, Minnesota 55066

*Lisa M. Hanni, L.S. Director*

Building | Planning | Zoning  
Telephone: 651.385.3104  
Fax: 651.385.3106



*County Surveyor / Recorder*

Environmental Health | Land Surveying | GIS  
Telephone: 651.385.3223  
Fax: 651.385.3098

**To:** County Board  
**From:** Land Use Management  
**Meeting Date:** March 1, 2022  
**Report date:** February 23, 2022

## **CONSIDER: CUP Amendment – Nate’s Garage LLC**

Request submitted by Nate Icaza (owner/operator) to amend CUP Z16-0009 to allow an agricultural equipment repair business to construct a building addition.

### **Application Information:**

Applicant(s): Nate Icaza (owner/operator)  
Address of zoning request: 1471 310<sup>th</sup> ST Way Cannon Falls, MN 55009  
Parcel Number: 41.017.1101  
Short Legal Description: Part of the SE ¼ of the SW ¼ of Section 17 TWP 112 Range 18 in Stanton Township  
Zoning District: A-2 Zoned District  
Township Signature/Comments: Stanton Township signed acknowledgment of the proposal on January 18, 2022.

### **Attachments and links:**

Application Form  
February 14, 2022 Planning Commission draft meeting minutes  
Proposed Site Plan  
Existing CUP (Doc #632617)  
Goodhue County Zoning Ordinance: <http://www.co.goodhue.mn.us/DocumentCenter/View/2428>

### **Summary:**

The Applicant (Nate Icaza) has operated Nate’s Garage LLC on the subject parcel since 2016. The business repairs various agricultural equipment and vehicles including light-duty trucks, tractors, trailers, lawnmowers etc. A repair business has been operating on this parcel since 1991 when then-owner Virgil Harvey received CUP approval from the County Board for a “commercial use primarily intended to serve the agricultural community” to repair farm equipment and diesel trucks.

Upon purchasing the property in 2016 Mr. Icaza applied to amend the original 1991 CUP to allow the repair of various types of equipment not permitted in the 1991 CUP. He is requesting to amend his existing CUP (Z16-009) to allow him to construct a 30-foot x 65-foot building addition to accommodate taller vehicles.

### **Project Summary:**

#### **Property / Building Information:**

- The subject property consists of a single parcel comprising approximately 2.05-acres.
- The applicant intends to construct a 30-foot by 65-foot structure addition on the north side of his existing building to accommodate up to 3 tractor/trailer combos and other taller vehicles for repairs. The existing structure is the only building on the parcel with additional land used for a parking area.

A building permit will need to be approved by the Goodhue County Building Permits Department prior to construction of the addition.

- No plumbing will be installed in the addition. The property currently does not have a well or septic system on-site.
- The property has existing exterior lighting, no additional lighting is proposed to be installed with this proposal.
- Vehicles are stored outdoors on an existing paved parking area. The Applicant has indicated the asphalt parking area may be expanded in conjunction with this project. An addition to the paved area of the site should be reviewed by the Goodhue Soil and Water Conservation District to ensure appropriate best management practices are used for runoff.
- There is some noise generated by the repair activities on-site. The noise is limited to the business hours and the sounds generated are not uncharacteristic of similar industrial-agricultural activities in the immediate vicinity.

**Business Information:**

- The main activity on site is the repair of various vehicles and agricultural equipment. Business operations would be relatively unchanged with the proposed expansion.
- Primary hours of operation are year-round, Monday through Friday from 8:00 AM to 5:00 PM.
- The Applicant operates the business with the assistance of one employee. No additional employees are proposed.
- Parcel access is located off of 310<sup>th</sup> Street Way (aggregate surface) on the south end of the property. No additional traffic is proposed to be generated with the proposal. Adequate emergency vehicle access is available to service the facility.
- Ample space exists on the property to accommodate parking requirements.
- A review of the property record found no complaints regarding the business since the Applicant began operations in 2016.

**Drainage/Landscaping:**

- The site has minor topographic relief with slopes ranging from 0-3% in the project area. Land east and west of the structure are steeper with slopes over 20%, these areas will not be impacted by the proposed project.
- The Applicant has proposed to increase the paved area of the property in conjunction with the project. Any additional paving should be reviewed by the Goodhue SWCD to ensure proper best management practices are used to avoid erosion and ensure proper drainage.

**Planning Commission Discussion:**

- At the PAC meeting the Board discussed whether there would be a desire to expand the building to 75-feet in length to accommodate truck/trailer combos in the future. The PAC unanimously recommended approval of a 30-foot by 75-foot building addition (see minutes attached).

**PAC Findings of Fact:**

1. The proposed structure addition does not appear injurious to the use and enjoyment of properties in the immediate vicinity for uses already permitted, nor would it substantially diminish and impair property values in the immediate vicinity. The surrounding area is primarily forest and row crop agriculture land.
2. The proposed structure expansion is not anticipated to impede the normal and orderly development or improvement of surrounding vacant property for uses predominant to the area. The proposal does not appear incompatible with adjacent agricultural land uses.
3. A review of the Applicant’s submitted project summary indicates adequate utilities, access roads, drainage, and other necessary facilities are available to accommodate the proposed use.
4. The facility has ample room to provide sufficient off-street parking and loading space to serve the use and meet the Goodhue County Zoning standards.
5. The submitted plans detail adequate measures to prevent or control offensive odor, fumes, dust, noise, and vibration so that none of these will constitute a nuisance. There is little dust

generation on the site given the limited traffic and presence of paved areas and the noises generated from the business are not uncharacteristic from other agricultural operations in the vicinity.

**PAC RECOMMENDATION:**

The Planning Advisory Commission recommends the County Board

- adopt the staff report into the record;
- adopt the findings of fact;
- accept the application, testimony, exhibits, and other evidence presented into the record; and

**APPROVE** the request submitted by Nate Icaza (owner/operator) to amend CUP Z16-009 to allow an existing agricultural equipment repair business to construct a 30-foot x 75-foot building addition. This amendment shall revoke and replace CUP Z16-009. Subject to the following conditions:

1. The expansion shall be constructed according to the approved specifications of this CUP unless modified by a condition of this CUP;
2. The applicant shall obtain Building Permit approvals from the Goodhue County Land Use Management Department prior to constructing the addition;
3. Compliance with Goodhue County Zoning Ordinance including, but not limited to, Article 22 (General Agriculture District);
4. Compliance with all necessary State and Federal registrations, permits, licensing, and regulations.
5. All exterior parking of vehicles shall be conducted in an orderly fashion on the property. No on-street parking or loading is permitted.

**PLANNING COMMISSION  
GOODHUE COUNTY, MN  
February 14, 2022 MEETING MINUTES  
DRAFT**

Recommend that the County Board of Commissioners **APPROVE** the request from Jim Boo, Applicant and James Edlund, Owner for a Conditional Use Permit (CUP) to establish a Veterans Memorial Park with banquet facility/event space and nature trails. The proposal includes provisions for memorials, banquet facility and restaurant space, and various public park spaces.

Subject to the following conditions:

1. Activities shall be conducted according to submitted plans, specifications, and narrative unless modified by a condition of this CUP;
2. Hours of operation for the memorial and park area shall be year-round, 7-days per week from 9 a.m. to 9 p.m.;
3. Hours of operation for the restaurant and banquet facility shall be year-round, 7-days per week from 7:00 AM to 10:00 PM;
4. Special events shall end no later than 12:00 AM (midnight);
5. On-street parking and loading/off-loading shall be prohibited;
6. The Goodhue County Zoning Administrator and Sheriff's Office shall be notified no less than 30-days prior to any publicized events with over 500 people;
7. Notification of events with over 500 people shall include the dates and times of the event, the purpose of the event, provisions for noise control, traffic control measures, provisions for additional septic/wastewater facilities, and a list of food concessioners for the events;
8. Events with over 500 people shall have on-site security and medical services. Evidence of these services shall be provided to the Zoning Administrator no less than 30-days prior to the event;
9. Applicant shall obtain Building Permit approvals for proposed structures from the Goodhue County Building Permits Department prior to beginning construction;
10. Applicant shall obtain all appropriate well and septic system permits from the Goodhue County Environmental Health Department and Minnesota Pollution Control Agency prior to establishing the use;
11. Compliance with Goodhue County Zoning Ordinance including Article 30 CR, Commercial Recreational District;
12. Compliance with all necessary State and Federal registrations, permits, licensing, and regulations; and
13. Applicant shall work with the Goodhue Soil and Water Conservation District regarding proposed grading and erosion control measures prior to beginning work.

**Motion carried 6:1 Stenerson opposed**

**PUBLIC HEARING: CUP Amendment – Nate's Garage LLC**

Request submitted by Nate Icaza (owner/operator) to amend CUP Z16-0009 to allow an agricultural equipment repair business to construct a building addition.

*Pierret presented the staff report and attachments.*

**Chair Stark Opened the Public Hearing**



**PLANNING COMMISSION  
GOODHUE COUNTY, MN  
February 14, 2022 MEETING MINUTES  
DRAFT**

**<sup>12</sup>After Chair Stark called three times for comments it was moved by Commissioner Fox and seconded by Commissioner Greseth to close the Public Hearing.**

**Motion carried 7:0**

*Commissioner Stenerson questioned whether the owner had considered extending the length of the repair shop from 65-feet to 75-feet to accommodate trucks and trailers.*

*Huynh Do, co-owner of Nate's Garage LLC said they would consider it.*

*Jim Polingo, Operations Manager said they may consider adding an additional 10-feet in length in the future. Mr. Icaza currently has plans for the 65-foot long addition.*

*Commissioner Stenerson noted they do not have to construct a 75-foot addition but the owner would not need to return to the Planning Commission for another amendment in the future if the length were increased to 75-feet.*

**<sup>14</sup>It was moved by Commissioner Stenerson and seconded by Commissioner Greseth for the Planning Advisory Commission to:**

- adopt the staff report into the record;
- adopt the findings of fact;
- accept the application, testimony, exhibits, and other evidence presented into the record; and

Recommend the County Board of Commissioners **APPROVE** the request submitted by Nate Icaza (owner/operator) to amend CUP Z16-009 to allow an existing agricultural equipment repair business to construct a 30-foot x 75-foot building addition. This amendment shall revoke and replace CUP Z16-009.

Subject to the following conditions:

1. The expansion shall be constructed according to submitted plans, specifications, and narrative unless modified by a condition of this CUP;
2. The applicant shall obtain Building Permit approvals from the Goodhue County Land Use Management Department prior to constructing the addition;
3. Compliance with Goodhue County Zoning Ordinance including, but not limited to, Article 22 (General Agriculture District);
4. Compliance with all necessary State and Federal registrations, permits, licensing, and regulations.
5. All exterior parking of vehicles shall be conducted in an orderly fashion on the property. No on-street parking or loading is permitted.

**Motion carried 7:0**

RECEIVED

GOODHUE COUNTY CONDITIONAL/INTERIM USE PERMIT APPLICATION

JAN 24 2022

Parcel # 41-017, 1101

Permit Z22-0008

PROPERTY OWNER INFORMATION

Land Use Management

Last Name FCAZIA First NATE Email \_\_\_\_\_

Street Address 30903 Hwy 56 Blvd

City Cannon Falls State MN Zip 55009 Attach Legal Description as Exhibit "A"

Authorized Agent \_\_\_\_\_ Phone \_\_\_\_\_

Mailing Address of Landowner: \_\_\_\_\_

Mailing Address of Agent: \_\_\_\_\_

PROJECT INFORMATION

Site Address (if different than above): 1471 310A St Way Cannon Falls MN 55009

Lot Size 2.05 ACRES Structure Dimensions (if applicable) 30x65

What is the conditional/interim use permit request for? Tractor/Trailer Repair

Written justification for request including discussion of how any potential conflicts with existing nearby land uses will be minimized

no conflicts

DISCLAIMER AND PROPERTY OWNER SIGNATURE

I hereby swear and affirm that the information supplied to Goodhue County Land Use Management Department is accurate and true. I acknowledge that this application is rendered invalid and void should the County determine that information supplied by me, the applicant in applying for this variance is inaccurate or untrue. I hereby give authorization for the above mentioned agent to represent me and my property in the above mentioned matter.

Signature of Landowner: [Signature]

Date 1-18-22

Signature of Agent Authorized by Agent: \_\_\_\_\_

TOWNSHIP INFORMATION

Township Zoning Permit Attached?  If no please have township complete below:

By signing this form, the Township acknowledges being made aware of the request stated above. In no way does signing this application indicate the Township's official approval or denial of the request.

Signature [Signature]

Title Stanton Township Chairperson

Date 1-18-22

Comments: \_\_\_\_\_

COUNTY SECTION

COUNTY FEE \$350

RECEIPT # 17518

DATE PAID 1-24-22

Applicant requests a CUP/IUP pursuant to Article \_\_\_\_\_ Section \_\_\_\_\_ Subdivision \_\_\_\_\_ of the Goodhue County Zoning Ordinance

What is the formal wording of the request? \_\_\_\_\_

Shoreland \_\_\_\_\_ Lake/Stream Name \_\_\_\_\_ Zoning District \_\_\_\_\_

Date Received \_\_\_\_\_ Date of Public Hearing \_\_\_\_\_ DNR Notice \_\_\_\_\_ City Notice \_\_\_\_\_

Action Taken:  Approve  Deny Conditions: \_\_\_\_\_



## GOODHUE COUNTY CONDITIONAL/INTERIM USE PERMIT APPLICATION

**PROJECT SUMMARY**

Please provide answers to the following questions in the spaces below. If additional space is needed, you may provide an attached document.

1. Description of purpose and planned scope of operations (including retail/wholesale activities).

*would need to add on for tractor/trailer repairs - need 16 ft. ceilings*

2. Planned use of existing buildings and proposed new structures associated with the proposal.

*continue with same operations*

3. Proposed number of non-resident employees.

*1*

4. Proposed hours of operation (time of day, days of the week, time of year) including special events not within the normal operating schedule.

*8-5 M-F*

5. Planned maximum capacity/occupancy.

*3 tractor/trailer combos*

6. Traffic generation and congestion, loading and unloading areas, and site access.

*no different*

7. Off-street parking provisions (number of spaces, location, and surface materials).

*none*

8. Proposed solid waste disposal provisions.

*same as previous*

9. Proposed sanitary sewage disposal systems, potable water systems, and utility services.

*same as previous*

10. Existing and proposed exterior lighting.

*Same as previous*

11. Existing and proposed exterior signage.

*Same as previous*

12. Existing and proposed exterior storage.

*Same as previous*

13. Proposed safety and security measures.

*Same as previous*

14. Adequacy of accessibility for emergency services to the site.

*Same as previous*

15. Potential for generation of noise, odor, or dust and proposed mitigation measures.

*Idling tractors*

16. Anticipated landscaping, grading, excavation, filling, and vegetation removal activities.

*possible extension of asphalt in parking lot*

17. Existing and proposed surface-water drainage provisions.

*Same as previous*

18. Description of food and liquor preparation, serving, and handling provisions.

*None*

19. Provide any other such information you feel is essential to the review of your proposal.

WHEREAS, Nate Icaza –Patrick O’leary have submitted an application for an amendment to a Conditional Use Permit for an Ag. Equipment Repair Shop, a commercial use primarily intended to serve the agricultural community on parcel in A-2 Zoned District.

Address of zoning request: 30903 Hwy 56 Blvd Cannon Falls, MN 55009

Parcel No: 41.017.1101 (split from 41.017.1100 in 2016)

Brief Legal Description: Twp-112 Range-18 PT OF SE1/4 of the SW 1/4 of Sect-17), Stanton Township, Document #432681)

The project plans have been reviewed with reference to the Goodhue County Zoning Ordinance. The Interim Use Permit application was considered by the Goodhue County Planning Advisory Committee at a public hearing on Monday, February 08, 2016 and the request was considered at a public meeting by the Goodhue County Board of Commissioners on Tuesday, March 01, 2016 Pursuant to Goodhue County Zoning Ordinance the project has been properly noticed by posting to the official newspaper of Goodhue County and a mailing to properties within a quarter mile of the site.

**NOW, THEREFORE, BE IT RESOLVED:**

The County Board accepts into the record the PAC report, PAC record, and based on the findings of fact, application, testimony, exhibits, and other evidence presented, the County Board grants the Conditional Use Permit for commercial use primarily intended to serve the agricultural community on parcel 41.017.1100 in A-2 Zoned District (Twp-112 Range-18 PT OF SE1/4 of the SW 1/4 of Sect-17), in Stanton Township with an amendment to the existing CUP for Agricultural Equipment repair to include, but not limited to:

1. Light duty trucks
2. Farmer’s vehicles
3. 4 wheelers
4. Lawn mowers
5. Tractors
6. Trailers
7. And any equipment utilized for a standard farm operation

Subject to the following conditions:

1. Conformance with the application submitted to Goodhue County Land Use Management Office January 2016.
2. Compliance with all necessary state and federal permits and licensing.
3. Compliance with Goodhue County Zoning Ordinance Article 11
  - a. SECTION 8. DUMPING AND DISPOSAL OF RUBBISH
  - b. SECTION 9. EXTERIOR STORAGE OF AUTOMOBILES
4. Any business related exterior parking of vehicles (subject to Article 11, Section 9 as noted above) must be managed in an orderly fashion and conducted within the boundaries of the property with no on street parking permitted.
5. No traffic shall be generated by the business beyond that which is reasonable and normal for the area in which it is located.
6. Only one non-illuminated sign not to exceed sixteen (16) square feet in area shall be allowed in conjunction with the business.
7. The owners will cooperate with inspections of the facility in coordination with Land Use staff

Date signed: 3-16-2016

  
\_\_\_\_\_  
Dan Rechtzigel, Chairperson  
Goodhue County Board of Commissioners

*DISCONTINUANCE: A conditional/interim use permit shall expire and be considered null and void one (1) year after the County Board’s final decision to grant the permit if the use has not begun. One (1) administrative extension of up to one (1) year may be granted by the Zoning Administrator upon written request of the property owner, provided there is reasonable cause for the request and further provided that the written request is made no less than thirty (30) days prior to expiration of the permit. If no extension has been requested the Zoning Administrator shall record an expiration notice with the County Recorder. A conditional/interim use permit shall be considered null and void if discontinued for a period of one (1) year.*

STATE OF MINNESOTA )

) ss.

LAND USE MANAGEMENT DEPARTMENT

COUNTY OF GOODHUE )

I, Michael Wozniak, AICP, Planner/Zoning Administrator for Goodhue County, do hereby certify that I have compared the foregoing copy and Order this conditional use permit with the original record thereof preserved in my office, and have found the same to be correct and true transcript.

Dated this 7<sup>th</sup> day of April, 2016.

  
\_\_\_\_\_  
Planner/Zoning Administrator, Goodhue County

(SEAL)

Drafted by:  
Goodhue County Land Use Management Department  
509 West Fifth Street  
Red Wing, MN 55066



# MAP 01: PROPERTY OVERVIEW



## PLANNING COMMISSION

Public Hearing  
February 14, 2022

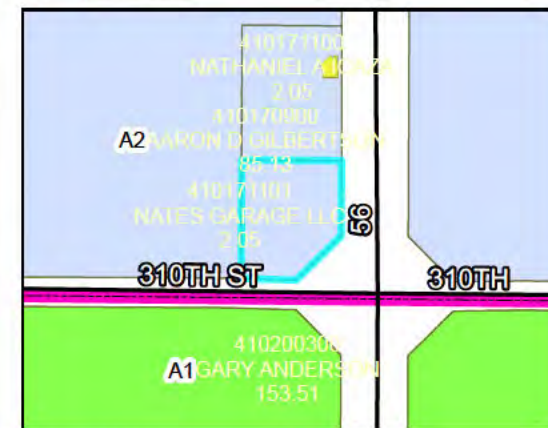
Nate Icaza (Owner/Operator)  
A2 Zoned District

Part of the SE 1/4 of the SW 1/4  
of Section 17 TWP 112 R18 in  
Stanton Township

Request for CUP Amendment to allow  
construction of a building addition to  
allow for repair of tractor/trailers.

### Legend

Intermittent Streams	Bluff Impact Zones (% slope) 20
Protected Streams	Bluff Impact Zones (% slope) 30
Lakes & Other Water Bodies	<b>FEMA Flood Zones</b>
Shoreland	2% Annual Chance
Historic Districts	A
Parcels	AE
Registered Feedlots	AO
Dwellings	X
Municipalities	



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NO liability for the accuracy or completeness of this map  
OR responsibility for any associated direct, indirect,  
or consequential damages that may result from its use  
or misuse. Goodhue County Copyright 2022.

2018 Aerial Imagery  
Map Created January, 2022 by LUM





# MAP 02: VICINITY MAP



## PLANNING COMMISSION

Public Hearing  
February 14, 2022

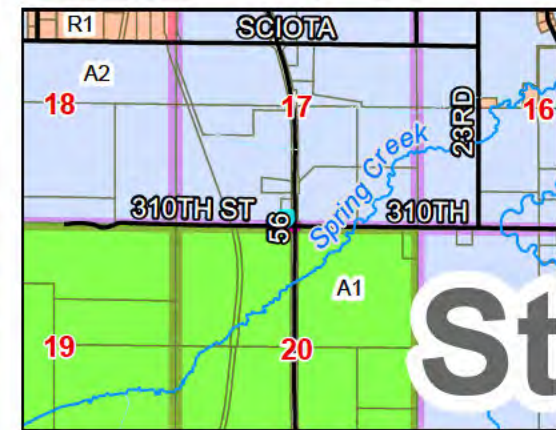
Nate Icaza (Owner/Operator)  
A2 Zoned District

Part of the SE 1/4 of the SW 1/4  
of Section 17 TWP 112 R18 in  
Stanton Township

Request for CUP Amendment to allow  
construction of a building addition to  
allow for repair of tractor/trailers.

### Legend

	Intermittent Streams		Bluff Impact Zones (% slope)
	Protected Streams		30
	Lakes & Other Water Bodies		2% Annual Chance
	Shoreland		A
	Historic Districts		AE
	Parcels		AO
	Registered Feedlots		X
	Dwellings		
	Municipalities		



0 135 270 540 810 US Feet

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# MAP 03: ELEVATIONS



## PLANNING COMMISSION

Public Hearing  
February 14, 2022

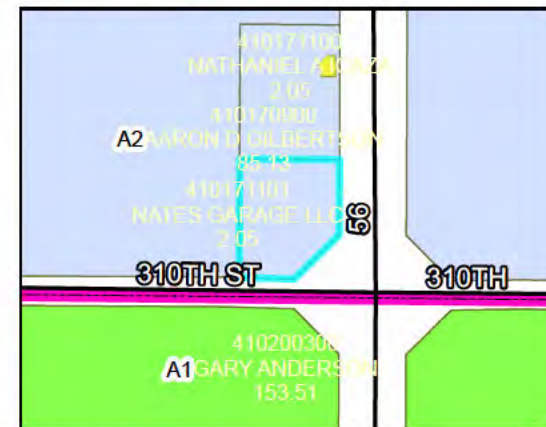
Nate Icaza (Owner/Operator)  
A2 Zoned District

Part of the SE 1/4 of the SW 1/4  
of Section 17 TWP 112 R18 in  
Stanton Township

Request for CUP Amendment to allow  
construction of a building addition to  
allow for repair of tractor/trailers.

### Legend

	Intermittent Streams		Bluff Impact Zones (% slope)
	Protected Streams		20
	Lakes & Other Water Bodies		30
	Shoreland		FEMA Flood Zones
	Historic Districts		2% Annual Chance
	Parcels		A
	Registered Feedlots		AE
	Dwellings		AO
	Municipalities		X



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2018 Aerial Imagery  
Map Created January, 2022 by LUM







Brian J. Anderson  
Goodhue County Auditor/Treasurer  
Goodhue County Finance & Taxpayer Services

*Brian.anderson@co.goodhue.mn.us*  
509 W. Fifth St.  
Red Wing, MN 55066  
Phone (651) 385-3032

TO: County Board of Commissioners  
FROM: Brian J. Anderson, Auditor/Treasurer  
Micki O'Keefe, Accountant II  
SUBJECT: Tax Forfeited Land Red Wing HRA Request  
DATE: March 1, 2022

---

### **Background**

On May 24, 2021 parcel 55.020.1620 went to tax forfeiture and ultimately became the responsibility of Goodhue County to either use for public purpose, public use or to sell and put it back on the property tax rolls. The Red Wing HRA has expressed interest in acquiring the property. The land transaction would have minimal risk to the County as the Red Wing HRA would work with Habitat for Humanity to have the structures removed, construct two new housing units on the parcel, and then sell the property by the fall of 2023.

### **Discussion**

As part of the forfeiture process that a County must follow, it must inquire if the residing municipality is interested in acquiring the parcel for public use or public purpose. If the municipality is interested and the acquisition is for public purpose, such as affordable housing, it can then ask to purchase the property for less than the estimated market value. The estimated market value for taxes payable in 2022 is \$66,100 (land value: \$40,400, building value: \$25,700). The following conditions must be met:

1. The County Board determines that a reduced price is necessary to incentivize a governmental subdivision or state agency to correct blight or create affordable housing; and
2. The governmental subdivision or state agency has a documented specific plan for correcting blight or creating affordable housing. The governmental subdivision or state agency must identify the specific law(s) that empower it to acquire the property for its plans.

The Department of Revenue has not defined what a "specific plan" is or is not. The County, therefore, has discretion as to what is specific enough, reliable enough, or extensive enough to meet this requirement. At a minimum, the plan must be in writing and describe with some specificity the intentions for the land.

In January, staff met with Kurt Keena from the Red Wing HRA and Bob Hawley from Habitat for Humanity and walked through the property. It was concluded that the structure is not a candidate for rehab. However, the HRA has expressed interest in acquiring the property, cleaning it up by removing the house, and using it for an affordable housing project.

Their plan is to acquire the property and work with Habitat for Humanity to construct new affordable homeownership units. The plan is to create two new ownership units on the property and sell them to families at an affordable price. Once the sale to the families occurs, the property will then return to the tax rolls.

Tentative plan for the site is as follows:

- Duplex or Twin Home structure with full basements
- 2 – 4 bedrooms per unit (2 up with the potential for two downstairs based on the family size or need)
- Attached garage for each unit
- Construction cost in the \$260K range (exclusive of land costs)
- Value per unit in the \$180K range
- Timeline
  - Acquisition/demolition/site prep – Spring 2022
  - Family selection by Habitat – Summer/Fall 2022
  - Construction – Spring/Summer of 2023
  - Occupancy – Fall of 2023

The City of Red Wing has agreed to waive their portion of the proceeds of the sale of the parcel in order to help defray the costs of the cleanup/demo. The HRA asked if the County was able to waive their portion of the proceeds from the sale. In the past, the County has opted to reduce the sale price to one dollar (\$1.00) for those that require extensive work. Similar situations happened regarding the old Kenyon-Wanamingo School and the Cannonball. Both of which had structures that the cities worked to have removed.

In addition, there is a need to do an extensive removal of material from the house as well as the garage and yard prior to the demolition of the structure and preparation of the site for new construction. The HRA has inquired about utilizing the Sentence to Serve program participants to assist with the clean out portion of the project.

So far, the County has incurred cost related to the property in the amount of \$1,060.06. Additional costs are expected for future gas and electric bills. If the sale price of \$1.00 is approved, the County would use funds from the commitment for tax forfeited property funding to cover the cost associated with this property. Current committed balance is \$4,085.00.

### **Recommendation**

Staff recommends approval of the sale of parcel 55.020.1620 to the Red Wing HRA at the reduced price of \$1.00 plus recording and deed fees.

BOARD OF COUNTY COMMISSIONERS  
GOODHUE COUNTY, MINNESOTA

Date: 1 March 2022

---

RESOLUTION APPROVING GOODHUE COUNTY TO SELL PARCEL 55.020.1620 TO THE RED WING HRA FOR PUBLIC PURPOSE FOR \$1.00.

WHEREAS, the County Board of Commissioners of Goodhue County, State of Minnesota, have received a request from the Red Wing HRA to acquire parcel 55.020.1620 for public purpose.

WHEREAS, the County Board has determined that a sale at a reduced price is in the public's interest because a reduced price is necessary to provide an incentive clean up the property and to create affordable housing.

WHEREAS, the Red Wing HRA has provided specific plans to create affordable housing.

NOW, THEREFORE BE IT RESOLVED that the Goodhue County Board of Commissioners hereby grant their approval for the Red Wing HRA in acquiring parcel 55.020.1620 for public purpose.

BE IT FURTHER RESOLVED that the Goodhue County Board of Commissioners grants the sale at a reduced price of \$1.00 plus recording and deed fees.

BE IT FURTHER RESOLVED that the Goodhue County Board of Commissioners hereby requests staff to complete the necessary application and submit it to the State of Minnesota.

---

State of Minnesota  
County of Goodhue

Anderson	Yes	_____	No	_____
Drotos	Yes	_____	No	_____
Flanders	Yes	_____	No	_____
Greseth	Yes	_____	No	_____
Majerus	Yes	_____	No	_____

I, Scott Arneson, duly appointed, qualified and County Administrator of the County of Goodhue, State of Minnesota, do hereby certify that I have compared the foregoing copy of a resolution with the original minutes of the proceedings of the Board of County commissioners, Goodhue County, Minnesota at their session held on the 1<sup>st</sup> day of March, 2022, no on file in my office, and have found the same to be a true and correct copy thereof.

Witness my hand and official seal at Red Wing, Minnesota, this 1<sup>st</sup> day of March, 2022.

---

Scott Arneson  
County Administrator



**John M. Smith**  
*IT Director*  
*Goodhue County*

509 W. Fifth St.  
Red Wing, MN 55066  
Phone – (651) 385-3224  
Fax – (651) 385-2023

Date: March 1, 2022

To: The Honorable County Commissioners

From: John M. Smith, IT Director

---

## **REPORT SUMMARY**

Approve award of grants, utilizing federal ARPA funds, to Nuvera and Bevcomm for broadband development projects in Goodhue County.

## **BACKGROUND**

Two applications were received for the county's Broadband Partnership Program, from Nuvera and from Bevcomm. The projects and grant applications were reviewed at the February 15, 2022 board meeting. Formal agreements for award of grant funding have been prepared and are attached to this communication.

## **IMPACT**

Funding of these grant applications is included in the ARPA use of funds budget prepared by the Goodhue County Auditor/Treasurer.

## **RECOMMENDATION**

Approve grant awards for Nuvera and Bevcomm as outlined in the attached agreements.

**GOODHUE COUNTY  
NUVERA COMMUNICATIONS  
BROADBAND DEVELOPMENT AGREEMENT**

THIS AGREEMENT (the “Agreement”) is made and entered into this 1<sup>ST</sup> day of March, 2022 (the “Effective Date”) by and between the County of Goodhue, (the “County”), 509 W Fifth St. Red Wing, Minnesota 55066, and Nuvera Communications, Inc. (“Nuvera”), 27 N. Minnesota Street, New Ulm, Minnesota 56073.

WHEREAS, the County has pledged \$639,562.50 (six hundred thirty nine thousand five hundred sixty two dollars and fifty cents) and Nuvera has pledged \$639,562.50 (six hundred thirty nine thousand five hundred sixty two dollars and fifty cents) towards the construction of a fiber network to deliver broadband services in a portion of Goodhue County (the “Project”).

WHEREAS, the County has determined that Nuvera is qualified and able to ensure timely and successful competition of the Project;

NOW, THEREFORE, in consideration of the mutual covenants and understandings contained herein, the parties agree as follows:

1. **Project Scope.** Nuvera shall perform all services and provide all staffing, equipment and materials, funding and other resources necessary to design, permit, make purchases for, construct and/or install the Project as set forth in Exhibit A. Nuvera shall pay for all costs and expenses necessary to complete the Project, subject to partial reimbursement from the County as provided in this Agreement.

1.1 US Treasury’s Final Rule Compliance. In accordance with the US Treasury’s Final Rule, Nuvera ensures that the Project will meet the following requirements:

- (i) Designed to reliably meet or exceed symmetrical 100 Mbps download speed and upload speeds; or
- (ii) In cases where it is not practicable, because of the excessive cost of the project or geography or topography of the area to be served by the Project:
  - a. Reliably met or exceed 100 Mbps download speed and between at least 20 Mbps and 100 Mbps upload speed; and
  - b. Be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.
- (iii) Participate in the FCC’s Affordable Connectivity Program (ACP) or provide access to a broad-based affordability program to low-income consumers that provides benefits commensurate to ACP.
- (iv) Payments from the County for this project will not be used for costs that will be reimbursed by other federal or state funding streams.

2. **Project Timing.** Nuvera shall obtain all approvals for, and shall execute the Project, so that within 24 months after the Effective Date, the Project shall be completed; provided, however, that said timeframe may be extended by mutual written agreement of the parties.

3. **Fee Schedule.** County shall reimburse Nuvera as follows:

3.1 **Contingencies.** Nuvera shall resolve all project contingencies prior to invoicing for any reimbursements.

3.2 **Written Requests.** Nuvera shall submit to the County written requests for reimbursement pursuant to this Agreement. Reimbursement may be requested when the project is completed.

3.3 **Reimbursement Timing.** The County shall issue full reimbursement to Nuvera within thirty (30) days of receiving reimbursement request.

3.4 **Withholding Requirements.** The County may withhold all or any portion of a reimbursement payment if they determine, in their reasonable discretion, that: (i) Nuvera has not complied with applicable federal, state or local laws, ordinances or regulations in connection with its activities under this Agreement, (ii) Nuvera has failed to obtain or maintain a necessary license or permit in connection with its activities under this Agreement, or (iii) Nuvera has otherwise failed to comply with a material term or condition of this Agreement.

4. **Project Ownership.** The County is a partial funding source only, and have no right, title, obligation or interest in the Project, nor any control over the design, permitting, purchases, construction and/or installation, operation or maintenance of the Project. Nuvera shall be solely responsible for the proper execution of and ongoing operation and maintenance of the Project, and will use that degree of care, knowledge and skill ordinarily exercised by other reputable professionals in the field under like circumstances within the State of Minnesota.

5. **Project Maintenance.** Nuvera shall pay all costs and expenses associated with maintenance and operation of the Project and shall keep the Project and all portions thereof in a good, safe and useable condition.

6. **Project Use.** The Project to be funded pursuant to this Agreement shall remain property of Nuvera.

7. **Licenses.** Throughout the term of this Agreement, Nuvera shall possess or secure all licenses, permits, qualifications and approvals legally required to design, make purchases for, construct and/or install the Project and shall comply with all applicable federal, state, and local laws, ordinances and regulations. Prior to commencement of construction, Nuvera shall obtain any and all land use and building entitlements necessary to complete the Project, including without limitation all zoning, development and site plan approvals, rights of entry, and appropriate building, environmental health or other permits.

8. **Relationship Between the Parties.** Nothing in this Agreement shall be construed as creating the relationship of co-partners, joint ventures, or an association, nor shall Nuvera, be considered an employee, agent or representative of the County.

9. **Insurance and Indemnification.**

9.1 **Insurance.** Nuvera shall comply with the insurance requirements set forth in Exhibit B, attached to this Agreement and incorporated herein by reference.

9.2 **Indemnification by Nuvera.** Nuvera agrees to indemnify and hold harmless the County and their officers, officials, agents, volunteers and employees from any liability, claims, losses, damages, costs, judgments, or expenses, including reasonable attorneys' and other professional

fees, resulting directly or indirectly from any negligent, tortious or illegal act or omission, including without limitation, professional errors or omissions by Nuvera arising from the performance of its services pursuant to this Agreement, and against all loss by reason of the failure of Nuvera to fully to perform all obligations under this Agreement.

9.3 Indemnification by County. The County agrees to indemnify and hold harmless Nuvera from any liability, claims, losses, damages, costs, judgments, or expenses, including reasonable attorneys' and other professional fees, resulting directly or indirectly from any negligent, tortious or illegal act or omission by the County (including their officers, employees, agents and subcontractors) arising from the terms of this Agreement, and against all loss by reason of the failure of the County, their agents, employees or subcontractors fully to perform all obligations under this Agreement.

10. **Audit.** Nuvera shall maintain complete and accurate records with respect to costs incurred and services performed under this Agreement for a period of at least 7 (seven) years after the termination of this Agreement. Pursuant to Minn. Stat. § 16C.05, Subd. 5, Nuvera shall allow the County, or other persons or agencies authorized by the County, including the Legislative or State Auditor, access to the records of Nuvera at reasonable hours, including all books, records, documents, and accounting procedures and practices of Nuvera relevant to the subject matter of the Agreement, for purposes of audit.

11. **Notice.** Any notices required or permitted to be given under this Agreement: (i) shall be in writing signed by or on behalf of the party making the same; (ii) shall be deemed given or delivered (a) if delivered personally, when received, (b) if sent from within the United States by registered or certified mail, postage prepaid, return receipt requested, on the third business day after mailing, or (c) if sent by messenger or reputable overnight courier service, on the next business day after mailing; and (iii) shall be addressed to each party at its address set forth in this Agreement, or at such other address as the parties shall designate in writing by personal delivery, certified mail, or overnight courier service.

12. **Termination and Suspension.** If either party materially breaches any of the terms and conditions of this Agreement and fails to cure such breach within thirty (30) days' written notice, the non-breaching party may terminate or suspend this Agreement. In the event either party exercises its right to suspend or terminate this Agreement, the non-breaching party shall submit written notice to the breaching party specifying the extent of the suspension or termination and the reasons therefore, and the date upon which suspension or termination becomes effective.

13. **Survival.** The provisions of this Agreement which, by their terms, impose obligations that are continuing in nature, and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, without limitation, the following clauses: Sections 7 (Licenses); 9 (Insurance and Indemnification); 10 (Audit); 14.3 (Governing Law; Jurisdiction; Venue).

14. **General Provisions.**

14.1 Entire Agreement; Amendments; Conflicts. This Agreement (including the exhibits attached hereto) constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, documents and proposals, oral or written, between the parties with respect thereto. Any amendment or modification to this Agreement shall not be valid unless such amendment or modification (i) is in writing and signed by authorized representatives of both parties and (ii) references this Agreement. The terms and conditions of the exhibits are integral parts of this Agreement and are fully incorporated herein by this reference.



14.2 Compliance with Applicable Law. Nuvera agrees to comply with applicable federal, state and local laws or ordinances, and applicable rules, regulations, and standards established by any agency of such governmental units, which are now or hereafter promulgated insofar as they relate to Nuvera's performance of the provisions of this Agreement.

14.3 Governing Law; Jurisdiction; Venue. This Agreement shall be governed by the laws of the State of Minnesota, without regard to its conflict of laws rules. For the purpose of resolving conflicts related to or arising out of this Agreement, the parties expressly agree that venue shall be exclusively in the State of Minnesota, County of Goodhue. The parties hereby expressly consent to the exclusive personal jurisdiction of the federal and state courts located in the State of Minnesota, regardless of the citizenship or residency of either party at the time of the commencement of any legal proceeding.

14.4 Assignment. Neither party shall assign its rights or delegate its duties under this Agreement without receiving the prior written consent of the other party.

14.5 Successors in Interest. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their permitted successors and assigns.

14.6 Severability. In the event that any portion of this Agreement shall be held to be invalid, such invalidity shall not affect the validity of the remainder of this Agreement.

14.7 Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and to constitute one and the same instrument. Electronic copies of this Agreement, including without limitation, those transmitted by facsimile or scanned to an image file, shall be considered originals.

*[Signature page follows.]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the Effective Date set forth above.

**GOODHUE COUNTY**

**NUVERA COMMUNICATIONS, INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**THE PROJECT**

[Insert Application/Descriptions]

**EXHIBIT B**  
**INSURANCE REQUIREMENTS**

(County to insert requirements)

**GOODHUE COUNTY  
PINE ISLAND TELEPHONE COMPANY, INC., DBA BEVCOMM  
BROADBAND DEVELOPMENT AGREEMENT**

THIS AGREEMENT (the “Agreement”) is made and entered into this 1<sup>ST</sup> day of March, 2022 (the “Effective Date”) by and between the County of Goodhue, (the “County”), 509 W Fifth St. Red Wing, Minnesota 55066, and Pine Island Telephone Company, Inc., dba Bevcomm (“Bevcomm”), 123 W. 7<sup>th</sup> Street, Blue Earth, Minnesota 56013.

WHEREAS, the County has pledged \$277,767.00 (two hundred seventy seven thousand seven hundred sixty seven dollars) and Bevcomm has pledged \$277,767.00 (two hundred seventy seven thousand seven hundred sixty seven dollars towards the construction of a fiber network to deliver broadband services in a portion of Goodhue County (the “Project”).

WHEREAS, the County has determined that Bevcomm is qualified and able to ensure timely and successful competition of the Project;

NOW, THEREFORE, in consideration of the mutual covenants and understandings contained herein, the parties agree as follows:

1. **Project Scope.** Bevcomm shall perform all services and provide all staffing, equipment and materials, funding and other resources necessary to design, permit, make purchases for, construct and/or install the Project as set forth in Exhibit A. Bevcomm shall pay for all costs and expenses necessary to complete the Project, subject to partial reimbursement from the County as provided in this Agreement.

1.1 US Treasury’s Final Rule Compliance. In accordance with the US Treasury’s Final Rule, Bevcomm ensures that the Project will meet the following requirements:

- (i) Designed to reliably meet or exceed symmetrical 100 Mbps download speed and upload speeds; or
- (ii) In cases where it is not practicable, because of the excessive cost of the project or geography or topography of the area to be served by the Project:
  - a. Reliably met or exceed 100 Mbps download speed and between at least 20 Mbps and 100 Mbps upload speed; and
  - b. Be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.
- (iii) Participate in the FCC’s Affordable Connectivity Program (ACP) or provide access to a broad-based affordability program to low-income consumers that provides benefits commensurate to ACP.
- (iv) Payments from the County for this project will not be used for costs that will be reimbursed by other federal or state funding streams.

2. **Project Timing.** Bevcomm shall obtain all approvals for, and shall execute the Project, so that within 24 months after the Effective Date, the Project shall be completed; provided, however, that said timeframe may be extended by mutual written agreement of the parties.

3. **Fee Schedule.** County shall reimburse Bevcomm as follows:

3.1 **Contingencies.** Bevcomm shall resolve all project contingencies prior to invoicing for any reimbursements.

3.2 **Written Requests.** Bevcomm shall submit to the County written requests for reimbursement pursuant to this Agreement. Reimbursement may be requested when the project is completed.

3.3 **Reimbursement Timing.** The County shall issue full reimbursement to Bevcomm within thirty (30) days of receiving reimbursement request.

3.4 **Withholding Requirements.** The County may withhold all or any portion of a reimbursement payment if they determine, in their reasonable discretion, that: (i) Bevcomm has not complied with applicable federal, state or local laws, ordinances or regulations in connection with its activities under this Agreement, (ii) Bevcomm has failed to obtain or maintain a necessary license or permit in connection with its activities under this Agreement, or (iii) Bevcomm has otherwise failed to comply with a material term or condition of this Agreement.

4. **Project Ownership.** The County is a partial funding source only, and have no right, title, obligation or interest in the Project, nor any control over the design, permitting, purchases, construction and/or installation, operation or maintenance of the Project. Bevcomm shall be solely responsible for the proper execution of and ongoing operation and maintenance of the Project, and will use that degree of care, knowledge and skill ordinarily exercised by other reputable professionals in the field under like circumstances within the State of Minnesota.

5. **Project Maintenance.** Bevcomm shall pay all costs and expenses associated with maintenance and operation of the Project and shall keep the Project and all portions thereof in a good, safe and useable condition.

6. **Project Use.** The Project to be funded pursuant to this Agreement shall remain property of Bevcomm.

7. **Licenses.** Throughout the term of this Agreement, Bevcomm shall possess or secure all licenses, permits, qualifications and approvals legally required to design, make purchases for, construct and/or install the Project and shall comply with all applicable federal, state, and local laws, ordinances and regulations. Prior to commencement of construction, Bevcomm shall obtain any and all land use and building entitlements necessary to complete the Project, including without limitation all zoning, development and site plan approvals, rights of entry, and appropriate building, environmental health or other permits.

8. **Relationship Between the Parties.** Nothing in this Agreement shall be construed as creating the relationship of co-partners, joint ventures, or an association, nor shall Bevcomm, be considered an employee, agent or representative of the County.

9. **Insurance and Indemnification.**

9.1 **Insurance.** Bevcomm shall comply with the insurance requirements set forth in Exhibit B, attached to this Agreement and incorporated herein by reference.

9.2 **Indemnification by Bevcomm.** Bevcomm agrees to indemnify and hold harmless the County and their officers, officials, agents, volunteers and employees from any liability, claims,

losses, damages, costs, judgments, or expenses, including reasonable attorneys' and other professional fees, resulting directly or indirectly from any negligent, tortious or illegal act or omission, including without limitation, professional errors or omissions by Bevcomm arising from the performance of its services pursuant to this Agreement, and against all loss by reason of the failure of Bevcomm to fully to perform all obligations under this Agreement.

9.3 Indemnification by County. The County agrees to indemnify and hold harmless Bevcomm from any liability, claims, losses, damages, costs, judgments, or expenses, including reasonable attorneys' and other professional fees, resulting directly or indirectly from any negligent, tortious or illegal act or omission by the County (including their officers, employees, agents and subcontractors) arising from the terms of this Agreement, and against all loss by reason of the failure of the County, their agents, employees or subcontractors fully to perform all obligations under this Agreement.

10. **Audit.** Bevcomm shall maintain complete and accurate records with respect to costs incurred and services performed under this Agreement for a period of at least 7 (seven) years after the termination of this Agreement. Pursuant to Minn. Stat. § 16C.05, Subd. 5, Bevcomm shall allow the County, or other persons or agencies authorized by the County, including the Legislative or State Auditor, access to the records of Bevcomm at reasonable hours, including all books, records, documents, and accounting procedures and practices of Bevcomm relevant to the subject matter of the Agreement, for purposes of audit.

11. **Notice.** Any notices required or permitted to be given under this Agreement: (i) shall be in writing signed by or on behalf of the party making the same; (ii) shall be deemed given or delivered (a) if delivered personally, when received, (b) if sent from within the United States by registered or certified mail, postage prepaid, return receipt requested, on the third business day after mailing, or (c) if sent by messenger or reputable overnight courier service, on the next business day after mailing; and (iii) shall be addressed to each party at its address set forth in this Agreement, or at such other address as the parties shall designate in writing by personal delivery, certified mail, or overnight courier service.

12. **Termination and Suspension.** If either party materially breaches any of the terms and conditions of this Agreement and fails to cure such breach within thirty (30) days' written notice, the non-breaching party may terminate or suspend this Agreement. In the event either party exercises its right to suspend or terminate this Agreement, the non-breaching party shall submit written notice to the breaching party specifying the extent of the suspension or termination and the reasons therefore, and the date upon which suspension or termination becomes effective.

13. **Survival.** The provisions of this Agreement which, by their terms, impose obligations that are continuing in nature, and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, without limitation, the following clauses: Sections 7 (Licenses); 9 (Insurance and Indemnification); 10 (Audit); 14.3 (Governing Law; Jurisdiction; Venue).

14. **General Provisions.**

14.1 Entire Agreement; Amendments; Conflicts. This Agreement (including the exhibits attached hereto) constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, documents and proposals, oral or written, between the parties with respect thereto. Any amendment or modification to this Agreement shall not be valid unless such amendment or modification (i) is in writing and signed by authorized representatives of both parties and (ii) references this

Agreement. The terms and conditions of the exhibits are integral parts of this Agreement and are fully incorporated herein by this reference.

14.2 Compliance with Applicable Law. Bevcomm agrees to comply with applicable federal, state and local laws or ordinances, and applicable rules, regulations, and standards established by any agency of such governmental units, which are now or hereafter promulgated insofar as they relate to Bevcomm's performance of the provisions of this Agreement.

14.3 Governing Law; Jurisdiction; Venue. This Agreement shall be governed by the laws of the State of Minnesota, without regard to its conflict of laws rules. For the purpose of resolving conflicts related to or arising out of this Agreement, the parties expressly agree that venue shall be exclusively in the State of Minnesota, County of Goodhue. The parties hereby expressly consent to the exclusive personal jurisdiction of the federal and state courts located in the State of Minnesota, regardless of the citizenship or residency of either party at the time of the commencement of any legal proceeding.

14.4 Assignment. Neither party shall assign its rights or delegate its duties under this Agreement without receiving the prior written consent of the other party.

14.5 Successors in Interest. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their permitted successors and assigns.

14.6 Severability. In the event that any portion of this Agreement shall be held to be invalid, such invalidity shall not affect the validity of the remainder of this Agreement.

14.7 Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and to constitute one and the same instrument. Electronic copies of this Agreement, including without limitation, those transmitted by facsimile or scanned to an image file, shall be considered originals.

*[Signature page follows.]*



IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the Effective Date set forth above.

**GOODHUE COUNTY**

**PINE ISLAND TELEPHONE  
COMPANY, INC., DBA BEVCOMM**

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**THE PROJECT**

[Insert Application/Descriptions]

**EXHIBIT B**  
**INSURANCE REQUIREMENTS**

(County to insert requirements)

## Goodhue County Broadband Partnership Program Application

**Estimated \$1.6M available\***

**Application period opens: November 3, 2021**

**Initial Review: January 3, 2022**

\* subject to change at any time

### ✓ Prepare your application

- Read this entire application document carefully
- Complete project analysis and gather all documentation
- Follow the format templates to complete the project cover sheet and application body
- Attach and label all application appendices correctly

### ✓ Submit your application

- Submit the complete application package at any time during the application period
- Package must include one printed hardcopy and one electronic copy on a USB drive
- Applications that arrive after all available funds have been dedicated, will not be accepted
- Applications may be delivered by mail or courier service to:

**Goodhue County  
Attn: Broadband Grant Applications  
509 W 5<sup>th</sup> Street  
Red Wing, MN 55066**

- Email submission is acceptable if the entire package, including attachments, is less than 5MB, and may be addressed to:

**[gcbbgrants@co.goodhue.mn.us](mailto:gcbbgrants@co.goodhue.mn.us)**

Questions may be sent by mail or email to the addresses above.

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1.0 PROGRAM: GENERAL INFORMATION

Introduction

In order to continue to promote broadband infrastructure expansion for areas of Goodhue County that remain unserved or underserved, public sector investment is necessary. The Goodhue County Broadband Partnership Program has been established using funds from the American Rescue Plan Act (ARPA).

Funding Availability

As specified by the U.S. Treasury’s Interim Final Rule of May 2021, all ARPA funds granted to Goodhue County must be obligated by 2024 and spent on those obligations by 2026. With this in mind, funds for this program are limited and will be dispersed based on a first come, first serve basis. In order to maximize the impact of ARPA funds throughout the community, Goodhue County encourages cost participation between providers and other taxing jurisdictions.

Eligible Applicants

Eligible applicants for this program are an incorporated business or partnership with a taxing jurisdiction, Native American tribes, a Minnesota nonprofit organization organized under chapter 317A, a Minnesota cooperative association organized under chapter 308A or 308B, or a Minnesota limited liability corporation organized under chapter 322C for the purpose of expanding broadband access.

Eligible Project Areas

Broadband development projects located in unserved or underserved areas are eligible. An unserved area is an area in which households or businesses lack access to wire-line broadband service at speeds that meet the Federal Communications Commission’s (FCC) threshold of 25 megabits per second (Mbps) download and 3 megabits per second (Mbps) upload. An underserved area is an area in which

households or businesses do receive service at or above the FCC threshold of 25 Mbps down and 3 Mbps up, but lack access to wire-line broadband service at speeds of 100 Mbps download and 20 Mbps upload.

### **Eligible Program Costs**

The Broadband Development Partnership Program can pay up to 50% (fifty percent) of the eligible costs for a qualifying project. Eligible costs refer to the costs associated with the acquisition and installation of middle mile and/or last mile infrastructure that can support broadband service scalable to speeds of at least 100 Mbps download and 100 Mbps upload.

Last mile infrastructure is broadband infrastructure that serves as the final leg connecting the broadband service provider's network to the end-user customer's on-premise telecommunications equipment. Middle mile infrastructure is broadband infrastructure that links a broadband service provider's core network infrastructure to last mile infrastructure.

Construction of broadband infrastructure may include the following: project planning; obtaining construction permits; construction of facilities, including construction of both middle mile and last mile infrastructure; equipment; and installation and testing of the broadband service.

### **Matching Funds Requirement**

To obtain a Broadband Development Partnership Program grant, the applicant must provide for the funding not covered by the program with matching funds. The match can come from any private and/or public sources available to the Applicant. An application will receive additional points if the Applicant and funding partner matching funds are 55% or more of the total eligible project costs.

Documentation to validate the availability of matching funds is required as part of the application. Some examples of appropriate documentation include: a letter of credit, letter confirming funds from a bank, board resolution committing funding, or loan documentation. If the application will have additional financial partners contributing to the matching funds, the application must also identify the financial partner(s) and documentation of the amount and availability of each partner's financial match. Priority consideration will be given to projects that have secured community partners who have contributed to the matching funds.

Eligible project expenses are those that are incurred starting with the partnership contract execution date and ending at the conclusion of the project, or project contractual term of December 31<sup>st</sup>, 2025, (whichever is earlier). The program funding period begins after the application is received, evaluated, and officially approved by the Goodhue County Board with an award letter and executed contract. Applications will open November 3, 2021 and an initial review will start on January 3, 2022.

### **Application Filing Window**

The Goodhue County Broadband Partnership Program is a competitive program with the use of the ARPA funds. The program application window will open on November 3, 2021.

**An initial review of submitted applications will begin on January 3, 2022. The County will accept applications for projects until available funds have been dedicated.**

Completed applications and all required supporting documentation must be received by Goodhue County prior to January 3, 2022 to be included in the initial review.

Award decisions are anticipated by early 2022.

## 2.0 PREPARING AN APPLICATION

### Application Organizational Format

- ❖ Cover Sheet
- ❖ Executive Summary
- ❖ Part I – Key Project Data
- ❖ Part II – Broadband Improvements: Unserved and Underserved Documentation
- ❖ Part III – Project Funding Request and Community Participation
- ❖ Part IV – Project Readiness
- ❖ Part V – Project Sustainability
- ❖ Part VI – Payment Information
- ❖ Part VII – Economic Development and Community Impact
- ❖ Part VIII – Broadband Adoption Assistance
- ❖ Part IX – Applicant Affidavit
- ❖ Part X – Pre-Application Outreach Requirement



In all application sections that follow, please provide concise and complete responses to all information requested. Accurate and comprehensive responses are required to receive the best possible application scoring, and the final application must provide necessary information to fully describe and document the broadband application proposal.

### Application Cover Sheet Instructions

Items to be included on the application cover sheet are important application criteria that are extracted from other portions of the application and are used as key reference inputs by Goodhue County Staff for application review. The related application location for each requested item is displayed below in blue:

- Project Name:** [Part I – Item 1.1]
- Applicant Organization Name:** [Part I – Item 1.2]
- Applicant Organization’s Mailing Address:** [Part I – Item 1.3]
- Applicant’s Primary Contact:** [Part I – Item 1.4]  
*-Name, Title, Telephone Number, Email Address*
- Project Location:** [brief paragraph narrative of project geographical coverage]  
[Part I – Item 1.5]
- List County/Township Served by Project:** [indicate whether full county or partial county coverage] [Part I – Item 1.7]
- List Community/Communities Served by Project:** [Part I – Item 1.7]
- Funding Request Amount:** [Part III – Item 3.1]  
\$\_\_\_\_\_ [round to nearest dollar]  
\_\_\_\_% of total request
- Matching Funds Provided by Applicant:** [Part III – Item 3.2]  
\$\_\_\_\_\_ [round to nearest dollar]

**2021 GOODHUE COUNTY BROADBAND PARTNERSHIP PROGRAM APPLICATION**

\_\_\_% of total request

**Total Application Cost:** [\[Part IV – Item 4.1\]](#)

\$\_\_\_\_\_ [*round to nearest dollar*]

**If Application Proposes a Public/Private Partnership, List Names of All Partner Companies/Entities:** [\[Part III – Item 3.3\]](#)

**Funding Commitment provided by Each Partner:** [\[Part III – Item 3.3\]](#)

**Total Number of Passings:** [\[Part II – item 2.1\]](#)

<b>PASSINGS COUNTS</b>	<b>Households</b>	<b>Businesses</b>	<b>Farms</b>	<b>Community Institutions</b>
<p><b><u>Currently UNSERVED</u></b>                      Number of passings expected to improve speeds to at least 25/3 as a result of the project.</p>				
<p><b><u>Currently UNDERSERVED</u></b>                      Number of passings expected to improve speeds from between 25/3 &amp; 100/20 to 100/20 and above as a result of the project.</p>				

**Application Includes:** [\[Part IV – Item 4.9\]](#)  
 [*choose one*]

- \_\_\_ **Last Mile Components Only**
- \_\_\_ **Middle Mile Components Only**
- \_\_\_ **Both Last Mile and Middle Mile Components**

**Type of Proposed Broadband Construction:** [\[Part IV – Item 4.8\]](#)  
 [*FTTH, Cable, DSL, Fixed Wireless, Combination, etc.*]

**Application Demonstrates Completed Outreach to Existing Providers:**

[\[Part X – Item 10.1\]](#)

- \_\_\_ **Yes**
- \_\_\_ **No**

☐ **Names of All Other Wire-line Broadband Service Providers Serving this Application Area:** [\[Part X – Item 10.2\]](#)

☐ **State of Minnesota Vendor Number:** \_\_\_\_\_ [\[Part VI – Item 6.1\]](#)

### **Executive Summary Instructions**

[2 page maximum]

Provide a brief executive summary narrative that incorporates a concise but comprehensive rationale for official reviewers of the overall project proposal that accomplishes the following:

- Brief summary of project (first paragraph)
- Brief narrative description of the geography and location of the project coverage, including the proposed broadband passings and speed improvements anticipated in the event of project funding
- Brief description of the applicant’s prior involvement in broadband technology implementation and how the applicant (and/or partners) intend to manage and sustain the project
- Description of how broadband improvements at the proposed location will advance the quality of life and strengthen economic development opportunity in proposed project communities
- Description of why this project should be awarded a partnership above all other needs for broadband improvements in Goodhue County.

## Part I – Key Project Data Instructions

### 1.1 Project Name:

### 1.2 Applicant Organization Name:

### 1.3 Applicant Organization's Mailing Address:

### 1.4 Key Contacts:

#### **Primary Contact** – *Provide Name, Title, Telephone Number, Email Address*

This will be the primary contact for negotiation and execution of the contract if the project is awarded funding.

#### **Project Manager** – *Provide Name, Title, Telephone Number, Email Address*

This individual will be the primary contact for administration details through the pendency of the program if the project is awarded funding.

#### **Application Author** – *Provide Name, Title, Telephone Number, Email Address*

This individual will be the primary contact for any questions regarding the application document and supporting documentation.

### 1.5 Map and Description of Project Area:

Applicant should provide a short narrative paragraph here describing the geographic coverage of the proposed project (a few sentences in length). Applicant should also include a map of the proposed project area and/or a complete list of addresses that will be served by the project. A map of a last mile project should include the service area boundaries and also include place names, boundaries, buildings, road/street names or other features that clearly identify the project coverage area. The application may also include a list of census blocks and road segments if a census block is over two square miles where the project will provide broadband. For middle mile projects, the map should indicate the location of the middle mile facilities that will be placed.

In addition to the PDF version of the map which must be provided in the electronic application submittal version, the map must additionally be provided in a .shp, .kmz, or .kml version.

### 1.6 Applicant Eligibility:

Identify the specific category of Applicant eligibility for this proposed project under Minnesota law from the following statutory options:

Eligible applicants for this program are: (1) an incorporated business or partnership, (2) a taxing jurisdiction, (3) a Native American tribe, (4) a Minnesota nonprofit organization organized under Chapter 317A, or (5) a Minnesota cooperative association organized under Chapter 308A or 308B, or (6) a Minnesota limited liability corporation organized under chapter 322C for the purpose of expanding broadband access.

**[Note:** Option 2 above, a taxing jurisdiction, includes any county, city, town, school district, special district, or other political subdivision or public corporation.]

**1.7 Township Coverage [also specify communities covered]**

Identify the township that the proposed project covers. If multiple counties or townships are included, please indicate. Specify whether entirely or partially covered. Also identify specific communities that the proposed project area will cover.

**1.8 Single Paragraph Summary Description of the Project**

[**Note:** This written narrative may be used on the Goodhue County’s website and in promotional materials for the program in the event your application is awarded]

Describe the project location, type of project construction, number of passings served and speed goals met or exceeded. Identify any project partners for the project. Provide an economic development/community impact rationale for the project. The following is a sample paragraph template to illustrate a response to this request. Please provide unique details from the proposed project to populate this response.

**SAMPLE – Project Summary Paragraph:**

**Applicant Name:** \_\_\_\_\_  
**Project Name:** \_\_\_\_\_  
This last mile project (middle mile project/middle mile and last mile project) will serve 100 unserved households and 50 unserved businesses, farms, and community anchor institutions in the \_\_\_\_\_ area of Goodhue County. In a funding partnership with the County of Goodhue, the Applicant (and other project partners, if applicable) will improve unserved/underserved levels to 100 Megabits per second download and 20 Megabits per second upload, exceeding Minnesota’s 2026 state speed goal. (Then provide a unique Economic Development & Community Impact rationale in a like manner to the following example:) Building a fiber-to-the-premise network that provides advanced, high-speed broadband services to households, businesses and farms in the proposed project area improves access to critical school e-learning applications while also making agricultural operations more efficient and enhancing crop production through enabled precision agriculture tools. The broadband network will improve access to rural health care resources, and will stimulate a more robust local area economy. Total eligible project cost is *\$1,500,000*. Applicant matching funds are *\$750,000* and County funds are *\$750,000*.

**Part II – Broadband Improvements: Unserved/Underserved Instructions**

**2.1 Anticipated Broadband Improvements**

**Using the “Anticipated Improvements” table (see below), please provide the number of households, businesses, farms, and community anchor institutions that will be able to receive improved broadband services as a result of the proposed project.**

Please identify the speeds currently available for each type of location, using the ranges provided on the table, and the improved speeds that will be offered if the project is awarded funding.

Use the following definitions to identify the number of locations by household, business, farm, and community anchor institution:

**Households:** includes all residential dwellings

**Businesses:** includes all business types; and – to the extent possible – home-based businesses and telecommuter use of broadband.

**Farms:** includes crop, dairy, other livestock farming or agricultural use operations.

**Community Anchor Institutions:** includes libraries, township halls, fire and police stations, city halls, county buildings, state facilities, public safety locations, hospitals and nursing homes, and educational institutions.

**Anticipated Improvements in Broadband Service**

**Based on this Application Project**

# of Passings	Speed Now:	0/0	≤10/1	0/0	≤10/1	25/3	0/0	≤25/3	<100/20
	Speed After Build:	25/3	25/3	100/20	100/20	100/20	1G/1G	1G/1G	1G/1G
Households									
Businesses									
Farms									
Anchors									
TOTAL									

[If broadband speeds delivered will be greater than 1 Gbps, please provide details in this section.]

**2.2 Unserved and Underserved Documentation**

Provide evidence in the application to demonstrate that the proposed project is for an unserved or underserved area. [If separately attached, label as Appendix 2.2]

The location of the proposed project, as identified in Part 1 – Item 1.4, should be the result of reviewing areas eligible for the funding and ensuring that the project is within geographic boundaries eligible for funding. In this response, the Applicant should provide the evidence to demonstrate that the proposed project is in an unserved and/or underserved area.

Demonstrate this by overlaying your proposed project area onto Goodhue County of the 2020 Grant Eligibility Map on the DEED website at <http://map.connectmn.org/>, and then select “Maps/Data” on the top of the page, click the “Access” tab, and check the box titled *2020 Grant Eligibility Information*.

Applicants may also submit clarifying supplemental data regarding the unserved and/or underserved nature of the proposed project location. Any supplemental data will be compared to the maps prepared by Minnesota’s designated mapping entity.

As previously noted in Part I – Item 1.4, existing broadband providers will, under Minnesota law, be able to challenge proposed service coverage areas being considered for partnership funding immediately following the close of the partnership application window.

**Part III – Project Funding Request and Community Participation Instructions**

**3.1 How much money from Goodhue County is being requested for this application? What percent of the total eligible project cost does the funding request represent?**

**Note:** Up to 50% of the total broadband eligible project cost may be reimbursed in an awarded partnership. Additional points apply for projects that leverage greater matching funds; i.e., 55% or more in matching funds from Applicant and any funding partners.

**3.2 How much in total matching funds from the Applicant – including any funding partners, if applicable – is being proposed? What percentage of the total eligible project cost does the Applicant’s matching funds represent?**

**3.3 Please list in detail all confirmed matching fund commitments by each project funding partner.**

Table should begin with Applicant funding commitment and follow with each funding partner commitment. Funding partners may include other public, private, non-profit, or philanthropic entities. [If documentation for Item 3.3 is separately attached, label as Appendix 3.3]

<b>Matching Funds Sources:</b>	<b>Funding \$ Commitment</b>	<b>Proof of Match Attached</b>
<i>Example:</i>		
<i>Applicant Name</i>	\$	Yes
<i>Funding Partner A</i>	\$	Yes
<i>Funding Partner B</i>	\$	Yes
<i>(continue as necessary)</i>		
<b>Total Matching Funds</b>	\$	

**Note 1:** Documentation to validate the availability of matching funds is required as part of the application.

**Note 2:** The Applicant and all matching fund partners must provide documentation stating each has reviewed the application, confirm their commitment to the project, and provide proof of the existence of matching and secured funds.

**Note 3:** Examples of secured funds documentation is defined in the “Matching Funds Requirement” section of this application, and includes a letter of credit, bank letter confirming available funds, board resolution committing funds, or loan documentation.

**3.4 Provide complete contact information for each application funding partner identified in Item 3.3 above.**

**3.5 Provide evidence of community support for the project. [If separately attached, label as Appendix 3.5]**

Examples include letters endorsing the project and describing the need for broadband improvements from residents, businesses, legislators, congressional representatives, etc.

**PART IV – Project Readiness Instructions**

*Project Budget – Sources and Uses of Funds*

**4.1 What are the total eligible project costs? \$ \_\_\_\_\_**

Total eligible project costs may include project planning; obtaining construction permits; construction of facilities, including construction of both “middle mile” and “last mile” infrastructure; electronics and equipment; and installation and testing of the broadband service.

**4.2 Please provide a list or schedule of all eligible elements to be purchased or utilized for the proposed project [if separately attached, label as Appendix 4.2]**

**Note 1:** Eligible elements do not include costs for either video or voice services. These cannot be reimbursed through the partnership.

**Note 2:** The broadband partnership program cannot reimburse a partner for any expenses incurred prior to the executed project contract date. Any such expenses may not be included as project eligible expenses.

**Note 3:** Should funding be awarded for the proposed project, all partnership funds are disbursed to partners on a reimbursement basis only.

**4.3 Utilizing total eligible expenses from 4.1, provide the following “Sources of Funding” summary detail for Applicant, and if applicable, for each additional funding partner:**

<b>Sources of Funding</b>	<b>\$ Amount</b>	<b>% of Total Funding</b>
<i>Example:</i>		
<i>GC Partnership Program Request</i>	<i>\$1,500,000</i>	<i>50.0%</i>
<i>Applicant Investment</i>	<i>\$1,450,000</i>	<i>48.33%</i>
<i>Partner – County XYZ</i>	<i>\$50,000</i>	<i>1.67%</i>
<i>(If other fin'l partner – add here)</i>		
<b>Total</b>	<b>\$3,000,000</b>	<b>100.00%</b>

**4.4 By each identified budget category, provide the following “Use of Funds” detail for both Applicant and proposed Goodhue County Broadband Partnership Program :**

<b>Use of Funds</b>	<b>\$ Amount</b>	<b>Source of Fund</b>	<b>Date Funds Committed</b>
<i>Example:</i>			
<i>Fiber Construction/splicing</i>	<i>\$1,000,000</i>	<i>Applicant</i>	<i>9/1/2020</i>
<i>Fiber Construction/splicing</i>	<i>\$1,000,000</i>	<i>GC/Partnership</i>	<i>Upon contract award</i>
<i>Engineering</i>	<i>\$250,000</i>	<i>Applicant</i>	<i>9/1/2020</i>



**2021 GOODHUE COUNTY BROADBAND PARTNERSHIP PROGRAM APPLICATION**

<b>Use of Funds</b>	<b>\$ Amount</b>	<b>Source of Fund</b>	<b>Date Funds Committed</b>
<i>Engineering</i>	<i>\$250,000</i>	<i>GC/Partnership</i>	<i>upon contract award</i>
<i>Customer Installations</i>	<i>\$250,000</i>	<i>Applicant</i>	<i>9/1/2020</i>
<i>Customer Installations</i>	<i>\$250,000</i>	<i>GC/Partnership</i>	<i>upon contract award</i>
<i>(Add other entries below)</i>			
<b>Total</b>	<b>\$3,000,000</b>		

Recommended minimum budget categories for “Use of Funds” table above are as follows: [Applicant may add other budget categories as needed]

- Construction – Labor – Last Mile [Note: Exempt from prevailing wage law]
- Construction – Labor – Middle Mile [Note: Prevailing wage law applies if total funding request is \$200,000 or more]
- Construction - Materials
- Electronics
- Customer Premise Installation – Labor
- Customer Premise – Equipment
- Professional services and engineering

**4.5 Will additional costs related to this proposed project that are not eligible costs be incurred in order to deploy broadband to this area?**

If yes, identify and list all ineligible costs associated with the proposed project that may be incurred.

*Project Broadband Infrastructure*

**4.6 Please provide all budgetary engineering designs, diagrams, and maps that demonstrate the viability of the proposed project. [if separately attached, label as Appendix 4.6]**

Design documents must clearly document the Applicant’s comprehensive understanding of the project requirements. This information must be certified by a registered Professional Engineer.

**4.7 Demonstrate that the installed broadband infrastructure is scalable to speeds of at least 100 Mbps download and 100 Mbps upload.**

This information must be certified by either the manufacturer of the equipment to be utilized, or by a registered Professional Engineer.

**4.8 Identify the type of broadband construction for the proposed project.**

This project is fiber-to-the-home/premise, cable or hybrid fiber coaxial, or fixed wireless last mile construction – or a combination of construction types such as some fiber and some fixed wireless. If fixed wireless, is licensed or unlicensed spectrum being used?

**4.9 This application is for last mile components only, middle mile components only, or a combination of last mile and middle mile components. [Choose one]**

Last mile infrastructure is broadband infrastructure that serves as the final leg connecting the broadband service provider’s network to the end-user customer’s on-premise telecommunications

equipment. Middle mile infrastructure is broadband infrastructure that links a broadband service provider's core network infrastructure to last mile infrastructure.

**4.10 If the proposed project is a middle mile broadband facilities project, or includes a middle mile facilities component, please describe why new construction is necessary.**

Demonstrate how the proposed project will leverage existing broadband networks or be built in conjunction with other broadband infrastructure projects to expand service coverage for unserved or underserved regions of the State.

*Project Preconstruction Permits and Approvals*

**4.11 Have all required municipal/city/township/county/state approvals necessary for this project to begin construction from area planning commission/zoning authority/road authority/railroad crossing entity, etc. been identified and included in the project schedule?**

Itemize the approvals that will be required prior to project construction with the corresponding entity that will provide approval, and a brief description of the process required to obtain approval. Include the permitting process as a step on the Project Schedule in Item 4.17.

**4.12 Have all state environmental review requirements necessary for this project to begin construction been identified, if applicable?**

If yes, describe the process to obtain required approvals. If applicable, include this process in the Project Schedule.

**4.13 Due to its location, will the proposed project potentially impact local/state/federal historic architectural or archeological resources?**

If yes, describe the process to obtain required approvals. If applicable, include this process in the Project Schedule.

*Project Implementation*

**4.14 Will the Applicant offer the broadband services for a minimum five year period?**

Provide documentation that Applicant will offer the broadband service for a minimum of five years.

**4.15 Provide the proposed pricing structure, by associated download and upload speeds, for all broadband services to be offered in association with this project.**

Demonstrate that speeds meet and exceed Minnesota law broadband speed requirements.

**4.16 Please also provide the proposed stand-alone pricing for unbundled internet-only service at 25 Mbps download and 3 Mbps upload, for 100 Mbps download and 20 Mbps upload [if applicable], and for 1 Gbps download and 1 Gbps upload [if applicable].**

Describe stand-alone pricing for all broadband speed levels applicable to the project, and demonstrate that speeds meet and exceed Minnesota law speed requirements.

**4.17 Will any additional equipment be required – or any separately chargeable service installation elements apply – to activation or turn-up of individual customer locations?**

If yes, describe any separately chargeable elements that may apply along with all associated charges, and identify as one-time or monthly.

**4.18 Describe what initiatives the Applicant will undertake to communicate its proposed marketing plan to its prospective broadband services customer base.**

The marketing plan should include activities to communicate the award of the proposed project, the timing and availability of constructed broadband service, and Applicant plans on how to optimize broadband subscription rates once service becomes available.

*Project Schedule*

**4.19 Provide the proposed project schedule which must reflect all key planning, procurement, construction, installation, testing, and service activation milestones.**

The Applicant may use the sample form below to detail the significant task categories for all broadband deployment milestones necessary to complete the proposed project in a comprehensive and timely manner. Each necessary milestone should be identified with an associated anticipated start date and completion date (month and year) for that milestone. The last task on the project schedule should reflect the date upon which the service to the last location will be turned up and the project will be complete.

**Sample – Project Schedule**

<b>Name of Applicant:</b>		
<b>Name of Project:</b>		
<b>Overall Timeline for Project:</b> <i>(example)</i>	<b>Start Date:</b> <i>May 2021</i>	<b>Complete:</b> <i>June 2023</i>
<b>Individual Milestones for Project:</b> Include all planning, procurement, construction, installation, testing and customer turn-up activities	<b>Est. Start Date</b> (month/year)	<b>Est. Complete Date</b> (month/year)
<i>Activity A</i>	<i>May 2021</i>	<i>Oct 2021</i>
<i>Activity B</i>	<i>July 2021</i>	<i>Nov 2021</i>
<i>Activity C</i>	<i>Sept 2021</i>	<i>Dec 2021</i>
<i>[continue as needed to completion]</i>		

*Project Financials*

**4.20 Provide a five year stand-alone financial plan for the proposed project, including a description of how the costs and anticipated revenue will result in the financial viability of the project over time.**

Applicant should provide a summary of the financial analysis for the proposed project, and also may provide a brief narrative summarizing its findings. To assist the Applicant, Appendix I on pages 42 – 43 may be used as a template to populate the proposed project’s pro forma financials. The pro forma financial spreadsheet must be a minimum of a five year view, but Applicant may extend the analysis for additional years if that will provide a more comprehensive financial justification. [If separately attached, label as Appendix 4.20]

**4.21 Describe why the proposed project would not be feasible without the award of the requested broadband funds.**

Refer to the five year financials prepared for Item 4.20, and demonstrate the difference in proposed project payback years with and without the requested funding.

**4.22 Is the Applicant leveraging all funding sources that may apply to the proposed project area?**

If the proposed project leverages existing broadband networks, or will be built in conjunction with other broadband infrastructure projects to expand service areas to include unserved or underserved regions of the county, please give specific examples identifying the other project and the associated leveraged funds. Include any prior awards for CAF II, ACAM, USDA/RUS loan or ReConnect funds, ARRA, E-rate, or any other federal, state, or local rural broadband funding.

## Part V – Project Sustainability Instructions

### 5.1 Provide technical expertise statement

Provide a narrative statement detailing all the relevant technical expertise of the Applicant and the Applicant's specific prior experience in providing broadband services in Goodhue County (and in other counties, if applicable.) If separately attached, label as Appendix 5.1.

### 5.2 Provide organizational support evidence

Demonstrate the overall organization strength of the Applicant to build, manage, and effectively operate the proposed broadband project, if approved.

Documentation should identify key officers and management personnel with corresponding brief resumes. Organizational structure charts may also be submitted. It is important to provide a detailed description of how organizational strength pertains to level of broadband service delivery and service maintenance. If separately attached, label as Appendix 5.2.

### 5.3 Provide audited financial statements

Demonstrate the overall financial viability of the Applicant by providing the most recent audited financial statements. (Audited by a certified public accountant.) The financial statements may be identified and filed as "Confidential Information" and must be appropriately marked as confidential when submitted. If separately attached, label as Appendix 5.3.

Results from an independent audit may also be provided as supplemental detail, as well as the Applicant's most recent year's federal tax return. If provided these documents should also be submitted and marked as confidential.

Supplemental material that may be provided as documentation for this requirement include the following:

- An Applicant that has been designated as an ETC by the Minnesota Public Utilities Commission (MPUC) may submit the copy of the MPUC Order authorizing the ETC status
- An Applicant that is a borrower in good standing with the Rural Utilities Service (RUS) may submit documentation that supports that designation
- An Applicant that has a current Minnesota cable franchise agreement for the proposed communities in the project may submit a list of the communities covered by the franchise with the date of the franchise's most recent agreement or renewal

## Part VI – Payment Information Instructions

### 6.1 State of Minnesota Vendor Number

To ensure proper payment, a Vendor Number assigned by Minnesota Management and Budget is required. The application must include the following critical payment information.

**State of Minnesota Vendor Number:** \_\_\_\_\_

Applicant's Financial Contact Person: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

If you do not already have a State of Minnesota vendor number, you can register for a state vendor ID. State of Minnesota vendor registration number instructions and information may be found at the following link:

[https://supplier.swift.state.mn.us/psp/fmssupap/SUPPLIER/ERP/h/?tab=SUP\\_GUEST](https://supplier.swift.state.mn.us/psp/fmssupap/SUPPLIER/ERP/h/?tab=SUP_GUEST)

### 6.2 Tax Identification Numbers

Also provide the following tax information associated with the Applicant's organization.

**State of Minnesota Tax Identification Number:** \_\_\_\_\_

[This is the number used for state tax filing purposes and is not the same as the State of Minnesota Vendor Number]

**Federal Employer Identification Number:** \_\_\_\_\_

[A federal Employer Identification Number (EIN) is also known as a federal tax identification number and is used for tax filing purposes]

## Part VII – Economic Development and Community Impact Instructions

Demonstrate the economic development and community enhancement potential of the proposed project. Include details of how the project will provide for better business retention and expansion, attract new business, and increase jobs opportunities in the covered communities.

### **7.1 Provide a listing of businesses in the proposed project area that will benefit from the broadband project.**

Identify and briefly describe the businesses needing improved broadband in the project area, including the level of broadband improvement needed to become and/or remain competitive, expand services, etc. Describe any work-at-home or telecommuter opportunities that would be increased or improved. If possible, please attach specific statements of need from impacted businesses in your project area in an attachment to the application as Appendix 7.1.

### **7.2 Provide a listing of farms and agricultural use customers in the proposed project area that will benefit from the broadband project.**

Identify and briefly describe any farms or agricultural use customers needing improved broadband in the project area to operate their agricultural business. If possible, please attach specific statements of need from impacted agricultural users in an attachment to the application as Appendix 7.2.

### **7.3 Provide a listing of community institutions that will benefit from the broadband project.**

Identify specific institutions to be served, and wherever possible, identify how the proposed broadband deployment will be incorporated into the community program.

### **7.4 Provide a listing of any educational locations that will benefit from the broadband project.**

Identify specific institutions to be served, and include the proposed impact on e-learning opportunities.

### **7.5 Provide specific evidence of how health and public safety locations will benefit from the broadband project.**

Include the proposed impact on telemedicine and electronic health records use.

### **7.6 Is the proposed project providing broadband improvements to an economically distressed area?**

Provide evidence of an economically disadvantaged area as measured by unemployment, poverty, or population loss levels in covered communities that are significantly higher than the statewide average. The Applicant may also utilize references to median household income, or percent of students eligible for free or reduced cost school lunches.

## Part VIII – Broadband Adoption Assistance Instructions

### 8.1 Broadband Adoption Activities Planned for Project

Describe any activities planned to promote the adoption of broadband services for the project footprint or communities covered by the proposed project once the services are available. Please identify any activities specific to a particular customer segment (i.e.; precision farming programs for agricultural users, broadband applications for seniors, etc.)

### 8.2 Broadband Technical Support or Training Associated with Project

Describe any technical support or training on broadband use for residents, businesses, farms, and community institutions that will benefit those within the project footprint.

### 8.3 Low-income Broadband Assistance Program

If the Applicant plans to offer a low-income broadband assistance program, provide a description of the program and how participants would qualify. If the Applicant is an ETC, and will offer Lifeline, include those details here.



## Part IX – Applicant Affidavit Instructions

**9.1 The primary Applicant must provide a signed, dated, and witnessed affidavit or resolution that shows official Applicant support for and approval of the application as well as a commitment to provide the Applicant’s matching funding.**

If the application includes a funding partner or partners, a separate affidavit or resolution is required for each public or private partner that has committed to provide funding for the project, and attach as Appendix 9.1.

A sample affidavit/resolution is provided for the Applicant’s use as specified on the following page. Please note that the Applicant may choose to reformat the sample document, but must ensure that all the statements appear in the signed, final version.

**[Note:** See next two pages for a sample Applicant affidavit.]

**SAMPLE – APPLICANT AFFIDAVIT OR LOCAL GOVERNMENT RESOLUTION**

**RESOLUTION OF APPLICANT**

BE IT RESOLVED that \_\_\_\_\_ act as the legal sponsor for project(s)

*(Applicant)*

contained in the Goodhue County Broadband Partnership Program to be submitted

on \_\_\_\_\_

*(Date)*

and that \_\_\_\_\_ is hereby authorized to apply to the Goodhue County

*(Title of Authorized Official)*

for funding of this project on behalf of \_\_\_\_\_.

*(Applicant)*

BE IT FURTHER RESOLVED that \_\_\_\_\_ has the legal authority to

*(Applicant)*

apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration.

BE IT FURTHER RESOLVED that the sources and amounts of the local match identified in the application are committed to the project identified.

BE IT FURTHER RESOLVED that \_\_\_\_\_ has not violated any

*(Applicant)*

Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

**SAMPLE – APPLICANT AFFIDAVIT OR LOCAL GOVERNMENT RESOLUTION (Cont'd)**

BE IT FURTHER RESOLVED that upon approval of its application by the County,

\_\_\_\_\_ may enter into an agreement with the County of Goodhue for  
(Applicant)

the above referenced project(s), and that \_\_\_\_\_ certifies that it will comply with  
(Applicant)

all applicable laws and regulation as stated in all contract agreements.

NOW, THEREFORE BE IT FINALLY RESOLVED that the undersigned is hereby authorized to execute such agreements as are necessary to implement the project on behalf of the applicant.

**[Note:** If the application is being filed by a city, pursuant to Minn. Stat. § 412.201, cities must authorize both the Mayor and Clerk to execute all contracts with council authority, however other public entities may have different requirements.]

I CERTIFY THAT the above resolution was adopted by \_\_\_\_\_.

(Company, City Council, County Board, etc.)

of \_\_\_\_\_ on \_\_\_\_\_  
(Applicant) (Date)

SIGNED:

WITNESSED:

\_\_\_\_\_  
(Authorized Official)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title) (Date)

\_\_\_\_\_  
(Title) (Date)

**Part X – Pre-Application Outreach Requirement Instructions**

**Pre-Application Outreach to Existing Wireline Providers**

Before submitting any application, you must contact all existing wireline providers in the proposed project area with a description of the project and the map of the project area. By law, this must be accomplished no later than six weeks before the application is submitted.

Under current law, before the Applicant submits any broadband application, the Applicant must contact all existing wireline providers in the proposed project area. This must be completed no later than six weeks before the application is submitted.

An email template has been provided for the communication that the Applicant is obligated to send to all wireline providers in the proposed application area [see page 27]. On the following page, there is also an email template for the Applicant to attach to its communication that provides the format for the provider’s email response.

The Applicant email will ask for each broadband service provider’s plans to upgrade broadband service in the proposed project area to speeds that meet or exceed the Minnesota’s specific broadband goals no later than June 30, 2023 (the anticipated end of the contract period.)

**10.1 The Applicant must provide copies of all emails sent out and all emails received in response to this required outreach as part of the application.**

Those copies should be provided in an appropriately numbered Appendix [Appendix 10.1] to the application, and identified in the response to this item.

**10.2 The Applicant must summarize all the responses to its email distribution for this item, the information in the application must include that identified in the following example:**

<b><i>Provider Name</i></b>	<b><i>Will upgrade</i></b>	<b><i>No plans to upgrade</i></b>	<b><i>No response received</i></b>
<i>(Example :)</i>			
<i>Telco company A</i>	X		
<i>Cable company B</i>		X	
<i>Muni provider C</i>			X
<i>[Continue for each provider]</i>			

**SAMPLE OF EMAIL FROM APPLICANT TO  
EXISTING WIRELINE PROVIDERS IN PROPOSED PROJECT AREA**

DATE

*Broadband Provider Name*

*Broadband Provider Address*

RE: Broadband Coverage for *(insert name of project)*

To: *(name of broadband provider)*

CC: gcbbggrants@co.goodhue.mn.us

We are interested in applying for a Goodhue County Broadband. Under Minnesota statutory requirements, any interested applicant must contact, in writing, existing entities providing broadband service in the proposed project area to see if there are any plans in place to upgrade broadband service in that specified project area to speeds that meet or exceed the state's explicit broadband speed goals.

The purpose of this letter is to ask if you have plans to upgrade broadband service before June 30, 2023, in the following area:

*[Include description and map of project area]*

Whether or not you have plans to upgrade broadband service in our proposed project area, we would appreciate a response to assist with our planning process and to include with our application should we decide to submit it. Attached for your convenience is a form that can be used for your email response.

If you have any questions, or wish to discuss in more detail, please contact me at:

*(Provide Applicant contact information here or in signature line, including name, address, telephone number, and email address.)*

Sincerely,

*Name*

*Title*

**SAMPLE OF EMAIL ATTACHMENT FOR EXISTING WIRELINE BROADBAND PROVIDER  
RESPONSE TO APPLICANT – TO BE INCLUDED IN INITIAL CONTACT EMAIL**

DATE

*Broadband Provider Name*

*Broadband Provider Address*

RE: Broadband Coverage for (*insert name of project*)

To: (name of applicant contact)

cc: gcbbrants@co.goodhue.mn.us

Information on current broadband coverage:

- We do not currently provide broadband service in the area associated with this project.
  
- We do provide broadband service in all or a portion of the area associated with this project at speeds of \_\_\_Mbps download and \_\_\_ Mbps upload. Our records show approximately \_\_\_\_ locations in the proposed project area where we serve. (If only a portion of the project area is served, please provide a map showing where you currently serve.)

Information on planned improvements to broadband coverage:

- We have no plans to improve the broadband service in the area included in the proposed project to speeds that meet or exceed the state speed goals prior to June 30, 2023.
- We do have plans to improve the broadband service in the project area by (*insert date*). The broadband service speeds that will be provided after that date will be at speeds of \_\_\_ Mbps download and \_\_\_ Mbps upload. (If the speeds that will be offered vary across the project area, please provide a map showing which speeds will be available in which locations.)

Name and contact information for person completing this form:

Name:

Title:

Address:

Phone:

Email:

## Application Cover Sheet Template

- Project Name:** [Vasa Township FTTP](#)
- Applicant Organization Name:** [Nuvera Communications, Inc.](#)
- Applicant Organization's Mailing Address:** [235 Franklin St., SW, Hutchinson, MN 55350](#)
- Applicant's Primary Contact:**

[Monty Morrow, Regulatory/Legislative Affairs](#)  
[\(320\) 234-5264](#)  
[montymorrow@nuvera.net](mailto:montymorrow@nuvera.net)

*-Name, Title, Telephone Number, Email Address*

- Project Location:** *[brief paragraph narrative of project geographical coverage]*  
[This project covers most of Vasa Township in Goodhue County, MN.](#)
- List County/Township Served by Project:** *[indicate whether full county or partial county coverage]*

[This project covers most of Vasa Township in Goodhue County, MN.](#)

- List Community/Communities Served by Project:**

[This project covers most of Vasa Township in Goodhue County, MN.](#)

- Funding Request Amount:**

[\\$639,562.50 \[round to nearest dollar\]](#)  
[50% of total request](#)

- Matching Funds Provided by Applicant:**

[\\$639,562.50 \[round to nearest dollar\]](#)  
[50% of total request](#)

- Total Application Cost:**

[\\$1,279,125 \[round to nearest dollar\]](#)

- If Application Proposes a Public/Private Partnership, List Names of All Partner Companies/Entities:**

N/A – No partnership is proposed.

- Funding Commitment provided by Each Partner:**

Nuvera is proposing to fund 50% of the project with their own funds and the remaining 50% of the project with county funds. The county and Nuvera would contribute \$639,562.50 for a total of \$1,279,125.00.

**Application Cover Sheet Template (Cont'd)**

- Total Number of Passings:**

PASSINGS COUNTS	Households	Businesses	Farms	Community Institutions
<b>Currently UNSERVED</b> Number of passings expected to improve speeds to at least 25/3 as a result of the project.	54	9	31	0
<b>Currently UNDERSERVED</b> Number of passings expected to improve speeds from between 25/3 & 100/20 to 100/20 and above as a result of the project.	32	9	1	0

Nuvera has noted a discrepancy in the reported speeds on the MN DEED Office of Broadband Development maps. A number of these areas are shown to be served with speeds of up to 100/20Mbps on DSL services with Nuvera listed as the provider. This is not accurate and Nuvera is working to the state to correct the data. In reality the most that any location could realistically receive is 50/5Mbps. The counts listed above are what Nuvera believes to be the accurate unserved and underserved passings in the area.

- Application Includes:**

[choose one]

- Last Mile Components Only**
- Middle Mile Components Only**
- Both Last Mile and Middle Mile Components**

- Type of Proposed Broadband Construction:**

[FTTH, Cable, DSL, Fixed Wireless, Combination, etc.]



This is for a Fiber to the Premises network (FTTP), all fiber optic cable will be buried. It will be based on current GPON standards offering up to 1Gbps symmetrical speeds and be all buried construction.

- Application Demonstrates Completed Outreach to Existing Providers:**

Yes

No

Not Applicable – No other wireline service providers exist in the area.

- Names of All Other Wire-line Broadband Service Providers Serving this Application Area:**

Not Applicable – No other wireline service providers exist in the area.

- State of Minnesota Vendor Number: 0000209202-001**

## Application Main Body Template

**Executive Summary:** [2 page maximum]

*Part I – Key Project Data*

**1.1 Project Name:** **Vasa Township FTTP**

**1.2 Applicant Organization Name:** **Nuvera Communications, Inc.**

**1.3 Applicant Organization’s Mailing Address:** **235 Franklin St., SW, Hutchinson, MN 55350**

**1.4 Key Contacts:**

- **Primary Contact:**

**Monty Morrow, Regulatory/Legislative Affairs**  
**(320) 234-5264**  
[montymorrow@nuvera.net](mailto:montymorrow@nuvera.net)

- **Project Manager:**

**Larry Shepard, Network Operations Manager**  
**952-226-9767**  
[larryshepard@nuvera.net](mailto:larryshepard@nuvera.net)

- **Application Author:**

**Chris Konechne, Project Engineer – Finley Engineering**  
**507-777-2255**  
[c.konechne@finleyusa.com](mailto:c.konechne@finleyusa.com)

**1.5 Map and Description of Project Area:**

**This project covers most of Vasa Township in Goodhue County, MN. See Appendix 1.5 for a map of the eligible area.**

**1.6 Applicant Eligibility:**

**Incorporated Business, Nuvera Communications, Inc. (formerly New Ulm Telecom) has been operating communications network for over 110 years.**

**1.7 County or Township Coverage:**

**This project covers most of Vasa Township in Goodhue County, MN.**

**1.9 Single Paragraph Summary Description of Project:**

This last mile project in Vasa Township will serve 86 households, 18 businesses, and 32 farms in the Goodhue area. In a funding partnership with the Goodhue County, Nuvera Communications, Inc. will improve unserved /underserved levels to 1 Gbps upload and 1 Gbps Download, exceeding the 2026 state speed goal. This Fiber-to-the-Premises Network will provide reliable, affordable, high quality broadband to rural farms, businesses, and homes. Broadband access will enable these businesses and residences to utilize new technology and tools to grow and enhance their business and community. Residents will also have increased access to health care and education, that will allow them to thrive in a modern world. Total eligible project cost is \$1,279,125, Nuvera’s match portion will be \$639,562.50.

*Part II – Broadband Improvements: Unserved/Underserved Documentation*

**2.1 Anticipated Broadband Improvements:**

Using the “Anticipated Improvements” table (see below), please provide the number of households, businesses, farms, and community anchor institutions that will be able to receive improved broadband services as a result of the proposed project.

**Anticipated Improvements in Broadband Service**

**Based on this Application Project**

# of Passings	Speed Now:	0/0	≤10/1	0/0	≤10/1	25/3	0/0	≤25/3	<100/20
	Speed After Build:	25/3	25/3	100/20	100/20	100/20	1G/1G	1G/1G	1G/1G
Households								54	32
Businesses								9	9
Farms								31	1
Anchors								0	0
<b>TOTAL</b>								<b>94</b>	<b>42</b>

**2.2 Unserved and Underserved Documentation:**

Provide evidence in the application to demonstrate that the proposed project is for an unserved or underserved area. [If separately attached, label as Appendix 2.2]

Nuvera has noted a discrepancy in the reported speeds on the MN DEED Office of Broadband Development maps (<http://map.connectmn.org>). A number of these areas are shown to be served with speeds of up to 100/20Mbps on DSL services with Nuvera listed as the provider. This is not accurate and Nuvera is working to the state to correct the data. In reality the most that any location could realistically receive is 50/5Mbps. The counts listed above are what Nuvera believes to be the accurate unserved and underserved passings in the area. Refer to the attached Appendix 2.2 for project subscriber locations, fiber routes, and served, underserved, and unserved areas as shown by the state of Minnesota.

*Part III – Project Funding Request and Community Participation*

**3.1 How much money from Goodhue County is being requested for this application? What percent of total eligible project cost does the funding request represent?**

**\$639,562.50, which represents 50% of the total project cost.**

**3.2 How much in total matching funds from the Applicant – including any funding partners, if applicable – is being proposed? What percentage of the total eligible project cost does the Applicant’s matching funds represent?**

**\$639,562.50 will be provided by Nuvera, which represents 50% of the total project costs.**

**3.3 Please list in detail all confirmed matching fund commitments by each project funding partner.**

**Nuvera will provide all funding outside of the funding requested in this grant application. Please refer to the attached Appendix 3.3 as proof of Nuvera’s funding commitment.**

**3.4 Provide complete contact information for each application funding partner identified in Item 3.3 above.**

**N/A – Nuvera will not have a funding partner.**

**3.5 Provide evidence of community support for the project. [If separately attached, label as Appendix 3.5]**

**See Appendix 3.5 for letters of support from elected officials in the area as well as potential subscribers in the area. Finally we also have attached a survey commissioned by Nuvera showing the need and use cases for broadband in Goodhue County.**

*Part IV – Project Readiness*

*Project Budget – Sources and Uses of Funds*

**4.1 What are the total eligible project costs? \$1,279,125**

**4.2 Please provide a list or schedule of all eligible elements to be purchased or utilized for the proposed project [if separately attached, label as Appendix 4.2]**

- **Materials associated with buried main line distribution cable. (fiber cable, peds, handholes, and all related cost in burying fiber optic cable.)**
- **Labor associated with buried main line distribution cable. (fiber cable, peds, handholes, and all related cost in burying fiber optic cable.)**
- **Materials associated with buried fiber drops to subscriber locations**
- **Labor associated with buried fiber drops to subscriber locations**
- **Material for central office electronics/equipment**
- **Labor for central office electronics/equipment**
- **Material for customer premises equipment at the premises**
- **Labor for customer premises equipment and cutover**

**2021 GOODHUE COUNTY BROADBAND PARTNERSHIP PROGRAM APPLICATION**

- Environmental/Archeological Fees
- Permitting Fees
- Professional engineering

4.3 Utilizing total eligible expenses from 4.1, provide the following “Sources of Funding” summary detail for Applicant, and if applicable, for each additional funding partner:

Nuvera	\$639,562.50	50% of Total Funding
Goodhue County	\$639,562.50	50% of Total Funding
<b>Total</b>	<b>\$ 1,279,125</b>	<b>100% of Total Funding</b>

4.4 By each identified budget category, provide the following “Use of Funds” detail for both Applicant and proposed funds:

<i>Use of Funds</i>	<i>\$ Amount</i>	<i>Source of Fund</i>	<i>Date Funds Committed</i>
Distribution Fiber Materials	\$66,421	Nuvera	Upon Grant Award
Distribution Fiber Materials	\$66,421	State/Deed	Upon Grant Award
Distribution Fiber Labor	\$312,652	Nuvera	Upon Grant Award
Distribution Fiber Labor	\$312,652	State/Deed	Upon Grant Award
Fiber Drop Materials	\$11,840	Nuvera	Upon Grant Award
Fiber Drop Materials	\$11,840	State/Deed	Upon Grant Award
Fiber Drop Labor	\$104,438	Nuvera	Upon Grant Award
Fiber Drop Labor	\$104,438	State/Deed	Upon Grant Award
CO & Electronics Materials	\$34,658	Nuvera	Upon Grant Award
CO & Electronics Materials	\$34,658	State/Deed	Upon Grant Award
CO & Electronics Labor	\$1,125	Nuvera	Upon Grant Award
CO & Electronics Labor	\$1,125	State/Deed	Upon Grant Award
CPE Materials	\$7,590	Nuvera	Upon Grant Award
CPE Materials	\$7,590	State/Deed	Upon Grant Award
Customer Cutover Labor	\$22,770	Nuvera	Upon Grant Award
Customer Cutover Labor	\$22,770	State/Deed	Upon Grant Award
Permitting/Environmental	\$1,500	Nuvera	Upon Grant Award
Permitting/Environmental	\$1,500	State/Deed	Upon Grant Award
Engineering	\$76,568	Nuvera	Upon Grant Award
Engineering	\$76,569	State/Deed	Upon Grant Award
<b>Total</b>	<b>\$1,279,125</b>		

4.5 Will additional costs related to this proposed project that are not eligible costs be incurred in order to deploy broadband to this area?

Marketing (2020-\$10,000, 2021-\$8,000, 2022-\$5,000) - \$10,000  
Customer Training (facilities, materials, travel, wages) - \$2,000  
Total - \$12,000

*Project Broadband Infrastructure*

4.6 Please provide all budgetary engineering designs, diagrams, and maps that demonstrate the viability of the proposed project. [If separately attached, label as Appendix 4.6]

Refer to Appendix 4.6 for more information.

4.7 Demonstrate that the installed broadband infrastructure is scalable to speeds of at least 100 Mbps download and 100 Mbps upload.

Refer to Appendix 4.7 for PE Letter and network summary. Refer to Appendix 4.6 for information regarding network capabilities and design.

4.8 Identify the type of broadband construction for the proposed project.

This is a 100% FTTP network based on GPON standards. The network will be completed using underground construction methods.

4.9 This application is for last mile components only, middle mile components only, or a combination of last mile and middle mile components. [Choose one]

This network is for last mile components only. Nuvera already has middle mile infrastructure in place to reduce the overall cost of the project.

4.10 If the proposed project is a middle mile broadband facilities project, or includes a middle mile facilities component, please describe why the new construction is necessary.

Not Applicable, no middle mile infrastructure is proposed.

*Project Preconstruction Permits and Approvals*

4.11 Have all required municipal/city/township/county/state approvals necessary for this project to begin construction from area planning commission/zoning authority/road authority/railroad crossing entity, etc. been identified and included in the project schedule?

Finley Engineering Company, Inc. (Finley) has already researched and identified all entities that will require permit applications to be submitted to get approvals for this project, which is primarily county, DOT, railroad, DNR, and township permits. Once the grant award is received by Nuvera, the staking process (detailed design) will begin. As areas of the town are designed, permit applications will be submitted immediately, based on that detailed design information, with an expected acceptance timeframe from the county of 30 days. Since Finley does this process for all of their projects and is very efficient and thorough, they will be handling it for this project.

4.12 Have all state environmental review requirements necessary for this project to begin construction been identified, if applicable?

All agencies have been identified by Finley and maps are prepared and ready to be sent to these agencies. Letters will be prepared by Finley and sent with maps to all applicable environmental agencies upon grant award. All agencies are required to respond in a 30 day time frame.

4.13 Due to its location, will the proposed project potentially impact local/state/federal historic architectural or archeological resources?

Maps and letters will be prepared and sent by Finley immediately upon grant award. The normal process first involves a records search by an archeological firm. Depending upon the results of that records search, a field survey may be required by an archeological firm, or may not. Results would determine any other requirements. Cost estimates for this process are included in this project budget, however, if a field survey is required, we currently have no way of determining those costs until the records search is completed. So for this application, an engineering estimate was provided based on previous projects in MN.

*Project Implementation*

4.14 Will the Applicant offer the broadband services for a minimum five year period?

Refer to Appendix 4.14.

4.15 Provide the proposed pricing structure [by associated download and upload speeds] for all broadband services to be offered in association with this project.

Speed	Rate
100/100 Mbps	\$50.00
200/200 Mbps	\$75.00
500/500 Mbps	\$100.00
1Gbps/1Gbps	\$125.00

4.16 Please also provide the proposed stand-alone pricing for unbundled internet-only service at 25 Mbps download and 3 Mbps upload, for 100 Mbps download and 20 Mbps upload [if applicable], and for 1 Gbps download and 1 Gbps upload [if applicable].

Nuvera does not bundle its services, refer to section 4.15 for pricing.

4.17 Will any additional equipment be required – or any separately chargeable service installation elements apply – to activation or turn-up of individual customer locations?

Nuvera charges a \$50 installation fee. However, this is waived with a 2 year contract. There are no equipment rental fees. Managed Wi-Fi services are available for \$5.95 per month. Customers can buy their own Wi-Fi equipment.

4.18 Describe what initiatives the Applicant will undertake to communicate its proposed marketing plan to its prospective broadband services customer base.

Nuvera uses multiple methods to communicate with the prospective broadband services customer base. A preliminary letter is sent to inform of the intent to upgrade services from copper to fiber, a contractor will be working on our behalf, to schedule an appointment for representatives to determine the best location of the fiber plow and an estimate of the project start date. We include a fiber lineup and note the advantages of fiber services.

If there is no response, calls are made for scheduling. Voicemails are left if necessary.

*Project Schedule*

4.19 Provide the proposed project schedule which must reflect all key planning, procurement, construction, installation, testing, and service activation milestones.

Sample – Project Schedule

Name of Applicant: <b>Nuvera Communications, Inc</b>		
Name of Project: <b>Vasa Township FTTP</b>		
Overall Timeline for Project:	Start Date: (month/year)	Complete: (month/year)
	<b>02/2022</b>	<b>01/2023</b>
Individual Milestones for Project: Include all planning, procurement, construction, installation, testing and customer turn-up activities	Est. Start Date (month/year)	Est. Complete Date (month/year)
<b>Environmental Review</b>	<b>02/2022</b>	<b>04/2022</b>
<b>Staking</b>	<b>02/2022</b>	<b>06/2022</b>
<b>Permits</b>	<b>04/2022</b>	<b>06/2022</b>
<b>OSP Bidding and Contracts</b>	<b>06/2022</b>	<b>07/2022</b>
<b>Distribution Fiber Construction</b>	<b>07/2022</b>	<b>11/2022</b>
<b>Drop Construction</b>	<b>09/2022</b>	<b>11/2023</b>
<b>Equipment Contracts</b>	<b>07/2022</b>	<b>10/2023</b>
<b>Install CPE and Cutover</b>	<b>09/2022</b>	<b>11/2023</b>
<b>Closeout</b>	<b>11/2022</b>	<b>01/2023</b>

*Project Financials*

4.20 Provide a five year stand-alone financial plan for the proposed project, including a description of how the costs and anticipated revenue will result in the financial viability of the project over time.

**Refer to Appendix 4.20.**

4.21 Describe why the proposed project would not be feasible without the award of the requested broadband funds.

Nuvera has aggressively built out a Fiber to the Node Network to support their existing copper network. This middle mile fiber network has resulted in some increase in speed, however it is still lacking in many areas. It is not financially feasible for Nuvera to build



a complete last mile FTTP network without grant funding. See Appendix 4.21 for financial feasibility without grant funding.

**4.22 Is the Applicant leveraging all funding sources that may apply to the proposed project area?**

Nuvera is leveraging ACAM funds in addition to potential grant funds to build the project area. Additional grant funding will allow Nuvera to exceed their ACAM obligations from 4/1, 10/1, and 25/3Mbps to 1Gbps symmetrical. More information about location specific amounts is available upon request.

*Part V – Project Sustainability Instructions*

**5.1 Provide technical expertise statement**

Nuvera has constructed, owned, and operated telecommunications for over 110 years. Nuvera has an extensive FTTN Middle Mile Network in place and has begun to build out some areas with FTTP last mile networks to replace their aging copper plant. Nuvera has a long term relationship with Finley has worked with them to ensure all engineering projects are completed accurately and on time.

Nuvera has a long history of improving service to their customers and expanding their service into new areas.

1991 – Acquired Western Telephone company and began serving the Sanborn and Springfield areas.

1991 – Conversion to Northern Telecom DMS 100 switch, enabling new calling features (call forward, call waiting, 3-way calling, etc.)

1996 – Became an Internet Service Provider.

2000 – New Ulm completes a middle mile FTTN Network to increase speeds to its customers on their existing copper network.

2006 – Joint purchase of Hector Communications Corp. Began managing Sleepy Eye Telephone Company.

2008 – Acquired Hutchinson Telephone Company, serving Hutchinson and Litchfield areas.

2010 – Purchased cable TV system from Midcontinent in Glencoe, MN area.

2012 – Hector distributes its independent local exchange company subsidiaries to its three owners/shareholders. NU-Telecom now also serves the communities of Sleepy Eye, Goodhue, Hanska, White Rock, Mazeppa and Bellechester, MN.

2015 – Southern Minnesota Broadband Partnership formed. Providing an interconnected network from US Highway 212 to Northern Iowa.

2018 – Purchased Scott-Rice Telephone Company.

2018 – New Ulm Telecom changes its name to Nuvera Communications, Inc.

2021 – Nuvera completes two Border to Border Grant projects in Goodhue County bringing 1Gbps symmetrical service to over 173 locations.

Nuvera is currently operating this area in one of their ILEC exchange areas. Therefore the have nearly all of the experience, office, billing, and technical support in place to operate a FTTP network in this area. For organizational chart and resumes, please see Appendix 5.2.

**5.2 Provide organizational support evidence**

Refer to Appendix 5.2 for organizational chart and resumes of key personnel.

**5.3 Provide audited financial statements**

Refer to Appendix 5.3 for audited financial statements.

*Part VI – Payment Information***6.1 State of Minnesota Vendor Number:**

- **Financial Contact:** *(name, telephone number, email address)*

**Nancy Blankenhagen**  
**(507) 233-4252**  
[nancyblankenhagen@nuvera.net](mailto:nancyblankenhagen@nuvera.net)

**6.2 Tax Identification Numbers**

- **State of Minnesota Tax Identification Number** [\*\*8131620\*\*](#)
- **Federal Employer Identification Number:** [\*\*41-0440990\*\*](#)

*Part VII – Economic Development and Community Impact***7.1 Provide a listing of businesses in the proposed project area that will benefit from the broadband project.**

Many businesses in the Goodhue area would benefit from this project even though they are not located in the project area. These organizations interface with the community and prefer to offer more of that interface through online tools, requiring adequate and reliable Internet service. Residents in the project area would be able to better access these businesses and pay bills online.

In general, this project covers a very rural area. It is prime area for rural/home-based businesses and farming. Nuvera uses satellite imagery to determine which rural subscriber locations are businesses. Many rural locations have at least one family member that owns a small business or works remotely.

As proven over the last few years through YouTube, Facebook, LinkedIn, Craigslist, and many other applications, it is now easier than ever for individuals to start-up, grow, and offer various financially profitable, or non-profit services and tools, job searches, etc. In fact, business articles are now publicizing that a much larger percentage of overall business revenues are now coming from Internet business startups and expansions.

It is getting harder to nail down a list of business types that can benefit from adequate broadband service; since, the list has become an enormous and ever-growing list of business types. Nearly any type of business can begin or expand services via the Internet, whether it be products or services. Residents in this area could easily specialize in businesses related to their existing nature such as farming, fishing,

construction, etc. With access to the Internet the types of potential businesses becomes far too large to list and now opens the doors to much potential growth for this service area. This often begins with new interests of each individual, and is not necessarily related to their existing occupation. This is how many new business startups have developed. This new broadband service may also open the doors to the expansion of any existing businesses.

**7.2 Provide a listing of farms and agricultural use customers in the proposed project area that will benefit from the broadband project.**

This project serves a very rural area. Nuvera used satellite imagery to determine which of the locations in this grant area serve farms or agricultural businesses. It is prime area for rural/home-based businesses and farming. These opportunities exist only to a very limited degree in these areas due to insufficient broadband service and/or non-existent wireline broadband service. Farmers/ranchers around the U.S. are becoming much more dependent upon high speed broadband service for a variety of uses such as commodity and livestock electronic boards, transactions, and research, veterinary services, research and transactions related to seeds, fertilizers, insecticides, and other requirements. There are also uses related to government land set-aside programs, taxes, machinery, and others. It is commonly known that the number of small farmers is decreasing and the number of large corporate farms is increasing. Access to high speed broadband may be one of several means by which many of these smaller operations can remain in business into the future.

**7.3 Provide a listing of community institutions that will benefit from the broadband project.**

This is a rural area, there are no anchor institutions in the project footprint. However, as detailed in other sections of this application there are many anchor institutions that would benefit as the rural subscribers in this area would be able to more effectively interact with these anchor institutions such as schools, libraries, healthcare, and emergency services.

**7.4 Provide a listing of any educational locations that will benefit from the broadband project.**

In the area of public safety, small community fire and rescue squads have extremely limited funds available for off-site educational training opportunities, or to hire trainers to come on-site. Thus it is critical for these small organizations to find and utilize cost-effective online training options for their volunteers to help maintain and/or improve the level of safety and healthcare for their residents that brings it closer to the level available in urban areas. Many of these volunteers live in rural areas and need the opportunity to participate in these online educational training classes for various certifications.

As with all schools, the Cannon Falls and Redwing School Districts are always looking for new ways of providing and receiving education via the Internet so that students and parents can be using the Internet for research as needed for homework, accessing and inputting various student information, and accessing school information such as related to classes, calendar events (music, sports, etc.), and others. To be specific, some of these districts have their textbooks and assignments online. They use Google Docs which allows them to begin assignments in class and continue them on line at home. Parents and students also have online access to a Campus Portal that provides

information such as district messages, grades, assignments, and schedules. They also have websites which allows access to lunch accounts, registration and payment for school and community activities. The districts also use Infinite Campus Portal and Goodhue has a 1:1 initiative with students using Chromebooks. Schools are also using Weather Impacted Learning Days (WILD) requiring Internet access to all students. Due to a school closing for weather or other unexpected circumstances, schools have a flexible learning day. If school is not held due to inclement weather, students are expected to work online and complete one activity in each subject area. The folder will be turned in the next school day. Students without adequate broadband connections are at an educational disadvantage. The recent COVID-19 pandemic has highlighted the need for remote learning capabilities as the state had a massive shift to online learning when schools were closed in March 2020. Rural students are at a distinct disadvantage in situations such as this.

Both students and adults also have a need to access college and tech school programs/classes that are offered only online, as well as those that may be taken on campus but have components of those classes that utilize online work.

**7.5 Provide specific evidence of how health and public safety locations will benefit from the broadband project.**

With the continual increase of healthcare costs in the United States, home based telemedicine is becoming a source of cost savings. With fiber to the home, residents would have the ability to access digital health care records and medical websites. Medical professionals would have the ability to use real time patient monitoring.

It is actually for this very reason of there being no healthcare facilities in this immediate area, that it is important to make reasonable broadband available to this community due to the distances that must be traveled to interface with health care facilities. Phone service is available, but is very limited in capabilities as compared to full Internet access to a variety of websites, applications and files. This also applies to using the Internet to submit and receive flex benefit statements and receipts for healthcare, dental care, eye care, and day care.

Another new area that is growing exponentially is online medical diagnosis and symptoms analysis, which also requires sufficient Internet capabilities to utilize.

In the area of public safety, small community fire and rescue squads have extremely limited funds available for off-site training opportunities, or to hire trainers to come on-site. Thus it is critical for these small organizations to find and utilize cost-effective online training options for their volunteers to help maintain and/or improve the level of safety and healthcare for their residents that brings it closer to the level available in urban areas. Many of these volunteers live in rural areas and need the opportunity to participate in these online training classes.

**7.6 Is the proposed project providing broadband improvements to an economically distressed area?**

According to publically available census information at the United States Census Bureau website for census data at: <https://www.census.gov/data.html>. Data for the State of Minnesota and areas served by this project shows the following information:

Population			
	2015	2020	% Change
Vasa Township	935	857	-9.1%
Goodhue County	46,377	47,582	2.5%
State of MN	5,489,594	5,706,494	3.8%

This table shows that while the populations of Goodhue County and Minnesota are rising over a 5 year period, Vasa Township is experiencing a dramatic decline in population. This is common in rural areas as young people move away from the area to pursue new opportunities. In areas where adequate broadband exists these people can pursue new educations and remote work opportunities that would enable them to stay in the area.

Education	
	2015
Vasa Township	20.9%
Goodhue County	26.0%
State of MN	37.3%

This table shows that while the education levels of Goodhue County and Minnesota are significantly higher than Vasa Township. This is common in rural areas as young people move away from the area to pursue higher education and often do not return due to lack of opportunity. In areas where adequate broadband exists these people can pursue new educations and remote work opportunities that would enable them to stay in the area.

*Part VIII – Broadband Adoption Assistance*

**8.1 Broadband Adoption Activities Planned for Project**

Nuvera is committed make technology easy. We provide the following to our customers:

Free consultation

Help determine the Internet speeds customers need for their specific needs.

Assure customers are comfortable using their devices they purchase from us whether it is a PC, laptop, tablet or smartphone

Monthly eNewsletter

Customer alerts for scams and phishing schemes

Featured FAQ's/Tutorials

News and Views about technology products and services

Websites, videos, apps and resources for DIY and hobbies

Quarterly Newsletter

Ask the Expert with technology-related topics

Related products and services that could enhance a customers' Internet experience

Events that provide opportunities for direct contact with employee experts

[Business eNewsletter](#)  
[Educational articles on Internet usage, safety, hosted services and more](#)  
[Nuvera Website](#)  
[FAQs on Internet and technology related questions](#)  
[Account information](#)  
[Check email](#)  
[View/pay bills](#)  
[Future: Self-care for changing services, entering troubles, etc.](#)

## 8.2 Broadband Technical Support or Training Associated with Project

Nuvera is committed to be the go-to resource as technology experts. We provide the following to our customers:

- Nuvera’s dedicated team of experts is available when customers need us. We have 10 Customer Solution Centers and offer 24/7 technical support.
- Additional technical support is offered with a charge.
- Our Device Support Plan makes technology easy and gives customers access to reliable techs they can rely on. Designed for customers that are uncomfortable with technology, we offer support in-store, on the phone and even make home visits. The plan includes support, labor/retail discounts, device tune-ups and training.

Nuvera can provide free training on tablets, smartphones and other technology subjects on an individual basis or in classroom settings.

## 8.3 Low-income Broadband Assistance Program

Nuvera participates in the Federal Lifeline program, which provides monthly service discounts on one landline/wireless telephone or Internet service per household. Customers must qualify based on the federal criteria for this program.

### *Part IX – Applicant Affidavit*

9.1 The primary Applicant must provide a signed, dated, and witnessed affidavit or resolution that shows official Applicant support for and approval of the application as well as a commitment to provide the Applicant’s matching funding.

[Refer to Appendix 9.1.](#)

### *Part X – Pre-Application Outreach Requirement*

10.1 The Applicant must provide copies of all emails sent out and all emails received in response to this required outreach as part of the application.

[Not applicable, all of these areas are within Nuvera’s ILEC exchange boundaries and there are no other wireline providers.](#)

10.2 The Applicant must summarize all the responses to its email distribution for this item, the information in the application must include that identified in the following example:

**Not applicable, all of these areas are within Nuvera's ILEC exchange boundaries and there are no other wireline providers.**

## 3.0 SUBMITTING THE APPLICATION

### Filing Review

Completed applications and all required supporting documentation must be received by Goodhue County on or prior to January 3, 2022 to be deemed eligible for the initial review.

### Submittal Address

- Submit the complete application package at any time during the application period
- Package must include one printed hardcopy and one electronic copy on a USB drive
- Applications that arrive after all available funds have been dedicated will not be accepted
- Applications may be delivered by mail or courier service to:

#### **Goodhue County**

**Attn: Broadband Grant Applications**

**509 W 5<sup>th</sup> Street**

**Red Wing, MN 55066**

- Email submission is acceptable if the entire package, including attachments, is less than 5MB, and may be addressed to:

[gcbgrants@co.goodhue.mn.us](mailto:gcbgrants@co.goodhue.mn.us)

### Submittal Confirmation

If mailing or sending by courier, please email [gcbgrants@co.goodhue.mn.us](mailto:gcbgrants@co.goodhue.mn.us) to confirm that each complete application package has been mailed or delivered for receipt on or before January 3, 2022.

### Questions?

Email [gcbgrants@co.goodhue.mn.us](mailto:gcbgrants@co.goodhue.mn.us)



## 4.0 APPLICATION SELECTION AND AWARD PROCESS

### Introduction to Scoring and Award Process

Goodhue County will award partnerships to projects that demonstrate the highest return in public benefits for the public costs incurred and that meet all of the statutory requirements. To evaluate the applications for public benefits with respect to the costs incurred, the law specifies certain priorities that Goodhue County must consider.

To fulfill this requirement of reviewing applications in an objective and fair manner, applications will be reviewed and evaluated by a team composed by Goodhue County. This team will use the following criteria and associated point values to assist in systematically scoring and awarding funds. These criteria reflect information provided in response to this application’s questions. To ensure that your application receives the best possible score, please be sure to provide complete and comprehensive responses to all information requested in the application.

- 
- Selection Criteria and Partnership Scoring Categories**
- **110 points possible w/out secondary funding source**
  - **120 points possible w/secondary funding source**
- 

**Anticipated Broadband Improvements:** 0 to 20 points possible

**Unserved or underserved total passings potentially served by project:**

- Anticipated improvements in broadband speed offerings from pre-existing broadband service levels to proposed service levels – project must reach or exceed state speed goals (speed now vs. speed after)
- Number of total passings potentially served (# of passings)
  - Total passings include households, businesses, farms, and community anchor institutions
- Highest scores are awarded for largest broadband speed improvements
- If project includes both unserved and underserved passings, each will be scored separately, and the resultant scores averaged

**Anticipated Broadband Improvements Scoring Table**

# of Passings	Speed Now:	0/0	≤10/1	0/0	≤10/1	25/3	0/0	≤25/3	<100/20
	Speed After Build:	25/3	25/3	100/20	100/20	100/20	1G/1G	1G/1G	1G/1G
0-50	Points Awarded:	14	10	16	14	12	18	15	13
51-499		15	11	17	15	13	19	16	14
500+		16	12	18	16	14	20	17	15

**Community Participation:** 0 to 15 points possible

**Additional scoring points will be awarded for the following:**

- Verified financial commitment to the project from any qualified community partner(s)



[Community partner may be any public, non-profit, or philanthropic entity – this would include a township, city, tribal entity, or community coalition]

- Projects that propose to serve or partially serve federally recognized tribal lands, and the associated tribal entity has provided application documentation of project support
- Project applications that provide substantive evidence of community support for the project

**Project Readiness:** 0 to 25 points possible

**Applicant has concretely demonstrated a comprehensive knowledge of – and detailed preparation for – the proposed project. Applicant has provided evidence of being fully prepared to build, implement, and operate the project:**

- All budget material is provided in detailed, yet clearly understandable manner, sources and uses of funds is realistic, all project eligible elements are included, all funding partners are secured
- Other broadband infrastructure requirements are included – certified engineering design and diagrams, documentation of scalable equipment, and all preconstruction requirements are identified and included in the project schedule
- Project implementation requirements are provided – proposed speed tiers and service pricing, 5 year service commitment, and proposed marketing strategies
- Complete project schedule and financial requirements are provided

**Project Sustainability:** 0 to 25 points possible

**Applicant has demonstrated strong internal capacity to effectively support and sustain its broadband infrastructure proposal:**

- Demonstration of technical expertise – specific prior experience in providing broadband services
- Organizational support evidence provided – extent of organization and how organizational strength will sustain broadband service delivery and maintenance
- Financial statements provided – most current year’s audited financial statements, and supporting documentation where applicable, to demonstrate overall financial viability

**Economic Development & Community Impact Review:** 0 to 15 points possible

**Applicant has demonstrated the economic development and community enhancement potential of the proposed project:**

- Applicant has identified businesses, farms and agricultural use customers, community anchor institutions, and educational facilities in the proposed project area
- For businesses, farms and agricultural use customers, Applicant has identified how improved broadband speeds and coverage will enable the project area to become and/or remain competitively viable
- For community anchor institutions, Applicant has identified how improved broadband deployment will be incorporated into specific community programs
- For educational locations, Applicant has identified the proposed impact on e-learning
- For health and public safety locations, Applicant has identified the proposed impact on

telemedicine

- If project area in an economically distressed area, Application has demonstrated that the proposed project area has unemployment, poverty or population loss levels significantly greater than statewide average (Application may reference median household income or percent of students eligible for free or reduced school lunches for proposed project area)

**Broadband Adoption Assistance: 0 to 10 points possible**

**Additional scoring points will be awarded for the following:**

- Are broadband adoption activities planned for project?
- Will technical support or training on broadband be offered?
- Is there – or will there be – a low-income broadband assistance program offering?

*\*To be used only if the application provides a secondary funding source*

**Partnership Funding Request Amount: 0 to 10 points possible**

**Percent of partnership request compared to total eligible project costs:**

- Applicant matching funds of 55% or more will result in a higher application score for this category
- Any funding partner contributions are included in Applicant matching funds for points

**Partnership Funding Request Amount Scoring Table**

<b>Percent of eligible project costs requested</b>	<b>Points</b>
30% or less	10
31 to 35%	8
36 to 40%	5
41 to 45%	3
46 to 50%	0

## APPENDIX I

TEMPLATE – PROJECT

PROFORMA FINANCIALS

Organization's Name  
 Border-To-Border Broadband  
 Application

<u>OSP - FTTH Construction</u>	<u>Total Costs</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Detailed categories						
Total OSP -FTTH Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Access/Transport Equipment</b>						
Detailed categories						
Total Access/Router Equipment						
<b>Customer Premise Equipment</b>						
Detailed categories						
Total CPE						
<b>Total Capital Costs (Note 1)</b>						
<u>Depreciation Rates</u>						
OSP – Fiber		-	-	-	-	-
Access/Router Equipment		-	-	-	-	-
Customer Premise Equipment		-	-	-	-	-
Total Depreciation		\$ -	\$ -	\$ -	\$ -	\$ -
<u>Customer:</u>						
Total New Customers						
Data, Video, Voice						
Data & Video						
Data & Voice						
Data Only						

# 2021 GOODHUE COUNTY BROADBAND PARTNERSHIP PROGRAM APPLICATION

**Revenue:**

- TriPlay
- Data & Video
- Data & Voice
- Data Only
- Other Revenue - Residential
- Other Revenue - Business

	\$	\$	\$	\$	\$
Total Revenue	-	-	-	-	-

**Expenses:**

Total Expenses					
----------------	--	--	--	--	--

**Net Income**

	\$	\$	\$	\$	\$
<b>Cumulative</b>	-	-	-	-	-

Cash Flow

Cash Flow - Cumulative

**Note 1: Source Of Funding:**

<b>Project Name</b>
---------------------

Your Organization Name	
B2B Broadband	
Total Capital Costs	

**[END OF APPLICATION PACKAGE]**

## **Executive Summary – Vasa Township FTTP**

This project is for a Fiber To The Premises (FTTP) Network to be built and operated by Nuvera Communications, Inc. (Nuvera). The network would cover most of Vasa Township in Goodhue County, MN. The project will utilize existing Nuvera owned middle mile fiber in the area for transport back to their Goodhue CO and an existing remote cabinet. The build will utilize a GPON network design and offer speeds up to 1G up and 1G download. The GPON Network will utilize 1x32 splitters with a homerun fiber design to allow for future flexibility. There would also be capacity to offer active services to business customers should the need arise. There is sufficient space in the existing CO and exterior cabinet to house fiber racks, electronics, splitters, power equipment, and battery backups. Subscribers will be offered a range of ONT/CPE equipment, both with and without Wi-Fi capabilities.

The project covers most of Vasa Township in Goodhue County, MN. There are 54 unserved households, 9 unserved businesses, and 31 unserved farms as well as 32 underserved households, 9 underserved businesses, and 1 underserved farm.

Nuvera has noted a discrepancy in the reported speeds on the MN DEED Office of Broadband Development maps (<http://map.connectmn.org>). A number of these areas are shown to be served with speeds of up to 100/20Mbps on DSL services with Nuvera listed as the provider. This is not accurate and Nuvera is working to the state to correct the data. In reality, the most that any location could realistically receive is 50/5Mbps. Nuvera anticipates a nearly 100% penetration rate as this is one of their existing ILEC exchanges. Nuvera hopes to begin construction in February 2022 and finish by December 2022.

Nuvera has identified this project area as having a mix of underserved and unserved passings. They have identified this through requests from local residents and businesses. Nuvera has also identified the need for increased service by speed testing they have conducted internally. These tests indicate that the existing copper plant network is simply not capable of higher broadband speeds. They have worked with Finley Engineering Company, Inc. (Finley) to come up with high level designs, budgets, and to author the application. They will continue to work with Finley for environmental filings, detailed design/staking, permitting, and construction management. Nuvera has gathered community support letters, provided financial information including business plans, and identified ways to tie into their existing network. Once the project is complete, Nuvera will operate this network in conjunction with their other telephone exchanges. Nuvera has been in the telecommunications business for 110 years; so they have experience operating networks in this area.

Nuvera already has almost all of the back office equipment (routers, ISP capabilities, billing, etc.) as well as middle mile network in place to support the buildout and operation of a network in this area. Although they currently offer service in the area on an existing copper plant, higher

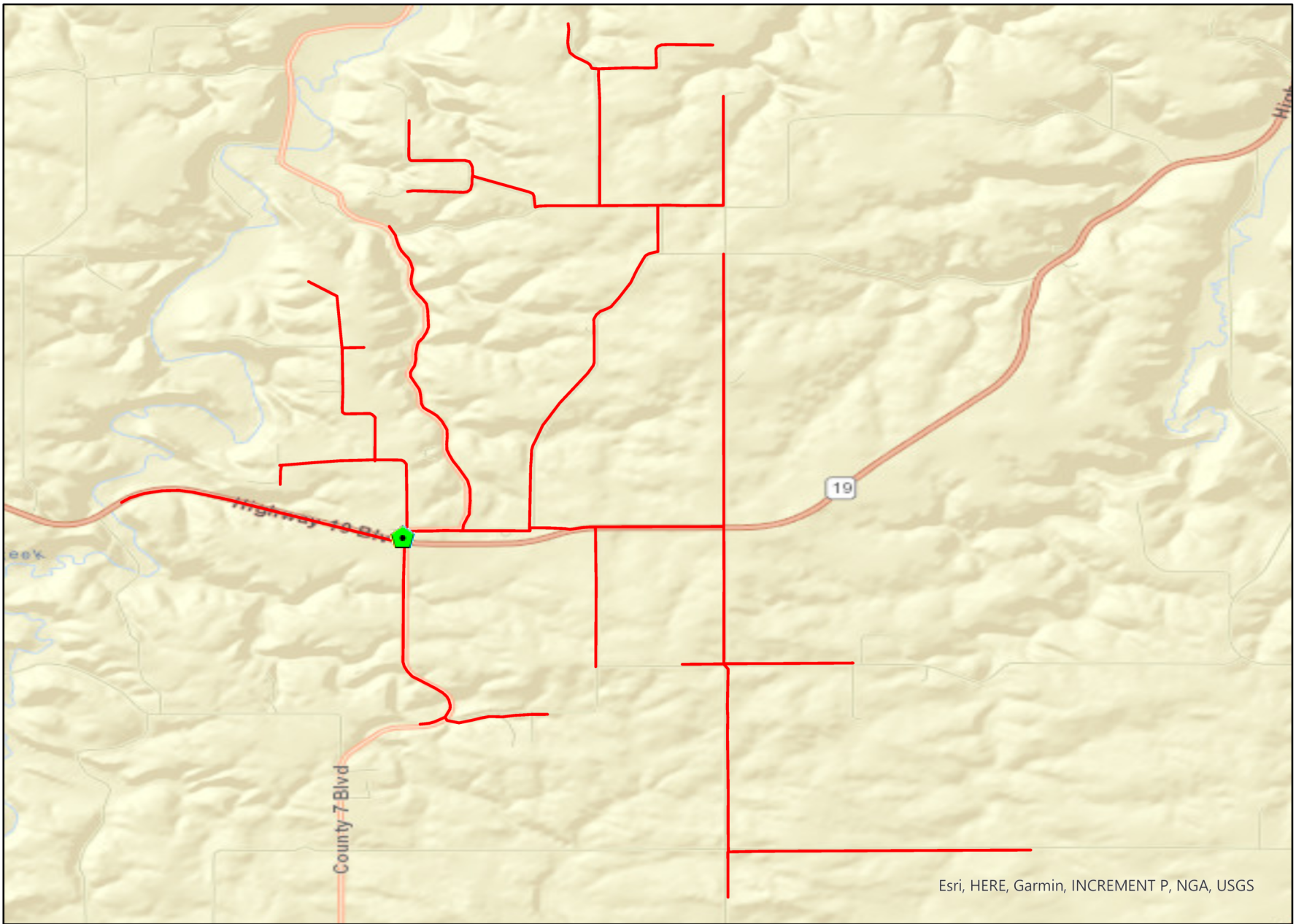
speeds for some customers are simply not possible. This is due to the distances from Nuvera's network equipment. Without the broadband development grant, it would not be financially feasible for them to provide adequate service to everyone as is shown by the financial analysis enclosed. If Nuvera were to be awarded a grant, funds are available and have been set aside for this project. The construction process would begin as soon as possible; after the award of a grant and would likely be completed by the end of 2022.

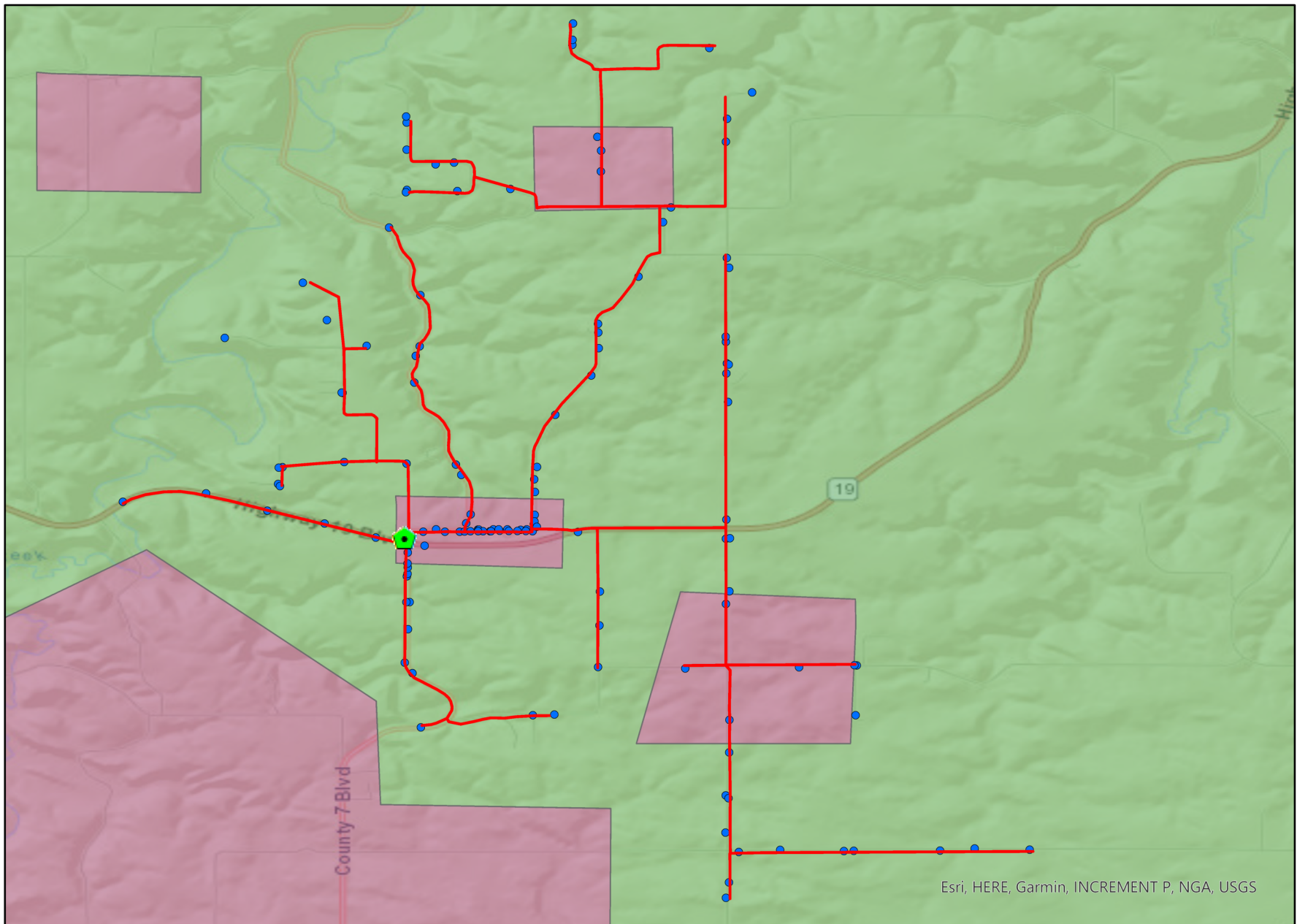
Access to high-speed broadband would improve the quality of life in several different ways. It would provide new growth opportunities for businesses, allowing them to do business on a larger scale, as well as contributing greatly to helping maintain existing businesses. New businesses are attracted to areas that have access to high speed Internet, which allows for increased efficiency. Many residents in this area have the option to telecommute, which is simply not possible without a quality broadband connection. Better broadband would also allow more access to healthcare, education, and employment via telecommuting. Although there is no school in the area, students in rural areas need access to broadband to stay on equal footing with their classmates. The Zumbrota and Goodhue School Districts have extensive websites and online portals. There are resources for student such as online learning classes and learning materials, as well as parent information such as calendars, lunch accounts, and grades. They also utilize weather impacted learning days. Projects like this would further the school's goal of "anywhere, anytime learning", and allow them the confidence to roll out more programs that rely on broadband for learning. Higher education via distance learning would also become a better option with better broadband. Residents will also enjoy more entertainment opportunities, better access to financial management tools, and social media. Using these tools has become increasingly important in rural areas because it reduces the need to travel, saving customers time and money.

As an all-encompassing reason as to why this project should be awarded grant funds, the rural areas of the state are quickly falling behind the towns and cities when it comes to broadband. This places them at a distinct disadvantage when it comes to education and conducting business. The population has been decreasing in recent years and quality broadband in this area would be a huge positive in attracting new families and businesses to the area.

At this point in time, broadband has proven world-wide how it can create changes in nearly every aspect of life. Rural communities across the nation have been declining in population and disappearing entirely. Broadband and its many benefits would allow this rural community to close the gap and turn their community around into a thriving, active, productive, and prosperous community. They recognize how this communications tool can impact every person and organization and have already developed a vision to capitalize on it once it is implemented.







# Vasa Township FTTP

## Legend

- MN Unserved (Less than 25/3)
- MN Served (At least 100/20)
- Subscribers
- Fiber Route
- Remote Cabinet

**Notification**  
 Approvals  
 Pending Approvals  
 No new transactions to approve.

**Tools**  
 ShortCuts  
 There are no shortcuts.

Invesco will be closing early on Thursday, December 23rd, CLOSED Christmas Eve Friday, December 24th and closing early New Year's Eve Friday, December 31st. Please refer to the UPDATES link at the bottom of the Home Page.

**Colink**

00013301 NUVERA COMMUNICATIONS, INC.

**Consolidated Balance Summary**

Description	Outstanding Balance	Available Balance	Commitment	Action
C/A TERM INVESTMENT PREMIER	48,058,903.33 235,081.34	9,995,881.39 0.00	58,054,784.72 0.00	
	0.00	0.00	0.00	

**Settlement Report**

Date	Tran Type	Receiver/Sender Name	Status	Amount	Posting Account/Amount	Action
12/21/2021	INVESCO BALANCE TO INVESTMENT	NUVERA COMMUNICATIONS, INC.	COMPLETED	707,565.74	002437864/707,565.74	
12/21/2021	TCA AM FUNDS SWEEP TRANSFER FROM LI	NUVERA COMMUNICATIONS, INC.	COMPLETED	472,484.40	002437864/472,484.40	

00048256 HUTCHINSON TELEPHONE COMPANY

**Consolidated Balance Summary**

Description	Outstanding Balance	Available Balance	Commitment	Action
C/A TERM INVESTMENT	0.00	0.00	0.00	
	0.00	0.00	0.00	

**Settlement Report**

Date	Tran Type	Receiver/Sender Name	Status	Amount	Posting Account/Amount	Action
------	-----------	----------------------	--------	--------	------------------------	--------



**Barb Haley**  
State Representative  
District 21A  
Goodhue and Wabasha Counties



# Minnesota House of Representatives

December 7, 2021

**COMMITTEES:**  
Commerce  
Jobs and Economic Development Finance  
Health and Human Services Finance  
Water Division

Minnesota Office of Broadband Development  
Border to Border Grant Program  
Minnesota Department of Employment and Economic Development  
First National Bank Building  
332 Minnesota Street, Site E200  
St Paul, MN 55101

To Whom It May Concern:

I am writing to support the Border to Border grant application submitted by Nuvera that will improve broadband for my constituents in Goodhue County.

As the State Representative for 21A, I am often contacted by my constituents who receive inadequate or even no internet and live in Goodhue County. This has been especially difficult during the 22 months of the COVID-19 pandemic as these constituents are not able to work from home as many in Minnesota are able. In my district, the advantages for consistent and adequate broadband provides economic support and the ability to conduct business. Access to broadband supports our workforce needs which in turn maintains jobs, educational opportunities, and main street business -- which are all critical in supporting rural communities. I am often contacted by constituents in this area letting me know how difficult it is for their children and schoolwork; businesses needing stable internet and farm operations that lack the needed broadband.

Nuvera's application has matching funds and they have worked with leaders in our community to obtain approvals and permitting. I am fortunate that Nuvera has been working hard to expand broadband in my rural community. The economic development impact on Goodhue County by having access to stable broadband will allow the region to compete within Minnesota and globally. I strongly support the Border to Border grant application submitted by Nuvera for Goodhue County and appreciate any consideration you can provide for a grant.

Sincerely,

A handwritten signature in cursive script that reads "Barbara A. Haley".

Barb Haley  
State Representative, 21A



ANGIE CRAIG  
2ND DISTRICT, MINNESOTA  
[CRAIG.HOUSE.GOV](http://CRAIG.HOUSE.GOV)

COMMITTEE ON ENERGY  
AND COMMERCE  
SUBCOMMITTEE ON COMMUNICATION & TECHNOLOGY  
SUBCOMMITTEE ON CONSUMER PROTECTION & COMMERCE  
SUBCOMMITTEE ON HEALTH

Congress of the United States  
House of Representatives  
Washington, DC 20515-2302

COMMITTEE ON AGRICULTURE  
SUBCOMMITTEE ON COMMODITY EXCHANGES,  
ENERGY AND CREDIT  
SUBCOMMITTEE ON GENERAL FARM COMMODITIES  
AND RISK MANAGEMENT  
SUBCOMMITTEE ON LIVESTOCK  
AND FOREIGN AGRICULTURE  
COMMITTEE ON SMALL BUSINESS  
SUBCOMMITTEE ON OVERSIGHT,  
INVESTIGATIONS & REGULATIONS

December 20, 2021

Goodhue County  
Attn: Broadband Grant Applications  
509 W. Fifth St.  
Red Wing, MN 55066

Dear County Officials:

I am writing as the Member of Congress that represents Goodhue County to express my support for the county's Broadband Infrastructure Partnership and the applications of private partners like Nuvera. Broadband is no longer a luxury item and access to quality and affordable broadband is a necessity - which has become increasingly clear in the era of a Global Pandemic. Improving access to broadband services in rural areas, such as those proposed by Nuvera in the Vasa area, was one of the reasons I ran for Congress and the need is great in Goodhue County. I commend Goodhue County for utilizing funds from the American Rescue Plan to create this opportunity to partner with local business partners, like Nuvera, to improve access for rural communities.

Goodhue County is without question an underserved area with limited internet services. When I speak to my constituents, I am continuously reminded that the residents of rural Goodhue County consistently lack adequate internet connectivity. I often hear stories from parents whose children have suffered academically because they lack access to modern broadband services in their rural community. I also continue to hear from patients, providers and healthcare facilities that telemedicine is crucial and will help many people overcome the barrier of distance and transportation even after pandemic. This summer, I even met a constituent from the Vasa area who broke her arm trying to trim trees, at the suggestion of her provider, to improve her internet service.

Nuvera's broadband plan for portions of rural Goodhue County would help to address the lack of adequate internet access and connectivity across the county. Nuvera has provided service to the area in the past and is familiar with the specific needs of the county to help enhance broadband service for the residents of rural Goodhue County. The project will complete previous fiber broadband builds in the area, hence eliminating the holes/gaps in who is lacking service and neighbors that have fiber.

The funding partnership from the Goodhue County Broadband Infrastructure Partnership grant program will help enable Nuvera to provide the residents of rural Goodhue County with the high-speed internet that they need. I believe that this project could help to enable greater collaboration and teamwork between different layers of government, community organizations, and area businesses.

I respectfully ask you provide all due consideration to Nuvera's proposal for their fiber project in rural Goodhue County.

Sincerely,



Angie Craig  
Member of Congress

30 November 2021

# NUVERA COMMUNICATIONS

PO BOX 697, NEW ULM, MN 56073

I'd like to share how improved Internet data rates would benefit our household. First let me provide a view of our current Internet service today, the devices in use, and how the devices are being used...

**Current service:** 14 Mbps download / 1 Mbps upload

**Devices in use:** at any point in time, as many as **30 devices** can be Internet connected, this includes mobile phones, tablets, laptop computers, desktop computers, streaming devices, smart-home devices, and security cameras.

**How devices are being used:** our phones, tablets and computers are used primarily for work-from-home (generally 5 days a week) as well as distance learning (when required) but also for leisure / pleasure. In order to have lower costs and better programming choice, our TV services are Internet provided so we have multiple smart-TV and streaming devices. Google Home, Samsung SmartThings, and various other smart-home devices (bulbs, switches, and sensors) provide us with home automation. Internet connected security cameras are used for live stream views of each camera as well as motion detection recording.

How would improved Internet data rates benefit our family? Working from home and distant learning each involve functions that at times put significant strain on our current Internet bandwidth. There are instances where applications buffer and timeout, requiring an application restart, if not a computer reboot. Actions such as file uploads that would only require seconds when working in the business office or school can take 5, 10, 15 minutes or more when working from home. There are times when work with specific time deadlines needs to be done by driving



into the office (90 minutes round-trip) to complete it rather than trying to do so from home using our much slower Internet service.

Our high school junior son has a great deal of interest in anything technology based and plans to follow a career path that includes some type of technology work. Although he has many devices that he works with, and much Internet-based content that he views as a means of his learning, he finds himself at a great disadvantage to “kids in town” who have much better Internet services. He also would like to be a “YouTuber” and has created his own YouTube channel where he’s tried to share content that could potentially provide some income, however with our very limited data upload rates, it’s not been practical for him to do so.

Besides the work, school, and other practical uses of Internet services, there’s of course the casual, quality of life aspects of it. We enjoy all of the recreational benefits of having Internet connectivity by watching TV, online shopping, online researching, Facetiming friends, etc. In our connected world today, these functions are just as critical as the practical, business uses of the Internet.

I’m probably one of Nuvera’s more “active” customers, calling into the office about every 3 or 4 months to see if we could improve our service levels, but regrettably being told that we were already getting the maximum available in our area. I appreciate anything that Nuvera can do to be able to offer faster, more equitable services. I’m too young to remember the excitement experienced by rural residents during the time of rural electrification or the advent of indoor plumbing, but I feel that the universal availability of high-speed broadband services will one day be categorized alongside these other historical milestones.

SINCERELY,

A handwritten signature in black ink that reads "Don Moyer". The signature is written in a cursive style with a large, stylized "D" and "M".

DON MOYER



I am absolutely in favor of getting Fiber internet service. I have been asking for faster internet service for years and Nuvera has accommodated me as much as the current internet lines will provide me. I have 6 people in my family and about 20 devices, everyone has a iPhone, a computer (or in some cases 2 computers), a few iPad's, and tablets, and then 2 Tv's as well. Currently we have 2 internet lines that we have to pay for because 1 will not handle our needs. I had a trial period with LTD broadband to see if that would work for us, but the reliability and speed was worse than the service that Nuvera provided.

We had to come up with a hierarchy list of who gets the internet service 1st.

- 1) Wife's work
- 2) College student
- 3) High school students/ my work

My Wife has been working from home since the beginning of the Covid-19 pandemic and it is imperative that she has RELIABLE service without NO speed issues. She works the Hedge Desk for CHS which has to be done in a timely fashion to keep up with the speed of the grain price changes on the Chicago Board of Trade. We have had to dedicate 1 internet line to her work alone so that she has no interruptions.

That leaves the other line for the rest of us. I have a full time college student that until this semester has been 100% online distance learning from home, so she has to have reliable, fast service. So when she has to do ZOOM calls, we have had to tell my other 3 high school age kids that they will have to log off till she is done if there is issues with the speed. If I am at working from home while this happens, I have to hot spot my phone, to be able to do my work in a timely fashion. Which, I then have to pay for if I go over on allotted minutes, yet another internet fee we have to cough up!

A for instance that happened yesterday was, my college student text us before the high school age kids got off the bus and said "I need everyone to turn OFF their Wi-Fi on their phones and computers so i can Zoom with my professor. Last time everyone got home and got on their devices and I lost the connection".

Currently my high school students are in person, but if they end up distance learning like they did last year, Not all of them will be able to do what the schools are asking of them. And the school knows the situation and has to work around it.

When watching TV in the evening, it is common for the screen to freeze while watching pretty much anything. We have close neighbors within a mile or 2 that have Fiber internet service, so it is frustrating to be that close but not have access to it. "Close enough to smell it" We pay too much for service we have, but we have no other option.

Please consider putting a Fiber line to us and our neighbors!!

Thank you!

Todd Anderson

Marketing Team,

This letter is in response to the survey we completed regarding high-speed fiber internet. With DSL we are not able to stream anything on TV. Right now, we lose our internet connection occasionally. We have 3 users in our household with 6 devices. With our farming operation we would really benefit with high speed. We have grandchildren that are with us at times, and they would benefit from it for their homework or distance learning, etc.

At times when we have had internet problems service has always been excellent! Hats off to the Goodhue Crew!!

Pat and Rose Benson  
10239 324th St Way  
Cannon Falls, MN 55009  
651-258-3572

Hello, Nuvera! I was going to fill in the survey you recently sent us about Broadband, but I see it was due by December 10. We would appreciate very much having Broadband service. We use our Internet for checking email and staying in touch with family and friends. We also use the Internet as our "Encyclopedia" whenever we have a question about something. Ordering merchandise (including groceries) online is an important service these days. We really need Broadband service, especially for small businesses, those working from home, and students. Something to keep in mind for the future is that I hope that there will be net neutrality for the service. That means to me that there will not be higher fees for better/faster service. Thank you for listening!

Roslyn Hjernstad

To whom it may concern,

I support Nuvera's efforts to secure a grant for a fiber high speed internet.

I am a pilot and am required to do off site training. We have 2 kids in the house who are also pilots with the same training requirements. Our current internet speed is unacceptable. Cannot accomplish at home training.

My wife is a director of nursing and works from home frequently. Same problem.

We don't live in a cave. But our internet is only "cave" speed.

Stuart Samuelson



# 2022 FIBER GRANT SURVEY

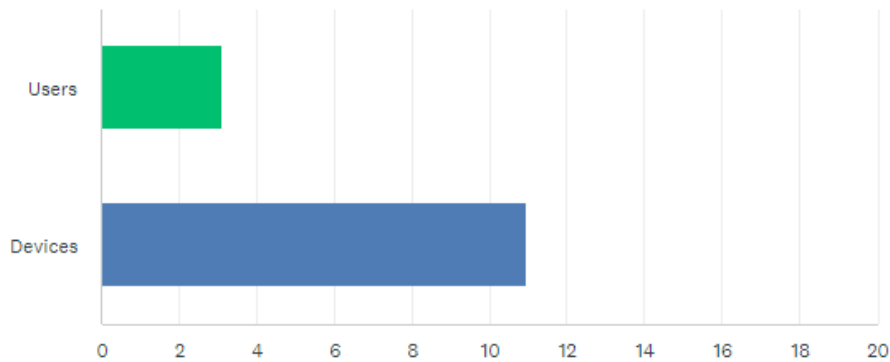


GOODHUE COUNTY  
SUMMATIVE REPORT

Nuvera conducted a survey among customers who would be affected by an upgrade to fiber Internet in Goodhue County. We received almost 40 responses from residents and business-owners across the area. Following is an overview of answers from the respondents.

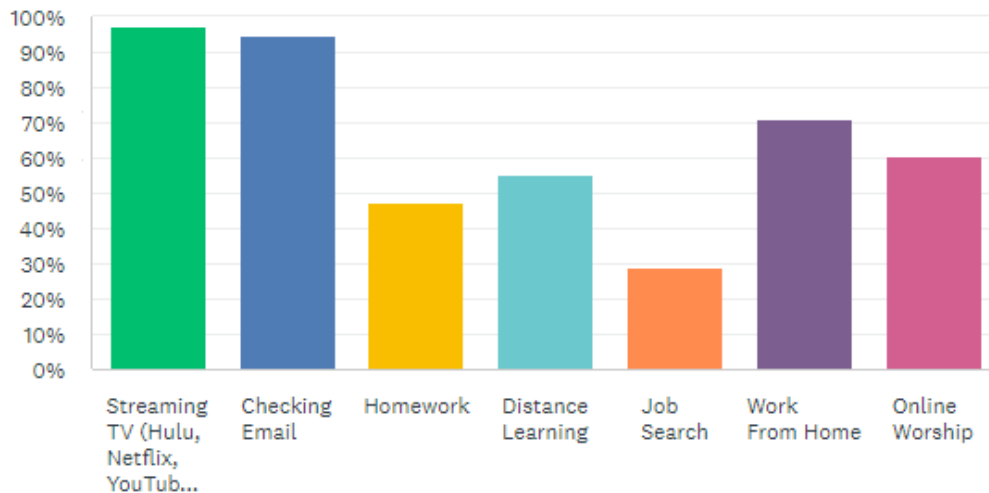
**Question 1:**

How many Internet-connected users and devices (smartphones, computers, gaming consoles, smart appliances, etc.) are there typically in your household? The average answers among respondents were:



**Question 2:**

In what ways does your household use the Internet? Check all that apply. The average answers among respondents were:



Comments in the "Other" field included:

- Home security

- Online shopping
- Leisure – YouTube, Pinterest, Facebook, Instagram, Video Chat with Family (during COVID lockdowns)
- Research
- Online classes
- Heavy gaming
- Video conference calls
- Volunteer work, webinars, Zoom calls
- Many smart home devices
- We manage a rental property out of state, often with weekly new rental guests. Reliable Internet service is essential to promoting and managing this property. Also, we are elders with children and grandchildren in other parts of the United States and overseas. Weekly Zoom conversations have become a social lifeline connection for our family, especially with the current pandemic forcing very limited in-person contact.
- Banking
- Online shopping, banking investment management, travel research and reservations, check the weather, bill paying
- Shopping, communication
- I'm a radiologist and work from home occasionally. Need very high speeds in order to interpret images.

### Question 3:

What could you do with a better Internet connection? (i.e.: ability to run a home business, work remotely, or distance learning)

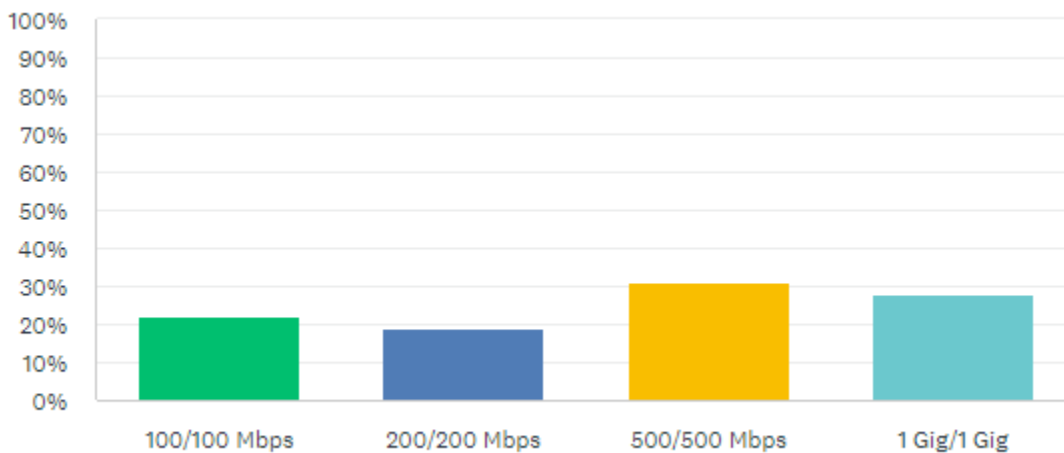
Answers included:

- Research
- More able to not lose the signal on Internet connection. Happens now at least 2-3 times a day.
- Stream TV
- Farming business, distance learning
- Work one day a week at home
- Home business – extend network to separate buildings, besides in household
- Streaming would be the big thing
- Work remotely, distance learning
- Better connection in various farm buildings
- Currently working from home – decent wi-fi
- More distance learning, working from home. I have issues with big excel files due to not enough bandwidth
- 1 works remotely full time, high school work x3 kids, 1 in college sometimes remotely full time, 1 remotely works occasionally, watch TV without interruptions

- It would improve all our experiences with streaming video, working remotely and distance learning for our kids – 2 in high school and 3 in college – one takes online courses.
- Work remotely, including international meetings.
- Run my business more efficiently, and online classes would stream better.
- Run my small at home business and also need Internet to work from home which is going to be a full-time thing now with the pandemic.
- We could both be on Zoom calls at the same time. Volunteer work would be more efficient.
- Be more productive in working from home as well as distance learning, as well as being able to utilize streaming services without the frequent buffering delays. Also, to be able to use WiFi-based security cameras that have requirements for minimum data upload rates.
- Working remotely. Providing life and death decisions to critical rural hospitals.

Question 4:

What level of Internet service do you think would be adequate for your needs? The average answer among respondents were:



Nuvera also asked survey respondents if they would be willing to provide letters of support for our grant application. Those letters are attached to this summary. However, here are a few pertinent highlights from the letters:

“Working from home and distant learning each involve functions that at times put significant strain on our current Internet bandwidth. There are instances where applications buffer and timeout, requiring an application restart, if not a computer reboot. Acts such as file uploads



that would only require seconds when working in the business office or school can take 5, 10, 15 minutes or more when working from home. There are times when work with specific time deadlines needs to be done by driving into the office (90 minutes round-trip) to complete it rather than trying to do so from home using our much slower Internet service."

*Don Moyer, Goodhue, MN*

With DSL we are not able to stream anything on TV. Right now we lose our internet connection occasionally. We have 3 users in our household with 6 devices. With our farming operation we would really benefit with high speed. We have grandchildren that are with us at times and they would benefit from it for their homework or distance learning, etc.

*Pat and Rose Benson, Cannon Falls, MN*

I am absolutely in favor of getting Fiber internet service. I have been asking for faster internet service for years and Nuvera has accommodated me as much as the current internet lines will provide me. I have 6 people in my family and about 20 devices, everyone has a iPhone, a computer (or in some cases 2 computers), a few iPad's, and tablets, and then 2 Tv's as well. Currently we have 2 internet lines that we have to pay for because 1 will not handle our needs. I had a trial period with LTD broadband to see if that would work for us, but the reliability and speed was worse that the service that Nuvera provided.

We had to come up with a hierarchy list of who gets the internet service 1st.

- 1) Wife's work
- 2) College student
- 3) High school students/ my work

My Wife has been working from home since the beginning of the Covid-19 pandemic and it is imperative that she has RELIABLE service without NO speed issues. She works the Hedge Desk for CHS which has to be done in a timely fashion to keep up with the speed of the grain price changes on the Chicago Board of Trade. We have had to dedicate 1 internet line to her work alone so that she has no interruptions.

*Todd Anderson*

We would appreciate very much having Broadband service. We use our Internet for checking email and staying in touch with family and friends. We also use the Internet as our "Encyclopedia" whenever we have a question about something. Ordering merchandise

(including groceries) online is an important service these days. We really need Broadband service, especially for small businesses, those working from home, and students. Something to keep in mind for the future is that I hope that there will be net neutrality for the service. That means to me that there will not be higher fees for better/faster service.

*Roslyn Hjermstad, Goodhue (Cannon Falls Township)*

I am a pilot and am required to do off site training. We have 2 kids in the house who are also pilots with the same training requirements. Our current internet speed is unacceptable. Cannot accomplish at home training.

My wife is a director of nursing and works from home frequently. Same problem.

We don't live in a cave. But our internet is only "cave" speed.

*Stuart Samuelson*



**BE IT RESOLVED** that Nuvera Communications, Inc. acts as the legal sponsor for project(s) contained in the Goodhue County Broadband Partnership Program to be submitted by January 3<sup>rd</sup>, 2022 and that its' CEO is hereby authorized to apply to Goodhue County for funding of this project on behalf of Nuvera Communications, Inc.

**BE IT FURTHER RESOLVED** that Nuvera Communications, Inc. has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration.

**BE IT FURTHER RESOLVED** that the sources and amounts of the local match identified in the application are committed to the project identified.

**BE IT FURTHER RESOLVED** that Nuvera Communications, Inc. has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

**BE IT FURTHER RESOLVED** that upon approval of its application by the County, Nuvera Communications, Inc. may enter into an agreement with the County of Goodhue for the above referenced project(s), and that Nuvera Communications, Inc. certifies that it will comply with all applicable laws and regulation as stated in all contract agreements.












# Resolution.2021 Goodhue project

Final Audit Report

2021-12-22

Created:	2021-12-22
By:	Patty Matthews (pattymatthews@nuvera.net)
Status:	Signed
Transaction ID:	CBJCHBCAABAAiy_BolgzRkx_TO7sJXPyy4LLzpfjz0vK

## "Resolution.2021 Goodhue project" History

-  Document created by Patty Matthews (pattymatthews@nuvera.net)  
2021-12-22 - 6:12:51 PM GMT- IP address: 66.60.192.52
-  Document emailed to Glenn Zerbe (glennzerbe@nuvera.net) for signature  
2021-12-22 - 6:13:49 PM GMT
-  Email sent to kathybund@nuvera.ne bounced and could not be delivered  
2021-12-22 - 6:14:00 PM GMT
-  Email viewed by Glenn Zerbe (glennzerbe@nuvera.net)  
2021-12-22 - 6:14:10 PM GMT- IP address: 104.28.104.127
-  Document e-signed by Glenn Zerbe (glennzerbe@nuvera.net)  
Signature Date: 2021-12-22 - 6:15:24 PM GMT - Time Source: server- IP address: 174.204.201.160
-  Document emailed to Barb Bornhoft (barbbornhoft@nuvera.net) for signature  
2021-12-22 - 6:15:26 PM GMT
-  Email viewed by Barb Bornhoft (barbbornhoft@nuvera.net)  
2021-12-22 - 7:15:28 PM GMT
-  Document e-signed by Barb Bornhoft (barbbornhoft@nuvera.net)  
Signature Date: 2021-12-22 - 7:15:48 PM GMT - Time Source: server
-  Agreement completed.  
2021-12-22 - 7:15:48 PM GMT

## Goodhue County Broadband Partnership Program

Nuvera Communications, Inc. dba Nuvera is a well-established communications company with headquarters in New Ulm, MN. Founded in 1905, Nuvera is a publicly held corporation with a strong history and commitment to serving its' customers. As a regional service provider, Nuvera has customer solution centers in the Minnesota communities of New Ulm, Glencoe, Goodhue, Hutchinson, Litchfield, Prior Lake, Redwood Falls, Sleepy Eye and Springfield.

The service area identified in our grant application is located within our existing rural Goodhue service area. We believe there are customers within this area who would benefit from, and are interested in subscribing to, higher broadband offerings.

We will commit to providing Broadband service in this area for a minimum of five (5) years.

  
Glenn Zerbe (Dec 20, 2021 15:03 PST)

\_\_\_\_\_  
Glenn Zerbe  
CEO/President

Dec 20, 2021

\_\_\_\_\_  
Date






# Glenn Goodhue

Final Audit Report

2021-12-20

Created:	2021-12-20
By:	Patty Matthews (pattymatthews@nuvera.net)
Status:	Signed
Transaction ID:	CBJCHBCAABAAEH-4bNJo2wBA6d23ZYGWo9yjjlis3jJC

## "Glenn Goodhue" History

-  Document created by Patty Matthews (pattymatthews@nuvera.net)  
2021-12-20 - 11:01:51 PM GMT
-  Document emailed to Glenn Zerbe (glennzerbe@nuvera.net) for signature  
2021-12-20 - 11:02:09 PM GMT
-  Email viewed by Glenn Zerbe (glennzerbe@nuvera.net)  
2021-12-20 - 11:02:58 PM GMT - IP address: 104.28.116.45
-  Document e-signed by Glenn Zerbe (glennzerbe@nuvera.net)  
Signature Date: 2021-12-20 - 11:03:23 PM GMT - Time Source: server- IP address: 174.204.201.160
-  Agreement completed.  
2021-12-20 - 11:03:23 PM GMT

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-K**

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ending December 31, 2020

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 0-3024

**NUVERA COMMUNICATIONS, INC.**

*(Exact name of registrant as specified in its charter)*

Minnesota  
(State or other jurisdiction of  
incorporation or organization)

41-0440990  
(I.R.S. Employer  
Identification No.)

**27 North Minnesota Street  
New Ulm, Minnesota 56073**  
*(Address of principal executive offices)*

**Registrant's telephone number, including area code: (507) 354-4111**

**Securities registered pursuant to Section 12 (g) of the Act:**

Title of each class  
Common Stock - \$1.66 par value

Name of each exchange on which registered  
OTCQB Marketplace

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.



Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definition of “large accelerated filer,” “accelerated filer,” “non-accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.  Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company  Emerging growth company

If emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Securities registered pursuant to Section 12(b) of the Act: None.

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock - \$1.66 par value	NUVR	OTCQB Marketplace

The aggregate market value of the registrant’s common stock held by non-affiliates computed by reference to the price at which the common stock was sold, as of the last business day of the registrant’s most recently completed second fiscal quarter was \$79,137,314. This calculation is based upon the closing price of \$18.38 of the stock on June 30, 2020, as quoted on the OTCQB Marketplace. Without asserting that any director or executive officer of the registrant, or person owning 5% or more of the registrant’s common stock, is an affiliate, the shares of which they are the beneficial owners have been deemed to be owned by affiliates solely for this calculation.

As of March 16, 2021, the registrant had 5,200,689 shares of common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the registrant’s Proxy Statement for the 2021 Annual Meeting of Stockholders to be held on May 27, 2021 are incorporated herein by reference in Part III of this Annual Report on Form 10-K to the extent stated herein. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the registrant’s fiscal year ended December 31, 2020.

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## NOTE ABOUT FORWARD LOOKING STATEMENTS

The Securities and Exchange Commission (SEC) encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. Certain statements in this Annual Report on Form 10-K, including those relating to the impact on future revenue sources, pending and future regulatory orders, continued expansion of the communications network and expected changes in the sources of our revenue and cost structure resulting from our entrance into new communications markets, are forward-looking statements and are made pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995. These statements reflect, among other things, our current expectations, plans, strategies and anticipated financial results. There are a number of risks, uncertainties and conditions that may cause our actual results to differ materially from those expressed or implied by these statements. Many of these circumstances are beyond our ability to control or predict. Moreover, forward-looking statements necessarily involve assumptions on our part. These statements generally are identified by the words "believes," "expects," "anticipates," "estimates," "projects," "intends," "plans," "may," "will," "would," "seeks," "targets," "continues," "should," "will be," "will continue," or similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of Nuvera Communications, Inc. and its subsidiaries ("Nuvera," the "Company," "we" or "our" or "us") to be different from those expressed or implied in the forward-looking statements. These risks and uncertainties may include, but are not limited to: i) unfavorable general economic conditions that could negatively affect our operating results; ii) substantial regulatory change and increased competition; iii) our possible pursuit of acquisitions could be expensive or not successful; iv) we may not accurately predict technological trends or the success of new products; v) shifts in our product mix may result in declines in our operating profitability; vi) possible consolidation among our customers; vii) a failure in our operational systems or infrastructure could affect our operations; viii) data security breaches; ix) possible replacement of key personnel; x) elimination of governmental network support we receive; xi) our current debt structure may change due to increases in interest rates or our ability to comply with lender loan covenants and xii) possible customer payment defaults. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements that appear throughout this report. Furthermore, these statements speak only as of the date they are made. Except as required under federal securities laws or the rules and regulations of the SEC, we disclaim any intention or obligation to update or revise publicly any forward-looking statements. Undue reliance should not be placed on forward-looking statements.

### Website Access to SEC Reports

Our website at [www.nuvera.net](http://www.nuvera.net) provides information about our products and services, along with general information about Nuvera and its management and financial results. Copies of our most recent Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, can be obtained, free of charge, as soon as reasonably practical after these reports are electronically filed or furnished to the SEC. To obtain this information, visit our website noted above and select "About Us – Investors" to view Nuvera SEC filings," or call (844) 354-4111. The SEC also maintains a website at [www.sec.gov](http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding public companies, including Nuvera Communications, Inc. Any reports filed with the SEC may also be obtained from the SEC's Reference Room at 100F Street, NE, Washington, DC 20549.

### Code of Business Conduct and Ethics

Our Board of Directors (BOD) has adopted a Code of Business Conduct and Ethics that is applicable to all directors, the chief executive officer (CEO), chief financial officer (CFO) and to all other employees of Nuvera. All employees of Nuvera have undergone training on this Code of Business Conduct and Ethics. The information required by Item 406 of Regulation S-K is contained under "Code of Business Conduct" in the definitive proxy statement (2021 Proxy Statement) and is incorporated by reference. Our BOD has also adopted

written charters for its committees that comply with the NASDAQ Global Select Market. Copies of the committee charters are available on our website above or by contacting us at (844) 354-4111.

## PART I

### Item 1. Business

#### Company Overview and History

Nuvera is a diversified communications company headquartered in New Ulm, Minnesota with more than 115 years of experience in the communications business. We operate in one principal business segment: the Communications Segment.

Our principal line of business is the operation of seven communications companies. Our original business was founded in 1905 and consisted of the operation of a single communications company (New Ulm Rural Telephone Company). In 1984, we changed our name to New Ulm Telecom, Inc. In 1986, we acquired our second communications company, Western Telephone Company (WTC). In 1993, we acquired our third communications company, Peoples Telephone Company (PTC). In 2008, we acquired our fourth communications company, Hutchinson Telephone Company (HTC). In 2012, we acquired our sixth communications company, Sleepy Eye Telephone Company (SETC). In 2018, we acquired our seventh communications company, Scott-Rice Telephone Co. (Scott-Rice). Our businesses consist of connecting customers to our state-of-the-art, fiber-rich communications network, providing managed services, switched service and dedicated private lines, connecting customers to long distance service providers and providing many other services associated with our businesses. Our businesses also provide Internet protocol television (IPTV), cable television services (CATV), Internet access services, including high-speed broadband access, and long distance service. We also install and maintain communications systems to the areas in and around our service territories in southern Minnesota and northern Iowa. In 2008 we acquired our fifth communications company with the acquisition of HTC. This company operates in and around the city of Litchfield, Minnesota and operates under less regulatory oversight than our other communications companies. In 2010, we acquired the cable TV system in the city of Glencoe and operate Glencoe under the Litchfield communications company. This company offers the same services as our other communications companies. In 2000, we changed our marketing name to NU-Telecom and operated under that name in our markets. In 2018, we changed our marketing name to Nuvera and currently operate under that name in our markets.

Our operations are currently conducted through the following subsidiaries:

#### Communications Segment

- Communications Companies:
  - Nuvera Communications, Inc., the parent company;
  - Hutchinson Telephone Company, a wholly-owned subsidiary of Nuvera;
  - Peoples Telephone Company, a wholly-owned subsidiary of Nuvera;
  - Scott-Rice Telephone Co., a wholly-owned subsidiary of Nuvera;
  - Sleepy Eye Telephone Company, a wholly-owned subsidiary of Nuvera;
  - Western Telephone Company, a wholly-owned subsidiary of Nuvera; and
  - Hutchinson Telecommunications, Inc., a wholly-owned subsidiary of HTC, located in Litchfield and Glencoe, Minnesota
  
- Our investments and interests in several of the following entities include some management responsibilities:
  - FiberComm, LC – 20.00% subsidiary equity ownership interest. FiberComm, LC is located in Sioux City, Iowa;
  - Broadband Visions, LLC (BBV) – 24.30% subsidiary equity ownership interest. BBV provides video headend and Internet services;

- Independent Emergency Services, LLC (IES) – 14.29% subsidiary equity ownership interest. IES is a provider of E-911 services to the State of Minnesota as well as a number of counties located in Minnesota; and
- SM Broadband, LLC (SMB) – 9.09% subsidiary equity ownership interest. SMB provides network connectivity for regional businesses.

We report the business operations of our seven communications companies and their associated services as a single segment that we refer to as the Communications Segment.

The Communications Segment operates the following communications companies: Nuvera, HTC, PTC, Scott-Rice, SETC, WTC, Litchfield and Glencoe, Minnesota. Nuvera, HTC, Scott-Rice, SETC, WTC, Litchfield and Glencoe are independent communications companies that are regulated by the Minnesota Public Utilities Commission at the state level, while PTC is an independent communications company that is regulated by the Iowa Utilities Board at the state level. Our communications company located in Litchfield and Glencoe is currently not under the same level of regulatory oversight as our communications companies. As of December 31, 2020 we served 20,170 access lines in the Minnesota communities of Bellechester, Courtland, Elko, Evan, Goodhue, Hanska, Hutchinson, Klossner, Litchfield, Mazeppa, New Market, New Ulm, Prior Lake, Redwood Falls, Sanborn, Savage, Searles, Sleepy Eye, Springfield and White Rock, as well as the adjacent rural areas of Blue Earth, Brown, Goodhue, McLeod, Meeker, Nicollet, Redwood, Rice, Scott and Wabasha counties in south central Minnesota. We also serve the community of Aurelia, Iowa as well as the adjacent rural areas surrounding Aurelia. The Communications Segment also operates multiple IPTV and CATV systems in Minnesota (including the cities of Cologne, Courtland, Elko, Glencoe, Goodhue, Hanska, Hutchinson, Litchfield, Mayer, New Market, New Germany, New Ulm, Plato, Prior Lake, Redwood Falls, Sanborn, Savage, Sleepy Eye and Springfield) and one IPTV system in Aurelia, Iowa. These systems serve 10,873 customers.

The Communications Segment derives its principal revenues from (i) voice service charges to its residential and business subscribers, (ii) access charges to Interexchange Carriers (IXCs) for providing the carriers access to our local phone networks and (iii) the provisioning of video and data services.

None of our communications companies are dependent upon any single customer or small group of customers. No single customer accounted for 10% or more of our consolidated revenues in any of the last two years.

We provide a variety of business communication services to small, medium and large business customers, including many services over our advanced fiber-optic (fiber) network. The services we offer include scalable high speed broadband Internet access and voice over Internet protocol (VoIP) phone services, which range from basic service plans to virtual hosted systems. Our hosted VoIP package utilizes our soft switching technology and enables our customers to have the flexibility of employing new telephone advances and features without investing in a new telephone system. This package bundles voice service, calling features, IP business telephones and unified messaging, which integrates multiple technologies into a single system and allows the customer to receive and listen to voice messages through e-mail.

In addition to Internet and VoIP services, we also offer a variety of commercial data connectivity services in select markets including private line and Ethernet services to provide high bandwidth across point-to-point and multiple site networks.

We receive the majority of our revenues through the following sources:

*Voice Service* – We receive recurring revenue for basic voice services that enable end-user customers to make and receive telephone calls within a defined local calling area for a flat monthly fee. In addition to subscribing to basic local telephone services, our customers may choose from multiple voice service plans with a variety of custom calling features such as call waiting, call forwarding, caller identification and voicemail. Our VoIP digital phone service is also available as an alternative to the traditional telephone line.

*Network Access* – We provide access services to other communications carriers for the use of our facilities to terminate or originate long distance calls on our network. Additionally, we bill monthly subscriber line charges (SLCs) to substantially all of our customers for access to the public switched network. These monthly SLCs are regulated and approved by the Federal Communications Commission (FCC). In addition, network access revenue is derived from several federally administered pooling arrangements designed to provide support and distribute funding to us.

*Video Service* – We provide a variety of enhanced video services on a monthly recurring basis to our customers. Depending on geographical market availability, our video services range from limited basic service to advanced digital TV, which includes several plans each with hundreds of local, national music channels including premium and pay-per-view channels as well as video-on-demand service. Certain customers may also subscribe to our advanced video services, which consist of high-definition (HD) TV, digital video recorders (DVR) and Whole Home DVR. Our Whole Home DVR allows customers the ability to watch recorded shows on any TV in the house, record multiple shows at one time and utilize an intuitive on-screen guide and user interface. Video subscribers also have access to our TV Everywhere service which allows subscriber access to full episodes of available shows, movies and live screens using a computer or mobile device. We also receive monthly recurring revenue from our subscribers for providing commercial TV programming in competition with local CATV, satellite dish TV and off-air TV service providers. We serve twenty-two communities with our IPTV services and five communities with our CATV services.

*Data Service* – We provide high speed Internet to business and residential customers depending on the nature of the network facilities that are available, the level of service selected and the location. Our revenue is earned based on the offering of various flat rate packages based on the level of service, data speeds and features. We also provide e-mail and managed services, such as web hosting and design, on-line file back up and on-line file storage.

*Alternative Connect America Cost Model (A-Cam)/Federal Universal Service Fund (FUSF)* – The Company currently receives funding based on the A-CAM, with the exception of Scott-Rice, which receives funding from the FUSF. Scott-Rice’s settlements from the National Exchange Carriers Association (NECA) pools are based on nationwide average schedules, which includes the pooling and redistribution of revenues based on a company’s actual or average costs. See below for a discussion regarding A-CAM and FUSF.

*Other* – Our customers are billed for toll and long-distance services on either a per call or flat-rate basis. This also includes the offering of directory assistance, operator service and long distance private lines. We also generate revenue from directory publishing through an outside vendor, sales and service of customer premise equipment (CPE), bill processing and other customer services. Our directory publishing revenue in our telephone directories recurs monthly. We also provide retail sales and service of cellular phones and accessories through Telespire, a national wireless provider. We resell these wireless services as Nuvera Wireless, our branded product. We receive both recurring revenue for our wireless services, as well as revenue collected for the sale of wireless phones and accessories.

## **Strategy**

Our vision is to position ourselves as a “one-stop” communications solutions provider. We believe our customers place a value on the fact that we are a local company whose goal is to meet their total communications needs. The success of this vision depends on the following strategies:

- We market services to our residential customers either individually or as a bundled package. We offer a competitive, multi-service bundle of voice, high-speed Internet and IPTV. Data connections continue to increase as a result of consumer trends towards increased Internet usage and our enhanced product and service offerings.
- Our consumer broadband speed allows us to continue to meet the needs of our customers and the demand for higher speed resulting from the growing trend of over-the-top content viewing. The availability of faster speeds also complements our wireless home networking (Wi-Fi) and supports our TV everywhere

service and allows our subscribers to watch their favorite programs at home or away on a computer, smartphone or tablet.

- We tailor our services to commercial customers by developing solutions to fit their specific needs. We provide services to a wide range of commercial customers from sole proprietors and other small businesses to multi-location corporations. Our business suite of services includes local and long-distance calling plans, hosted voice services using network servers, the added capacity for multiple phone lines, scalable broadband Internet, online back up and business directory listings.
- We believe that we have several advantages over our competition, including a state-of-the-art, fiber-rich communications network, competitive pricing and costs, outstanding service quality, a strong reputation, a high level of commitment to the communities we serve and a direct billing relationship with a vast majority of the customers we serve in our service territories. We manage the potential decline in communications network access and voice service revenues by offering value-added services such as higher Internet speeds, HD IPTV, DVR services, managed services, customized communications solutions, along with outstanding customer service as a competitive differentiator.
- We have and will continue to upgrade our networks and enhance our products and services to take advantage of the latest technology including advanced high-bandwidth capabilities and services, expansion of our network for wholesale and retail customers, Fiber-to-the-Tower services for wireless carriers and last mile fiber builds to residential and business customers. We intend to continue to introduce new services that draw upon our core competencies and we believe are attractive to our target customers. In considering new services and market expansion, we look for market opportunities that we believe present growth opportunities.
- We continue to seek ways to improve our internal processes and gain operational efficiencies. While focusing resources on revenue growth and market share gains, we continually challenge our management team and employees at all levels to seek efficiencies and enhance our customers' experience. We continue to invest in our networks and train our employees to achieve customer service excellence.
- Our current customer base provides a recurring revenue stream generating stable cash flow. Our focus remains on growing our services and supporting product lines so as to generate sufficient cash flow to fund our current operations, service our debt, fund our capital expenditure needs, pay dividends and expand our business. We have allocated resources to maintain and upgrade our network while focusing on optimizing returns by completing strategic capital outlays that will make our network more efficient and cost effective while providing the products and services that our customers desire in the markets we serve.
- We intend to continue to pursue a disciplined process of evaluating acquisitions of businesses as well as organic growth opportunities of market expansion and/or products which are complementary to our business portfolio.
- Across all of our service territories, we have successfully managed capital expenditures to optimize returns through disciplined planning and targeted investment of capital. For example, strategic investments in our networks allows significant flexibility to expand our commercial footprint, offer competitive products and services and provide services in a cost-efficient manner while maintaining our reputation as a high-quality service provider. We will continue to invest in strategic growth initiatives to enhance and expand our fiber network to new markets and customers in order to optimize new business, backhaul and wholesale opportunities.
- Commercial and carrier services are expected to be key growth areas in the future. We are focused on enhancing our broadband and commercial product suite and are continually enhancing our commercial product offerings to meet the needs of our business customers. We overbuilt our existing networks with advanced fiber networks in the commercial areas of New Ulm and Prior Lake and will overbuild Hutchinson in 2021. We tailor our services for business customers by developing solutions to fit their specific needs. Additionally, we are continuously enhancing our suite of managed and cloud services, which increases efficiency and enables greater scalability and reliability for businesses. We are utilizing multiple software platforms to gather relevant leads and for customer relations management.
- As consumer demands for bandwidth continue to increase, our focus is on enhancing our broadband services, and progressively increasing broadband speeds. We will begin an extensive Fiber-To-The-Home (FTTH) overbuild in portions of New Ulm in 2021. We offer speeds of up to 1 Gigabits per

second (Gbps) in select areas where fiber is available, and up to 60 Megabits per second (Mbps) in areas where 1 Gbps is not yet available. As we continue to increase broadband speeds, we are also able to simultaneously expand the array of services and content offerings that the network provides.

- In addition to Internet and VoIP services, we also offer a variety of commercial data connectivity services in select markets including Ethernet services; software defined wide area network (SD-WAN), a software-based network technology that provides a simplified management and automation of SD-WAN connections; multi-protocol label switching; and private line services to provide high bandwidth connectivity across point-to-point and multiple site networks. We offer a suite of cloud-based services, which includes a hosted unified communications solution that replaces the customer's on-site phone systems and data networks, managed network security services and data protection services, including back-up and disaster recovery.

## **Competition**

We compete in a rapidly evolving and highly competitive industry, and expect competition will continue to intensify as consolidations and mergers occur within the industry. Regulatory developments and technological advances over the past several years have increased opportunities for alternative communications service providers, which in turn have increased competitive pressures on our business. These alternative providers often face fewer regulations and have lower cost structures than we do. In addition, several of our competitors have consolidated with other communication providers and as a result are generally larger, have more financial and business resources and have greater geographical reach to provide services. Our competitive advantages include: our strong commitment and presence in the communities we serve, knowledge of these markets, our experienced voice service and support team, and our ability to offer more flexible communications solutions than our larger competitors.

The long-range effect of competition on the delivery of communications services and equipment will depend on technological advances, regulatory actions at both the federal and the state levels, court decisions, and possible additional future federal and state legislation. Past federal and state legislation have tended to expand competition in the communications industry.

Alternatives to our service include customers leasing private line switched voice and data services in or adjacent to our service territories that permit the bypassing of our communications facilities. In addition, microwave transmission services, wireless communications, fiber/coaxial cable deployment, VoIP, satellite and other services also permit the bypassing of our local exchange network. These alternatives to local exchange service represent a potential threat to our long-term ability to provide local exchange services at economical rates.

In order to meet the competition present in our industry, we have deployed new technology to enable our local exchange networks to capture operating efficiencies and to provide additional new services to our new and existing customer base. These new technologies include the latest release of digital switching technology for all of our switches and the installation of a Common Channel Signaling System No. 7 (SS7) out-of-band system for all of our access lines. We have also connected fiber rings (redundant route designs that allow traffic to be re-routed in the event of network problems) that protect our local networks and enable them to provide a reliable level of service to our customers. The value of our local network is also enhanced by the ability of our operating companies to offer access to high-speed Internet with broadband access to our access lines. Broadband technology allows customer access to high-speed Internet and traditional voice connectivity over the same connection. In addition, our businesses have further enhanced our networks to allow the offering of video services over the same facilities that provide our customers with voice and Internet access. This technology is available to approximately 95% of our access lines.

We compete in the cities of Litchfield and Glencoe, Minnesota. This communications company is currently not under the same level of regulatory oversight as our communications companies. Lumen Technologies is the existing communications company in these markets. Competition also exists in the other communities and areas served by us for traditional telephone service from wireless communications providers and we also expect competition to increase from service providers offering VoIP. We experience competition in the Minnesota



communities of Elko, Glencoe, Hutchinson, Litchfield, New Market, New Ulm, Prior Lake, Redwood Falls, Savage, Sleepy Eye and Springfield in the provisioning of video services. Comcast is the existing incumbent provider of video services in the New Ulm market. Mediacom is the existing incumbent provider of video services in the Elko, Hutchinson, Litchfield, New Market, Prior Lake, Redwood Falls, Savage, Sleepy Eye and Springfield markets. Several other communications providers compete with us in our markets in providing Internet services. We have responded to these competitive pressures by creating active programs to market our products, bundle our services and enhance our infrastructure to create higher customer value.

We are experiencing competition for some of our other services from IXCs, such as customer billing services, dedicated private lines and network switching. The provisioning of these services is contractual in nature and is primarily directed by the IXCs. Other services, such as directory advertising, operator services and cellular communications are open to competition, based primarily on service and customer experience.

## **Materials and Supplies**

The materials and supplies that are necessary for our operations are available from a variety of sources. We are not dependent on any particular supplier or group of affiliated suppliers for our equipment needs.

## **Regulation**

The following summary provides a high-level overview, but may not include all present and proposed federal, state and local legislation and regulations affecting the communications industry. Some legislation and other regulations are currently the subject of judicial proceedings, legislative hearings and administrative proposals that could change the manner in which this industry operates. At this time, we cannot predict the outcome of any of these developments or their potential impact on us. Regulation can change rapidly in the communications industry and these changes could have an adverse effect on us in the future.

### *Overview*

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), rules and regulations of the SEC and, where applicable, conform to the accounting principles as prescribed by federal and state telephone utility regulatory authorities.

The services we offer are subject to varying levels of regulatory oversight. Federal and state regulatory agencies share responsibility for enforcing statutes and rules relative to the provision of communications services. Our interstate communications services are subject to regulation by the FCC. Intrastate services are governed by the relevant state regulatory commission. The Telecommunications Act of 1996 (TA96) and the rules enacted under it also gave oversight of interconnection arrangements and access to network elements to the state commissions. Our TV services are governed by FCC rules and municipal franchise agreements. There are also varying levels of regulatory oversight depending on the nature of the services offered or if the services are offered by a communications company.

Our communications company located in Litchfield and Glencoe provides services with less regulatory oversight than our communications companies. A company must file for interexchange authority to operate with the appropriate public utility commission in each state it serves. Our communications company located in Litchfield and Glencoe provides a variety of services to both residential and business customers in multiple jurisdictions.

### *Federal Regulatory Framework*

All carriers must comply with the FCC Act of 1934 (FCA34) as amended that requires, among other things, that our interstate services be provided at just and reasonable rates and on non-discriminatory terms and conditions. The TA96 amended the FCA34 and has had a dramatic effect on the competitive environment in

the communications industry. In addition to these laws, we are also subject to rules promulgated by the FCC and could be affected by any regulatory decisions or orders they issue.

### *The TA96 and Local Competition*

The primary goal of the TA96 and the FCC's rules promulgated under it was to open local communications markets to competition while enhancing universal service. To some extent, Congress pre-empted the local authority of states to oversee local communications services.

The TA96 imposes a number of requirements on all local communications providers including:

- To interconnect directly or indirectly with other carriers;
- To allow others to resell services;
- To provide for number portability to allow end-users to retain their telephone number when changing providers;
- To ensure dialing parity;
- To ensure that competitor customers have non-discriminatory access to telephone numbers, operator services, directory assistance and directory listing services; and
- To allow competitors access to telephone poles, ducts, conduits and rights-of-way, and to establish reciprocal compensation arrangements for the transport and termination of communications traffic.

### *Access Charges*

Access charges refer to the compensation received by local exchange carriers (LECs) for the use of their networks by an IXC. We provide two types of access services: special access and switched access. Special access is provided through dedicated circuits that connect other carriers to our network and is structured on a flat monthly fee basis. Switched access rates that are billed to other carriers are based on a per-minute of use fee basis. The FCC regulates prices that we charge for interstate access charges. There has been a trend toward lowering the rates charged to carriers accessing local networks and the application of a SLC as a flat rate on end-user bills. Regulation, competition, carriers optimizing their network costs and lower demand for dedicated lines have resulted in lower access rates and overall lower minutes of use on our network, which has affected our network access revenues.

Interstate access rates are established by the nationwide pooling of companies known as NECA. The FCC established NECA in 1983 to develop and administer interstate access service rates, terms and conditions. Revenues are pooled and redistributed on the basis of each company's actual or average costs. There has been a change in the composition of interstate access charges in recent years, shifting more of the charges to the end user and reducing the amount of access charges paid by IXCs. We believe this trend will continue.

Intrastate access rates are filed with the regulatory commissions in Minnesota and Iowa.

### *Wireline Interstate*

Our communications companies participated in the NECA common line pool where end-user common line funds collected were pooled. A portion of our communications companies' revenue was based on settlements distributed from this pool. Our communications companies also participated in the NECA traffic-sensitive pool. These pool settlements were adjusted periodically.

Access rates for our communications company located in Litchfield and Glencoe were established according to an order issued by the FCC in 2001. Under that order, the switched access rates charged by a competitive carrier can be no higher than the rates charged by the communications company with whom we compete, unless we qualify for the Rural Exemption.

## *Intercarrier Compensation and FUSF Reform*

The FCC released the National Broadband Plan in April 2010 recommending significant changes to the access charge policy and processes. This was followed on November 18, 2011, by FCC Order 11-161 (the Transformation Order), with comprehensive rules reforming all forms of intercarrier compensation and implementing a new support mechanism for the deployment of broadband. Generally, the intercarrier compensation reform sets forth a path towards a “bill & keep” regime which eliminates compensation for termination of traffic received from another carrier. The timeline for this transition had numerous steps depending on the type of traffic exchanged and the regulated status of the affected LEC.

These rules have been clarified in several orders on Reconsideration and have had an impact on our companies by reducing our terminating intercarrier compensation, including intrastate and interstate access charges.

The FCC Transformation Order also confirmed the applicability of access charges on VoIP traffic and eliminated reciprocal compensation charges for termination of local wireless traffic. Despite these changes IXCs and others are still quite aggressive in disputing carrier access charges and/or the applicability of access charges to their traffic.

Due to the combination of rate reforms instituted by the FCC, competitive substitution by wireless and other carriers and decreased use of the switched network, the aggregate amount of interstate network access charges paid by long distance carriers to access providers such as our company, has decreased and we project that this decline will continue. For the year ended December 31, 2020, communications network access revenue represented 9.4% of our operating revenue, down from 11.7% for the year ended December 31, 2019. This excludes any funding received from FUSF and the A-CAM for broadband funding (see below for more information).

### FUSF

The FUSF was originally established to overcome geographic differences in costs of providing voice service and to enable all citizens to communicate over networks regardless of geographical location and/or personal income. The FCC established universal service policies at the national level under terms contained in the Telecommunications Act of 1934. The TA96 requires explicit FUSF mechanisms and enlarged the scope of universal service to include four distinct programs:

- High-Cost program that supports local carriers operating in high-cost regions of the country to ensure reasonably based telephone rates;
- Lifeline (low-income) Subscribers program that includes the Link Up and Lifeline programs that provide support for service initiation and monthly fees and have eligibility based on subscriber income;
- Rural Health Care Providers program that supports communication services used by rural health care providers and provides them with toll free access to an Internet service provider; and
- Schools and Libraries program, also called the E-Rate program that provides support funding to schools and libraries for communications services, Internet access and internal connections.

In its Transformation Order released November 18, 2011, the FCC adopted rules which dramatically reform the universal service program and intercarrier compensation regime. These rules eliminated the legacy Local Switching support, but also provide for a new Connect America Fund (CAF) support for rate of return carriers to make up some of their access revenue reductions and provide direct support to PriceCap carriers (i.e. the larger, national LECs such as Verizon and AT&T) for broadband build outs. The new rules have caused rates for end users to increase as intercarrier compensation is reduced and the legacy mandate for ubiquitous voice service shifts toward broadband availability as a key outcome of the program.

FUSF high-cost payments are distributed by NECA and are only available to carriers that have been designated as an eligible telecommunications carrier (ETC) by a state commission. Each of our communications companies has been designated as an ETC. Our communications company located in Litchfield and Glencoe is also eligible

to be designated as ETCs if it meets the requirements of the program and meet a public interest standard as determined by the appropriate state regulatory agency. Our communications company located in Litchfield and Glencoe is currently not receiving FUSF support. All ETCs must certify annually to the Universal Service Administrative Company or their appropriate state regulatory commission that the funds they receive from the FUSF are being used in the manner intended. The states must then certify to the FCC which carriers have met this standard. The Transformation Order expands the information that must be reported to the State Commissions to include information on broadband availability, plans for expansion to unserved and underserved areas, in addition to information about voice services. To some extent, these levels of scrutiny make the receipt of a consistent level of FUSF payments each year more difficult to predict.

For the year ended December 31, 2020, we received an aggregate of \$3,135,119 from FUSF, consisting of \$1,700,248 of CAF support and \$1,345,316 of Broadband Loop Support. Our net FUSF in 2020 comprised 4.8% of our total revenue for the year. For the year ended December 31, 2019, we received an aggregate of \$3,212,066 from FUSF, consisting of \$1,696,443 of CAF support and \$1,498,644 of Broadband Loop Support. Our net FUSF in 2019 comprised 4.9% of our total revenue for the year. We receive no State universal service funding as the states in which we operate have not established state universal service funding mechanisms.

In 2019, the Company elected to receive funding from A-CAM, with the exception of Scott-Rice, which still receives funding from the FUSF.

#### *A-CAM*

The FUSF was established as part of the TA96 and provides subsidies to communications providers as means of increasing the availability and affordability of advanced communications services. In 2011, significant reform was introduced, including the creation of the CAF, to help modernize the FUSF and promote support of these communications services in the nation's high-cost areas. In 2016, the FCC announced additional reform to further transition the CAF from supporting the provision of voice services to the provision of broadband services. On March 30, 2016, the FCC issued a Report and Order (2016 Order) that adopts the following changes to the FUSF for rate-of-return carriers:

- Establishes a voluntary cost model;
- Creates specific broadband deployment obligations;
- Provides a mechanism for support of broadband-only deployment;
- Gradually reduces the authorized rate-of-return from 11.25 percent to 9.75 percent;
- Eliminates support in those local areas served by unsubsidized competitors;
- Establishes "glide-path" transition periods for all the new changes; and
- Maintains the \$2 billion budget established by the 2011 Transformation Order.

While the 2011 FUSF Transformation Order established CAF Phase I and CAF Phase II as high-cost support mechanisms for the price-cap carriers (i.e., the larger, national LECs such as Verizon and AT&T), it was not as specific about how subsidies would change for the rate-of-return carriers (i.e., the smaller LECs, including all rural LECs). In contrast, the 2016 Order focused on the rate-of-return carriers, announced specific changes to existing funding mechanisms as well as a new funding mechanism, and provided rural communications providers with greater certainty about future support.

One of the major changes introduced by the 2016 Order was the creation of the A-CAM, a new CAF support mechanism for rate-of-return carriers. Utilization of the A-CAM was voluntary; and rate-of-return carriers may have instead chose to continue relying on the legacy support mechanism known as interstate common line support, but then modified and renamed CAF Broadband Loop Support. Each carrier needed to decide which support mechanism to elect, and must have chosen one or the other, per state.

On February 25, 2019, the FCC issued Public Notice DA 19-115, which contained revised offers of A-CAM support and associated revised service deployment obligations. On February 27, 2019, the Company's BOD authorized and directed the Company to accept the FCC's revised offer of A-CAM support and the revised associated service deployment obligations. Under the revised FCC offer Notice, the Company will be entitled

to annually receive (i) \$596,084 for its Iowa operations and (ii) \$8,354,481 for its Minnesota operations. The Company will receive the revised A-CAM offer over the next 10 years starting in 2019. The Company will use the support that it receives through the A-CAM program to meet its defined broadband build-out obligations, which the Company is currently completing. A letter of acceptance to elect the revised A-CAM support was filed by the Company with the FCC on March 8, 2019. The FCC accepted the Company's letter on March 11, 2019.

Build-out obligations: A-CAM carriers under the original A-CAM program must complete deployment of 10 Mbps downstream/1 Mbps upstream service to a number of eligible locations equal to 40 percent of fully funded locations by the end of 2020, to 50 percent of fully funded locations by the end of 2021, to 60 percent of fully funded locations by the end of 2022, to 70 percent of fully funded locations by the end of 2023, to 80 percent of fully funded locations by the end of 2024, to 90 percent of fully funded locations by the end of 2025, and to 100 percent of fully funded locations by the end of 2026. A-CAM carriers who elected additional funding and additional obligations under the revised A-CAM program must complete deployment of 25 Mbps downstream/3 Mbps upstream service to a number of eligible locations equal to 40 percent of fully funded locations by the end of 2022, to 50 percent of fully funded locations by the end of 2023, to 60 percent of fully funded locations by the end of 2024, to 70 percent of fully funded locations by the end of 2025, to 80 percent of fully funded locations by the end of 2026, to 90 percent of fully funded locations by the end of 2027, and to 100 percent of fully funded locations by the end of 2028. As of December 31, 2020, Nuvera has completed the deployment of 10/1 service to 91.9% of its funded locations and 25/3 service to 50.3% of its funded locations.

#### *Privacy and Data Security Regulation*

The FCA<sup>34</sup> generally restricts the nonconsensual collection and disclosure to third parties of communication company customers' personally identifiable information by communication companies, except for rendering service, conducting legitimate business activities related to the service, and responding to legal requests. We are also subject to various state and federal regulations that provide protections for customer proprietary network information (CPNI) related to our voice services. The FCC expects broadband Internet access service providers such as us to take reasonable, good faith steps to comply with existing statutory requirements to protect broadband CPNI and plans to propose new privacy and data security rules for broadband Internet service providers. The FCC has recently imposed substantial civil penalties and remediation obligations on several companies for alleged privacy and data security violations.

The Federal Trade Commission exercises authority over privacy protections, generally, using its existing authority over unfair and deceptive acts or practices to apply greater restrictions on the collection and use of personally identifiable and other information relating to customers. It also has undertaken numerous enforcement actions against parties that do not provide sufficient security protections against the loss of unauthorized disclosure of this type of information. We also are subject to stringent data security and data retention requirements on website operators and online services. Other privacy-oriented laws have been extended by courts to online video providers and are increasingly being used in privacy lawsuits, including class actions, against providers of video materials online.

We are also subject to state and federal laws and regulations regarding data security that primarily apply to sensitive personal information that could be used to commit identity theft. Most states have security breach notification laws that generally require a business to give notice to consumers and government agencies when certain information has been disclosed, due to a security breach, and the FCC has adopted security breach rules for voice services. Several states have also enacted general data security requirements to safeguard consumer information, including the proper disposal of consumer information.

The National Institute of Standards and Technology, in cooperation with other federal agencies and owners and operators of United States critical infrastructure, have developed a voluntary framework that provides a prioritized, flexible, repeatable, performance-based and cost-effective approach to cybersecurity risk. It is compendiums of existing cross-sector cyber-defense processes, practices and protocols that can help companies identify, assess and manage their cyber risks and vulnerabilities, and several governmental agencies have

encouraged compliance with this framework. Additionally, in December 2015, Congress enacted the Cybersecurity Act of 2015, which is intended to encourage and facilitate the sharing of security threat and defensive measure information with government agencies and other companies, in order to strengthen the country's overall cybersecurity protections. Finally, there are pending legislative proposals that could impose new requirements on owners and operators of critical infrastructure and the FCC is considering expanding its cybersecurity guidelines or adopting new cybersecurity requirements.

## **Network Architecture and Technology**

We have made significant investments in our technologically advanced communications networks and continue to enhance and expand our network by deploying technologies to provide additional capacity to our customers. As a result, we are able to deliver high-quality, reliable data, video and voice services in the markets we serve. Our wide-ranging network and extensive use of fiber provide an easy reach into existing and new areas. By bringing the fiber network closer to the customer premises, we can increase our service offerings, quality and bandwidth services. Our existing network enables us to efficiently respond and adapt to changes in technology and is capable of supporting the rising customer demand for bandwidth in order to support the growing amount of wireless data devices in our customer's homes and businesses.

Our networks are supported by advanced 100% digital switches, with a core fiber network connecting all of our remote exchanges. We continue to enhance our copper cable network to increase bandwidth in order to provide additional products and services to our marketable homes. In addition to our copper cable plant enhancements, we have deployed fiber cable extensively throughout our network, resulting in a 100% fiber backbone network that supports all of the inter-office and host-remote links, as well as the majority of business parks within our service areas. In addition, this fiber infrastructure provides the connectivity required to provide broadband and long-distance services to our residential and commercial customers. Our fiber network utilizes FTTH and fiber-to-the-node networks to offer bundled residential and commercial services.

We operate fiber networks which we own or have entered into long-term leases for fiber network access. At December 31, 2020, our fiber network consisted of approximately 1,764 route miles, including 875 transport route miles and 889 local route miles.

We intend to continue to make strategic enhancements to our network including improvements in overall network reliability and increases to our broadband speeds. We offer data speeds of up to 1 Gbps in select markets, and up to 60 Mbps in markets where 1 Gbps is not yet available, depending on the geographical region. Over the last two years, we upgraded broadband speeds to nearly 1,500 homes and small businesses primarily across Minnesota and 36 homes and small businesses in Iowa as part of our A-CAM and overbuild initiatives and since 2015 expanded the availability of our 1 Gbps fiber network in Border-to-Border fiber grant areas to nearly 1,000 homes and small businesses.

Through our extensive fiber network, we are also able to support the increased demand on wireless carriers for data bandwidth. In all the markets we serve, we have launched initiatives to support fiber backhaul services to cell sites. As of December 31, 2020, we had 20 cell sites in service and an additional 13 future sites pending completion. We also provide fixed wireless broadband service to homes and small businesses from 41 towers, six of which utilized Citizens Broadband Radio Service (CBRS) spectrum. Having secured 21 licenses in 12 CBRS spectrum counties in Minnesota and Iowa for 10 years, we plan to add more than 10 towers in 2021 and additional towers beyond 2021. This allows us to offer high-speed Internet to unserved, under-served and hard to serve rural areas.

## **Environmental Regulation**

We are subject to federal, state and local laws and regulations governing the use, storage, disposal of, and exposure to, hazardous materials, the release of pollutants into the environment and the remediation of contamination. We could be subject to environmental laws that impose liability for the entire cost of cleanup at

a contaminated site, regardless of fault or the lawfulness of the activity that resulted in contamination. We believe that our operations are in compliance with all applicable environmental laws and regulations.

## **Employees**

As of March 1, 2021 we had 194 full-time equivalent employees dedicated to Nuvera's operations. In addition, as of March 1, 2021 we had an additional 10 full-time equivalent employees that are employed by Nuvera but are dedicated to IES. IES is a minority equity subsidiary of Nuvera and Nuvera acts as the managing entity for IES.

## **Intellectual Property**

Intellectual property is necessary for our operations but is not material to our overall operations.

## **Executive Officers of the Registrant**

The names and ages of all our executive officers and the positions held by them as of March 1, 2021, are as follows:

<u>Name and Age</u>	<u>Position with the Company</u>	<u>Age</u>
<b>Glenn H. Zerbe</b>	President and CEO	55
<b>Barbara A.J. Bornhoft</b>	Vice-President, Chief Operating Officer (COO) and Corporate Secretary	64
<b>Curtis O. Kawlewski</b>	CFO and Treasurer	54

Our executive officers are appointed annually and serve at the discretion of our BOD. Mr. Zerbe, President and CEO; Ms. Bornhoft, Vice-President, COO and Corporate Secretary; and Mr. Kawlewski, CFO and Treasurer have written employment contracts. There are no familial relationships between any director and executive officers.

Mr. Zerbe has been President and CEO since September of 2019. Prior to that time, he served as Vice President of Sales for Frontier Communications Corporation until March 2019, where he held positions of increasing responsibility since joining Frontier in 2011. Prior to his employment with Frontier, Mr. Zerbe had more than 20 years of sales, marketing and management experience in the communications industry, with companies such as Spanlink, Cisco Systems, SBC, AT&T and IBM. Mr. Zerbe serves as Chairman of the Board for IES and BBV, all equity subsidiaries of ours. In addition, Mr. Zerbe serves on the Board of Governors of SMB and FiberComm, LC, also equity subsidiaries of ours.

Ms. Bornhoft has been Vice President, COO and Corporate Secretary since 1998. Ms. Bornhoft has been employed with the Company since 1990. Ms. Bornhoft serves as a board member for BBV, in addition to serving as President for both IES and BBV, both equity subsidiaries of ours.

Mr. Kawlewski has been CFO and Treasurer since 2009. Mr. Kawlewski also serves as the Treasurer for IES and BBV, both equity subsidiaries of ours.

## **Item 1A. Risk Factors.**

Not required for a smaller reporting company.

## **Item 1B. Unresolved Staff Comments**

Not required for a smaller reporting company.

## **Item 2. Properties**

We are primarily focused on the provision of communication services and our properties are used primarily for administrative support and to house and safeguard our operating equipment. On December 31, 2020, our gross property, plant and equipment totaled \$208,864,278 (net balance of \$70,478,650).

Our corporate headquarters are located at 27 North Minnesota Street, New Ulm, Minnesota. We also own office facilities and related equipment for administrative personnel, central office buildings and operations in Minnesota and Iowa.

In addition to land and structures, our property consists of equipment necessary for the provision of communication services including central office equipment, CPE and connections, pole lines, towers, remote terminals, aerial and underground cable and wire facilities and associated outside plant for use in providing our services, telephone switches, fiber networks and communications network equipment, vehicles, furniture and fixtures, computers and other equipment.

In addition to plant and equipment we wholly-own, we utilize poles, towers, cable and conduit systems jointly-owned with other entities and lease space on facilities from other entities. These arrangements are in accordance with written agreements customary in the industry. We also have appropriate easements, rights of way and other arrangements for the accommodation of our pole lines, underground conduits, aerial and underground cables and wires.

We believe our properties are suitable and adequate to provide modern and effective communications services within our service areas, including local dial-tone, long distance service, broadband, TV and dedicated and switched long-haul transport. We also believe our properties and equipment are adequately insured. See Note 7 – “Long-Term Debt” for descriptions of the mortgages and collateral relating to the above referenced properties. See Note 1 – “Business Description and Summary Of Significant Accounting Policies” and Note 5 – “Property, Plant and Equipment” for a description of our depreciation policies and information relating to the above referenced properties and equipment and their respective depreciation.

## **Item 3. Legal Proceedings**

Other than routine litigation incidental to us, there are no pending material legal proceedings to which we are a party or to which any of our property is subject.

## **Item 4. Mine Safety Disclosures**

Not Applicable.

## **PART II**

## **Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

Our common stock is quoted on the OTCQB Marketplace under the symbol "NUVR." As of March 1, 2021 there were 1,259 registered stockholders and approximately 953 beneficial owners of Nuvera stock.

The Company's Articles of Incorporation restrict any one individual or entity from beneficially owning more than seven percent of the outstanding capital stock of the corporation. Specific details of this restriction are contained in Article III of the Company's Articles of Incorporation.



## Issuer Purchases of Equity Securities

Repurchases of Nuvera common stock are made to support the Company's stock-based employee compensation plans and for other corporate purposes. In May 2019, Nuvera announced the adoption of a \$4.0 million stock repurchase program running through the end of 2021. Under the stock repurchase program, repurchases can be made from time to time using a variety of methods, including through open market purchase or in privately negotiated transactions in compliance with the rules of the SEC and other applicable legal requirements.

### Issuer Purchases of Equity Securities (registered pursuant to Section 12 of the Exchange Act)

<u>Period</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)</u>	<u>Average Price Paid per Share</u>	<u>Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs</u>
July 1 - September 30, 2019	5,487	\$ 19.10	\$ 3,895,198
October 1 - December 31, 2019	504	\$ 18.50	\$ 3,885,874
January 1 - December 31, 2020	13,496	\$ 17.68	\$ 3,647,263
Total July 1, 2019 - December 31, 2020	19,487		

- (1) The total number of shares purchased includes: shares purchased under the Board's authorizations described above, including market purchases and privately negotiated purchases.

## Dividends and Restrictions

On May 6, 2020, the Company's BOD decided that, given the continuing uncertainty about the severity and duration of the Coronavirus (COVID-19) pandemic and its potential effect on the country's economy generally and on the Company's future sales and profitability specifically, as well as the Company's need to preserve its liquidity and capital resources, the Company would (i) suspend declaring and paying a dividend in the second quarter of 2020 and (ii) temporarily suspend future purchases under its Stock Repurchase Program.

On August 25, 2020, the Company's BOD determined that it would (i) continue to suspend declaring and paying a dividend in the third quarter of 2020 and (ii) continue to temporarily suspend future purchases under its Stock Repurchase Program. The Company will continue to monitor the COVID-19 pandemic and make decisions about future dividends and stock repurchases as more information becomes available.

On November 30, 2020, the Company's BOD determined that it would (i) declare and pay a dividend in the fourth quarter of 2020 and (ii) resume purchases under its Stock Repurchase Program. The Company announced that it had successfully adjusted its operations including securing sufficient operating funds during a time of market uncertainty and can now look forward to recovering with the nation and return as an even stronger company and community in 2021.

We declared a quarterly dividend of \$0.13 per share for the first and fourth quarters of 2020, which totaled \$674,171 for the first quarter and \$675,883 for the fourth quarter. We declared a quarterly dividend of \$0.13 per share for the second, third and fourth quarters of 2019 and \$0.12 per share for the first quarter of 2019, which totaled \$674,092 per quarter for the third and fourth quarters, \$674,805 for the second quarter and \$621,031 for the first quarter. A quarterly cash dividend of \$0.13 per share will be paid on March 15, 2021 to stockholders of record at the close of business on March 5, 2021.

We expect to continue to pay quarterly dividends during 2021, but only if and to the extent declared by our BOD on a quarterly basis and subject to various restrictions on our ability to do so (described below). Dividends on our common stock are not cumulative.

There are security and loan agreements underlying our current CoBank, ACB (CoBank) credit facility that contain restrictions on our distributions to stockholders and investment in, or loans, to others. See below and Note 7 – “Long-Term Debt” for additional information.

Our loan agreements include restrictions on our ability to pay cash dividends to our stockholders. However, we are allowed to pay dividends (a) (i) in an amount up to \$2,700,000 in any year if our “Total Leverage Ratio,” that is, the ratio of our “Indebtedness” to “EBITDA” (earnings before interest, taxes, depreciation and amortization – as defined in the loan documents), is greater than 2.00 to 1.00, and (ii) in any amount if our Total Leverage Ratio is less than 2.00 to 1.00, and (b) in either case, if we are not in default or potential default under the loan agreements. On December 31, 2020 our Total Leverage Ratio fell below 2.00, thus eliminating any restrictions on our ability to pay cash dividends to our stockholders. Our current Total Leverage Ratio at December 31, 2020 is 1.92.

Our BOD reviews quarterly dividend declarations based on our anticipated earnings, capital requirements and our operating and financial conditions. The cash requirements of our current dividend payment practices are in addition to our other expected cash needs. Should our BOD determine a dividend will be declared, we expect we will have sufficient availability from our current cash flows from operations to fund our existing cash needs and the payment of our dividends. In addition, we expect we will have sufficient availability under our revolving credit facility to fund dividend payments in addition to any fluctuations in working capital and other cash needs.

#### **Item 6. Selected Financial Data**

Not required for a smaller reporting company.

#### **Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

The following discussion should be read in conjunction with our historical financial statements and the related notes contained elsewhere in this report.

##### **Overview**

Nuvera has a state-of-the-art; fiber-rich communications network and offers a diverse array of communications products and services. We provide local telephone service and network access to other communications carriers for connections to our networks. In addition, we provide long distance service, broadband Internet access, video services, and managed and hosted solutions services.

Our operations consist primarily of providing services to customers for a monthly charge. Because many of these services are recurring in nature, backlog orders and seasonality are not significant factors. Our working capital requirements include financing the construction of our networks. We also require capital to maintain our networks and infrastructure; fund the payroll costs of our highly skilled labor force; maintain inventory to service capital projects, our network and our telephone equipment customers; pay dividends and provide for the carrying value of trade accounts receivable, some of which may take several months to collect in the normal course of business.

##### **Impact of COVID-19 on Our Business**

Through year-end of 2020, the COVID-19 pandemic has had significant impacts on our business. We continue to operate with some modifications because, based on the various published standards to date, the work our employees are performing, particularly with respect to providing communication services required by our customers is critical, essential and life-sustaining.

We took actions intended to protect our employees and our customers that adversely affected our results.

- First, we restricted public access to our offices and halted all customer in-location service installations and performed those installations remotely, which resulted in lower sales and installations through the third quarter of 2020. Many of our locations have re-opened to the public but with restrictions which has caused lower customer traffic and lower sales;
- Second, many of our customers either closed their locations or operated at significantly diminished capacity as a result of local and national actions taken, such as stay-at-home mandates that reduced business activity, which negatively impacted sales and increased our customer churn for our legacy voice and video products;
- Third, the COVID-19 pandemic has increased traffic on our networks as the State of Minnesota had issued executive orders requiring remote-learning for schools, the shutdown of non-essential businesses and a work-from home order for many workers in multiple industries;
- Fourth, although we have seen an increase in customers for our internet product including increased demand for higher bandwidth speeds that increase has not been able to offset the loss in customers we have experienced in our legacy voice and video products. We also expect that due to the number of job losses due to the COVID-19 pandemic that a number of our customers may have difficulty in paying for their existing services which will affect our ability to ultimately collect from and retain those customers; and
- Fifth, social actions taken to mitigate the effects of the pandemic produced increased costs for us through significant demand for personal protection equipment and sanitation products to protect our employees and customers.

In the second and third quarters of 2020 many of the markets in which we operate had begun to ease restrictions that were in place earlier in the period. This had two effects.

- The first was to improve the outlook in the sales and installation of our internet products; and
- The second was that the increased traffic on our networks has somewhat eased as we had made substantial investments in 2020 to accommodate the increased traffic we had seen on our networks due to the pandemic.

In the fourth quarter of 2020 viral infections had begun to increase again and the State of Minnesota issued an order to shut down a number of businesses in the state and has also implemented a mandatory mask requirement for all state residents. Subsequently, in early 2021, the State of Minnesota had reopened a number of businesses on a limited basis. As a result, there remains significant uncertainty concerning the magnitude of the impact and duration of the COVID-19 pandemic. Factors deriving from the COVID-19 response that have or may negatively impact sales and gross margins in the future include, but are not limited to: limitations on the ability of our suppliers and content providers to manufacture, or procure from manufactures, the products and services we sell, or to meet delivery and installation requirements and commitments; limitations on the ability of our employees to perform their work due to illness caused by the pandemic or local, state, or federal orders requiring employees to remain at home; limitations on the ability of carriers to deliver our products or our inability to install our products; limitations on the ability of our customers to conduct business and purchase our products and services; and limitations on the ability of our customers to pay us on a timely basis.

With respect to liquidity, we continue to evaluate and limit costs and spending across our organization. This includes limiting or eliminating discretionary spending and non-essential capital investment expenditures. As of the end of 2020, we have our entire \$10M bank revolver available for use in the event that the need arises. We will continue to actively monitor the situation and may take further actions that alter our operations as may be required by federal, state or local authorities or that we determine are in the best interests of our employees, customers, suppliers and shareholders.

The full extent to which the COVID-19 pandemic and the various responses to it impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including: the duration and scope of the pandemic; governmental, business and individuals' actions that have been and continue to be taken in response to the pandemic; the availability and cost to access the capital markets; the effect on our customers and customer demand for and ability to pay for our services; disruptions or restrictions on our employees' ability to work and travel; interruptions or restrictions related to the provision of our services, including impacts on content delivery networks and; and any stoppages, disruptions or increased costs associated with our operations. During the COVID-19 crisis, we may not be able to provide the same level of customer service and product installation, that our customers are used to which could negatively impact their perception of our service resulting in an increase in service cancellations. If we need to access the capital markets, there can be no assurance that financing may be available on attractive terms, if at all. We will continue to actively monitor the issues raised by the COVID-19 pandemic and may take further actions that alter our operations as may be required by federal, state or local authorities, or that we determine are in the best interests of our employees, customers, partners and stockholders. While we are unable to determine or predict the nature, duration or scope of the overall impact the COVID-19 pandemic will have on our business, results of operations, liquidity or capital resources, we believe that it is important to share where our company stands today, how our response to COVID-19 is progressing and how our operations and financial condition may change as the fight against COVID-19 progresses.

## **Executive Summary**

### Highlights:

- On April 16, 2020, Nuvera received a \$2,889,000 loan under the Small Business Administration's (SBA) Payroll Protection Program (PPP). The PPP is designed to provide a direct incentive for small businesses to keep their workers employed during the COVID-19 crisis. The SBA will forgive loans if all employees are kept on the payroll for a required period under the program starting April 16, 2020 and the loan funds are used for payroll, rent and utilities. Nuvera has retained employment of all employees through this period and followed all the SBA rules regarding this loan. The Company applied for debt forgiveness in August, 2020. See Note 20 – "Subsequent Events" for information regarding PPP loan forgiveness.
- In January 2020, the Company was awarded a broadband grant from the Minnesota Department of Employment and Economic Development (DEED). The grant will provide up to 36.5% of the total cost of building fiber connections to homes and businesses for improved high-speed internet in unserved or underserved communities and businesses in the Company's service area. The Company is eligible to receive \$730,000 of the approximately \$2,000,000 total project costs. The Company will provide the remaining 63.5% matching funds. Construction and expenditures for these projects began in the spring of 2020. We have not yet received any funds for these projects as of December 31, 2020.
- On August 29, 2019, the Company entered into a second interest rate swap agreement (IRSA) with CoBank covering an additional \$42,000,000 of our aggregate indebtedness to CoBank at August 29, 2019. The swap effectively locked in a significant portion of our variable-rate debt through July 2025. Under this IRSA, we have changed the variable rate cash flow exposure on the debt obligations to fixed cash flows. Under the terms of the IRSA, we pay a fixed contractual interest rate and (i) make an additional payment if the LIBOR variable rate payment is below a contractual rate or (ii) receive a payment if the LIBOR variable rate payment is above the contractual rate.
- On August 27, 2019, the Company announced that it had hired Glenn H. Zerbe as CEO of the Company effective Tuesday, September 3, 2019. Mr. Zerbe most recently served as Vice President of Sales for Frontier Communications Corporation, where he held positions of increasing responsibility since joining Frontier in 2011. Prior to his employment with Frontier, Mr. Zerbe had more than 20 years of sales, marketing and management experience in the communications industry, with companies such as Spanlink, Cisco Systems, SBC, AT&T and IBM. Mr. Zerbe replaced former CEO Bill D. Otis who

announced his retirement on April 15, 2019. Mr. Otis's actual retirement date was effective December 31, 2019. Mr. Otis will continue to provide consulting services to ensure a smooth and successful leadership transition. Mr. Otis will also continue to serve on the BOD after the effective date of his retirement. The Company recognized approximately \$1.06 million of one-time expenses associated with the transition of the new CEO and payments to a former executive officer in 2019.

- On February 27, 2019, the Company's BOD authorized and directed the Company to accept the FCC's revised offer of A-CAM support and the revised associated service deployment obligations. Under the revised FCC offer Notice, the Company will be entitled to annually receive (i) \$596,084 for its Iowa operations and (ii) \$8,354,481 for its Minnesota operations. The Company will receive the revised A-CAM offer over the next 10 years starting in 2019. The Company will use the additional support that it receives through the A-CAM program to continue to meet its defined broadband build-out obligations, which the Company is currently completing. A letter of acceptance to elect the revised A-CAM support was filed by the Company with the FCC on March 8, 2019. The FCC accepted the Company's letter on March 11, 2019.
- Net income in 2020 totaled \$9,835,812, which was a \$1,505,833, or 18.1% increase compared to 2019. This increase was primarily due to decreased operating expenses and decreased interest expense, partially offset by decreased operating revenues and increased income taxes, all of which are described below.
- Consolidated revenue for 2020 totaled \$64,911,071, which was a \$30,270 decrease compared to 2019. This decrease was primarily due to decreases in network access and voice service revenue, partially offset by increases in data revenues, all of which are described below.

## **Business Trends**

Included below is a synopsis of business trends management believes will continue to affect us in 2021.

Voice and switched access revenues are expected to continue to be adversely impacted by future declines in access lines due to competition in the communications industry from CATV providers, VoIP providers, wireless, other competitors, emerging technologies and the on-going effects of COVID-19. As we experience access line losses, our switched access revenue will continue to decline consistent with industry-wide trends. A combination of changing minutes of use, carriers optimizing their network costs, lower demand for dedicated lines and downward rate pressures may affect our future voice and switched access revenues. Access line losses totaled 1,880 or 8.53% in 2020 compared to 2019 due to the reasons mentioned above.

The expansion of our state-of-the-art; fiber-rich communications network, growth in broadband customer sales along with continued migration to higher connectivity speeds and the sales of Internet value-added services such as on-line data backup, and hosted and managed service solutions are expected to continue to offset the revenue declines from the access line trends discussed above.

To be competitive, we continue to emphasize the bundling of our products and services. Our customers have the option to bundle local phone, high-speed Internet, long distance and video services. These bundles provide our customers with one convenient location to obtain all of their communications and entertainment options, a convenient billing solution and bundle discounts. We believe that product bundles positively impact our customer retention, and the associated discounts provide our customers the best value for their communications and entertainment options. We have a state-of-the-art, fiber-rich broadband network, which, along with the bundling of our voice, Internet and video services allows us to meet customer demands for products and services. We continue to focus on the research and deployment of advanced technological products that include broadband services, wireless services, private line, VoIP, digital video, IPTV and hosted and managed services.

We continue to evaluate our operating structure to identify opportunities for increased operational efficiencies and effectiveness. This involves evaluating opportunities for task automation, network efficiency and the balancing of our workforce based on the current needs of our customers.

Financial results for the Communications Segment for the years ended December 31, 2020 and 2019 are included below:

### Telecom Segment

	<u>2020</u>	<u>2019</u>	<u>Increase (Decrease)</u>	
Operating Revenues				
Voice Service	\$ 6,685,961	\$ 7,215,848	\$ (529,887)	-7.3%
Network Access	6,086,090	7,566,579	(1,480,489)	-19.6%
Video Service	12,224,574	12,081,824	142,750	1.2%
Data Service	23,377,726	21,739,244	1,638,482	7.5%
A-CAM/FUSF	12,085,683	12,162,631	(76,948)	-0.6%
Other	4,451,037	4,175,215	275,822	6.6%
Total Operating Revenues	<u>64,911,071</u>	<u>64,941,341</u>	<u>(30,270)</u>	<u>0.0%</u>
Cost of Services, Excluding Depreciation and Amortization	27,895,371	27,821,575	73,796	0.3%
Selling, General and Administrative	9,854,343	10,924,966	(1,070,623)	-9.8%
Depreciation and Amortization Expenses	12,143,330	12,120,862	22,468	0.2%
Total Operating Expenses	<u>49,893,044</u>	<u>50,867,403</u>	<u>(974,359)</u>	<u>-1.9%</u>
Operating Income	<u>\$ 15,018,027</u>	<u>\$ 14,073,938</u>	<u>\$ 944,089</u>	<u>6.7%</u>
Net Income	<u>\$ 9,835,812</u>	<u>\$ 8,329,979</u>	<u>\$ 1,505,833</u>	<u>18.1%</u>
Capital Expenditures	<u>\$ 12,002,735</u>	<u>\$ 13,046,645</u>	<u>\$ (1,043,910)</u>	<u>-8.0%</u>

### Key metrics

Access Lines	20,170	22,050	(1,880)	-8.5%
Video Customers	10,873	11,635	(762)	-6.5%
Broadband Customers	31,050	29,731	1,319	4.4%

Certain historical numbers have been changed to conform to the current year's presentation.

### Revenue

*Voice Service* – We receive recurring revenue for basic voice services that enable customers to make and receive telephone calls within a defined local calling area for a flat monthly fee. In addition to subscribing to basic local telephone services, our customers may choose from a variety of custom calling features such as call waiting, call forwarding, caller identification and voicemail. Voice service revenue was \$6,685,961, which was \$529,887 or 7.3% lower in 2020 compared to 2019. This decrease was primarily due to a decrease in access lines, which has been accelerated due to the on-going effects of COVID-19, partially offset by a combination of rate increases introduced into several of our markets in the first quarter of 2020.

The number of access lines we serve as a company have been decreasing, which is consistent with a general industry trend, as customers are increasingly utilizing other technologies, such as wireless phones and IP services. To help offset declines in voice service revenue, we implemented an overall strategy that continues to

focus on selling a competitive bundle of services. Our focus on marketing competitive service bundles to our customers creates value for the customer and aids in the retention of our voice lines.

*Network Access* – We provide access services to other communications carriers for the use of our facilities to terminate or originate traffic on our network. Additionally, we bill SLCs to substantially all of our customers for access to the public switched network. These monthly SLCs are regulated and approved by the FCC. In addition, network access revenue was derived from several federally administered pooling arrangements designed to provide network support and distribute funding to communications companies. Network access revenue was \$6,086,090, which was \$1,480,489 or 19.6% lower in 2020 compared to 2019. This decrease was primarily due to lower minutes of use on our network and lower special access revenues, which has been accelerated due to the on-going effects of COVID-19.

In recent years, IXCs and others have become more aggressive in disputing both interstate carrier access charges and the applicability of access charges to their network traffic. We believe that long distance and other communication providers will continue to challenge the applicability of access charges either before the FCC or directly with the LECs. We cannot predict the likelihood of future claims and cannot estimate the impact.

*Video Service* – We receive monthly recurring revenue from our subscribers for providing commercial TV programming in competition with local CATV, satellite dish TV and off-air TV service providers. We serve twenty-two communities with our IPTV services and five communities with our CATV services. Video revenue was \$12,224,574, which was \$142,750 or 1.2% higher in 2020 compared to 2019. This increase was primarily due to a combination of rate increases introduced into several of our markets over the course of the last several years, partially offset by a decline in customers, which has been accelerated due to the on-going effects of COVID-19.

*Data Service* – We provide high speed Internet to business and residential customers. Our revenue is earned based on the offering of various flat rate packages based on the level of service, data speeds and features. We also provide e-mail and managed services, such as web hosting and design, on-line file back up and on-line file storage. Data revenue was \$23,377,726, which was \$1,638,482 or 7.5% higher in 2020 compared to 2019. This increase was primarily due to an increase in data customers and customers upgrading their packages and speeds. We expect continued growth in this area will be driven by expansion of service areas, our aggressively packaging service bundles and marketing managed service solutions to businesses.

*A-CAM/FUSF* – In 2019, the Company elected to receive funding from A-CAM, with the exception of Scott-Rice, which still receives funding from the FUSF. See Note 2 – “Revenue Recognition” for a discussion regarding FUSF.

A-CAM/FUSF support totaled \$12,085,683, which was \$76,948 or 0.6% lower in 2020 compared to 2019. This decrease was primarily due to lower FUSF support received for Scott-Rice.

*Other Revenue* – Our customers are billed for toll and long-distance services on either a per call or flat-rate basis. This also includes the offering of directory assistance, operator service and long distance private lines. We also generate revenue from directory publishing through an outside vendor, sales and service of CPE, bill processing and other customer services. Our directory publishing revenue in our telephone directories recurs monthly. We also provide retail sales and service of cellular phones and accessories through Telespire, a national wireless provider. We resell these wireless services as Nuvera Wireless, our branded product. We receive both recurring revenue for our wireless services, as well as revenue collected for the sales of wireless phones and accessories. Other revenue was \$4,451,037, which was \$275,822 or 6.6% higher in 2020 compared to 2019. This increase was primarily due to increases in the sales and installation of CPE.

### **Cost of Services (Excluding Depreciation and Amortization)**

Cost of services (excluding depreciation and amortization) was \$27,895,371, which was \$73,796 or 0.3% higher in 2020 compared to 2019. This increase was primarily due to higher programming costs from video content

providers, higher costs associated with increased maintenance and support agreements on our equipment and software, and the cost to maintain a highly-skilled workforce, partially offset by cost containment measures implemented by the Company due to COVID-19.

### **Selling, General and Administrative Expenses**

Selling, general and administrative expenses were \$9,854,343, which was \$1,070,623 or 9.8% lower in 2020 compared to 2019. This decrease was primarily due to the Company recognizing one-time expenses associated with the transition of the new CEO and payments to a former executive officer in 2019, which occurred primarily in the third and fourth quarters of 2019 and did not reoccur in 2020 and the implementation of cost containment measures implemented by the Company due to COVID-19.

### **Depreciation and Amortization**

Depreciation and amortization was \$12,143,330, which was \$22,468 or 0.2% higher in 2020 compared to 2019. This increase was primarily due to increases in our broadband property, plant and equipment, reflecting our continual investment in technology and infrastructure in order to meet our customers' demands for products and services.

### **Operating Income**

Operating income was \$15,018,027, which is \$944,089 or 6.7% higher in 2020 compared to 2019. This increase was primarily due to lower operating expenses, which is described above.

### **See Consolidated Statements of Income Below (for discussion)**

### **Other Income (Expense) and Interest Expense**

Other income in 2020 and 2019 included a patronage credit earned with CoBank as a result of our debt agreements with them. The patronage credit allocated and received in 2020 was \$647,369, compared to \$403,786 allocated and received in 2019. CoBank determines and pays the patronage credit annually, generally in the first quarter of the calendar year, based on its results from the prior year. We record these patronage credits as income when they are received.

Interest and dividend income increased \$30,472 in 2020 compared to 2019. This increase was primarily due to an increase in dividend income earned on our investments.

Interest expense decreased \$899,983 in 2020 compared to 2019. This decrease was primarily due to lower outstanding debt balances and lower interest rates in connection with our credit facility with CoBank.

Other investment income increased \$30,775 in 2020 compared to 2019. Other investment income is primarily from our equity ownerships in several partnerships and limited liability companies.

### **Income Taxes**

Income tax expense increased by \$751,846 in 2020 compared to 2019 as we recorded income tax expense of \$4,061,313 in 2020 and \$3,309,467 in 2019. The increase in income taxes was primarily due to an increase in operating income, a decrease in interest expense and an increase in CoBank patronage dividends. The effective income tax rate was approximately 29.2% for 2020 and 28.4% 2019. The difference between the effective tax rate and the federal statutory tax rate are reconciled in Note 9 – "Income Taxes."



**Inflation**

It is the opinion of our management that the effects of inflation on operating revenue and expenses over the past two years have been immaterial. Our management anticipates that this trend will continue in the near future.

**Off Balance Sheet Arrangements**

The Company has no significant Off Balance Sheet Arrangements (as defined in Item 303 (a)(4) of Regulation S-K).

**Non-GAAP Measures**

In addition to the results reported with GAAP, we also use certain non-GAAP measures such as EBITDA and adjusted EBITDA to evaluate operating performance and to facilitate the comparison of our historical results and trends. These financial measures are not a measure of financial performance under GAAP and should not be considered in isolation or as a substitute for net income as a measure of performance and net cash provided by operating activities as a measure of liquidity. They are not, on their own, necessarily indicative of cash available to fund cash needs as determined in accordance with GAAP. The calculation of these non-GAAP measures may not be comparable to similarly titled measures used by other companies. Reconciliations of these non-GAAP measures to the most directly comparable financial measures presented in accordance with GAAP are provided below.

EBITDA is defined as net earnings before interest expense, income taxes, and depreciation and amortization. Adjusted EBITDA is comprised of EBITDA, adjusted for certain items as permitted or required under our credit facility as described in the reconciliations below. These measures are a common measure of operating performance in the communications industry and are useful, with other data, as a means to evaluate our ability to fund our estimated uses of cash.

The following table is a reconciliation of net income to adjusted EBITDA for the years ended December 31, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Net Income	\$ 9,835,812	\$ 8,329,979
Add (subtract):		
Interest Expense, net of interest income	2,480,693	3,335,113
Income tax expense (benefit)	4,061,313	3,309,467
Depreciation and amortization	<u>12,143,330</u>	<u>12,120,862</u>
EBITDA	28,521,148	27,095,421
Adjustments to EBITDA:		
Other, net <sup>1</sup>	(1,126,337)	(900,127)
Investment distributions <sup>2</sup>	(80,573)	95,462
Non-cash, stock-based compensation <sup>3</sup>	<u>69,452</u>	<u>190,853</u>
Adjusted EBITDA	<u>\$ 27,383,690</u>	<u>\$ 26,481,609</u>

<sup>1</sup> Includes the equity earnings from our investments, patronage income, and certain other miscellaneous items.

<sup>2</sup> Includes other cash distributions received from our investments less cash dividends.

<sup>3</sup> Represents compensation expenses in connection with the issuance of stock awards, which, because of the non-cash nature of these expenses, are excluded from adjusted EBITDA.

## Liquidity and Capital Resources

### Capital Structure

Nuvera's total capital structure (long-term and short-term debt obligations, net of unamortized loan fees plus stockholders' equity) was \$141,570,577 at December 31, 2020, reflecting 61.9% equity and 38.1% debt. This compares to a capital structure of \$136,342,185 at December 31, 2019, reflecting 59.2% equity and 40.8% debt. In the communications industry, debt financing is most often based on operating cash flows. Specifically, our current use of our credit facilities is in a ratio of approximately 1.92 times debt to EBITDA (as defined in the loan documents), which is well within acceptable limits for our agreements and our industry. Our management believes adequate operating cash flows and other internal and external resources, such as our cash on hand and revolving credit facility are available to finance ongoing operating requirements, including capital expenditures, business development, debt service, temporary financing of trade accounts receivable.

### Liquidity Outlook

Our short-term and long-term liquidity needs arise primarily from (i) capital expenditures; (ii) working capital requirements needed to support our growth; (iii) debt service; (iv) dividend payments on our stock and (v) potential acquisitions.

Our primary sources of liquidity for the year ended December 31, 2020 were proceeds from cash generated from operations and cash reserves held at the beginning of the period. At December 31, 2020 we had a working

capital surplus of \$3,055,128. In addition, at December 31, 2020, we had \$10.0 million available under our revolving credit facility to fund any short-term working capital needs. The working capital surplus as of December 31, 2020 was primarily the result of increased cash balances.

We have not conducted a public equity offering. We operate with original equity capital, retained earnings and additions to indebtedness in the form of senior debt and bank lines of credit.

## Cash Flows

We expect our liquidity needs to include capital expenditures, payment of interest and principal on our indebtedness, income taxes and dividends. We use our cash inflow to manage the temporary increases in cash demand and utilize our revolving credit facility to manage more significant fluctuations in liquidity caused by growth initiatives.

While it is often difficult for us to predict the impact of general economic conditions, including the impact of COVID-19 on us, we believe that we will be able to meet our current and long-term cash requirements primarily through our operating cash flows and anticipate that we will be able to plan for and match future liquidity needs with future internal and available external resources.

We periodically seek to add growth initiatives by either expanding our network or our markets through organic or internal investments or through strategic acquisitions. We believe we can adjust the timing or the number of our initiatives according to any limitations which may be imposed by our capital structure or sources of financing.

## Impact of COVID-19 on Our Cash Flows

The global spread of COVID-19 and the various attempts to contain it have created and are expected to create volatility with our future cash flows. Our future cash flows are expected to be impacted by our customer's inability to pay for their existing services or their inability to acquire our services due to their personal financial hardships created by COVID-19. We may not be able to expand our network, acquire new customers or service existing customers based on our future cash flow position. We have implemented a Company policy whereby we are conserving cash by eliminating discretionary spending and limiting our CapEx spending to critical projects including fulfilling our A-CAM build requirements. We are experiencing disruptions in our business as we implement these modifications to preserve adequate liquidity and ensure that we can continue to operate during this uncertain time.

The following table summarizes our cash flow:

	For Year Ended December 31		
	2020	2019	Increase (Decrease)
Net cash provided by (used in):			
Operating activities	\$ 21,244,610	\$ 22,974,664	\$ (1,730,054) -7.53%
Investing activities	(12,298,469)	(12,697,887)	\$ 399,418 3.15%
Financing activities	(3,321,481)	(8,868,546)	\$ 5,547,065 62.55%
Increase in cash	\$ 5,624,660	\$ 1,408,231	\$ 4,216,429 -299.41%

## Cash Flows from Operating Activities

Cash generated by operations for the year ended December 31, 2020 was \$21,244,610, compared to cash generated by operations of \$22,974,664 in 2019. The decrease in cash flows from operating activities in 2020 was primarily due to the timing of receipts of accounts receivable, other accrued liabilities and income taxes, partially offset by the timing of accounts payable, and deferred income taxes.

Cash generated by operations continues to be our primary source of funding for existing operations, capital expenditures, debt service and dividend payments to stockholders. Cash at December 31, 2020 was \$8,617,660, compared to \$2,993,000 at December 31, 2019.

### **Cash Flows From Investing Activities**

We operate in a capital intensive business. We continue to upgrade our local networks for changes in technology in order to provide advanced services to our customers.

Cash flows used in investing activities were \$12,298,469 for the year ended December 31, 2020, compared to \$12,697,887 used in investing activities in 2019. Capital expenditures relating to on-going operations were \$12,002,735 in 2020 and \$13,046,645 in 2019. Our total plant additions in 2020 and 2019 were recorded net of broadband grants awarded by the State of Minnesota. Our investing expenditures were financed with cash flows from our current operations and advances on our line of credit when needed. We believe that our current operations will provide adequate cash flows to fund our plant additions for the upcoming year; however, funding from our revolving credit facility is available if the timing of our cash flows from operations does not match our cash flow requirements. As of December 31, 2020, we had \$10.0 million available under our existing credit facility to fund capital expenditures and other operating needs.

### **Cash Flows From Financing Activities**

Cash used in financing activities for the year ended December 31, 2020 was \$3,321,481. This included long-term debt repayments of \$4,621,815, the issuance of debt (PPP loan funds) of \$2,889,000, the repurchase of common stock of \$238,612 and the distribution of \$1,350,054 of dividends to stockholders. Cash used in financing activities for the year ended December 31, 2019 was \$8,868,546. This included long-term debt repayments of \$6,110,400, the repurchase of common stock of \$114,126 and the distribution of \$2,644,020 of dividends to stockholders. The change in cash flows used in financing activities in 2020 was primarily due to the issuance of PPP loan funds, lower long-term debt repayments and lower dividends paid.

### **Working Capital**

We had a working capital surplus (i.e. current assets minus current liabilities) of \$3,055,128 at December 31, 2020, with current assets of approximately \$15.1 million and current liabilities of approximately \$12.0 million, compared to a working capital deficit of \$2,146,745 at December 31, 2019. The ratio of current assets to current liabilities was 1.25 and 0.81 at December 31, 2020 and 2019. The working capital surplus at December 31, 2020 was primarily the result of increased cash balances.

### **Long-Term Debt and Revolving Credit Facilities**

Our long-term debt obligations as of December 31, 2020, were \$47,514,599 (excluding long-term loan origination fees), net of current debt maturities of \$6,886,986 (excluding short-term loan origination fees). Our long-term debt obligations as of December 31, 2019, were \$51,524,000 (excluding long-term loan origination fees), net of current debt maturities of \$4,610,400 (excluding short-term loan origination fees).

Our Long-Term Debt consists of the following notes:

#### **Master Loan Agreements (MLA) RX0583**

- RX0583(A)-T4 - \$64,550,000 term note with interest payable quarterly. Final maturity date of this note is July 31, 2025. Twenty-eight quarterly principal payments of \$1,152,600 are due commencing September 30, 2018 through June 30, 2025. A final balloon payment of \$32,277,200 is due at maturity of this note on July 31, 2025.

- RX0583(A)-T5 - \$10,000,000 revolving note with interest payable quarterly. Final maturity date of this note is July 31, 2025. We currently have drawn \$0 on this revolving note as of December 31, 2020.

RX0583(A)-T4 and RX0583(A)-T5 initially bear interest at a “LIBOR Margin” rate equal to 3.25 percent over the applicable LIBOR rate. The LIBOR Margin decreases as our “Leverage Ratio” decreases.

We generally use variable-rate debt to finance our operations, capital expenditures and acquisitions. These variable-rate debt obligations expose us to variability in interest payments due to changes in interest rates. The terms of our credit facility with CoBank require that we enter into interest rate agreements designed to protect us against fluctuations in interest rates, in an aggregate principal amount and for a duration determined under the credit facility.

As described in Note 8 – “Interest Rate Swaps,” on August 1, 2018 we entered into an IRSA with CoBank covering 25 percent of our existing debt balance or \$16,137,500 of our aggregate indebtedness to CoBank at August 1, 2018. As of December 31, 2020, our IRSA covered \$13,256,000, with a weighted average rate of 5.52%.

As described in Note 8 – “Interest Rate Swaps,” on August 29, 2019 we entered into a second IRSA with CoBank covering an additional \$42,000,000 of our aggregate indebtedness to CoBank at August 29, 2019. As of December 31, 2020, our IRSA covered \$37,154,202, with a weighted average rate of 3.75%.

Our remaining debt of \$11.1 million (\$10.0 million available under the revolving credit facilities and \$1.1 million currently outstanding) remains subject to variable interest rates at an effective weighted average interest rate of 2.65%, as of December 31, 2020.

Nuvera and its respective subsidiaries also have entered into security agreements under which substantially all the assets of Nuvera and its respective subsidiaries have been pledged to CoBank as collateral. In addition, Nuvera and its respective subsidiaries have guaranteed all the obligations under the credit facility. The mortgage notes are required to be paid in quarterly installments covering principal and interest, beginning in the year of issue and maturing on July 31, 2025.

Our credit facility requires us to comply with specified financial ratios and tests. These financial ratios include total leverage ratio, debt service coverage ratio, equity to total assets ratio and annual maximum aggregate capital expenditures. At December 31, 2020, we were in compliance with all the stipulated financial ratios in the loan agreements.

Our loan agreements include restrictions on our ability to pay cash dividends to our stockholders. However, we are allowed to pay dividends (a) (i) in an amount up to \$2,700,000 in any year if our “Total Leverage Ratio,” that is, the ratio of our “Indebtedness” to “EBITDA” – as defined in the loan documents is greater than 2.00 to 1.00, and (ii) in any amount if our Total Leverage Ratio is less than 2.00 to 1.00, and (b) in either case, if we are not in default or potential default under the loan agreements. On December 31, 2020 our Total Leverage Ratio fell below 2.00, thus eliminating any restrictions on our ability to pay cash dividends to our stockholders. Our current Total Leverage Ratio at December 31, 2020 is 1.92.

There are security and loan agreements underlying our current CoBank credit facility that contain restrictions on our distributions to stockholders and investment in, or loans, to others. Also, our credit facility contains restrictions that, among other things, limits or restricts our ability to enter into guarantees and contingent liabilities, incur additional debt, issue stock, transact asset sales, transfers or dispositions, and engage in mergers and acquisitions, without CoBank approval.

On April 16, 2020, Nuvera received a \$2,889,000 loan under the SBA’s PPP, which was established as part of the Coronavirus Aid, Relief Economic Security Act, or CARES Act. The PPP Loan is unsecured and is evidenced by a note in the favor of Citizens Bank Minnesota (Citizens) as the lender.

The interest rate on the Note is 1.0% per annum. Payments of principal and interest are deferred for 180 days from the date of the Note (the deferral period). The PPP provides a mechanism for forgiveness of up to the full amount borrowed as long as Nuvera uses the loan proceeds during the 24-week period after the loan origination for eligible purposes, including U.S. payroll costs, certain benefit costs, rent and utilities costs, and maintains its employment and compensation levels, subject to certain other requirements and limitations. The amount of the loan forgiveness is subject to reduction, among other things, if Nuvera terminates employees or reduces salaries or wages during the 24-week period. Any unforgiven portion of the PPP Loan is payable over a two-year term, with payments deferred during the deferral period. Nuvera is permitted to prepay the Note at any time without payment of any premium. The Note contains customary events of default, including, among others, those relating to failure to make a payment, bankruptcy, material defaults or other indebtedness, breaches of representations, and material adverse changes. The Company has adhered to all guidelines under the terms of the Note and applied for debt forgiveness in August, 2020.

See Note 20 – “Subsequent Events” for information regarding PPP loan forgiveness.

See Note 7 – “Long-Term Debt” for information pertaining to our long-term debt and current effective interest rates.

### **Guarantees**

We have guaranteed a portion of the obligations of our Nuvera subsidiary joint venture investment in FiberComm, LC. See Note 14 – “Guarantees.”

### **Critical Accounting Policies and Estimates**

Management’s discussion and analysis of financial condition and results of operations stated in this 2020 Annual Report on Form 10-K are based upon Nuvera’s consolidated financial statements that have been prepared in accordance with GAAP, rules and regulations of the SEC and, where applicable, conform to the accounting principles as prescribed by federal and state telephone utility regulatory authorities. We presently give accounting recognition to the actions of regulators where appropriate. The preparation of our financial statements requires our management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, and the related disclosure of contingent assets and liabilities at the date of the financial statements and during the reporting period. Actual results may differ from these estimates. Our senior management has discussed the development and selection of accounting estimates and the related Management Discussion and Analysis disclosure with our Audit Committee. For a summary of our significant accounting policies, see Note 1 – “Business Description and Summary of Significant Accounting Policies.”

#### *Revenue Recognition*

See Note 2 – “Revenue Recognition” for a discussion of our revenue recognition policies.

#### *Allowance for Doubtful Accounts*

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. In making the determination of the appropriate allowance for doubtful accounts, we consider specific accounts, historical write-offs, changes in customer relationships, credit worthiness and concentrations of credit risk. Specific accounts receivable are written off once a determination is made that the account is uncollectible. Additional allowances may be required if the financial condition of our customers were to deteriorate, resulting in an impairment of their ability to make payments. Our allowance for doubtful accounts was \$160,000 and \$120,000 as of December 31, 2020 and 2019.

## *Financial Derivative Instruments and Fair Value Measurements*

We have adopted the rules prescribed under GAAP for our financial assets and liabilities. GAAP includes a fair value hierarchy that is intended to increase consistency and comparability in fair value measurements and related disclosures.

The fair value of our IRSAs is discussed in Note 8 – “Interest Rate Swaps.” The fair value of our swap agreement was determined based on Level 2 inputs.

## *Valuation of Goodwill*

We have goodwill on our books related to prior acquisitions of communications company properties. As discussed more fully in Note 6 – “Goodwill and Intangibles,” and in accordance with GAAP, goodwill is reviewed for impairment annually or more frequently if an event occurs or circumstances change that would reduce the fair value below its carrying value. We perform our annual fair value evaluation in the fourth quarter of each year.

The impairment test for goodwill involves a two-step process: step one consists of a comparison of the fair value of a reporting unit with its carrying amount, including the goodwill allocated to each reporting unit. If the carrying amount is in excess of the fair value, step two requires the comparison of the implied fair value of the reporting unit goodwill with the carrying amount of the reporting unit goodwill. Any excess of the carrying value of the reporting unit goodwill over the implied fair value of the reporting unit goodwill will be recorded as an impairment loss.

In 2020 and 2019, we engaged an independent valuation firm to aid in the completion of an annual impairment test for existing goodwill acquired. For 2020 and 2019, the testing resulted in no impairment to goodwill as the determined fair value was sufficient to pass the first step of the impairment test. We used a combination of Income (Discounted Cash Flow Method or DCF Method) and Market Approaches to estimate the fair value of the goodwill on our books related to prior acquisitions of communications company properties. The assumptions used in the estimates of fair value were based on projections provided by our management and a rate of return based on market information observed in debt and traded equity securities. Their Market Approaches considered market multiples observed in companies comparable to ours, traded on public exchange or over-the-counter, or transacted in a merger or acquisition transaction.

Assumptions used in our 2020 DCF model include the following:

- An 8.00% weighted average cost of capital based on an industry weighted average cost of capital;
- A 1.50% terminal revenue growth rate.

The most significant amount of goodwill recorded on our books was due to the acquisitions of HTC, SETC and Scott-Rice. The carrying value of the goodwill was \$49,903,029 as of December 31, 2020 and 2019.

In 2020, we tested the HTC, SETC and Scott-Rice goodwill. Based on the DCF model approach that was used, we determined the estimated enterprise fair value of our reporting units exceeded the carrying amount of that reporting units by approximately 11.5%, 64.5% and 3.1% for HTC, SETC and Scott-Rice, respectively, which indicated that we had no impairment as of December 31, 2020. Future negative changes relating to our financial operations could result in a potential impairment of goodwill.

## *Income Taxes*

The provision for income taxes consists of an amount for taxes currently payable and a provision for tax consequences deferred to future periods. Deferred income taxes are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities, and their respective tax basis. Significant components of our deferred taxes arise from differences (i) in the

basis of property, plant and equipment due to the use of accelerated depreciation methods for tax purposes, as well as (ii) in partnership investments and intangible assets due to the difference between book and tax basis. Our effective income tax rate is normally higher than the United States tax rate due to state income taxes and permanent differences.

We account for income taxes in accordance with GAAP, which requires an asset and liability approach to financial accounting and reporting for income taxes. As required by GAAP, we recognize the financial statement benefit of a tax position only after determining that the relevant tax authority would more-likely-than-not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

In accordance with GAAP, we record net unrecognized tax benefits that, if recognized, would affect the income tax provision when recorded. See Note 9 – “Income Taxes.”

As of December 31, 2020 and 2019 we had \$44,155 and \$0 of unrecognized tax benefits.

We are primarily subject to United States, Minnesota, Iowa, Nebraska, North Dakota and Wisconsin income taxes. Tax years subsequent to 2016 remain open to examination by federal and state tax authorities. Our policy is to recognize interest and penalties related to income tax matters as income tax expense. As of December 31, 2020 and 2019 we had \$3,208 and \$0 of interest or penalties accrued that related to income tax matters.

#### *Property, Plant and Equipment*

We record impairment losses on long-lived assets used in operations when events and circumstances indicate the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amounts of those assets. In assessing the recoverability of long-lived assets, we compare the carrying value to the undiscounted future cash flows the assets are expected to generate. If the total of the undiscounted future cash flows is less than the carrying amount of the assets, we would write down those assets based on the excess of the carrying amount over the fair value of the assets. Fair value is generally determined by calculating the discounted future cash flows expected from those assets. Changes in these estimates could have a material adverse effect on the assessment of long-lived assets, thereby requiring a write-down of the assets. Write-downs of long-lived assets are recorded as impairment charges and are a component of operating expenses. We have reviewed our long-lived assets and concluded that no impairment charge on these long-lived assets is necessary.

We use the group life method (mass asset accounting) to depreciate the assets of our communication companies. Communications plant acquired in a given year is grouped into similar categories and depreciated over the remaining estimated useful life of the group. When an asset is retired, both the asset and the accumulated depreciation associated with that asset are removed from the books. Due to rapid changes in technology, selecting the estimated economic life of communications plant and equipment requires a significant amount of judgment. We periodically review data on expected utilization of new equipment, asset retirement activity and net salvage values to determine adjustments to our depreciation rates. We have not made any significant changes to the lives of assets in the two-year period ended December 31, 2020.

#### *Equity Method Investment*

We are an investor in several partnerships and limited liability corporations. Our percentages of ownership in these joint ventures range from 9.09% to 24.30%. We use the equity method of accounting for these investments, which reflects original cost and the recognition of our share of the net income or losses from the respective operations.



### *Incentive Compensation*

We engaged an outside consultant in 2005 to advise us in our development of an Employee Incentive Plan for employees other than executive officers and a Management Incentive Plan for our executive officers. Both plans were implemented in 2006. Both of these plans are cash/stock-based incentive plans. Payments on each plan are based on an achievement of objectives of measurable corporate performance using financial targets. The financial targets are based on an achievement of specified operating revenues and operating income before interest, taxes, depreciation and amortization (OIBITDA).

We accrue an estimated liability each year for these potential payouts and reverse that accrual if the incentive payout targets are not met and paid out. Incentive payouts, if earned, are typically paid in late March of the year following the target year and after the filing of our Annual Report on Form 10-K.

On February 24, 2017, our BOD adopted the Nuvera Communications, Inc. 2017 Omnibus Stock Plan (the Plan) effective May 25, 2017. The shareholders of the Company approved the Plan at the May 25, 2017 Annual Meeting of Shareholders. The purpose of the Plan was to enable Nuvera and its subsidiaries to attract and retain talented and experienced people, closely link employee compensation with performance realized by shareholders, and reward long-term results with long-term compensation. The Plan enables us to grant stock incentive awards to current and new employees, including officers, and to Board members and service providers. The Plan permits stock incentive awards in the form of options (incentive and non-qualified), stock appreciation rights, restricted stock, restricted stock units (RSU), performance stock, performance units, and other awards in stock or cash. The Plan permits the issuance of up to 625,000 shares of our Common Stock in any of the above stock awards.

See Note 16 – “Restricted Stock Units” for a detailed discussion of our incentive compensation and RSUs.

### *Recent Accounting Developments*

See Note 1 – “Business Description and Summary of Significant Accounting Policies” for a discussion of recent accounting developments.

### **Item 7A. Quantitative and Qualitative Disclosures about Market Risk**

Not required for a smaller reporting company.

## **Item 8. Financial Statements and Supplementary Data**

### **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholders of  
Nuvera Communications, Inc.

#### **Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Nuvera Communications, Inc. (a Minnesota corporation) and subsidiaries (the Company) as of December 31, 2020 and 2019, and the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for the years then ended, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements, present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2020 and 2019, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risk of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation the financial statements. We believe that our audits provide a reasonable basis for our opinion.

#### **Critical Audit Matter**

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

## **Evaluation of Goodwill for Impairment**

### Description of the Matter

At December 31, 2020, the Company's goodwill balance was \$49,903,029. As discussed in Note 6 to the consolidated financial statements, reporting unit goodwill is tested for impairment as least annually or when events or circumstances indicate the fair value of a reporting unit may be below its carrying value. This analysis involves comparing the carrying value of a reporting unit's equity against the estimated fair value of the reporting units equity which is determined using discounted cash flow (DCF) models and market based approaches using market multiples of peer companies which offer comparable services to its reporting units. These fair value estimates are sensitive to significant assumptions, such as cash flow projections, operating and EBITDA margins, discount rates, terminal values, subscriber growth and churn, and capital investment. These assumptions are affected by expectations about future market and economic conditions.

Auditing management's annual impairment tests for goodwill was complex because of the significant judgment required to evaluate the management assumptions described above used to determine the fair value of the reporting units.

### How We Addressed the Matter in Our Audit

We obtained an understanding of the controls over the Company's goodwill impairment review processes. This included controls over management's use of both an outside specialist and internal review of the valuation models and the significant assumptions noted above, utilized in both the DCF and market valuation methods.

To test the estimated fair value of the Company's reporting units, we involved our valuation specialists to assist us in performing our audit procedures. Our procedures included, among others, testing the valuation methodology used and the significant assumptions within the valuation methodology. For example, we compared the significant assumptions to current industry, market and economic trends, and other guideline companies in the same industry and to other factors. Where appropriate, we evaluated whether changes to the company's business model, customer base and other factors would affect the significant assumptions. We also assessed the historical accuracy of management's past estimates, tested the clerical accuracy of the valuation calculations, and performed independent sensitivity analyses. In addition, we tested management's reconciliation of the cumulative fair value of its reporting units to the market capitalization of the Company.

We have served as the Company's auditor since 2008.

Olsen Thielen & Co., Ltd  
Roseville, Minnesota  
March 16, 2021

**NUVERA COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>OPERATING REVENUES:</b>		
Voice Service	\$ 6,685,961	\$ 7,215,848
Network Access	6,086,090	7,566,579
Video Service	12,224,574	12,081,824
Data Service	23,377,726	21,739,244
A-CAM/FUSF	12,085,683	12,162,631
Other Non-Regulated	4,451,037	4,175,215
Total Operating Revenues	<u>64,911,071</u>	<u>64,941,341</u>
<b>OPERATING EXPENSES:</b>		
Plant Operations (Excluding Depreciation and Amortization)	12,648,914	12,008,583
Cost of Video	10,223,913	10,808,867
Cost of Data	3,436,015	2,881,231
Cost of Other Non-Regulated Services	1,586,529	2,122,894
Depreciation and Amortization	12,143,330	12,120,862
Selling, General, and Administrative	9,854,343	10,924,966
Total Operating Expenses	<u>49,893,044</u>	<u>50,867,403</u>
<b>OPERATING INCOME</b>	<u>15,018,027</u>	<u>14,073,938</u>
<b>OTHER INCOME (EXPENSE):</b>		
Interest During Construction	125,443	173,591
CoBank Patronage Dividends	647,369	403,786
Interest/Dividend Income	204,868	174,396
Interest Expense	(2,504,988)	(3,404,971)
Gain (Loss) on Investments	52,881	(104,044)
Other Investment Income	353,525	322,750
Total Other Income (Expense)	<u>(1,120,902)</u>	<u>(2,434,492)</u>
<b>INCOME BEFORE INCOME TAXES</b>	13,897,125	11,639,446
<b>INCOME TAXES EXPENSE</b>	<u>4,061,313</u>	<u>3,309,467</u>
<b>NET INCOME</b>	<u>\$ 9,835,812</u>	<u>\$ 8,329,979</u>
<b>NET INCOME PER SHARE</b>		
Basic	<u>\$ 1.89</u>	<u>\$ 1.61</u>
Diluted	<u>\$ 1.89</u>	<u>\$ 1.60</u>
<b>DIVIDENDS PER SHARE</b>	<u>\$ 0.2600</u>	<u>\$ 0.5100</u>
<b>WEIGHTED AVERAGE SHARES OUTSTANDING</b>		
Basic	<u>5,194,006</u>	<u>5,184,663</u>
Diluted	<u>5,199,696</u>	<u>5,193,449</u>

The accompanying notes are an integral part of these consolidated financial statements.

**NUVERA COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>NET INCOME</b>	\$ 9,835,812	\$ 8,329,979
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
Unrealized Gains (Losses) on Interest Rate Swaps	(2,460,700)	146,832
Income Tax Benefit (Expense) Related to Unrealized (Gains) Losses on Interest Rate Swaps	<u>702,284</u>	<u>(41,906)</u>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>	<u>(1,758,416)</u>	<u>104,926</u>
<b>COMPREHENSIVE INCOME</b>	<u>\$ 8,077,396</u>	<u>\$ 8,434,905</u>

The accompanying notes are an integral part of these consolidated financial statements.

**NUVERA COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2020 AND 2019**

**ASSETS**

	<u>2020</u>	<u>2019</u>
<b>CURRENT ASSETS:</b>		
Cash	\$ 8,617,660	\$ 2,993,000
Receivables, Net of Allowance for Doubtful Accounts of \$160,000 and \$120,000	1,885,196	2,356,742
Income Taxes Receivable	615,587	-
Materials, Supplies and Inventories	2,965,960	2,827,159
Prepaid Expenses and Other Current Assets	1,000,395	826,873
Total Current Assets	<u>15,084,798</u>	<u>9,003,774</u>
<b>INVESTMENTS &amp; OTHER ASSETS:</b>		
Goodwill	49,903,029	49,903,029
Intangibles	21,639,293	24,085,250
Other Investments	9,960,187	9,453,578
Right of Use Asset	1,211,707	1,558,164
Other Assets	299,155	182,581
Total Investments and Other Assets	<u>83,013,371</u>	<u>85,182,602</u>
<b>PROPERTY, PLANT &amp; EQUIPMENT:</b>		
Communications Plant	171,961,736	163,630,396
Other Property & Equipment	25,758,591	23,301,293
Video Plant	11,143,951	10,732,919
Total Property, Plant and Equipment	208,864,278	197,664,608
Less Accumulated Depreciation	138,385,628	129,605,576
Net Property, Plant & Equipment	<u>70,478,650</u>	<u>68,059,032</u>
<b>TOTAL ASSETS</b>	<u>\$ 168,576,819</u>	<u>\$ 162,245,408</u>

The accompanying notes are an integral part of these consolidated financial statements.

**NUVERA COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS (continued)**  
**DECEMBER 31, 2020 AND 2019**

**LIABILITIES AND STOCKHOLDERS' EQUITY**

	2020	2019
<b>CURRENT LIABILITIES:</b>		
Current Portion of Long-Term Debt, Net of		
Unamortized Loan Fees	\$ 6,788,430	\$ 4,511,844
Accounts Payable	1,604,735	1,807,334
Accrued Income Taxes	-	729,600
Other Accrued Taxes	258,691	232,862
Deferred Compensation	319,754	311,047
Accrued Compensation	2,247,057	2,511,798
Other Accrued Liabilities	811,003	1,046,034
Total Current Liabilities	12,029,670	11,150,519
 <b>LONG-TERM DEBT, Net of Unamortized</b>		
<b>Loan Fees</b>	47,161,441	51,072,286
 <b>NONCURRENT LIABILITIES:</b>		
Loan Guarantees	273,805	319,346
Deferred Income Taxes	16,988,409	16,470,055
Unrecognized Tax Benefit	47,363	-
Other Accrued Liabilities	1,283,834	1,454,777
Financial Derivative Instruments	2,721,118	260,418
Deferred Compensation	450,473	759,952
Total Noncurrent Liabilities	21,765,002	19,264,548
 <b>COMMITMENTS AND CONTINGENCIES:</b>		
	-	-
 <b>STOCKHOLDERS' EQUITY:</b>		
Preferred Stock - \$1.66 Par Value, 10,000,000 Shares		
Authorized, No Shares Issued and Outstanding	-	-
Common Stock - \$1.66 Par Value, 90,000,000 Shares Authorized,		
5,200,689 and 5,189,218 Shares Issued and Outstanding	8,667,816	8,648,697
Accumulated Other Comprehensive Loss	(1,944,511)	(186,095)
Unearned Compensation	149,100	189,255
Retained Earnings	80,748,301	72,106,198
Total Stockholders' Equity	87,620,706	80,758,055
 <b>TOTAL LIABILITIES AND</b>		
<b>STOCKHOLDERS' EQUITY</b>	\$ 168,576,819	\$ 162,245,408

The accompanying notes are an integral part of these consolidated financial statements.

**NUVERA COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Income	\$ 9,835,812	\$ 8,329,979
Adjustments to Reconcile Net Income to Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization	12,241,886	12,219,418
Unrealized (Gains) Losses on Investments	(47,640)	104,044
Undistributed Earnings of Other Equity Investment	(392,690)	(379,456)
Noncash Patronage Refund	(143,692)	(100,946)
Stock Issued in Lieu of Cash Payment	287,819	311,617
Distributions from Equity Investments	100,000	200,000
Stock-based Compensation	69,452	190,853
Changes in Assets and Liabilities:		
Receivables	476,079	1,625,368
Income Taxes Receivable	(615,587)	305,751
Materials, Supplies, and Inventories	(138,801)	(245,770)
Prepaid Expenses	(156,873)	(72,936)
Other Assets	(121,107)	(165,888)
Accounts Payable	(89,247)	(946,158)
Accrued Income Taxes	(729,600)	729,600
Other Accrued Taxes	25,829	3,734
Other Accrued Liabilities	(324,258)	136,267
Deferred Income Tax	1,268,000	287,360
Deferred Compensation	(300,772)	441,827
Net Cash Provided by Operating Activities	21,244,610	22,974,664
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Additions to Property, Plant, and Equipment, Net	(12,002,735)	(13,046,645)
Grants Received for Construction of Plant	650,208	390,922
Purchase of Intangible	(877,814)	-
Other, Net	(68,128)	(42,164)
Net Cash Used in Investing Activities	(12,298,469)	(12,697,887)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal Payments of Long-Term Debt	(4,621,815)	(6,110,400)
Loan Proceeds	2,889,000	-
Repurchase of Common Stock	(238,612)	(114,126)
Dividends Paid	(1,350,054)	(2,644,020)
Net Cash Used in Financing Activities	(3,321,481)	(8,868,546)
<b>NET INCREASE IN CASH</b>	5,624,660	1,408,231
<b>CASH at Beginning of Period</b>	2,993,000	1,584,769
<b>CASH at End of Period</b>	\$ 8,617,660	\$ 2,993,000
<b>Supplemental cash flow information:</b>		
Cash paid for interest	\$ 2,031,829	\$ 3,354,128
Net cash paid for income taxes	\$ 4,138,500	\$ 1,986,753

The accompanying notes are an integral part of these consolidated financial statements.



**NUVERA COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<b>Common Stock</b>		<b>Accumulated Other Comprehensive Income (Loss)</b>	<b>Unearned Compensation</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
	<b>Shares</b>	<b>Amount</b>				
<b>BALANCE on December 31, 2018</b>	5,175,258	\$ 8,625,430	\$ (291,021)	\$ 79,784	\$ 66,181,285	\$ 74,595,478
Directors Stock Plan	9,561	15,935			164,003	179,938
Employee Stock Plan	5,991	9,985			105,042	115,027
Restricted Stock Grant				190,853		190,853
Exercise of RSU's	4,399	7,332		(81,382)	74,050	-
Repurchase of Common Stock	(5,991)	(9,985)			(104,141)	(114,126)
Net Income					8,329,979	8,329,979
Dividends					(2,644,020)	(2,644,020)
Unrealized Gain on Interest Rate Swap			104,926			104,926
<b>BALANCE on December 31, 2019</b>	<u>5,189,218</u>	<u>8,648,697</u>	<u>(186,095)</u>	<u>189,255</u>	<u>72,106,198</u>	<u>80,758,055</u>
Directors Stock Plan	12,264	20,440			179,464	199,904
Employee Stock Plan	6,971	11,618			92,947	104,565
Restricted Stock Grant				117,332		117,332
Exercise of RSU's	5,732	9,554		(157,487)	100,053	(47,880)
Repurchases of Common Stock	(13,496)	(22,493)			(216,119)	(238,612)
Net Income					9,835,812	9,835,812
Dividends					(1,350,054)	(1,350,054)
Unrealized Loss on Interest Rate Swap			(1,758,416)			(1,758,416)
<b>BALANCE on December 31, 2020</b>	<u><u>5,200,689</u></u>	<u><u>\$ 8,667,816</u></u>	<u><u>\$ (1,944,511)</u></u>	<u><u>\$ 149,100</u></u>	<u><u>\$ 80,748,301</u></u>	<u><u>\$ 87,620,706</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

## **NOTE 1 – BUSINESS DESCRIPTION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Description of Business**

Nuvera is a diversified communications company headquartered in New Ulm, Minnesota with more than 115 years of experience in the communications business. Our principal line of business is the operation of seven communications companies. Our businesses consist of connecting customers to our state-of-the-art, fiber-rich communications network, providing managed services, switched service and dedicated private lines, connecting customers to long distance service providers and providing many other services associated with our company. We also provide IPTV, CATV, Internet access services, including high-speed broadband access, and long distance service. We also install and maintain communications systems to the areas in and around our service territories in southern Minnesota and northern Iowa.

### **Basis of Presentation and Principles of Consolidation**

Our accounting policies conform with GAAP and rules and regulations of the SEC and, where applicable, conform to the accounting principles as prescribed by federal and state telephone utility regulatory authorities. We presently give accounting recognition to the actions of regulators where appropriate in preparing general purpose financial statements for most public utilities. In general, the type of regulation covered by this statement permits rates (prices) for some services to be set at levels intended to recover the estimated costs of providing regulated services or products, including the cost of capital (interest costs and a provision for earnings on stockholders' investments).

Our consolidated financial statements report the financial condition and results of operations for Nuvera and its subsidiaries in one business segment: the Communications Segment. Inter-company transactions have been eliminated from the consolidated financial statements.

### **Classification of Costs and Expenses**

Cost of services includes all costs related to delivery of communication services and products. These operating costs include all costs of performing services and providing related products including engineering, network monitoring and transportation costs.

Selling, general and administrative expenses include direct and indirect selling expenses, customer service, billing and collections, advertising and all other general and administrative costs associated with our operations.

### **Use of Estimates**

The preparation of our consolidated financial statements in conformity with GAAP requires our management to make estimates and judgements that affect the reported amounts of assets, liabilities, revenue and expenses, and the related disclosure of contingent assets and liabilities. The estimates and judgements used in the accompanying consolidated financial statements are based on our management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from those estimates and assumptions.

### **Revenue Recognition**

See Note 2 – "Revenue Recognition" for a discussion of our revenue recognition policies.

### **Receivables**

As of December 31, 2020 and 2019, our consolidated receivables totaled \$1,885,196 and \$2,356,742, net of the allowance for doubtful accounts. We believe our receivables as of December 31, 2020 and 2019 are recorded

at their fair value. As there may be exposure or risk with receivables, we routinely monitor our receivables and adjust the allowance for doubtful accounts when events occur that may potentially affect the collection of our receivables.

### **Allowance for Doubtful Accounts**

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. In making the determination of the appropriate allowance for doubtful accounts, we consider specific accounts, historical write-offs, changes in customer relationships, credit worthiness and concentrations of credit risk. Specific accounts receivable are written off once a determination is made that the account is uncollectible. Additional allowances may be required if the financial condition of our customers were to deteriorate, resulting in an impairment of their ability to make payments.

The activity in our allowance for doubtful accounts includes the following:

	<u>Year Ended December 31</u>	
	<u>2020</u>	<u>2019</u>
Balance at beginning of year	\$ 120,000	\$ 113,000
Additions charged to costs and expenses	185,251	255,491
Accounts written off, net of recoveries	<u>(145,251)</u>	<u>(248,491)</u>
Balance at end of year	<u>\$ 160,000</u>	<u>\$ 120,000</u>

### **Inventories**

Inventory includes parts, materials and supplies stored in our warehouses to support basic levels of service and maintenance as well as scheduled capital projects and equipment awaiting configuration for customers. Inventory also includes (i) parts and equipment shipped directly from vendors to customer locations while in transit and (ii) parts and equipment returned from customers that are being returned to vendors for credit. Our inventory value as of December 31, 2020 and 2019 was \$2,965,960 and \$2,827,159.

We value inventory using the lower of cost or net realizable value. Similar to our allowance for doubtful accounts, we make estimates related to the valuation of inventory. As of December 31, 2020 and 2019, we had no inventory reserve. We adjust our inventory carrying value for estimated obsolescence or unmarketable inventory to the net realizable value based upon assumptions about future demand and market conditions. As market and other conditions change, we may establish additional inventory reserves at a time when the facts that give rise to a lower value are warranted. We use the first-in, first-out method of inventory costing for our non-retail inventory. We use the average cost method of inventory costing for our retail inventory.

### **Property, Plant and Equipment**

We record impairment losses on long-lived assets used in operations when events and circumstances indicate the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amounts of those assets. In assessing the recoverability of long-lived assets, we compare the carrying value to the undiscounted future cash flows the assets are expected to generate. If the total of the undiscounted future cash flows is less than the carrying amount of the assets, we would write down those assets based on the excess of the carrying amount over the fair value of the assets. Fair value is generally determined by calculating the discounted future cash flows expected from those assets. Changes in these estimates could have a material adverse effect on the assessment of long-lived assets, thereby requiring a write-down of the assets. Write-downs of long-lived assets are recorded as impairment charges and are a component of operating expenses. We have reviewed our long-lived assets and concluded that no impairment charge on our long-lived assets is necessary.

We use the group life method (mass asset accounting) to depreciate the assets of our communications companies. Communications plant acquired in a given year is grouped into similar categories and depreciated over the remaining estimated useful life of the group. When an asset is retired, both the asset and the accumulated depreciation associated with that asset are removed from the books. Due to rapid changes in technology, selecting the estimated economic life of communications plant and equipment requires a significant amount of judgment. We periodically review data on expected utilization of new equipment, asset retirement activity and net salvage values to determine adjustments to our depreciation rates. We have not made any significant changes to the lives of these assets in the two year period ended December 31, 2020.

### **Goodwill and Intangible Assets**

We amortize our definite-lived intangible assets over their estimated useful lives. Customer relationships are amortized over fourteen to fifteen years, regulatory rights are amortized over fifteen years and trade names are amortized over three to five years. Intangible assets with finite lives are amortized over their respective estimated useful lives. In accordance with GAAP, goodwill and intangible assets with indefinite useful lives are not amortized, but tested for impairment at least annually. See Note 6 – “Goodwill and Intangibles” for a more detailed discussion of the intangible assets and goodwill. Our goodwill balance was \$49,903,029 as of December 31, 2020 and 2019. In the fourth quarter of 2020 and 2019 we completed our annual impairment tests for existing acquired goodwill. This testing resulted in no impairment charges to goodwill at December 31, 2020 and 2019.

### **Investments and Other Assets**

We are a co-investor with other communication companies in several partnerships and limited liability companies. These joint ventures make it possible to offer services to customers, including digital video services and fiber transport services that we would have difficulty offering on our own. These joint ventures also make it possible to invest in new technologies with a lower level of financial risk. We use the equity method of accounting for these investments that reflects original cost and recognition of our share of the net income or losses from the respective operations. See Note 17 – “Segment Information” for a listing of our investments.

Investments in other companies that are not intended for resale and are not accounted for on the equity method of accounting are valued at fair value where there are readily determinable fair values. Investments in other companies that are not intended for resale and are not accounted for on the equity method of accounting are valued at cost where there are no readily determinable fair values. See Note 13 – “Other Investments” for additional information regarding our investments.

### **Advertising Expense**

Advertising is expensed as incurred. Advertising expense charged to operations was \$515,976 and \$364,932 in 2020 and 2019.

### **Interest During Construction**

We include an average cost of debt for the construction of plant in our communications plant accounts.

### **Income Taxes**

We account for income taxes in accordance with GAAP, which requires an asset and liability approach to financial accounting and reporting for income taxes. Accordingly, deferred tax assets and liabilities arise from the difference between the tax basis of an asset or liability and its reported amount in the financial statements and operating and tax credit carryforwards. Deferred tax assets and liabilities are determined using enacted tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. We recognize interest and penalties related to income tax matters as income

tax expense. Income tax expense or benefit is the tax payable or refundable, respectively, for the period plus or minus the change in deferred tax assets and liabilities during the period.

GAAP requires us to recognize the financial statement benefit of a tax position only after determining that the relevant tax authority would more-likely-than-not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. See Note 9 – “Income Taxes” for additional information regarding income taxes.

### Collection of Taxes from Customers

Sales, excise and other taxes are imposed on most of our sales to nonexempt customers. We collect these taxes from our customers and remit the entire amounts to governmental authorities. Our accounting policies dictate that we exclude these taxes collected and remitted from our revenues and expenses.

### Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash investments and receivables. We deposit our cash investments in high credit quality financial institutions accounts which, at times, may exceed federally insured limits. We have not experienced any losses in these accounts and do not believe we are exposed to any significant credit risk. Concentrations of credit risk with respect to trade receivables are limited due to our large number of customers.

### Earnings and Dividends Per Share

Basic and diluted net income per share are calculated as follows:

	<u>Year Ended December 31, 2020</u>		<u>Year Ended December 31, 2019</u>	
	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>
Net Income	\$ 9,835,812	\$ 9,835,812	\$ 8,329,979	\$ 8,329,979
Weighted-average common shares outstanding	<u>5,194,006</u>	<u>5,199,696</u>	<u>5,184,663</u>	<u>5,193,449</u>
Net income per share	<u>\$ 1.89</u>	<u>\$ 1.89</u>	<u>\$ 1.61</u>	<u>\$ 1.60</u>

The weighted-average shares outstanding, basic and diluted, are calculated as follows:

	<u>Year Ended December 31, 2020</u>		<u>Year Ended December 31, 2019</u>	
	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>
Weighted-average common shares outstanding	5,194,006	5,194,006	5,184,663	5,184,663
Potentially Dilutive RSU's	<u>-</u>	<u>5,690</u>	<u>-</u>	<u>8,786</u>
Weighted-average common shares outstanding	<u>5,194,006</u>	<u>5,199,696</u>	<u>5,184,663</u>	<u>5,193,449</u>

Nuvera’s BOD reviews quarterly dividend declarations based on our anticipated earnings, capital requirements and our operating and financial conditions.

## Recent Accounting Developments

In March, 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-04, “Reference Rate Reform (Topic 848), Facilitation of the Effects of Reference Rate Reform on Financial Reporting.” ASU 2020-04 provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. In January 2021, the FASB issued ASU No. 2101-01, “Reference Rate Reform (Topic 848): Scope. ASU 2021-01 clarifies that certain optional expedients and exceptions in Topic 848 for contract modifications and hedge accounting apply to derivatives that are affected by the discounting transition. ASU 2020-04 and ASU 2021-01 are both elective and are effective upon issuance through December 31, 2022. The Company is evaluating the impact this update will have on our consolidated financial statements and related disclosures.

In January 2017, the FASB issued ASU 2017-04, “Intangibles – Goodwill and other (Topic 350): Simplifying the Test for Goodwill Impairment.” ASU 2017-04 simplifies the subsequent measurement of goodwill by eliminating the second step of the goodwill impairment test. The second step measures a goodwill impairment loss by comparing the implied fair value of a reporting unit’s goodwill with the carrying amount of that goodwill. Under ASU 2017-04, a company will record an impairment charge based on the excess of a reporting unit’s carrying amount over its fair value. ASU 2017-04 will be applied prospectively and is effective for annual or interim goodwill impairment tests in the fiscal years beginning January 1, 2021. Early adoption is permitted. The Company adopted ASU 2017-04 on January 1, 2021 and expects that adoption of the standard will not have a material effect on our financial position, results of operations or cash flows.

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments – Credit Losses: Measurement of Credit Losses on Financial Instruments.” ASU 2016-13 requires entities to use a new forward-looking, expected loss model to estimate credit losses. It also requires additional disclosures relating to the credit quality of trade and other receivables, including information relating to management’s estimate of credit allowances. The Company is required to adopt ASU 2016-13 for fiscal periods beginning after December 15, 2022, including interim periods within that fiscal year. Early adoption as of December 15, 2018 is permitted. Management is evaluating the impact the adoption of ASU 2016-13 will have on the Company’s financial statements (if any).

We have reviewed all other significant newly issued accounting pronouncements and determined they are either not applicable to us or that no material effect is expected on our financial position and results of operations.

### NOTE 2 – REVENUE RECOGNITION

The Company recognizes revenue based on the following single principles-based, five-step model that is applied to all contracts with customers. These steps include (1) identify the contract(s) with the customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract and (5) recognize revenue when each performance obligation is satisfied.

Our revenue contracts with customers may include a promise or promises to deliver services such as broadband, video or voice services. Promised services are considered distinct as the customer can benefit from the services either on their own or together with other resources that are readily available to the customer and the Company’s promise to transfer service to the customer is separately identifiable from other promises in the contract. The Company accounts for services as separate performance obligations. Each service is considered a single performance obligation as it is providing a series of distinct services that are substantially the same and have the same pattern of transfer.

The transaction price is determined at contract inception and reflects the amount of consideration to which we expect to be entitled in exchange for transferring service to the customer. This amount is generally equal to the market price of the services promised in the contract and may include promotional or bundling discounts. The majority of our prices are based on tariffed rates filed with regulatory bodies or standard company price lists.

The transaction price excludes amounts collected on behalf of third parties such as sales taxes and regulatory fees. Conversely, nonrefundable up-front fees, such as service activation and set-up fees, which are immaterial to our overall revenues, are included in the transaction price. In determining the transaction price, we consider our enforceable rights and obligations within the contract. We do not consider the possibility of a contract being cancelled, renewed or modified, which is consistent with Accounting Standards Codification (ASC) 606-10-32-4.

The transaction price is allocated to each performance obligation based on the standalone selling price of the service, net of the related discount, as applicable.

Revenue is recognized when performance obligations are satisfied by transferring service to the customer as described below.

### *Significant Judgments*

The Company often provides multiple services to a customer. Provision of CPE and additional service tiers may have a significant level of integration and interdependency with the subscription voice, video, Internet or connectivity services. Judgement is required to determine whether provision of CPE, installation services and additional service tiers are considered distinct and accounted for separately, or not distinct and accounted for together with the subscription services.

Allocation of the transaction price to the distinct performance obligations in bundled service subscriptions requires judgement. The transaction price for a bundle of services is frequently less than the sum of standalone selling prices of each individual service. Bundled discounts are allocated proportionally to the selling price of each individual service within the bundle. Standalone selling prices for the Company's services are directly observable.

## Disaggregation of Revenue

The following table summarizes revenue from contracts with customers for the years ended December 31, 2020 and 2019:

	Twelve Months Ended December 31,	
	2020	2019
Voice services <sup>1</sup>	\$ 7,594,617	8,107,290
Network access <sup>1</sup>	6,229,549	7,761,786
Video <sup>1</sup>	12,215,923	12,070,242
Data <sup>1</sup>	21,416,969	19,859,051
Directory <sup>2</sup>	794,552	827,978
Other contracted revenue <sup>3</sup>	2,403,107	2,355,790
Other <sup>4</sup>	1,292,700	979,076
Revenue from customers	51,947,417	51,961,213
Subsidy and other revenue outside scope of ASC 606 <sup>5</sup>	12,963,654	12,980,128
Total revenue	\$ 64,911,071	\$ 64,941,341

<sup>1</sup> Month-to-Month contracts billed and consumed in the same month.

<sup>2</sup> Directory revenue is contracted annually, however, this revenue is recognized monthly over the contract period as the advertising is used.

<sup>3</sup> This includes long-term contracts where the revenue is recognized monthly over the term of the contract.

<sup>4</sup> This includes CPE and other equipment sales.

<sup>5</sup> This includes governmental subsidies and lease revenue outside the scope of ASC 606.

For the year ended December 31, 2020, approximately 78.04% of our total revenue was from month-to-month and other contracted revenue from customers. Approximately 19.97% of our total revenue was from revenue sources outside of the scope of ASC 606. The remaining 1.99% of total revenue was from other sources including CPE and equipment sales and installation.

For the year ended December 31, 2019, approximately 78.50% of our total revenue was from month-to-month and other contracted revenue from customers. Approximately 20.00% of our total revenue was from revenue sources outside of the scope of ASC 606. The remaining 1.50% of total revenue was from other sources including CPE and equipment sales and installation.



A significant portion of our revenue is derived from customers who may generally cancel their subscriptions at any time without penalty. As such, the amount of revenue related to unsatisfied performance obligations is not necessarily indicative of the future revenue to be recognized from our existing customer base. Revenue from customers with a contractually specified term and non-cancelable service period will be recognized over the term of such contracts, which is generally 3 to 10 years for these types of contracts.

### *Nature of Services*

Revenues are earned from our customers primarily through the connection to our networks, digital and commercial TV programming, Internet services (high-speed broadband), and hosted and managed services. Revenues for these services are billed based on set rates for monthly service or based on the amount of time the customer is utilizing our facilities. The revenue for these services is recognized over time as the service is rendered.

**Voice Services** – We receive recurring revenue for basic voice services that enable end-user customers to make and receive telephone calls within a defined local calling area for a flat monthly fee. In addition to subscribing to basic local telephone services, our customers may choose from multiple voice service plans with a variety of custom calling features such as call waiting, call forwarding, caller identification and voicemail. Our VoIP digital phone service is also available as an alternative to the traditional telephone line. Customers may generally cancel their subscriptions at any time without penalty. Each subscription service provided is accounted for as a distinct performance obligation and revenue is recognized over a one month service period as the subscription services are delivered. Other optional services purchased by the customer are generally accounted for as a distinct performance obligation when purchased and revenue is recognized when the service is provided.

**Network Access** – We provide access services to other communication carriers for the use of our facilities to terminate or originate long distance calls on our network. Additionally, we bill monthly SLCs to substantially all of our customers for access to the public switched network. These monthly SLCs are regulated and approved by the FCC. In addition, network access revenue is derived from several federally administered pooling arrangements designed to provide support and distribute funding to us.

Revenues earned from other communication carriers accessing our network are based on the utilization of our network by these carriers as measured by minutes of use on the network or special access to the network by the individual carriers on a monthly basis. Revenues are billed at tariffed access rates for both interstate and intrastate calls and are recognized into revenue monthly based on the period the access was provided.

The NECA pools and redistributes the SLCs to various communication providers through the CAF. These revenues are earned and recognized into revenue on a monthly basis. Any adjustments to these amounts received by NECA are adjusted for in revenue upon receipt of the adjustment.

**Video Service** – We provide a variety of enhanced video services on a monthly recurring basis to our customers. We also receive monthly recurring revenue from our subscribers for providing commercial TV programming in competition with local CATV, satellite dish TV and off-air TV service providers. We serve twenty-two communities with our IPTV services and five communities with our CATV services. Customers may generally cancel their subscriptions at any time without penalty. Each subscription service provided is accounted for as a distinct performance obligation and revenue is recognized over a one month service period as the subscription services are delivered. Other optional services purchased by the customer are generally accounted for as a distinct performance obligation when purchased and revenue is recognized when the service is provided.

**Data Service** – We provide high speed Internet to business and residential customers depending on the nature of the network facilities that are available, the level of service selected and the location. Our revenue is earned based on the offering of various flat rate packages based on the level of service, data speeds and features. We also provide e-mail and managed services, such as web hosting and design, on-line file back up and on-line file storage. Data customers may generally cancel their subscriptions at any time without penalty. Each subscription service provided is accounted for as a distinct performance obligation and revenue is recognized over a one

month service period as the subscription services are delivered. Other optional services purchased by the customer are generally accounted for as a distinct performance obligation when purchased and revenue is recognized when the service is provided.

Directory – Our directory publishing revenue through an outside in our telephone directories recurs monthly and is recognized into revenue on a monthly basis.

Other Contracted Revenue - Managed services and certain other data customers include fiber-delivered communications and managed information technology solutions to mainly business customers, as well as high-capacity last-mile data connectivity services to wireless and wireline carriers. Services are primarily offered on a subscription basis with a contractually specified and non-cancelable service period. The non-cancelable contract terms for these customers generally range from 3 to 10 years. Each subscription service provided is accounted for as a distinct performance obligation and revenue is recognized ratably over the contract period as the subscription services are delivered. These services are billed as monthly recurring charges to customers.

Other – We also generate revenue from the sales, service and installation of CPE and other services. Sales and service of CPE are billed and recognized into revenue once the sale or service is complete or delivered. These sales and services are generally short-term in nature and are completed within one month. Other revenues are immaterial to our total revenues.

Subsidy and Other Revenue outside the Scope of ASC 606 – We receive subsidies from governmental entities to operate and expand our networks. In addition, we have revenue from leasing arrangements. Both of these revenue streams are outside of the scope of ASC 606.

Interstate access rates are established by a nationwide pooling of companies known as NECA. The FCC established NECA in 1983 to develop and administer interstate access service rates, terms and conditions. Revenues are pooled and redistributed on the basis of a company's actual or average costs. There has been a change in the composition of interstate access charges in recent years, shifting more of the charges to the end user and reducing the amount of access charges paid by the IXC's. We believe this trend will continue.

Intrastate access rates are filed with state regulatory commissions in Minnesota and Iowa.

The Company currently receives funding based on the A-CAM as described below, with the exception of Scott-Rice, which receives funding from the FUSF. Scott-Rice's settlements from the pools are based on nationwide average schedules, which includes the pooling and redistribution of revenues based on a company's actual or average costs as described below.

#### *A-CAM*

As described above, with the exception of Scott-Rice, the remainder of our communications companies receive funding from A-CAM.

On February 25, 2019, the FCC issued Public Notice DA 19-115, which contained revised offers of A-CAM support and associated revised service deployment obligations. On February 27, 2019, the Company's BOD authorized and directed the Company to accept the FCC's revised offer of A-CAM support and the revised associated service deployment obligations. Under the revised FCC offer Notice, the Company will be entitled to annually receive (i) \$596,084 for its Iowa operations and (ii) \$8,354,481 for its Minnesota operations. The Company will receive the revised A-CAM offer over the next 10 years starting in 2019. The Company will use the additional support that it receives through the A-CAM program to continue to meet its defined broadband build-out obligations, which the Company is currently completing. A letter of acceptance to elect the revised A-CAM support was filed by the Company with the FCC on March 8, 2019. The FCC accepted the Company's letter on March 11, 2019.

#### *Accounts Receivable, Contract Assets and Contract Liabilities*

The following table provides information about our receivables, contracts assets and contract liabilities from revenue contracts with our customers:

	<b>Year Ended December 31,</b>	
	<b>2020</b>	<b>2019</b>
Accounts receivable, net	\$ 1,142,476	\$ 1,618,555
Contract assets	421,557	176,299
Contract liabilities	667,868	609,989

#### *Accounts Receivable*

A receivable is recognized in the period the Company provides goods and services when the Company's right to consideration is unconditional. Payment terms on invoiced amounts are generally 30-60 days.

#### *Contract Assets*

Contract assets include costs that are incremental to the acquisition of a contract. Incremental costs are those that result directly from obtaining a contract or costs that would not have been incurred if the contract had not been obtained, which primarily relates to sales commissions. In 2019, we expanded our commission plans and began deferring and amortizing these costs over the expected customer life as the contract obligations are satisfied. We determined that the expected customer life is the expected period of benefit as the commission on the renewal contract is commensurate with the commission on the initial contract. During the years ended December 31, 2020 and 2019, the Company recognized expenses of \$82,684 and \$24,095, respectively, related to deferred contract acquisition costs. Short-term contract assets are included in current assets under prepaid expenses and other current assets. Long-term contract assets are included in investments and other assets under other assets.

#### *Contract Liabilities*

Contract liabilities include deferred revenues related to advanced payments for services and nonrefundable, upfront service activation and set-up fees, which under the new standard are generally deferred. In addition, contract liabilities include customer deposits that are not recognized into revenue, but are instead returned to the customer after a holding period. Short-term contract liabilities include deferred revenues for advanced payments for managed services and other long-term contracts. This includes the current portion of the deferred revenues that will be recognized monthly within one year. Short-term contract liabilities are included in current liabilities under other accrued liabilities. Long-term contract liabilities include deferred revenues for advanced payments for managed services and other long-term contracts. This includes the portion longer than one year and the corresponding deferred revenues are recognized into revenue on a monthly basis based on the term of the contract. Long-term contract liabilities are included in noncurrent liabilities under other accrued liabilities. During the years ended December 31, 2020 and 2019, the Company recognized revenues of \$251,339 and \$229,134, respectively, related to deferred revenues.

#### *Performance Obligations*

ASC 606, Revenue from Contracts with Customers, requires that the Company disclose the aggregate amount of the transaction price that is allocated to remaining performance obligations that are unsatisfied as of December 31, 2020. The guidance provides certain practical expedients that limit this requirement. The service revenue contracts of the Company meet the following practical expedients provided by ASC 606:

1. The performance obligation is part of a contract that has an original expected duration of one year or less.

2. Revenue is recognized from the satisfaction of the performance obligations in the amount billable to the customer in accordance with ASC 606-10-55-18.

The Company has elected these practical expedients. Performance obligations related to our service revenue contracts are generally satisfied over time. For services transferred over time, revenue is recognized based on amounts invoiced to the customer as the Company has concluded that the invoice amount directly corresponds with the value of services provided to the customer. Management considers this a faithful depiction of the transfer of control as services are substantially the same and have the same pattern of transfer over the life of the contract. As such, revenue related to unsatisfied performance obligations that will be billed in future periods has not been disclosed.

### NOTE 3 – LEASES

In February 2016, the FASB issued ASU 2016-02, “Leases,” which, together with its related clarifying ASUs, provided revised guidance for lease accounting and related disclosure requirements and established a right-to-use (ROU) model that requires lessees to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition. This guidance was effective for us on January 1, 2019. We adopted the standard using the modified retrospective method which applied to leases that exist or were entered into on or after January 1, 2019. The Company elected to utilize the package of practical expedients that allows to 1) not reassess whether any expired or existing contracts are or contain leases, 2) retain the existing classification of lease contracts as of the date of adoption and 3) not reassess initial direct costs for any existing leases. The ASU also requires disclosures to allow financial statement users to better understand the amount, timing and uncertainty of cash flows arising from leases. These disclosures include qualitative and quantitative requirements, providing additional information about the amounts recorded in the financial statements.

The following table includes the ROU and operating lease liabilities as of December 31, 2020.

<u>Right of Use Asset</u>	<u>Balance December 31, 2020</u>	<u>Balance December 31, 2019</u>
Operating Lease right-of-use assets	\$ 1,211,707	\$ 1,558,164

<u>Operating Lease Liability</u>	<u>Balance December 31, 2020</u>	<u>Balance December 31, 2019</u>
Short-Term Operating Lease Liability	\$ 243,218	\$ 415,949
Long-Term Operating Lease Liability	993,596	1,146,132
Total	<u>\$ 1,236,814</u>	<u>\$ 1,562,081</u>

Maturity analysis under these lease agreements are as follows:

<u>Maturity Analysis</u>	
2021	\$ 311,200
2022	297,729
2023	297,515
2024	184,649
2025	67,140
Thereafter	<u>365,064</u>
Total	1,523,297
Less Imputed interest	<u>(286,483)</u>
Present Value of Operating Leases	<u>\$ 1,236,814</u>

We amortize our leases over the shorter of the term of the lease or the useful life of the asset. Lease expense for the years ended December 31, 2020 and 2019 was \$521,846 and \$428,680, respectively.

#### **NOTE 4 – FAIR VALUE MEASUREMENTS**

We have adopted the rules prescribed under GAAP for our financial assets and liabilities. GAAP includes a fair value hierarchy that is intended to increase consistency and comparability in fair value measurements and related disclosures. The fair value hierarchy is based on inputs to valuation techniques used to measure fair value that are either observable or unobservable. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources, while unobservable inputs reflect a reporting entity’s pricing based upon its own market assumptions. The fair value hierarchy consists of the following three levels:

- Level 1: Inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs are quoted prices for similar assets or liabilities in an active market, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable and market-corroborated inputs that are derived principally from or corroborated by observable market data.
- Level 3: Inputs are derived from valuation techniques where one or more significant inputs or value drivers are unobservable.

We have used financial derivative instruments to manage our overall cash flow exposure to fluctuations in interest rates. We accounted for derivative instruments in accordance with GAAP that requires derivative instruments to be recorded on the balance sheet at fair value. Changes in fair value of derivative instruments must be recognized in earnings unless specific hedge accounting criteria are met, in which case, the gains and losses are included in other comprehensive income rather than in earnings.

We have entered into IRSAs with our lender, CoBank, to manage our cash flow exposure to fluctuations in interest rates. These instruments are designated as cash flow hedges and are effective at mitigating the risk of fluctuations on interest rates in the market place. Any gains or losses related to changes in the fair value of these derivatives are accounted for as a component of accumulated other comprehensive income (loss) for as long as the hedge remains effective.

The fair value of our IRSAs is discussed in Note 8 – “Interest Rate Swaps”. The fair value of our swap agreement was determined based on Level 2 inputs.

## Other Financial Instruments

*Other Investments* - We conducted an evaluation of our investments in all of our investees in connection with the preparation of our audited financial statements at December 31, 2020. As of December 31, 2020, we believe the carrying value of our investments is not impaired.

*Debt* - We estimate the fair value of our long-term debt based on the discounted future cash flows we expect to pay using current rates of borrowing for similar types of debt. Fair value of the debt approximates carrying value.

*Other Financial Instruments* - Our financial instruments also include cash equivalents, trade accounts receivable and accounts payable where the current carrying amounts approximate fair market value.

## NOTE 5 – PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as of December 31, 2020 and 2019, include the following:

	<u>2020</u>	<u>2019</u>
Communications Plant:		
Land	\$ 712,503	\$ 712,503
Buildings	10,736,080	10,612,823
Other Support Assets	17,990,916	17,418,983
Central Office and Circuit Equipment	57,781,339	55,273,657
Cable and Wire Facilities	80,701,208	74,402,816
Other Plant and Equipment	404,883	404,883
Plant Under Construction	3,634,807	4,804,731
	<u>171,961,736</u>	<u>163,630,396</u>
Other Property	25,758,591	23,301,293
Video Plant	<u>11,143,951</u>	<u>10,732,919</u>
	<u>\$ 208,864,278</u>	<u>\$ 197,664,608</u>

Depreciation is computed using the straight-line method based on the estimated service or remaining useful lives of the various classes of depreciable assets. Depreciation expense was \$8,819,559 and \$8,797,091 in 2020 and 2019. The composite depreciation rates on communications plant and equipment for the two years ended December 31, 2020 and 2019, respectively, were 4.3% and 4.6%. Other property and video plant is depreciated over estimated useful lives of three to twenty-five years.

## NOTE 6 - GOODWILL AND INTANGIBLES

We account for goodwill and other intangible assets under GAAP. Under GAAP, goodwill and intangible assets with indefinite useful lives are not amortized, but are instead tested for impairment (i) on at least an annual basis and (ii) when changes in circumstances indicate that the fair value of goodwill may be below its carrying value. These circumstances include, but are not limited to (i) a significant adverse change in the business climate, (ii) unanticipated competition or (iii) an adverse action or assessment by a regulator. Determining impairment involves estimating the fair value of a reporting unit using a combination of (i) the income or DCF approach and (ii) the market approach that utilizes comparable companies' data. If the carrying amount of a reporting unit exceeds its fair value, the amount of the impairment loss must be measured. The impairment loss is calculated by comparing the implied fair value of the reporting unit's goodwill to its carrying amount. In calculating the implied fair value of the reporting unit's goodwill, the fair value of the reporting unit is allocated to all of the assets and liabilities of the reporting unit. The excess of the fair value of a reporting unit over the amount assigned to its other assets and liabilities is the implied value of goodwill. We recognize impairment loss when the carrying amount of goodwill exceeds its implied fair value. Our goodwill totaled \$49,903,029 at December 31, 2020 and 2019.

In 2020 and 2019, we engaged an independent valuation firm to aid in the completion of our annual impairment testing for existing goodwill. For 2020 and 2019, the testing results indicated no impairment charge to goodwill as the determined fair value was sufficient to pass the first step of the impairment test.

Our intangible assets subject to amortization consist of acquired customer relationships, regulatory rights and trade names. We amortize intangible assets with finite lives over their respective estimated useful lives. Identifiable intangible assets that are subject to amortization are evaluated for impairment. In addition, we periodically reassess the carrying value, useful lives and classifications of our identifiable intangible assets.

The components of our identified intangible assets are as follows:

	Useful Lives	December 31, 2020		December 31, 2019	
		Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Definite-Lived Intangible Assets					
Customers Relationships	14-15 yrs	\$ 42,878,445	\$ 25,811,014	\$ 42,878,445	\$ 22,815,928
Regulatory Rights	15 yrs	4,000,000	3,466,635	4,000,000	3,199,971
Trade Name	3-5 yrs	310,106	149,423	880,106	657,402
Indefinitely-Lived Intangible Assets					
Video Franchise		3,000,000	-	3,000,000	-
Spectrum		877,814	-	-	-
Total		\$ 51,066,365	\$ 29,427,072	\$ 50,758,551	\$ 26,673,301
Net Identified Intangible Assets			\$ 21,639,293		\$ 24,085,250

Amortization expense related to the definite-lived assets was \$3,323,771 for 2020 and \$3,323,771 for 2019. Amortization expense for the next five years is estimated to be:

2021	\$3,323,726
2022	\$1,952,376
2023	\$1,660,295
2024	\$1,623,654
2025	\$1,618,732

## NOTE 7 - LONG-TERM DEBT

We have a MLA with CoBank. Nuvera and its respective subsidiaries also have security agreements under which substantially all the assets of Nuvera and its respective subsidiaries have been pledged to CoBank as collateral. In addition, Nuvera and its respective subsidiaries have guaranteed all the obligations under the credit facility. These mortgage notes are required to be paid in quarterly installments covering principal and interest, beginning in September 2018 and maturing on July 31, 2025.

### Secured Credit Facility:

#### MLA RX0583

- RX0583(A)-T4 - \$64,550,000 term note with interest payable quarterly. Final maturity date of this note is July 31, 2025. Twenty-eight quarterly principal payments of \$1,152,600 are due commencing September 30, 2018 through June 30, 2025. A final balloon payment of \$32,277,200 is due at maturity of this note on July 31, 2025.
- RX0583(A)-T5 - \$10,000,000 revolving note with interest payable quarterly. Final maturity date of this note is July 31, 2025. We currently have drawn \$0 on this revolving note as of December 31, 2020.

RX0583(A)-T4 and RX0583(A)-T5 initially bear interest at a “LIBOR Margin” rate equal to 3.25 percent over the applicable LIBOR rate. The LIBOR Margin decreases as our “Leverage Ratio” decreases.

We generally use variable-rate debt to finance our operations, capital expenditures and acquisitions. These variable-rate debt obligations expose us to variability in interest payments due to changes in interest rates. The terms of our credit facility with CoBank require that we enter into interest rate agreements designed to protect us against fluctuations in interest rates, in an aggregate principal amount and for a duration determined under the credit facility.

As described in Note 8 – “Interest Rate Swaps,” on August 1, 2018 we entered into an IRSA with CoBank covering 25 percent of our existing debt balance or \$16,137,500 of our aggregate indebtedness to CoBank at August 1, 2018. As of December 31, 2020, our IRSA covered \$13,256,000, with a weighted average rate of 5.52%.

As described in Note 8 – “Interest Rate Swaps,” on August 29, 2019 we entered into a second IRSA with CoBank covering an additional \$42,000,000 of our aggregate indebtedness to CoBank at August 29, 2019. As of December 31, 2020, our IRSA covered \$37,154,202, with a weighted average rate of 3.75%.

Our remaining debt of \$11.1 million (\$10.0 million available under the revolving credit facilities and \$1.1 million currently outstanding) remains subject to variable interest rates at an effective weighted average interest rate of 2.65%, as of December 31, 2020.

Our loan agreements include restrictions on our ability to pay cash dividends to our stockholders. However, we are allowed to pay dividends (a) (i) in an amount up to \$2,700,000 in any year if our “Total Leverage Ratio,” that is, the ratio of our “Indebtedness” to “EBITDA” – as defined in the loan documents is greater than 2.00 to 1.00, and (ii) in any amount if our Total Leverage Ratio is less than 2.00 to 1.00, and (b) in either case, if we are not in default or potential default under the loan agreements. On December 31, 2020 our Total Leverage Ratio fell below 2.00, thus eliminating any restrictions on our ability to pay cash dividends to our stockholders. Our current Total Leverage Ratio at December 31, 2020 is 1.92.

Our credit facility requires us to comply with specified financial ratios and tests. These financial ratios include total leverage ratio, debt service coverage ratio, equity to total assets ratio and annual maximum aggregate capital expenditures. At December 31, 2020, we were in compliance with all the stipulated financial ratios in the loan agreements.

There are security and loan agreements underlying our current CoBank credit facility that contain restrictions on our distributions to stockholders and investment in, or loans, to others. Also, our credit facility contains restrictions that, among other things, limits or restricts our ability to enter into guarantees and contingent liabilities, incur additional debt, issue stock, transact asset sales, transfers or dispositions, and engage in mergers and acquisitions, without CoBank approval.

On April 16, 2020, Nuvera received a \$2,889,000 loan under the SBA’s PPP, which was established as part of the Coronavirus Aid, Relief Economic Security Act, or CARES Act. The PPP Loan is unsecured and is evidenced by a note in the favor of Citizens as the lender.

The interest rate on the Note is 1.0% per annum. Payments of principal and interest are deferred for 180 days from the date of the Note (the deferral period). The PPP provides a mechanism for forgiveness of up to the full amount borrowed as long as Nuvera uses the loan proceeds during the 24-week period after the loan origination for eligible purposes, including U.S. payroll costs, certain benefit costs, rent and utilities costs, and maintains its employment and compensation levels, subject to certain other requirements and limitations. The amount of the loan forgiveness is subject to reduction, among other things, if Nuvera terminates employees or reduces salaries or wages during the 24-week period. Any unforgiven portion of the PPP Loan is payable over a two-



year term, with payments deferred during the deferral period. Nuvera is permitted to prepay the Note at any time without payment of any premium. The Note contains customary events of material defaults, including, among others, those relating to failure to make a payment, bankruptcy, other indebtedness, breaches of representations, and material adverse changes. The Company has adhered to all guidelines under the terms of the Note and applied for debt forgiveness in August, 2020.

See Note 20 – “Subsequent Events” for information regarding PPP loan forgiveness.

Long-term debt is as follows:	<u>2020</u>	<u>2019</u>
Secured seven-year credit facility to CoBank, ACB, amortizing in quarterly installments of \$1,152,600 (beginning on September 30, 2018), plus a notional variable rate of interest through July 31, 2025.	\$ 51,512,585	\$ 56,134,400
Secured seven-year revolving credit facility of up to \$10,000,000 to CoBank, ACB, plus a notional variable rate of interest through July 31, 2025.	-	-
Unsecured two-year SBA PPP Loan of \$2,889,000 at 1% per annum from Citizens Bank Minnesota received April 16, 2020. Payments are deferred until November 16, 2020 or until the SBA rules on Loan Forgiveness, whichever is later.	2,889,000	-
Less: Unamortized Loan Fees	<u>(451,714)</u>	<u>(550,270)</u>
	53,949,871	55,584,130
Less: Amount due within one year	(6,886,986)	(4,610,400)
Less: Current Portion of Unamortized Loan Fees	<u>(98,556)</u>	<u>(98,556)</u>
Total Long Term Debt	<u>\$ 47,161,441</u>	<u>\$ 51,072,286</u>

Required principal payments for the next five years are as follows:

2021	\$ 6,886,986
2022	\$ 5,222,814
2023	\$ 4,610,400
2024	\$ 4,610,400
2025	\$ 33,070,985

## NOTE 8 – INTEREST RATE SWAPS

We assess interest rate cash flow risk by continually identifying and monitoring changes in interest rate exposures that may adversely affect expected future cash flows and by evaluating hedging opportunities.

We generally use variable-rate debt to finance our operations, capital expenditures and acquisitions. These variable-rate debt obligations expose us to variability in interest payments due to changes in interest rates. The terms of our credit facility with CoBank required that we enter into interest rate agreements designed to protect us against fluctuations in interest rates, in an aggregate principal amount and for a duration determined under the credit facility.

To meet this objective, we have entered into an IRSA with CoBank covering 25 percent of our existing outstanding debt balance or \$16,137,500 of our aggregate indebtedness to CoBank at August 1, 2018. The swap effectively locked in the interest rate on 25 percent of our variable-rate debt through July 2025. Under this IRSA, we have changed the variable-rate cash flow exposure on the debt obligations to fixed cash flows. Under the terms of the IRSA, we pay a fixed contractual interest rate and (i) make an additional payment if the LIBOR variable rate payment is below a contractual rate or (ii) receive a payment if the LIBOR variable rate payment is above the contractual rate.

On August 29, 2019 we entered into a second IRSA with CoBank covering an additional \$42,000,000 of our aggregate indebtedness to CoBank at August 29, 2019. The swap effectively locked in a significant portion of our variable-rate debt through July 2025. Under this IRSA, we have changed the variable rate cash flow exposure on the debt obligations to fixed cash flows. Under the terms of the IRSA, we pay a fixed contractual interest rate and (i) make an additional payment if the LIBOR variable rate payment is below a contractual rate or (ii) receive a payment if the LIBOR variable rate payment is above the contractual rate.

Each month, we make interest payments to CoBank under its loan agreements based on the current applicable LIBOR Rate plus the contractual LIBOR margin then in effect with respect to the loan, without reflecting our IRSAs. At the end of each calendar month, CoBank adjusts our aggregate interest payments based on the difference, if any, between the amounts paid by us during the month and the current effective interest rate. Net interest payments are reported in our consolidated income statement as interest expense.

As of December 31, 2020 we had the following IRSA in effect.

<u>Loan #</u>	<u>Maturity Date</u>	<u>Notional Amount</u>	<u>Current Effective Interest Rate (1)</u>
RX0583-T4	07/31/2025	\$13,256,000	5.52% (LIBOR Rate of 3.02% plus 2.50% LIBOR Margin)
RX0583-T4	07/31/2025	\$37,154,202	3.75% (LIBOR Rate of 1.25% plus 2.50% LIBOR Margin)

(1) As described in Note 7 – “Long-Term Debt,” the notes above initially bears interest at a LIBOR rate determined by the maturity of the note, plus a “LIBOR Margin” rate equal to a maximum of 3.25% according to the individual secured credit facility. The LIBOR Margin decreases as the borrower’s “Leverage Ratio” decreases. The “Current Effective Interest Rate” in the table reflects the rate we pay giving effect to the swaps.

Our IRSAs under our credit facilities both qualify as a cash flow hedges for accounting purposes under GAAP. We reflect the effect of these hedging transactions in the financial statements. The unrealized gain/loss is reported in other comprehensive income. If we terminate our IRSAs, the cumulative change in fair value at the date of termination would be reclassified from accumulated other comprehensive income, which is classified in stockholders’ equity, into earnings on the consolidated statements of income.

The fair value of the Company’s IRSAs were determined based on valuations received from CoBank and were based on the present value of expected future cash flows using discount rates appropriate with the terms of the IRSAs. The fair value indicates an estimated amount we would be required to pay if the contracts were canceled or transferred to other parties. At December 31, 2020, the fair value liability of these swaps were \$2,721,118, which has been recorded net of deferred tax benefit of \$776,607, resulting in the \$1,944,511 in accumulated other comprehensive loss. At December 31, 2019, the fair value liability of these swaps were \$260,418, which has been recorded net of deferred tax benefit of \$74,323, resulting in the \$186,095 in accumulated other comprehensive loss.

## **NOTE 9 - INCOME TAXES**

Income taxes recorded in our consolidated statements of income consists of the following:

	<u>2020</u>	<u>2019</u>
Taxes currently payable		
Federal	\$ 1,610,924	\$ 1,899,170
State	1,229,752	1,122,935
Deferred Income Taxes	<u>1,220,637</u>	<u>287,362</u>
Total Income Tax Expense	<u>\$ 4,061,313</u>	<u>\$ 3,309,467</u>

We account for income taxes in accordance with GAAP, which requires an asset and liability approach to financial accounting and reporting for income taxes. As required by GAAP, we recognize the financial statement benefit of a tax position only after determining that the relevant tax authority would more-likely-than-not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

As of December 31, 2020 we had \$44,155 of unrecognized tax benefits that if recognized, none would affect the tax rate. As of December 31, 2019 we had no unrecognized tax benefits. We do not expect the total amount of unrecognized tax benefits to materially change over the next 12 months.

A reconciliation of the beginning and ending amount of total unrecognized benefits for the years ended December 31, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ -	\$ -
Increases related to prior year tax positions	44,155	-
Decreases related to prior year tax positions	-	-
Increases related to current year tax positions	-	-
Settlements	-	-
Balance, end of year	<u>\$ 44,155</u>	<u>\$ -</u>

We are primarily subject to United States, Minnesota, Iowa, Nebraska, North Dakota and Wisconsin income taxes. Tax years subsequent to 2016 remain open to examination by federal and state tax authorities. Our policy is to recognize interest and penalties related to income tax matters as income tax expense. As of December 31, 2020 and 2019 we had \$3,208 and \$0 accrued interest that related to income tax matters.

The differences between the statutory federal tax rate and the effective tax rate were as follows:

	<u>2020</u>	<u>2019</u>
Statutory Tax Rate	21.00 %	21.00 %
Effect of:		
State Income Taxes Net of Federal Tax Benefit	8.79	8.43
Permanent Differences and Other, Net	<u>(0.57)</u>	<u>(1.00)</u>
Effective tax rate	<u>29.22 %</u>	<u>28.43 %</u>

Deferred income taxes and unrecognized tax benefits reflected in our consolidated balance sheets are summarized as follows:

	<u>2020</u>	<u>2019</u>
Deferred Tax Assets		
Accrued Expenses	\$ (465,304)	\$ (549,280)
Deferred Compensation	(263,355)	(305,739)
Other	(131,291)	(100,233)
Unrealized Loss on SWAP	(776,730)	(74,335)
State NOL	(52,854)	(249,531)
Leases	<u>(353,043)</u>	<u>(445,889)</u>
Total Deferred Tax Assets	<u>(2,042,577)</u>	<u>(1,725,007)</u>
Deferred Tax Liabilities		
Fixed Assets	12,306,391	10,766,047
Intangible Assets	5,049,532	5,974,142
Investments	1,208,856	959,779
Contract Assets	120,331	50,324
Leases	<u>345,876</u>	<u>444,770</u>
Total Deferred Tax Liabilities:	<u>19,030,986</u>	<u>18,195,062</u>
Total Net Deferred Taxes	<u>\$ 16,988,409</u>	<u>\$ 16,470,055</u>

#### **NOTE 10 - RETIREMENT PLAN**

We have a 401(k) employee savings plan in effect for employees who meet age and service requirements. Our contributions to our 401(k) employee savings plan were \$378,032 and \$692,655 in 2020 and 2019.

#### **NOTE 11 – COMMITMENTS AND CONTINGENCIES**

We are involved in certain contractual disputes in the ordinary course of business. We do not believe the ultimate resolution of any of these existing matters will have a material adverse effect on our financial position, results of operations or cash flows. We did not experience any changes to material contractual obligations in the year ended December 31, 2020.

Our capital budget for 2021 is approximately \$18.2 million and will be financed through internally generated funds and our line of credit.

#### **NOTE 12 - NONCASH INVESTING ACTIVITIES**

Noncash investing activities included \$112,196 and \$225,548 during the years ended December 31, 2020 and 2019. These activities related to plant and equipment additions placed in service and are recorded in our accounts payable at year-end.

#### **NOTE 13 – OTHER INVESTMENTS**

We are a co-investor with other communication companies in several partnerships and limited liability companies. These joint ventures make it possible to offer services to customers, including digital video services and fiber transport services that we would have difficulty offering on our own. These joint ventures also make it possible to invest in new technologies with a lower level of financial risk. We recognize income and losses from these investments on the equity method of accounting. For a listing of our investments, see Note 17 – “Segment Information.”

The FASB requires equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) to be measured at fair value with changes in fair value recognized in net income. However, an entity may choose to measure equity investments that do not have readily determinable fair values at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. As of December 31, 2020 we recorded a gain on one of our investments of \$47,640. As of December 31, 2019, we recorded a loss on one of our investments of \$104,044.

#### **NOTE 14 - GUARANTEES**

Nuvera has guaranteed a portion of a ten-year loan owed by FiberComm, LC set to mature on April 30, 2026. As of December 31, 2020, we have recorded a liability of \$273,805 in connection with the guarantee on this loan. This guarantee may be exercised if FiberComm, LC does not make its required payments on this note.

#### **NOTE 15 – DEFERRED COMPENSATION**

As of December 31, 2020 and 2019, we have recorded other deferred compensation relating to executive compensation payable to certain former executives of the Company and certain former executives of past acquisitions.

#### **NOTE 16 – RESTRICTED STOCK UNITS**

Our BOD adopted the 2017 Omnibus Stock Plan effective May 25, 2017. The shareholders of the Company approved the Plan at the May 25, 2017 Annual Meeting of Shareholders. The Plan enables the Company to grant stock incentive awards to current and new employees, including officers, and to Board members and service providers. The Plan permits stock incentive awards in the form of options (incentive and non-qualified), stock appreciation rights, restricted stock, RSUs, performance stock, performance units, and other awards in stock or cash. The Plan permits the issuance of up to 625,000 shares of our Common Stock in any of the above stock awards. As of March 16, 2021, 569,392 shares remain available to be issued under the Plan.

Starting in 2017 and each subsequent year following 2017, our BOD and Compensation Committee granted awards to the Company's executive officers under the Plan. We recognize share-based compensation expense for these RSUs over the vesting period of the RSUs which is determined by our BOD. Forfeitures of RSU's are accounted for as they occur. Each executive officer received or may receive time-based RSUs and performance-based RSUs. The time-based RSUs are computed as a percentage of the executive officer's base salary based on the closing price of Company common stock on a date set by the BOD, and will vest over a three-year period based on the executive officer being employed by the Company on the vesting date. The performance-based RSUs are also computed as a percentage of the executive officer's base salary based on the closing price of Company common stock on a date set by the BOD, and will vest over a three-year period based on the Company attaining an average Return on Invested Capital (ROIC) over that three-year period. The ROIC target is set by the BOD. Executive officers may earn more or less performance-based RSU's based on if the actual ROIC over the time period is more or less than target. Upon vesting of either time-based or performance-based RSUs, the executive officers will be able to receive Common Stock in the Company in exchange for the RSUs.

RSUs currently issued and outstanding are as follows:

	Time-Based RSU's	Targeted Performance-Based RSU's	Closing Stock Price	Vesting Date
Balance at December 31, 2018	8,717	5,000		
Issued	3,172	-	\$ 19.26	12/31/2021
Issued	-	4,781	\$ 19.26	12/31/2021
Issued	1,913	-	\$ 20.00	12/31/2022
Exercised	(4,399)	-	\$ 18.50	12/10/2019
Forfeited	(1,024)	-		
Balance at December 31, 2019	8,379	9,781		
Issued	4,163	0	\$ 16.64	12/8/2022
Issued	-	6,461	\$ 16.64	12/31/2022
Exercised	(2,062)	(2,082)	\$ 19.00	12/31/2019
Exercised	(1,588)	-	\$ 19.44	12/11/2020
Forfeited	(1,254)	(4,549)		
Balance at December 31, 2020	7,638	9,611		

#### NOTE 17 – SEGMENT INFORMATION

We operate in the Communications Segment and have no other significant business segments. The Communications Segment consists of voice, data and video communication services delivered to the customer over our local communications network. No single customer accounted for a material portion of our consolidated revenues in any of the last two years.

The Communications Segment operates the following communications companies and has investment ownership interests as follows:

#### Communications Segment

- Communications Companies:
  - Nuvera Communications, Inc., the parent company;
  - Hutchinson Telephone Company, a wholly-owned subsidiary of Nuvera;
  - Peoples Telephone Company, a wholly-owned subsidiary of Nuvera;
  - Scott-Rice Telephone Co., a wholly-owned subsidiary of Nuvera;
  - Sleepy Eye Telephone Company, a wholly-owned subsidiary of Nuvera;
  - Western Telephone Company, a wholly-owned subsidiary of Nuvera; and
  - Hutchinson Telecommunications, Inc., a wholly-owned subsidiary of HTC, located in Litchfield and Glencoe, Minnesota;
  
- Our investments and interests in the following entities include some management responsibilities:
  - FiberComm, LC – 20.00% subsidiary equity ownership interest. FiberComm, LC is located in Sioux City, Iowa;
  - Broadband Visions, LLC – 24.30% subsidiary equity ownership interest. BBV provides video headend and Internet services;
  - Independent Emergency Services, LLC – 14.29% subsidiary equity ownership interest. IES is a provider of E-911 services to the State of Minnesota as well as a number of counties located in Minnesota; and
  - SM Broadband, LLC – 9.09% subsidiary equity ownership interest. SMB provides network connectivity for regional businesses.

## **NOTE 18 – BROADBAND GRANTS**

In November 2017, the Company was awarded a broadband grant from the DEED. The grant provided up to 42.6% of the total cost of building fiber connections to homes and businesses for improved high-speed internet in unserved or underserved communities and businesses in the Company's service area. The Company was eligible to receive \$736,598 of the \$1,727,998 total project costs. The Company provided the remaining 57.4% matching funds. Construction and expenditures for these projects began in 2018. We have received \$650,208 for these projects as of December 31, 2020.

In January 2020, the Company was awarded a broadband grant from DEED. The grant will provide up to 36.5% of the total cost of building fiber connections to homes and businesses for improved high-speed internet in unserved or underserved communities and businesses in the Company's service area. The Company is eligible to receive \$730,000 of approximately \$2,000,000 total project costs. The Company will provide the remaining 63.5% matching funds. Construction and expenditures for these projects began in the spring of 2020. We have not received any funds for these projects as of December 31, 2020.

## **NOTE 19 – TRANSACTIONS WITH EQUITY METHOD INVESTMENTS**

We receive and provide services to various partnerships and limited liability companies where we are an investor. Services received include digital video, special access and communications circuits. Services provided include BOD meeting attendance, labor, Internet help desk services and management services. Cost of services we receive from affiliated parties may not be the same as the costs of such services had they been obtained from different parties.

Total revenues from transactions with affiliates were \$896,546 and \$1,028,636 for 2020 and 2019. Total expenses from transactions with affiliates were \$553,271 and \$519,953 for 2020 and 2019.

## **NOTE 20 – SUBSEQUENT EVENTS**

Nuvera's BOD has declared a regular quarterly dividend on our common stock of \$.13 per share, payable on March 15, 2021 to stockholders of record at the close of business on March 5, 2021.

On February 2, 2021, the Company was notified by Citizens, the lender on the Company's PPP Loan, that Citizens had received payment in full from the United States federal government for the amount of the Company's PPP Loan and the Company's PPP Loan had been fully forgiven.

On January 29, 2021, the Company was awarded five broadband grants from the DEED. The grants will provide up to 35.4% of the total cost of building fiber connections to homes and businesses for improved high-speed internet in unserved or underserved communities and businesses in the Company's service area. The Company is eligible to receive \$1,918,037 of the approximately \$5,419,617 total project costs. The Company will provide the remaining 64.6% matching funds. Construction and expenditures for these projects will begin in the spring of 2021.

We have evaluated and disclosed subsequent events through the filing date of this Annual Report on Form 10-K.

## **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None.

## **Item 9A. Controls and Procedures**

### **Evaluation of Disclosure Controls and Procedures**

Our principal executive officer and principal financial officer evaluated the effectiveness of our disclosure controls and procedures, as defined in Exchange Act Rule 13a-15(e) or Rule 15d-15(e), as of the end of the period subject to this Report. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective.

### **Management's Report on Internal Control over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Internal control over financial reporting refers to the process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer, and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, and includes those policies and procedures that:

- (1) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that our receipts and expenditures are being made only in accordance with authorization of our management and directors; and
- (3) Provide reasonable assurance regarding prevention or timely detection or unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting cannot provide absolute assurance of preventing and detecting misstatements on a timely basis. It is possible to design into the process safeguards to reduce, though not eliminate, the risk that misstatements are not prevented or detected on a timely basis. Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company.

Our management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework set forth in the report entitled Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). Based on this assessment, management has concluded that, as of December 31, 2020, our internal control over financial reporting was effective.

### **Changes in Internal Control over Financial Reporting**

Based upon the evaluation performed by our management, which was conducted with the participation of our Chief Executive Officer and Chief Financial Officer, there has been no change in our internal control over financial reporting during the quarter ended December 31, 2020, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **Item 9B. Other Information**

### **PPP Loan and Consent**

On April 16, 2020, Nuvera received approximately \$2.9 million in support from the U.S. federal government under the PPP established as part of the Coronavirus Aid, Relief Economic Security Act, or the CARES Act. The PPP Loan is unsecured and is evidenced by a note in the favor of Citizens as the lender.



The interest rate on the Note is 1.0% per annum. Payments of principal and interest are deferred for 180 days from the date of the Note (the deferral period). The PPP provides a mechanism for forgiveness of up to the full amount borrowed as long as Nuvera uses the loan proceeds during the 24-week period after the loan origination for eligible purposes, including U.S. payroll costs, certain benefit costs, rent and utilities costs, and maintains its employment and compensation levels, subject to certain other requirements and limitations. The amount of the loan forgiveness is subject to reduction, among other things, if Nuvera terminates employees or reduces salaries or wages during the 24-week period. Any unforgiven portion of the PPP Loan is payable over a two-year term, with payments deferred during the deferral period. Nuvera is permitted to prepay the Note at any time without payment of any premium. The Note contains customary events of default, including, among others, those relating to failure to make a payment, bankruptcy, material defaults or other indebtedness, breaches or representations, and material adverse changes. The Company has adhered to all guidelines under the terms of the Note and applied for debt forgiveness in August, 2020.

In connection with the PPP Loan, Nuvera also received a Consent regarding the PPP Loan, dated as of April 13, 2020 from CoBank, pursuant to Nuvera's Second Amended and Restated Master Loan Agreement with CoBank, dated as of July 31, 2018, as amended.

See Note 20 – “Subsequent Events” for information regarding PPP Loan forgiveness.

### **PART III**

#### **Information Incorporated by Reference**

In response to Part III, Items 10, 11, 12, 13 and 14, portions of the Company's 2021 proxy statement for its Annual Meeting to be held on May 27, 2021 incorporated by reference into this Form 10-K. The 2021 Proxy Statement will be filed pursuant to Regulation 14A within 120 days of December 31, 2020, the last day of the Company fiscal year.

#### **Item 10. Directors, Executive Officers and Corporate Governance**

The information required by Item 401 of Regulation S-K relating to directors and nominees of the Company is contained under “Proposal 1 – Election of Directors” in the 2021 Proxy Statement and is incorporated by reference. Information required under Item 401 about executive officers is included in Part I, Item 1 of this Annual Report on Form 10-K under “Executive Officers of the Registrant.” The information required by Item 405 of Regulation S-K is contained under “Section 16(a) Beneficial Ownership Reporting Compliance” in the 2021 Proxy Statement and is incorporated by reference.

We have adopted a code of conduct that applies to all officers, directors and employees of the company. This code of conduct is available on our Website at [www.nuvera.net](http://www.nuvera.net) and in print upon written request to Nuvera Communications, Inc., 27 North Minnesota Street, New Ulm, Minnesota 56073, Attention: Chief Financial Officer. Any amendment to, or waiver from, a provision of our code of conduct will be posted to the above-referenced Website.

The information required by Item 407(d)(4) and (d)(5), under “Audit Committee,” is contained under “The Board of Directors and Committees – Audit Committee” in the 2021 Proxy Statement and is incorporated by reference. There is no disclosure required under Item 407(c)(3) regarding material changes in shareholder director nominating procedures.

#### **Item 11. Executive Compensation**

The information required by Item 402 of Regulation S-K is contained under “Executive Compensation” in the 2021 Proxy Statement and is incorporated by reference.

The information required by Regulation S-K Item 407(e)(4), "Compensation Committee Interlocks and Insider Participation," and Item 407(e)(5), "Compensation Committee Report," is not required because the Company is a smaller reporting company.

**Item 12. Security Ownership of Beneficial Owners and Management, and Related Stockholder Matters**

The information required by Item 201(d) of Regulation S-K, "Securities Authorized for Issuance under Equity Compensation Plans" is contained under "Non-Employee Director Compensation" in the 2021 Proxy Statement and is incorporated by reference.

The information required by Item 403 of Regulation S-K relating to security ownership of certain beneficial owners and management is contained under "Security Ownership of Certain Beneficial Owners and Management" in our 2021 Proxy Statement and is incorporated by reference.

**Item 13. Certain Relationships and Related Transactions, and Director Independence**

There are no matters that require disclosure with respect to certain transactions with related persons as set forth in Item 404 of Regulation S-K.

The information required by Item 404(b) and Item 407(a) of Regulation S-K is contained under "Certain Relationship and Related Transactions" and "Corporate Governance," respectively in the 2021 Proxy Statement and is incorporated by reference.

**Item 14. Principal Accountant Fees and Services**

The information relating to principal accounting fees and services required by Item 9(e) of Regulation 14A is set forth under "Proposal 2- Ratification of Independent Registered Public Accounting Firm" – "Fees Billed and Paid to Independent Registered Public Accounting Firm, – "Audit Fees," – "Audit-Related Fees," – "Tax Fees," – "All Other Fees," and – "Audit Committee Pre-Approval Policy for Services of Independent Registered Public Accounting Firm," in the Proxy Statement and incorporated by reference.

**Item 15. Exhibits and Financial Statement Schedules**

(a) 1. Consolidated Financial Statements

Included in Part II, Item 8, of this report:

	<u>Pages</u>
Report of Independent Registered Public Accounting Firm	35-36
Consolidated Statements of Income for the Years Ended December 31, 2020 and 2019	37
Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2020 and 2019	38
Consolidated Balance Sheets as of December 31, 2020 and 2019	39-40
Consolidated Statements of Cash Flows for the Years Ended December 31, 2020 and 2019	41
Consolidated Statements of Stockholders' Equity for the Years Ended Ended December 31, 2020 and 2019	42

(a) 2. Consolidated Financial Statement Schedules:

Other schedules are omitted because they are not required or are not applicable, or the required information is shown in the financial statements or notes thereto.

(a) 3. Exhibits Required

See “Index to Exhibits”

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**Item 16. Form 10-K Summary**

Not Applicable.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: March 16, 2021

NUVERA COMMUNICATIONS, INC.  
(Registrant)

By /s/ Glenn H. Zerbe

Glenn H. Zerbe, Chief Executive  
Officer  
(Principal Executive Officer)

By /s/ Curtis O. Kawlewski

Curtis O. Kawlewski, Chief  
Financial Officer  
(Principal Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, the following persons on behalf of the registrant and in the capacities and on the dates indicated have signed this report.

/s/ Perry L. Meyer March 16, 2021  
Perry Meyer, Chairman of the Board

/s/ Glenn H. Zerbe March 16, 2021  
Glenn H. Zerbe, President and Chief Executive Officer  
(Principal Executive Officer)

/s/ Curtis O. Kawlewski March 16, 2021  
Curtis O. Kawlewski, Chief Financial Officer  
(Principal Financial Officer and Principal Accounting Officer)

/s/ Dennis E. Miller March 16, 2021  
Dennis Miller, Director

/s/ Bill D. Otis March 16, 2021  
Bill D. Otis, Director

/s/ Wesley E. Schultz March 16, 2021  
Wesley E. Schultz, Director

/s/ James J. Seifert March 16, 2021  
James J. Seifert, Director

/s/ Colleen R. Skillings March 16, 2021  
Colleen R. Skillings, Director

/s/ Suzanne M. Spellacy March 16, 2021  
Suzanne M. Spellacy, Director

## EXHIBIT INDEX

3.1	Restated Articles of Incorporation, as amended, of Nuvera Communications, Inc., incorporated by reference to Exhibit 3.1 of the Company's Form 8-K dated June 1, 2018
3.2	Bylaws of Nuvera Communications, Inc., incorporated by reference to Exhibit 3.2 of the Company's Form 10-Q for the quarter ended March 31, 2020
4.1*	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, incorporated by reference to Exhibit 4.1 of the Company's Form 10-K for the year ended December 31, 2019
10.1+	August 27, 2019 Offer Letter to Glenn Zerbe, incorporated by reference to Exhibit 10.1 of the Company's Form 8-K dated August 27, 2019
10.2+	Change in Control Agreement with Glenn Zerbe incorporated by reference to Exhibit 10.1 of the Company's Form 8-K dated August 27, 2019
10.3+	Transitional Retirement Agreement dated August 27, 2019 between Nuvera Communications, Inc. and Bill Otis, incorporated by reference to Exhibit 10.3 to the Company's Form 8-K dated August 27, 2019
10.4+	Employment Agreement dated as of July 1, 2006, between Nuvera Communications, Inc. and Barbara A.J. Bornhoft, incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q for the quarter ended March 31, 2007
10.4.1+	Amendment dated March 21, 2012, to Employment Agreement dated as of July 1, 2006, between Nuvera Communications, Inc. and Barbara A.J. Bornhoft, incorporated by reference to Exhibit 10.2.1 to the Company's 2011 Form 10-K
10.4.2+	Stay Bonus Agreement dated August 27, 2019 between Nuvera Communications, Inc. and Barbara A.J. Bornhoft, incorporated by reference to Exhibit 10.4 to the Company's Form 8-K dated August 27, 2019
10.5+	Employment Agreement dated as of March 11, 2012, between Nuvera Communications, Inc. and Curtis Kawlewski, incorporated by reference to Exhibit 10.2.1 to the Company's 2011 Form 10-K
10.5.1+	Amendment dated July 24, 2017, to Employment Agreement dated as of March 31, 2012, between Nuvera Communications, Inc. and Curtis Kawlewski, incorporated by reference to Exhibit 10.3 to the Company's 2011 Form 10-K
10.5.2+	Stay Bonus Agreement dated August 27, 2019 between Nuvera Communications, Inc. and Curtis Kawlewski, incorporated by reference to Exhibit 10.5 to the Company's Form 8-K dated August 27, 2019
10.6+	Nuvera Communications, Inc. Amended Management Incentive Plan, incorporated by reference to Exhibit 10.4.1 to the Company's Form 10-Q for the quarter ended March 31, 2013
10.7+	Amended Director Separation Compensation Policy dated May 26, 2009, incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q for the quarter ended June 30, 2009
10.8+	Nuvera Communications, Inc. 2015 Employee Stock Plan, incorporated by reference to Appendix A to the definitive proxy statement dated April 15, 2015 for the Annual Meeting of Shareholders held on May 28, 2015
10.9+	Nuvera Communications, Inc. 2017 Omnibus Stock Plan, incorporated by reference to Appendix A to the definitive proxy statement dated April 17, 2017 for the Annual Meeting of Shareholders held on May 25, 2017
10.10	Second Amended and Restated Master Loan Agreement dated as of July 31, 2018 between CoBank, ACB and Nuvera Communications, Inc., incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on August 3, 2018
10.11	Fourth Supplement to the Second Amended and Restated Master Loan Agreement dated as of July 31, 2018 between CoBank, ACB and Nuvera Communications, Inc., incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed on August 3, 2018
10.12	Promissory Note (Revolver) in the principal amount of \$10.0 Million, incorporated by reference to Exhibit 10.3 to the Company's Form 8-K filed on August 3, 2018
10.13	Fifth Supplement to the Second Amended and Restated Master Loan Agreement dated as of July 31, 2018 between CoBank, ACB and Nuvera Communications, Inc., incorporated by reference to Exhibit 10.4 to the Company's Form 8-K filed on August 3, 2018
10.14	Promissory Note (Term) in the principal amount of \$64,550,000, incorporated by reference to Exhibit 10.5 to the Company's Form 8-K filed on August 3, 2018

10.15	Second Amended and Restated Continuing Guaranty dated as of July 31, 2018 by (a) Nuvera Communications, Inc. in favor of CoBank, ACB, incorporated by reference to Exhibit 10.6 of the Company's Form 8-K filed on August 3, 2018
10.16	Second Amended and Restated Pledge and Security Agreement dated as of July 31, 2018 from (a) Nuvera Communications, Inc. and (b) the Nuvera Communications, Inc. Subsidiaries in favor of CoBank, ACB, incorporated by reference to Exhibit 10.7 of the Company's Form 8-K filed on August 3, 2018
10.17	Letter dated as of May 23, 2019 between CoBank, ACB and Nuvera Communications, Inc. amending the Second Amended and Restated Master Loan Agreement, incorporated by reference to Exhibit 10.1 to the Company's 8-K dated May 23, 2019
10.18	Promissory note dated as of April 16, 2020 from Nuvera Communications, Inc., to Citizens Bank Minnesota for \$2,889,000 under the United States Small Business Administration Payroll Protection Program, incorporated by reference to Exhibit 3.2 of the Company's Form 10-Q for the quarter ended March 31, 2020
10.19	Consent dated as of April 13, 2020 from CoBank, ACB to Nuvera Communications, Inc. regarding the Payroll Protection Program and Nuvera's \$2,889,000 Small Business Administration loan from Citizens Bank Minnesota, incorporated by reference to Exhibit 3.2 of the Company's Form 10-Q for the quarter ended March 31, 2020
21*	Subsidiaries of Nuvera Communications, Inc.
23.1*	Consent of Independent Registered Public Accounting Firm
31.1*	Certification of Chief Executive Officer Under Rule 13a-14(a) Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer Under Rule 13a-14(a) adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance File
101.SCH	XBRL Taxonomy Extension Schema File
101.CAL	XBRL Taxonomy Extension Calculation Linkbase File
101.DEF	XBRL Taxonomy Extension Definition Linkbase File
101.LAB	XBRL Taxonomy Extension Label Linkbase File
101.PRE	XBRL Taxonomy Extension Presentation Linkbase File

\*Filed Herewith

+Management compensation plan or arrangement required to be filed as an exhibit

**EXHIBIT 21****SUBSIDIARIES OF NUVERA COMMUNICATIONS, INC.**

<b>Name of Subsidiary</b>	<b>Ownership</b>	<b>Jurisdiction of Incorporation</b>
Hutchinson Cellular, Inc.	100% owned by HTC	Minnesota
Hutchinson Telecommunications, Inc.	100% owned by HTC	Minnesota
Hutchinson Telephone Company	100%	Minnesota
Peoples Telephone Company	100%	Iowa
Scott Rice Telephone Co.	100%	Minnesota
Sleepy Eye Telephone Company	100%	Minnesota
TechTrends, Inc.	100%	Minnesota
Western Telephone Company	100%	Minnesota

The financial statements of all wholly-owned subsidiaries listed above are included in the Consolidated Financial Statements of Nuvera Communications, Inc. on this Form 10-K for the year 2020. Nuvera Communications, Inc. is incorporated in the state of Minnesota.

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement Nos. 333-204576 and 333-218261 on Form S-8 of our reports dated March 16, 2021, relating to the financial statements of Nuvera Communications, Inc and subsidiaries (the “Company”) appearing in this annual report on Form 10-K of the Company for the year ended December 31, 2020.

/s/ OlsenThielen & Co. Ltd  
Roseville, Minnesota  
March 16, 2021



**CHIEF EXECUTIVE OFFICER CERTIFICATION  
UNDER RULE 13a-14(a) ADOPTED  
PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Glenn H. Zerbe, President and Chief Executive Officer of Nuvera Communications, Inc., certify that:

1. I have reviewed this 2020 Annual Report on Form 10-K of Nuvera Communications, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materiality affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 16, 2021

/s/ Glenn H. Zerbe

Glenn H. Zerbe  
President and Chief Executive Officer

**CHIEF FINANCIAL OFFICER CERTIFICATION  
UNDER RULE 13a-14(a) ADOPTED  
PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Curtis O. Kawlewski, Chief Financial Officer of Nuvera Communications, Inc., certify that:

1. I have reviewed this 2020 Annual Report on Form 10-K of Nuvera Communications, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 16, 2021

/s/ Curtis O. Kawlewski

Curtis O. Kawlewski  
Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

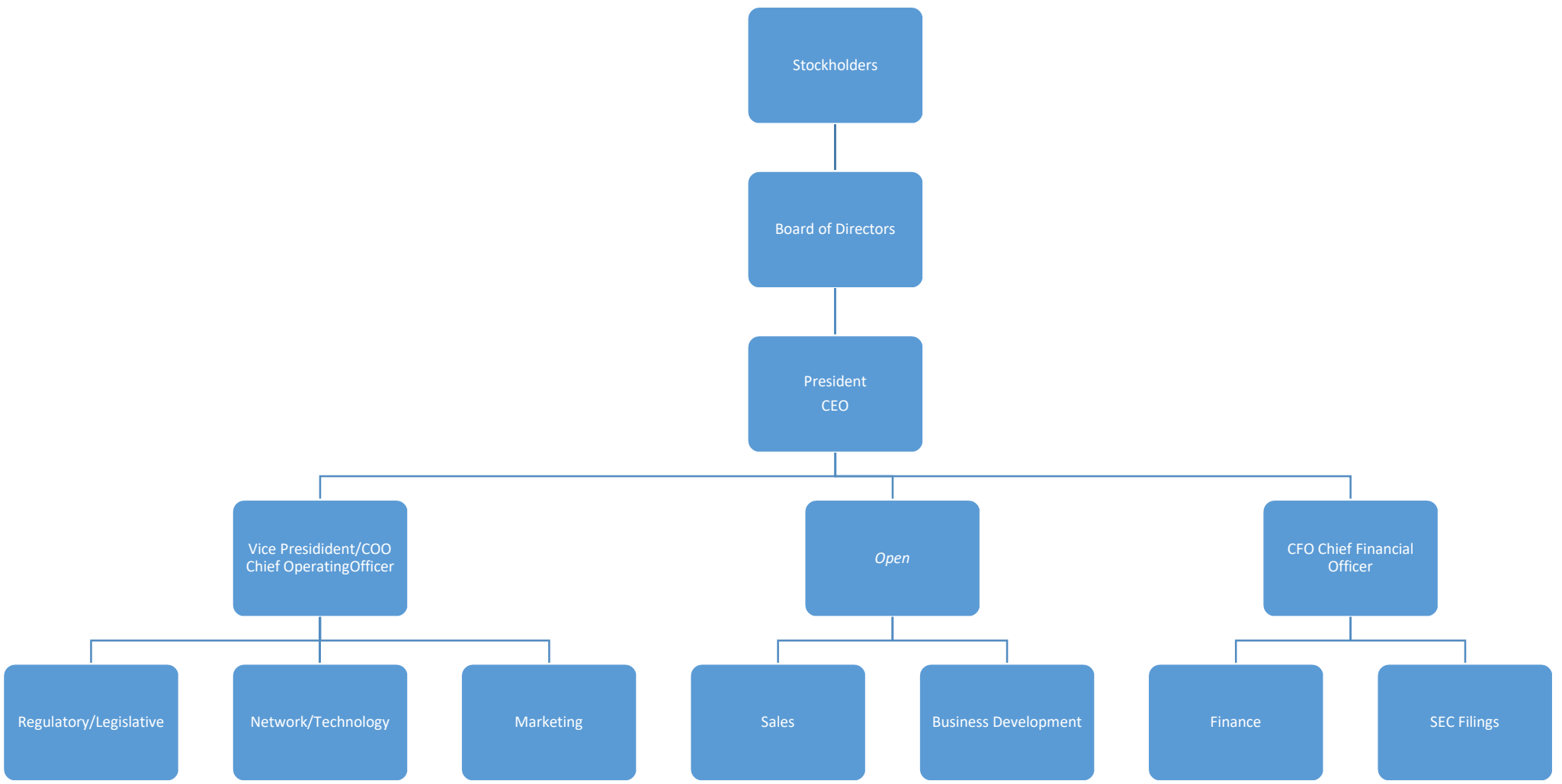
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (“Section 906”), Glenn H. Zerbe and Curtis O. Kawlewski, President and Chief Executive Officer and Chief Financial Officer, respectively, of Nuvera Communications, Inc., each certify that to his knowledge (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2020 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in such report fairly represents, in all material respects, the financial condition and results of operations of Nuvera Communications, Inc.

/s/ Glenn H. Zerbe

Glenn H. Zerbe  
President and Chief Executive Officer  
(Principal Executive Officer)  
March 16, 2021

/s/ Curtis O. Kawlewski

Curtis O. Kawlewski  
Chief Financial Officer  
(Principal Financial Officer and Chief  
Accounting Officer)  
March 16, 2021



**Glenn Zerbe** Chief Executive Officer and President – Nuvera

Mr. Zerbe has been CEO and President since 9/3/19. Mr. Zerbe most recently served as Vice President of Sales for Frontier Communications Corporation, where he held positions of increasing responsibility since joining Frontier in 2011. Prior to his employment with Frontier, Mr. Zerbe had more than 20 years of sales, marketing and management experience in the communications industry, with companies such as Spanlink, Cisco Systems, SBC, AT&T and IBM.

**Barbara Bornhoft** Chief Operating Officer/Vice-President/Corporate Secretary – Nuvera

Ms. Bornhoft has been COO and Vice President and Corporate Secretary since 1998. Ms. Bornhoft has been employed with Nuvera since 1990. Ms. Bornhoft also served as a Board Director for HCC and is a current Board Director for Broadband Visions, LLC in addition to serving as President for both Independent Emergency Services, LLC and Broadband Visions, LLC, all equity subsidiaries of Nuvera.

**Curtis O. Kawlewski** Chief Financial Officer/Treasurer – Nuvera

Mr. Kawlewski has been Chief Financial Officer/Treasurer since 2009. Mr. Kawlewski also serves as the Treasurer for Independent Emergency Services, LLC and Broadband Visions, LLC, all equity subsidiaries of Nuvera.

**Larry Shepard** Network Operations Manager - Nuvera

Mr. Shepard has been Network Operations Manager since Nuvera's acquisition of Scott-Rice Telephone Co. in August 2018. Prior to that Mr. Shepard was Director of Network Operations for Scott-Rice Telephone. Mr. Shepard has 39 years of telecommunications industry experience, the last 33 as an employee of Nuvera/SRT.

## History

The first telephone service in the New Ulm area dates back to 1887. By the early 1900's, area residents were frustrated with the lack of progress in expanding telephone service in rural areas. That frustration led to the formation of New Ulm Rural Telephone Company. The company has thrived since its origination, while changing its name to New Ulm Telecom, Inc. in 1985, its branding name to NU-Telecom in 2000 and its corporate name to Nuvera Communications, Inc. and branding name to Nuvera in 2018.

Since its inception on May 1, 1905, Nuvera has become a diversified communications company headquartered in New Ulm Minnesota with more than 114 years of experience in the local telephone exchange and telecommunications business.

The telecom segment of our business operates six ILECs (Nuvera Communications, Inc.; Scott-Rice Telephone Co., Hutchinson Telephone Company; Peoples Telephone Company; Sleepy Eye Telephone Company and Western Telephone Company) and two CLECs located in Redwood Falls and Litchfield/Cologne, Minnesota. Within these ILECs and CLECs we serve the communities of: Bellechester, Courtland, Elko New Market, Essig, Evan, Glencoe, Goodhue, Hanska, Hutchinson, Klossner, Litchfield, Mazeppa, New Ulm, Prior Lake, Redwood Falls, Sanborn, Savage, Searles, Sleepy Eye, Springfield, Webster and White Rock as well as the adjacent rural areas of Blue Earth, Brown, Goodhue, McLeod, Meeker, Nicollet, Redwood, Scott Rice and Wabasha counties in south central Minnesota.

During this time, Nuvera has also been updating our networks so that in many areas, we have fiber-to-the-node or fiber-to-the-home networks. Through this process, we have become experienced in projects, maintenance and operations of a fiber-based network.

**Nuvera Communications**  
**Goodhue Vasa**

\*Annual Operating & Maintenance = \$180 per Sub

\*Monthly Operating & Maintenance = \$15.00

OSP-FTTH Construction	Total Costs	2022	2023	2024	2025	2026
Distribution Fiber Materials	142,677	142,677				
Distribution Fiber Labor	648,637	648,637				
Fiber Drop Materials	21,528	21,528				
Fiber Drop Labor	189,888	189,888				
Customer Cutover Labor	41,400	41,400				
Permitting/Environmental Engineering	3,000	3,000				
Engineering	153,135	153,135				
<b>Total OSP-FTTH Construction</b>	<b>1,200,265</b>	<b>1,200,265</b>	-	-	-	-
<b>Access/Transport Equipment</b>						
CO & Electronics Materials	63,015	63,015				
CO & Electronics Labor	2,045	2,045				
<b>Total Access/Transport Equipment</b>	<b>65,060</b>	<b>65,060</b>	-	-	-	-
<b>Customer Premise Equipment</b>						
CPE Materials	13,800	13,800				
<b>Total Customer Premise Equipment</b>	<b>13,800</b>	<b>13,800</b>	-	-	-	-
<b>Total Capital Costs</b>	<b>1,279,125</b>	<b>1,279,125</b>	-	-	-	-
<b>Depreciation Rates</b>						
OSP-Fiber		48,011	48,011	48,011	48,011	48,011
Access/Router Equipment		6,506	6,506	6,506	6,506	6,506
Customer Premise Equipment		2,760	2,760	2,760	2,760	2,760
<b>Total Depreciation</b>		<b>57,277</b>	<b>57,277</b>	<b>57,277</b>	<b>57,277</b>	<b>57,277</b>
<b>Total Customers</b>	Rev per Customer	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>Total Customers</b>		138	138	138	138	138
Data, Video, Voice	170	27	27	27	27	27
Data and Video	150	44	44	44	44	44
Data and Voice	95	0	0	0	0	0
Data Only	75	67	67	67	67	67
<b>Revenue</b>						
Triple Play		55,080	55,080	55,080	55,080	55,080
Data and Video		79,200	79,200	79,200	79,200	79,200
Data and Voice		-	-	-	-	-
Data Only		60,300	60,300	60,300	60,300	60,300
Other Rev - Residential		821	821	821	821	821
Other Rev - Business						
<b>Total Revenue</b>		<b>195,401</b>	<b>195,401</b>	<b>195,401</b>	<b>195,401</b>	<b>195,401</b>
<b>Total Expenses</b>		<b>24,840</b>	<b>24,840</b>	<b>24,840</b>	<b>24,840</b>	<b>24,840</b>
<b>Net Income (without grant)</b>		<b>113,285</b>	<b>113,285</b>	<b>113,285</b>	<b>113,285</b>	<b>113,285</b>

**Nuvera Communications**  
**Goodhue Vasa**

**With Grant 50%**

\*Annual Operating & Maintenance = \$180 per Sub

\*Monthly Operating & Maintenance = \$15.00

	<b>Total Costs</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>OSP-FTTH Construction</b>						
Distribution Fiber Materials	142,677	142,677				
Distribution Fiber Labor	648,637	648,637				
Fiber Drop Materials	21,528	21,528				
Fiber Drop Labor	189,888	189,888				
Customer Cutover Labor	41,400	41,400				
Permitting/Environmental Engineering	153,135	153,135				
<b>Total OSP-FTTH Construction</b>	<b>1,200,265</b>	<b>1,200,265</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Access/Transport Equipment</b>						
CO & Electronics Materials	63,015	63,015				
CO & Electronics Labor	2,045	2,045				
<b>Total Access/Transport Equipment</b>	<b>65,060</b>	<b>65,060</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Customer Premise Equipment</b>						
CPE Materials	13,800	13,800				
<b>Total Customer Premise Equipment</b>	<b>13,800</b>	<b>13,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Costs</b>	<b>1,279,125</b>	<b>1,279,125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation Rates</b>						
OSP-Fiber		24,005	24,005	24,005	24,005	24,005
Access/Router Equipment		3,253	3,253	3,253	3,253	3,253
Customer Premise Equipment		1,380	1,380	1,380	1,380	1,380
<b>Total Depreciation</b>		<b>28,638</b>	<b>28,638</b>	<b>28,638</b>	<b>28,638</b>	<b>28,638</b>
	<b>Rev per Customer</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>Total New Customers</b>		138	138	138	138	138
Data, Video, Voice	170	27	27	27	27	27
Data and Video	150	44	44	44	44	44
Data and Voice	95	0	0	0	0	0
Data Only	75	67	67	67	67	67
<b>Revenue</b>						
Triple Play		55,080	55,080	55,080	55,080	55,080
Data and Video		79,200	79,200	79,200	79,200	79,200
Data and Voice		-	-	-	-	-
Data Only		60,300	60,300	60,300	60,300	60,300
Other Rev - Residential		821	821	821	821	821
<b>Total Revenue</b>		<b>195,401</b>	<b>195,401</b>	<b>195,401</b>	<b>195,401</b>	<b>195,401</b>
<b>Total Expenses</b>		<b>24,840</b>	<b>24,840</b>	<b>24,840</b>	<b>24,840</b>	<b>24,840</b>
<b>Net Income (with grant)</b>		<b>141,923</b>	<b>141,923</b>	<b>141,923</b>	<b>141,923</b>	<b>141,923</b>



To: Goodhue County

Re: Professional Engineer Review for Nuvera  
Goodhue County Broadband Partnership Program Application

I have reviewed Nuvera's project approach, design, maps, equipment list, and other related technical documents for this Goodhue County Broadband Partnership Program Application.

It is my opinion that the proposed FTTH design and Calix Equipment meets standard and well-engineered criteria for a project of this type and will meet or exceed the requirements for this application, including scalable speed requirements. Nuvera has included verification information for this equipment from Calix.

Finley Engineering Company has worked with Nuvera for many years on many projects, including past Minnesota broadband grant projects. Nuvera is extremely familiar with all equipment, capabilities, design requirements, and overall management of a project of this type and this project is well within their capabilities to implement.

Dean L. Mischke, P.E.  
Finley Engineering Company, Inc.  
MN PE License #23419

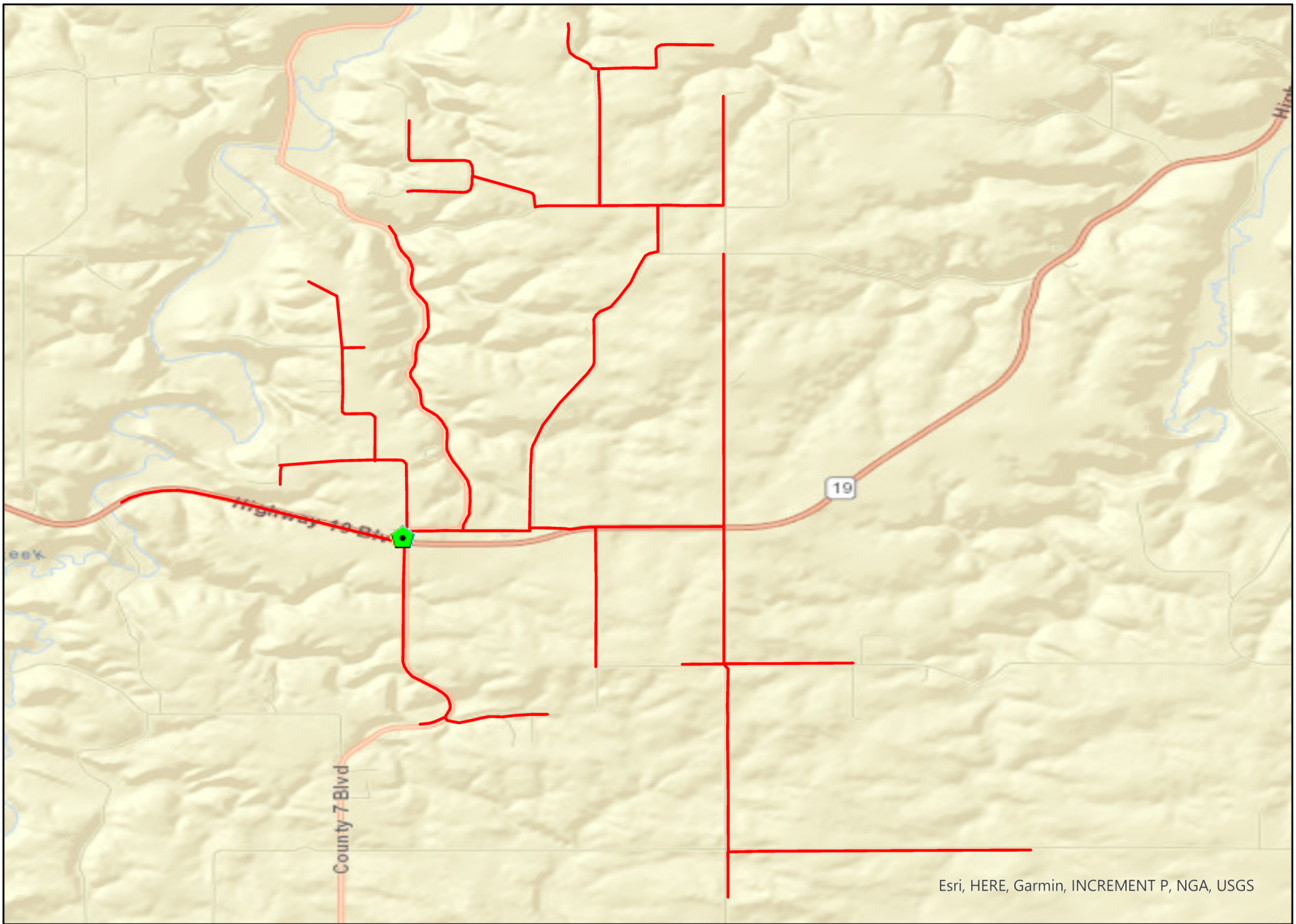


## Engineering Design Summary

This project is for a Fiber to the Premises network to be built and operated by Nuvera Communications, inc. The network would serve a rural area in Vasa township of Goodhue, MN. Refer to the map in this section for more information. The project will utilize existing Nuvera owned middle mile fiber in the area for transport and the existing cabinet and CO to provide service. The build will utilize a GPON network design and offer speeds up to 1G upload and 1G download.

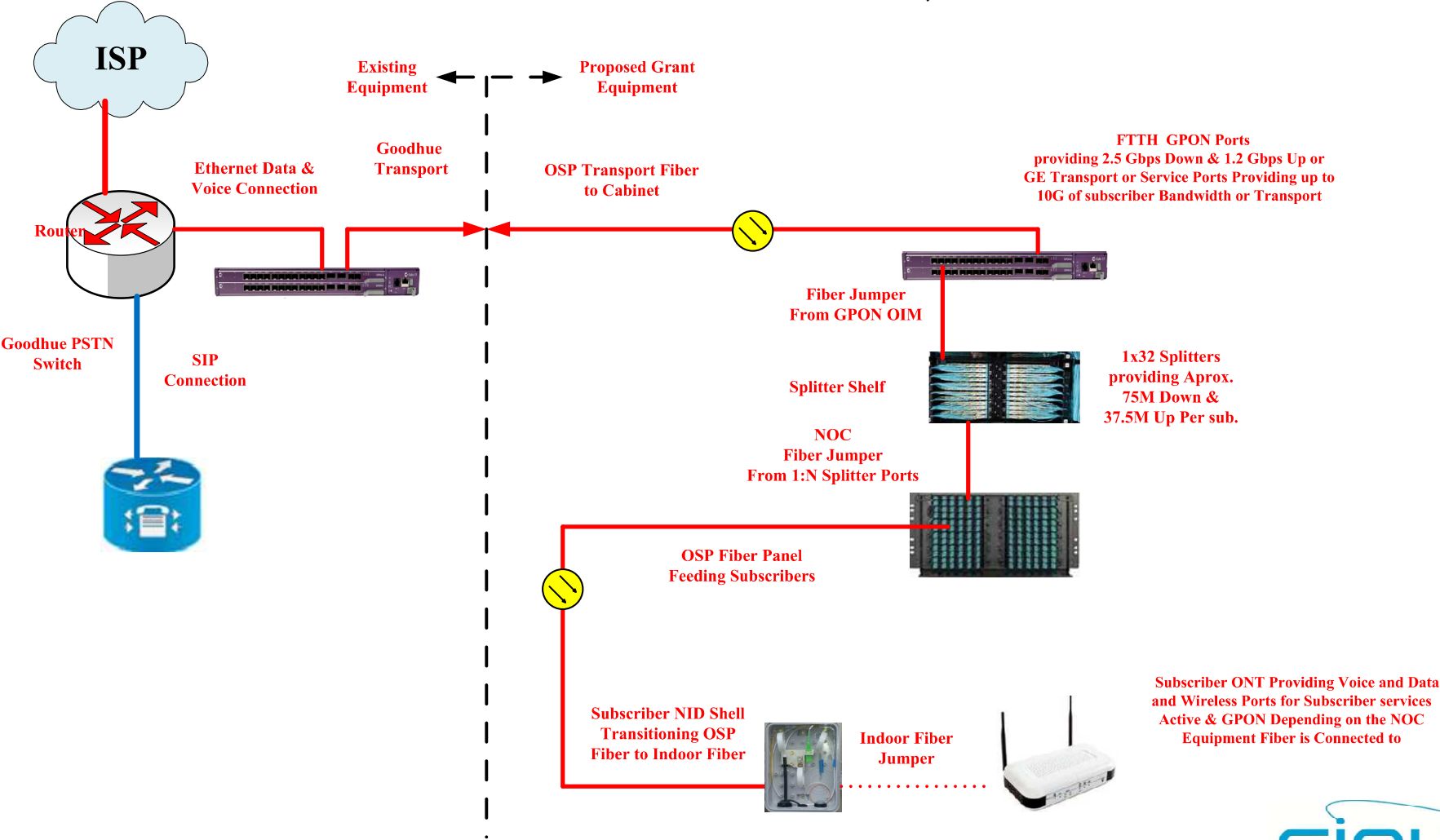
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All OSP fiber will be buried and the GPON network will utilize a homerun fiber design. This means that there is a fiber allocated from each premises in the town back to the remote cabinet. By building a homerun network, Nuvera has the flexibility to change from GPON to active ethernet as the system's needs adapt in the future. This design also provides the most insurance that the network will remain viable as technologies change. This is one of Nuvera's ILEC exchanges and they anticipate nearly a 100 percent take rate and equipment has been sized accordingly. However, the fiber network has been designed with a 1.2 growth factor to accommodate growth and future expansion in the following years, At the cabinet there will be 1x32 splitters that will connect to Calix E7-2 equipment. From there, it will be connected back to the existing equipment in the Goodhue CO. This connection would utilize existing middle mile fiber owned and operated by Nuvera.



# Nuvera FTTH Equipment Diagram Serving Vasa Township

December 21, 2021



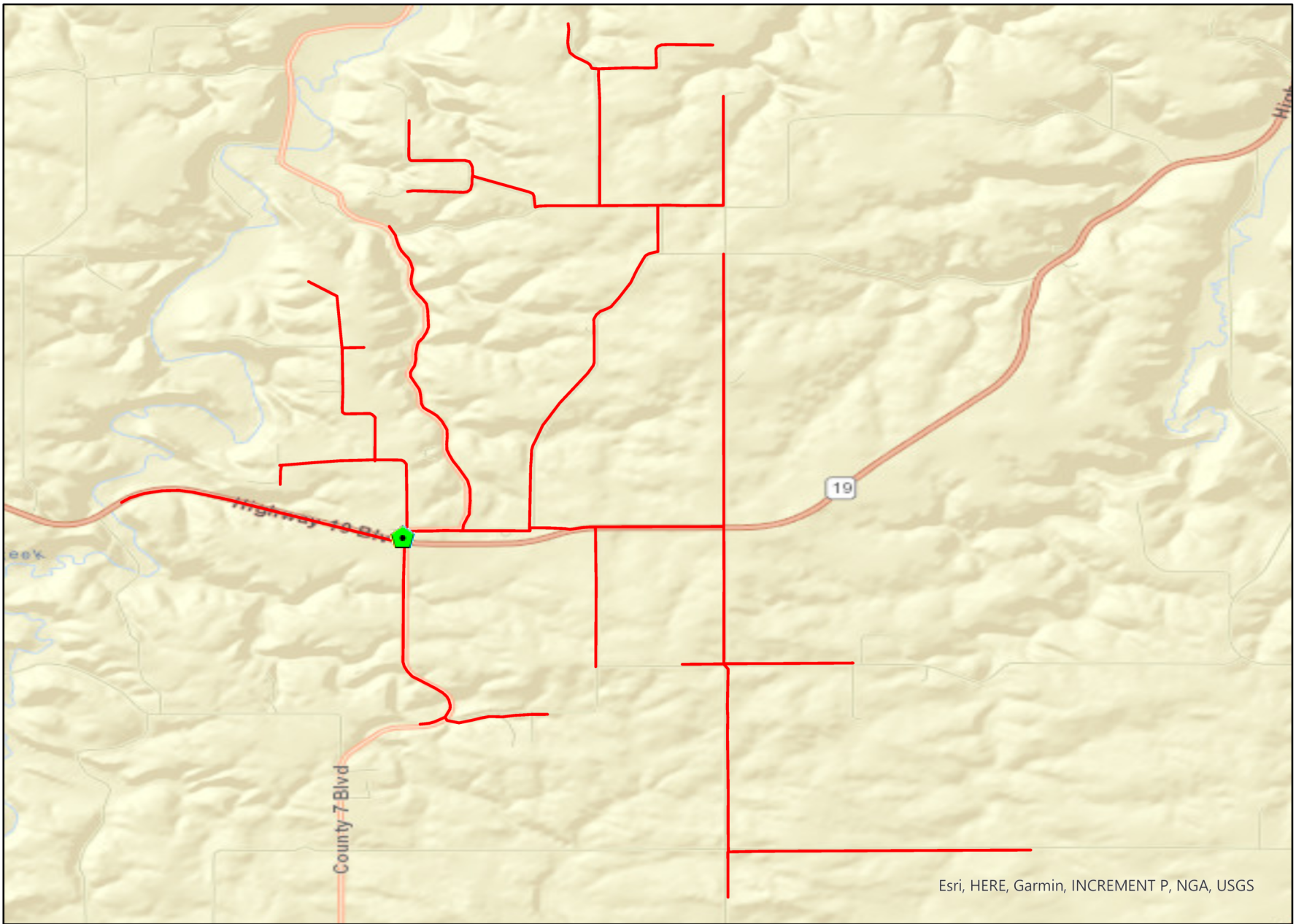
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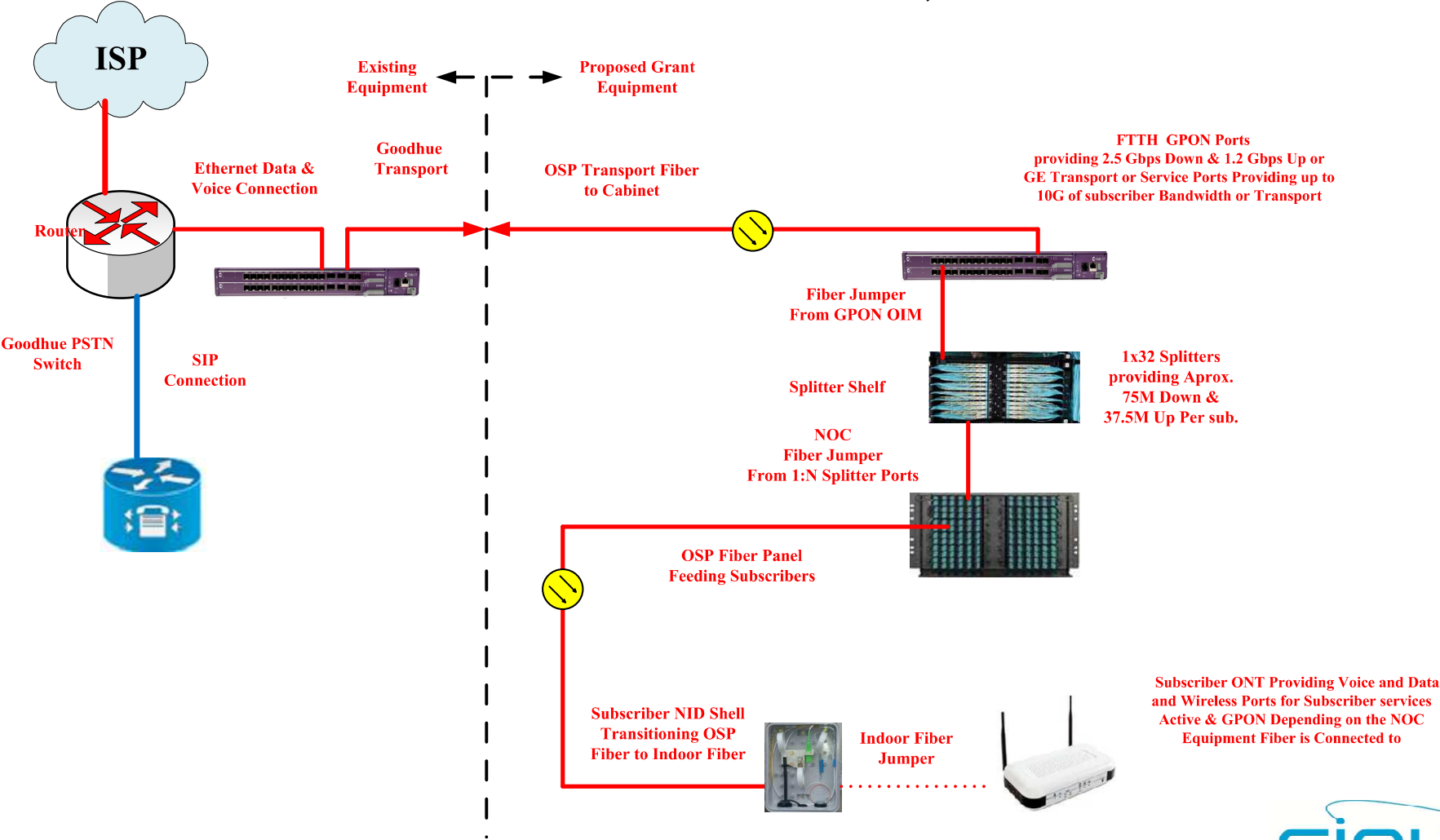
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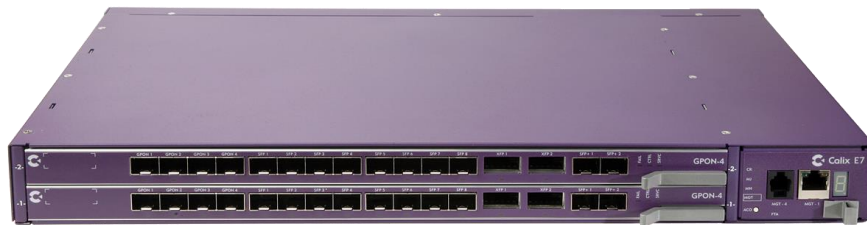
# Nuvera FTTH Equipment Diagram Serving Vasa Township December 21, 2021



# Calix E7-2 Ethernet Service Access Platform

## PRODUCT OVERVIEW

The Calix E7 Ethernet Service Access Platform integrates IP service delivery and Ethernet transport into a compact, high availability, carrier-class modular chassis that delivers high-performance, scalable network solutions for service providers. The 1RU E7-2 platform delivers VDSL2, Gigabit Passive Optical Network (GPON) and point-to-point Gigabit Ethernet (GE) services with redundant 10-Gigabit Ethernet (10GE) transport and aggregation within a single integrated 2-slot chassis. The E7 enables service providers to deliver differentiated triple play services, advanced business services, and mobile backhaul from a single converged network that revolutionizes the economics of networking by enabling new services and market expansion with a flexible, scalable, pay-as-you-grow architecture.



## E7 PRODUCT DESCRIPTION

### **ETHERNET SERVICE ACCESS PLATFORM:**

Residential and business services are converging as more subscribers work from home offices and internet “over the top” video services consume an increasing percentage of both enterprise and service provider network capacity. IP and Ethernet are the dominant network and transport protocols, and all services – voice, data, and video – are rapidly migrating to a packet-based architecture. High performance applications demand high performance solutions; the Calix E7-2 Ethernet Service Access Platform meets the demanding requirements of Ethernet services access networks.

The Calix E7 delivers a wide array of high performance applications, including 10GE Ethernet transport, delivery of high density residential triple play services over copper pairs (VDSL2/ADSL2+), GPON and point-to-point Ethernet, Metro Ethernet Forum (MEF) compliant business services, mobile backhaul, and protected GE aggregation of Calix E7, C7, B6 and E5 platforms.

**HIGH DENSITY SUBSCRIBER ACCESS:** With two cards per system, the E7-2 provides flexible, high density subscriber access options in a 1RU shelf:

- 96 VDSL2/ADSL2+ & POTS Combo (48 Overlay)
- 16 GPON and 8 GE ports (1024 ONTs)
- 48 point-to-point GE ports (48 ONTs)

With Multi-dwelling unit (MDU) ONTs, the subscribers per 1RU system can exceed several thousand.

### **MODULAR CHASSIS ARCHITECTURE:**

The Calix E7-2 modular chassis enables a pay-as-you-grow architecture, combining the most advantageous attributes of a small form factor product with a large chassis-based system.

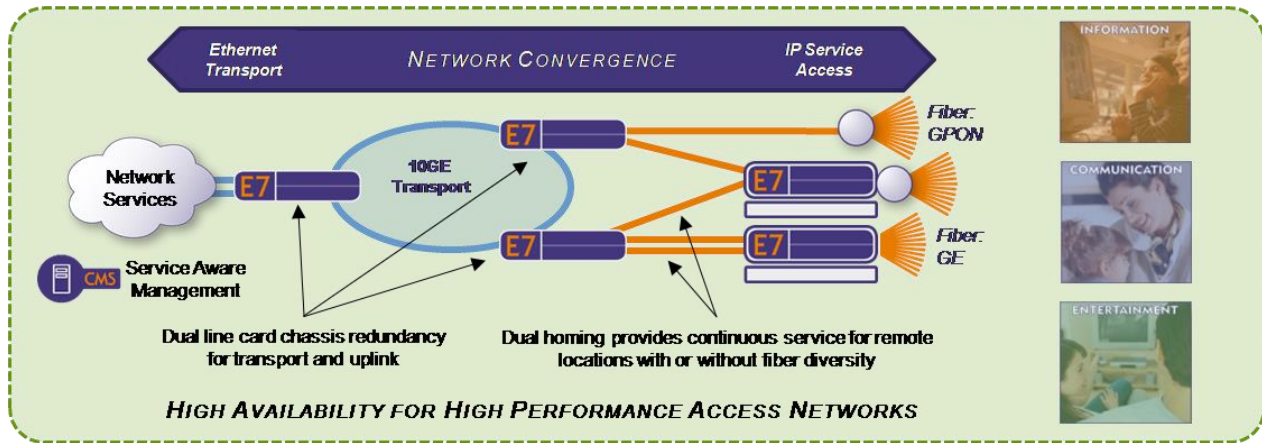
- 1RU design can expand from a single slot, for very low first install cost, to multiple chassis, to add subscriber growth yielding a near linear cost curve
- Twenty line cards are managed as a single chassis for operational efficiency
- Mix and match line cards in a common chassis – no common control equipment required
- Line cards can be added or replaced without uninstalling/installing power, alarms, or cables – reducing MTR from hours to minutes
- Subscribers are easily aggregated and network resources efficiently shared across protected trunk facilities
- Hardened 1RU system delivers GPON and Ethernet with 10GE transport from CO, cabinet or pole mount
- Resilient, hot-swappable line cards and fan tray

With the E7-2, service providers no longer need to decide between a single service product and a high growth chassis solution. E7-2 provides low first install cost, operational efficiency and near linear incremental cost per subscriber, enabling Calix customers to maximize their business return.



# Calix E7-2 Ethernet Service Access Platform

## ARCHITECTURE AND KEY ATTRIBUTES



**FULL SPECTRUM OF SERVICES:** The E7 delivers a full spectrum of access services over GPON and Point-to-Point Ethernet using the family of Calix 700 ONTs, including Single Family Unit (SFU), Small Business Unit (SBU), Multi-Dwelling Unit (MDU), and rack-mount models.

- IPTV – broadcast and Video on Demand (VoD)
- MEF compliant business services
- High-Speed Internet (HSI) access
- Voice – Native SIP/VoIP and TDM Gateway support
- T1 services
- CATV video: RF video overlay with RF return

Calix 700GX ONTs support auto sensing GPON and GE network interfaces, allowing service providers to manage service changes without subscriber onsite technical support.

**DELIVERING "QUALITY OF EXPERIENCE":** The E7 provides per-subscriber and per-service hierarchical QoS to deliver uncompromised triple play and business services. A powerful collection of classification, policing, queuing and scheduling algorithms let operators manage per-subscriber and per-service traffic flows to maintain priority/delay/loss service differentiation within the E7 network.

**SCALABLE IPTV SUPPORT:** IPTV services are by far the most demanding in terms of quality, and user expectations are very high. The E7 supports industry standard IGMP snooping to identify and replicate multicast video sent between the set-top box and the video distribution network, providing efficient, scalable, high-quality IPTV distribution on both GPON and Ethernet interfaces.

### INTEGRATED HIGH-CAPACITY AGGREGATION:

The E7 is built on a core Layer 2 and Layer 3 switch capable of full-duplex, line rate forwarding at all frame sizes and traffic types across all interfaces. This capacity makes the E7 ideal for aggregation and transport of IP/Ethernet services across the access network. The E7 platform supports industry standard pluggable modules for all service and network interfaces, including ITU G.984 compliant GPON, Small Form-Factor Pluggable (SFP) Gigabit Ethernet, XFP 10GE ports, and SFP+ 10GE ports.

### NETWORK RESILIENCY:

The Calix E7 supports a flexible set of standards-based network topology protocols for use in aggregation, ring-based transport, and uplink applications.

- ITU G.8032 Ethernet Ring Protection Switching (ERPS)
- IEEE 802.1w Rapid Spanning Tree Protocol (RSTP)
- IEEE 802.3ad/802.1AX Link Aggregation

### SERVICE AWARE MANAGEMENT:

The E7, along with the Calix Management System (CMS), allows operators to manage services while understanding their relationship to the network infrastructure. Service-oriented management includes rapid service provisioning, service templates and policies, and service assurance. Comprehensive network management tools let operators create physical and logical topology maps, engineer traffic flows, and manage network commissioning and software upgrades. Network inventory, alarm surveillance and PM collection are enabled by the E7 system. The E7 provides locally hosted Web GUI, CLI, and SNMP interfaces.

## SPECIFICATIONS

# Calix E7-2 Ethernet Service Access Platform

### BACKPLANE BANDWIDTH

100 Gbps between slots

### SLOTS

2 universal line card slots  
1 Fan Tray slot

### DIMENSIONS (W x H x D)

17.5 x 1.7 x 11.45 inches  
44.5 x 4.3 x 29.1 cm  
Height is 1 RU

### WEIGHT

5.9 lb (2.7 kg) E7 shelf  
7.4 lb (3.4 kg) shelf with Fan Tray

### OPERATING ENVIRONMENT

Temperature: -40 to +65° C  
(-40° F to +149° F)  
Humidity: 10 to 95%  
(non-condensing)  
Operating altitude: 10,000 ft  
(3,049 m)

### STORAGE ENVIRONMENT

Temperature: -40 to +85° C  
(-40° F to +185° F)  
Humidity: 5 to 95%

### MANAGEMENT SUPPORT

Calix CMS network management  
Calix CLI and Web GUI for local  
management interface  
SNMP v2c and v3 performance and  
fault monitoring

### MANAGEMENT INTERFACES

Ethernet 10/100 (RJ-45 connector on  
Calix E7-2 Fan Tray)  
Ethernet 10/100 (RJ-45 connector on  
back of Calix E7-2)  
RS-232 (RJ-11 connector on Calix  
E7-2 Fan Tray)

### SYNCHRONIZATION

Synchronization is enabled by the E7-  
2 line cards as required  
External reference timing  
Built-in Stratum-3 clock  
Hardware-ready to support  
Synchronous Ethernet

### ALARM I/O INTERFACES

Wire wrap pin access on E7 back  
User definable alarm  
inputs: 7; outputs: 1

### FIBER INTERFACES

All optical ports use pluggable optics  
(SFP, XFP, SFP+)  
LC or SC connectors on modules

### ANALOG/METALLIC INTERFACES

Two standard 25-pair RJ-21  
connectors per slot

### TIMING I/O INTERFACES

Access through wire wrap pins on the  
back of the Calix E7  
BITS clock (sink and source)

### STANDARDS COMPLIANCE

NEBS Level 3 compliance  
(GR-63-CORE, GR-1089-CORE,  
GR-3028)  
UL 60950  
FCC Part 15 Class A

### POWER FEEDS

Integrated power management on  
Calix E7-2 line cards  
Redundant -48/60 VDC battery  
feeds (A and B)  
Input Range: -42.5VDC to -72VDC  
Fuse: 7.5 Amps (A and B)



## SPECIFICATIONS

# Calix E7 Ethernet Service Access Platform

## FAN TRAY ASSEMBLY - 2 ( 1 0 0 - 0 3 5 9 0 )

### FANS

4 fans housed in fan tray  
Resilient design maintains system cooling with one fan failure  
Variable speed operation depending on operating temperature\*

### MANAGEMENT INTERFACES

Ethernet 10/100 (RJ-45 connector)  
RS-232 (RJ-11 connector)

### SYSTEM INFORMATION

7-segment LCD display  
System Controller (MGT) – GREEN

### SHELF ALARM INDICATOR

Critical (CR) - RED  
Major (MJ) - RED  
Minor (MN) - AMBER  
Alarm Cut-Off (ACO) button

### POWER SPECIFICATIONS

Min Input Power: 8.5 Watts @ -48V  
Max Input Power: 48 Watts @ -48V

### MAINTENANCE

Field-replaceable air filter  
(not used in RT locations)  
Hot-swappable fan tray assembly



## FAN TRAY ASSEMBLY ( 1 0 0 - 0 1 4 5 1 )

### FANS

4 fans housed in fan tray  
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### MANAGEMENT INTERFACES

Ethernet 10/100 (RJ-45 connector)  
RS-232 (RJ-11 connector)

### SYSTEM INFORMATION

7-segment LCD display  
System Controller (MGT) – GREEN

### SHELF ALARM INDICATOR

Critical (CR) - RED  
Major (MJ) - RED  
Minor (MN) - AMBER  
Alarm Cut-Off (ACO) button

### POWER SPECIFICATIONS

Min Input Power: 22 Watts @ -48V  
Max Input Power: 65 Watts @ -48V

### MAINTENANCE

Field-replaceable air filter  
(not used in RT locations)  
Hot-swappable fan tray assembly



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## ORDERING INFORMATION

### CALIX E7-2 ETHERNET SERVICE ACCESS PLATFORM

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000-00372	.....	E7-2 Chassis with Fan Tray Assembly and Installation Kit
100-01451	.....	E7-2 Fan Tray Assembly
000-00228	.....	E7-2 Fan Tray Assembly Filter, Package of 10 units
100-03590	.....	E7-2 Fan Tray Assembly 2 (FTA2)*
000-00760	.....	E7-2 Fan Tray Assembly 2 (FTA2) Filter, Package of 10 units

\* Variable speed operation under software control requires a minimum of E7 Release 2.2 software. In releases prior to 2.2, the FTA2 fan speeds are identical to the original FTA.

### CALIX PLUGGABLE TRANSCEIVER MODULES

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The E7-2 supports pluggable modules for all service and network interfaces. Refer to the Calix Optical Transceiver Modules Datasheet (#250-00191) for a complete list of modules and specifications.

CSFP Option 2	.....	1GE optical dual-port Compact Small Form-factor Pluggable (CSFP) Option 2 modules
SFP	.....	1GE and 2.5GE optical and copper Small Form-factor Pluggable (SFP) modules
SFP+	.....	10GE optical Enhanced Small Form-factor Pluggable (SFP+) modules
Direct Attach	.....	Multi-rate copper Small Form-factor Pluggable (SFP/SFP+) cables
XFP	.....	10GE optical Small Form-factor Pluggable (XFP) modules
GPON OIM	.....	2.5Gbps GPON (Class B+ ODN with minimum 28dB link budget, up to 1:64 splits)
ER-GPON OIM	.....	2.5Gbps Extended Reach GPON (up to 58 km with 1:4 split)

**Notes:** For GPON OIM, 10GE XFP, 10GE SFP+ pluggable transceivers, Direct Attach cables, and all transceivers used in CSFP Option 2 sockets, only products purchased directly from Calix are supported. The use of GPON OIM, Active Ethernet CSFPs, 10GE XFP, 10GE SFP+ pluggable transceivers and Direct Attach cables not purchased directly from Calix is not supported and will void all product warranties covering the Calix equipment to which such third-party materials are connected.

- SFP modules may also be used in CSFP Option 2 sockets, and in SFP+ sockets at 1GE rate.
- Copper Direct Attach cables can operate in SFP, CSFP Option 2, and SFP+ sockets at 1GE, 2.5GE, and 10GE data rates as supported by the card type.

### CALIX MOUNT KIT

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100-03382	.....	E7-2 ETSI Rack Mount Kit
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# Calix E7-2 GPON-8



## DESCRIPTION

The Calix E7-2 GPON-8 line card provides eight ITU G.984-compliant Gigabit Passive Optical Network (GPON) interfaces, four Gigabit Ethernet (GE) interfaces, and two ports of integrated 10-Gigabit Ethernet. The E7-2 GPON-8 line card can be plugged into one or both of the two universal slots in a Calix E7-2 shelf. In a 1RU chassis, E7-2 supports sixteen PONs, up to 64 Optical Network Terminations (ONTs) for a total of 1024, plus eight point-to-point Ethernet subscribers and two 10GE ports. The E7-2 GPON-8 card supports a full set of Ethernet services and network topology protocols on the Ethernet ports and can be used interchangeably with other E7-2 line cards to create a redundant system configuration.

## KEY ATTRIBUTES

**GPON AND POINT-TO-POINT ETHERNET:** The Calix E7-2 GPON-8 card provides multiservice capability over IP/Ethernet-based networks. Each GPON-8 provides eight GPON OLT ports that subtend up to 64 ONTs each, for a card capacity of 512 GPON ONTs, 1024 per E7-2 1RU chassis. Additional four GE ports per card can provide high-bandwidth, point-to-point Ethernet services to individual subscribers or be used to aggregate other Ethernet devices.

Multiple E7-2 shelves can be linked together using low cost, industry standard 10GE SFP+ copper cables, resulting in a high-density configuration serving over 1000 GPON ONT subscribers in as little as 1RU space (1:64 split). GPON-8 card features and capabilities include:

- Based on ITU G.984 GPON family of standards
- GPON: 2.488 Gbps downstream, 1.244 Gbps upstream
- GEM (Ethernet) based GPON
- Interoperable with Calix 700 ONTs and 836GE RSG
- Integrated 10GE and GE/2.5GE aggregation and transport
- Class B+ ODN, +28 dB link budget, up to 20 km at 32-way splits
- Extended reach GPON up to 40 km with 1:8 split
- Class C+ ODN, +32 dB link budget with Forward Error Correction (FEC), up to 35 km at 32-way split, up to 60 km at 2-way split
- Hardened for central office and remote terminals

**INTEGRATED HIGH-CAPACITY AGGREGATION:**

The E7-2 GPON-8 card is built on a core Layer 2 and Layer 3 switch capable of full-duplex, line rate forwarding at all frame sizes and traffic types across all interfaces. Each GPON OLT port has a dedicated 2.5Gbps switch interface. Industry standard pluggable modules are used for all interfaces, including ITU G.984 compliant GPON, GE and 2.5GE optical SFP, and 10GE SFP+. The SFP+ ports also support SFP modules and Direct Attach copper cables.

**IP SERVICES DELIVERY:** The Calix E7-2 GPON-8 card delivers a full spectrum of IP access services over GPON and Point-to-Point Ethernet networks.

- Secure AES encryption on the PON
- IPTV – broadcast and Video on Demand (VoD)
- MEF compliant business services
- High-Speed Internet (HSI) access
- Voice – Native SIP/VoIP and TDM Gateway support
- T1 services
- CATV: 1550nm RF video overlay; 1610nmRF return

**NETWORK RESILIENCY:** All Calix E7cards support a flexible set of standards-based network topology protocols for use in aggregation, ring-based transport, and uplink.

- ITU G.8032 Ethernet Ring Protection Switching (ERPS)
- ITU G.8032v2 Ethernet Ring Protection Switching (ERPS)
- IEEE 802.1w Rapid Spanning Tree Protocol (RSTP)
- IEEE 802.3ad/802.1AX Link Aggregation
- ITU G.983.5 – Type B Protection and enhanced survivability for GPON OLTs

**MOBILE BACKHAUL:** With integrated network synchronization, hierarchical QoS and support for T1 services, the GPON-8 card transport uncompromised mobile broadband traffic while also supporting triple play residential and MEF certified business services from a single platform. A powerful collection of classification, policing, and scheduling algorithms let operators manage per-subscriber and per-service traffic flows to maintain priority/delay/loss service differentiation within the E7 network.

**SCALABLE IPTV SUPPORT:** The E7 supports industry standard IGMP snooping to identify and replicate multicast video sent between the set-top box and the video distribution network, providing efficient, scalable, high-quality IPTV distribution on both GPON and Ethernet interfaces.

# SPECIFICATIONS

## Calix E7-2 GPON-8

### MINIMUM SYSTEM REQUIREMENTS

Calix E7-2 shelf supports two GPON-8 line cards per shelf  
Calix E7 Software Release 2.2

### DIMENSIONS (W x H x L)

14 x 10.1 x 0.78 inches  
35.6 x 25.7 x 2 cm

### WEIGHT

2.08 lbs. (0.94 kg)

### PORTS

Eight GPON OLT ports  
Four SFP ports support optical 1GE/2.5GE and copper 100/1000BaseT modules  
Two SFP+ ports supporting 10GE and GE optical modules

### PACKET SWITCHING CAPACITY

Wire speed forwarding across all Ethernet and GPON OLT ports  
32,000 MAC addresses per system  
9,000 byte jumbo frames  
1500 byte frames over GPON  
4,096 VLANs  
4,000 IGMP Multicast channels

### QUALITY OF SERVICE

Service classification based on port, SVLAN-ID, CVLAN-ID, P-Bit  
Port and flow-based policing to 1Mbps increments  
8 CoS queues per port  
Strict priority scheduling with minimum bandwidth guarantee  
Congestion avoidance: Tail Drop

### STANDARDS AND RFC SUPPORT

TR101 VLAN Service models  
IEEE802.1ag Connectivity Fault Management (G.8032 support)  
IEEE 802.1D Rapid Spanning Tree  
IEEE 802.1p CoS Prioritization  
IEEE 802.1 MAC Bridges  
IEEE 802.1Q VLAN tagging  
IEEE 802.1ad VLAN stacking (Q-in-Q) support  
IEEE 802.1w RSTP  
IEEE 802.3ad/802.1AX Link Aggregation  
RFC 2236 IGMP v2  
RFC 3376 IGMP v3  
RFC 3046 DHCP Relay Agent Information Option ("Option 82")  
RFC 4541 IGMP snooping  
RFC 4553 Structure-Agnostic Time Division Multiplexing (TDM) over Packet (SAToP)  
ITU-T G.8032 Ethernet Ring Protection Switching (ERPS)/Enhanced EAPS  
ITU-T G.8032v2 Ethernet Ring Protection Switching (ERPS)  
ITU-T G.984 GPON  
ITU G.984.1 Type B Protection Dynamic Bandwidth Assignment (DBA)  
NIST Advanced Encryption Standard (AES)

### SYNCHRONIZATION

Synchronization enabled by E7 line cards  
External reference timing  
Built-in Stratum-3 clock  
Hardware-ready to support Synchronous Ethernet

### COMPLIANCE

NEBS Level 3 compliance (GR-63-CORE, GR-1089-CORE, GR-3028)  
UL 60950  
FCC Part 15 Class A  
CE Mark

### POWER SPECIFICATIONS

GPON-8 power/heat dissipation: 75 Watts

### OPERATING ENVIRONMENT

Temperature: -40° to +65° C (-40° F to +149° F)  
Humidity: 10 to 95% (non-condensing)

### STORAGE ENVIRONMENT

Temperature: -40° to +85° C (-40° F to +185° F)  
Humidity: 5 to 95%

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## CALIX ONT s

The E7-2 GPON-8 card supports all Calix family of ONTs, including 700GX, 700GE, 836GE, 800G GigaCenter, and T-Series ONTs Single Family Unit (SFU), Small Business Unit (SBU), Multi-Dwelling Unit (MDU), and rack-mount models. Calix ONTs support auto sensing GPON and GE network interfaces, allowing service providers to manage service changes without subscriber onsite technical support.

## ORDERING INFORMATION

### CALIX E7 LINE CARDS

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100-03006 ..... E7-2 GPON-8 (8x GPON OIM, 4x GE SFP, 2x 10GE SFP+)

### CALIX PLUGGABLE TRANSCEIVER MODULES

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The E7-2 supports pluggable modules for all service and network interfaces. Refer to the Calix Optical Transceiver Modules Datasheet (#250-00191) for a complete list of modules and specifications.

SFP ..... 1GE and 2.5GE optical and copper Small Form-factor Pluggable (SFP) modules  
SFP+ ..... 10GE optical Enhanced Small Form-factor Pluggable (SFP+) modules  
Direct Attach ..... Multi-rate copper Small Form-factor Pluggable (SFP/SFP+) cables  
GPON OIM ..... 2.5Gbps GPON (Class B+ ODN with minimum 28dB link budget, up to 1:64 splits)  
ER-GPON OIM ..... 2.5Gbps Extended Reach GPON (up to 58 km with 1:4 split)

#### Notes:

- For GPON OIM, 10GE XFP, 10GE SFP+ pluggable transceivers and Direct Attach cables, only products purchased directly from Calix are supported. The use of GPON OIM, 10GE XFP, 10GE SFP+ pluggable transceivers and Direct Attach cables not purchased directly from Calix is not supported and will void all product warranties covering the Calix equipment to which such third-party materials are connected.
- SFP modules may also be used in SFP+ sockets at 1GE rate.
- Copper Direct Attach cables can operate in SFP and SFP+ sockets at 1GE, 2.5GE, and 10GE data rates as supported by the card type.



## 844G and 854G GigaCenters | ANSI



### DESCRIPTION

The Calix 844G and 854G GigaCenters are next generation residential premises service delivery platforms that extend the access network into the home and act as a strategic location for control of the gigabit experience. Supporting broadband connectivity within the home and managing subscriber voice, data and video services, this intelligent, high-performance service platform integrates a 2.5 GPON optical interface with switching and routing functions that manage premises network traffic at speeds up to 1 Gbps. The GigaCenter service interfaces include: carrier class wireless networking with 802.11ac Wi-Fi and four Gigabit Ethernet (GE) ports for IPTV video and data services, two integrated voice lines supporting carrier grade VoIP and network-based TDM voice circuits, a USB port for home networking services, and an option for RF video.

**GIGABIT SUBSCRIBER EXPERIENCE:** The 844G and 854G GigaCenters are integrated access and gateway solutions that deliver advanced network management and software features to unleash the gigabit experience throughout a subscriber's home. The GigaCenter service delivery platform terminates a GPON fiber optic link at the subscriber's premises and provides carrier class Wi-Fi and Gigabit Ethernet interfaces for customer multi-media devices. The 844G and 854G GigaCenters enable residential subscribers to receive gigabit broadband data, IP video, and VoIP or TDM based voice on a single fiber. Using the latest 802.11ac 5GHz technology incorporating 4x4 multi-user multiple-input and multiple-output (MU-MIMO) and beamforming, the 844G and 854G GigaCenters allow service providers to extend the access network inside the home and establish a strategic location for the delivery and control of broadband services. A USB port is available for home networking with other Ethernet appliances. The GigaCenter family also includes the option of RF signaling for broadcast video services over existing Hybrid Fiber Coax (HFC) networks.

Calix engineered the 844G and 854G GigaCenters for optimal whole-home coverage with simultaneous dual-band 2.4GHz and 5GHz operation and dynamic beamforming at 5GHz. For maximum performance, the GigaCenter supports high-power 2x2 MIMO spatial diversity at 2.4GHz and 4x4 MU-MIMO at 5GHz. The 844G and 854G GigaCenters support the entire 5GHz band including DFS channels and can be provisioned to support 80MHz bandwidth at 5GHz. The GigaCenter solution delivers HD video and data throughout a subscriber's home with control and management of an increasingly video-rich and mobile broadband environment.

**EASY TO INSTALL, ACTIVATE, AND MAINTAIN:** With the 844G and 854G GigaCenters, Calix has redefined how to install and activate residential services at a subscriber's premises. Using the Calix Smart Activate feature and a phone or laptop, a field technician can install and apply the subscriber's service profile without special equipment or assistance from the central office. Calix also provides the innovative Compass software portfolio, including Consumer Connect, which allows the service provider to configure, activate and upgrade the GigaCenter quickly from a remote location using in-band management or TR-069. Extensive troubleshooting capabilities, remote software downloads, and easy-to-use service activation ensure that services are delivered and maintained without needless truck rolls and hardware upgrades. Employing GigaCenters allows service providers to reduce their operational expenses while effectively delivering the gigabit experience to their subscribers.

**TRUE CARRIER GRADE VOICE SOLUTION:** The 844G and 854G GigaCenters deliver a truly agile and responsive service platform with lifeline voice in the event of local AC power loss. A carrier grade 120-240 VAC, 50-60 Hz AC to 12 VDC Uninterruptible Power Supply (UPS) provides battery backup of voice services compliant to Telcordia GR-909. The 844G and 854G GigaCenters can monitor battery status, battery charge and battery life, and report results through the Calix Management System (CMS).



# 844G and 854G GigaCenters | ANSI

## KEY ATTRIBUTES

- Standards-based Full Service Access Network (FSAN), ITU-T GPON compliant
- Home Gateway:
  - Layer 2 bridge and Layer 3 routing for High Speed Internet (HSI) data and IPTV video services
  - DHCP server options
  - DHCP (IPoE) and PPPoE network connections
  - Network Access Translation (NAT), public to private IP addressing
  - Configurable IP address schemes, subnets, static-IP addresses
  - DNS server
  - Bridge port assignment and data traffic mappings
  - Port forwarding
  - Firewall and security
  - Application and website filtering
  - Selectable forwarding and blocking policies
  - DMZ hosting
  - Parental controls, time of day usage
  - Denial of service
  - MAC filtering
  - Time/Zone support
  - Universal Plug-and-Play (UPnP)
- Wireless:
  - 2.4GHz and 5GHz, simultaneous dual-band
  - 5GHz 802.11ac certified, 802.11a/g/n compatible
  - 2.4GHz 802.11n certified, 802.11b/g compatible
  - WPA/WPA2
  - WPS push-button
  - WEP 64/128 bit encryption
  - Eight SSIDs per band with factory default SSIDs
  - MAC filtering
- Two voice lines:
  - FXS ports, ANSI
  - Carrier grade SIP, H.248, MGCP VoIP
  - TDM GR-303/TR-08 Mode II/GR-57, GR-08 (TR-08 Mode I) voice services
- Four Gigabit Ethernet (GE) interfaces:
  - Symmetrical 1 Gbps bandwidth for residential IPTV and data services
  - Multi-rate 10/100/1000 BaseT Ethernet, auto-negotiating
- USB port:
  - USB 2.0 - Type A configured as a host interface
- RF video bandwidth to 1 GHz for extended digital programming
- Supports multiple data service profiles
- Traffic management and Quality of Service (QOS):
  - 802.1Q VLANs
  - 802.1p service prioritization
  - Q-in-Q tagging
  - Multiple VLANs
  - Rate limiting
  - DiffServ
  - Pre-defined QOS on service type
- IPTV, IGMPv2, future support of IGMPv3:
  - IGMP Snooping and Proxy
  - IGMP Fast Leaves
- Complete OAM&P support via Calix Management System (CMS)
- Gateway Management:
  - TR-069
  - Local Home Gateway GUI, access provisionable
  - Remote WAN side GUI access
  - Default username/password
  - Set-up persistence, factory reboot support
- Indoor mounting:
  - Wall and Structured Wiring Enclosure (SWE) mount with fiber management
  - Desktop mounting stand
- Optional voice lifeline service power source with in-home battery backup and alarm monitoring
- AC to 12 VDC power adapter available for non-lifeline services.

# SPECIFICATIONS

## 844G and 854G GigaCenters | ANSI

### DIMENSIONS

Height: 10.6 in (26.9 cm)  
Width: 7.9 in (20.0 cm)  
Depth: 1.8 in (4.6 cm)  
Weight: 28 oz. (.8 kg)

### PON CHARACTERISTICS

Max. split: 64 GPON  
Max. reach: 58 km (36 miles) with C+/FEC  
Maximum Optical Distribution Network (ODN) Attenuation:  
GPON Class B+, 28 dB  
GPON Class C+, 32 dB  
1490 ± 10 nm optical receiver:  
-27.0 to -8.0 dBm  
1310 ± 20 nm optical transmitter:  
0.5 to 5.0 dBm

### INTERFACES

Wireless: 2.4GHz 2x2 and 5Hz 4x4 internal antennas  
Telephony: Two RJ-11 connectors  
Data/IPTV: Four 10/100/1000 BaseT Ethernet ports, RJ-45 connectors  
USB: USB 2.0 Type A  
RF Video: F-connector, 75 Ohms  
PON: Single 9/125 μm (single mode) fiber, SC/APC connector, minimum 50 dB return loss  
Power: 8-pin connector

### TELEPHONY

General: SIP, H.248, MGCP or TDM Gateway (GR-303, GR-57, TR-08 Mode I, TR-08 Mode II)  
Number of lines: 2  
RENs per line: 5 maximum  
RENs per unit: 10 maximum  
Drop length: Maximum 500 feet (152.4 m)  
DSO Output: 23.5 mA

### DATA

Drop length: 328 feet (100 m) maximum using CAT5 cable  
Auto MDI/MDIX crossover for 1000BASE-TX, 100BASE-TX, and 10BASE-T ports  
Traffic Management and QOS: 802.11nQ VLAN; 802.11np voice, video, data and management priorities; Q-in-Q tagging; Rate limiting

### WIRELESS

2.4GHz 802.11 b/g/n  
2x2 MIMO, high-power  
5GHz 802.11 a/g/n/ac  
4x4 MU-MIMO, implicit/explicit dynamic beamforming  
2.4GHz and 5GHz simultaneous  
8 SSIDs per band (2 SSID subscriber default)  
Auto channel selecting and interference detection  
WPS, WPS push button  
Wireless Security: Wi-Fi protected access (WPA/WPA2) WEP, MAC address filtering  
Wi-Fi multimedia (WMM)

### VIDEO-ANALOG RF OUTPUT

Bandwidth: 54 to 550 MHz  
Return loss: 10 dB minimum  
Signal strength (with AGC range):  
18 ± 2 dBmV  
Flatness: ± 1.0 dB  
Tilt: 1.0 dB ± 1.0 dB from 54 to 550 MHz

### VIDEO-DIGITAL RF OUTPUT

Bandwidth: 550 to 1003 MHz  
Return loss: 8 dB minimum  
Signal strength (within AGC range):  
12 ± 2 dBmV  
Flatness: ± 1.5 dB  
Tilt: 4.0 dB ± 1.0 dB from 550 to 1003 MHz  
Modulation Error Ratio (MER): 33 dB

### VIDEO-DIGITAL RF INPUT

Optical Input (GPON)  
Wavelength: 1555 ± 5 nm  
Signal strength at 3.5% OMI (within AGC range):  
-6.0 to 2.0 dBm

### REMOTE MANAGEMENT

OAM&P via CMS  
TR-069 remote management  
TR-064 CPE management  
TR-098 Internet Gateway Device Data Model

### ENVIRONMENTAL

Operating temperature: Indoor ambient temperature, 0° to 40°C  
Operating/storage relative humidity: 8 to 95 % non-condensing  
Altitude: -200 to 10,000 feet (-61 to 3,048 m) above sea level

### CERTIFICATION AND COMPLIANCE

Emissions:  
FCC Part 15 Class B, IC ICES-003 Class B  
CISPR-22  
Safety:  
UL 60950 and UL 1697 approved  
IEEE: 802.3, 802.3AB, 802.3U, 802.11np, 802.11nQ  
Wi-Fi Alliance Certified  
802.11ac and 802.11n



USB-IF Compliance  
USB 2.0



### POWERING AND ALARMS

8-pin connector with 7-conductor power and alarm cable  
Input voltage: 12 VDC (nominal), 10 VDC (min.), 15 VDC (max)  
External Power Adapter: 12 VDC, 2.5 A  
Residential battery backup source: UPS mounted at subscriber's residence  
Battery backup time rated capacity:  
8 hours based on Telcordia GR-909 calculation methods using recommended UPS.

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ORDERING INFORMATION

## 844G and 854G GigaCenters | ANSI

### Calix 844G and 854G GigaCenters

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100-04011..... 844G-1 GigaCenter, 2 POTS, 4 GE, Dual Wi-Fi, 1 USB -UPS Power Interface  
100-04013..... 854G-1 GigaCenter, 2 POTS, 4 GE, Dual Wi-Fi, 1 USB, 1 RF -UPS Power Interface

### Calix 844G and 854G UPS and UPS Cords

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100-04068..... Indoor UPS, 12V 7.2AH 36W, Black - AM Type B Grounded  
100-03893..... Indoor UPS Power Cord, 7 pin UPS to 8 pin ONT Male, 1M Black  
100-03894..... Indoor UPS Power Cord, 7 pin UPS to 8 pin ONT Male, 3M Black  
100-03895..... Indoor UPS Power Cord, Un-terminated to 8 pin ONT Male, 6M Black



## 812G and 813G GigaHubs | ANSI



### DESCRIPTION

The Calix 812G and 813G GigaHubs are next generation premises service delivery platforms that support broadband connectivity to the home. These high-performance devices integrate a 2.5 GPON optical WAN interface with switching and routing functions that manage premises network traffic at speeds up to 1 Gbps. The GigaHub service interfaces include: four gigabit Ethernet (GE) ports for IPTV video and data services, and two integrated voice lines supporting carrier grade VoIP and network-based TDM voice circuits. Options include integrated 2.4 GHz 802.11n Wi-Fi, and USB port for connecting services.

**GIGABIT SUBSCRIBER EXPERIENCE:** The 812G and 813G GigaHubs are integrated access and gateway solutions that deliver advanced network management and software features to unleash the gigabit experience. The GigaHub premises service delivery platforms terminate a GPON fiber optic link at the subscriber's premises and provides gigabit Ethernet interfaces and wireless connectivity for customer multi-media devices. The 812G and 813G GigaHubs enable residential subscribers to receive gigabit broadband data, IP video, and VoIP or TDM based voice on a single fiber. Using bridged or home gateway features and option for 802.11n 2.4 GHz Wi-Fi allows service providers to extend the access network inside the home and establish a strategic location for the delivery and control of broadband services. A USB port is available for interconnecting with USB client devices and other Ethernet appliances. The GigaHub solution delivers HD video and data throughout a subscriber's home with control and management of an increasingly video-rich and mobile broadband environment.

**EASY TO INSTALL, ACTIVATE, AND MAINTAIN:** With the 812G and 813G GigaHubs, Calix has redefined how to install and activate residential services at a subscriber's premises. Using the Calix Smart Activate feature and a phone or laptop, a field technician can install and apply the subscriber's service profile without special equipment or assistance from the central office. Calix also provides the innovative Compass software portfolio, including management via CMS and Consumer Connect, which allows the service provider to configure, activate and upgrade the GigaHubs quickly from a remote location using in-band management or TR-069. Extensive troubleshooting capabilities, remote software downloads, and easy-to-use service activation ensure that broadband services are delivered and maintained without needless truck rolls and hardware upgrades. Employing GigaHubs allows service providers to reduce their operational expenses while effectively delivering the gigabit experience to their subscribers. With powerful cloud enhanced Flow and Wi-Fi Advisor software, service providers are able to gain meaningful insights into their usage trends to improve network efficiency, to diagnose wireless issues and provide resolutions to increase subscriber satisfaction.

**TRUE CARRIER GRADE VOICE SOLUTION:** The 812G and 813G GigaHubs deliver a truly agile and responsive service platform with lifeline voice in the event of local AC power loss. A carrier grade 120-240 VAC, 50-60 Hz AC to 12 VDC Uninterruptible Power Supply (UPS) provides battery backup of voice services compliant to Telcordia GR-909. The 812G and 813G GigaHubs can monitor battery status, battery charge and battery life, and report results through the Calix Management System (CMS).

# 812G and 813G GigaHubs | ANSI

## KEY ATTRIBUTES

- Standards-based Full Service Access Network (FSAN), ITU-T GPON compliant
- Home Gateway:
  - Layer 2 bridge and Layer 3 routing for High Speed Internet (HSI) data and IPTV video services
  - DHCP server options
  - DHCP (IPoE) and PPPoE network connections
  - Network Access Translation (NAT), public to private IP addressing
  - Configurable IP address schemes, subnets, static-IP addresses
  - DNS server
  - Bridge port assignment and data traffic mappings
  - Port forwarding
  - Firewall and security
  - Application and website filtering
  - Selectable forwarding and blocking policies
  - DMZ hosting
  - Parental controls, time of day usage
  - Denial of service
  - MAC filtering
  - Time/Zone support
  - Universal Plug-and-Play (UPnP)
- Wireless:
  - 2.4GHz single-band
  - 2.4GHz 802.11n certified, 802.11b/g compatible
  - WPA/WPA2
  - WPS push-button
  - WEP 64/128 bit encryption
  - Eight SSIDs per band with factory default SSIDs
  - MAC filtering
- Two voice lines:
  - FXS ports, ANSI
  - Carrier grade SIP, H.248, MGCP VoIP
  - TDM GR-303/TR-08 Mode II/GR-57, GR-08 (TR-08 Mode I) voice services
- Four gigabit Ethernet (GE) interfaces:
  - Symmetrical 1 Gbps bandwidth for residential IPTV and data services
  - Multi-rate 10/100/1000 BaseT Ethernet, auto-negotiating
- USB port:
  - USB 2.0 - Type A configured as a host interface
- Supports multiple data service profiles
- Traffic management and Quality of Service (QOS):
  - 802.1Q VLANs
  - 802.1p service prioritization
  - Q-in-Q tagging
  - Multiple VLANs
  - Rate limiting
  - DiffServ
  - Pre-defined QOS on service type
- IPTV, IGMPv2 and IGMPv3:
  - IGMP Snooping and Proxy
  - IGMP Fast Leaves
- Complete OAM&P support via Calix Management System (CMS)
- Gateway Management:
  - TR-069
  - Local Home Gateway GUI, access provisionable
  - Remote WAN side GUI access
  - Default username/password
  - Set-up persistence, factory reboot support
- Indoor mounting:
  - Wall and Structured Wiring Enclosure (SWE) mount with fiber management
  - Desktop mounting stand
- Optional voice lifeline service power source with in-home battery backup and alarm monitoring
- AC to 12 VDC power adapter available for non-lifeline services.

## SPECIFICATIONS

# 812G and 813G GigaHubs | ANSI

### DIMENSIONS

Height: 7.9 in (20.0 cm)  
Width: 5.9 in (15.0 cm)  
Depth: 1.5 in (3.8 cm)  
Weight: 14 oz. (.4 kg)

### PON CHARACTERISTICS

Max. split: 64 GPON  
Max. reach: 58 km (36 miles) with C+/FEC  
Maximum Optical Distribution Network (ODN) Attenuation:  
GPON Class B+, 28 dB  
GPON Class C+, 32 dB  
1490 ± 10 nm optical receiver:  
-27.0 to -8.0 dBm  
1310 ± 20 nm optical transmitter:  
0.5 to 5.0 dBm

### INTERFACES

Wireless: 2.4GHz 2x2 internal antennas  
Telephony: Two RJ-11 connectors  
Data/IPTV: Four 10/100/1000 BaseT Ethernet ports, RJ-45 connectors  
USB: USB 2.0 Type A  
PON: Single 9/125 μm (single mode) fiber, SC/APC connector, minimum 50 dB return loss  
Power: 8-pin connector

### TELEPHONY

General: SIP, H.248, MGCP or TDM Gateway (GR-303, GR-57, TR-08 Mode I, TR-08 Mode II)  
Number of lines: 2  
RENs per line: 5 maximum  
RENs per unit: 10 maximum  
Drop length: Maximum 500 feet (152.4 m)  
DS0 Output: 23.5 mA

### DATA

Drop length: 328 feet (100 m) maximum using CAT5 cable  
Auto MDI/MDIX crossover for 1000BASE-TX, 100BASE-TX, and 10BASE-T ports  
Traffic Management and QOS: 802.11nQ VLAN; 802.11np voice, video, data and management priorities; Q-in-Q tagging; Rate limiting

### WIRELESS

2.4GHz 802.11 b/g/n  
2x2 MIMO, high-power  
8 SSIDs per band (2 SSID subscriber default)  
Auto channel selecting and interference detection  
WPS, WPS push button  
Wireless Security: Wi-Fi protected access (WPA/WPA2) WEP, MAC address filtering  
Wi-Fi multimedia (WMM)

### REMOTE MANAGEMENT

OAM&P via Calix Management System (CMS)  
TR-069 remote management  
TR-064 CPE management  
TR-098 Internet Gateway Device Data Model  
TR-104 Provisioning Parameters for VoIP CPE

### ENVIRONMENTAL

Operating temperature: Indoor ambient temperature, 0° to 40°C  
Operating/storage relative humidity: 8 to 95 % non-condensing  
Altitude: -200 to 10,000 feet (-61 to 3,048 m) above sea level

### CERTIFICATION AND COMPLIANCE

Emissions:  
FCC Part 15 Class B  
IC ICES-003 Class B  
CISPR-22  
Safety:  
UL 60950 and UL 1697 approved  
IEEE: 802.3, 802.3AB, 802.3U, 802.11np, 802.11nQ  
Wi-Fi Alliance Certified 802.11n



USB-IF Compliance  
USB 2.0



### POWERING AND ALARMS

8-pin connector with 7-conductor power and alarm cable  
Input voltage: 12 VDC (nominal), 10 VDC (min.), 15 VDC (max)  
External Power Adapter: 12 VDC, 1.5 A  
812G Typical Power: 5.5 W, Max Power: 8 W  
813G Typical Power: 12.5 W, Max Power: 15 W  
Residential battery backup source: UPS mounted at subscriber's residence  
Battery backup time rated capacity: 8 hours based on Telcordia GR-909 calculation methods using recommended UPS. Contact Calix for recommended UPS

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## ORDERING INFORMATION

# 812G and 813G GigaHubs | ANSI

### Calix 812G and 813G GigaHubs

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100-04257..... 812G-1 GigaHub, 2 POTS, 4 GE, 1 USB -UPS Power Interface  
100-04259..... 813G-1 GigaHub, 2 POTS, 4 GE, 2.4 GHz Wi-Fi, 1 USB -UPS Power Interface

### Calix 812G and 813G UPS and UPS Cords

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100-04068..... Indoor UPS, 12V 7.2AH 36W, Black - AM Type B Grounded  
100-04337..... Indoor UPS, 12V 7.2AH 36W, Black - AM Type B Floating  
100-03893..... Indoor UPS Power Cord, 7 pin UPS to 8 pin ONT Male, 1M Black  
100-03894..... Indoor UPS Power Cord, 7 pin UPS to 8 pin ONT Male, 3M Black  
100-03895..... Indoor UPS Power Cord, Un-terminated to 8 pin ONT Male, 6M Black

### Calix 812G and 813G Power Adapter

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100-04125..... Power Adapter CPA5 12V 2.5Amp -AM Type A w/ 8-pin connector  
100-04141..... Power Adapter CPA5 12V 2.5Amp -EU Type C w/ 8-pin connector

### Sales Packages - Calix 812G and 813G with Power Adapter

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000-00901..... 812G-1 GigaHub, 2 POTS, 4 GE -AM Type A Power Adapter w/ 8-pin connector  
000-00902..... 812G-1 GigaHub, 2 POTS, 4 GE -EU Type C Power Adapter w/ 8-pin connector  
  
000-00908..... 813G-1 GigaHub, 2 POTS, 4 GE, 2.4GHz WiFi, 1 USB -AM Type A Power Adapter w/ 8-pin connector  
000-00909..... 813G-1 GigaHub, 2 POTS, 4 GE, 2.4GHz WiFi, 1 USB -EU Type C Power Adapter w/ 8-pin connector



## 803G GigaPoint



### DESCRIPTION

The Calix 803G GigaPoint is an indoor, 2.5 Gbps GPON small form factor service delivery terminal that delivers broadband connectivity to the subscriber. This high-performance terminal features one gigabit Ethernet (GE) interface delivering IPTV video and data services, and option for one voice line supporting carrier grade VoIP and network-based TDM voice circuits.

The 803G GigaPoint is designed for the industry-leading Calix E-Series fiber access GPON optical line terminals (OLTs). The GigaPoint terminates a GPON fiber optic link at the subscriber's premises and provides an industry-standard interface for the customer premises equipment. The 803G GigaPoint enables residential subscribers to receive gigabit broadband data and IP video, and VoIP or TDM based voice on a single fiber. The GigaPoint establishes a strategic network termination point for the delivery and control of broadband services.

**EASY TO INSTALL, ACTIVATE, AND MAINTAIN:** With the 803G GigaPoint Calix has redefined how to install and activate residential services at a subscriber's premises. Using the Calix Smart Activate feature a field technician can install and apply the subscriber's service profile without special equipment or assistance from the central office. Calix also provides the innovative Compass software portfolio, enabling the service provider to configure, activate and upgrade the GigaPoint using in-band management. Extensive troubleshooting capabilities, remote software downloads, and easy-to-use service activation ensures that services are delivered and maintained without needless truck rolls and hardware upgrades. Employing 803G GigaPoint allows service providers to reduce their operational expenses while effectively delivering the gigabit experience to their subscribers.

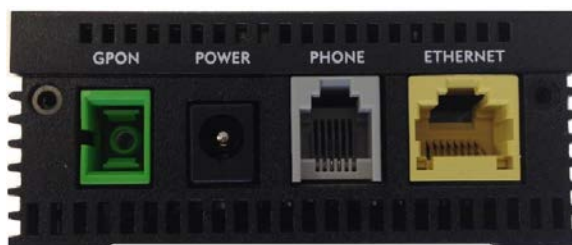
GigaPoint power options include a 120-240 VAC, 50-60 Hz to 12 VDC converter or a 120-240 VAC, 50-60 Hz AC to 12 VDC uninterruptible power supply (UPS) that provides battery backup of lifeline POTS in the event of local AC power loss. The UPS includes audible alarms to indicate battery status allowing the subscriber to monitor performance of the unit.



# 803G GigaPoint

## KEY ATTRIBUTES

- Standards-based Full Service Access Network (FSAN), ITU-T GPON compliant
- One gigabit Ethernet (GE) interface:
  - Symmetrical 1 Gbps bandwidth for residential IPTV and data services
  - Multi-rate 10/100/1000 BaseT Ethernet, auto-negotiating
- One voice line
  - FXS ports, ANSI or ETSI
  - Carrier grade SIP, H.248, MGCP VoIP
  - TDM GR-303/TR-08 Mode II/GR-57, GR-08 (TR-08 Mode I) voice services
- Supports multiple data service profiles
- Traffic management and Quality of Service (QOS):
  - 802.1Q VLANs
  - 802.1p service prioritization
  - Q-in-Q tagging
  - Multiple VLANs
  - Rate limiting
  - DiffServ
  - Pre-defined QOS on service type
- IPTV, IGMPv2, IGMPv3:
  - IGMP Snooping and Proxy
  - IGMP Fast Leaves
- Complete OAM&P support via Calix Management System (CMS)
- Indoor mounting options:
  - Wall mount
  - Structured Wiring Enclosure (SWE) mount
  - Desktop mount: horizontal or vertical
- AC to 12 VDC power adapter available for non-lifeline services
- Optional lifeline service power source with in-home battery backup and audible alarms



803G GigaPoint

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## SPECIFICATIONS

# 803G GigaPoint

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### DIMENSIONS

Height: 4.0 in (10.2 cm)  
Width: 3.0 in (7.6 cm)  
Depth: 1.25 in (3.2 cm)  
Weight: 4 oz. (.1 kg)

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### PON CHARACTERISTICS

Max. split: 64 GPON  
Max. reach: 58 km (36 miles) with C+/FEC  
Maximum Optical Distribution Network (ODN) Attenuation:  
GPON Class B+, 28 dB  
GPON Class C+, 32 dB  
1490 ± 10 nm optical receiver: -27.0 to -8.0 dBm  
1310 ± 20 nm optical transmitter: 0.5 to 5.0 dBm

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### INTERFACES

Data/IPTV: One 10/100/1000 BaseT Ethernet port, RJ-45 connector  
Telephony (803G): One RJ-11 connector  
PON: Single 9/125 μm (single mode) fiber, SC/APC connector, minimum 50 dB return loss  
Power: 2-pin connector

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### TELEPHONY

General: SIP, H.248, MGCP or TDM Gateway (GR-303, GR-57, TR-08 Mode I, TR-08 Mode II)  
Number of lines: 1  
RENs: 5 maximum  
Drop length: Maximum 500 feet (152.4 m)  
DSO Output: 23.5 mA  
Ring Voltage: 56–84 VAC

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### DATA

Drop length: 328 feet (100 m) maximum using CAT5 cable  
Auto MDI/MDIX crossover for 1000BASE-TX, 100BASE-TX, and 10BASE-T ports  
Traffic Management and QOS: 802.1Q VLAN; 802.1p Voice, Video, Data and Management Priorities; Q-in-Q tagging; Per-Port Rate Shaping; Rate Limiting

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### ENVIRONMENTAL

Operating temperature: Indoor ambient temperature, 0° to 40°C  
Operating/storage relative humidity: 8 to 95 % non-condensing  
Altitude: -200 to 10,000 feet (-61 to 3,048 m) above sea level

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### CERTIFICATION AND COMPLIANCE

Emissions:  
FCC Part 15 Class B  
IC ICES-003 Class B  
CISPR-22  
Safety:  
UL 60950 and UL 1697 approved  
IEEE: 802.3, 802.3AB, 802.3U, 802.11n, 802.11nQ

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### POWERING AND ALARMS

2-pin connector  
Input voltage: 12 VDC (nominal), 10 VDC (min.), 15 VDC (max)  
External Power Adapter: 12 VDC, 1.5 A  
Typical Power: 5 W, Peak Power: 7 W  
2-pin power cable for UPS support  
Dying Gasp

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ORDERING INFORMATION

# 803G GigaPoint

## Calix 803G GigaPoint

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100-04255..... 803G GigaPoint, 1 GE, 1 POTS

## Calix 803G Power Adapters

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100-04323..... Power Adapter CPA3 12V 1.5Amp - AM Type A  
100-04324..... Power Adapter CPA3 12V 1.5Amp - EU Type C  
100-04037..... Power Adapter CPA5 12V 2.5Amp - UK Type G  
100-04038..... Power Adapter CPA5 12V 2.5Amp - AU/NZ Type I  
100-04039..... Power Adapter CPA5 12V 2.5Amp - AR Type I

## Calix 803G Packages with Power Adapter

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000-00951..... 803G GigaPoint, 1 POTS, 1 GE -AM Type A Power Adapter  
000-00952..... 803G GigaPoint, 1 POTS, 1 GE -EU Type C Power Adapter  
000-00953..... 803G GigaPoint, 1 POTS, 1 GE -UK Type G Power Adapter  
000-00954..... 803G GigaPoint, 1 POTS, 1 GE -AU/NZ Type I Power Adapter  
000-00955..... 803G GigaPoint, 1 POTS, 1 GE -AR Type I Power Adapter

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## **Rural Pine Island Fiber Expansion Project**

Pine Island Telephone Company, dba Bevcomm  
December 23, 2021

## Application Cover Sheet Template

- **Project Name:** Rural Pine Island Fiber Expansion Project
- **Applicant Organization Name:** Pine Island Telephone Company Inc, dba Bevcomm
- **Applicant Organization's Mailing Address:** 123 W 7<sup>th</sup> Street, Blue Earth, MN 56013
- **Applicant's Primary Contact:**  
John Sonnek, Director of Operations, (507) 526-1164, [jsonnek@bevcomm.com](mailto:jsonnek@bevcomm.com)
- **Project Location:**  
The proposed Rural Pine Island Fiber Expansion Project will include the construction of a fiber-to-the-premises network infrastructure west of the City of Pine Island in portions of Roscoe and Pine Island Townships, within Goodhue County.
- **List County/Township Served by Project:** The proposed project is in portions of Roscoe and Pine Island Townships, within Goodhue County.
- **List Community/Communities Served by Project:** Rural Pine Island
- **Funding Request Amount:** \$277,767, 50% of total request
- **Matching Funds Provided by Applicant:** Bevcomm will contribute \$277,267. In a funding partnership, Roscoe Township has committed to \$500 towards the proposed project. The combined total reflects 50% of the total project cost.
- **Total Application Cost:** \$555,534
- **If Application Proposes a Public/Private Partnership, List Names of All Partner Companies/Entities:** This application presents a Public/Private Partnership with Roscoe Township.
- **Funding Commitment provided by Each Partner:** Roscoe Township has committed \$500 toward the project.

Application Cover Sheet Template (Cont'd)

**Total Number of Passings: 68**

PASSINGS COUNTS	Households	Businesses	Farms	Community Institutions
<b>Currently UNSERVED</b> Number of passings expected to improve speeds to at least 25/3 as a result of the project.	0	0	0	0
<b>Currently UNDERSERVED</b> Number of passings expected to improve speeds from between 25/3 & 100/20 to 100/20 and above as a result of the project.	41	23	4	0

**Application Includes:**

*[choose one]*

**Last Mile Components Only**

**Middle Mile Components Only**

**Both Last Mile and Middle Mile Components**

**Type of Proposed Broadband Construction:**

*[FTTH, Cable, DSL, Fixed Wireless, Combination, etc.]*

The proposed project is Fiber-to-the-Premise construction.

**Application Demonstrates Completed Outreach to Existing Providers:**

**Yes**

**No (as not applicable)**

**Names of All Other Wire-line Broadband Service Providers Serving this Application**

**Area:** Bevcomm is the sole wireline provider in the proposed area.

**State of Minnesota Vendor Number:** 202199

## Application Main Body Template

### Executive Summary:

Pine Island Telephone Company, Inc. dba Bevcomm, respectfully submits this application for a proposed project titled Rural Pine Island Fiber Expansion Project. The purpose of this project is to construct a fiber-to-the-premise network to 68 locations including 39 underserved households, 25 businesses, and 4 farms in Goodhue County. The proposed area includes portions of both Roscoe and Pine Island Townships. This project will enable data rates of up to 1 Gbps (1,000 Mbps) to each subscriber on the network. Our core services are deployed utilizing extensive broadband networks including multiple fully redundant 10 Gbps Ethernet transport rings that are constructed to survive fiber cuts and multiple equipment failures. Bevcomm will use a dedicated fiber optic cable architecture along with an Active Ethernet FTTP technology to deliver these ultra-broadband services to its customers. This proposed project will enable a wide range of services to be delivered including high-speed Internet, IP television, local and long-distance telephone, and home automation and monitoring services.

The estimated cost for the eligible infrastructure is \$555,534. Of that total, \$277,767 is being requested as grant funding and \$277,767 is being pledged by Bevcomm and Roscoe Township, as its equity contribution. Roscoe Township will contribute \$500 and Bevcomm will provide the remaining balance of \$277,267.

Bevcomm is a fourth generation, family-owned communications company providing cutting edge services for more than 125 years. To date, we have delivered fiber drops to nearly 1,300 homes in Goodhue County and have the expertise and experience to successfully complete the proposed fiber construction project. Bevcomm has been a recipient of 20 state grants, all successfully deployed, in both Minnesota and Wisconsin.

The community support for the proposed project has been abundant and extremely positive. In preparation for this application, we conducted a survey of residents living in the proposed project area. We received a 56% response rate and 91% of those who responded reported having a strong interest in this project. Respondents lamented that their less than adequate speeds result in sub-par online education, delayed work-from-home applications, and poor access to telehealth opportunities. They detailed how these experiences were heightened due to the COVID-19 pandemic. An enhanced broadband network will eliminate the digital frustrations and limitations that residents currently battle and will provide speeds that will allow them to overcome geographical distances, engage in advanced telehealth options, efficiently and effectively telecommute, and successfully participate in distance learning.

Bevcomm is pleased to have received the support of community members, to partner with Roscoe Township, and to have received a letter from United States Congresswoman, Angie Craig, in support of this proposed project. In her letter of support, the Congresswoman states, "Goodhue County is without question an underserved area with limited internet services. When I speak to my constituents, I am continuously reminded that the residents of rural Goodhue County consistently lack adequate internet connectivity." Congresswoman Craig continues, "The funding partnership from the Goodhue County Broadband Infrastructure Partnership grant program will help enable Bevcomm to provide the residents of rural Goodhue County with the high-speed internet that they need."

*Part I – Key Project Data*

**1.1 Project Name:** Rural Pine Island Fiber Expansion Project

**1.2 Applicant Organization Name:** Pine Island Telephone Company Inc., dba Bevcomm

**1.3 Applicant Organization’s Mailing Address:** 123 W 7<sup>th</sup> Street, Blue Earth, MN 56013

**1.4 Key Contacts:**

- **Primary Contact:** John Sonnek, Directory of Operations, 507-526-1164, jsonnek@bevcomm.com
- **Project Manager:** John Sonnek, Directory of Operations, 507-526-1164, jsonnek@bevcomm.com
- **Application Author:** John Sonnek, Directory of Operations, 507-526-1164, jsonnek@bevcomm.com

**1.5 Map and Description of Project Area:**

The proposed Rural Pine Island Fiber Expansion Project will include the construction of fiber-to-the-premises network infrastructure west of the City of Pine Island in Roscoe and Pine Island Townships, within Goodhue County.

Below, please find a list of census blocks, maps of the proposed project, and a complete list of addresses that represent the project area. The maps can also be referenced in Appendix 1.5.

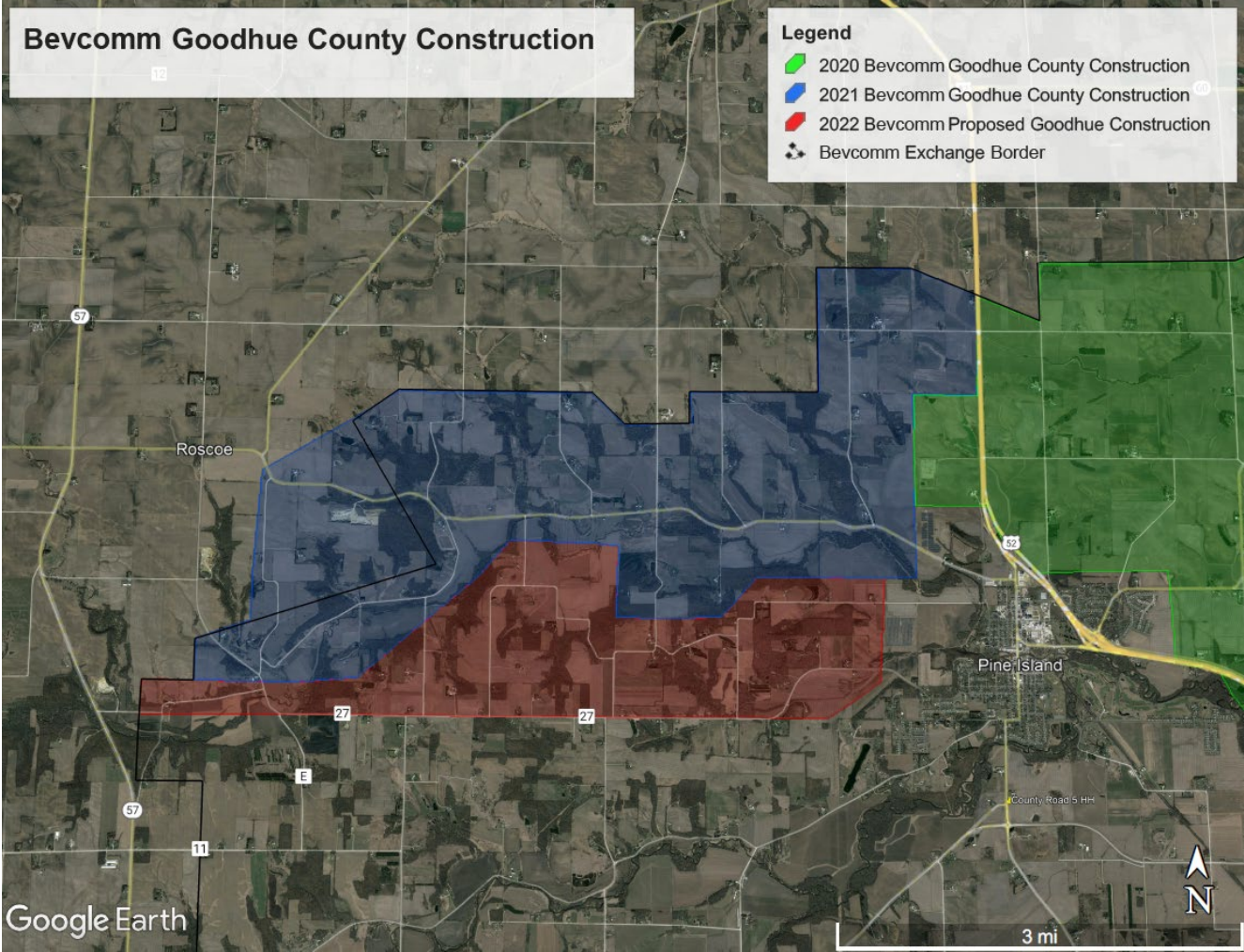
**Census Blocks in the proposed project area:**

270490808001097	270490808001108	270490808001109	270490808001110
270490808001111	270490808001113	270490808001116	270490808001117
270490808001118	270490808002009	270490808002010	270490808002011
270490808002026	270490808002027	270490808002029	270490808002041



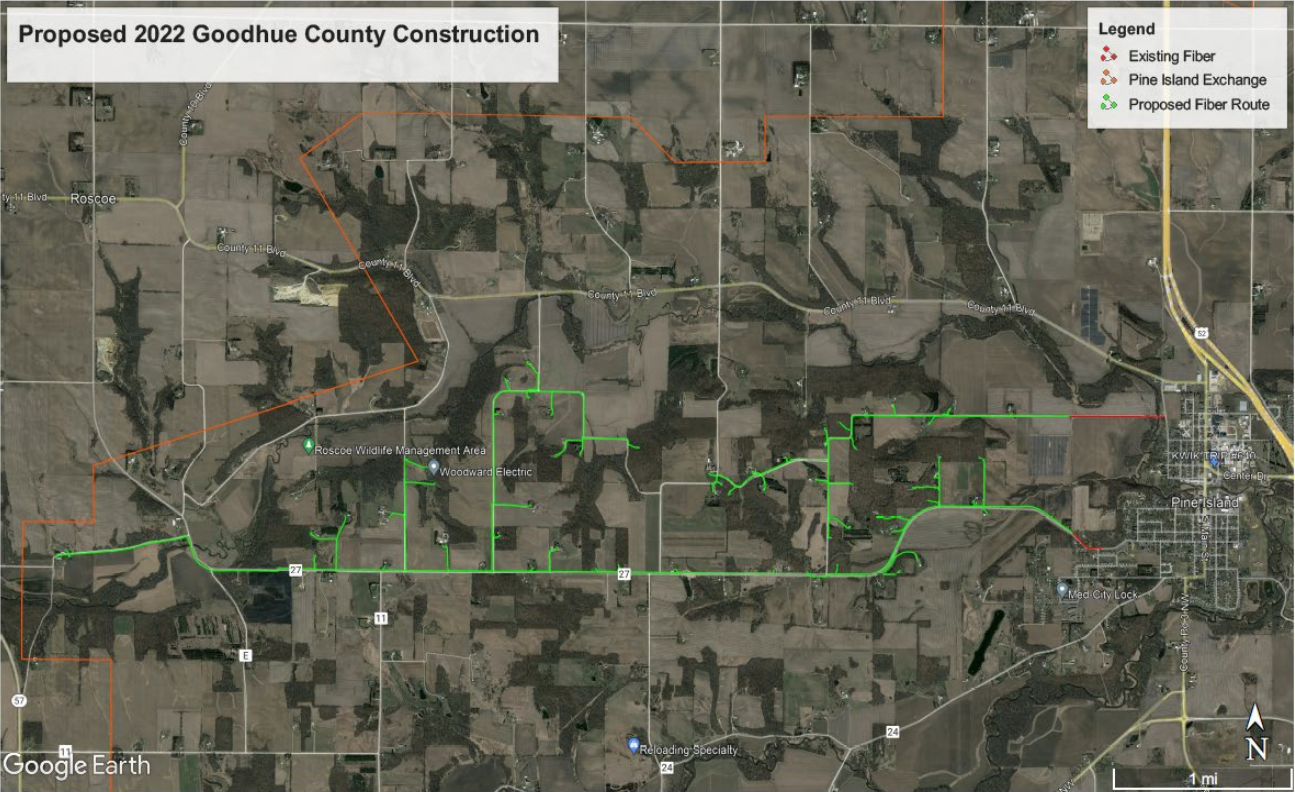
2021 GOODHUE COUNTY BROADBAND PARTNERSHIP PROGRAM APPLICATION

Map of proposed project area:



# 2021 GOODHUE COUNTY BROADBAND PARTNERSHIP PROGRAM APPLICATION

Detailed Map of proposed project area:



**List of addresses in proposed project area:**

17799 511th St	17947 County 27 Blvd	51099 152nd Ave	51241 Fork Trl
51290 Fork Trl	51500 147th Ave	51630 152nd Ave	51670 171st Ave
1210 511th St	15937 Cty 27 Blvd	51124 165th Ave	51429 165th Ave
51681 147th Ave	51796 171st Ave	51384 147th Ave	51499 176th Ave Way
14231 Cty 27 Blvd	16265 Cty 27 Blvd	51130 152nd Ave	12800 520th St
16632 515th St	16614 515th St	51197 Fork Trl	14627 Cty 27 Blvd
16913 Cty 27 Blvd	16757 515th St	51489 171st Ave	15459 Cty 27 Blvd
17726 511th St	16849 Cty 27 Blvd	51500 171st Ave	15797 Cty 27 Blvd
51239 Fork Trl	17089 511th St	51605 176th Avenue Way	16484 515th St
Flood Co 27 Blvd	17189 Cty 27 Blvd	51771 Cty 27 Blvd	16758 515th St
1231 5th St SW	17259 511th St	51808 152nd Ave	16917 515th St
12817 520th St	17333 511th St	51430 176th Avenue Way	17115 511th St
14353 Cty 27 Blvd	17420 County 27 Blvd	51525 176th Avenue Way	17188 511th St
14355 Cty 27 Blvd	17495 511th St	16490 515th St	17545 Cty 27 Blvd
14997 Cty 27 Blvd	17524 County 27 Blvd	17039 Cty 27 Blvd	17617 Cty 27 Blvd
15211 Co 27 Blvd	51048 152nd Ave	17999 Cty 27 Blvd	17670 511th St
15563 Cty 27 Blvd	51077 Fork Trl	50905 155th Ave	12441 520th St

**1.6 Applicant Eligibility:**

Bevcomm is eligible to apply as an incorporated business.

**1.7 County or Township Coverage:**

The proposed project includes portions of both Roscoe and Pine Island Townships, west of the City of Pine Island, both within Goodhue County.

**1.8 Single Paragraph Summary Description of Project:** *(for use on departmental website)*

This last mile Rural Pine Island Fiber Expansion Project will offer 68 underserved locations including 39 households, 25 businesses and telecommuters, and 4 farms in Goodhue County. In a funding partnership with the County of Goodhue and Roscoe Township, Bevcomm will improve underserved levels to exceed 100 Megabits per second download and 20 Megabits per second upload, exceeding Minnesota’s 2026 state speed goal. This proposed fiber-to-the-premises (FTTP) project will provide broadband data speeds at a variety of advertised data rates, with the capability of attaining speeds of 1 Gbps or more to every location. Building a fiber-to-the-premise network that provides advanced, high-speed broadband services to households, businesses, and farms in the proposed project area enables improved access to critical school e-learning applications, encourages efficient telecommuting and telehealth opportunities, and will stimulate a more robust local area economy. The total eligible project cost is \$555,534. Of that total, \$277,767, or 50%, of the



total project budget is being requested as grant funds. Bevcomm will contribute \$277,267, and the remainder will be contributed through a \$500 funding partnership with Roscoe Township.

*Part II – Broadband Improvements: Unserved/Underserved Documentation*

**2.1 Anticipated Broadband Improvements:**

Using the “Anticipated Improvements” table (see below), please provide the number of households, businesses, farms, and community anchor institutions that will be able to receive improved broadband services as a result of the proposed project.

**Anticipated Improvements in Broadband Service**  
**Based on this Application Project**

# Of Passings	Speed Now:	0/0	≤10/1	0/0	≤10/1	25/3	0/0	≤25/3	<100/20
	Speed After Build:	25/3	25/3	100/20	100/20	100/20	1G/1G	1G/1G	1G/1G
<b>Households</b>								39	
<b>Businesses</b>								25	
<b>Farms</b>								4	
<b>Anchors</b>								0	
<b>TOTAL</b>								68	

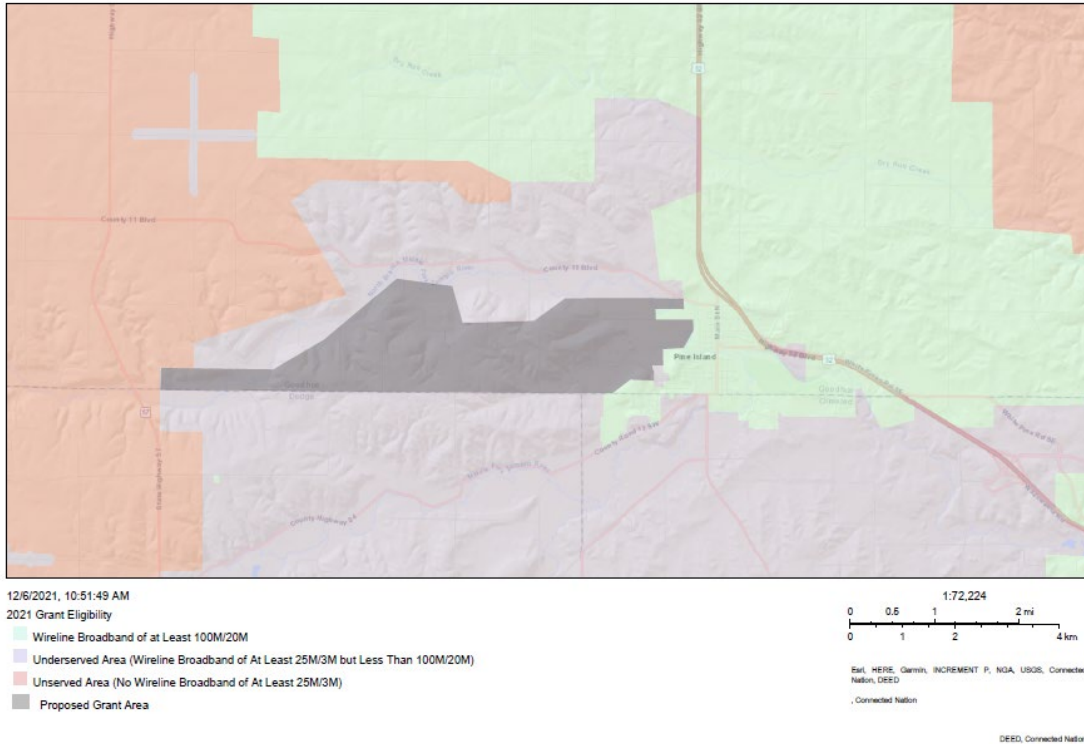
The Minnesota Broadband Map (Appendix 2.2) depicts the proposed project area as underserved. Actual speeds achievable to Bevcomm subscribers in this area is mostly less than 25/3, according to our plant records. Also, according to plant records, there are eight subscribers in this proposed project area who cannot achieve 10/1 Mbps. When this project reaches its completion, all homes passed will have the ability to achieve Gig/Gig speeds. For the purposes of this application, we will reference the entire area as underserved as the Minnesota Broadband Map depicts.

**2.2 Unserved and Underserved Documentation:**

**Provide evidence in the application to demonstrate that the proposed project is for an unserved or underserved area. [If separately attached, label as Appendix 2.2]**

Below please find a map that outlines Bevcomm’s proposed Rural Pine Island Fiber Expansion Project. The map shows that 100% of this proposed project area is underserved.

**Bevcomm Pine Island - Proposed Goodhue County Grant Area**



*Part III – Project Funding Request and Community Participation*

**3.1 How much money from Goodhue County is being requested for this application? What percent of total eligible project cost does the funding request represent?**

Bevcomm is requesting a grant for \$277,767, which represents 50% of the total project costs for the proposed Rural Pine Island Fiber Expansion Project.

**3.2 How much in total matching funds from the Applicant – including any funding partners, if applicable – is being proposed? What percentage of the total eligible project cost does the 3.2 Applicant’s matching funds represent?**

Bevcomm will commit \$277,267 and Roscoe Township will provide \$500, totaling \$277,767, which represents 50% of the proposed Rural Pine Island Fiber Expansion Project.

**3.3 Please list in detail all confirmed matching fund commitments by each project funding partner.**

Please reference Appendix 3.3 for an example of secured funds including a bank letter on behalf of Bevcomm, and Private Public Partnership agreement between Bevcomm and Roscoe Township.

**2021 GOODHUE COUNTY BROADBAND PARTNERSHIP PROGRAM APPLICATION**

<b>Matching Funds Sources:</b>	<b>Funding \$ Commitment</b>	<b>Proof of Match Attached</b>
<i>Applicant Name:</i>		
Bevcomm	\$277,267	Yes
<i>Funding Partner(s):</i>		
<i>Roscoe Township</i>	\$500	Yes
<b>Total Matching Funds</b>	<b>\$277,767</b>	

**3.4 Provide complete contact information for each application funding partner identified in Item 3.3 above.**

Andy Huneke, Chairman of Roscoe Township, 507-226-4974

**3.5 Provide evidence of community support for the project. [If separately attached, label as Appendix 3.5]**

The Rural Pine Island Expansion Project is strongly supported by residents, ag producers, business owners, telecommuters, school officials, and politicians.

In preparation of this application, and to gauge customer interest in fiber-to-the-premise, Bevcomm conducted a survey of residents living in the proposed project area. We posed questions to gather input on four important topics: telecommuting, online education, telehealth, and the digital impact of Covid-19. Our response rate was 56%. Please see results in the table below:

<b>Strong Support of Project</b>	<b>Business Use</b>	<b>Farm/Ag Use</b>	<b>Teleworker</b>	<b>Covid-19 Heightened Need</b>
91%	32%	14%	53%	71%

Through comments, residents shared their frustration with their current DSL experiences. Respondents lamented that their less than adequate speeds result in sub-par online education, delayed work-from-home applications, and poor access to telehealth opportunities. Competing for bandwidth with family members was a common theme within the surveys. Of responses received, 53% of broadband users report that they telecommute. Seventy-one percent of residents who responded affirmed that Covid-19 has exemplified the critical need for high-speed broadband. Overall, the feedback received indicates an overwhelmingly strong desire (91%) for an improved broadband connection. Please find the survey, complete results, and letters in support of this application in Appendix 3.5.

In his letter of support of this application, Chairman Andy Huneke of Roscoe Township writes, “Broadband is an essential service in today’s economy, and an essential economic development tool. The challenges of Covid-19 have made access to state-of-the-art connectivity all that more apparent.”

## 2021 GOODHUE COUNTY BROADBAND PARTNERSHIP PROGRAM APPLICATION

As reflected in her letter of support, Congresswoman Angie Craig writes, “I am writing as the Member of Congress that represents Goodhue County to express my support for Goodhue County’s Broadband Infrastructure Partnership and the applications of private partners like Bevcomm. Broadband is no longer a luxury item and access to quality and affordable broadband is a necessity - which has become increasingly clear in the era of a Global Pandemic. Improving access to broadband services in rural areas was one of the reasons I came to Congress and the need is great in Goodhue County. I commend Goodhue County for utilizing funds from the American Rescue Plan to create this opportunity to partner with local business partners, like Bevcomm, to improve access for rural communities.”

### *Part IV – Project Readiness*

#### *Project Budget – Sources and Uses of Funds*

**4.1 What are the total eligible project costs?** \$555,534

**4.2 Please provide a list or schedule of all eligible elements to be purchased or utilized for the proposed project [if separately attached, label as Appendix 4.2]**

- Main line fiber
- Fiber drops
- Splice cases and miscellaneous materials
- ONTs & NIDs
- Adtran access electronics
- Fiber installation labor
- Fiber splicing labor
- Fiber inspection labor

**4.3 Utilizing total eligible expenses from 4.1, provide the following “Sources of Funding” summary detail for Applicant, and if applicable, for each additional funding partner:**

<i>Sources of Funding</i>	<i>\$ Amount</i>	<i>% of Total Funding</i>
GC Partnership Program Request	\$277,767	50%
Bevcomm Investment	\$277,267	49.91%
Roscoe Township Investment	\$500	.09%
<b>Total</b>	<b>\$555,534</b>	

**4.4 By each identified budget category, provide the following “Use of Funds” detail for both Applicant and proposed funds:**

<i>Use of Funds</i>	<i>\$ Amount</i>	<i>Source of Fund</i>	<i>Date Funds Committed</i>
Construction	\$230,839	Applicant	12/23/2021
Construction	\$230,839	GC/Partnership	Upon Award
Customer Premise Installation	\$11,477	Applicant	12/23/2021
Customer Premise Installation	\$11,477	GC/Partnership	Upon Award
Optical Equipment	\$4,806	Applicant	12/23/2021
Optical Equipment	\$4,806	GC/Partnership	Upon Award
Splicing	\$27,765	Applicant	12/23/2021
Splicing	\$27,765	GC/Partnership	Upon Award
Professional Services and Engineering	\$2,880	Applicant	12/23/2021
Professional Services and Engineering	\$2,880	GC/Partnership	Upon Award
<b>Total</b>	<b>\$555,534</b>		

**4.5 Will additional costs related to this proposed project that are not eligible costs be incurred in order to deploy broadband to this area?**

We do not anticipate any additional, non-eligible costs.

*Project Broadband Infrastructure*

**4.6 Please provide all budgetary engineering designs, diagrams, and maps that demonstrate the viability of the proposed project. [If separately attached, label as Appendix 4.6]**

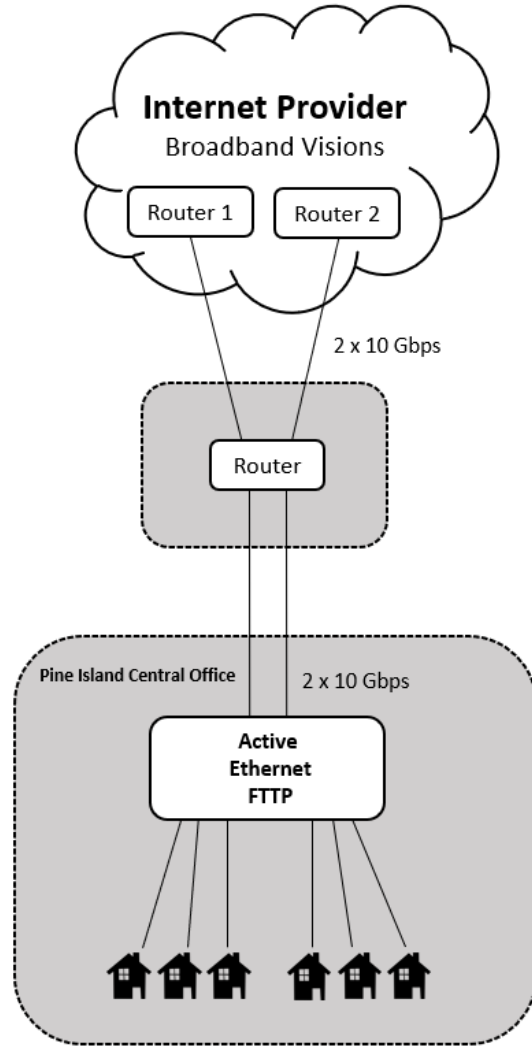
Please find the engineering design in Appendix 4.6 for the proposed rural Pine Island project area.

Bevcomm subscribers are offered Internet, local telephone services, custom calling features, long distance telephone services, digital IPTV services, IP business phone services and Ethernet transport services.

An Active Ethernet network architecture is planned for the last mile technology in the rural Pine Island project area. This AE network can provide up to 1 Gbps symmetrical data rates to customer locations. The proposed FTTP electronics equipment will connect to Bevcomm’s existing 10 Gbps transport network. The state-of-the-art transport network that Bevcomm has in place to backhaul voice, data, and video services is capable of self-healing in the event of a fiber cut or a failed component.

The following diagram depicts how the Pine Island serving area will be interconnected to Bevcomm.





**4.7 Demonstrate that the installed broadband infrastructure is scalable to speeds of at least 100 Mbps download and 100 Mbps upload.**

The proposed project will deploy Active Ethernet (AE) FTTP electronics.

In an AE design, each subscriber location is served with a dedicated fiber optic strand to the central office electronics. This fiber optic strand is connected directly to the FTTP electronics without any splitters between the customers' demarcation point and the electronics located in the central office or cabinet. Each subscriber will have the ability to receive up to 1 Gbps symmetrically to their home or business. With this design, there is no oversubscription in the last mile of the network and all subscribers within a service area can receive the same data rates and the same grade of service.

The proposed network design utilizes redundant 10 Gbps uplinks from the proposed FTTP electronics to the existing 10 Gbps transport network. The redundant links will be configured in active/active link aggregation configuration, meaning there will be 20 Gbps throughput available between the FTTP electronics and the transport network during normal operations.

Current and future technologies for FTTP electronics provide a quantum leap of bandwidth availability when compared to DSL or wireless technologies. FTTP can provide bandwidths of 1 Gbps (1,000 Mbps) per subscriber today, with future technology enhancements promising to increase the capacity to 10 Gbps.

A licensed professional engineer in the state of Minnesota has certified the design of this project to be capable of supporting 1,000 Mbps when implemented according to the design in the application. The engineering certification can be found in Appendix 4.7.

**4.8 Identify the type of broadband construction for the proposed project.**

The proposed project is last mile, fiber-to-the-premise construction. Each subscriber will have its own fiber strand back to the central office electronics which means this is an Active Ethernet design.

**4.9 This application is for last mile components only, middle mile components only, or a combination of last mile and middle mile components.**

The proposed project is for last mile components only.

**4.10 If the proposed project is a middle mile broadband facilities project, or includes a middle mile facilities component, please describe why the new construction is necessary.**

Not applicable. The proposed project is for last mile components only.

*Project Preconstruction Permits and Approvals*

**4.11 Have all required municipal/city/township/county/state approvals necessary for this project to begin construction from area planning commission/zoning authority/road authority/railroad crossing entity, etc. been identified and included in the project schedule?**

Bevcomm will proceed with the application process to obtain the necessary permits upon award of the grant application. We have extensive experience constructing outside plant facilities and procuring the necessary permits and approvals. All construction will be coordinated with the appropriate city, county, state, and federal government officials. Typically, the cable that is installed in urban and rural areas will follow existing public rights-of-way. All construction will be accomplished using established Rural Utilities Service specifications and will conform to the applicable portions of the National Electrical Safety Code.

**4.12 Have all state environmental review requirements necessary for this project to begin construction been identified, if applicable?**

Bevcomm will work with the necessary state agencies to meet the Minnesota environmental requirements prior to any physical construction work.

**4.13 Due to its location, will the proposed project potentially impact local/state/federal historic architectural or archeological resources?**

We are not aware of any historic, architectural, or archeological resources along the proposed project routes. Our company will work with the appropriate Minnesota agencies to identify any such sites and will follow their recommendations on cable placement or routing to avoid any potential disturbance to historic sites identified.

*Project Implementation*

**4.14 Will the Applicant offer the broadband services for a minimum five-year period?**

Yes, Bevcomm has an extensive history of serving the rural areas of Minnesota with a dedication that will go far beyond five years. Please see a signed statement of commitment in Appendix 4.14.

**4.15 Provide the proposed pricing structure [by associated download and upload speeds] for all broadband services to be offered in association with this project.**

The speed tiers (download and upload) and current pricing structure is provided in the following table. All packages include unlimited data.

High Speed Internet Stand – Alone Packages	Price
50 Mbps/25 Mbps	\$49.95
100 Mbps/50 Mbps	\$59.95
300 Mbps/150 Mbps	\$69.95
1 Gbps/500 Mbps	\$109.95
1 Gbps/1 Gbps	ICB

High Speed Internet Bundle Packages	Price
Digital Access 2 (100/20 Mb Internet & TV)	\$156.95
Digital Access 3 (phone, 100/20 Mb Internet, & TV)	\$171.95
Digital Access 4 (phone, 100/20 Mb Internet, TV, movie channels)	\$203.95

**4.16 Please also provide the proposed stand-alone pricing for unbundled internet-only service at 25 Mbps download and 3 Mbps upload, for 100 Mbps download and 20 Mbps upload [if applicable], and for 1 Gbps download and 1 Gbps upload [if applicable].**

High Speed Internet Stand – Alone Packages	Price
50 Mbps/25 Mbps	\$49.95
100 Mbps/50 Mbps	\$59.95
300 Mbps/150 Mbps	\$69.95
1 Gbps/500 Mbps	\$109.95
1 Gbps/1 Gbps	ICB

**4.17 Will any additional equipment be required – or any separately chargeable service installation elements apply – to activation or turn-up of individual customer locations?**

Bevcomm does not require any additional equipment or charge installation fees for customer activation.

**4.18 Describe what initiatives the Applicant will undertake to communicate its proposed marketing plan to its prospective broadband services customer base.**

Bevcomm representatives personally call and visit residents to encourage adoption of the new fiber-to-the-premise broadband services. In addition, we offer digital and printed educational/support materials, and information regarding the construction and benefits of high-speed broadband.

Project Schedule

**4.19 Provide the proposed project schedule which must reflect all key planning, procurement, construction, installation, testing, and service activation milestones.**

**Proposed Project Schedule**

<b>Name of Applicant: Pine Island Telephone Company dba Bevcomm</b>		
<b>Name of Project: Rural Pine Island Fiber Expansion Project</b>		
<b>Overall Timeline for Project:</b>	<b>Start Date:</b> (month/year)	<b>Complete:</b> (month/year)
	<b>February 2022</b>	<b>July 2024</b>
<b>Individual Milestones for Project:</b> Include all planning, procurement, construction, installation, testing and customer turn-up activities	<b>Est. Start Date</b> (month/year)	<b>Est. Complete Date</b> (month/year)
<i>Staking and Mapping</i>	<i>February 2022</i>	<i>March 2022</i>
<i>Environmental Review</i>	<i>February 2022</i>	<i>March 2022</i>
<i>Permitting</i>	<i>March 2022</i>	<i>February 2022</i>
<i>OSP RFP / P&amp;S Maps</i>	<i>March 2022</i>	<i>February 2022</i>
<i>OSP RFP Approval</i>	<i>April 2022</i>	<i>April 2022</i>
<i>Send to RFP Vendor Responses/Award</i>	<i>April 2022</i>	<i>April 2022</i>
<i>Pre-Construction Meeting</i>	<i>May 2022</i>	<i>May 2022</i>
<i>Construction</i>	<i>June 2022</i>	<i>December 2022</i>
<i>Order Electronics</i>	<i>December 2022</i>	<i>January 2023</i>
<i>Electronics Shipping</i>	<i>January 2023</i>	<i>January 2023</i>
<i>Miscellaneous Equipment Installation</i>	<i>March 2023</i>	<i>March 2023</i>
<i>Electronics Equipment Install</i>	<i>March 2023</i>	<i>April 2023</i>
<i>Equipment Turn Up/Test</i>	<i>June 2023</i>	<i>July 2023</i>
<i>Customer Install and Activation</i>	<i>June 2023</i>	<i>July 2024</i>

Project Financials

**4.20 Provide a five-year stand-alone financial plan for the proposed project, including a description of how the costs and anticipated revenue will result in the financial viability of the project over time.**

A Five-Year Financial Forecast is included in Appendix 4.20. Bevcomm has completed a stand-alone forecast depicting the viability of the project for the grant eligible area. The financial forecast has been completed based upon a commitment to fund 50% of the total FTTP project. We are requesting a 50% grant to aid in the expansion of FTTP to deliver affordable, state-of-the-art broadband services in the grant eligible area.

The forecast was developed based on our current experience in deploying FTTP networks in other markets, with the following assumptions being used: There are 68 households in the grant eligible area. We anticipate achieving an 83% penetration rate of households, businesses, and farms in the project area, which results in 56 customers estimated to continue to subscribe to Bevcomm services. Since this is a new fiber build in the area, it is anticipated the first year of the forecast will be a construction year and will reflect a partial year for expenses since construction will be taking place. Year Two reflects additional revenue as customers are added. We anticipate adding customers starting in June of 2023. By July of 2024, we expect to reach full penetration. Expenses will increase as we add customers to the network. Revenues consist of a voice offering at \$30.37, various video and bundled offerings, and broadband offerings at speeds and prices depicted in this application.

Voice revenues are projected to remain steady at \$10,933 in Year Two forward. Video revenues are projected to grow from \$3,310 in Year Two to \$4,652 by Year Five. Broadband revenues are projected to reach \$42,686 in Year Two and maintain that level through Year Five. The forecasted costs include expenses necessary to deliver services over a state-of-the-art FTTP network. Bevcomm is accounting for personnel expenses for both maintaining and operating the network in addition to customer service and marketing efforts necessary to serve customers. We have factored in costs to cover the transport of the bandwidth, switching for the voice offering, electricity, technical support, and insurance.

The Five-Year Financial Forecast depicts the viability of the total project, based on a 50% grant being awarded on the grant eligible costs, with an average annual net income of \$11,971 over Years Three to Five. Year One is projected to result in a loss as we only account for revenues once a subscriber has been cut over. Year Two projects a positive net income of \$10,077 as subscribers are converted. The financial feasibility study for the grant eligible areas alone results in an average annual net income for Years One to Five of \$5,453 which depicts the viability of the project.

**4.21 Describe why the proposed project would not be feasible without the award of the requested broadband funds.**

As we review the financial feasibility, it is clear the locations included in this application would be too costly to build without funding assistance. With a 50% grant, the financial forecast depicts an average annual net income of \$5,453 for Years One to Five in the grant eligible forecast, after reflecting a net loss in Year One. Without funding, the project would reflect a net loss each year.

**4.22 Is the Applicant leveraging all funding sources that may apply to the proposed project area?**

We will be leveraging our existing well-established broadband network. The existing broadband network includes multiple fully redundant 10 Gbps Ethernet transport rings that can survive fiber cuts and multiple equipment failures at any given time. Broadband services to be offered in the proposed service area will be backhauled on these 10 Gbps transport rings.

We have reviewed federal programs to leverage other sources of funding to assist in the build-out of this underserved area. The area included in this application is within our existing service area and we are the only wireline provider; therefore, CAFII funding was not an opportunity. Reconnect funds have not been applied for in this area. Twelve of the 16 blocks in the grant area receive ACAM funding. Bevcomm participates in the Emergency Broadband Benefit Program.

Part V – Project Sustainability Instructions

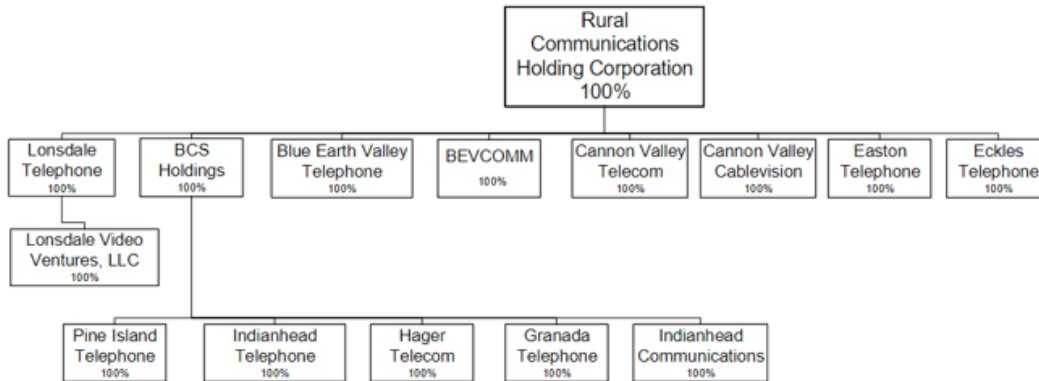
**5.1 Provide technical expertise statement:**

We have extensive experience constructing fiber broadband communications. We focus on reinvesting in technology in the communities we serve by developing state-of-the-art networks. Our core services are deployed utilizing extensive broadband networks including multiple fully redundant 10 Gbps Ethernet transport rings that are constructed to survive fiber cuts and multiple equipment failures.

Bevcomm has constructed fiber drops to nearly 1,300 homes in Goodhue County to date and has the expertise and experience to successfully complete the proposed fiber construction project. Bevcomm has been a recipient of 20 state grants, all successfully deployed in both Minnesota and Wisconsin.

**5.2 Provide organizational support evidence:**

Pine Island Telephone Company is a 100% owned subsidiary of Rural Communications Holding Corporation (RCHC), operating under the common name of Bevcomm. RCHC has eight wholly owned subsidiaries. This is reflected in the organizational chart below.



Bevcomm is a fourth generation, family-owned communications company providing leading edge service for more than 125 years. We focus on providing the latest in voice, video, and data communications in rural communities throughout southern Minnesota. Originally founded in 1895, and today employing nearly 125 people, Bevcomm is one of the largest locally owned telecommunications companies in Minnesota.

We take great pride in serving our local communities. It is our mission to provide innovative technology, high quality products and services, unmatched customer service, as well as fair and competitive rates.

The resumes of Bevcomm key officers and management personnel reflect the vast depth of experience each member brings to the project and are included as Appendix 5.2.

### 5.3 Provide audited financial statements:

Pine Island Telephone Company is designated as an ETC by the Minnesota Public Utilities Commission, per 2021 CC Docket P-999/PR-21-8. In support of our financial viability documentation, a copy of the Minnesota PUC designation has been included as Appendix 5.3.

Because the financials for Pine Island Telephone Company are consolidated with the other wholly owned subsidiaries of RCHC, the audited financial statements are not included as they would not depict just the operations of Pine Island Telephone Company.

### *Part VI – Payment Information*

#### 6.1 State of Minnesota Vendor Number: 202199

- **Financial Contact:** Arlette Dutton, 507-526-3252, adutton@bevcomm.com

#### 6.2 Tax Identification Numbers

- **State of Minnesota Tax Identification Number** 8143252
- **Federal Employer Identification Number** 41-0482190

### *Part VII – Economic Development and Community Impact*

#### 7.1 Provide a listing of businesses in the proposed project area that will benefit from the broadband project.

According to Bevcomm’s broadband interest survey, the proposed area is home to at least 25 residents who operate a business. Fifty-three percent of survey respondents state they work-from-home. A listing of business addresses can be found in Appendix 7.1.

In the spring of 2020, when the global pandemic hit, many residential homes became offices and classrooms overnight. Even those working from home prior now may compete for broadband with their K-12 and college-aged students, as video conferencing became the new norm. Anything once handled in person - from conferences to weekly meetings and daily collaboration - became virtual. This took a major toll on broadband speeds that were only limping along prior to the pandemic.

In response to our survey, area resident, Jeff Bennet, writes, “We have to VPN to clients, zoom meetings, and all our calls are VOIP. Having faster speeds would be invaluable to us. With two of us working from home, bandwidth is an issue.” Kelly Rutter shared that her current upload and download speeds don’t meet work requirements, and Kari Wilson says a fiber Internet connection would guarantee that working from home is “doable.” Similarly, Heather VanRuskirk is dependent upon an Internet connection for both her work and daily life. Ms. VanRuskirk says, “I am permanently working from home and rely on internet every workday. [A better Internet connection] would increase my workflow process on a daily basis! Zoom meetings, phones, etc.” James Ulwelling, a resident who permanently works from home, states, “We have bonded DSL through



Bevcomm today. We get by but it's not optimal. I am in meetings all day and can never share video because of the slow upload speeds." Mr. Ulwelling finishes, "Having fiber would fix this." Dave Lexvold is a medical researcher and works from home. He shared that he "connects to RCTC and Minn State" and "download time needs improving." He says, "Occasionally we're dropped and have to reconnect."

And, of course, all residents in the area rely on their Internet at home to check on take-out menus and fluctuating hours of local business operations due to Covid-19 and labor shortages. A fast and reliable broadband would directly impact restaurants, storefronts, clinics, salons, and repair shops who can utilize the Internet for posting menus, hours of operation, and appointment times via websites and social media.

A fiber infrastructure will positively impact business and residential real estate. Bevcomm has received feedback from local Pine Island realtors for past state broadband support. One of those realtors shared that she had an experience with two properties in rural Pine Island – their sales were literally dependent on the broadband speed available in their specific locations. Due to the lack of broadband availability, the sales fell through.

From small business owners who home-office to business owners with storefronts, a better broadband represents progress, efficiency, and accessibility.

Please find a complete list of survey comments in Appendix 3.5.

**7.2 Provide a listing of farms and agricultural use customers in the proposed project area that will benefit from the broadband project.**

Broadband is the backbone to precision agriculture. Area grain and livestock producers use advancements in technology to help manage crops more effectively and efficiently. Farmers use broadband for soil mapping which aids in their seed and fertilizer application, GPS systems for precision farming, as well as for irrigation and grain bin monitoring. Fiber-to-the-premise connections offer endless opportunities for livestock, feed, and environment monitoring, security, video surveillance, energy management, and GPS tracking.

Fourteen percent of those who responded to our Broadband Interest survey are farmers or ag producers. A fast and reliable broadband connects the producer to education and services they may not otherwise have access to. Local farm owner, Tony Delva, comments, "I could get more work done if I was not waiting or getting kicked off (the Internet). Because of Covid, we are using the internet a lot more for our health and safety, supplies, and research."

A listing of farm and agricultural addresses and can be found in Appendix 7.2. Please find a complete list of survey comments in Appendix 3.5.

**7.3 Provide a listing of community institutions that will benefit from the broadband project.**

The proposed project will impact the Pine Island School District, Mayo Health Systems, telecommuters and their employers, as well as various other institutions.

In a letter of support for this project, Congresswoman Angie Craig writes, “I believe that this project could help to enable greater collaboration and teamwork between different layers of government, community organizations, and area businesses.”

Superintendent, Dr. Tamara Champa shared, “As the superintendent of Pine Island Schools, I know firsthand the importance of expanding access to state-of-the-art broadband services to every corner of our district. With the sudden impact - and now ever-evolving effects of the pandemic - a reliable and responsive broadband connection for our students and their families is critical.”

Not unlike many areas in the country, Pine Island is now home to a plethora of people who once commuted, but now work from home. Maintaining and attracting teleworkers is imperative to the community’s economic health and directly affects school district enrollment, local health care facilities and local storefronts. The impact of these teleworkers, who may choose to live anywhere, cannot be underestimated. Nationwide, communities who do not address slow and lacking broadband speeds have seen consistent decreases in population and struggle to attract residents and stimulate economic growth.

The addition of reliable, quality broadband will encourage residents and businesses to remain as well as entice them to live, stay, work, and spend in Goodhue County.

Please find support letters in Appendix 3.5.

**7.4 Provide a listing of any educational locations that will benefit from the broadband project.**

The proposed project will include areas within the Pine Island Area School district. Educators firmly support the ubiquitous availability of high-quality broadband services bridging the digital divide.

Superintendent, Dr. Tamara Champa, of the Pine Island Schools, supports a reliable, high speed broadband infrastructure. In her letter of support, Champa, states, “The past two years have shown us how detrimental it is for students who do not have reliable broadband at home. Students who do not have this access are at a distinct disadvantage from their peers who can easily connect to online classes, collaborate with teachers and other students, and access online resources to enhance their education.” Dr Champa continues, “It is imperative that we, as a community, do everything we can to secure this advantage for all the students and families in our district. Bevcomm’s proposed project is a step in the right direction.”

United States Congresswoman, Angie Craig, shares in her letter of support, “Goodhue County is without question an underserved area with limited internet services. When I speak to my constituents, I am continuously reminded that the residents of rural Goodhue County consistently lack adequate internet connectivity. I often hear stories from parents whose children have suffered academically because they lack access to modern broadband services in their rural community. They fear that Rural students may lack the opportunity for research, distance learning, video, and other tools that advanced broadband deliver.”

Lindsay Johnson, a parent in the proposed area, writes, “Sometimes the Internet would cut out during distance learning, or cause glitches and the kids would miss part of the lesson.” Jeff Bennett, a parent in the Pine Island School District, shared, “Our daughter had to remote in several times to upload assignments. This is very slow currently.” Grandparent Craig Ritter writes, “Our grandchildren stayed with us during COVID and did online classes. Doing more from home has slowed (our Internet) down and it’s not available at times.”

In addition to the now mainstream Internet needs of elementary and high school students, many college students have been intermittently, or permanently taken part in online learning over the course of the last two years. The upload and download speeds available through a reliable fiber connection greatly enhance and improve their digital learning experience. Graduate-level teachers, the Salisbury’s, write, “For the past two years two of us have worked via web 100% of the time. Too often there are two of us working from home and currently we do not have sufficient bandwidth to not interfere with our connection.”

Please find support letters and a complete list of survey comments in Appendix 3.5.

**7.5 Provide specific evidence of how health and public safety locations will benefit from the broadband project.**

Having the availability of quality high-speed Internet delivered via a FTTP broadband connection would allow both first responders and public safety officials to have more reliable (and faster) communications. This requirement will grow in importance as Public Safety Access Points (PSAPs) implement the new Next Generation 911 (NG911) requirements that accommodate IP-based broadband applications such as streaming video, VoIP calls, and other IP related applications. Fiber-to-the-tower is required for these new NG911 services to become operational. A fiber connected area will enable real-time services, amber alerts, radar, national weather service warnings and real-time notices which can save lives.

Telemedicine and telehealth once seemed like a novelty or convenient service for the future. A global pandemic has made these terms commonplace and the need for these remote services immediate and mandatory. Congresswoman, Angie Craig noted, “I also continue to hear from patients, providers and healthcare facilities that telemedicine is crucial and will help many people overcome the barrier of distance and transportation even after the pandemic.”

Many residents who took part in Bevcomm’s Fiber Interest Survey shared ways in which they use the Internet for their health and safety needs. Here are some comments/examples:

- I have a heart monitor that connects to the clinic
- Virtual visits completed online
- Because of Covid, we are using the Internet a lot more for our health, safety, supplies, and research
- Our aunt comes to our home for telemedicine calls
- Frequently use patient portal for online medical needs
- (Attend) appointments online
- We use online portal for medical

- CPAP Monitoring
- Receive medical results online from Fairview/U of M
- My daughter had a virtual appointment with the doctor, again, the signal glitched numerous times where we couldn't hear part of what the doctor was saying.
- We have not utilized telehealth as sharing video does not work well due to slow connection.

In addition to the everyday need for these services for people of all ages, given the ongoing pandemic, reliable broadband will facilitate medical support services for those that can age-in-place and not be relegated to a retirement home or nursing home. Today's IP enabled life alert systems provide critical notification services for the elderly and those that are medically challenged. A fiber connected area will ensure that towers have multi-media communications for paramedics, ambulances, and rural doctors to have access to hospital diagnostics.

### **7.6 Is the proposed project providing broadband improvements to an economically distressed area?**

This region is not considered economically distressed.

## *Part VIII – Broadband Adoption Assistance*

### **8.1 Broadband Adoption Activities Planned for Project**

Bevcomm will offer printed educational materials as well as information regarding the construction and benefits of high-speed broadband. In addition, we will personally call and visit residents to increase adoption of the new broadband services.

### **8.2 Broadband Technical Support or Training Associated with Project**

Bevcomm will offer training sessions to educate eligible residents on the benefits and use of broadband services. We offer free Internet and email technical support 24 hours per day, 365 days per year and are committed to providing quality, responsive customer service.

When a technician performs an installation on site, we request that the customer be home. This allows the technician to provide education and instruction on the new service. Customers also receive written documentation with instructions on how to access ongoing support with similar support available on the company website.

### **8.3 Low-income Broadband Assistance Program**

Bevcomm participates in the Emergency Broadband Benefit Program (and soon the Affordable Connectivity Plan) and Federal Lifeline Programs, offering qualified customers discounts of up to \$59.95 per month.

*Part IX – Applicant Affidavit*

**9.1 The primary Applicant must provide a signed, dated, and witnessed affidavit or resolution that shows official Applicant support for and approval of the application as well as a commitment to provide the Applicant’s matching funding.**

Please see Appendix 9.1.

*Part X – Pre-Application Outreach Requirement*

**10.1 The Applicant must provide copies of all emails sent out and all emails received in response to this required outreach as part of the application.**

Not applicable. Bevcomm is the sole wireline provider in the proposed service area.

**10.2 The Applicant must summarize all the responses to its email distribution for this item, the information in the application must include that identified in the following example:**

<b><i>Provider Name</i></b>	<b><i>Will upgrade</i></b>	<b><i>No plans to upgrade</i></b>	<b><i>No response received</i></b>
<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

## **Appendices**

Appendix 1.5	Maps of Proposed Project
Appendix 2.2	Broadband Designation Map
Appendix 3.3	Examples of Secured Funds
Appendix 3.5	Community Support
Appendix 4.6	Proposed Design
Appendix 4.7	PE Certification
Appendix 4.14	Five Year Service Commitment
Appendix 4.20	Five Year Financial Forecast
Appendix 5.2	Resumes
Appendix 5.3	ETC Designation
Appendix 7.1	Business Impact
Appendix 7.2	Agricultural Impact
Appendix 9.1	Applicant Affidavit





## **Appendix 1.5**

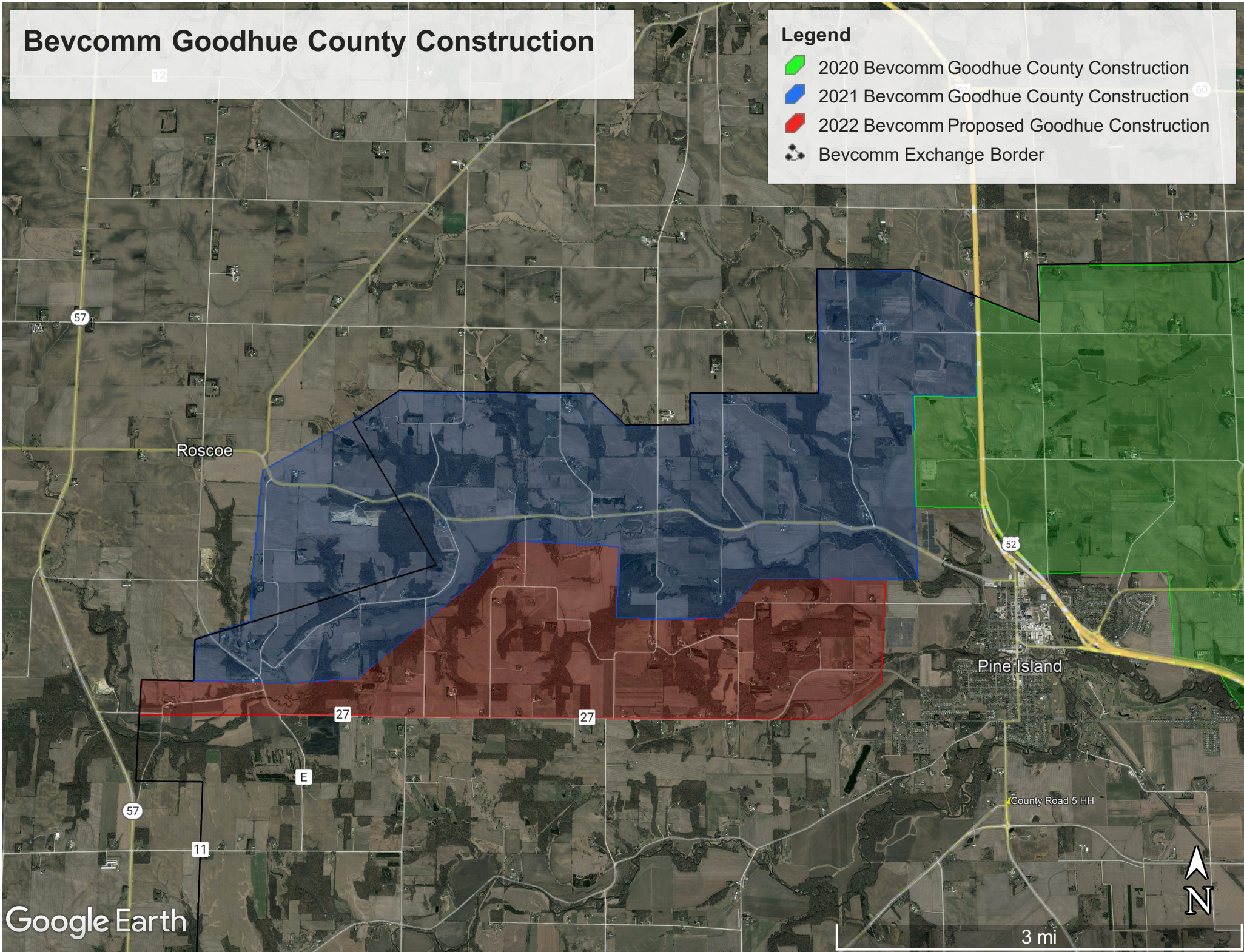
### Maps of Proposed Project



# Bevcomm Goodhue County Construction

## Legend

-  2020 Bevcomm Goodhue County Construction
-  2021 Bevcomm Goodhue County Construction
-  2022 Bevcomm Proposed Goodhue Construction
-  Bevcomm Exchange Border

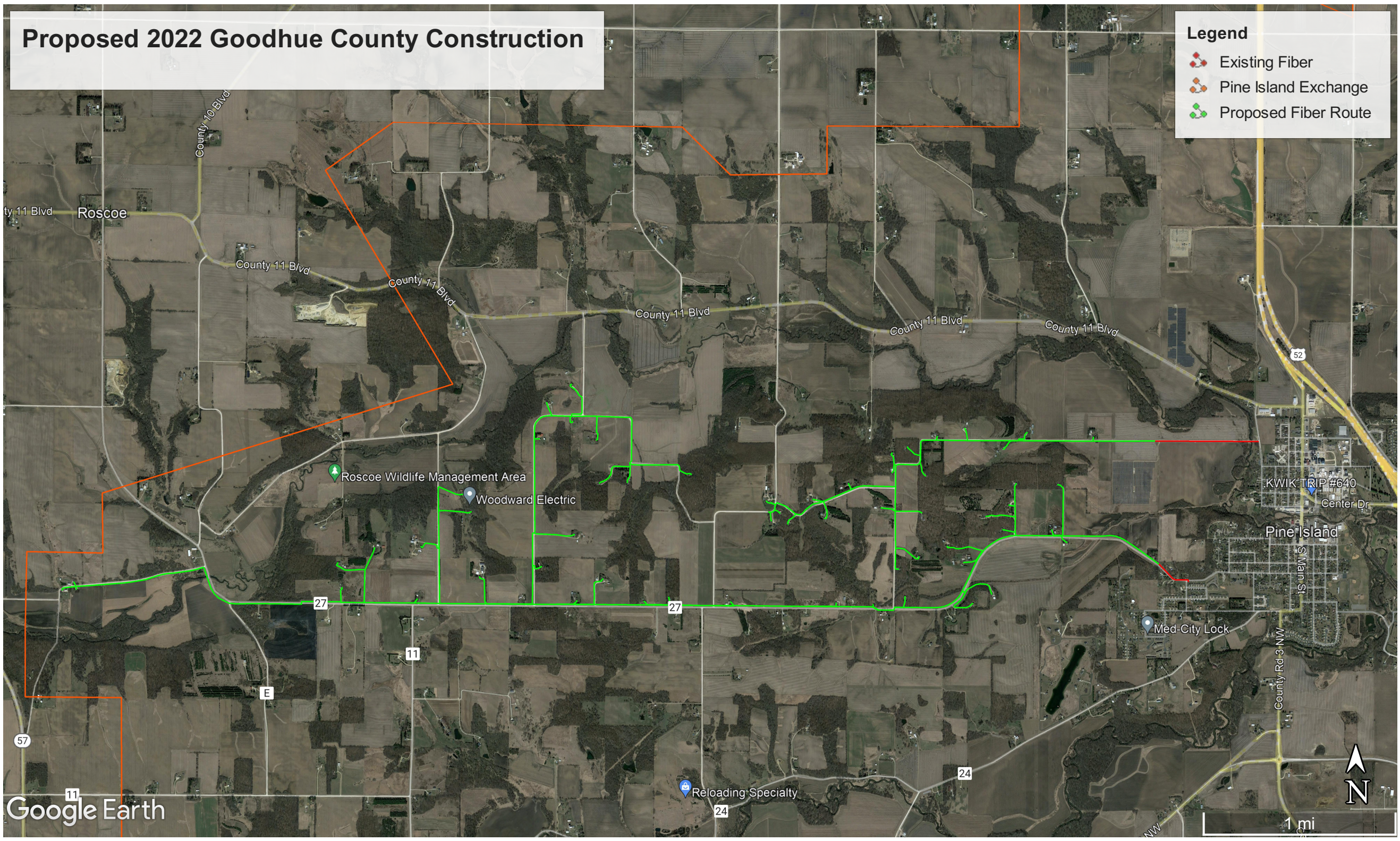




# Proposed 2022 Goodhue County Construction

**Legend**

- Existing Fiber
- Pine Island Exchange
- Proposed Fiber Route

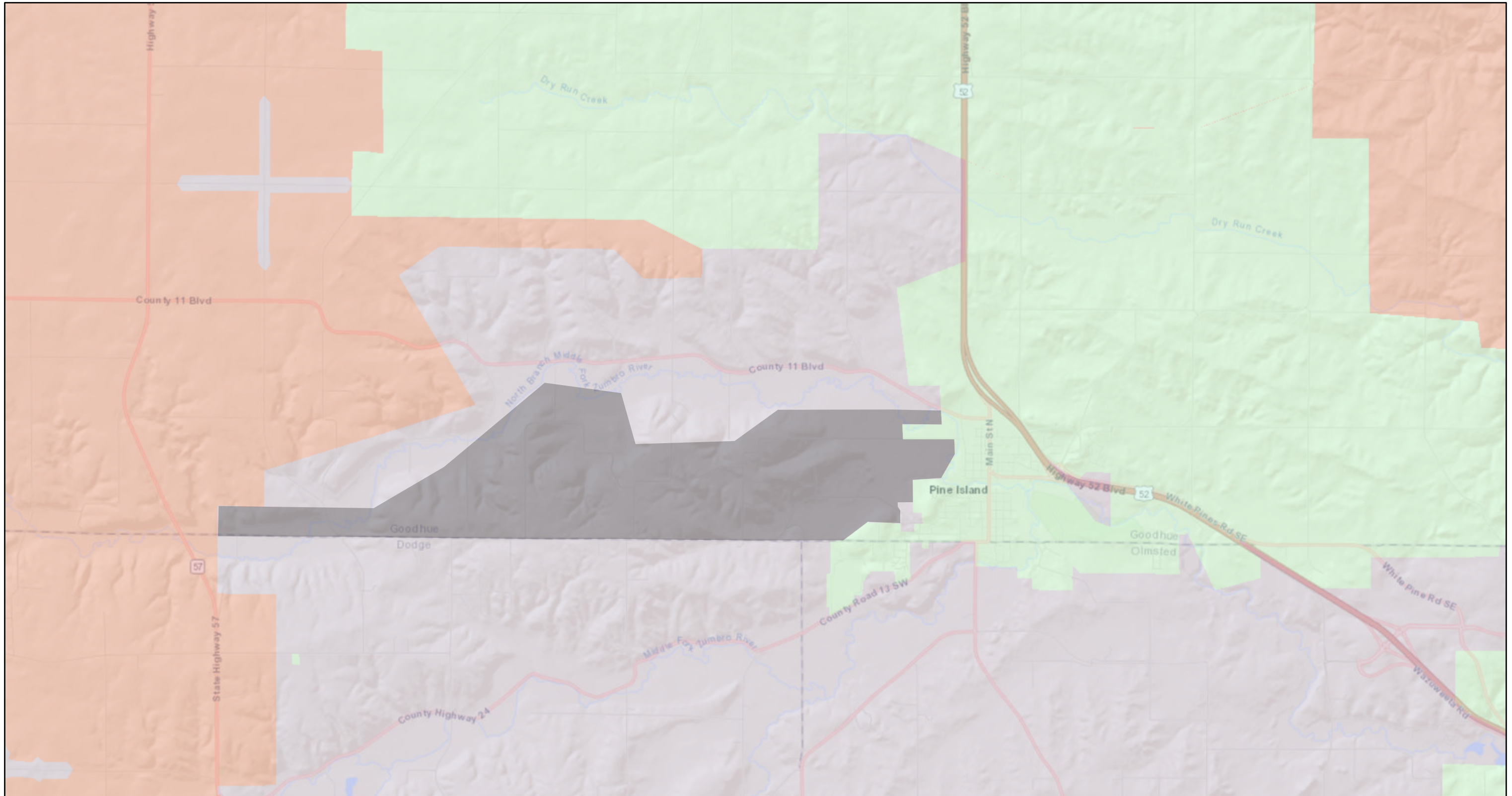




## **Appendix 2.2**

### Broadband Designation Map

# Bevcomm Pine Island - Proposed Goodhue County Grant Area

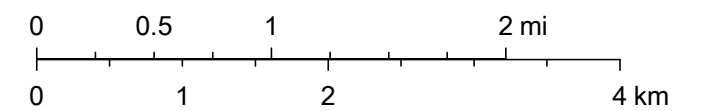


12/6/2021, 10:51:49 AM

2021 Grant Eligibility

- Wireline Broadband of at Least 100M/20M
- Underserved Area (Wireline Broadband of At Least 25M/3M but Less Than 100M/20M)
- Unserved Area (No Wireline Broadband of At Least 25M/3M)
- Proposed Grant Area

1:72,224



Esri, HERE, Garmin, INCREMENT P, NGA, USGS, Connected Nation, DEED

, Connected Nation

DEED, Connected Nation

## **Appendix 3.3**

### **Examples of Secured Funds**

Bank Letter

Private Public Partnership Agreement



**First Bank Blue Earth**  
Banking • Investments • Insurance

December 17, 2021

Goodhue County  
Broadband Partnership Program  
509 W 5<sup>th</sup> Street  
Red Wing, MN 55066

**Re: Pine Island Telephone Company dba Bevcomm – Goodhue County Broadband Partnership Program Application**

Pine Island Telephone Company, Inc., dba Bevcomm is a current customer of First Bank Blue Earth and has been for nearly ten years. As part of Bevcomm's application to the Goodhue County Broadband Partnership Program, we completed a financial review of their current financial statements and account holdings with First Bank Blue Earth. Based on our review, it is our opinion Bevcomm has the financial wherewithal to meet its 50 percent (approximately \$280,000) local matching requirement under the Goodhue County Broadband Grant application. First Bank Blue Earth is providing this letter to Bevcomm as supporting documentation for their application for grant funding.

Respectfully Submitted,

Bill Rosenau  
Senior Vice President  
First Bank of Blue Earth

**A PRIVATE PUBLIC PARTNERSHIP AGREEMENT WITH BEVCOMM,  
FOR A FIBER BROADBAND EXPANSION PROJECT IN GOODHUE COUNTY**

**THIS AGREEMENT** made on December 11, 2021, by and between Bevcomm and Roscoe Township, in Goodhue County.

**TERM OF AGREEMENT:** This is a one-time agreement effective on the date of signing.

**SCOPE OF AGREEMENT:** Roscoe Township will provide a \$500 funding commitment to support a proposed 2022 fiber broadband expansion project in Northwestern rural Pine Island, within Goodhue County. This agreement is contingent upon Bevcomm being awarded funding and will be payable upon completion of construction.

**IN WITNESS WHEREOF,** the Parties have caused this Agreement to be entered into effect on the date first set forth above.

**Roscoe Township**

By: Chairman  
Name: Andy Humber  
Date: 12-13-2021

**Bevcomm**

By: John Souch  
Name: John Souch  
Title: Director of Operations

**Appendix 3.5**  
**Customer Support**  
Support Letters  
Survey and Results  
Customer Surveys

ANGIE CRAIG  
2ND DISTRICT, MINNESOTA  
[CRAIG.HOUSE.GOV](http://CRAIG.HOUSE.GOV)

COMMITTEE ON ENERGY  
AND COMMERCE  
SUBCOMMITTEE ON COMMUNICATION & TECHNOLOGY  
SUBCOMMITTEE ON CONSUMER PROTECTION & COMMERCE  
SUBCOMMITTEE ON HEALTH

Congress of the United States  
House of Representatives  
Washington, DC 20515-2302

COMMITTEE ON AGRICULTURE  
SUBCOMMITTEE ON COMMODITY EXCHANGES,  
ENERGY AND CREDIT  
SUBCOMMITTEE ON GENERAL FARM COMMODITIES  
AND RISK MANAGEMENT  
SUBCOMMITTEE ON LIVESTOCK  
AND FOREIGN AGRICULTURE  
COMMITTEE ON SMALL BUSINESS  
SUBCOMMITTEE ON OVERSIGHT,  
INVESTIGATIONS & REGULATIONS

December 20, 2021

Goodhue County  
Attn: Broadband Grant Applications  
509 W. Fifth St.  
Red Wing, MN 55066

Dear County Officials:

I am writing as the Member of Congress that represents Goodhue County to express my support for Goodhue County's Broadband Infrastructure Partnership and the applications of private partners like Bevcomm. Broadband is no longer a luxury item and access to quality and affordable broadband is a necessity - which has become increasingly clear in the era of a Global Pandemic. Improving access to broadband services in rural areas was one of the reasons I came to Congress and the need is great in Goodhue County. I commend Goodhue County for utilizing funds from the American Rescue Plan to create this opportunity to partner with local business partners, like Bevcomm, to improve access for rural communities.

Goodhue County is without question an underserved area with limited internet services. When I speak to my constituents, I am continuously reminded that the residents of rural Goodhue County consistently lack adequate internet connectivity. I often hear stories from parents whose children have suffered academically because they lack access to modern broadband services in their rural community. They fear that Rural students may lack the opportunity for research, distance learning, video, and other tools that advanced broadband can deliver. I also continue to hear from patients, providers and healthcare facilities that telemedicine is crucial and will help many people overcome the barrier of distance and transportation even after the pandemic.

Bevcomm's broadband plan for portions of southern Goodhue County would help to address the lack of adequate internet access and connectivity across the county. Bevcomm has provided service to the area in the past and is familiar with the specific needs of the county to help enhance broadband service for the residents of rural Goodhue County.

The funding partnership from the Goodhue County Broadband Infrastructure Partnership grant program will help enable Bevcomm to provide the residents of rural Goodhue County to with the high-speed internet that they need. I believe that this project could help to enable greater collaboration and teamwork between different layers of government, community organizations, and area businesses.

I respectfully ask you provide all due consideration to Bevcomm's proposal for their fiber project in rural Goodhue County.

Sincerely,



Angie Craig  
Member of Congress



December 13, 2021

Goodhue County  
Attn: Broadband Grant Applications  
509 W 5<sup>th</sup> St.  
Redwing, MN 55066

Dear County Officials,

On behalf of Roscoe Township, we would like to express our support of the Goodhue County Broadband Partnership Program grant application for Bevcomm. Their expansion plan for portions of rural Goodhue County will address the lack of adequate broadband Internet access and connectivity in the area. Bevcomm's past grant projects in the Pine Island area have been quite successful and have improved the quality of life, and the business climate, in those areas.

Broadband is an essential service in today's economy, and an essential economic development tool. The challenges of Covid-19 have made access to state-of-the-art connectivity all that more apparent.

With funding assistance from the Goodhue County grant program, Bevcomm's proposed expansion will enable residents to overcome geographical distances, engage in advanced telehealth options, efficiently and effectively telecommute, and successfully participate in distance learning. Additionally, we feel strongly that this project will enable greater collaboration and teamwork between community service centers, public safety offices, county offices, and municipal offices.

Sincerely,

*Andy Heneke*  
*Roscoe Township*

December 9, 2021

Goodhue County  
Attn: Broadband Grant Applications  
509 West 5<sup>th</sup> Street  
Red Wing, MN 55066

Dear Goodhue County Grant Board,

As the superintendent of Pine Island Schools, I know firsthand the importance of expanding access to state-of-the-art broadband services to every corner of our district. With the sudden impact - and now ever-evolving effects of the pandemic - a reliable and responsive broadband connection for our students and their families is critical.

The past two years have shown us how detrimental it is for students who do not have reliable broadband at home. Students who do not have this access are at a distinct disadvantage from their peers who can easily connect to online classes, collaborate with teachers and other students, and access online resources to enhance their education. It is imperative that we, as a community, do everything we can to secure this advantage for all the students and families in our district. Bevcomm's proposed project is a step in the right direction.

On behalf of the school district, I am confident in Bevcomm's capabilities to enhance broadband service for PreK-12 students, adult learners, and families within our district and fully support their grant application.

Sincerely

A handwritten signature in black ink, appearing to read "Tamara Champa", with a long horizontal flourish extending to the right.

Dr. Tamara Champa  
Superintendent, Pine Island Schools

# Bevcomm Fiber-to-the-Home Interest Survey

This internet interest survey is completed in support of BEVCOMM's fiber-to-the-home grant application. Bevcomm's proposed fiber optic infrastructure will enable us to: overcome geographical distances, make use of advanced telehealth, utilize telecommuting opportunities, make distance learning possible, boost economic development, and improve public safety.

**1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.**

Yes       No

**2. Do you, or does someone in your household, operate a business, a farm or work from home?**

Home Use       Operate a Business       Farm       Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

---

---

**3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?**

Yes       No

If yes, how could this experience be improved with more reliable, faster broadband?

---

---

**4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?**

Yes       No

If yes, please elaborate:

---

---

If yes, how could this experience be improved with more reliable, faster broadband?

---

---

**5. Has the COVID-19 pandemic increased your need for faster broadband service?**

Yes       No

If yes, please elaborate:

---

---

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

## Bevcomm Survey Results

Strong Support	Business Use	Farm/Ag Producer	Teleworker	Covid-19 Heightened Need
91%	32%	14%	53%	71%

- 91% of homeowners in the proposed area who responded to the survey report that they strongly support of the proposed fiber construction project in their area
- 53% of those surveyed report that they work from home
- 71% report a heightened need for quality broadband due to Covid-19
- 56% Response Rate

Address	Strong Interest	Home	Business	Telework	Farm	Education	Telehealth	Covid-19 Heightened
14997 County 27 Blvd	Yes	X				Yes	No	No
16849 Cty 27 Blvd	Yes	X		X		Yes	Yes	Yes
51430 176th Ave Way	Yes	X				No	No	No
14355 County 27 Blvd	Yes		X	X		Yes	Yes	Yes
51681 147th Ave	Yes				X	No	Yes	No
14627 County 27 Blvd	No	X				No	No	No
51500 147th Ave	Yes			X	X	No	No	No
12441 520th St	Yes	X		X		Yes	No	Yes
14353 Cty 27 Blvd	Yes		X	X		Yes	Yes	Yes
17115 511th St	Yes	X		X		Yes	No	Yes
51670 171 Ave	Yes		X	X		Yes	No	Yes
51489 171 Ave	Yes	X				Yes	Yes	Yes
57630 152nd Ave	Yes	X				No	Yes	Yes
17333 511th St	Yes	X		X		No	No	Yes
16490 515th St	No	X				No	No	Yes
16758 515th St	Yes	X		X		Yes	Yes	Yes
51499 176th Ave Way	Yes	X				No	Yes	No
16913 Cty 27 Blvd	No		X			No	No	No
16917 515th St	Yes	X				No	No	No
17545 Co 27 Blvd	Yes		X			No	No	No
51197 Fork Trail	Yes		X			No	Yes	Yes
51077 Fork Trail	Yes	X		X		Yes	No	Yes

51771 Cty 27 Blvd	Yes	X				Yes	Yes	Yes
51124 165th Ave	Yes				X	Yes	Yes	No
15937 Co 27 Blvd	Yes	X		X		No	Yes	Yes
17189 Co 27 Blvd	Yes		X			Yes	No	Yes
1231 5th St SW	Yes	X		X		Yes	No	Yes
17495 511th St	Yes	X		X		Yes	No	Yes
51099 152nd Ave	Yes	X		X		Yes	No	Yes
51241 Fork Trl	Yes			X	X	Yes	No	Yes
51048 152nd Ave	Yes		X	X		Yes	Yes	Yes
27791 520th St	Yes	X		X		Yes	Yes	Yes
17524 Co Rd 27	Yes		X			Yes	No	Yes
51384 147th Ave	Yes		X	X		No	No	Yes

**Survey Comments:**

<p>Working from home requires more stable internet  It is slow &amp; we are using it for work  I have a heart monitor that connects to the clinic  Works from home due to Covid</p>
<p>Lose/lost connections often on Zoom meetings &amp; Teams meetings with both of us working from home 100%  Virtual visits completed online  Both of us working from home, typically okay if only 1 of us is on, but if both working @ same time, many drops &amp; freeze ups</p>
<p>I could get more work done if I was not waiting or getting kicked off  Because of Covid we are using the Internet a lot more for our healthy safety, supplies, and research</p>
<p>We have to VPN to clients, zoom meetings &amp; all our calls are VOIP. Having faster speeds would be invaluable to us.  Our daughter had to remote in several times to upload assignments. This is very slow currently.  Our aunt comes to our home for telemedicine calls.  With two of us working from home, bandwidth is an issue.</p>
<p>Increase speed, better quality zoom meetings, allow multiple users without loss of quality, decrease frustration  Frequently use patient portal for online medical needs  Work remotely now, online education instead of face-to-face</p>
<p>It just definitely would save me time, slow speeds</p>
<p>Grandchildren stayed with us during COVID and did online classes  appts online  Doing more from home and our internet has slowed down and not available at times</p>
<p>slow speed and would save time</p>

Since I work from home, I would greatly benefit from faster Internet, zoom meetings, and overall everyday use of applications for work  
Improve zoom conference connections, "Less Buffering"  
We use online portal for medical  
Since covid, I work from home full time now. Also when the kids were distance learning for school.

College connection. Work @ home, medical research - keeps dropping connection. Connected to RCTC & MN State  
Download time need improving for state information college and video  
Medical results - Fairview/U of MN  
Occasionally we're dropped and have to reconnect, starting data over.  
Some education has moved online

CPAP Monitoring

This would help my response time during work. This is an issue when my children need to distance learn.  
We have utilized online appointments so we would not need to drive to the clinic  
Very slow response times  
I now work from home 100% of the time. Distance learning has also affected our need for faster internet.

Working from home, school, upload/download speed doesn't meet works requirements

It would increase my workflow process on a daily basis! Zoom meetings, phones, etc.  
Zoom meetings, classes for my grad student daughter  
I am permanently working from home and rely on internet every work day.

Sometimes internet would cut out during the distance learning, or cause glitches where the kids would miss part of the lesson.  
My daughter had a virtual appt with the doctor, again, the signal glitched numerous times where we couldn't hear part of what the doctor was saying.  
Distance learning is the biggest reason.

Better connection for two or more devices in use at the same time  
Doctor visits via zoom

I currently am unable to download or upload files fast enough to do most of the work from home  
Mayo Clinic Portal  
I mostly use my cell phone as Bevcomm is too slow  
So I can work from home, I am a computer programmer.

We would consistently be able to use the Internet, and both be on.  
Again, we could both be teaching or taking classes online  
Will need telehealth in the future  
We spend more time at home (due to Covid)

Hopefully stop the buffering on multiple streams  
Working from home and multiple meetings per day

I work from home on occasion, and it would be a better service for work. We are building a new home on the property and having fiber would be better.  
My kids do homework, and it would be more reliable as our service now doesn't work at times or when more than one is on WiFi  
Our family is home more and need to have better service

Added productivity - fewer network delays & outages

Two people in household working from home instead of one. The DSL speed we had prior to pandemic did not support two people and we had to increase our package though over DSL that cost significantly more.

We have bonded DSL through Bevcomm today. We get by but it is not optimal. I am in meetings all day and can never share video

because of the slow upload speeds. Having fiber would fix this.

My granddaughter has done distance learning from here. She is sometimes required to share video, but that does not work well due to slow upload speed.

We have not utilized telehealth as sharing video does not work well due to slow connection.

Working from home now and I am in meetings all day.

Too often there are two of us working from home and currently we do not have sufficient bandwidth to not interfere with our connection.

Our classwork has gone to mainly internet we both teach at the graduate level.

One of us is 71 years old, another is 83 (mother-in-law).

For past two years two of us have worked via web 100% of the time.

Will guarantee working from home is doable

Faster more reliable distance learning

zoom meetings, more time at home, devices

Faster broadband would help speed up the Internet with multiple devices running off the internet.

With school being online, having zoom meetings with work

# Bevcomm Fiber-to-the-Home Interest Survey

This internet interest survey is completed in support of Bevcomm's fiber-to-the-home grant application. Bevcomm's proposed fiber optic infrastructure will enable us to: overcome geographical distances, make use of advanced telehealth, utilize telecommuting opportunities, make distance learning possible, boost economic development, and improve public safety.

1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business     Farm     Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

*Grandchildren stayed with us during COVID and did online classes*

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

If yes, please elaborate:

*appts online*

If yes, what limitations have you experienced with your current broadband service/speeds?

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

*Doing more from home and our internet has slowed down and not available at times.*

Name: *Craig Kittle*    Address: *57489 171 Ave Pin Island*

Phone Number: *507-288-6421*    Email Address: *Critter@bevcomm.net*



# Bevcomm Fiber-to-the-Home Interest Survey

This internet interest survey is completed in support of Bevcomm's fiber-to-the-home grant application. Bevcomm's proposed fiber optic infrastructure will enable us to: overcome geographical distances, make use of advanced telehealth, utilize telecommuting opportunities, make distance learning possible, boost economic development, and improve public safety.

1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business     Farm     Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

I could get more work done if I was not waiting on getting knock-d off

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

If yes, please elaborate:

If yes, what limitations have you experienced with your current broadband service/speeds?

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

Because of Covid we are using the Internet alot more for our health safety, supplies, and research

Name: Tony DeLuca Address: 51500 147th Ave Pine Island

Phone Number: 507-356-4241 Email Address: Jumpstart@bevcomm.net

# Bevcomm Fiber-to-the-Home Interest Survey

This internet interest survey is completed in support of Bevcomm's fiber-to-the-home grant application. Bevcomm's proposed fiber optic infrastructure will enable us to: overcome geographical distances, make use of advanced telehealth, utilize telecommuting opportunities, make distance learning possible, boost economic development, and improve public safety.

1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business     Farm     Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

We have to VPN to clients, Zoom meetings + all our calls are VoIP. Having faster speeds would be invaluable to us.

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

our Daughter had to remote in several times to upload assignments. This is very slow currently

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

If yes, please elaborate:

our Aunt comes to our home for telemedicine calls.

If yes, what limitations have you experienced with your current broadband service/speeds?

Biggest issue is pixelization or dropped calls

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

With two of us working from home, bandwidth is an issue.

Name: Jeff Bennett Address: 14353 CH 27 Blvd Pine Island MN 55967

Phone Number: 507-319-8115 Email Address: jbenett@atgmn.net

# Bevcomm Fiber-to-the-Home Interest Survey

This internet interest survey is completed in support of Bevcomm's fiber-to-the-home grant application. Bevcomm's proposed fiber optic infrastructure will enable us to: overcome geographical distances, make use of advanced telehealth, utilize telecommuting opportunities, make distance learning possible, boost economic development, and improve public safety.

1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business     Farm     Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

We have Bonded DSL through Bevcomm today. We get by, but it is not optimal. I am in meetings all day and can never share video because of the slow upload speeds. Having fiber would fix this.

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

My granddaughter has done distance learning from here. She is sometimes required to share video, but that does not work well due to slow upload speeds.

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

We have not done this because sharing video does not work well due to slow connection.

If yes, what limitations have you experienced with your current broadband service/speeds?

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

Working from home now and I am in meetings all day.

Name: James Ulwelling Address: 51241 Fork Trl, Pine Island, MN 55976

Phone Number: 507-356-2450 Email Address: ulwelling.james@gmail.com

# Bevcomm Fiber-to-the-Home Interest Survey

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1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business     Farm     Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

too often these are two of us working from home  
and currently we do not have sufficient bandwidth to

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

Our classwork has gone to mainly internet - we  
both teach at the graduate level

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

If yes, please elaborate:

one of us is 71 years old, another is 83 (mother in law)

If yes, what limitations have you experienced with your current broadband service/speeds?

and many initial interactions with our physicians  
are web-based

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

For past 2 years two of us have worked  
via web 100% of the time

Name: Jeffrey Salisbury Address: 51048 152<sup>nd</sup> Ave Pine Island

Phone Number: (507) 261-1598 Email Address: jeffreysalisbury@mac.com

not interfering with our connection

Island

# Bevcomm Fiber-to-the-Home Interest Survey

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1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business     Farm     Work from Home

Will BE SOON

If yes, how could this experience be improved with more reliable, faster broadband?

Will Guarantee Working From home is doable

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

FASTER MORE Reliable Distance learning

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

If yes, please elaborate:

Zoom Meetings

If yes, what limitations have you experienced with your current broadband service/speeds?

LAG

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

More time at home - devices

Name: Kari Wilson    Address: 27791 520 ST Pine Island

Phone Number: 507 951 7725    Email Address: KariWilson65@gmail.com

# Bevcomm Fiber-to-the-Home Interest Survey

This internet interest survey is completed in support of Bevcomm's fiber-to-the-home grant application. Bevcomm's proposed fiber optic infrastructure will enable us to: overcome geographical distances, make use of advanced telehealth, utilize telecommuting opportunities, make distance learning possible, boost economic development, and improve public safety.

1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business     Farm     Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

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---

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

---

---

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

If yes, please elaborate:

---

If yes, what limitations have you experienced with your current broadband service/speeds?

---

---

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

working from home, school, upload/download speed doesn't meet work's requirements

---

---

Name: Kelley Rutter    Address: 51197 Fork Trl, PI  
Phone Number: (612) 747-0984    Email Address: kelley.rutter.diverse@gmail.com

# Bevcomm Fiber-to-the-Home Interest Survey

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1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business     Farm     Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

It would increase my workflow process on a daily basis! Zoom meetings, phones etc.

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

Zoom meetings, classes for my grad student (daughter)

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

If yes, please elaborate:

If yes, what limitations have you experienced with your current broadband service/speeds?

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

I am now permanently working from home? rely on internet every work day!

Name: Heather VanBuskirk Address: 51077 Fork Trail  
Pine Island, mn 55963  
Phone Number: 507.251.0789 Email Address: gomevanbuskirk@yahoo.com

# Bevcomm Fiber-to-the-Home Interest Survey

This internet interest survey is completed in support of Bevcomm's fiber-to-the-home grant application. Bevcomm's proposed fiber optic infrastructure will enable us to: overcome geographical distances, make use of advanced telehealth, utilize telecommuting opportunities, make distance learning possible, boost economic development, and improve public safety.

1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business     Farm     Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

---

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

*Sometimes internet would cut out during distance learning, or cause glitches where the kids would miss part of the lesson.*

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

If yes, please elaborate:

*My daughter had a virtual appt. w/ the doctor.*

If yes, what limitations have you experienced with your current broadband service/speeds?

*Again the signal glitched numerous times where we couldn't hear part of what the doctor was saying.*

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

*Distance learning is the biggest reason.*

Name: *Lindsay Johnson* Address: *51771 Cty. 27 Blvd, Pine Island MN*

Phone Number: *608-553-0357* Email Address: *Lindsay@smdo.com*

559103



# Bevcomm Fiber-to-the-Home Interest Survey

This internet interest survey is completed in support of Bevcomm's fiber-to-the-home grant application. Bevcomm's proposed fiber optic infrastructure will enable us to: overcome geographical distances, make use of advanced telehealth, utilize telecommuting opportunities, make distance learning possible, boost economic development, and improve public safety.

1. I have strong interest in having Bevcomm construct a fiber-to-the-home connection to enhance my internet experience.

Yes     No

2. Do you, or does someone in your household, operate a business, a farm or work from home?

Home Use     Operate a Business <sup>College Connection</sup>     Farm     Work from Home

If yes, how could this experience be improved with more reliable, faster broadband?

Work @ Home - Medical Research (Keeps Dropping Connection)  
Work From Home - Connected to RCTC & MINN STATE

3. In the last six months, have you or someone in your household utilized broadband for school, to complete K-12 homework assignments, participate in college courses, or take eLearning courses?

Yes     No

If yes, how could this experience be improved with more reliable, faster broadband?

Download Time Needs Improving For STATE INFORMATION  
College Video + Information

4. In the last six months, have you or someone in your household utilized an online medical service such as Online Clinic, Virtual Doctor, or do you monitor health statistics via a wearable (ex: pacemaker, glucose monitor, life alert service)?

Yes     No

If yes, please elaborate:

Medical Results - Fairview / UofM

If yes, what limitations have you experienced with your current broadband service/speeds?

OCCASIONALLY we're Dropped & Have to Reconnect  
STARTING DATA OVER.

5. Has the COVID-19 pandemic increased your need for faster broadband service?

Yes     No

If yes, please elaborate:

SOME EDUCATION HAS MOVED ON-LINE

Name: Dave Lexvoid    Address: 16758 515<sup>TH</sup> ST Pine Island

Phone Number: 507-356-8852    Email Address: ~~lex~~lex.void@hotmail.com

## **Appendix 4.6**

### Proposed Design

# Internet Provider

Broadband Visions

Router 1

Router 2

2 x 10 Gbps

Router

Pine Island Central Office

2 x 10 Gbps

Active  
Ethernet  
FTTP



## **Appendix 4.7**

### PE Certification

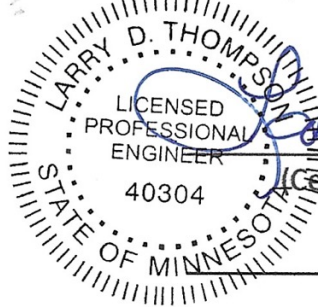
**Professional Engineer Certification**

**Company Name:** Pine Island Telephone Company Inc, dba Bevcomm

**Application Name:** Rural Pine Island Fiber Expansion Project

We the undersigned, certify that the proposed broadband system if implemented according to the design in the application will perform as described in this application. The reliability of the technology is comparable to networks of similar telecommunications carriers providing data services. When implemented according to the design in the application, all the proposed funded service area(s) will be capable of supporting broadband service of 100 Mbps or more.

DEC. 24, 2021  
(Date)



(Certifying Engineer's Signature)

Larry D. Thompson P.E.  
Name (Printed)

CEO – Vantage Point Solutions  
Title

Registration Number: PE 40304

State of Registration: MN

## **Appendix 4.14**

### Five Year Service Commitment

## Service Commitment Certification

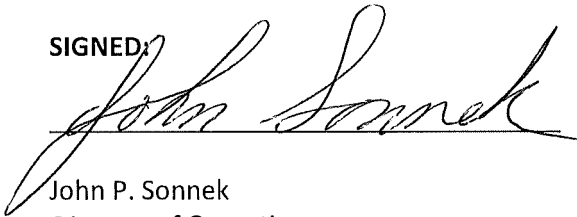
**Company Name:** Pine Island Telephone Company, dba Bevcomm

**Application Name:** Rural Pine Island Fiber Expansion Project

Bevcomm is a fourth generation, family-owned telecommunications company providing state-of-the-art services since 1895. The company's history is rooted in telephone service, providing dial-tone service to communities in Minnesota, Iowa, and Wisconsin. Headquartered in Blue Earth, MN, and maintaining offices in Morristown, New Prague, Lonsdale, Pine Island, and Wells, MN, as well as Hager City and Weyerhaeuser, WI. In addition to voice service, Bevcomm offers high speed internet access, digital TV, and customized business services. Bevcomm is committed to provide state-of-the-art broadband services to its customers. With an extensive history of serving the rural areas of Minnesota with a dedication that will go far beyond five years. Bevcomm is proud to aid in this effort by providing the technological infrastructure that residents and businesses need to stay competitive.

As part of Bevcomm's Goodhue County Broadband Partnership Program application, we are including this certification to reflect our commitment to provide services to the residents and businesses within the proposed funded service areas for the next five years and beyond. This commitment is based on the condition that grant funding is awarded and utilized for the Rural Pine Island Fiber Expansion Project.

SIGNED:

A handwritten signature in black ink, appearing to read "John P. Sonnek", written over a horizontal line.

John P. Sonnek  
Director of Operations  
December 23, 2021

## **Appendix 4.20**

### Five Year Financial Forecast

**PROPRIETARY AND CONFIDENTIAL**



**Goodhue County**  
**Five Year Stand Alone Forecast**  
**Projected Balance Sheet**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<b>Assets</b>					
Cash	\$ (8,309)	\$ 29,544	\$ 68,729	\$ 108,609	\$ 148,788
Property, Plant & Equip	416,651	555,534	555,534	555,534	555,534
less Accumulated Depreciation	(10,416)	(38,193)	(65,970)	(93,746)	(121,523)
<b>Total Assets</b>	<b>\$ 397,926</b>	<b>\$ 546,885</b>	<b>\$ 558,293</b>	<b>\$ 570,397</b>	<b>\$ 582,799</b>
<b>Liab and Equity</b>					
Paid in Equity	\$ 416,651	\$ 555,534	\$ 555,534	\$ 555,534	\$ 555,534
Retained Earnings	(18,726)	(8,649)	2,759	14,863	27,265
<b>Total Liab and Equity</b>	<b>\$ 397,926</b>	<b>\$ 546,885</b>	<b>\$ 558,293</b>	<b>\$ 570,397</b>	<b>\$ 582,799</b>
Diff	\$ -	\$ -	\$ -	\$ -	\$ -

**Goodhue County**  
**Five Year Stand Alone Forecast**  
**Projected Income Statement**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<b>Operating Revenue</b>					
Broadband Services	\$ -	\$ 42,686	\$ 42,686	\$ 42,686	\$ 42,686
Voice Services	\$ -	\$ 10,933	\$ 10,933	\$ 10,933	\$ 10,933
Video Services	\$ -	\$ 3,310	\$ 4,652	\$ 4,652	\$ 4,652
(less) Uncollectible Revenues (1%)	\$ -	\$ (628)	\$ (628)	\$ (628)	\$ (628)
<b>Total Operating Revenue (6)</b>	<b>\$ -</b>	<b>\$ 56,301</b>	<b>\$ 57,644</b>	<b>\$ 57,644</b>	<b>\$ 57,644</b>
<b>Operating Expense</b>					
Plant Specific	1,241	2,441	2,477	2,514	2,552
Depreciation (3)	10,416	27,777	27,777	27,777	27,777
Customer Operations(4)	2,500	1,000	1,000	500	500
Corporate Operations(5)	2,887	2,887	2,887	2,887	2,887
Network investment warranty & support	565	565	565	565	565
Broadband Expense	-	882	882	882	882
Video Expense	-	76	114	114	114
Voice Expense	-	158	158	158	158
General Tax Expense (1)	6,094	7,760	7,343	6,927	6,510
<b>Total Operating Expense</b>	<b>\$ 23,703</b>	<b>\$ 43,546</b>	<b>\$ 43,203</b>	<b>\$ 42,323</b>	<b>\$ 41,945</b>
<b>Net Operating Income(Loss)</b>	<b>\$ (23,703)</b>	<b>\$ 12,755</b>	<b>\$ 14,441</b>	<b>\$ 15,321</b>	<b>\$ 15,699</b>
Provision for Income Taxes (2)	(4,978)	2,679	3,033	3,217	3,297
<b>Net Income(Loss)</b>	<b>\$ (18,726)</b>	<b>\$ 10,077</b>	<b>\$ 11,408</b>	<b>\$ 12,103</b>	<b>\$ 12,402</b>

(1) The General Tax Expense has been calculated at a rate of 1.5% of Net PPE

(2) Federal Income Tax Expense has been calculated at a rate of 21%.

(3) one half year of depreciation expense is calculated for the year that a plant additions is made, assuming a mid year service date

(4) Marketing costs are assumed to be \$2500 in the initial year of construction, \$1000 in first two years of providing services, and then \$500 in subsequent years

(5) insurance rates are assumed to be \$.213 per \$100 of investment plus an additional \$2000 for other items

(6) revenue assumes no change to equivalent subscribed packages

<b>Source of Funding:</b>	<b>Rural Pine Island Fiber Expansion Project</b>
Pine Island Telephone Company dba Bevcomm	\$ 277,267.00
Roscoe Township	\$ 500.00
Goodhue County B2B Broadband	\$ 277,767.00
Total Capital Costs	\$ 555,534.00

**Goodhue County**  
**Five Year Stand Alone Forecast**  
**Cash Flow**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
net income/loss	\$ (18,726)	\$ 10,077	\$ 11,408	\$ 12,103	\$ 12,402
depreciation	\$ 10,416	\$ 27,777	\$ 27,777	\$ 27,777	\$ 27,777
<b>operating</b>	<b>\$ (8,309)</b>	<b>\$ 37,853</b>	<b>\$ 39,185</b>	<b>\$ 39,880</b>	<b>\$ 40,179</b>
investments					
PPE	\$ 416,651	\$ 138,883	\$ -	\$ -	\$ -
financing					
PPE	\$ 416,651	\$ 138,883	\$ -	\$ -	\$ -
cash beg	\$ -	\$ (8,309)	\$ 29,544	\$ 68,729	\$ 108,609
cash end	\$ (8,309)	\$ 29,544	\$ 68,729	\$ 108,609	\$ 148,788

## **Appendix 5.2**

### Resumes

## ARLETTE DUTTON

405 WEST FIFTH STREET  
BLUE EARTH, MN 56013  
507-526-3085

### Experience:

#### **BEVCOMM**

July 2015-Present

*Chief Financial Officer*

- ~ Financial close and reporting
- ~ Operating and Capital budgets
- ~ Regulatory compliance
- ~ Treasury
- ~ Financial process improvement
- ~ External audit coordination
- ~ Human resources supervision

December 2010-July 2015

*Corporate Controller*

- ~ Financial close and reporting
- ~ Operating and Capital budgets
- ~ Regulatory compliance
- ~ Treasury
- ~ Financial process improvement
- ~ External audit coordination

January 2007-December 2010

*General Accountant*

- ~ Financial close and reporting
- ~ Capital expenditure coordination and reporting
- ~ Operating budget compilation and reporting

#### **Kerry Ingredients**

December 2000-December 2006

*General Accountant*

### Education:

*University of Wisconsin-Eau Claire; Eau Claire, Wisconsin*

Bachelors, Accounting

1995-1999

**John Sonnek**  
Blue Earth, MN 56013

**Experience:**

**BEVCOMM**

**2012 to Present**

*Director of Sales and Operations*

**Highlights:**

2012, added 8 more communities to our serving area bringing the total number of communities we offer broadband service in to 25.

2015, started offering 1gig download internet speeds.

2019, purchased the CATV systems in Truman, Trimont, and Welcome and have started a three year project to deploy fiber to the premises technology to all businesses and residences in those communities.

**2000-2012**

*Sales Manager*, Developed new products and service to be sold in our service areas.

**Highlights:**

2001, offered 768k download DSL

2003, started to offer TV services over twisted pair copper cables.

2004, started to offer 2Mb download DSL

2006, offered 5Mb download DSL speeds and started fiber to the home deployments in New Prague, Wells, and Winnebago.

2010, started to offer 15Mb download DSL speeds.

**1980 to 2000**

*Exchange Manager* for our Wells, Easton, and Minnesota Lake exchanges.

**Highlights:**

Worked with our business systems and supported our outside plant infrastructure.

1982, purchased and maintained the Easton exchange.

1987, installed our first transport fiber optic cables between our exchanges.

1991, purchased the Minnesota Lake telephone and cable TV system.

1994, started installing and supporting dialup internet.

1998, installed our first DSL customers

**1975 to 1980**

*Lineman*, Installed and spliced underground copper telephone cables.

**Certifications/Organizations:**

Siemens digital central office switching

Customer service management

Fiber Optic splicing

Lucent DSL provisioning

Minnesota Telecom Alliance

# **MATT PETERSON**

BLUE EARTH, MN 56013

## BEVCOMM Experience:

2019-Present

Director of Engineering

2012-2019

Assistant Director of Engineering

2007-2012

NOC Manager

2001-2007

Switch and Central Office Technician

1999-2001

Outside Plant Technician

# Amy Schonborn

10532 State Hwy 254  
Blue Earth, MN  
(507) 526-2225

## Experience

Customer Service & Marketing Manager, BEVCOMM

10/2013 to Present

- Formulate, direct and coordinate marketing activities and policies to promote products and services
- Develop pricing strategies, balancing objectives and customer satisfaction
- Initiate marketing research studies or analyze their findings
- Coordinate and participate in promotional activities
- Listen and resolve customer complaints

Marketing Coordinator, BEVCOMM

10/2008 to 10/2013

Sales & Customer Service Specialist, BEVCOMM

3/2000 to 10/2008

## Education

Associate of Arts: Business Management, Marketing & Sales Emphasis  
Rasmussen College – Mankato, MN

April 2009

## Service and Professional Organizations

Blue Earth Area Chamber of Commerce, Member 2000-Present, Board of Directors 2010-2014

Kiwanis, Member 2008 to Present, Board of Directors 2008-2011

Minnesota Telecom Alliance, Member 2000-Present



## **Appendix 5.3**

### ETC Designation

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Annual Certification  
Related to Eligible Telecommunications  
Carriers' (ETCs) Use of Federal Universal  
Service Support Required Pursuant to C.F.R.  
§ 54.313

ISSUE DATE: October 21, 2021

DOCKET NO. P-999/PR-21-8

ORDER CERTIFYING ELIGIBLE  
TELECOMMUNICATIONS CARRIERS'  
USE OF FEDERAL HIGH-COST  
SUBSIDY

**PROCEDURAL HISTORY**

The Federal Communications Commission (FCC) offers subsidies for telecommunications carriers serving customers with low incomes (under the federal Lifeline program) and carriers serving customers in areas that are costly to serve (under the federal High Cost program).<sup>1</sup> To qualify for either subsidy, a carrier must be designated an “eligible telecommunications carrier” (ETC).<sup>2</sup> In addition, each carrier receiving High Cost subsidies must obtain annual certification from its state regulators that it used the funds it received in the prior year, and will use the funds it receives in the next year, only to provide, maintain, and upgrade facilities and services for which the high-cost subsidies are intended.<sup>3</sup> Any ETC that serves tribal lands must demonstrate in its annual reporting that it has discussed with tribal governments certain subjects designated in 47 C.F.R. § 54.313(a)(5).

The Minnesota Public Utilities Commission (Commission) has set eligibility criteria and annual filing requirements for Minnesota carriers seeking high-cost ETC certification. Each year, each of these ETCs must file its FCC Form 481, a certification by a company officer that high-cost support has been and will be used only for the intended purposes, and an officer affidavit affirming that the carrier fulfills certain eligibility criteria.<sup>4</sup> In addition, ETCs that provide

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<sup>1</sup> 47 U.S.C. § 214(e)(1).

<sup>2</sup> 47 U.S.C. § 254(e). The category of ETCs includes competitive ETCs (CETCs) as defined at 47 C.F.R. § 54.5.

<sup>3</sup> 47 C.F.R. § 54.314(a).

<sup>4</sup> *In the Matter of Annual Certification Related to Eligible Telecommunications Carriers' (ETCs) Use of the Federal Universal Service Support Required Pursuant to C.F.R. § 54.313*, Docket No. P-999/PR-18-8, Order Certifying Eligible Telecommunications Carriers' Use of Federal High-Cost Subsidy and Requiring Comment Period (Oct. 24, 2018).

service on tribal lands must work with the Commission's Tribal Liaison and the Tribal Liaison of the Minnesota Department of Commerce (Department).<sup>5</sup>

From May 21 through April 19, 2021, ETCs serving customers in Minnesota made their annual filings seeking certification for the high-cost subsidies.

On August 31, 2021, the Commission received comments from the Department and the Office of the Minnesota Attorney General, Residential Utilities Division (OAG).

On September 9, 2021, the accounting firm of Olsen Thielen filed reply comments on behalf of various ETCs.

On September 16, 2021, the Commission met to consider this matter, and received comments from the Department, the OAG, Olsen Thielen, and the Minnesota Telecom Alliance.

## **FINDINGS AND CONCLUSIONS**

### **I. Summary**

The Commission will certify that each ETC receiving high-cost subsidies in Minnesota used the funds in the prior year, and will use the funds it receives in the next year, only to provide, maintain, and upgrade facilities and services for which the high-cost subsidies are intended.

In addition, the Commission will direct ETCs providing service in tribal lands to make filings documenting their efforts to reach out to tribal governments.

### **II. Positions of the Parties**

Most ETCs seek certification, and attest that they have used the high-cost subsidies they received in the prior year and will use the funds they receive in the next year, only to provide, maintain, and upgrade facilities and services for which the high-cost subsidies are intended. Some ETCs made filings in this docket for reasons other than seeking certification to receive high-cost subsidies.

In comments, the Department and OAG each identified ETCs that have fulfilled all the requirements for certification. They also identified some that had not fulfilled all the requirements, but generally these matters had been resolved by the time of the Commission's meeting. The OAG's comments included Attachment A, providing tables identifying five categories of ETCs:

- Table 1: Minnesota ETCs to be certified to receive federal subsidies to serve high-cost areas.

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<sup>5</sup> *In the Matter of Annual Certification Related to Eligible Telecommunications Carriers' (ETCs) Use of the Federal Universal Service Support*, Docket No. P-999/PR-19-8, Order Certifying Eligible Telecommunications Carriers' Use of Federal High-Cost Subsidy (October 17, 2019).

- Table 2: ETCs serving Minnesota customers that primarily operate in other states.
- Table 3: Minnesota ETCs that, for various reasons, should not be certified for high-cost subsidies.
- Table 4: Minnesota ETCs not requiring certification, but filing information in this docket because they won an auction to provide services and receive payments from the federal Rural Digital Opportunity Fund.<sup>6</sup>
- Table 5: Minnesota ETCs not requiring certification, but filing information in this docket because they receive (or are seeking to receive) subsidies solely to provide federal Lifeline service.

The Department and OAG each concluded that other states would likely certify the ETCs listed in Table 2—but noted that the Commission could also certify these ETCs out of an abundance of caution, guarding against the possibility that some other state might fail to grant certification in time.

The Department expressed concern, however, that ETCs providing service on tribal lands had failed to provide adequate evidence of their efforts in reaching out to the tribes. Accordingly, the Department recommended that the Commission order each of these ETCs to do the following:

- Within 30 days, provide a detailed plan on how, in 2021, it will meaningfully and appropriately engage with all the tribes it serves during the remainder of 2021 and the first half of 2022. The plan should include the company’s proposal to address the individual reporting requirements in Form 481; provide the name, position, and contact information of the person primarily responsible for tribal engagement; and identify the ongoing duties that person will have with respect to tribal engagement.
- Report quarterly on the ETC’s ongoing efforts to reach out to the tribes.

The Minnesota Telecom Alliance argued that additional reporting regarding service to tribal lands was unnecessary, as ETCs already plan to pursue greater tribal engagement.

Finally, Olsen Thielen asked the Commission to grant certification for the ETCs listed in the OAG’s Table 4. While none of these carriers are currently seeking high-cost subsidies, certification could help these carriers document that they remain ETCs in good standing in Minnesota, which may aid their efforts to secure other types of grants and financial support.

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<sup>6</sup> See, for example, *In the Matter of a Notice to Rural Digital Opportunity Fund (RDOF) Grant Winners*, Docket No. P-999/CI-21-86.

### **III. Commission Action**

#### **A. Certification of ETCs**

The Commission has reviewed the petitioning companies' filings and concurs with the Department and the OAG that the filings of the ETCs, other than the ETCs in Table 3, satisfy the requirements for certification. All of the companies provided the required certification by a company officer that the company has used, and in the coming year will use, high-cost support only to provide, maintain, and upgrade the facilities and services for which the support is intended.

Each FCC Form 481 reports on a specific study area code served by the ETC filing the form.<sup>7</sup> Some study area codes serve consumers in multiple states. An issue was raised regarding whether the Commission should certify ETCs that serve consumers in Minnesota but have study area codes also registered to be certified in other states. The Department and the OAG had no strong positions regarding the certifications of these ETCs, finding that no harm would result if more than one state certified that these ETCs complied with the requirements for receiving high-cost subsidies. The Commission concludes that it is reasonable to certify qualifying ETCs that serve Minnesota customers, even if some have study area codes that may also be certified by other states.

Finally, the Commission will also grant certification for the ETCs listed in Table 4 to aid their efforts at documenting their status as Minnesota ETCs in good standing.

The Commission therefore grants the high-cost petitions of all ETCs listed in the OAG's comments, Attachment A, Tables 1, 2, and 4, attached. The Commission will certify to the FCC that the listed ETCs have used any high-cost support provided in 2020, and will use any support provided in the coming year, only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

#### **B. Tribal Engagement**

Any ETC that serves tribal lands must demonstrate in its annual reporting that it has discussed with tribal governments certain subjects designated in 47 C.F.R. § 54.313(a)(5). In 2019, the Commission directed ETCs to cooperate with the Department, tribes, and the Commission in fulfilling their tribal engagement requirements.<sup>8</sup>

In the interest of ensuring that people living on tribal land receive the full benefits of subsidized telecommunications services to which they are entitled, the Commission will grant the Department's proposal to require the relevant ETCs to provide additional reporting. Specifically, the Commission will direct these ETCs to file their outreach plans within 30 days, and to file quarterly updates thereafter, as set forth in the ordering paragraphs.

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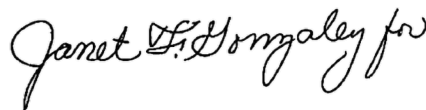
<sup>7</sup> A study area code is a unique number USAC assigns to identify an ETC based on its service area.

<sup>8</sup> *In the Matter of Annual Certification Related to Eligible Telecommunications Carriers' (ETCs) Use of the Federal Universal Service Support*, Docket No. P-999/PR-19-8, Order Certifying Eligible Telecommunications Carriers' Use of Federal High-Cost Subsidy (Oct. 17, 2019).

## ORDER

1. The Commission certifies the eligible telecommunications carriers listed in the Office of the Attorney General's comments (August 31, 2021), Attachment A, Tables 1 and 4, have used any subsidies received from the federal High Cost program in 2020, and will use any subsidies provided in the coming year, only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.<sup>9</sup> The Commission likewise grants certification for the ETCs that operate and have their study area codes registered in other states but have some operations in Minnesota, as listed in the OAG's comments, Attachment A, Table 2. These tables are attached to this order.
2. Within 30 days, each ETC that serves tribal lands shall file a detailed plan on how it will meaningfully and appropriately engage with all the tribes it serves during the remainder of 2021 and the first half of 2022. The plan shall include:
  - A. the carrier's plan to address the individual reporting requirements in Form 481 from the Federal Communications Commission;
  - B. the name, position, and contact information of the person primarily responsible for tribal engagement; and
  - C. the ongoing duties that person will have with respect to tribal engagement.
3. Each ETC that serves tribal lands shall file reports to memorialize its ongoing efforts to reach out to the tribe(s). The reports will be due each year on the first day of January, April, July (as part of the annual filing of Form 481), and October.
4. This order shall become effective immediately.

BY ORDER OF THE COMMISSION



Will Seuffert  
Executive Secretary



This document can be made available in alternative formats (e.g., large print or audio) by calling 651.296.0406 (voice). Persons with hearing or speech impairment may call using their preferred Telecommunications Relay Service or email [consumer.puc@state.mn.us](mailto:consumer.puc@state.mn.us) for assistance.

<sup>9</sup> The Commission notes that in Table 1, the study area code for Felton Telephone Company, Inc., should be 361391, not 361393. This code is corrected in the attachment.

In the Matter of the Annual Certification  
 Related to Eligible Telecommunications  
 Carriers' (ETCs) Use of Federal Universal  
 Service Support Required Pursuant to C.F.R.  
 § 54.313

DOCKET NO. P-999/PR-21-8

ORDER CERTIFYING ELIGIBLE  
 TELECOMMUNICATIONS CARRIERS'  
 USE OF FEDERAL HIGH-COST  
 SUBSIDY

ATTACHMENT: Tables 1, 2, and 4

<b>Table 1</b>					
<b>Minnesota High Cost ETCs that the Commission Should Recertify</b>					
<b>No.</b>	<b>Study Area Code ("SAC")</b>	<b>Carrier Name</b>	<b>State</b>	<b>Carrier Type</b>	<b>2021 Certification (Y/N)</b>
1	361346	Ace Tel Assn – MN	MN	ILEC	Y
2	361347	Albany Mutual Assn	MN	ILEC	Y
3	361374	Arrowhead Com Corp	MN	ILEC	Y
4	361350	Arvig Tel Co	MN	ILEC	Y
5	361356	Benton Coop Tel Co	MN	ILEC	Y
6	361358	Blue Earth Valley	MN	ILEC	Y
7	361362	Bridgewater Tel Co	MN	ILEC	Y
8	369043	Broadband Corp	MN	CETC	Y
9	361365	Callaway Tel Co	MN	ILEC	Y
10	361440	Cannon Vly Telecom	MN	ILEC	Y
11	361445	CenturyTel– MN	MN	ILEC	Y
12	361425	Christensen Comm Co	MN	ILEC	Y
13	361123	Citizens-Frontier – MN	MN	ILEC	Y
14	367123	Citizens-Frontier – MN	MN	ILEC	Y
15	361353	City Of Barnesville	MN	ILEC	Y
16	361370	Clara City Tel Exch	MN	ILEC	Y
17	361372	Clements Tel Co	MN	ILEC	Y
18	361373	Consolidated Tel Co	MN	ILEC	Y
19	369044	Consolidated Telephone Co	MN	CETC	Y
20	361499	Crosslake Tel Co	MN	ILEC	Y
21	361381	Dunnell Tel Co	MN	ILEC	Y
22	361383	Eagle Valley Tel Co	MN	ILEC	Y
23	361385	East Otter Tail Tel	MN	ILEC	Y
24	361384	Easton Tel Co	MN	ILEC	Y
25	361386	Eckles Tel Co	MN	ILEC	Y
26	361456	Embarq Minnesota	MN	ILEC	Y
27	361387	Emily Coop Tel Co	MN	ILEC	Y
28	361389	Farmers Mutual Tel	MN	ILEC	Y
29	361390	Federated Tel Coop	MN	ILEC	Y
30	366130	Federated Telephone Cooperative	MN	CETC	Y
31	361403	Federated Utilities	MN	ILEC	Y
32	361391	Felton Tel Co Inc	MN	ILEC	Y

**Table 1**  
**Minnesota High Cost ETCs that**  
**the Commission Should Recertify**

<b>No.</b>	<b>Study Area Code (“SAC”)</b>	<b>Carrier Name</b>	<b>State</b>	<b>Carrier Type</b>	<b>2021 Certification (Y/N)</b>
33	361367	Frontier– MN	MN	ILEC	Y
34	361395	Garden Valley Tel Co	MN	ILEC	Y
35	369039	Garden Valley Telephone Company	MN	CETC	Y
36	361396	Gardenville Coop Tel	MN	ILEC	Y
37	361399	Granada Tel Co	MN	ILEC	Y
38	361401	Halstad Tel Co	MN	ILEC	Y
39	369007	Tekstar Communications, Inc	MN	CETC	Y
40	369020	Farmers Mutual Telephone Co	MN	CETC	Y
41	369040	Halstad Telephone Co	MN	CETC	Y
42	361404	Harmony Tel Co	MN	ILEC	Y
43	361405	Hills Tel Co, Inc	MN	ILEC	Y
44	361408	Home Tel Co – MN	MN	ILEC	Y
45	361409	Hutchinson Tel Co	MN	ILEC	Y
46	361654	Interstate Telecomm.	MN	ILEC	Y
47	369041	Interstate Telecommunications Cooperative, Inc	MN	CETC	Y
48	369038	Jaguar Communication, Inc	MN	CETC	Y
49	361410	Johnson Tel Co	MN	ILEC	Y
50	361412	Kasson & Mantorville	MN	ILEC	Y
51	361419	Lismore Coop Tel Co	MN	ILEC	Y
52	361422	Lonsdale Tel Co	MN	ILEC	Y
53	361443	Loretel Systems, Inc	MN	ILEC	Y
54	369047	Ltd Broadband LLC	MN	CETC	Y
55	361424	Mabel Coop Tel – MN	MN	ILEC	Y
56	361426	Manchester-Hartland	MN	ILEC	Y
57	361427	Mankato-Hickorytech	MN	ILEC	Y
58	361430	Melrose Tel Co	MN	ILEC	Y
59	361375	Mid-Comm-Hickorytech	MN	ILEC	Y
60	369015	Midcontinent Communications	MN	CETC	Y
61	361413	Mid State dba KMP	MN	ILEC	Y
62	361433	Mid State Tel Co	MN	ILEC	Y
63	361431	Midwest Tel Co	MN	ILEC	Y
64	361439	Minnesota Valley Tel	MN	ILEC	Y
65	361442	New Ulm Telecom, Inc	MN	ILEC	Y
66	361500	Northern Tel Co – MN	MN	ILEC	Y
67	361448	Osakis Tel Co	MN	ILEC	Y
68	361450	Park Region Mutual	MN	ILEC	Y
69	361451	Paul Bunyan Rural	MN	ILEC	Y
70	366132	Paul Bunyan Rural Telephone Cooperative	MN	CETC	Y



**Table 1**  
**Minnesota High Cost ETCs that**  
**the Commission Should Recertify**

<b>No.</b>	<b>Study Area Code (“SAC”)</b>	<b>Carrier Name</b>	<b>State</b>	<b>Carrier Type</b>	<b>2021 Certification (Y/N)</b>
71	366133	Paul Bunyan Rural Telephone Cooperative	MN	CETC	Y
72	361453	Peoples Tel Co – MN	MN	ILEC	Y
73	361454	Pine Island Tel Co	MN	ILEC	Y
74	365142	Qwest Corp – MN	MN	ILEC	Y
75	361472	Redwood County Tel	MN	ILEC	Y
76	369045	Roseau Electric Cooperative, Inc	MN	CETC	Y
77	361474	Rothsay Tel Co, Inc	MN	ILEC	Y
78	361475	Runestone Tel Assn	MN	ILEC	Y
79	361423	Runestone Telephone Assn	MN	ILEC	Y
80	361476	Sacred Heart Tel Co	MN	ILEC	Y
81	361479	Scott Rice – Integra	MN	ILEC	Y
82	361483	Sleepy Eye Tel Co	MN	ILEC	Y
83	361485	Spring Grove Coop	MN	ILEC	Y
84	361487	Starbuck Tel Co	MN	ILEC	Y
85	361491	Twin Valley-Ulen Tel	MN	ILEC	Y
86	361494	Upsala Coop Tel Assn	MN	ILEC	Y
87	361495	Valley Tel Co – MN	MN	ILEC	Y
88	361501	West Central Tel	MN	ILEC	Y
89	369042	West Central Telephone Assn	MN	CETC	Y
90	361502	Western Tel Co	MN	ILEC	Y
91	361505	Wikstrom Tel Co, Inc	MN	ILEC	Y
92	369046	Wikstrom Telephone Co	MN	CETC	Y
93	361348	Wilderness Valley	MN	ILEC	Y
94	361414	Windstream Communications, Inc	MN	ILEC	Y
95	361482	Windstream Communications, Inc	MN	ILEC	Y
96	361337	Winnebago Coop Assn	MN	ILEC	Y
97	361507	Winsted Tel Co	MN	ILEC	Y
98	361508	Winthrop Tel Co	MN	ILEC	Y
99	361512	Wolverton Tel Co	MN	ILEC	Y
100	361510	Woodstock Tel Co	MN	ILEC	Y
101	361515	Zumbrota Tel Co	MN	ILEC	Y

<b>Table 2</b>					
<b>High Cost ETCs that Will be Certified by Other States but Could Also be Certified by the Commission</b>					
<b>No.</b>	<b>SAC</b>	<b>Carrier Name</b>	<b>Certifying State</b>	<b>Carrier Type</b>	<b>2021 Certification (Y/N)</b>
1	330950	CenturyTel NW WI	WI	ILEC	Y
2	351126	CenturyTel-Chester	IA	ILEC	Y
3	381614	Polar Telecomm	ND	ILEC	Y
4	381630	Polar Comm Mut Aid	ND	ILEC	Y
5	381631	Red River Rural Telephone	ND	ILEC	Y
6	391405	Hills Tel Co – SD	SD	ILEC	Y
7	391657	Splitrock Telecom Cooperative Inc.	SD	ILEC	Y

<b>Table 4</b>				
<b>Minnesota High Cost ETCs for which the Commission has no Action Item (i.e., Informational Only)</b>				
<b>No.</b>	<b>SAC</b>	<b>Carrier Name</b>	<b>Certifying State</b>	<b>2021 Certification (Y/N)</b>
1	369021	Federated Telephone Cooperative	N/A	Y
2	369029	Winnebago Cooperative Telecom Association	N/A	Y
3	369049	Paul Bunyan Rural Telephone Cooperative	N/A	Y
4	369050	Garden Valley Telephone Co	N/A	Y
5	369914	C-I Communications	N/A	Y

## **CERTIFICATE OF SERVICE**

I, Chrishna Beard, hereby certify that I have this day, served a true and correct copy of the following document to all persons at the addresses indicated below or on the attached list by electronic filing, electronic mail, courier, interoffice mail or by depositing the same enveloped with postage paid in the United States mail at St. Paul, Minnesota.

**Minnesota Public Utilities Commission  
ORDER CERTIFYING ELIGIBLE TELECOMMUNICATIONS CARRIERS'  
USE OF FEDERAL HIGH-COST SUBSIDY**

Docket Number **P-999/PR-21-8**

Dated this 21st day of October, 2021

/s/ Chrishna Beard

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Issa	Asad	reg@qlinkwireless.com	Q Link Wireless LLC	499 E Sheridan St Ste 400 Dania Beach, FL 33004	Electronic Service	No	OFF_SL_21-8_PR-21-8
Sam	Bailey	Sam.Bailey@iwirelesshome.com	i-Wireless	1 Levee Way Ste 3116 Newport, KY 41071	Electronic Service	No	OFF_SL_21-8_PR-21-8
Tracy	Bandemer	Tracy.Bandemer@itcoop.com	Interstate Telecommunications Cooperative, Inc..	312 4th St W PO Box 920 Clear Lake, SD 57226	Electronic Service	No	OFF_SL_21-8_PR-21-8
Dianne	Barthel	dianne.barthel@lumen.com	Centurylink Communications, LLC	200 S 5th St Rm 2200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-8_PR-21-8
James	Beattie	jbeattie@bevcomm.com	Rural Communications Holding Corp.	123 W 7th Street Blue Earth, MN 56013	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kevin	Becker	kmbeck@wiktel.com	Wikstrom Telephone Company	21307 220th St Greenbush, MN 56726	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kevin	Beyer	mnpucnotices@fedtel.net	Federated Telephone Cooperative	405 2nd Street East PO Box 156 Chokio, MN 56221	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kevin	Beyer	kbeyer@fedtel.net	Farmers Mutual Telephone Company	301 2nd St S Bellingham, MN 56212-1000	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kevin	Beyer	farmers@farmerstel.net	Farmers Mutual Telephone Company	301 2nd St S Bellingham, MN 56221	Electronic Service	No	OFF_SL_21-8_PR-21-8
David	Bickett	dave.bickett@parkregion.com	Otter Tail Telcom	PO Box 277 100 Main St Underwood, MN 56586	Electronic Service	No	OFF_SL_21-8_PR-21-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Mark	Birkholz	mark.birkholz@arvig.com	Redwood County Telephone Company	150 2nd Ave SW Perham, MN 56573	Electronic Service	No	OFF_SL_21-8_PR-21-8
Karl	Blake	kblake@polartel.com	Polar Communications Mutual Aid Corp.	PO Box 270 110 Fourth Street East Park River, ND 58270	Electronic Service	No	OFF_SL_21-8_PR-21-8
Scott	Bohler	scott.bohler@ftr.com	Frontier Communications Corporation	2378 Wilshire Blvd Mound, MN 55364-1652	Electronic Service	No	OFF_SL_21-8_PR-21-8
Tim	Brinkman	tim.brinkman@gvtel.net	Garden Valley Telephone Company - Coop	206 Vance Ave S PO Box 259 Erskine, MN 56535	Electronic Service	No	OFF_SL_21-8_PR-21-8
Chad	Bullock	chadb@wcta.net	West Central Telephone Association	308 Frontage Road PO Box 304 Sebeka, MN 56477	Electronic Service	No	OFF_SL_21-8_PR-21-8
Thomas	Burns	tgurns@otcpas.com	OLSEN THIELEN & CO. LTD	2675 Long Lake Rd Saint Paul, MN 55113	Electronic Service	No	OFF_SL_21-8_PR-21-8
Danny	Busche	dannybusche@live.com	Winthrop Telephone Company	318 2nd Ave E PO Box 310 Franklin, MN 55333-0310	Electronic Service	No	OFF_SL_21-8_PR-21-8
Thomas	Campbell	tcampbell@otcpas.com	Olsen Thielen	2675 Long Lake Road St. Paul, MN 55309	Electronic Service	No	OFF_SL_21-8_PR-21-8
James B.	Canaan	jim.canaan@itctel.com	Interstate Telecommunications Cooperative, Inc.	P.O. Box 920 312 Fourth Street Clear Lake, SD 57226	Electronic Service	No	OFF_SL_21-8_PR-21-8
Andrew	Carlson	acarlson@taftlaw.com	Taft Stettinius & Hollister LLP	Suite 2200 IDS Center 80 South 8th Street Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-8_PR-21-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Jim	Carpenter	jim.carpenter@telrite.com	Telrite Corporation	1110 Alcovy Rd Covington, GA 30014	Electronic Service	No	OFF_SL_21-8_PR-21-8
Danyell	Carroll	danyell.carroll@windstream.com	Talk America, LLC	4001 N Rodney Parham Rd Little Rock, AR 72212	Electronic Service	No	OFF_SL_21-8_PR-21-8
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-8_PR-21-8
Teresa	Crews	tcrews@paulbunyan.net	Paul Bunyan Rural Telephone Coop.	Suite 100 1831 Anne Street Bemidji, MN 56601	Electronic Service	No	OFF_SL_21-8_PR-21-8
Angie	Dickison	angie.dickison@state.mn.us	MN DEED	332 Minnesota St E200 MN DEED St Paul, MN 55101	Electronic Service	No	OFF_SL_21-8_PR-21-8
Donna	Eul	mnpucnotices@farmerstel.net	Farmers Mutual Telephone Company	301 2nd St S Bellingham, MN 56212	Electronic Service	No	OFF_SL_21-8_PR-21-8
Donna	Eul	Donna.Eul@Aciracoop.net	Federated Telephone	405 2nd Street East PO Box 156 Chokio, MN 56221	Electronic Service	No	OFF_SL_21-8_PR-21-8
Trent	Fellers	Trent.Fellers@windstream.com	Windstream	1440 M St Lincoln, NE 68508	Electronic Service	No	OFF_SL_21-8_PR-21-8
Steven	Fenker	sfenker1@earthlink.com	Nexus Communications, Inc dba Nexus-TSI	2631 Morse Rd Columbus, OH 43231-5931	Electronic Service	No	OFF_SL_21-8_PR-21-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Kari	Flanagan	karif@alliance.coop	Alliance Communications Cooperative, Inc.	P.O. Box 349 612 East 3rd Garretson, SD 57030	Electronic Service	No	OFF_SL_21-8_PR-21-8
Shari	Flanders	sflanders@polartel.com	Polar Communications	PO Box 270  Park River, ND 58270	Electronic Service	No	OFF_SL_21-8_PR-21-8
Travis	Floyd	travisf@wcta.net	West Central Telephone Assoc	308 Frontage Rd PO Box 304 Sebeka, MN 56477	Electronic Service	No	OFF_SL_21-8_PR-21-8
Mark	Forseth	markforseth@rrv.net	Halstad Telephone Company	Box 55 345 2nd Ave West Halstad, MN 56548	Electronic Service	No	OFF_SL_21-8_PR-21-8
Julie	Geerdes	jgeerdes@paulbunyan.net	Paul Bunyan Rural Telephone Coop	1831 Anne St. NW  Bemidji, MN 56601	Electronic Service	No	OFF_SL_21-8_PR-21-8
Jennifer	Grewe	jenniferg@wcta.net	West Central Telephone Assoc	PO Box 304 308 Frontage Rd Sebeka, MN 56477	Electronic Service	No	OFF_SL_21-8_PR-21-8
William	Haas	william.haas@t-mobile.com	T-Mobile US	P.O. Box 10076  Cedar Rapids, IA 52410	Electronic Service	No	OFF_SL_21-8_PR-21-8
Roxi	Hacker	roxih@interstatetelcom.com	Interstate Telcom Consulting	130 Birch Avenue West  Hector, Minnesota 55342	Electronic Service	No	OFF_SL_21-8_PR-21-8
Bruce	Hanson	bruce@hcinet.net	Sacred Heart Telephone Co.	1104 19th Ave SW Ste B  Willmar, MN 56201	Electronic Service	No	OFF_SL_21-8_PR-21-8
Corey	Hauer	coreyhauer@gmail.com	LTD Broadband LLC	69 Teahouse St  Las Vegas, NV 89138	Electronic Service	No	OFF_SL_21-8_PR-21-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Kim	Haugen	info@lismoretele.com	Lismore Coop Telephone Co.	230 S. 3rd Ave PO Box 127  Lismore, MN 56155	Electronic Service	No	OFF_SL_21-8_PR-21-8
Donna	Heaston	Donna.Heaston@Allstream.com	Electric Lightwave, LLC (New)	dba Allstream 2800 Campus Dr Ste 140 Plymouth, MN 55441	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kent	Hedstrom	kent@runestone.net	Runestone Telephone Association	PO Box 336 100 Runestone Dr Hoffman, MN 56339-0336	Electronic Service	No	OFF_SL_21-8_PR-21-8
Bruce	Hegge	manager@springgrove.com	Spring Grove Communications	PO Box 516 166 W Main St Spring Grove, MN 55974	Electronic Service	No	OFF_SL_21-8_PR-21-8
Pauleen	Hinkley	phinkley@rvv.net	Halstad Telephone Company	345 2nd Ave W PO Box 55 Halstad, MN 56548	Electronic Service	No	OFF_SL_21-8_PR-21-8
Cory	Hoerler	choerler@mhtele.com	Manchester Heartland	204 Railroad St  Manchester, MN 56007-5012	Electronic Service	No	OFF_SL_21-8_PR-21-8
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-8_PR-21-8
Gary	Johnson	gjohnson@paulbunyan.net	Paul Bunyan Rural Telephone Coop.	P.O. Box 1596 1831 Anne Street NW Bemidji, MN 56601	Electronic Service	No	OFF_SL_21-8_PR-21-8
Dwayne	Johnson	jtcbusiness@jtc-co.net	Johnson Telephone Co.	205 1st Ave NE PO Box 39 Remer, MN 56672-0039	Electronic Service	No	OFF_SL_21-8_PR-21-8
Conrad	Johnson	jtconrad@jtc-co.net	Johnson Telephone Company	205 1st Ave NE PO Box 39 Remer, MN 56672-0039	Electronic Service	No	OFF_SL_21-8_PR-21-8



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Steve	Katka	skatka@albanytel.com	Albany Mutual Telephone Association	131 6th St  Albany, MN 56307-8322	Electronic Service	No	OFF_SL_21-8_PR-21-8
Carrie	Kern Taggart	cak@wiktel.com	Wikstrom Telephone Company Inc	212 South Main PO Box 217 Karlstad, MN 56732	Electronic Service	No	OFF_SL_21-8_PR-21-8
Randy	Kiesel	randy.kiesel@metronetinc.com	Metro FiberNet LLC d/b/a MetroNet	3701 Communications Way  Evansville, IN 47715	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kenneth	Knuth	k.knuth@fecinc.com	Woodstock Telephone Company	337 Aetna St  Ruthton, MN 56170	Electronic Service	No	OFF_SL_21-8_PR-21-8
Patricia	Knutson	in.another.account.Pat.Knutson@Aciracoop.net	Federated Telephone Cooperative	405 2nd Street East PO Box 156 Chokio, MN 56221	Paper Service	No	OFF_SL_21-8_PR-21-8
Pat	Knutson	pat.knutson@aciracoop.net	Farmers Mutual Telephone Company	PO Box 156  Chokio, MN 56221	Electronic Service	No	OFF_SL_21-8_PR-21-8
Julie	Kolka	juliekolka@mabeltel.coop	Mabel Cooperative Telephone Company	PO Box 368 214 N Main St Mabel, MN 55954-0368	Electronic Service	No	OFF_SL_21-8_PR-21-8
John	Kroger	johnkroger@wctatel.com	Winnebago Cooperative Telecom Assn.	704 E. Main Street  Lake Mills, IA 50450	Electronic Service	No	OFF_SL_21-8_PR-21-8
Tom	Lorenz	Tom.Lorenz@Aciracoop.net	Federated Telephone Cooperative	405 2nd St. E. PO Box 156 Chokio, MN 56221	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kathy	Lund	kathylund@nu-telecom.net	New Ulm Telecom, Inc. d/b/a NU-Telecom	27 North Minnesota P.O. Box 697 New Ulm, MN 56073	Electronic Service	No	OFF_SL_21-8_PR-21-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Al	Lundeen	alundeen@wiktel.com	Wikstrom Telephone Company	212 S Main St Karlstad, MN 56732-0217	Electronic Service	No	OFF_SL_21-8_PR-21-8
Patrick J	Mastel	pat.mastel@midco.com	Midcontinent Communications	3901 N Louise Ave Sioux Falls, SD 57107	Electronic Service	No	OFF_SL_21-8_PR-21-8
Cassandra	Milligan	cassandra.milligan@tagmobile.com	TAG Mobile, LLC	701 E Plano Pkwy Ste 408 Plano, TX 75074	Electronic Service	No	OFF_SL_21-8_PR-21-8
Monty	Morrow	montymorrow@nuvera.net	Nuvera	235 Franklin St Hutchinson, MN 55350	Electronic Service	No	OFF_SL_21-8_PR-21-8
Steve	Mueller	steve.mueller@gvtel.net	Garden Valley Telephone Company	206 Vance Ave S PO Box 259 Erskine, MN 56535	Electronic Service	No	OFF_SL_21-8_PR-21-8
Melanie	Nelson	mdnelson@rrv.net	Halstad Telephone Company	PO Box 55 345 2nd Ave W Halstad, MN 56548-0055	Electronic Service	No	OFF_SL_21-8_PR-21-8
Josh	Netland	jnetland@emily.net	Emily Cooperative Telephone Company	PO Box 100 40040 State Hwy 6 Emily, MN 564470100	Electronic Service	No	OFF_SL_21-8_PR-21-8
Chris	Olson	wcphone@wcta.net	West Central Telephone Assoc.	P.O. Box 304 308 Frontage Road Sebeka, MN 56477	Electronic Service	No	OFF_SL_21-8_PR-21-8
Jeffrey J.	Olson	jeffolson@rrt.net	Red River Rural Telephone Association	506 Broadway PO Box 136 Abercrombie, ND 58001-0136	Electronic Service	No	OFF_SL_21-8_PR-21-8
Paul	Paco Erickson	paco_erickson@mml.net	Midcontinent Communications	3901 N Louise Ave Sioux Falls, SD 57107	Electronic Service	No	OFF_SL_21-8_PR-21-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michelle	Painter	michelle.painter@sprint.com	Virgin Mobile USA, L.P.	12502 Sunrise Valley Dr Reston, VA 20196	Electronic Service	No	OFF_SL_21-8_PR-21-8
Jean	Pauk	jean.pauk@tdstelecom.com	TDS Telecom	525 Junction Road Madison, WI 53717	Electronic Service	No	OFF_SL_21-8_PR-21-8
Jack D.	Phillips	jack.phillips@ftr.com	Frontier Communications Of MN, Inc.	14450 Burnhaven Drive Burnsville, MN 55306	Electronic Service	No	OFF_SL_21-8_PR-21-8
Ren	Preheim	ren.preheim@itccoop.com	Interstate Telecommunications Coop., Inc.	312 4th Street West Clear Lake, SD 57226	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kristi	Putnam	kristi.putnam@midco.com	Midcontinent Communications	3901 N Louise Ave Sioux Falls, SD 57107	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kris	Rademacher	krisr@farmerstel.net	Farmers Mutual Telephone Co.	301 2nd St S Bellingham, MN 562120369	Electronic Service	No	OFF_SL_21-8_PR-21-8
Brian	Rathman	brian.rathman@telrite.com	Telrite Corporation	2300 Windy Ridge Pkwy Ste 350S Atlanta, GA 30339	Electronic Service	No	OFF_SL_21-8_PR-21-8
Julia	Redman Carter	jrccarter@readywireless.com	Boomerang Wireless LLC	955 Kacena Rd Ste A Hiawatha, IA 52233	Electronic Service	No	OFF_SL_21-8_PR-21-8
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_21-8_PR-21-8
Mark	Roach	mark@goctc.com	Consolidated Telephone Company	1102 Madison St PO Box 972 Brainerd, MN 56401	Electronic Service	No	OFF_SL_21-8_PR-21-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Cheryl	Scapanski	cscapanski@bctelco.net	Benton Cooperative Telephone Company	2220 125th St NW Rice, MN 56367	Electronic Service	No	OFF_SL_21-8_PR-21-8
David	Schornack	david.schornack@arvig.com	Tekstar Communications, Inc.	150 2nd St SW Perham, MN 56573	Electronic Service	No	OFF_SL_21-8_PR-21-8
Julie	Serbus	jserbus@mnval.net	Minnesota Valley Telephone Company	PO Box 310 340 2nd Ave E Franklin, MN 55333	Electronic Service	No	OFF_SL_21-8_PR-21-8
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-8_PR-21-8
Ryan	Severson	rseverson@roseauelectric.com	Roseau Electric Coop., Inc.	1107 3rd St NE PO Box 100 Roseau, MN 56751-1326	Electronic Service	No	OFF_SL_21-8_PR-21-8
Bonnie	Simon	bsimon@lonsdaletel.com	Lonsdale Telephone Company	PO Box 358 Lonsdale, MN 55046-0358	Electronic Service	No	OFF_SL_21-8_PR-21-8
Greg	Springer	greg@gocctc.com	Consolidated Telephone Company	PO Box 972 1102 Madison St Brainerd, MN 56401	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kimberly	Starr	kim@kclenterprises.net	Dunnell Telephone Company	PO Box 728 Judson, Texas 75660	Electronic Service	No	OFF_SL_21-8_PR-21-8
Tracey	Stoll	tstoll@roseauelectric.com	Roseau Electric Cooperative, Inc.	1107 3rd St NE PO Box 100 Roseau, MN 56751-1326	Electronic Service	No	OFF_SL_21-8_PR-21-8
Cynthia	Sweet	csweet@acentek.net	Ace Telephone Association	PO Box 360 207 East Cedar Houston, MN 559430360	Electronic Service	No	OFF_SL_21-8_PR-21-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Guy	Swenson	gswenson@bvillemn.net	Barnesville Municipal Telephone Company	PO Box 550 101 Front St S Barnesville, MN 56514	Electronic Service	No	OFF_SL_21-8_PR-21-8
Mark	Thoma	markthoma@wctatel.com	Winnebago Coop. Telecom Assoc.	704 E Main St  Lake Mills, IA 50450	Electronic Service	No	OFF_SL_21-8_PR-21-8
Beth	Tollefson	btollefson@kmtel.com	Kasson & Mantorville	18 2nd Avenue NW  Kasson, MN 55944	Electronic Service	No	OFF_SL_21-8_PR-21-8
Jason	Topp	jason.topp@lumen.com	CenturyLink Communications, LLC	200 S 5th St Ste 2200  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-8_PR-21-8
Melissa	Tschida	mtschida@sytekcom.com	Upsala Cooperative Telephone	PO Box 277  Upsala, MN 56384	Electronic Service	No	OFF_SL_21-8_PR-21-8
Christie	Turn	cturn@paulbunyan.net	Paul Bunyan Rural Telephone	1831 Anne St NW  Bemidji, MN 56601	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kalsie	Vanasse	kalsiev@paulbunyan.net	Paul Bunyan Rural Telephone Coop	1831 Anne Street NW  Bemidji, MN 56601	Electronic Service	No	OFF_SL_21-8_PR-21-8
Amy	Vick	amy.vick@itccoop.com	Interstate Telecommunications Coop., Inc.	312 4th St. W. PO Box 920 Clear Lake, SD 57226	Electronic Service	No	OFF_SL_21-8_PR-21-8
Nancy A.	Vogel	nancy.vogel@midco.com	Midcontinent Communications	3901 N Louise Ave  Sioux Falls, SD 57107	Electronic Service	No	OFF_SL_21-8_PR-21-8
Lyle	Waughtal	lyle.waughtal@gvtel.net	Garden Valley Telephone Company - Coop	206 Vance Ave S PO Box 259 Erskine, MN 56535	Electronic Service	No	OFF_SL_21-8_PR-21-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Mark	Wegscheid	markw@broadband-mn.com	Broadband Corp.	1772 Steiger Lake Ln  Victoria, MN 55386	Electronic Service	No	OFF_SL_21-8_PR-21-8
Diane	Wells	diane.wells@state.mn.us	DEED	1st National Bank Bldg 322 Minnesota St #E200 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-8_PR-21-8
Kristi	Westbrock	Kristi@goctc.com	Consolidated Telephone Company	1102 Madison St PO Box 972 Brainerd, MN 56401-0972	Electronic Service	No	OFF_SL_21-8_PR-21-8
Curtiss	Wikstrom	curtw@wiktel.com	Wikstrom Telephone Company	PO Box 217 212 South Main St Karlstad, MN 56732-0217	Electronic Service	No	OFF_SL_21-8_PR-21-8
Anthony	Will	anthonyw@broadband-mn.com	Broadband Corp	585 Hwy 7 W  Hutchinson, MN 55350	Electronic Service	No	OFF_SL_21-8_PR-21-8
David	Wolf	dwolf@gardonville.net	Gardonville Cooperative Telephone Association	800 Central Ave N  Brandon, MN 56315	Electronic Service	No	OFF_SL_21-8_PR-21-8
Shane	Young	office@northern.tel	Northern Telephone Company	13448 County Road 25  Wawina, MN 55736	Electronic Service	No	OFF_SL_21-8_PR-21-8

## **Appendix 7.1**

### Business Impact

## **Business Impact**

Survey respondents at the following address report that they operate a business or telecommute:

51124 165th Ave

17545 Cty 27 Blvd

17524 Co Rd 27

51099 152nd Ave

17495 511th St

1231 5th St SW

17189 Co 27 Blvd

15937 Co 27 Blvd

51670 171 Ave

17115 511th St

12441 520th St

16758 515th St

51077 Fork Trail

51197 Fork Trail

27791 520th St

51048 152nd Ave

51241 Fork Trail

14353 Cty 27 Blvd

51500 147th Ave

51384 147th Ave

16913 Cty 27 Blvd

14355 County 27 Blvd

16849 Cty 27 Blvd

17333 511th St

16917 515th St



## **Appendix 7.2**

### Agricultural Impact

## **Agricultural Impact**

Survey respondents at the following address report that they operate a farm at their location:

51681 147th Ave

51500 147th Ave

51124 165th Ave

51241 Fork Trl

## **Appendix 9.1**

### Applicant Affidavit

## RESOLUTION OF APPLICANT

**BE IT RESOLVED** that Pine Island Telephone Company, dba Bevcomm, act as the legal sponsor for project(s) contained in the Goodhue County Broadband Partnership Program Application to be submitted on or before December 23, 2021, and that William V. Eckles, President and Chief Executive Officer, is hereby authorized to apply to the Goodhue County Broadband Partnership Program for funding of this project on behalf of Pine Island Telephone Company, dba Bevcomm.

**BE IT FURTHER RESOLVED** that Pine Island Telephone Company, dba Bevcomm has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration.

**BE IT FURTHER RESOLVED** that the sources and amounts of the local match identified in the application are committed to the project identified.

**BE IT FURTHER RESOLVED** that Pine Island Telephone Company, dba Bevcomm has not violated any Federal, State, or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

**BE IT FURTHER RESOLVED** that upon approval of its application by the State, Pine Island Telephone Company, dba Bevcomm may enter into an agreement with Goodhue County for the above referenced project(s), and that Pine Island Telephone Company, dba Bevcomm certifies that it will comply with all applicable laws and regulation as stated in all contract agreements.

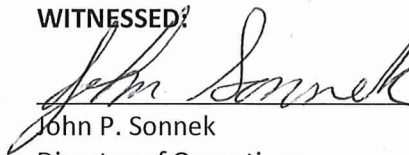
**NOW, THEREFORE BE IT FINALLY RESOLVED** that the undersigned is hereby authorized to execute such agreements as are necessary to implement the project on behalf of the applicant.

**SIGNED:**



William V. Eckles  
President/Chief Executive Officer  
December 23, 2021

**WITNESSED:**



John P. Sonnek  
Director of Operations  
December 23, 2021



**Scott O. Arneson**  
Goodhue County Administrator  
Goodhue County

---

509 W. Fifth St.  
Red Wing, MN 55066  
Office (651) 385.3001 ~ Fax (651) 267-4873

Date: February 24, 2022

To: Goodhue County Board of Commissioners

From: Scott O. Arneson, County Administrator  
Stacy Lance, Executive Admin. Asst. – Special Projects Lead  
Tim Redepenning, Facilities Maintenance Director

Re: County Board Room Project – Historic Paint Proposal #2

At the February 15<sup>th</sup>, 2022 County Board meeting, the Board considered a proposal to bring the old courtroom – the new County Board room to replicate the historic finishes of 1932. (see attached board report). The cost of the proposal was **\$179,034**. Staff was given direction to bring back alternative options with a lower cost.

Conrad Schmitt Studios, Inc. (CSS) has provided three alternative options since the last Board meeting. The options are outlined below: see attached report and descriptive photos.

**Original Proposal – \$179,064**

- Stencil, paint and polychrome the walls, panels, cornice, frieze and ceiling replicate the full historic finishes of 1932

**Option A – Base Option – \$69,923.00 – RED HIGHLIGHTS**

- All eight (8) lighted wall panels stenciled (red)
- Polychrome detail at the cornice band all the way around the room (red)

**Option A1 - \$69,923.00 + 54,678.00 = \$124,601 – RED HIGHLIGHTS + BLUE HIGHLIGHTS**

- All eight (8) lighted panels stenciled (red)
- Polychrome detail at the cornice band all the way around the room (red)
- Add polychrome and gold paint detail at pilasters (fluted area) on all 8 lighted panels (blue)
- Add decorative stenciling at frieze square panels (blue)

**GOODHUE COUNTY BOARD OF COMMISSIONERS**

LINDA FLANDERS  
1<sup>st</sup> District  
1121 West Fourth Street  
Red Wing, MN 55066

BRAD ANDERSON  
2<sup>nd</sup> District  
10679 375<sup>th</sup> St.  
Cannon Falls, MN 55009

TODD GRESETH  
3<sup>rd</sup> District  
46804 Hwy 57 Blvd  
Wanamingo, MN 55983

JASON MAJERUS  
4<sup>th</sup> District  
39111 Co. 2 Blvd  
Goodhue, MN 55027

PAUL DROTOS  
5<sup>th</sup> District  
1825 Twin Bluff Rd.  
Red Wing, MN 55066

Option A2 - \$69,923.00 + \$54,433.00 = \$124,356 – RED HIGHLIGHTS + YELLOW HIGHLIGHTS

- All eight (8) lighted panels stenciled (red)
- Polychrome detail at the cornice band all the way around the room (red)
- Add decorative stenciling at frieze rectangular panels (yellow)
- Add polychrome and gold paint at ceiling (yellow)

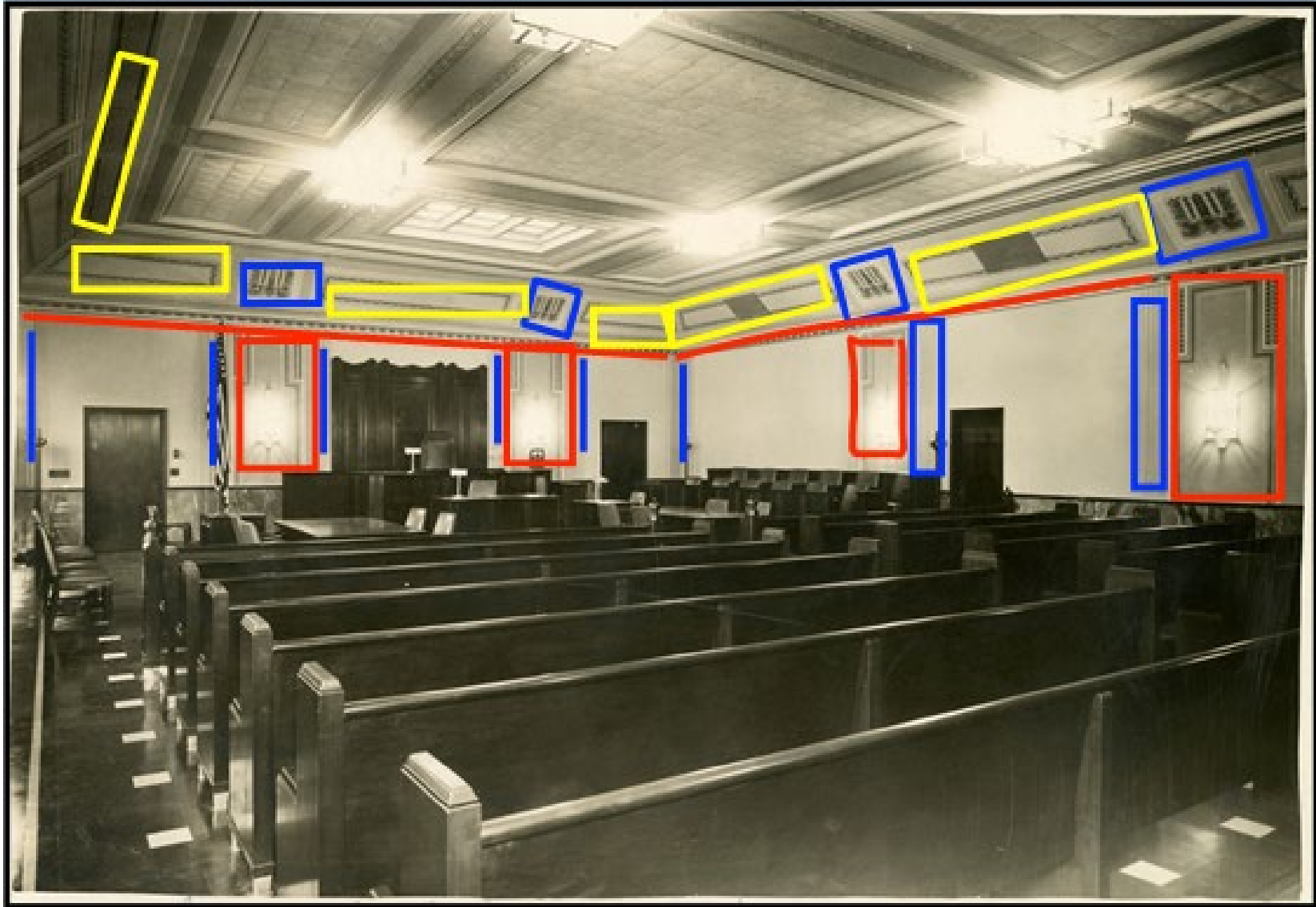
### Moving Forward

- The project would remain on schedule as CSS anticipates it will take 6-8 weeks of work once they are onsite at the end of March. Final measurements would be taken prior to March 4<sup>th</sup> if authorized.
- The Finance Department has estimated that there is approximately \$1.3M in the building contingency fund and those dollars could be used to pay for this one-time expense.

### Action Required

Staff is requesting the County Board authorize moving forward with one of the above options to replicate the original decorative schemes in the Board Room and authorize use of the Building Contingency Fund for this one-time expense.

1932





1932 Original Courtroom



1982 Courtroom





## 2022 Board Room

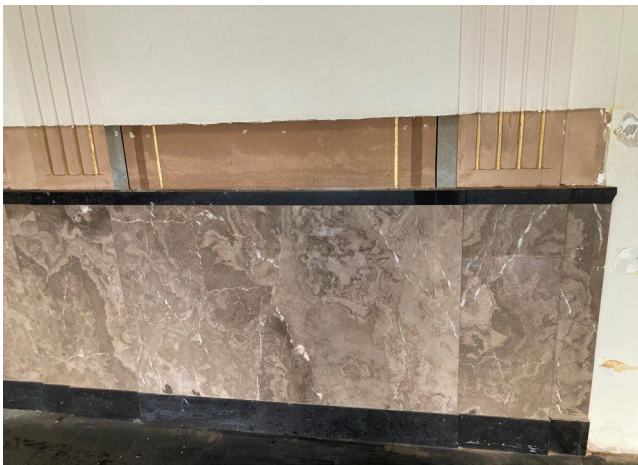
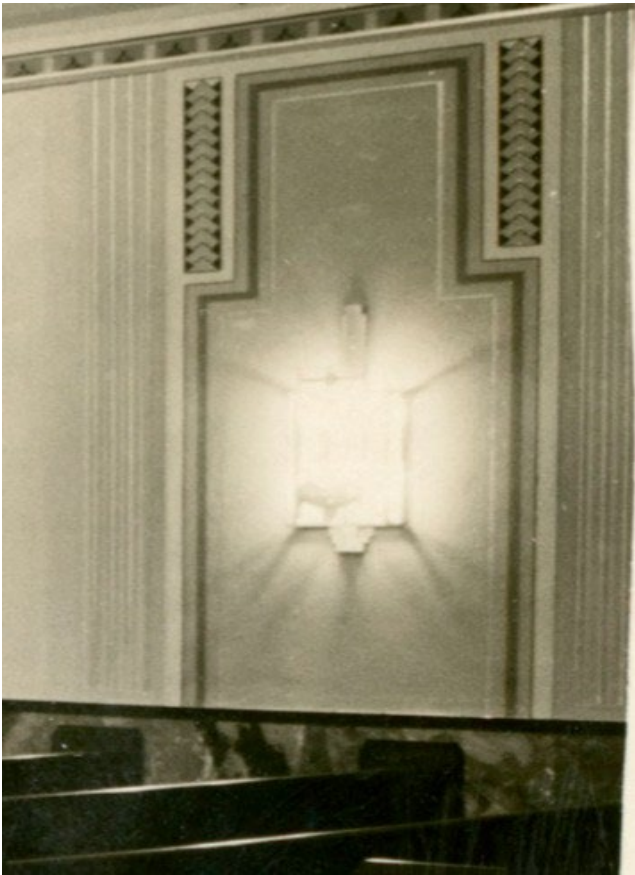
- Dias has been built
- New carpet will be installed
- Court benches will be returned to the room to public seating



## ANALYSIS: WALLS

### CURRENT CONDITIONS

The walls of the courtroom have been painted a white and pink/cream color scheme, but retain the dimensional detailing at cornice and vertical moldings. Evidence of a previous decorative scheme are visible at a section of the lower wall, revealing a warm brown base and stripes of light blue, brown, black, and metallic gold. This decoration is consistent with historic photographs. Exposures at the upper wall panels reveal a continuation of the scheme, but do not reveal the full extent of stencils visible in the photograph.







## ANALYSIS: CORNICE/FREIZE

**CURRENT CONDITIONS**

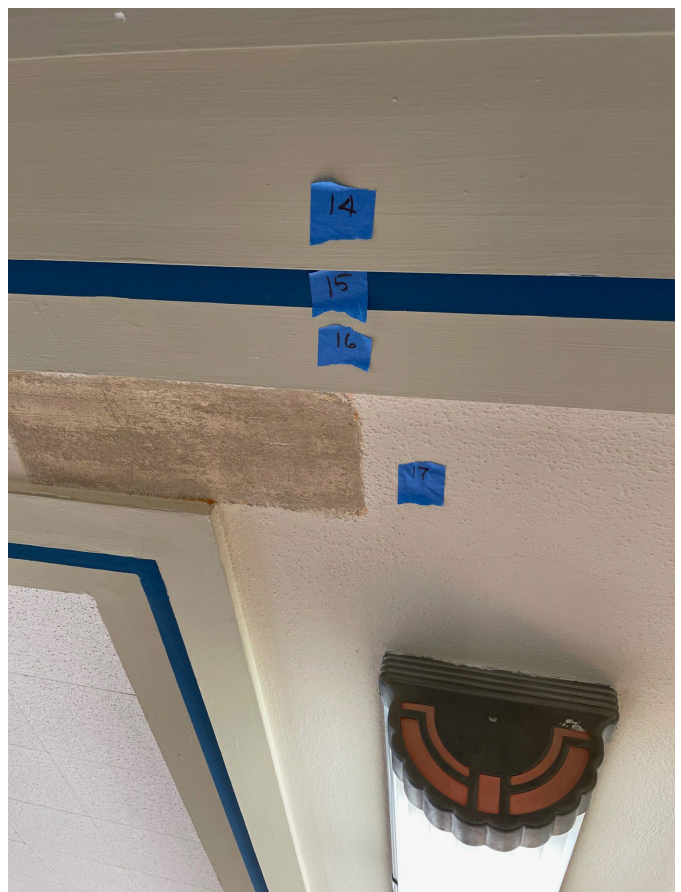
Historic photographs show elaborate stencil details at the room's large cornice. Variations in tone on the black-and-white photograph indicate that the stencils were polychrome, featuring several colors. While the general dimensions of the cornice remain in place, acoustical paneling has been added, obscuring the historic stencils. Exposures of the stenciled area were inconclusive. Exposures at the dimensional plaster band below the angled cornice reveal polychrome decoration consistent with values presented in historic photographs.



## ANALYSIS: CEILING

### CURRENT CONDITIONS AND ANALYSIS

Historic photographs indicate polychrome decoration at the ceiling, bordering the original acoustical panels. Exposures and core samples at these areas, however, were inconclusive. Historic decoration was not uncovered during the exposure process and core samples indicate only the present layer of paint, with no additional previous coatings. It is likely, therefore, that the ceiling surface was either stripped or replaced at some time, leaving no remaining historic evidence. Replication of historic finishes visible in the photos can be completed by inferring colors based on the known color palette in the rest of the room and similar color scheme in other areas of the building.



**PROPOSAL**

**Interior Decorative Painting and Historic Stencil Replication**

February 21, 2022

**OWNER**      **Goodhue County Courthouse**  
454 W 6<sup>th</sup> Street  
Red Wing, MN

**CSS**            **Conrad Schmitt Studios, Inc.**  
2405 S. 162<sup>nd</sup> Street  
New Berlin, WI 53149

**BASE SCOPE OF WORK**

Conrad Schmitt Studios, Inc. proposes to provide the following labor, materials, artwork, equipment (not including scaffolding), and insurance to decoratively paint the Boardroom at the Goodhue County Courthouse in Red Wing, MN per the findings in the attached report and scope of work outlined below.

- Load materials and travel to Red Wing, MN.
- Upon arrival, unload materials and set-up workshop at location designated by Owner.
- Conduct a job site walk through to inspect the following scopes of work provided by the Owner/ Others:
  - OSHA scaffolding system provided by Owner for access to walls/ ceiling.
  - Previously plastered and base painted surfaces.
  - CSS to conduct a field adhesion test upon arrival.
  - Base painting by others must include appropriate surface preparation, a minimum of three coats of paint: a primer plus two coats of Sherwin Williams Duration.
  - Frieze: Removal of existing acoustical panels, residue and plastered finish.
- Take sizes and templates to replicate historic stencils. *\*Note: The updated panels change the corner configuration from the historic and change the dimensions of those detailed stencil/rectangles.*
- Mockups: CSS artists to paint samples of the new decoration, stencils, and polychromed finishes per our findings in the report.
  - *Once the sample is completed, CSS will schedule a meeting with the Owner to review and adjust as necessary.*
- Apply multicolored decorative stencil at wall panels.
- Apply polychrome detail at cornice band.
- Upon completion, conduct jobsite inspection with the Owner.
- Upon approval, clean jobsite.
- Load materials and travel back to CSS.

**QUOTATION**

*The above scope of work would be completed for Sixty Nine Thousand Nine Hundred Twenty Three Dollars.....\$69,923.00*



**ADD ALTERNATES:**

Option #1

- Add polychrome and gold paint detail at pilasters.
- Add decorative stenciling at frieze square panels

*ADD+ \$54,678.00* \_\_\_\_\_ *Initial to accept option #1*

Option #2

- Add decorative stencils at frieze rectangular panels.
- Ceiling: Add polychrome and gold paint detail at pilasters.

*ADD+ \$54,433.00* \_\_\_\_\_ *Initial to accept option #2*

**BY OWNER/ NOT INLCUDED**

OSHA scaffolding, removal of acoustical panels, residue and new plaster at Frieze, priming and base painting, doors, electrical, baseboards, lighting, dumpster and anything not mentioned herein.

**TERMS**

CSS requests a 20% down payment to schedule this work. Upon commencement of the project, CSS will request monthly progress payments with the final 20% due upon completion.

Respectfully Submitted,

*Courtney Nelson*

Courtney Nelson, Project Manager



B. Gunar Gruenke, President

I have read and agreed to the proposal as listed above as well as the Conrad Schmitt Studios, Inc. General Terms and Conditions of Contract.

Accepted By \_\_\_\_\_

Date \_\_\_\_\_

2405 S. 162<sup>nd</sup> Street • New Berlin, WI 53151 USA  
Phone: 262-786-3030 • 800-969-3033  
Fax: 262-786-9036 • www.conradschmitt.com

# GENERAL TERMS AND CONDITIONS OF CONTRACT

## CONRAD SCHMITT STUDIOS, INC.

### **Compliance Obligations**

All agreements are contingent upon fires, strikes, accidents, and other causes beyond our control. We will not be responsible for any hidden, latent, or undisclosed defects within our work areas. Leptat® glass is an organic process; all etched glass will vary in its final texture and effect. Removal of historic stained glass may appear to cause additional glass breakage as internal hairline cracks may be present in original glass but unforeseen.

### **Warranty**

We warrant the adhesion of our applied paints only, but do not warrant the adhesion of previously applied paints, be they calcimine, latex, oil or other. The warranty does not include any damages caused by moisture of any sort, including humidity, nor does it include problems caused by lack of proper insulation, vapor barriers, or proper air circulation; or any discoloration of any metal composition leaf other than 22.5 kt or higher gold leaf. The entire warranty is null and void if the temperature is not maintained between 60° and 80° Fahrenheit, fluctuates more than 10° in any 24 hour period, or if the relative humidity is not maintained between 40% and 60%. Interior surfaces may not reach the dew point. There will be absolutely no warranty and client/customer is still responsible for full and complete payment if relative humidity and temperature exceed materials manufacturers and suppliers' recommendations and CSS is required to proceed. All surplus paint materials will be the property of the owner for future repairs and touch-ups.

Should the work quoted herein be associated in any way with fire damage or major moisture concerns, there will be no warranty for workmanship unless Conrad Schmitt Studios is contracted to either strip all ornamental surfaces and fiberglass or strip flat surfaces. Fiberglassing over expanding and contracting surfaces, such as wood board and batten or tongue and groove, or acoustical materials, is not warranted against future cracking or delamination. This warranty is for one (1) year from the date of substantial completion for defects in craftsmanship. Material suppliers may offer product warranties.

### **State Lien Law**

State Lien Law is effective where applicable. Conrad Schmitt Studios hereby notifies buyer that persons or companies furnishing labor or materials for the construction on buyer's property may have lien rights on buyers land and buildings if not paid. Those entitled to lien rights, in addition to the assigned contractor, are those who contract directly with the buyer or those who give the buyer notice within sixty (60) days after they first furnish labor or materials for construction. Accordingly, buyer may receive lien notices from those who furnish labor or materials for the construction and should give a copy of each notice received to its mortgage lender. Builder agrees to cooperate with the lender to see that all potential lien claimants are paid. Notice of intent to file a lien is automatically filed at 45 days on all properties not paid for within the contract date.

Using staff to perform paid or unpaid services outside this contract voids any and all written, expressed or implied warranties.

### **Additional Terms and Conditions**

- The designs, cartoons, patterns, or specifications provided as instruments of service are and shall remain the property and copyright of Conrad Schmitt Studios whether or not the project for which they were made is executed.
- In works or fine art such as art glass, stained glass, sculpture, mosaics, pictures, murals, banners, tapestries or any like project, Conrad Schmitt Studios shall be entitled to sign and date the work and shall be afforded due recognition in any and all photographs or publications which show the work, including but not limited to the fabricator's own brochures, portfolio, website and publication.

- Orders for articles, materials or contractor's services will not be placed in work until signed confirmation of purchase agreement is received, together with any required deposit.
- Orders approved under this contract are non-cancelable.
- Prices do not include sales, use or applicable tax.
- Copyright remains the ownership of Conrad Schmitt Studios, even after artworks have been delivered and/or installed.
- If Conrad Schmitt Studios is required to render services not contemplated by this agreement or incurs extra drawing or other expenses due to changes ordered by client or other cause, Conrad Schmitt Studios shall be paid for such extra services and expenses the reasonable value or cost thereof.
- CSS is not responsible for any fees above and beyond this contract including but not limited to late penalties and clean-up charges.
- If Conrad Schmitt Studios is required to perform plaster restoration, owner agrees to have plaster and plaster substrate tested for asbestos prior to start of work and provide results to CSS if levels exceed OSHA limits.
- While fiberglassing walls is a wall preparation system, seams and texture may remain visible upon completion.
- Paint drips and chips that have been painted over by others in the past will not be sanded, patched or repaired unless specifically spelled out in the contract.
- A signed Certificate of Completion is required for all Conrad Schmitt Studios, Inc. projects. Prior to leaving the project site, CSS will submit in writing a Request for Punch List. We require that this be returned to CSS in writing prior to departure. CSS will complete the items on the punch list, per the contract terms. Upon completion, a final Certificate of Completion will be requested for signature. Failure to sign the Certificate of Completion may result in an additional charge for remobilization.
- Artistic Design Approval: The products and services specified herein are works of art and as such, require a degree of interpretation by the artist. The client will have the opportunity to review and approve the artwork at various phases in the process. Any adjustments to previously approved artwork will be subject to additional charges for time and materials as required. Any additional charges will be presented to the client for approval prior to undertaking the requested adjustment(s).
- This contract supersedes any and all other contract language.

### **Indemnification**

Conrad Schmitt Studios does release and agree to save and hold the owner, and their members, officers, agents and employees, harmless from any and all causes of action, suites at law or equity, or claims or demand or from any liability of any nature arising out of the performance of the work and obligations contained herein on the part of Conrad Schmitt Studios, his/her agents, and/or employees if such claims, demands or liability arises from acts occurring before the work is completed and installed.

Owner agrees that if scaffold is under Conrad Schmitt Studios contract, owner will sign a Hold Harmless and Indemnity Agreement. Furthermore, if client is desirous of other trades using scaffold, those other trades or individuals will be required to sign a Hold Harmless and Indemnity Agreement prior to working on or below scaffold.

Upon completion of the installation of the work, the owner shall indemnify and hold harmless Conrad Schmitt Studios against any and all claims, demands or liability arising thereafter in connection with the work, the site, the area or this agreement.

---

***This proposal is valid for 90 days, unless otherwise stated in the proposal. The scope, terms and warranty of this contract are limited to that as written herein. Previous verbal agreements and/or verbal agreements during the course of this contract are not valid unless approved in writing by all parties as signed on the proposal page.***





**Scott O. Arneson**  
Goodhue County Administrator  
Goodhue County

---

509 W. Fifth St.  
Red Wing, MN 55066  
Office (651) 385.3001 ~ Fax (651) 267-4873

Date: February 9, 2022

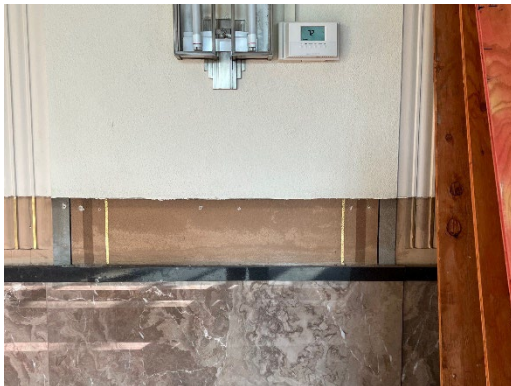
To: Goodhue County Board of Commissioners

From: Scott O. Arneson, County Administrator  
Stacy Lance, Executive Administrative Assistant  
Tim Redepenning, Facilities Maintenance Director

Re: County Board Room Project – Historic Paint Proposal

The County Board approved the construction and technology contracts for the County Board Room project at the December 2, 2021 meeting. Red Wing Construction began work within the next week.

Upon removal of the old jury box, evidence of historic paintings were found, many of the colors matched what Conrad Schmitt Studios, Inc. (CSS) had determined to use on the rehabilitation and painting of the rotunda and mural. See photos below.



It was decided at that time to have Conrad Schmitt Studios perform a historic paint study investigation and make recommendations for moving forward.

## **GOODHUE COUNTY BOARD OF COMMISSIONERS**

LINDA FLANDERS  
1<sup>st</sup> District  
1121 West Fourth Street  
Red Wing, MN 55066

BRAD ANDERSON  
2<sup>nd</sup> District  
10679 375<sup>th</sup> St.  
Cannon Falls, MN 55009

TODD GRESETH  
3<sup>rd</sup> District  
46804 Hwy 57 Blvd  
Wanamingo, MN 55983

JASON MAJERUS  
4<sup>th</sup> District  
39111 Co. 2 Blvd  
Goodhue, MN 55027

PAUL DROTOS  
5<sup>th</sup> District  
1825 Twin Bluff Rd.  
Red Wing, MN 55066

*An Equal Opportunity Employer*

The final report of findings is attached with the following being the executive summary:

### **EXECUTIVE SUMMARY**

Analysis of exposures and core samples indicate that the historic color palette featured a warm brown base color with accents of blue, brown, and tan, along with accents of black and metallic gold. At previously stenciled areas, brighter accents of red, red-orange, green, and blue can be found, in addition to several shades of peach and tan. As a whole, the color palette is similar to that found in stencils in the atrium area. Replication of this decoration, based on historic photos and interpreted in a similar color palette to the atrium area, would be a realistic representation of historic finishes within the space.

### **Moving Forward**

Also attached is a proposal from CSS to replicate the historic stencil, provide mock ups and decoratively paint the board room to the original decorative scheme on the walls and panels, cornice and frieze and the ceiling.

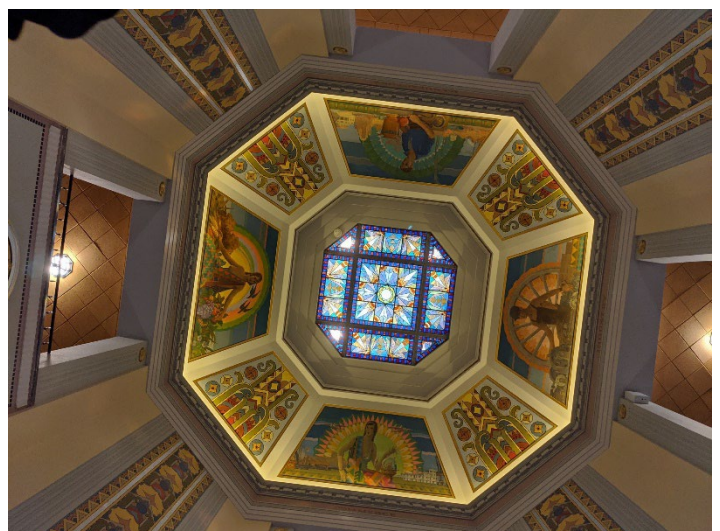
- Project would remain on schedule as CSS anticipates it will take 6-8 weeks of work once they are onsite at the end of March. Red Wing Construction has the wall prep and base painting included in their bid and they are ready to start once we give them a color selection.
- The Finance Department has estimated that there is approximately \$1.3M in the building contingency fund and those dollars could be used to pay for this one-time expense, to bring the historic detail back to the room.

### **Action Required**

Staff is requesting the following action be taken in accordance with the Goodhue County Purchasing Policy.

- Request that the County Board approve the contract with Conrad Schmitt Studios, Inc.
- Request that the County Board authorize use of the Building Contingency Fund to pay for this historic painting project.

\*final photos of the rotunda/mural work done in Government Center below



CONRAD SCHMITT STUDIOS, INC.

Excellence in Artistry Since 1889

Design ■ Decoration ■ Restoration ■ Glass



INVESTIGATION OF HISTORIC FINISHES  
GOODHUE COUNTY COURTHOUSE  
RED WING, MN

JANUARY 2022

## CONTACT

Courtney Nelson Project Manager | Mobile: 262.501.3706 | [Courtney@conradschmitt.com](mailto:Courtney@conradschmitt.com)

Conrad Schmitt Studios [CSS]  
2405 South 162nd Street  
New Berlin, Wisconsin 53151  
Phone: 262.786.3030 | Fax: 262.786.9036

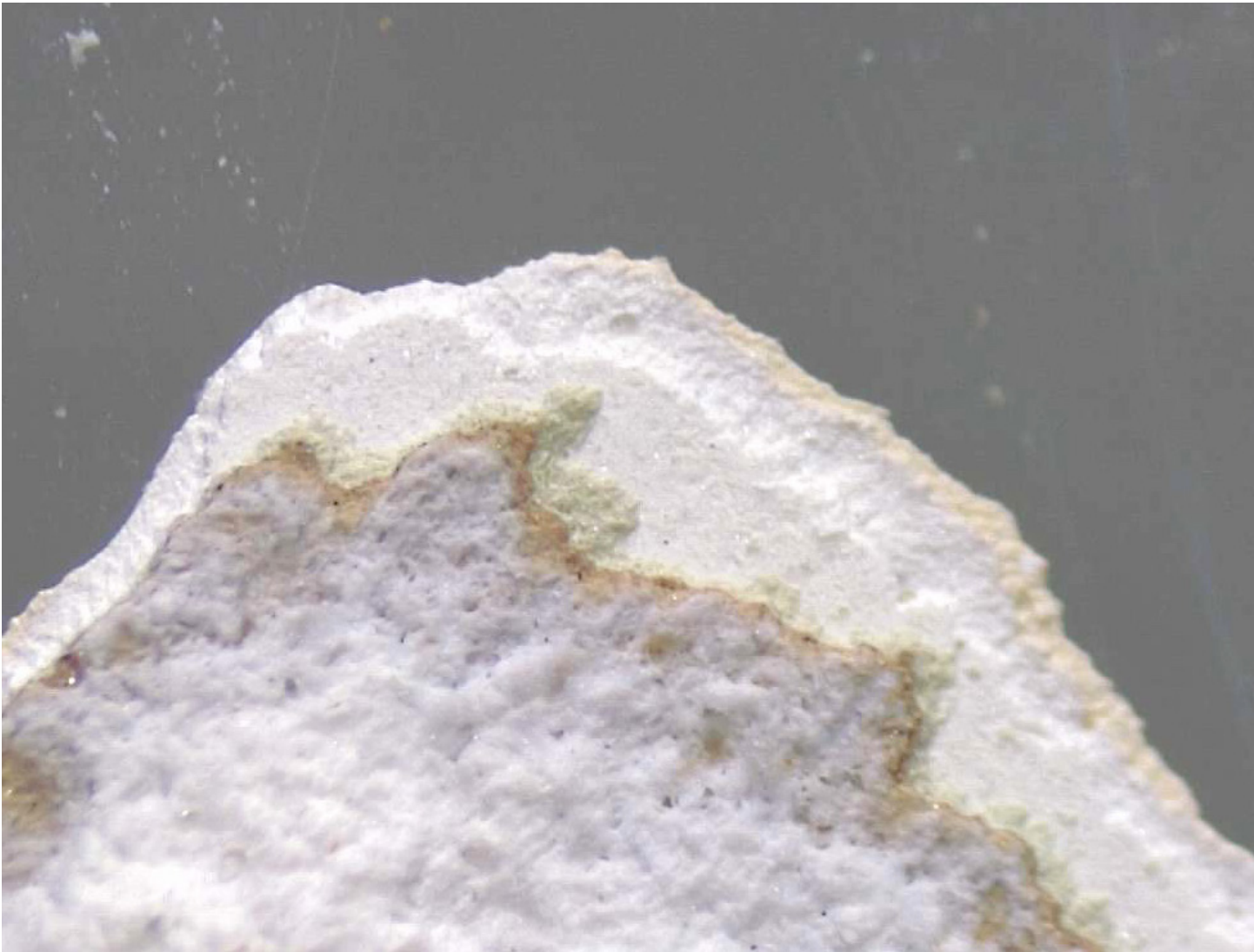
[conradschmitt.com](http://conradschmitt.com)





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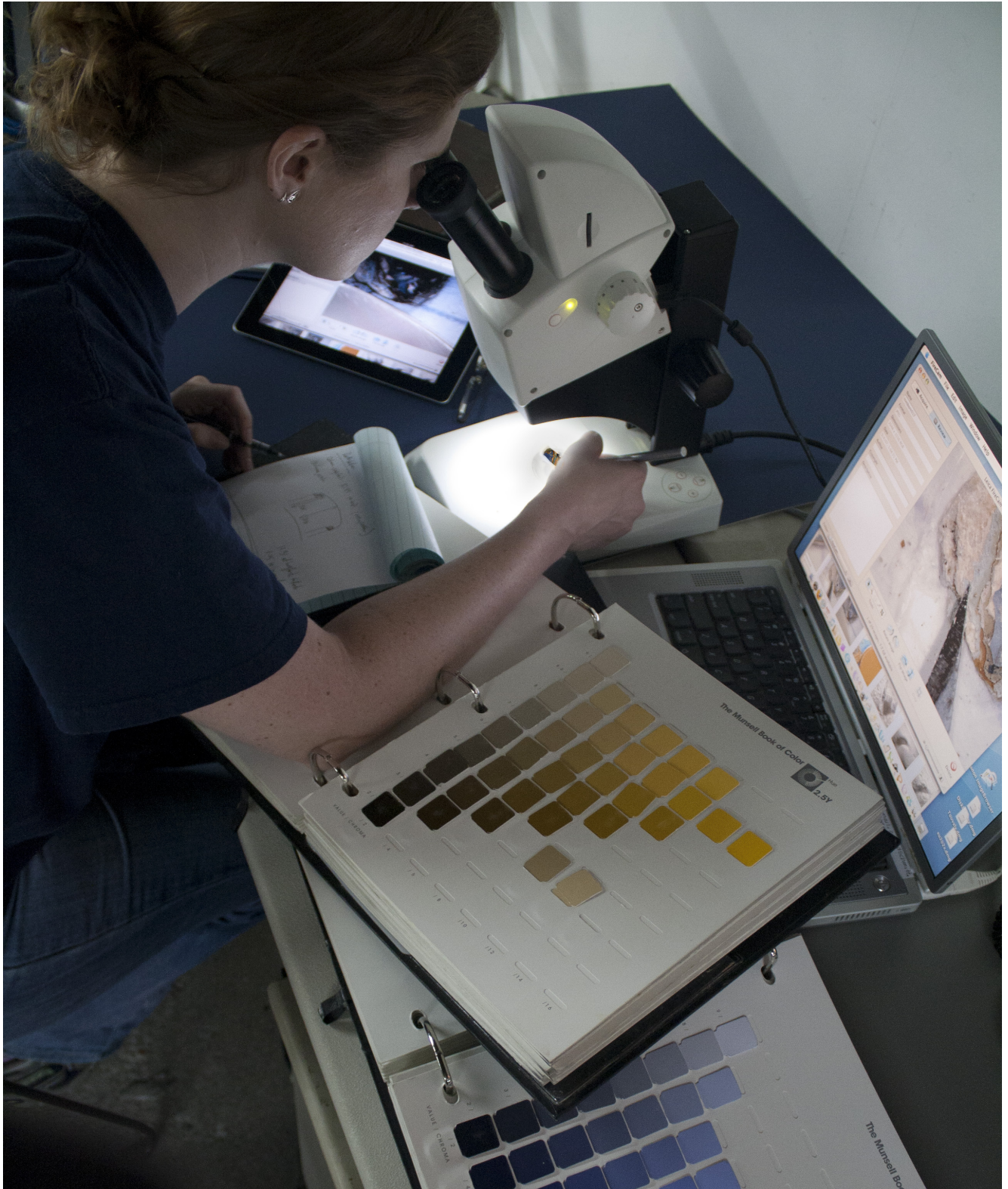
### INTRODUCTION

In January 2022, conservators from Conrad Schmitt Studios, Inc. (CSS) examined historic decorative finishes in the County Board Room of the Goodhue County Courthouse in Red Wing, Minnesota. The purpose of the examination was to collect evidence of previous paint schemes and decoration in the room, in anticipation of the re-painting and the room and potentially replicating historic finishes. The investigation included review of available research on the structure, a site visit and physical examination, cleaning samples, exposures, and cross-section analysis of core samples taken from the upper walls, cornice, and ceiling. The following report details the findings from that investigation.

### EXECUTIVE SUMMARY

Analysis of exposures and core samples indicate that the historic color palette featured a warm brown base color with accents of blue, brown, and tan, along with accents of black and metallic gold. At previously stenciled areas, brighter accents of red, red-orange, green, and blue can be found, in addition to several shades of peach and tan. As a whole, the color palette is similar to that found in stencils in the atrium area. Replication of this decoration, based on historic photos and interpreted in a similar color palette to the atrium area, would be a realistic representation of historic finishes within the space.







### RESEARCH

Prior to physical investigation of the site, CSS reviewed the available research, including historic photographs of the room, present-day images, and existing information in the CSS archives regarding historic color schemes in other spaces within the courthouse building.

### SITE VISIT & SAMPLING

In order to gather information on previous decorative schemes, Conrad Schmitt Studios conducted an investigation and documentation of interior finishes in the County Board Room. Samples were taken from characteristic elements of the walls, ceiling, and cornice. On-site documentation and sampling were performed on January 18, 2022.

For each element in question, specific areas to be sampled were chosen based on the following criteria:

- Substrate appeared to be original material
- No obvious voids or depressions indicating previous damage or missing paint layers
- Where appropriate, samples were taken at existing imperfections or cracks in the current finish layer, in order to prevent unnecessary damage to the substrate.

Using a scalpel or utility knife, samples were taken from the walls and other painted elements and placed into secure envelopes labeled with the element and sample number. The location and number of each sample was noted upon removal.

### STUDIO ANALYSIS & INTERPRETATION

Laboratory analysis and photographic documentation of the samples occurred at Conrad Schmitt Studios facility in New Berlin, WI.

Each sample was analyzed under magnification with reflected light. After initial review and analysis of each sample, representative samples of each element were photographed. Specific paint colors in each sample were identified using the Munsell System of Universal Colors, which identifies the hue, value, and chroma of a given color. It is important to note that color analysis was performed directly on the samples. Printed or digital images should not be used for color analysis, due to variations in printer and display settings. Corresponding Munsell numbers have been identified for the earliest and most significant layers in each sample.

In addition to core samples, exposures were conducted onsite in an attempt to reveal any previous decorative stenciling and examine early paint layers in situ.

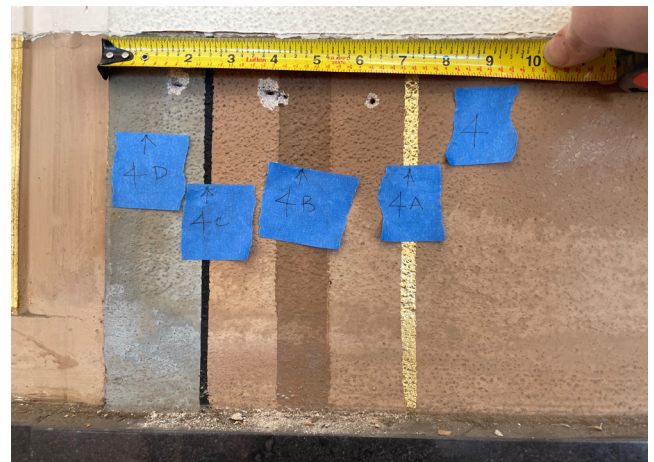
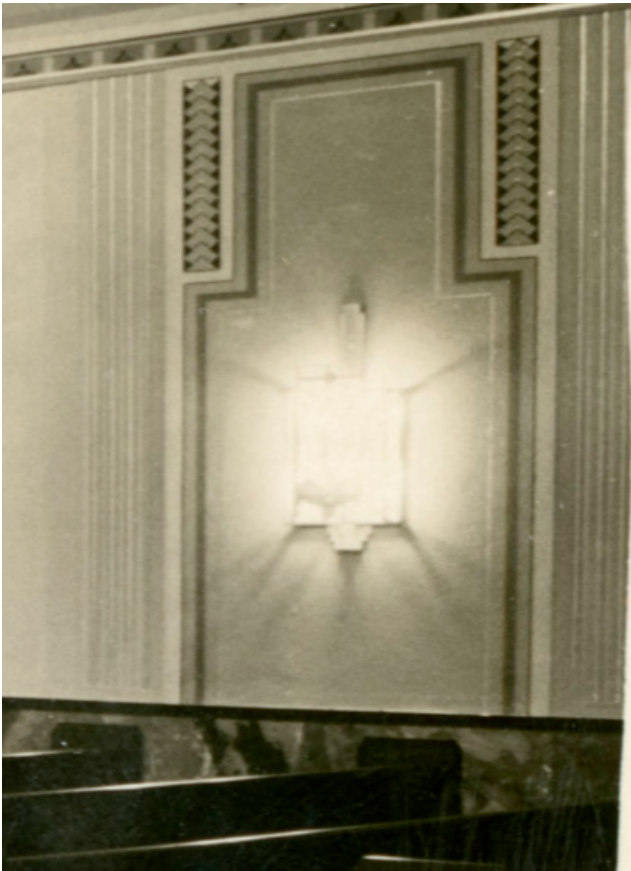
The results of the analysis were compiled into the current report, which includes identification of earliest extant paint colors.

The findings presented here should not be considered exhaustive. Additional investigation may yield additional information. Future construction/alterations should be considered further opportunity for investigation. Specific areas of interest can be examined in further detail and may yield additional information.

## ANALYSIS: WALLS

### CURRENT CONDITIONS

The walls of the courtroom have been painted a white and pink/cream color scheme, but retain the dimensional detailing at cornice and vertical moldings. Evidence of a previous decorative scheme are visible at a section of the lower wall, revealing a warm brown base and stripes of light blue, brown, black, and meatllic gold. This decoration is consistent with historic photographs. Exposures at the upper wall panels reveal a continuation of the scheme, but do not reveal the full extent of stencils visible in the photograph.



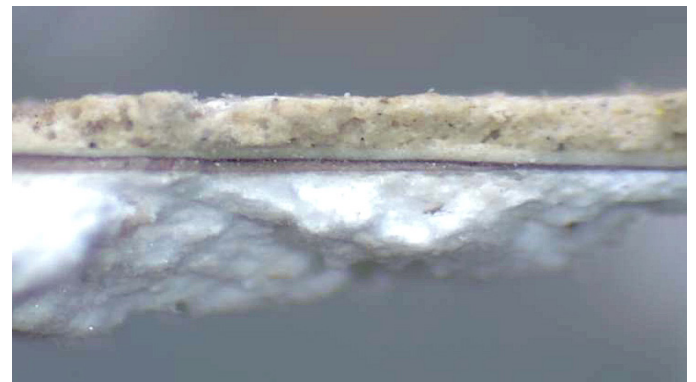


## CORE SAMPLE ANALYSIS

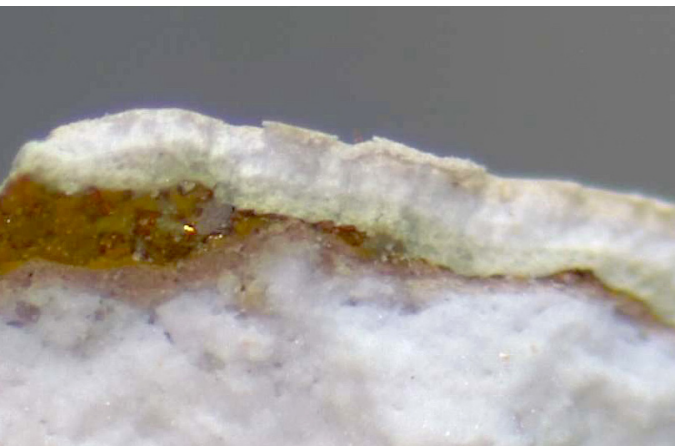
Under microscopy, samples support the supposition that the warm brown base and colored striping is an early decorative scheme. Early layers in each sample show the warm brown, followed by dark brown, blue, black, or gold, depending on sample location.



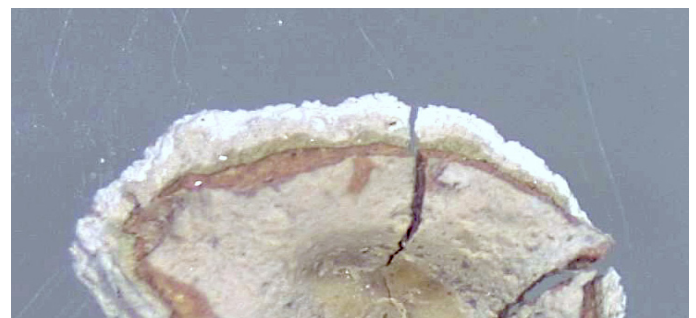
A warm brown base layer is consistently present at wall samples. The color varies slightly among samples, ranging from Munsell 5YR 7/4 to 7.5YR 6/4.



In this sample, a thin layer of black is visible atop the base paint layer.



In this sample metallic gold paint is visible atop the warm brown base layer.



A darker brown is visible atop the base layer in this sample, Munsell 7.5YR 6/4.

## ANALYSIS: CORNICE/FREIZE

### CURRENT CONDITIONS

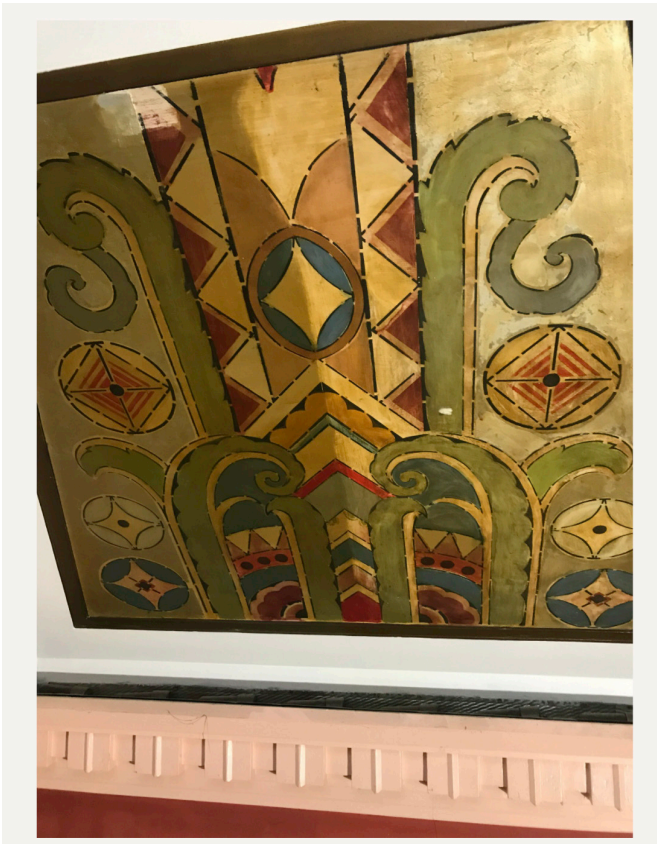
Historic photographs show elaborate stencil details at the room's large cornice. Variations in tone on the black-and-white photograph indicate that the stencils were polychrome, featuring several colors. While the general dimensions of the cornice remain in place, acoustical paneling has been added, obscuring the historic stencils. Exposures of the stenciled area were inconclusive. Exposures at the dimensional plaster band below the angled cornice reveal polychrome decoration consistent with values presented in historic photographs.



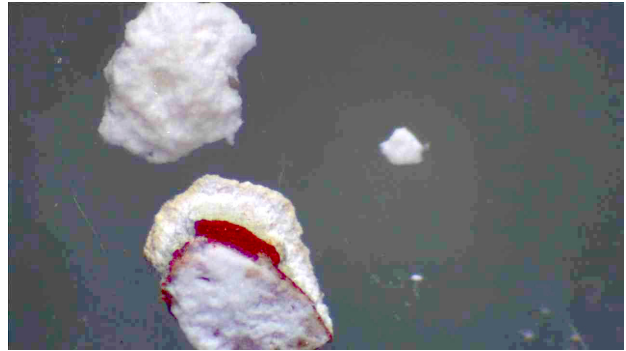


## CORE SAMPLE ANALYSIS

The cornice stenciling visible in historic photographs is consistent in style with stenciled panels at the atrium dome. Core samples from the cornice and dimensional band reveal a color palette similar to this area as well. Deep red, green, and yellow paints are visible in these samples, as well as some metallic gold and black accents.



This photograph of a partially-cleaned ceiling panel from the dome area shows the similarity of style with the historic stenciling in the courtroom visible in historic photos.



A bright red paint can be seen in this sample: Munsell 7.5R 4/10 .



This area included a number of colors: red-orange Munsell 10R 4/8; dark blue 7.5B 3/6; and greens 7.5G 4/6 and 2.5GY 5/6.

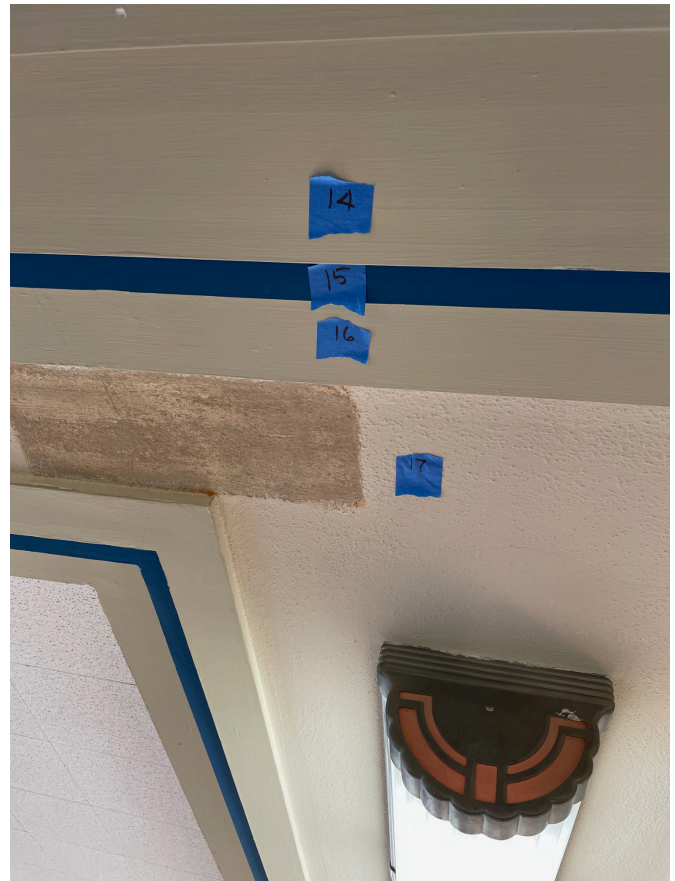


Variations on the warm brown/tan of the base color can be seen here, along with a bit of black accent and a grey-blue Munsell 10B 7/2.

## ANALYSIS: CEILING

### CURRENT CONDITIONS AND ANALYSIS

Historic photographs indicate polychrome decoration at the ceiling, bordering the original acoustical panels. Exposures and core samples at these areas, however, were inconclusive. Historic decoration was not uncovered during the exposure process and core samples indicate only the present layer of paint, with no additional previous coatings. It is likely, therefore, that the ceiling surface was either stripped or replaced at some time, leaving no remaining historic evidence. Replication of historic finishes visible in the photos can be completed by inferring colors based on the known color palette in the rest of the room and similar color scheme in other areas of the building.





## SUMMARY OF EARLY & NOTEWORTHY FINISH COLORS

The notes below summarize early and significant findings in each area examined during the investigation. Reference images from the atrium are included for comparison and to note similarity of the palette. The colors noted here have been identified using the Munsell System, an industry-standard method of color identification using coded numbers and letters to specify the hue, value, and chroma of a color. For reference, an approximate match to a commercially-produced modern paint system (Sherwin Williams) has also been included.

PLEASE NOTE: DUE TO VARIATIONS IN PRINTER AND MONITOR SETTINGS, COLORS SHOULD ONLY BE MATCHED TO MUNSELL OR COMMERCIAL COLOR SWATCHES, NOT TO IMAGES PRINTED OR DISPLAYED IN THIS REPORT.

### WALLS

#### **WALL BASE**

Warm Brown: ranging from  
Munsell 7.5YR 7/4 or SW7720 Deer Valley to  
Munsell 5YR 7/4 or SW7597 Trek Tan

#### **STENCILED LINES**

Lt Blue: Munsell 10B 7/2 or SW7601 Dockside Blue  
Brown: Munsell 7.5YR 6/4 or SW7725 Yearling  
Black: Munsell 10BG 2.5/1 or SW6988 Bohemian Black

### CORNICE

#### **BASE**

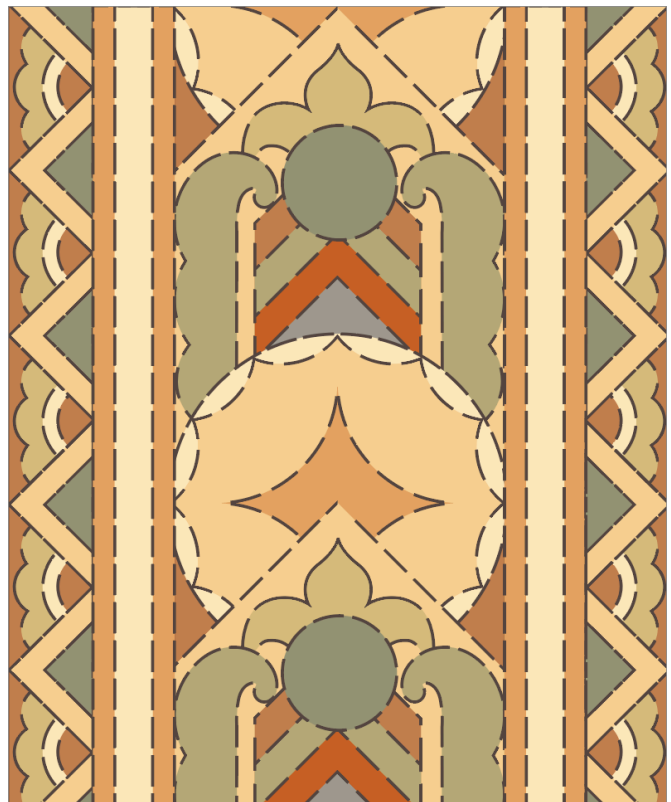
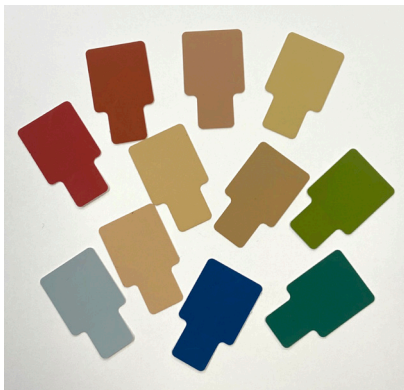
Warm Brown: ranging from  
Munsell 7.5YR 7/4 or SW7720 Deer Valley to  
Munsell 5YR 7/4 or SW7597 Trek Tan

#### **ADDITIONAL COLORS**

Red: Munsell 7.5R 4/10 or SW6601 Tanager  
Red-orange: Munsell 10R 4/8 or SW0057 Chinese Red  
Dk Green: Munsell 7.5G4/6 or SW6755 Starboard  
Lt Green: Munsell 5GY 5/6 or SW6713 Verdant  
Dk Blue: Munsell 7.5B 3/6 or SW6790 Adriatic Sea  
Peach: Munsell 2.5YR 6/4 or SW0034 Roycroft Rose  
Tan: Munsell 10YR 7/4 or SW7694 Dromedary Camel

### CEILING

#### **INCONCLUSIVE**



CONRAD SCHMITT STUDIOS, INC.

Excellence in Artistry Since 1889

2405 South 162nd Street

New Berlin, Wisconsin 53151

Phone: 262.786.3030 | Fax: 262.786.9036

[conradschmitt.com](http://conradschmitt.com)



PROPOSAL

Interior Decorative Painting and Historic Stencil Replication

February 3, 2022

OWNER Goodhue County Courthouse
454 W 6th Street
Red Wing, MN

CSS Conrad Schmitt Studios, Inc.
2405 S. 162nd Street
New Berlin, WI 53149

SCOPE OF WORK

Conrad Schmitt Studios, Inc. proposes to provide the following labor, materials, artwork, equipment (not including scaffolding), and insurance to decoratively paint the Boardroom at the Goodhue County Courthouse in Red Wing, MN per the findings in the attached report and scope of work outlined below.

- Load materials and travel to Red Wing, MN.
• Upon arrival, unload materials and set-up workshop at location designated by Owner.
• Conduct a job site walk through to inspect the following scopes of work provided by the Owner/ Others:
- OSHA scaffolding system provided by Owner for access to walls/ ceiling.
- Previously plastered and base painted surfaces.
- CSS to conduct a field adhesion test upon arrival.
- Base painting by others must include appropriate surface preparation, a minimum of three coats of paint: a primer plus two coats of Sherwin Williams Duration.
- Frieze: Removal of existing acoustical panels, residue and plastered finish.
• Take sizes and templates to replicate historic stencils. \*Note: The updated panels change the corner configuration from the historic and change the dimensions of those detailed stencil/rectangles.
• Mockups: CSS artists to paint samples of the new decoration, stencils, and polychromed finishes per our findings in the report.
• Once the sample is completed, CSS will schedule a meeting with the Owner to review and adjust as necessary.
• Upon approval of the samples, CSS will decoratively paint the boardroom to the original decorative scheme in the areas outlined below:
- Walls and Panels
- Cornice and Frieze
- Ceiling (not included acoustical panels)
• Upon completion, conduct jobsite inspection with the Owner.
• Upon approval, clean jobsite.
• Load materials and travel back to CSS.

QUOTATION

The above scope of work would be completed for One Hundred Seventy Nine Thousand Thirty Four Dollars....\$179,034.00

BY OWNER/ NOT INLCUDED

OSHA scaffolding, removal of acoustical panels, residue and new plaster at Frieze, priming and base painting, doors, electrical, baseboards, lighting, dumpster and anything not mentioned herein.

TERMS

CSS requests a 20% down payment to schedule this work. Upon commencement of the project, CSS will request monthly progress payments with the final 20% due upon completion.

Respectfully Submitted,
Courtney Nelson

Courtney Nelson, Project Manager

B. Gunar Gruenke

B. Gunar Gruenke, President

I have read and agreed to the proposal as listed above as well as the Conrad Schmitt Studios, Inc. General Terms and Conditions of Contract.

Accepted By \_\_\_\_\_

Date \_\_\_\_\_

2405 S. 162nd Street • New Berlin, WI 53151 USA
Phone: 262-786-3030 • 800-969-3033
Fax: 262-786-9036 • www.conradschmitt.com

# GENERAL TERMS AND CONDITIONS OF CONTRACT

## CONRAD SCHMITT STUDIOS, INC.

### **Compliance Obligations**

All agreements are contingent upon fires, strikes, accidents, and other causes beyond our control. We will not be responsible for any hidden, latent, or undisclosed defects within our work areas. Leptat® glass is an organic process; all etched glass will vary in its final texture and effect. Removal of historic stained glass may appear to cause additional glass breakage as internal hairline cracks may be present in original glass but unforeseen.

### **Warranty**

We warrant the adhesion of our applied paints only, but do not warrant the adhesion of previously applied paints, be they calcimine, latex, oil or other. The warranty does not include any damages caused by moisture of any sort, including humidity, nor does it include problems caused by lack of proper insulation, vapor barriers, or proper air circulation; or any discoloration of any metal composition leaf other than 22.5 kt or higher gold leaf. The entire warranty is null and void if the temperature is not maintained between 60° and 80° Fahrenheit, fluctuates more than 10° in any 24 hour period, or if the relative humidity is not maintained between 40% and 60%. Interior surfaces may not reach the dew point. There will be absolutely no warranty and client/customer is still responsible for full and complete payment if relative humidity and temperature exceed materials manufacturers and suppliers' recommendations and CSS is required to proceed. All surplus paint materials will be the property of the owner for future repairs and touch-ups.

Should the work quoted herein be associated in any way with fire damage or major moisture concerns, there will be no warranty for workmanship unless Conrad Schmitt Studios is contracted to either strip all ornamental surfaces and fiberglass or strip flat surfaces. Fiberglassing over expanding and contracting surfaces, such as wood board and batten or tongue and groove, or acoustical materials, is not warranted against future cracking or delamination. This warranty is for one (1) year from the date of substantial completion for defects in craftsmanship. Material suppliers may offer product warranties.

### **State Lien Law**

State Lien Law is effective where applicable. Conrad Schmitt Studios hereby notifies buyer that persons or companies furnishing labor or materials for the construction on buyer's property may have lien rights on buyers land and buildings if not paid. Those entitled to lien rights, in addition to the assigned contractor, are those who contract directly with the buyer or those who give the buyer notice within sixty (60) days after they first furnish labor or materials for construction. Accordingly, buyer may receive lien notices from those who furnish labor or materials for the construction and should give a copy of each notice received to its mortgage lender. Builder agrees to cooperate with the lender to see that all potential lien claimants are paid. Notice of intent to file a lien is automatically filed at 45 days on all properties not paid for within the contract date.

Using staff to perform paid or unpaid services outside this contract voids any and all written, expressed or implied warranties.

### **Additional Terms and Conditions**

- The designs, cartoons, patterns, or specifications provided as instruments of service are and shall remain the property and copyright of Conrad Schmitt Studios whether or not the project for which they were made is executed.
- In works or fine art such as art glass, stained glass, sculpture, mosaics, pictures, murals, banners, tapestries or any like project, Conrad Schmitt Studios shall be entitled to sign and date the work and shall be afforded due recognition in any and all photographs or publications which show the work, including but not limited to the fabricator's own brochures, portfolio, website and publication.

- Orders for articles, materials or contractor's services will not be placed in work until signed confirmation of purchase agreement is received, together with any required deposit.
- Orders approved under this contract are non-cancelable.
- Prices do not include sales, use or applicable tax.
- Copyright remains the ownership of Conrad Schmitt Studios, even after artworks have been delivered and/or installed.
- If Conrad Schmitt Studios is required to render services not contemplated by this agreement or incurs extra drawing or other expenses due to changes ordered by client or other cause, Conrad Schmitt Studios shall be paid for such extra services and expenses the reasonable value or cost thereof.
- CSS is not responsible for any fees above and beyond this contract including but not limited to late penalties and clean-up charges.
- If Conrad Schmitt Studios is required to perform plaster restoration, owner agrees to have plaster and plaster substrate tested for asbestos prior to start of work and provide results to CSS if levels exceed OSHA limits.
- While fiberglassing walls is a wall preparation system, seams and texture may remain visible upon completion.
- Paint drips and chips that have been painted over by others in the past will not be sanded, patched or repaired unless specifically spelled out in the contract.
- A signed Certificate of Completion is required for all Conrad Schmitt Studios, Inc. projects. Prior to leaving the project site, CSS will submit in writing a Request for Punch List. We require that this be returned to CSS in writing prior to departure. CSS will complete the items on the punch list, per the contract terms. Upon completion, a final Certificate of Completion will be requested for signature. Failure to sign the Certificate of Completion may result in an additional charge for remobilization.
- Artistic Design Approval: The products and services specified herein are works of art and as such, require a degree of interpretation by the artist. The client will have the opportunity to review and approve the artwork at various phases in the process. Any adjustments to previously approved artwork will be subject to additional charges for time and materials as required. Any additional charges will be presented to the client for approval prior to undertaking the requested adjustment(s).
- This contract supersedes any and all other contract language.

### **Indemnification**

Conrad Schmitt Studios does release and agree to save and hold the owner, and their members, officers, agents and employees, harmless from any and all causes of action, suites at law or equity, or claims or demand or from any liability of any nature arising out of the performance of the work and obligations contained herein on the part of Conrad Schmitt Studios, his/her agents, and/or employees if such claims, demands or liability arises from acts occurring before the work is completed and installed.

Owner agrees that if scaffold is under Conrad Schmitt Studios contract, owner will sign a Hold Harmless and Indemnity Agreement. Furthermore, if client is desirous of other trades using scaffold, those other trades or individuals will be required to sign a Hold Harmless and Indemnity Agreement prior to working on or below scaffold.

Upon completion of the installation of the work, the owner shall indemnify and hold harmless Conrad Schmitt Studios against any and all claims, demands or liability arising thereafter in connection with the work, the site, the area or this agreement.

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***This proposal is valid for 90 days, unless otherwise stated in the proposal. The scope, terms and warranty of this contract are limited to that as written herein. Previous verbal agreements and/or verbal agreements during the course of this contract are not valid unless approved in writing by all parties as signed on the proposal page.***

**Goodhue County Public Works  
Project Status Report for March 1, 2022**

ROUTE	TYPE OF WORK/PROJECT LOCATION	CURRENT STATUS
<b>Bidding</b>		
Various	Aggregate Surfacing CR 23, 43, 47, 54, & 59	Project advertised on February 4 <sup>th</sup> , 2022 with a bid opening planned for March 1 <sup>st</sup> , 2022.
Various	Seal Coating CSAH 16 & 25 CR 56	Project advertised on February 4 <sup>th</sup> , 2022 with a bid opening planned for March 1 <sup>st</sup> , 2022.
Various	Traffic Marking County Wide	Project advertised on February 4 <sup>th</sup> , 2022 with a bid opening planned for March 1 <sup>st</sup> , 2022.
<b>Road Construction</b>		
Various	2022 Bituminous Paving	Project awarded to Rochester Sand & Gravel.
Twp	2022 Spring Box Culverts Wanamingo & Kenyon Twp's.	Project awarded to Fitzgerald Excavating & Trucking.
CSAH 9	Bank Stabilization North In-Slope of CSAH 9 from CSAH 7 to the West	Construction completed. Need to final once turf has been established in spring 2022.
CR 44	Bridge L0521	Construction began on August 16, 2021 with grading. Construction completed other than turf establishment and final bridge painting which will be completed in the spring of 2022 when weather conditions are warmer.
CSAH 24	CSAH 24: SEC-N Grading, Aggregate Base & Shouldering, Storm Sewer	Project awarded to Northland Grading & Excavating. The vast majority of the work is complete and the road will be open for traffic with a gravel surface. Project suspended until spring 2022 for turf establishment and minor cleanup.
3 <sup>rd</sup> Street Cannon Falls	Bridge L5391 Bridge Rehabilitation	The contractor's work for this year is complete. Several minor 'punch list' items will be finished next spring. The bridge is open for traffic.
CSAH 6	Grading TH 58 – 435 <sup>th</sup> Street	Project complete.
<b>Maintenance Department</b>		
Various	Bituminous Patching & Repairs CSAH 16	CSAH 16 to be completed spring of 2022.

ROUTE	TYPE OF WORK/PROJECT LOCATION	CURRENT STATUS
Various	Ditch Cleaning CR 49	CR 49 work to continue in 2022.
Various	Brush Clearing & Trimming	Work to continue through spring 2022.
	<b>Planning &amp; Studies</b>	
St Paul - Chicago	Great River Rail Commission	The Commission continues to advocate for the Twin Cities – Milwaukee – Chicago Intercity City Passenger Rail Service, or the TCMC Second Train, or the TCMC second train to Chicago. The State Legislature approved funding of \$10 million to provide the final piece of funding for stops at points in southeast Minnesota and Wisconsin. If all plans materialize, rail service could begin as early as 2023.
Red Rock Corridor	Commuter Rail Planning (RRC Commission)	The Commission determined Bus Rapid Transit to be the best alternative and has adopted the Final Report. An implementation plan for a future extension of the Bus Rapid Transit (BRT) line to Hastings is in various stages of implementation.
Zip Rail Rochester – Twin Cities	High Speed Rail Planning (OCRRA & Mn/DOT)	MnDOT announced their project is “shelved” and no further public work is to be done. A Tier 1 EIS was not completed. A private firm analyzed the feasibility of a zip rail along the same alignment, but their work was non-public and no communication has been made by them for some long time.

**2022 CAPITAL PLAN REPORT - SUMMARY**

	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>Budget</b>	<b>Capital</b>	<b>Final</b>	<b>Amount</b>	<b>Budget</b>
	<b>Request</b>	<b>Carryovers</b>	<b>Budget</b>	<b>Expended</b>	<b>Balance</b>
Administration	1,579.00	1,550.00	3,129.00	0.00	3,129.00
Attorney	3,904.00	185,550.00	189,454.00	0.00	189,454.00
Courts	28,009.00		28,009.00	0.00	28,009.00
Court Services	866.00		866.00	0.00	866.00
Extension	1,732.00		1,732.00	0.00	1,732.00
Facilities Maintenance	38,102.00	171,190.00	209,292.00	9,170.00	200,122.00
Finance & Taxpayer Services	152,672.00	123,487.00	276,159.00	2,950.00	273,209.00
Fleet	24,780.00	48,000.00	72,780.00	0.00	72,780.00
Health & Human Services	65,349.00		65,349.00	0.00	65,349.00
Human Resources	1,579.00		1,579.00	0.00	1,579.00
Information Technology	256,805.00	163,896.00	420,701.00	0.00	420,701.00
Planning/Building/Zoning/EH	12,323.00	33,450.00	45,773.00	0.00	45,773.00
Public Works	923,725.00	304,468.00	1,228,193.00	0.00	1,228,193.00
Recorder	27,499.50		27,499.50	0.00	27,499.50
<b>Sheriff:</b>					
ADC	89,150.00	10,850.00	100,000.00	0.00	100,000.00
Civil/Patrol Division	752,385.30	71,313.00	823,698.30	9,185.12	814,513.18
Communication Infrastructure	188,797.00		188,797.00	0.00	188,797.00
Seasonal B&W	113,315.00	3,000.00	116,315.00	3,427.00	112,888.00
Surveyor/GIS	3,006.00	3,950.00	6,956.00	0.00	6,956.00
Veterans Services	1,760.00		1,760.00	0.00	1,760.00
Waste Management	402,430.00	240,601.00	643,031.00	0.00	643,031.00
<b>Total Capital Plan Budget</b>	<b>3,089,767.80</b>	<b>1,361,305.00</b>	<b>4,451,072.80</b>	<b>24,732.12</b>	<b>4,426,340.68</b>
Future Fund Balance	0.00				0.00
Operating Levy	-195,317.00				0.00
Unassigned Fund Balance	-398,603.50				0.00
2021 Capital Carryover	0.00				0.00
<b>Total Capital Plan Levy</b>	<b>2,495,847.30</b>	<b>1,361,305.00</b>	<b>4,451,072.80</b>	<b>24,732.12</b>	<b>4,426,340.68</b>
		<b>2022 Summary</b>			
2022 Balance Forward		\$ 1,674,166.05			
<b>Funding Sources:</b>					
Tax Settlement & Related Aids					
Sale of Capital Assets (net)		\$ 7,593.44			
Energy Rebates					
Other Reimbursements					
Transfers: Other Revenue Sources					
2022 Plan Purchases		\$ (24,732.12)			
<b>1/31/2022</b>		<b>\$ 1,657,027.37</b>			

2022 CAPITAL PLAN REPORT - SUMMARY						
Department		2022 Budgeted Amount	Amount Spent as of 1/31/2022	Remaining Balance	Original Recommended Account	Vehicle #
<b>Administration</b>						
	DELL COMPUTER	1,579.00		1,579.00	34-031-000-0000-6480	
	LAPTOP:ADMIN CONF (2021 Carryover)	1,550.00		1,550.00	34-031-000-0000-6480	
		3,129.00	-	3,129.00		
<b>Attorney</b>						
	EPSON PROJECTOR	3,904.00		3,904.00	34-091-000-0000-6480	
	SURFACE PRO (2021 Carryover)	1,850.00		1,850.00	34-091-000-0000-6480	
	SURFACE PRO (2021 Carryover)	1,850.00		1,850.00	34-091-000-0000-6480	
	SURFACE PRO (2021 Carryover)	1,850.00		1,850.00	34-091-000-0000-6480	
	SURFACE PRO (2021 Carryover)	1,850.00		1,850.00	34-091-000-0000-6480	
	SURFACE PRO (2021 Carryover)	1,850.00		1,850.00	34-091-000-0000-6480	
	SURFACE PRO 4 (2021 Carryover)	1,850.00		1,850.00	34-091-000-0000-6480	
	SURFACE PRO 4 (2021 Carryover)	1,850.00		1,850.00	34-091-000-0000-6480	
	DELL LAPTOP: LIBRARY (2021 Carryover)	1,700.00		1,700.00	34-091-000-0000-6480	
	CD PRINTER (2021 Carryover)	900.00		900.00	34-091-000-0000-6432	
	LAW LIBRARY/OFFICE REMODEL (2021 Carryover)	170,000.00		170,000.00	34-091-000-0000-6669	
		189,454.00	-	189,454.00		
<b>Courts</b>						
	(40) WAITING AREA CHAIRS	10,185.00		10,185.00	34-011-000-0000-6669	
	(70) JURY ASSEMBLY CHAIRS	17,824.00		17,824.00	34-011-000-0000-6669	
		28,009.00	-	28,009.00		
<b>Court Services</b>						
	GATEWAY COMPUTER:CONF RM	866.00		866.00	34-255-000-0000-6432	
		866.00	-	866.00		
<b>Extension Services</b>						
	COMPUTER	866.00		866.00	34-601-000-0000-6432	
	DELL COMPUTER	866.00		866.00	34-601-000-0000-6432	
		1,732.00	-	1,732.00		
<b>Facilities Maint</b>						
	21" LAWN MOWER:STS	1,222.00		1,222.00	34-111-000-0000-6480	
	30" LAWN MOWER:STS	1,630.00		1,630.00	34-111-000-0000-6480	
	60" ROTARY BROOM	5,092.00		5,092.00	34-111-000-0000-6669	
	LAPTOP	1,579.00		1,579.00	34-111-000-0000-6480	
	LAPTOP	1,579.00		1,579.00	34-111-000-0000-6480	
	IT DATA CENTER BACK-UP A/C UNIT	27,000.00		27,000.00	34-111-000-0000-6669	
	GOV CTR REPAIR & CAULK STEPS (2021 Carryover)	30,000.00		30,000.00	34-111-110-0000-6305	
	COMPUTER (2021 Carryover)	1,100.00		1,100.00	34-111-000-0000-6480	
	GOV CTR BD RM TECHNOLOGY UPGRADE (2021 Carryover)	134,712.00	9,170.00	125,542.00	34-111-000-0000-6669	
	ENERGY IMPROVEMENTS (2021 Carryover)	5,378.00		5,378.00	34-111-000-0000-6305	
		209,292.00	9,170.00	200,122.00		
<b>Finance &amp; Taxpayer Services</b>						
	TAX/CAMA SOFTWARE-PHASE 2	245,953.00	2,950.00	243,003.00	34-041-000-0000-6669	
	COMPUTER	1,200.00		1,200.00	34-055-000-0000-6480	
	SOILS MAPS	9,778.00		9,778.00	34-055-000-0000-6669	
	HP M605 PRINTER	917.00		917.00	34-041-000-0000-6432	
	(4) COMPUTERS	4,511.00		4,511.00	34-041-000-0000-6480	
	(6) SURFACE PRO TABLETS: APPRAISERS (2021 Carryover)	11,100.00		11,100.00	34-055-000-0000-6669	
	SURFACE PRO 4 (2021 Carryover)	1,850.00		1,850.00	34-055-000-0000-6480	
	COMPUTER (2021 Carryover)	850.00		850.00	34-055-000-0000-6432	
		276,159.00	2,950.00	273,209.00		
<b>Fleet</b>						
	2013 FORD TAURUS (Fund Balance)	24,780.00		24,780.00	34-130-000-0000-6663	
	ELECTRIC CAR (2021 Carryover)	33,000.00		33,000.00	34-130-000-0000-6663	
	ELECTRIC CAR CHARGING STATION (2021 Carryover)	15,000.00		15,000.00	34-130-000-0000-6663	
		72,780.00	-	72,780.00		
<b>Health &amp; Human Services</b>						
	COMPUTERS (18)	29,032.00		29,032.00	34-479-000-0000-6480	
	COMPUTERS (23) (Oper)	36,317.00		36,317.00	34-479-000-0000-6480	
		65,349.00	-	65,349.00		
<b>Human Resources</b>						
	LAPTOP:HR SPARE	1,579.00		1,579.00	34-061-000-0000-6480	
		1,579.00	-	1,579.00		
<b>Information Technology</b>						
	IT CONFERENCE ROOM COMPUTER	800.00		800.00	34-063-000-0000-6432	
	PHONE CONFERENCE BRIDGE SERVER	2,500.00		2,500.00	34-063-000-0000-6480	
	COMPUTER FOR NEW EMPLOYEE	1,750.00		1,750.00	34-063-000-0000-6480	
	IT OFFICE AT LEC	800.00		800.00	34-063-000-0000-6432	
	FIBER CABLE INSTALLATION(1997)	22,548.00		22,548.00	34-063-000-0000-6669	
	FIBER CABLE INSTAL (1997)	3,555.00		3,555.00	34-063-000-0000-6480	
	FIBER-CITY-CB.GOV (1997)	17,065.00		17,065.00	34-063-000-0000-6669	
	ALPINE SAN (2013)	22,478.00		22,478.00	34-063-000-0000-6669	
	COMPUTER (2015)	866.00		866.00	34-063-000-0000-6432	
	COMPUTER (2015)	866.00		866.00	34-063-000-0000-6432	
	COMPUTER (2015)	866.00		866.00	34-063-000-0000-6432	
	COMPUTER:IT (2015)	866.00		866.00	34-063-000-0000-6432	
	SCANNER (2015)	837.00		837.00	34-063-000-0000-6432	
	AS 400 (2015)	42,980.00		42,980.00	34-063-000-0000-6669	
	HP PRINTER (2015)	1,221.00		1,221.00	34-063-000-0000-6480	
	VMWARE HOST SERVER (2012)	25,463.00		25,463.00	34-063-000-0000-6669	
	HW-COMPUTER TABLET	1,884.00		1,884.00	34-063-000-0000-6480	
	DESKTOP COMPUTER (2014)	866.00		866.00	34-063-000-0000-6432	
	LENOVO LAPTOP:IT (2014)	1,579.00		1,579.00	34-063-000-0000-6480	





2022 CAPITAL PLAN REPORT - SUMMARY						
	2022	Amount	Remaining			
Department	Budgeted	Spent as of	Balance	Original Recommended		Vehicle #
	Amount	1/31/2022	2022	Account		
	POLE CAMERA (2016)	6,000.00		6,000.00	34-201-000-0000-6669	
	HANDHELD LIDAR RADAR (2013)	2,500.00		2,500.00	34-201-000-0000-6480	
	5 GUN SIGHTS (2004)	2,700.00		2,700.00	34-201-000-0000-6480	
	FORENSIC LAPTOP: (2014)	1,700.00		1,700.00	34-201-000-0000-6480	
	FN15 RIFLE WITH SUPPRESSOR (5)	6,750.00		6,750.00	34-201-000-0000-6480	
	GPS TRACKER:INVESTIGATIONS (2017)	1,200.00		1,200.00	34-201-000-0000-6480	
	COMPUTER:(2018)	1,800.00		1,800.00	34-201-000-0000-6480	
	LESS-LETHAL KIT: 2 PEPPERBALL LAUNCHER	2,350.00		2,350.00	34-201-000-0000-6480	
	CAMERA: BEARCAT 25%	8,230.00		8,230.00	34-201-000-0000-6669	
	TACTICAL VEST:	2,700.00		2,700.00	34-201-000-0000-6480	
	BALLISTIC HELMETS: ERT (8)	6,716.00		6,716.00	34-201-000-0000-6432	
	COMMUNICATION HEADSETS: ERT (8)	11,477.00		11,477.00	34-201-000-0000-6480	
	RADIOS (Oper)	107,000.00		107,000.00	34-201-000-0000-6669	
	25 PORTABLE RADIOS (Fund Balance)	136,524.00		136,524.00	34-201-000-0000-6669	
	MOBILE RADIO (Fund Balance)	7,500.00		7,500.00	34-201-000-0000-6669	
	#1622 CHEVY TAHOE (2021 Carryover)	50,445.00		50,445.00	34-201-000-0000-6663	2126
	#1625 FORD TAURUS (2021 Carryover)	6,993.00	124.12	6,868.88	34-201-000-0000-6663	2122
	#1723 FORD EXPLORER (2021 Carryover)	4,375.00		4,375.00	34-201-000-0000-6663	2123
	COMPUTER (2021 Carryover)	1,750.00		1,750.00	34-201-000-0000-6480	
	COMPUTER (2021 Carryover)	1,750.00		1,750.00	34-201-000-0000-6480	
	COMPUTER (2021 Carryover)	1,000.00		1,000.00	34-201-000-0000-6432	
	COMPUTER (2021 Carryover)	1,000.00		1,000.00	34-201-000-0000-6432	
	COMPUTER (2021 Carryover)	1,000.00		1,000.00	34-201-000-0000-6432	
	COMPUTER: FRONT DESK (2021 Carryover)	1,000.00		1,000.00	34-201-000-0000-6432	
	COMPUTER (2021 Carryover)	1,000.00		1,000.00	34-201-000-0000-6432	
	COMPUTER (2021 Carryover)	1,000.00		1,000.00	34-201-000-0000-6432	
		823,698.30	9,185.12	814,513.18		
<b>Sheriff - Communications</b>						
	ASPEN MICROWAVE	61,297.00		61,297.00	34-211-000-0000-6669	
	PAGING QUANTAR: SANDHILL (BU SIREN)	14,000.00		14,000.00	34-211-000-0000-6669	
	RADIO SITE SECURITY ENHANCEMENT	11,500.00		11,500.00	34-211-000-0000-6669	
	CANNON FALLS TANK RECONDITIONING	50,000.00		50,000.00	34-211-000-0000-6669	
	CONSOLETTES (Oper)	48,000.00		48,000.00	34-211-000-0000-6669	
	TOWER ACCESS CONTROL (Oper)	4,000.00		4,000.00	34-211-000-0000-6669	
		188,797.00	-	188,797.00		
<b>Sheriff - Seasonal B&amp;W</b>						
	NIGHTVISION BINOCULARS	3,800.00		3,800.00	34-205-000-0000-6480	
	HANDHELD LIDAR RADAR	2,500.00		2,500.00	34-205-000-0000-6480	
	OUTBOARD ENGINE: LOWE BOAT	4,000.00		4,000.00	34-205-000-0000-6480	
	SKI DOO SNOWMOBILE	12,000.00		12,000.00	34-205-000-0000-6669	
	SIDE SONAR: ALUMACRAFT BOAT	3,500.00		3,500.00	34-205-000-0000-6480	
	SIDE SONAR: LOWE BOAT	3,500.00		3,500.00	34-205-000-0000-6480	
	CREW CAB SIDE BY SIDE, WHEELS, TRACKS,	26,000.00		26,000.00	34-205-000-0000-6669	
	MUNSON BOAT (DIVE BOAT) 25%	51,515.00		51,515.00	34-205-000-0000-6669	
	SHERIFF SHED OFFICE CONSTRUCTION	6,500.00		6,500.00	34-205-000-0000-6669	
	TOUGHPAD:WP BOAT (2021 Carryover)	3,000.00	3,427.00	(427.00)	34-205-000-0000-6480	
		116,315.00	3,427.00	112,888.00		
<b>Surveyor/GIS</b>						
	PICO DRILL	2,089.00		2,089.00	34-103-000-0000-6480	
	XEROX PRINTER	917.00		917.00	34-103-000-0000-6432	
	DELL LAPTOP (2021 Carryover)	1,550.00		1,550.00	34-103-000-0000-6480	
	PUBLIC ACCESS COMPUTER (2021 Carryover)	1,400.00		1,400.00	34-103-000-0000-6480	
	COMPUTER:GIS/SURVEY INTERN (2021 Carryover)	1,000.00		1,000.00	34-103-000-0000-6432	
		6,956.00	-	6,956.00		
<b>Veterans Services</b>						
	COMPUTER:PUBLIC	894.00		894.00	34-121-000-0000-6432	
	DELL COMPUTER	866.00		866.00	34-121-000-0000-6432	
		1,760.00	-	1,760.00		
<b>Waste Management</b>						
	PARKING LOT	152,775.00		152,775.00	34-398-000-0000-6669	
	2007 MACK HOOK TRUCK	202,370.00		202,370.00	34-398-000-0000-6663	
	30 CY BOX	8,148.00		8,148.00	34-398-000-0000-6669	
	VERTECH CONVEYOR	25,463.00		25,463.00	34-398-000-0000-6669	
	COMPARTMENT ROLLOFF (2012)	12,222.00		12,222.00	34-398-000-0000-6669	
	LAPTOP	1,452.00		1,452.00	34-399-000-0000-6480	
	AMERICAN HORIZON BALER (2021 Carryover)	240,601.00		240,601.00	34-398-000-0000-6669	
		643,031.00	-	643,031.00		
	<b>Total Capital Plan Budget</b>	\$ 4,451,072.80	\$ 24,732.12	\$ 4,426,340.68		
	USE OF FUND BALANCE-2021 BUDGET CARRYOVER	-1,361,305.00				
	OPERATING LEVY	-195,317.00				
	USE OF FUND BALANCE-APPROVED 2022 BUDGET	-398,603.50				
	TRANSFER SHERIFF FORFEITURE/CONTINGENCY					
	<b>Capital Plan Levy</b>	\$ 2,495,847.30	\$ 24,732.12	\$ 4,426,340.68		



## DEBT SERVICE

### January 2022

Date	Description of Activity	Dept. 820	Dept 821	Dept. 825	Dept. 830	Dept. 839	Dept. 840	Dept 845	
		2012A G.O. Highway Projects	2014A G.O. CIP Bonds-Hwy Projects	2012B Taxable G.O. Bonds (QECB)	2015A G.O. Citizens Bldg & Other CIP	1997A & B G.O. Welch Sewer	Prior Years' Debt Residual	2020 Landfill	End of the Month Balance
<b>1/1/2022</b>	<b>Balance Forward</b>	<b>551,822.91</b>	<b>870,678.65</b>	<b>842,152.31</b>	<b>338,823.50</b>	-	<b>324,081.56</b>	<b>208,190.13</b>	<b>3,135,749.06</b>
1/21/2022	US Bank-Princ	(430,000.00)	(770,000.00)		(195,000.00)				
1/21/2022	US Bank-Int	(7,678.75)	(35,718.75)	(22,338.75)	(147,000.00)				
<b>1/31/2022</b>	<b>Balance 1/31/22</b>	114,144.16	64,959.90	819,813.56	(3,176.50)	0.00	324,081.56	208,190.13	1,528,012.81
	<b>2022 Activity</b>	437,678.75	805,718.75	22,338.75	342,000.00	-	-	-	1,607,736.25
<b>NOTES:</b>									
<i>Department 825, QECB Bonds will contain balances/funds carried over from prior years levy. The county budgets for the entire year's allocated payment but only pay the interest.</i>									
<i>The principal portion of the levy for this debt will stay in the departmental account until the final lump sum principal payment is paid 2/1/2027.</i>									
Per the State Auditors, any residual balances should be used to offset any remaining debt obligations.									
Per bond counsel, any residual balances can be used to fund projects that would otherwise be funded with bond proceeds									

**Special Revenue Fund  
Fund Balance Report  
January 2022**

	<b>2021 Balance</b>		<b>2022 Revenue</b>		<b>2022 Expenses</b>		<b>2022 Activity (net)</b>		<b>Balance 1/31/2022</b>
Ditch Fund	\$ 421,325.74	\$	-	\$	5,334.00	\$	(5,334.00)	\$	415,991.74

**General Fund  
Fund Balance Report (Cash Basis)  
January 2022**

<b>Cash on Hand - General Fund</b>	<b>\$ 28,488,681.76</b>
<b>Restrictions</b>	<b>(6,791,742.95)</b>
<b>Commitments</b>	<b>(2,851,484.18)</b>
<b>Assignments</b>	<b>(3,282,145.23)</b>
<b>Unassigned Fund Balance (Cash on Hand)</b>	<b>\$ 15,563,309.40</b>

<i>Restrictions</i>	2021 Balance	2022 Levy	2022 Revenues	2022 Expenses	2022 Activity (net)	Balance 1/31/2022
Unclaimed Funds	\$ 589.94	\$ -	\$ -	\$ -	\$ -	\$ 589.94
Gravel Pit Closure/Restoration	305,728.73	-	5,216.54	-	5,216.54	310,945.27
ARP - American Rescue Plan	4,407,854.09	-	-	6,404.44	(6,404.44)	4,401,449.65
Law Library	260,075.90	-	6,041.00	3,756.10	2,284.90	262,360.80
Attorney's Forfeiture Fund	27,861.91	-	501.20	-	501.20	28,363.11
Attorney Victim/Witness Assistance	6,058.23	-	26.44	-	26.44	6,084.67
Drug Treatment Court	271,367.08	100,000.00	22,753.00	8,533.33	114,219.67	385,586.75
Recorder's Technology Fund	122,951.65	-	7,720.00	-	7,720.00	130,671.65
Recorder's Compliance Fund	232,989.02	-	8,492.00	-	8,492.00	241,481.02
Veterans Operational Grant	8,453.62	-	-	-	-	8,453.62
Veterans Transportation (donations)	(3,729.67)	-	600.00	1,950.85	(1,350.85)	(5,080.52)
Buffer Initiative	253,871.00	-	-	-	-	253,871.00
Aquatic Invasive Species Prevention	263,369.51	-	-	6,300.00	(6,300.00)	257,069.51
Sheriff's Forfeiture Fund	-	-	-	-	-	-
Sheriff CounterAct	22,559.80	-	343.15	-	343.15	22,902.95
Sheriff's K-9 Account (donations)	18,713.00	-	1,200.00	-	1,200.00	19,913.00
Gun Permit Application Fees	60,624.78	-	5,550.00	65.00	5,485.00	66,109.78
Sheriff's Contingency	565.00	-	237.50	-	237.50	802.50
Enhanced 911 System	313,546.58	-	41,762.24	38,039.50	3,722.74	317,269.32
Correction Service Fee	18,756.00	-	400.00	-	400.00	19,156.00
Local Correctional Fees (Adult)	59,684.93	-	4,058.00	-	4,058.00	63,742.93
<b>Restricted Fund Balance</b>	<b>\$ 6,651,891.10</b>	<b>\$ 100,000.00</b>	<b>\$ 104,901.07</b>	<b>\$ 65,049.22</b>	<b>\$ 139,851.85</b>	<b>\$ 6,791,742.95</b>

<i>Commitments</i>	2021 Balance	2022 Levy	2022 Revenues	2022 Expenses	2022 Activity (net)	Balance 1/31/2022
Land Use/Environmental Ordinance	\$ 158,496.50	\$ -	\$ -	\$ -	\$ -	\$ 158,496.50
Petty Cash Change Funds	1,675.00	-	-	-	-	1,675.00
Employee Wellness Committee	6,816.40	-	5,784.86	-	5,784.86	12,601.26
Byllesby Dam	18,216.24	-	-	-	-	18,216.24
Compensated Absences	161,527.36	375,000.00	-	3,358.18	371,641.82	533,169.18
27th Payroll	671,741.00	225,000.00	-	-	225,000.00	896,741.00
Tax Court Settlements	226,500.00	-	-	-	-	226,500.00
Natural, tech, human-caused hazards	1,000,000.00	-	-	-	-	1,000,000.00
Tax Forfeited Property Funding	4,085.00	-	-	-	-	4,085.00
<b>Committed Fund Balance</b>	<b>\$ 2,249,057.50</b>	<b>\$ 600,000.00</b>	<b>\$ 5,784.86</b>	<b>\$ 3,358.18</b>	<b>\$ 602,426.68</b>	<b>\$ 2,851,484.18</b>

<i>Assignments</i>	2021 Balance	2022 Levy	2022 Revenues	2022 Expenses	2022 Activity (net)	Balance 1/31/2022
Election Activities	\$ 108,535.67	\$ -	\$ 450.00	\$ 899.97	(449.97)	108,085.70
County Motor Pool	128,336.62	-	3,335.70	1,914.71	1,420.99	129,757.61
Inmate Improvement Fund	106,000.12	-	3,408.66	1,695.54	1,713.12	107,713.24
Employee Training & Development	(7,900.20)	15,000.00	-	-	15,000.00	7,099.80
Radio Tower Repairs	63,593.88	20,000.00	-	-	20,000.00	83,593.88
County Program Aid Contingency	1,518,111.00	-	-	-	-	1,518,111.00
Building Contingencies	1,327,784.00	-	-	-	-	1,327,784.00
<b>Assigned Fund Balance</b>	<b>\$ 3,244,461.09</b>	<b>\$ 35,000.00</b>	<b>\$ 7,194.36</b>	<b>\$ 4,510.22</b>	<b>\$ 37,684.14</b>	<b>\$ 3,282,145.23</b>

The following is a summary of the claims to be reviewed and approved at the March 01, 2022 board meeting:

01	General Fund	\$	172,685.81
03	Public Works	\$	154,186.16
11	Human Service Fund	\$	50,242.74
12	GC Family Services Collaborative	\$	-
15	County Ditch 1	\$	6,269.82
21	ISTS	\$	-
25	EDA	\$	1,133.00
30	Capital Improvement	\$	-
31	Capital Equipment	\$	-
34	Capital Equipment	\$	144,384.62
35	Debt Service	\$	-
40	County Ditch	\$	-
61	Waste Management	\$	17,239.29
62	Recycling Center	\$	-
63	HHW	\$	-
72	Other Agency	\$	191,158.48
81	Settlement	\$	946.19
	Totals	\$	738,246.11

GROSS PAYROLL (including Employer Related Tax Payments)

Period Ending	Paid Date	Amount
2/4/2022	2/17/2022	\$ 1,067,322.94
Checks (WFXX,WFXX-ACH)	\$	487,289.00
EFT (Manual Warrants)	\$	250,957.11
Total:	\$	738,246.11

# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO # Tx</u>
		<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>	
12998	ABRA - Auto Body Repair of America	4,733.53	#2121 Accident Repairs 12/22	01-201-000-0000-6303	9164	N
	<b>Warrant # 460665</b>	<b>Total...</b>	<b>4,733.53</b>			
10529	ADP, Inc.	5,777.66	Payroll Proc 1/7-1/21/22	01-061-000-0000-6279	598878873	N
	<b>Warrant # 460666</b>	<b>Total...</b>	<b>5,777.66</b>			
11243	Advanced Disposal Svcs SW Midwest, LLC	75.92	Garbage Zta	03-350-000-0000-6253	G60002434906	N
	<b>Warrant # 460667</b>	<b>Total...</b>	<b>75.92</b>			
1353	Ag Partners Coop	550.00	DEF Zta	03-340-000-0000-6565	763967	N
	<b>Warrant # 460668</b>	<b>Total...</b>	<b>550.00</b>			
10575	APG Media of So Minnesota, LLC	59.66	LOST Public Hearing	03-330-000-0000-6241	14024-1022	N
	<b>Warrant # 460669</b>	<b>Total...</b>	<b>59.66</b>			
13364	Aspen Mills Incorporated	1,165.68	Intl Uniform/Markegard 1/25/22	01-201-000-0000-6453	287759	N
13364		80.81	Intl Uniform/Bachant 1/25/22	01-201-000-0000-6453	287735	N
13364		36.36	Intl Uniform/Bachant 1/28/22	01-201-000-0000-6453	287970	N
13364		1,129.10	Intl Gear/Markegard 1/25/22	01-201-000-0000-6454	288759	N
13364		695.07	Intl Uniform/Unruh 2/1/22	01-207-000-0000-6453	288264	N
	<b>Warrant # 460670</b>	<b>Total...</b>	<b>3,107.02</b>			
14642	AT&T Mobility, LLC	36.24	Cradlepoint Line 12/26-1/25	01-209-000-0000-6206	287303914782	N
14642		70.32	4 Cradlepoint Lines 1/12-1/25	01-211-000-0000-6206	287303914782	N
14642		3,440.00	Radio Site Sec: Cradlepts 1/22	34-211-000-0000-6669	287303914782	N
	<b>Warrant # 460671</b>	<b>Total...</b>	<b>3,546.56</b>			
10485	Cannon Auto Repair	1,038.60	#1724 Rpl Whl Bearings 1/27	01-201-000-0000-6303	54132	N
	<b>Warrant # 460672</b>	<b>Total...</b>	<b>1,038.60</b>			
14939	Captivated, LLC	686.00	2022 SMS Texting	01-255-000-0000-6270	019684	N
14939		2,210.45	2022 SMS Texting	11-430-700-0010-6283	019684	N
14939		76.22	2022 SMS Texting	11-463-463-0000-6283	019684	N
14939		381.11	2022 SMS Texting	11-466-450-0000-6283	019684	N
14939		76.22	2022 SMS Texting	11-466-462-0000-6283	019684	N
	<b>Warrant # 460673</b>	<b>Total...</b>	<b>3,430.00</b>			
11439	CenturyLink	66.00	LEC/Sandhill Circuit 2/22	01-211-000-0000-6201	612 E31-8008	N
11439		129.00	EOC Phone Lines 2/22	01-281-280-0000-6201	612 E31-0139	N
	<b>Warrant # 460674</b>	<b>Total...</b>	<b>195.00</b>			

# Goodhue County

## WARRANT REGISTER Auditor Warrants

Approved 02/11/2022  
Pay Date 02/11/2022



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO # Tx</u>
			<u>OBO#</u> <u>On-Behalf-of-Name</u>		<u>From Date</u>	<u>To Date</u>
5660	CenturyLink (AZ)	1,190.68	4 Genovation Keypads 1/25	01-209-000-0000-6432	70636064	N
	<b>Warrant # 460675</b>	<b>Total...</b>	<b>1,190.68</b>			
10432	Compass Minerals America	5,484.07	Salt CF	03-310-000-0000-6506	919745	N
10432		3,651.92	Salt CF	03-310-000-0000-6506	921141	N
10432		1,896.96	Salt CF	03-310-000-0000-6506	922010	N
10432		15,087.91	Salt Zta	03-310-000-0000-6506	939024	N
10432		8,348.11	Salt RW	03-310-000-0000-6506	939025	N
10432		21,671.38	Salt RW	03-310-000-0000-6506	940282	N
10432		2,106.63	Salt Kyn	03-310-000-0000-6506	941939	N
10432		12,490.84	Salt RW	03-310-000-0000-6506	941939	N
10432		6,457.53	Salt Kyn	03-310-000-0000-6506	942930	N
	<b>Warrant # 460676</b>	<b>Total...</b>	<b>77,195.35</b>			
12145	David Drown Associates	2,800.00	Pay Eq Report/2 Job Evals 2/7	01-061-000-0000-6275	00000409	N
	<b>Warrant # 460677</b>	<b>Total...</b>	<b>2,800.00</b>			
12337	Driver and Vehicle Services	14.25	#1627 Tabs 2/2022	01-201-000-0000-6309	350VTN	N
	<b>Warrant # 460678</b>	<b>Total...</b>	<b>14.25</b>			
12325	England Law Office LTD	2,306.25	Prof Svc 1/2022	01-011-000-0000-6271	1800-G	N
	<b>Warrant # 460679</b>	<b>Total...</b>	<b>2,306.25</b>			
2411	Equifax Information SVCS LLC	29.80	Pre Emp Credit Chks 1/17/22	01-061-000-0000-6290	6664481	N
	<b>Warrant # 460680</b>	<b>Total...</b>	<b>29.80</b>			
1276	Erv's Supply Of Parts Inc	483.84	Sockets Rcy	61-398-000-0000-6569	396644	T
	<b>Warrant # 460681</b>	<b>Total...</b>	<b>483.84</b>			
4644	Express Services, Inc.	864.00	Bldg Concierge Temp 2/6	01-004-000-0000-6894	26733887	N
	<b>Warrant # 460682</b>	<b>Total...</b>	<b>864.00</b>			
12773	Fastenal Company	97.47	Safety Glasses	03-310-000-0000-6417	MNRED160872	N
12773		14.90	Bolt 0601	03-340-000-0000-6562	MNRED160858	N
	<b>Warrant # 460683</b>	<b>Total...</b>	<b>112.37</b>			
13061	Flom Disposal	99.70	Garb Kyn 2/01-4/30	03-350-000-0000-6253	6228	N
	<b>Warrant # 460684</b>	<b>Total...</b>	<b>99.70</b>			
3843	Goodhue Country Station	259.70	Diesel 1701	03-340-000-0000-6565	253	N
	<b>Warrant # 460685</b>	<b>Total...</b>	<b>259.70</b>			

# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO # Tx</u>
			<u>OBO#</u> <u>On-Behalf-of-Name</u>		<u>From Date</u>	<u>To Date</u>
21220	Goodhue County Court Admin	125.00	Court Fees 25-VB-21-4828	01-255-255-0000-5475		N
	<b>Warrant # 460686</b>	<b>Total...</b>				
		<b>125.00</b>				
8568	Goodhue County Inmate Trust Account	565.25	Inmate Wrkr Pay 1/1-1/31/22	01-207-240-0000-6284		N
	<b>Warrant # 460687</b>	<b>Total...</b>				
		<b>565.25</b>				
13949	Griesert/Beverly Jo	857.03	Transp Mileage 1/18-2/9/22	01-121-140-0000-6220		N
	<b>Warrant # 460688</b>	<b>Total...</b>				
		<b>857.03</b>				
5234	HBC	58.14	Cable TV 2/2022	01-207-240-0000-6340	80387	N
5234		199.00	Dedicated Fiber 2/2022	01-211-000-0000-6340	81677	N
5234		300.00	CF-Aspen Link 2/2022	01-211-000-0000-6340	81677	N
5234		156.52	Cable TV 2/2022	01-281-280-0000-6340	80389	N
5234		55.21	Fire Alarm Lines	03-330-000-0000-6209	93976	N
5234		55.21	Fire Alarm Lines	61-398-000-0000-6209	81940	N
5234		100.00	Internet/Comm Rcy	61-398-000-0000-6209	81940	N
	<b>Warrant # 460689</b>	<b>Total...</b>				
		<b>924.08</b>				
2630	Herculift Inc.	62.36	CO Ck #7021	03-340-000-0000-6304	W530686	N
2630		64.36	CO Check #7026	61-398-000-0000-6304	W530498	N
2630		66.36	CO Check #7086	61-398-000-0000-6304	W530742	N
2630		66.36	CO Check #7022	61-398-000-0000-6304	W530824	N
	<b>Warrant # 460690</b>	<b>Total...</b>				
		<b>259.44</b>				
4901	Houston Engineering Inc	3,057.52	Ditch 1 Repair 12/2021	15-630-000-0000-6283	0057787	N
4901		647.00	Ditch 1 Repair 1/2022	15-630-000-0000-6283	0057994	N
4901		2,275.50	Branch B Improvement 1/2022	15-630-000-0000-6283	0057995	N
	<b>Warrant # 460691</b>	<b>Total...</b>				
		<b>5,980.02</b>				
13076	Jaspers Moriarty & Wetherille P.A.	70.00	Prof Svc 12/7/21	01-011-000-0000-6265	8453	N
13076		30.00	Prof Svc 12/16/21	01-011-000-0000-6265	8452	N
	<b>Warrant # 460692</b>	<b>Total...</b>				
		<b>100.00</b>				
10371	Keefe Supply	1,224.00	Ear Buds 1/21/22	01-207-240-0000-6464	1547149	N
	<b>Warrant # 460693</b>	<b>Total...</b>				
		<b>1,224.00</b>				
10777	Kenyon Ace Hardware	22.58	Rivets, Fan	03-340-000-0000-6420	182301	N
	<b>Warrant # 460694</b>	<b>Total...</b>				
		<b>22.58</b>				
1493	Lakes Gas Co	134.22	LP -Jan	61-398-192-0000-6566	AR1557796	N
1493		134.22	LP -Jan	61-398-192-0000-6566	AR1574170	N

# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO #</u>	<u>Tx</u>
			<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>	
1493	Lakes Gas Co	134.22	LP -Jan	61-398-192-0000-6566	AR1591389		N
	<b>Warrant # 460695</b>	<b>Total... 402.66</b>					
13176	Lawson Products Inc.	139.46	Sign Fasteners	03-310-000-0000-6504	9309208129		N
13176		45.75	Fasteners for Stock	03-340-000-0000-6420	9309186573		N
13176		25.99	Gloves	03-340-000-0000-6420	9309208128		N
13176		172.92	Fasteners for Stock	03-340-000-0000-6420	9309208128		N
13176		18.70	Fasteners for Stock	03-340-000-0000-6420	9309149966		N
13176		437.83	Fasteners/Fittings/Elec Suppl	03-340-000-0000-6420	9309186572		N
	<b>Warrant # 460696</b>	<b>Total... 840.65</b>					
7584	Matthees Oil Inc	380.57	LP - Vasa	03-350-000-0000-6252	125051		N
7584		1,862.19	LP - CF	03-350-000-0000-6252	125054		N
	<b>Warrant # 460697</b>	<b>Total... 2,242.76</b>					
12655	Mayo Clinic	218.00	Hep Vacc: Markegard 1/26	01-201-000-0000-6291	700005050		N
12655		641.00	Ph/L/Sc:Jacobson/Unruh 1/22	01-207-000-0000-6291	700005050		N
	<b>Warrant # 460698</b>	<b>Total... 859.00</b>					
7919	Menards-Red Wing	19.99	Mailbox #8	03-310-000-0000-6508	94654		N
7919		34.99	Mailbox Lg #14	03-310-000-0000-6508	94654		N
7919		17.97	Shop Bins CF	03-340-000-0000-6420	94384		N
7919		23.96	Tote 27g CF	03-340-000-0000-6420	94384		N
7919		14.97	Sprayer RW Wash Bay	03-340-000-0000-6420	94384		N
7919		70.91	Fuel Additive	03-340-000-0000-6565	94384		N
7919		14.48	Furnace Filters/Cleaner	61-398-000-0000-6305	93889		T
7919		33.96	Fuses 7014	61-398-192-0000-6562	94062		T
	<b>Warrant # 460699</b>	<b>Total... 231.23</b>					
15177	Metal Transformations, LLC	58.00	Steel Brackets 2001	03-340-000-0000-6562	3116		N
	<b>Warrant # 460700</b>	<b>Total... 58.00</b>					
13594	Mid-States Equipment Inc	303.22	Pressure Wshr Hose 5520	03-340-000-0000-6563	1361222-01		N
	<b>Warrant # 460701</b>	<b>Total... 303.22</b>					
3189	Minnesota Ag Group Inc	762.00	DEF Sensor Rpr Lbr 1602	03-340-000-0000-6304	WH20228		N
3189		230.00	Hydr Coupler 1203	03-340-000-0000-6563	IH79632		N
3189		166.00	Loader Lock 1203	03-340-000-0000-6563	IH81164		N
3189		518.00	DEF Sensor 1602	03-340-000-0000-6563	WH20228		N
	<b>Warrant # 460702</b>	<b>Total... 1,676.00</b>					



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		<u>OBO#</u>	<u>On-Behalf-of-Name</u>		<u>From Date</u>	<u>To Date</u>
14035	Minnesota Energy Resources	564.09	Gas: 52.140.0840 1/28/22	81-850-000-0000-2162	4013725914	N
	<b>Warrant # 460703</b>	<b>Total...</b>				
		<b>564.09</b>				
4948	Minnesota Sheriff's Association	2,556.00	Jail/Academy/Various 3/22	01-207-000-0000-6357	253810	N
	<b>Warrant # 460704</b>	<b>Total...</b>				
		<b>2,556.00</b>				
1632	Minnesota State Law Library	75.00	Law Libarary Visit 2/4/22	01-025-000-0000-6452	2022-164	N
	<b>Warrant # 460705</b>	<b>Total...</b>				
		<b>75.00</b>				
1821	Mn Dept Of Finance	867.00	Battered Wmn/Birth Cert 1/2022	72-850-000-0000-2173		N
1821		8,095.50	State Surcharges 1/2022	72-850-000-0000-2209		N
1821		1,848.00	Birth/Death Surchg 1/2022	72-850-000-0000-2218		N
1821		1,040.00	Birth Cert S/C 1/2022	72-850-000-0000-2218		N
	<b>Warrant # 460706</b>	<b>Total...</b>				
		<b>11,850.50</b>				
13938	Mrozek/Amanda	61.07	Reimb: Trmt Crt Incentive 1/31	01-091-132-4091-6405		N
	<b>Warrant # 460707</b>	<b>Total...</b>				
		<b>61.07</b>				
15182	Mulcahy	500.79	Hydronic HW Pump Seals 1/21	01-111-112-0000-6304	PS-INV138752	N
	<b>Warrant # 460708</b>	<b>Total...</b>				
		<b>500.79</b>				
11196	Northstar Computer Forms, Inc.	307.24	VitalRecord Base Stock 1/21	01-101-000-0000-6401	50257420	N
	<b>Warrant # 460709</b>	<b>Total...</b>				
		<b>307.24</b>				
7633	Nuss Truck and Equipment Group LLC	251.35	Tensioner 0602	03-340-000-0000-6562	7179433P	N
7633		395.00	Snowplow Light 1201	03-340-000-0000-6562	7179955P	N
7633		44.56	Wiper Arm 0601	03-340-000-0000-6562	7180710P	N
7633		37.95	Temp Sensor Wires 1201	03-340-000-0000-6562	7180710P	N
7633		236.40	Exh Clamp, Gasket 1601	03-340-000-0000-6562	7180710P	N
7633		37.95	Rtn Temp Sensor Wires 1201	03-340-000-0000-6562	CM7180710P	N
7633		8.12	Air Hammer Lock	03-340-000-0000-6569	7179906P	N
	<b>Warrant # 460710</b>	<b>Total...</b>				
		<b>935.43</b>				
14081	Quadient, Inc.	216.00	Meter Rent: JUS 3/1-5/31/22	01-001-000-0000-6345	59046192	N
	<b>Warrant # 460711</b>	<b>Total...</b>				
		<b>216.00</b>				
1741	Revland Alignment Inc	92.00	#2026 Mt/Bal Tires 1/5/22	01-201-000-0000-6303	27349	N
	<b>Warrant # 460712</b>	<b>Total...</b>				
		<b>92.00</b>				
582	Rihm Kenworth	114.55	Filters for Stock	03-340-000-0000-6562	2104093A	N
582		11.81	Mirror for Stock	03-340-000-0000-6562	2104093A	N
582		8.43	Filters for Stock	03-340-000-0000-6562	2104401A	N

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		<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>	
582	Rihm Kenworth	25.64	Filters for Stock	03-340-000-0000-6562	2105377A	N
	<b>Warrant # 460713</b>	<b>Total... 160.43</b>				
12260	Ronco Engineering Sales Co, Inc	129.38	Truck Chains	03-340-000-0000-6562	3271959	N
12260		366.19	Spinner Motors Stock	03-340-000-0000-6562	3272836	N
12260		73.55	Truck Chains	03-340-000-0000-6562	3273624	N
12260		284.01	Wash Bay Hose RW	03-350-000-0000-6563	3271957	N
	<b>Warrant # 460714</b>	<b>Total... 853.13</b>				
7626	Runnings	14.58	Sign Shop Socket/Driver	03-310-000-0000-6504	3582370	N
7626		9.99	Graphite	03-340-000-0000-6420	3582122	N
7626		80.42	Parts Bins	03-340-000-0000-6420	3585372	N
7626		14.97	Wing Hitch Pins	03-340-000-0000-6562	3582122	N
7626		79.99	Come Along	03-340-000-0000-6569	3585372	N
7626		15.39	Squeegee	03-340-000-0000-6569	3585372	N
	<b>Warrant # 460715</b>	<b>Total... 215.34</b>				
11980	Shane Electric, Inc	368.91	Exterior Light Timer Rpr	03-350-000-0000-6305	15740	N
	<b>Warrant # 460716</b>	<b>Total... 368.91</b>				
6450	Staples Advantage	249.99	V600 Photo Scanner 1/12/22	01-101-000-0000-6480	3497257614	N
6450		1.96	Binder Clips/Staples 1/12/22	01-103-000-0000-6405	3497257615	N
6450		1.96	Binder Clips/Staples 1/12/22	01-105-000-0000-6405	3497257615	N
6450		1.96	Binder Clips/Staples 1/12/22	01-127-129-0000-6405	3497257615	N
6450		21.99	Misc Office Supplies 1/19	01-207-000-0000-6405	3497710652	N
	<b>Warrant # 460717</b>	<b>Total... 277.86</b>				
6284	Steberg/Glen	1,615.00	Lndf Equip Jan	61-397-000-0000-6343	Jan 2022	N
6284		2,736.00	Lndf Hrs Jan	61-397-000-0000-6349	Jan 2022	N
	<b>Warrant # 460718</b>	<b>Total... 4,351.00</b>				
64400	Sylvander Heating, Inc.	333.75	Furnace Rpr 55.020.1620 1/17	81-850-000-0000-2162	92476	N
	<b>Warrant # 460719</b>	<b>Total... 333.75</b>				
13995	Tactical Install	620.10	2012/2020 Tune Ups/Parts 1/18	01-205-235-0000-6304	30	N
13995		396.00	#2123: 1521 Tear Down 1/18	34-201-000-0000-6663	28	N
13995		2,725.00	#123: Install/Sppls 1/18	34-201-000-0000-6663	29	N
	<b>Warrant # 460720</b>	<b>Total... 3,741.10</b>				
2384	Terminal Supply Co	109.62	Electrical Supplies	03-340-000-0000-6420	10485-00	N
2384		37.16	Electrical Supplies	03-340-000-0000-6420	10498-00	N

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<u>Warrant #</u>	<u>460721</u>	<u>Total...</u>	<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>
		<b>146.78</b>				
32803	The License Center, Inc.	19.25	License 9089	03-340-000-0000-6309	197-931	N
		<b>19.25</b>				
2469	Toshiba Financial Services (L.A.)	19.10	Copies 12/2021	01-005-000-0000-6302	5018532052	N
2469		72.40	Copier 2/2022	01-005-000-0000-6302	5018532052	N
2469		72.41	Copier 2/2022	01-031-000-0000-6302	5018532052	N
2469		19.11	Copies 12/2021	01-031-000-0000-6302	5018532052	N
2469		184.76	Copier 2/2022	01-041-000-0000-6302	5018532051	N
2469		32.90	Copies 12/2021	01-041-000-0000-6302	5018532051	N
2469		203.02	Copier 2/2022	01-055-000-0000-6302	5018532044	N
2469		182.83	Copies 12/2021	01-055-000-0000-6302	5018532044	N
2469		72.41	Copier 2/2022	01-061-000-0000-6302	5018532052	N
2469		19.11	Copies 12/2021	01-061-000-0000-6302	5018532052	N
2469		59.75	Copier 2/2022	01-121-000-0000-6302	5018532050	N
2469		4.82	Copies 12/2021	01-121-000-0000-6302	5018532050	N
2469		135.51	Copier 2/22	01-201-000-0000-6302	5018532042	N
2469		8.33	Copies 12/21	01-201-000-0000-6302	5018532042	N
2469		75.86	Patrol Copier 2/22	01-201-000-0000-6302	5018532046	N
2469		6.75	Patrol Copeis 12/21	01-201-000-0000-6302	5018532046	N
2469		238.36	Intake Copier 2/22	01-207-000-0000-6302	5018532043	N
2469		268.72	Intake Copies 12/21	01-207-000-0000-6302	5018532043	N
2469		216.93	Admin Copier 2/22	01-207-000-0000-6302	5018532041	N
2469		33.23	Admin Copie 12/21	01-207-000-0000-6302	5018532041	N
2469		244.85	Copier 2/2022	01-255-000-0000-6302	5018532039	N
2469		32.74	Copies 12/2021	01-255-000-0000-6302	5018532039	N
2469		237.06	EOC Copier 2/22	01-281-280-0000-6302	5018532040	N
2469		104.55	EOC Copies 12/21	01-281-280-0000-6302	5018532040	N
2469		190.61	Copier 2/2022	01-601-000-0000-6302	5018532045	N
2469		63.09	Copies 12/2021	01-601-000-0000-6402	5018532045	N
		<b>2,799.21</b>				
3487	Towmaster Inc	75.59	Wing Bracket 1201	03-340-000-0000-6562	446006	N
3487		4,404.08	Wing Brkt, Saddle, Plate 0601	03-340-000-0000-6562	446053	N
		<b>4,479.67</b>				
13883	Turnkey Corrections	299.05	10% Inmate Calls 1/1-1/31/22	01-207-240-0000-6201	757	N
13883		8.50	Indigent Supplies 1/1-1/31/22	01-207-240-0000-6465	758	N

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	<u>Warrant #</u>	<u>460725</u>	<u>Total...</u>	<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>
			<b>307.55</b>				
1876	Van Paper Company		73.00	Crack Filling TP 1cs	03-310-000-0000-6508	600320-00	N
1876			141.21	Sanitizing Wipes-Equip	03-340-000-0000-6420	600549-00	N
1876			102.63	Wypall Wipers	03-340-000-0000-6420	599584-00	N
1876			216.61	Towels/Liners/TP	03-350-000-0000-6420	599584-00	N
1876			30.23	Towels	61-398-000-0000-6420	600320-00	T
	<b>Warrant #</b>	<b>460726</b>	<b>Total...</b>				
			<b>563.68</b>				
15190	Wagner, Falconer & Judd, LTD		75.00	Refnd: Civil Processn Fee 2/9	01-201-000-0000-5465	20210524	N
	<b>Warrant #</b>	<b>460727</b>	<b>Total...</b>				
			<b>75.00</b>				
13706	Wiley Reber Law		5,593.66	Consultant Fee 1/1-1/31/22	01-061-000-0000-6278	5122	N
	<b>Warrant #</b>	<b>460728</b>	<b>Total...</b>				
			<b>5,593.66</b>				
14536	Woods Psychological Services LLC		1,200.00	Test Prep 25-JV-21-108 1/2022	01-091-000-0000-6272	762	N
	<b>Warrant #</b>	<b>460729</b>	<b>Total...</b>				
			<b>1,200.00</b>				
73383	Xcel Energy		31.92	St Lts - 24	03-310-000-0000-6251	51-104672901	N
73383			17.17	St Lts - 25/24	03-310-000-0000-6251	51-137732141	N
73383			19.09	St Lts - 2N	03-310-000-0000-6251	51-57625991	N
73383			11.74	St Lts - 2S	03-310-000-0000-6251	51-60402524	N
73383			81.32	St Lts - Bench	03-310-000-0000-6251	51-67548181	N
73383			243.97	Signals - 601 Bench	03-310-000-0000-6251	51-67548181	N
73383			16.35	St Lts - 24/Hwy 19	03-310-000-0000-6251	62-137733255	N
73383			2,895.60	Elec - RW	03-350-000-0000-6251	51-51300497	N
73383			493.88	Electric - Zta	03-350-000-0000-6251	51-63907713	N
73383			209.56	Elec - RW Shared	03-350-000-0000-6251	51-101960186	N
73383			934.57	Gas - RW Shared	03-350-000-0000-6252	51-101960186	N
73383			2,993.87	Gas - RW	03-350-000-0000-6252	51-53157485	N
73383			12.73	Elec - Park Well	03-521-000-0000-6251	51-52934882	N
73383			20.14	Sec Lt - Park	03-521-000-0000-6251	51-73725269	N
73383			82.28	Elec Drop Shed RC	61-398-192-0000-6251	51-69848451	N
73383			910.08	Elec RC	61-398-192-0000-6251	51-69848451	N
73383			3,828.72	Gas RC	61-398-192-0000-6252	51-69848451	N
	<b>Warrant #</b>	<b>460730</b>	<b>Total...</b>				
			<b>12,802.99</b>				
1914	Ziegler Inc		900.33	Chipper Regen 1702	03-340-000-0000-6304	SI000130650	N
	<b>Warrant #</b>	<b>460731</b>	<b>Total...</b>				
			<b>900.33</b>				

mokeefe  
02/11/2022

2:16:03PM  
Warrant Form **WFXX**  
Auditor's Warrants

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				<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>	
	Warrant Form	WFXX	Total...	180,888.57	193 Transactions			

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			<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>	
13220	Birmingham/Becky	155.61		Transp Mileage 1/3-1/13/22	01-121-140-0000-6220		N
	<b>Warrant # 35608</b>	<b>Total...</b>		<b>155.61</b>			
13221	Birmingham/Darel H.	700.83		Transp Mileage 1/3-1/31/22	01-121-140-0000-6220		N
	<b>Warrant # 35609</b>	<b>Total...</b>		<b>700.83</b>			
1137	Cannon Falls City	48.35		Utilities Forfeit 52.140.0840	81-850-000-0000-2162	0620-00	N
	<b>Warrant # 35610</b>	<b>Total...</b>		<b>48.35</b>			
6976	Carroll/Stephan Gene	279.63		Transp Mileage 1/7-1/21/22	01-121-140-0000-6220		N
	<b>Warrant # 35611</b>	<b>Total...</b>		<b>279.63</b>			
1226	Dakota Electric Association	19.68		St Lts #46	03-310-000-0000-6251	2-1366814	N
1226		8.84		St Lts #31	03-310-000-0000-6251	2-1366814	N
1226		8.84		St Lts #19	03-310-000-0000-6251	2-1366814	N
1226		8.84		St Lts #7	03-310-000-0000-6251	2-1366814	N
1226		122.60		St Lts #18	03-310-000-0000-6251	2-1366814	N
	<b>Warrant # 35612</b>	<b>Total...</b>		<b>168.80</b>			
9680	Dennis Ph.d.,LP,LMFT/Kenneth L	850.00		Psych Eval: CJMcCurdy 1/19	01-011-000-0000-6272	220119	N
9680		850.00		Psych Eval: MTBlair 12/24	01-011-000-0000-6272	211224	N
	<b>Warrant # 35613</b>	<b>Total...</b>		<b>1,700.00</b>			
5573	Emergency Automotive Technologies	163.76		#2122 Radar Install Kit 1/19	34-201-000-0000-6663	NH011922-31	N
	<b>Warrant # 35614</b>	<b>Total...</b>		<b>163.76</b>			
12563	Forum Communications Company	110.40		PAC Mtg Ntc 1/1	01-127-128-0000-6242	1925601011007	N
12563		289.80		Cty Ditch Pub Ntc 1/1-1/15	15-630-000-0000-6242	1925501011007	N
	<b>Warrant # 35615</b>	<b>Total...</b>		<b>400.20</b>			
22150	Grimsrud Publishing	57.38		LOST Public Hearing	03-330-000-0000-6241	1/19/22	N
	<b>Warrant # 35616</b>	<b>Total...</b>		<b>57.38</b>			
15170	Hacken/Steve	750.00		Tac Court Cases Consult 1/2022	01-055-000-0000-6284		N
	<b>Warrant # 35617</b>	<b>Total...</b>		<b>750.00</b>			
5517	Hobart Service	1,093.91		Rpc Knife: Slicer 1/19/22	01-207-000-0000-6304	28618460	N
	<b>Warrant # 35618</b>	<b>Total...</b>		<b>1,093.91</b>			
2911	Holst Excavating Inc	2,867.67		De-Icing Sand 666.9T	03-310-000-0000-6502	496099	N
	<b>Warrant # 35619</b>	<b>Total...</b>		<b>2,867.67</b>			

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		<u>OBO#</u>	<u>On-Behalf-of-Name</u>		<u>From Date</u>	<u>To Date</u>
13230	Johnson Law RW LLC	2,306.25	Prof Svc 1/2022	01-011-000-0000-6271		N
	<b>Warrant # 35620</b>	<b>Total...</b>	<b>2,306.25</b>			
12533	Kleeberger/John	6.56	Reimb: Gas/Oil for Blower 2/6	01-111-000-0000-6567		N
	<b>Warrant # 35621</b>	<b>Total...</b>	<b>6.56</b>			
3124	Kwik Trip Inc	133.09	KT Jan 2022	01-103-000-0000-6567	278333	N
3124		17.10	KT Jan 2022	01-127-127-0000-6303	278333	N
3124		637.18	KT Jan 2022	01-127-127-0000-6567	278333	N
3124		29.70	KT Jan 2022	01-130-000-0000-6303	278333	N
3124		1,314.05	KT Jan 2022	01-130-000-0000-6567	278333	N
3124		243.90	KT Jan 2022	01-201-000-0000-6303	278334	N
3124		11,535.91	KT Jan 2022	01-201-000-0000-6567	278334	N
3124		247.64	KT Jan 2022	01-205-000-0000-6565	278334	N
3124		148.38	KT Jan 2022	01-205-000-0000-6567	278334	N
3124		124.60	KT Jan 2022	01-281-280-0000-6567	278334	N
3124		5,842.23	KT Jan 2022	03-340-000-0000-6565	278333	N
3124		185.10	KT Jan 2022	03-340-000-0000-6567	278333	N
	<b>Warrant # 35622</b>	<b>Total...</b>	<b>20,458.88</b>			
21997	Lake City Graphic	75.75	LOST Public Hearing	03-330-000-0000-6241	52817	N
	<b>Warrant # 35623</b>	<b>Total...</b>	<b>75.75</b>			
14592	Lohman/Terry W.	128.12	Transp Mileage 1/28-2/7/22	01-121-140-0000-6220		N
	<b>Warrant # 35624</b>	<b>Total...</b>	<b>128.12</b>			
5138	Madden Galanter Hansen, LLP	1,289.66	Labor Relations Svc 12/2021	01-061-000-0000-6275		N
5138		8,159.62	Arbitration Svc 12/2021	01-061-000-0000-6275		N
	<b>Warrant # 35625</b>	<b>Total...</b>	<b>9,449.28</b>			
892	MNCCC	49.68	(1) Adobe Acrobat Pro 1-11/22	01-063-000-0000-6268	2201450	N
	<b>Warrant # 35626</b>	<b>Total...</b>	<b>49.68</b>			
7240	Norton Psychological Services	375.00	Psych Eval/Unruh 2/4/22	01-201-000-0000-6291		N
7240		375.00	Psych Eval/Jacobson 2/4/22	01-207-000-0000-6291		N
	<b>Warrant # 35627</b>	<b>Total...</b>	<b>750.00</b>			
2610	Nygaard/Ronald H.	558.09	Transp Mileage 1/10-2/7/22	01-121-140-0000-6220		N
	<b>Warrant # 35628</b>	<b>Total...</b>	<b>558.09</b>			
7813	OSI Environmental, Inc.	150.00	Oil Disp 700g Rcy	61-398-192-0000-6839	2096800	N

# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO #</u>	<u>Tx</u>
			<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>	
7813	OSI Environmental, Inc.	50.00	Filter Dsip Rcy	61-398-192-0000-6839	2096840		N
	<b>Warrant # 35629</b>	<b>Total...</b>					
		<b>200.00</b>					
10876	Parallel Technologies Inc.	777.00	Firmware Updates 12/2021	01-111-000-0000-6371	75227		N
	<b>Warrant # 35630</b>	<b>Total...</b>					
		<b>777.00</b>					
11794	Police Service Dogs, Inc.	1,581.00	New K9 Trng Equip/Suppls 12/6	01-201-000-0000-6851	20210524		N
	<b>Warrant # 35631</b>	<b>Total...</b>					
		<b>1,581.00</b>					
50705	Red Wing Ace Hardware	18.18	Precise Monitor Shipping	03-310-000-0000-6268	212747/1		N
50705		16.17	Cleaning Supplies	03-350-000-0000-6420	212958/1		N
	<b>Warrant # 35632</b>	<b>Total...</b>					
		<b>34.35</b>					
11982	Summit Food Service LLC	452.16	Inmate Laundry 1/8-1/14/22	01-207-000-0000-6366	INV2000132719		N
11982		3,633.77	Inmate Meals 1/8-1/14/22	01-207-000-0000-6463	INV2000132718		N
	<b>Warrant # 35633</b>	<b>Total...</b>					
		<b>4,085.93</b>					
8735	Vieths-Augustine/Lavon	35.00	Cell Phone 1/2022	01-055-000-0000-6202			N
	<b>Warrant # 35634</b>	<b>Total...</b>					
		<b>35.00</b>					
12016	Whitaker/Richard A.	230.49	Transp Mileage 1/27-2/7/22	01-121-140-0000-6220			N
	<b>Warrant # 35635</b>	<b>Total...</b>					
		<b>230.49</b>					
8381	Zumbrota Water & Sewer Dept	163.29	Wtr & Swr	03-350-000-0000-6253	8660		N
	<b>Warrant # 35636</b>	<b>Total...</b>					
		<b>163.29</b>					
	<b>Warrant Form WFXX-ACH</b>	<b>Total...</b>	<b>49,275.81</b>	<b>51 Transactions</b>			
	<b>Final Total...</b>	<b>230,164.38</b>	<b>244 Transactions</b>				



mokeefe  
02/11/2022

2:16:03PM  
Warrant Form **WFXX-ACH**  
Auditor's Warrants

# Goodhue County

## WARRANT REGISTER Auditor Warrants

Approved 02/11/2022  
Pay Date 02/11/2022



<u>WARRANT RUN</u> <u>INFORMATION</u>	<u>WARRANT</u> <u>FORM</u>	<u>STARTING</u> <u>WARRANT NO.</u>	<u>ENDING</u> <u>WARRANT NO.</u>	<u>DATE OF</u> <u>PAYMENT</u>	<u>DATE OF</u> <u>APPROVAL</u>	<u>PPD</u> <u>COUNT</u>	<u>AMOUNT</u>	<u>CTX</u> <u>COUNT</u>	<u>AMOUNT</u>
67	180,888.57	WFXX	460665	460731	02/11/2022	02/11/2022			
29	49,275.81	WFXX-ACH	35608	35636	02/11/2022	02/11/2022	11	5,294.33	18 43,981.48
	230,164.38	TOTAL							

# Goodhue County

## WARRANT REGISTER Auditor Warrants

Approved 02/11/2022  
Pay Date 02/11/2022



### RECAP BY FUND

<u>FUND</u>	<u>AMOUNT</u>	<u>NAME</u>	<u>ACH AMOUNT</u>		<u>NON-ACH AMOUNT</u>	
1	81,154.10	County General Revenue	39,179.33		41,974.77	
3	109,785.47	County Road and Bridge	9,394.57		100,390.90	
11	2,744.00	Health & Human Service Fund	-		2,744.00	
15	6,269.82	County Ditch 1	289.80		5,980.02	
34	6,724.76	Capital Plan	163.76		6,561.00	
61	10,689.54	Waste Management Facilities	200.00		10,489.54	
72	11,850.50	Other Agency Funds	-		11,850.50	
81	946.19	Settlement Fund	48.35		897.84	
	230,164.38	TOTAL	49,275.81	TOTAL ACH	180,888.57	TOTAL NON-ACH

# Goodhue County

## WARRANT REGISTER



Manual Warrants

<u>Warr #</u>	<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO #</u>
				<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>
12254	20600	Goodhue County Fsc	24,229.00	71.MAADMIN_LCT2S07.Q421.R937	11-430-710-3970-6020		0
			10,597.00	71.IVEFCADMLCTS07.Q421.R93658	11-430-710-3970-6020		0
			<b>34,826.00</b>	<b>Date 2/15/2022</b>			
		<b>Warrant # 12254</b>	<b>Total</b>				
		<b>Final Total...</b>	<b>34,826.00</b>	<b>2</b>	<b>Transactions</b>		

# Goodhue County



Warr # Vendor #

RECAP BY FUND

<u>FUND</u>	<u>AMOUNT</u>	<u>NAME</u>
11	34,826.00	Health & Human Service Fund
	34,826.00	TOTAL

ndahlstrom  
02/18/2022

9:02:17AM

# Goodhue County

## WARRANT REGISTER



Manual Warrants

<u>Warr #</u>	<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO #</u>
				<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>
12256	1358	Wells Fargo Brokerage-Premium Paid	58.00	Safekeeping Fees 2/2022	01-001-000-0000-6375		0
	<b>Warrant #</b>	<b>12256</b>	<b>Total</b>	<b>58.00</b>	<b>Date 2/15/2022</b>		
	<b>Final Total...</b>		<b>58.00</b>	<b>1</b>	<b>Transactions</b>		

# Goodhue County



Warr # Vendor #

RECAP BY FUND

<u>FUND</u>	<u>AMOUNT</u>	<u>NAME</u>
1	58.00	County General Revenue
	58.00	TOTAL

# Goodhue County

## WARRANT REGISTER



Manual Warrants

<u>Warr #</u>	<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO #</u>
				<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>
12255	11506	Alerus Financial					
			19,081.72	2/17/22 Payroll-Co HSA Contrib	01-000-000-2504-2005		0
			4,004.82	2/17/22 Payroll-Co HSA Contrib	03-000-000-2504-2005		0
			12,672.74	2/17/22 Payroll-Co HSA Contrib	11-000-000-2504-2005		0
			578.85	2/17/22 Payroll-Co HSA Contrib	61-000-000-2504-2005		0
<b>Warrant #</b>	<b>12255</b>	<b>Total</b>	<b>36,338.13</b>	<b>Date 2/17/2022</b>			
	<b>Final Total...</b>		<b>36,338.13</b>	<b>4</b>	<b>Transactions</b>		

# Goodhue County



Warr # Vendor #

RECAP BY FUND

<u>FUND</u>	<u>AMOUNT</u>	<u>NAME</u>
1	19,081.72	County General Revenue
3	4,004.82	County Road and Bridge
11	12,672.74	Health & Human Service Fund
61	578.85	Waste Management Facilities
	36,338.13	TOTAL



# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO # Tx</u>
		<u>OBO#</u>	<u>On-Behalf-of-Name</u>		<u>From Date</u>	<u>To Date</u>
10529	ADP, Inc.	2,967.15	Payroll Proc W2s 2021	01-061-000-0000-6279	599451620	N
	<b>Warrant # 460763</b>	<b>Total... 2,967.15</b>				
15189	Advantage Police Supply, Inc.	8,951.08	(8) Communication Hdsets 1/31	34-201-000-0000-6480	22-0054	N
	<b>Warrant # 460764</b>	<b>Total... 8,951.08</b>				
1353	Ag Partners Coop	148.00	Fuel Discount RW	03-340-000-0000-6565	764253	N
1353		23,302.60	Diesel RW	03-340-000-0000-6565	764253	N
1353		3,457.95	Winter Fuel Blend Kyn	03-340-000-0000-6565	817346	N
1353		99.94	Fuel Discount Kyn	03-340-000-0000-6565	817346	N
	<b>Warrant # 460765</b>	<b>Total... 26,512.61</b>				
12558	Arrow Building Center	52.00	Shed Office Construction 1/24	34-205-000-0000-6669	5623180	N
	<b>Warrant # 460766</b>	<b>Total... 52.00</b>				
14406	Bigelow Homes LLC	1,116.00	CARES-Permit 21-153	01-003-000-0000-6892		N
14406		1,116.00	CARES-Permit 21-152	01-003-000-0000-6892		N
14406		1,116.00	CARES-Permit 21-151	01-003-000-0000-6892		N
14406		1,535.22	CARES-Permit 21-W036	01-003-000-0000-6892		N
14406		1,535.22	CARES-Permit 21-W037	01-003-000-0000-6892		N
14406		1,908.69	CARES-Permit 21-W002	01-003-000-0000-6892		N
14406		1,939.00	CARES-Permit 22-10	01-003-000-0000-6892		N
14406		1,561.70	CARES-Permit 22-14	01-003-000-0000-6892		N
14406		1,116.00	CARES-Permit 22-154	01-003-000-0000-6892		N
	<b>Warrant # 460767</b>	<b>Total... 12,943.83</b>				
10622	Bredemus Hardware Company Inc.	96.00	Lock Repair Parts 1/24	01-111-112-0000-6305	265991	N
	<b>Warrant # 460768</b>	<b>Total... 96.00</b>				
15198	Budensiek/William	20.00	Farm Acct Books Overpmt 2/7	01-601-000-0000-6297		N
	<b>Warrant # 460769</b>	<b>Total... 20.00</b>				
13909	Conrad Schmitt Studios Inc	5,360.00	Final Pmt: Brd Rm Stdy 1/17	34-111-000-0000-6669	3272	N
	<b>Warrant # 460770</b>	<b>Total... 5,360.00</b>				
1266	Earl F Andersen	2,950.00	Post 8' 3#	03-310-000-0000-6504	0128814-IN	N
	<b>Warrant # 460771</b>	<b>Total... 2,950.00</b>				
4644	Express Services, Inc.	864.00	Bldg Concierge Temp 2/13	01-004-000-0000-6894	26766252	N
	<b>Warrant # 460772</b>	<b>Total... 864.00</b>				

# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>OBO#</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO #</u>	<u>Tx</u>
				<u>On-Behalf-of-Name</u>		<u>From Date</u>	<u>To Date</u>	
12159	FirstSource Solutions	56.38	Drug Scrn-Haugen		03-310-000-0000-6291	FL00489634		N
12159		500.00	Annual Subscription		03-310-000-0000-6291	FL00490794		N
12159		56.38	Drug Scrn-Hansen		03-340-000-0000-6291	FL00489634		N
	<b>Warrant # 460773</b>	<b>Total...</b>	<b>612.76</b>					
3266	Frontier Communications	111.19	Phone:Wnmgo Office 2/4-3/3/22		01-201-000-0000-6201	50782424970202		N
3266		69.19	Kenyon Phone		03-350-000-0000-6201	123197-2		N
3266		69.99	Kenyon DSL		03-350-000-0000-6209	123197-2		N
	<b>Warrant # 460774</b>	<b>Total...</b>	<b>250.37</b>					
1961	Glenn Klair Plumbing & Heating, Inc.	249.85	RPZ Test-Brine/WBay/Irrigation		03-350-000-0000-6283	18180		N
	<b>Warrant # 460775</b>	<b>Total...</b>	<b>249.85</b>					
1331	Goodhue County Cooperative Elec Assoc	167.44	St Lts #24 - RBW		03-310-000-0000-6251	17064001		N
1331		111.73	St Lts #24 - RBE		03-310-000-0000-6251	17064002		N
1331		48.69	Signs TH56 & 9		03-310-000-0000-6251	17064003		N
1331		69.40	Signs TH19 & 7		03-310-000-0000-6251	17064004		N
1331		14.00	St Lts #1 - White Rock		03-310-000-0000-6251	17064005		N
1331		8.50	St Lts #9		03-310-000-0000-6251	17064006		N
1331		8.50	St Lts #1		03-310-000-0000-6251	17064008		N
1331		8.50	St Lts #16		03-310-000-0000-6251	17064009		N
1331		8.50	St Lts #2		03-310-000-0000-6251	17064010		N
1331		8.50	St Lts #1		03-310-000-0000-6251	17064011		N
1331		8.50	St Lts #1		03-310-000-0000-6251	17064012		N
1331		8.50	St Lts #9		03-310-000-0000-6251	17064013		N
1331		8.50	St Lts #9		03-310-000-0000-6251	17064014		N
1331		8.50	St Lts #10		03-310-000-0000-6251	17064015		N
1331		8.50	St Lts #1		03-310-000-0000-6251	17064016		N
1331		8.50	St Lts #9		03-310-000-0000-6251	17064017		N
1331		8.50	St Lts #1		03-310-000-0000-6251	17064007		N
1331		60.94	Elec - Vasa		03-350-000-0000-6251	901293001		N
1331		575.68	Elec-CF		03-350-000-0000-6251	1293002		N
1331		7.00	Park Light		03-521-000-0000-6251	5862001		N
	<b>Warrant # 460776</b>	<b>Total...</b>	<b>1,156.88</b>					
5236	H M Cragg Co	500.00	Annual Gen Mtnc: PI Twr 1/27		01-211-000-0000-6301	0260240-IN		N
5236		108.84	Rpc Battery: PI Twr 1/27		01-211-000-0000-6304	0260240-IN		N
	<b>Warrant # 460777</b>	<b>Total...</b>	<b>608.84</b>					
9868	Locators & Supplies Inc	83.54	Pick Axe - Maint		03-310-000-0000-6508	0297687-IN		N

# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO # Tx</u>
			<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>
	<b>Warrant # 460778</b>	<b>Total...</b>	<b>83.54</b>			
2275	Macpo	410.00	2022 Mbrshp: MJ/EO/RV/PE	01-255-000-0000-6243	0177	N
	<b>Warrant # 460779</b>	<b>Total...</b>	<b>410.00</b>			
8742	Mandelkow/Mark	400.00	Trmt Crd Drug Test Svcs 1/2022	01-091-132-0000-6283		N
	<b>Warrant # 460780</b>	<b>Total...</b>	<b>400.00</b>			
15202	Manney/Leah Midgarden	50.00	Rfnd: Probation Fees 25CR21238	01-255-255-0000-5475		N
	<b>Warrant # 460781</b>	<b>Total...</b>	<b>50.00</b>			
10139	MedTox Laboratories, Inc.	72.96	Drug Scrn:Unruh/Jacobson 1/31	01-207-000-0000-6291	120224741	N
	<b>Warrant # 460782</b>	<b>Total...</b>	<b>72.96</b>			
3824	Midwest Machinery Co	92.81	Filters 2008	03-340-000-0000-6563	9017873	N
3824		149.35	Breather/Precleaner 2008	03-340-000-0000-6563	9017873	N
	<b>Warrant # 460783</b>	<b>Total...</b>	<b>242.16</b>			
1417	MN Secretary Of State - Notary	120.00	Notary: Schmidt 2/2022	01-207-000-0000-6245		N
	<b>Warrant # 460784</b>	<b>Total...</b>	<b>120.00</b>			
837	Motorola Solutions Inc	111,531.25	(25) Portable Radios 2/1/22	34-201-000-0000-6480	8281320093	N
837		217.53	Comm Cap Radio Accries 1/31	34-201-000-0000-6669	8281319852	N
837		3,975.00	(20) Mobile Radio Accries 1/31	34-201-000-0000-6669	8281319850	N
837		900.00	Consolette Mount Kits 1/31	34-211-000-0000-6669	8281319991	N
	<b>Warrant # 460785</b>	<b>Total...</b>	<b>116,623.78</b>			
7117	Northern Safety Co Inc	10.50	Wash Bay Saline Zta	03-350-000-0000-6420	904686154	N
7117		10.50	Wash Bay Saline Kyn	03-350-000-0000-6420	904686154	N
7117		10.50	Wash Bay Saline CF	03-350-000-0000-6420	904686154	N
	<b>Warrant # 460786</b>	<b>Total...</b>	<b>31.50</b>			
15062	O'Rourke Media Group-MN LLC	66.42	180472 LOST Public Hearing	03-330-000-0000-6241	326549	N
	<b>Warrant # 460787</b>	<b>Total...</b>	<b>66.42</b>			
11013	Office Of MN.IT Services	1,750.55	Mnet Collaboration 1/2022	01-063-000-0000-6301	DV22010345	N
	<b>Warrant # 460788</b>	<b>Total...</b>	<b>1,750.55</b>			
14082	Quadient Finance USA, Inc.	2,000.00	Postage Mtr: JUS 1/28	01-001-000-0000-6203	79000440802165	N
	<b>Warrant # 460789</b>	<b>Total...</b>	<b>2,000.00</b>			
6068	River Country Cooperative	508.60	Diesel 1901	03-340-000-0000-6565	294380	N

# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>From Date</u>	<u>PO #</u>	<u>Tx</u>
									<u>To Date</u>	
6068	River Country Cooperative	170.02	Diesel 2001			03-340-000-0000-6565	294380			N
6068		61.75	Unld 0804			03-340-000-0000-6567	294380			N
	<b>Warrant # 460790</b>	<b>Total...</b>	<b>740.37</b>							
13528	SE MN Emergency Medical Services	5,000.00	2022 Allocation			01-002-000-0000-6833	104			N
	<b>Warrant # 460791</b>	<b>Total...</b>	<b>5,000.00</b>							
2054	SEMV CET	7,878.56	2022 Task Force Funds			01-201-000-0000-6870	2022-4			N
	<b>Warrant # 460792</b>	<b>Total...</b>	<b>7,878.56</b>							
5029	Short Elliot Hendrickson Inc	3,818.88	Monitor RW Lndf 01/2022			61-397-000-0000-6283	419870			N
5029		1,639.34	Monitor Wan Lndf 01/2022			61-397-000-0000-6283	419871			N
	<b>Warrant # 460793</b>	<b>Total...</b>	<b>5,458.22</b>							
5962	Stenerson/Howard	100.00	Per Diem: PAC Mtg			01-127-128-0000-6106				N
	<b>Warrant # 460794</b>	<b>Total...</b>	<b>100.00</b>							
15197	TNVC, Inc.	6,673.00	2 Night Vision Monoculars 1/31			34-201-000-0000-6480	414436-G			N
	<b>Warrant # 460795</b>	<b>Total...</b>	<b>6,673.00</b>							
14421	Toshiba Business Solutions USA	57.48	Hlth Unit Copier 2/22			01-207-000-0000-6302	5018824677			N
14421		13.72	Hlth Unit Copies 12/21			01-207-000-0000-6302	5018824677			N
	<b>Warrant # 460796</b>	<b>Total...</b>	<b>71.20</b>							
14665	TVO Enterprises, LLC	16,420.00	2022 AIS Radio Campaign			01-127-125-0000-6232	239			N
	<b>Warrant # 460797</b>	<b>Total...</b>	<b>16,420.00</b>							
4231	UPS	15.38	Outgoing Freight 2/9/22			01-201-000-0000-6205	58A87E072			N
	<b>Warrant # 460798</b>	<b>Total...</b>	<b>15.38</b>							
11465	Wells Fargo Vendor Fin Serv	241.89	Copier Lease Mar			03-330-000-0000-6302	5018831242			N
	<b>Warrant # 460799</b>	<b>Total...</b>	<b>241.89</b>							
73383	Xcel Energy	233.03	Elec: Pnr Rd Storg 12/29-1/30			01-201-000-0000-6251	766368701			N
73383		721.53	Gas: Pnr Rd Storg 12/29-1/30			01-201-000-0000-6252	766368701			N
73383		331.21	Elec: Aspen Rad Twr 12/29-1/30			01-209-000-0000-6251	766368701			N
73383		38.13	Gas: Aspen Rad Twr 12/29-1/30			01-209-000-0000-6252	766368701			N
73383		409.58	Elec: Pn Isl Rad Twr12/19-1/20			01-211-000-0000-6251	766368701			N
73383		359.16	Cn Fls Rad Twr 12/20-1/23			01-211-000-0000-6251	766368701			N
73383		381.12	Elec: Seymour St 12/29-1/30			01-211-000-0000-6251	766368701			N
73383		55.77	St Lts #1			03-310-000-0000-6251	51-63607118			N
73383		37.54	St Lts #5			03-310-000-0000-6251	51-64100936			N

# Goodhue County

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<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>From Date</u>	<u>PO #</u>	<u>Tx</u>	<u>To Date</u>
73383	Xcel Energy	125.02	St Lts - S Bench			03-310-000-0000-6251	51-94709683				N
73383		55.00	St Lts #66			03-310-000-0000-6251	51-63607118				N
73383		76.61	St Lts - Park			03-521-000-0000-6251	51-46438082				N
	<b>Warrant # 460800</b>	<b>Total...</b>	<b>2,823.70</b>								
15203	Youngs/Dustin Kenneth	150.00	Rfnd: Court Fees 25CR191953			01-255-255-0000-5475					N
	<b>Warrant # 460801</b>	<b>Total...</b>	<b>150.00</b>								
	<b>Warrant Form WFXX</b>	<b>Total...</b>	<b>231,018.60</b>		<b>95 Transactions</b>						

# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO # Tx</u>
		<u>OBO#</u>	<u>On-Behalf-of-Name</u>		<u>From Date</u>	<u>To Date</u>
14424	Community And Economic Deveoplment Assoc	1,133.00	January 2022 Services	25-700-000-0000-6278		N
	<b>Warrant # 35653</b>	<b>Total...</b>				
		<b>1,133.00</b>				
8587	D & T Ventures LLC	520.38	Web Tax Support 2/2022	01-063-000-0000-6268	301538	N
	<b>Warrant # 35654</b>	<b>Total...</b>				
		<b>520.38</b>				
10069	Emkat	167.88	PTC Ribbons (2) 1/28/22	01-201-238-0000-6420	INV6760554	N
	<b>Warrant # 35655</b>	<b>Total...</b>				
		<b>167.88</b>				
1273	Erickson Engineering Co. LLC	257.50	Hydr Br L0463 #11	03-310-000-0000-6281	14678	N
	<b>Warrant # 35656</b>	<b>Total...</b>				
		<b>257.50</b>				
12563	Forum Communications Company	79.35	LOST Public Hearing 1/22/22	03-330-000-0000-6241	Acct 254178	N
12563		372.60	#2911541 Pavilion Ad	03-521-000-0000-6241	Acct 254178	N
	<b>Warrant # 35657</b>	<b>Total...</b>				
		<b>451.95</b>				
5138	Madden Galanter Hansen, LLP	1,273.00	Labor Relations Svc 1/2022	01-061-000-0000-6275		N
	<b>Warrant # 35658</b>	<b>Total...</b>				
		<b>1,273.00</b>				
44	Marco Technologies LLC	553.15	Printer Support 2/5-3/4/22	01-063-000-0000-6302	INV9602816	N
	<b>Warrant # 35659</b>	<b>Total...</b>				
		<b>553.15</b>				
14097	McDonough/Michael	2,306.25	Prof Svc: Contract 1/2022	01-011-000-0000-6271	001	N
14097		1,000.00	Prof Svc: Trmt Crt 1/2022	01-091-132-0000-6283		N
	<b>Warrant # 35660</b>	<b>Total...</b>				
		<b>3,306.25</b>				
14968	Mechelke/Jennifer	400.00	Trmt Crt Drug Testing 1/2022	01-091-132-0000-6283		N
	<b>Warrant # 35661</b>	<b>Total...</b>				
		<b>400.00</b>				
15145	Prestige Safety	387.00	BLS Cert/Rsprtr/Med Eval 1/25	01-201-000-0000-6357	146	N
	<b>Warrant # 35662</b>	<b>Total...</b>				
		<b>387.00</b>				
1727	Red Wing City-Finance	157.55	Evidence Rm/Drus Tests 1/19	01-201-000-0000-6420	0073177	N
1727		418.20	Airline Tickets/NREP Conf 4/22	01-281-280-0000-6331	0073175	N
1727		33.12	Airline/Trip Ins/NREPCConf 4/22	01-281-280-0000-6331	0073176	N
	<b>Warrant # 35663</b>	<b>Total...</b>				
		<b>608.87</b>				
2442	Riester Refrigeration Inc	387.00	Rpr Walk In Cooler 1/27	01-207-000-0000-6304	00092658	N
	<b>Warrant # 35664</b>	<b>Total...</b>				
		<b>387.00</b>				
50750	Rs Eden	157.25	Testing 1/31/22	01-255-000-0000-6285	65260	N

# Goodhue County

## WARRANT REGISTER Auditor Warrants



<u>Vendor #</u>	<u>Vendor Name</u>		<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO # Tx</u>
	<u>Warrant #</u>			<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>
	<b>Warrant #</b>	<b>35665</b>	<b>Total...</b>	<b>157.25</b>			
14122	Securitas Electronic Security, Inc		99.24	Mon/Insp Ken Q1	03-350-000-0000-6283	7000891390	N
14122			99.24	Mon/Insp CF Q1	03-350-000-0000-6283	7000891391	N
14122			99.24	Mon/Insp RW Q1	03-350-000-0000-6283	7000891392	N
14122			99.24	Mon/Insp Zta Q1	03-350-000-0000-6283	7000891398	N
14122			99.24	Mon/Insp RC Q1	61-398-000-0000-6283	7000891393	N
	<b>Warrant #</b>	<b>35666</b>	<b>Total...</b>	<b>496.20</b>			
2606	SHI International Corp		5,743.60	2022 Veeam Maint	01-063-000-0000-6268	B14667183	N
	<b>Warrant #</b>	<b>35667</b>	<b>Total...</b>	<b>5,743.60</b>			
5820	SRF Consulting Group Inc		5,908.93	PEL Study TH52 #7-#8	03-330-000-0000-6318	14596.00-1	N
	<b>Warrant #</b>	<b>35668</b>	<b>Total...</b>	<b>5,908.93</b>			
14641	Stark/Carli Elizabeth		100.00	Per Diem: PAC Mtg	01-127-128-0000-6106		N
	<b>Warrant #</b>	<b>35669</b>	<b>Total...</b>	<b>100.00</b>			
11982	Summit Food Service LLC		452.16	Inmate Laundry 1/15-1/21/22	01-207-000-0000-6366	INV2000133276	N
11982			3,801.90	Inmate Meals 1/15-1/21/22	01-207-000-0000-6463	INV2000133275	N
	<b>Warrant #</b>	<b>35670</b>	<b>Total...</b>	<b>4,254.06</b>			
	<b>Warrant Form</b>	<b>WFXX-ACH</b>	<b>Total...</b>	<b>26,106.02</b>	<b>27 Transactions</b>		
	<b>Final Total...</b>		<b>257,124.62</b>	<b>122 Transactions</b>			

I hereby certify that the above amounts have been approved and allowed by the county welfare board for payment to the claimant as in each instance stated, that said county welfare board authorizes and instructs the county auditor and county treasurer of said county to pay the same.

Signed \_\_\_\_\_  
Director

PONCELET  
02/18/2022

11:03:49AM

Warrant Form **WFXX-ACH**  
Auditor's Warrants

# Goodhue County

## WARRANT REGISTER Auditor Warrants

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<u>WARRANT RUN</u> <u>INFORMATION</u>	<u>WARRANT</u> <u>FORM</u>	<u>STARTING</u> <u>WARRANT NO.</u>	<u>ENDING</u> <u>WARRANT NO.</u>	<u>DATE OF</u> <u>PAYMENT</u>	<u>DATE OF</u> <u>APPROVAL</u>	<u>PPD</u> <u>COUNT</u>	<u>AMOUNT</u>	<u>CTX</u> <u>COUNT</u>	<u>AMOUNT</u>
39	WFXX	460763	460801	02/18/2022	02/18/2022		231,018.60		
18	WFXX-ACH	35653	35670	02/18/2022	02/18/2022	4	4,326.63	14	21,779.39
	TOTAL						257,124.62		



# Goodhue County

## WARRANT REGISTER Auditor Warrants

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### RECAP BY FUND

<u>FUND</u>	<u>AMOUNT</u>	<u>NAME</u>	<u>ACH AMOUNT</u>		<u>NON-ACH AMOUNT</u>	
1	72,381.86	County General Revenue	17,858.44		54,523.42	
3	40,392.44	County Road and Bridge	7,015.34		33,377.10	
25	1,133.00	Economic Development Authori	1,133.00		-	
34	137,659.86	Capital Plan	-		137,659.86	
61	5,557.46	Waste Management Facilities	99.24		5,458.22	
	257,124.62	TOTAL	26,106.02	TOTAL ACH	231,018.60	TOTAL NON-ACH

# Goodhue County

## WARRANT REGISTER



Manual Warrants

<u>Warr #</u>	<u>Vendor #</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Description</u>	<u>Account Number</u>	<u>Invoice #</u>	<u>PO #</u>
				<u>OBO#</u>	<u>On-Behalf-of-Name</u>	<u>From Date</u>	<u>To Date</u>
12252	1820	State Of Minnesota-Sales & Use Tax					
			0.34	Receipt Nbr 455504 01/31/2022	01-105-000-0000-5859		0
			5.28	Receipt Nbr 455349 01/20/2022	01-207-240-0000-5859		0
			4.46	Receipt Nbr 455400 01/24/2022	01-601-000-0000-5859		0
			3.43	Receipt Nbr 455139 01/06/2022	03-310-000-0000-5934		0
			37.54	Warr Nbr 460440 01/28/2022	61-398-000-0000-6561		0
			6.72	Warr Nbr 460440 01/28/2022	61-398-000-0000-6561		0
			28.23	Warr Nbr 460210 01/07/2022	61-398-192-0000-6418		0
			0.05	Sales Tax Rounding Adj 1/2022	01-001-000-0000-6850		0
			52.80	S/W Asmt 1/2022	61-000-000-0000-2222		0
			288.15	S/W Mgmt 1/2022	61-000-000-0000-2223		0
<b>Warrant #</b>	<b>12252</b>	<b>Total</b>	<b>427.00</b>	<b>Date 2/18/2022</b>			
	<b>Final Total...</b>		<b>427.00</b>	<b>10</b>	<b>Transactions</b>		

# Goodhue County



Warr # Vendor #

RECAP BY FUND

<u>FUND</u>	<u>AMOUNT</u>	<u>NAME</u>
1	10.13	County General Revenue
3	3.43	County Road and Bridge
61	413.44	Waste Management Facilities
	427.00	TOTAL



# Goodhue County



Warr # Vendor #

RECAP BY FUND

<u>FUND</u>	<u>AMOUNT</u>	<u>NAME</u>
72	179,307.98	Other Agency Funds
	179,307.98	TOTAL