

**CROSSLAKE COMMUNICATIONS COMMISSION/JOINT CITY COUNCIL MEETING  
TUESDAY, JULY 27, 2004  
CROSSLAKE COMMUNICATIONS**

The Regular Meeting of the Crosslake Communications Commission was called to order by Chairperson Ted Silva at 8:00 a.m. Members present: Ted Silva, Hank Duitsman, Gerry Brine, Steve Roe, Clyde Fish and Dave Fischer. Members absent: Bill Smith. Also present were General Manager Dennis Leaser, Office Manager Debby Floerchinger, Operations Manager Jared Johnson, Network Engineer Paul Davis, Accountant Cyndi Perkins, City Administrator Tom Swenson, Liaison Darrell Swanson and Helen Fraser.

**Actions Taken:**

The Minutes of the June 29, 2004 Meeting were reviewed. Dave Fischer moved to accept the Minutes. Second by Gerry Brine. All in favor, motion carried.

The June, 2004 Combined Financial and Statistical Reports were reviewed. A Statement of Cash Flows was also reviewed. Hank Duitsman moved to accept the June, 2004 Financial and Statistical Reports. Second by Clyde Fish. All in favor, motion carried.

The Commission meeting was recessed until 8:45.

Council members Dean Eggena, Dick Phillips, Bettie Miller and Irene Schultz joined the Commission for a Joint Commission/Council meeting at 8:45 a.m. Mayor Swanson called the Council meeting to order at 8:45. Also joining the meeting was Cindy Holden and Larry Thompson, CEO, from Vantage Point Solutions.

The Commission meeting was reconvened at 8:45 a.m.

Dennis reported that since our last planning meeting in October 2003, we have been working with Vantage Point Solutions to come up with a plan for future proofing our infrastructure to provide all the new products and innovations that were discussed and what would be the best way for us to proceed if we agree this is what we want to do.

Dennis explained the reasons for doing this are:

- To provide our customers with the most current products and services available to our customers (i.e., HDTV, VOD, high speed Internet up to 40 Mbs).
- To build customer loyalty and keep them from going to competitors
- Increased revenue opportunities.

Larry Thompson's presentation included:

- A review of the current situation – increased demands, increased competition, decreased revenue, decreases in access lines and an increase in wireless subscribers.
- A review of future bandwidth demands including Everything on Demand (EoD), Gaming on Demand (GoD) and Voice over Internet (VoIP).
- A review of Advanced Services including Video on Demand, Web TV, and Caller ID on TV.
- A review of Network Design Goals
- A review of Fiber to the Home Technology
- There was a lot of discussion on voice over IP (VoIP) and questions were raised on how this will affect Crosslake in the future.
- There was also discussion on the economic development impact this upgrade would make in attracting high-end business customers.

It was pointed out that the cost to build a traditional cable plant is no less than the cost to do Fiber to the Home. Currently the construction prices are low due to low material costs, low financing costs and cable contractors are looking for work. Larry said that by replacing our plant with fiber we are looking at a long term (30 year) replacement. Any traditional cable we install will be obsolete in a few years since it will not be able to provide all services over one cable. Jared also stated that the maintenance costs with fiber will be less because we would only be maintaining one plant rather than two separate plants.

The Commission and Council were interested in knowing about any other companies that are installing fiber to the home and what their market is.

There was good discussion between the Council/Commission and Larry Thompson. The Council requested another meeting to discuss costs and a benefit analysis.

**The next Regular meeting will be Tuesday, August 31, 2004 at 7:30 a.m. at Crosslake Communications. The Council will join the Commission at 8:45 a.m. for a joint meeting.**

A motion was made by Clyde Fish and second by Steve Roe to adjourn the Commission meeting at 11:50 a.m. All in favor, motion carried.




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Ted Silva