

TDS turns down city's offer for cooperative installation

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Reported By Mike Schoemer

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In a move that came as no surprise to many, local TDS representatives turned down the City of Monticello's request to "share" some of the construction costs as the two rivals now move forward on their fiber optic networks in this riverside community.

Tom Ollig, market manager for TDS in Monticello, sent a letter Aug. 13 to Monticello Mayor Clint Herbst, city staff and to the Monticello Times stating that the company had heard the city's request to "install portions of Bridgewater's network and the city's proposed network on a joint basis," as recommended by the Monticello City Council at its Aug. 4 meeting.

Such an agreement would be "anti-competitive and likely raise significant antitrust law and substantive policy issues," Ollig wrote.

City staffers asked the council to make a request to work with TDS in order to save both sides literally millions of dollars in installation costs.

Prior to the letter turning down the cooperative effort, Ollig sent a letter to Herbst, city council and city staff offering TDS' new fiber network services to the city at no cost "or risk to city taxpayers."

That offer includes TDS fiber service to the Monticello Community Center (including city hall), the Monticello Fire Department, Hi-Way Liquors, and Monticello Public Works

Following up on that offer, Ollig offered a fiber package to the Monticello School District, offering TDS services in a back-up manner that would provide redundancy for the state-owned network already serving the district.

Ollig indicated he had conversations with Monticello Public Schools Technology Director Susan Heidt about the company's services.

TDS communications head Drew Petersen said the district "has shown an interest" in the company's fiber ring for redundancy purposes.

"Both sides are kind of trying to find a way to make it work out," he said. "It's going to be a good asset for the schools."

Redundancy would mean that if there were ever a problem with the statewide network, the district would have backup technology to keep communications moving throughout any sort of outage.

Both offers are contingent on the TDS fiber optic network installation's completion, scheduled for the end of this year. That process looks to be on track. Crews have been working frantically across the city, installing fiber underground on major roadways such as Chelsea Road, School Boulevard and River Street.

"There haven't been a lot of weather interruptions, so things are moving along well," Petersen said.

The city's offer, however, is only on the table until Aug. 29, Ollig said.

"You (the city) have helped make Monticello a terrific place to live, work and raise a family. TDS Telecom is pleased to be a part of it all," Ollig wrote. He followed up in his Aug. 4 letter, stating the offer's acceptance would "eliminate the cost to the city of providing services, and it would also eliminate the costs and risks to city and taxpayers of the city building, owning and operating a redundant and unnecessary network in a community that is already served by at least two experienced and proven private sector communications companies."

The city has said it is determined to move forward with the fiber project when it is legally possible to do so. Two projects related to the fiber network, including a fiber ring to the city's industrial park area and a head-end building off of School Boulevard are both in the works, as well.