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News Release

For Immediate Release

RS Fiber Broadband Initiative To Break Ground Wednesday July 8th

WINTHROP, Minn. – The RS Fiber Cooperative fiber optic broadband initiative will officially break ground on the project this Wednesday, July 8, in Sibley County. A groundbreaking ceremony will be held Wednesday morning at 9:00 am along Sibley County Road 8 between CR 17 and CR 9.

RS Fiber Cooperative General Manager Toby Brummer said, “We couldn’t be more excited that the project is underway. It has taken a lot of work, time and effort by many individuals to make it to this point, but all of that work has finally paid off. This is a significant achievement that will benefit the Renville and Sibley county residents in so many ways. It is very satisfying to see fiber optic cable being installed!”

The RS Fiber Cooperative and Hiawatha Broadband Communications, Inc. (HBC) anticipate offering services with fiber to approximately 1,600 homes and businesses and cover 90 percent of the service area with high-speed wireless services in late 2015. By the end of 2016 the number of homes and businesses that can be served with fiber will climb to 4,200. Upon final completion, the RS Fiber Cooperative will operate a fiber optic network for most of Sibley County and portions of Renville, Nicollet, and McLeod Counties.

Over 6,200 potential customers will be able to use this high-speed fiber optic network, which will provide data speeds that can be over ten times faster than speeds offered by current service providers. Construction will be completed in two phases over the next five to six years with Phase One now underway. The initial network construction phase is projected to cost \$15 million.

The original project began in 2012 and was restructured by the joint-powers board as a private cooperative, making it easier to finance and greatly lowering financial risk. As the project was refined, and the engineering and financial models revised, the total project cost

was reduced by over 30 percent. The RS Fiber project is funded through issued bonds and commercial loans.

The project is moving forward under the management of Hiawatha Broadband Communications. HBC is overseeing the design, development and construction of the fiber optic network, as well as day-to-day management duties. HBC is an experienced operator of similarly designed, rural fiber optic networks in 17 communities throughout southeastern Minnesota including Red Wing, Wabasha, Lewiston, Lake City, Plainview, Dover, Eyota and Elgin.

HBC's experience in developing rural fiber networks has helped the RS Fiber Broadband initiative gain momentum and successfully reach the groundbreaking stage. HBC's expertise has also helped create the most efficient project possible. Formed in 1997, the Winona, Minnesota-based HBC helps foster economic advancement in communities throughout Minnesota with fiber optic technology for television, Internet and telephone services.