

MISSOURI HIGH-SPEED INTERNET ACCESS TASKFORCE

Re: Additional testimony for the Public Hearing held in Sikeston, Missouri December 13, 2007.

Submitted by:

Jeff Holloway
5748 CR 290
Puxico, MO 63960

December 14, 2007

Day phone: 573-222-6402

Distinguished Members:

I first would like to extend my appreciation for allowing me to give my testimony at the hearing in Sikeston December 13th. As I stated, I had not planned to give testimony, but rather was in attendance to keep myself updated on the progress on rural broadband infrastructure in out state Missouri. While listening to the majority of the testimony being given to the Taskforce, I took notice that the main theme was how to deliver broadband and the prohibitive costs associated with this delivery, but no one was speaking to the matters of why to deliver broadband to these rural areas. I wholeheartedly support the need for this infrastructure and as a board member of a Rural Electric Cooperative; understand how costs can prohibit implementation of such resources. The reasoning for my input to the Taskforce actually is not associated with the 'how to', but rather addressing the 'why to' in achieving this goal. I feel that we must establish a needs assessment in order to leverage all our rural assets in order to justify these goals. Basically, we need broadband for more than just surfing the web.

I think we need to include the economics of new 'higher tech' jobs, employers with needs for bundling large amounts of data and telemedicine among other things to assure a higher quality of life for Rural Missourians. I believe this was the main thrust of the 1996 Rural Telecommunications Act, which goal is to let anyone enter any communications business and to let any communications business compete in any market against any other, to guarantee Rural Americans these communications resources just as the Rural Electrification Act guaranteed electricity to all Rural Americans. This said, I wish to include testimony to the Taskforce addressing some of the Economic Development aspects of this initiative.

During my oral testimony to the Taskforce I spoke of our USDA-Rural Development funded Feasibility Study that addressed two major areas for economic development in Rural SEMO; one area being Tourism and the other E-commerce and Internet Technologies. The grant was through the Rural Business Opportunity Grant program. The E-commerce portion of the study addressed many of the needs associated with the IT industry to include infrastructure, workforce training, facilities, prospective employers, loss of our young adults seeking higher paying jobs to urban areas, retirees with expertise in the field, quality of life issues, possible partnerships, financial leveraging and State and Federal Programs. Senator Shoemyer and Representative Dethrow asked if I could submit a copy of the study to my testimony and I believe that will be possible. The study was not copied to disc, but I have located an additional copy that I should have in my possession the week of December 17th. I will forward this to Mr. Dowell by mail at that time.

I was also asked how the project was moving. We had great momentum and achieved many things. Some of our Tourism projects are moving forward in a cooperative effort throughout Southeast Missouri communities. I personally feel one of the greatest achievements in the process was a cooperative effort by SBC/ATT in support of our project that speeded up their installation of DSL in Puxico and many other small communities in Southeast Missouri. Our project also led to Mingo Job Corp's Education Department and the Puxico R-8 School District upgrading their ITV (Distance Learning) capabilities and expansion of

their curriculum to include college accredited classes for our high school students. Many of the other areas that would have put people in jobs came to a slow down. I don't know whether we were ahead of our time in this situation, but fell unsuccessful in obtaining any other financial assistance to keep someone on the ground promoting the program. Applications to the Delta Regional Authority, Pathways to Collaboration Grant, the Gates Foundation and the State REAP program for small communities are among a few of the unsuccessful applications.

I am also including some attachments on the project that might help clarify how we went about building our community involvement and bringing our partnership agencies together. Attached is a letter ran in our local paper explaining to the public the process we were undertaking, the report from Three Rivers Community College/University of Missouri Outreach Department Telecommunications Meeting, and needs assessments of the Development Plan and Attracting Industry. We had over one hundred individuals attending eight visioning sessions during the study. The input and suggestions from this group of citizens are included in the Feasibility Study.

I commend those responsible for creating this Taskforce to investigate the topic of Rural High-Speed Internet Access. I urge those involved to keep pressing this issue because I believe this to be perfect timing. I say this for several reasons, but primarily because I don't think there could be a better opportunity to leverage our assets than the present. Some of this reasoning is the fact that the value of the U.S. dollar is down around the world and would assume that it will take more dollars to pay these high-tech workers in other countries. This should make the rates of pay in our rural areas more competitive with workers that pay local, state and federal taxes.

The Federal Government has a tele-work mandate requiring increasing numbers of federal employees to at least partially work from home. With infrastructure in place, rural Missourians could be a part in addressing this mandate. Several counties in Missouri meet the federal guidelines as a Federal Hub Zone. This provides federal contracting opportunities for qualified small businesses located in distressed areas. Again with high-speed infrastructure in place, I believe many new work-from-home jobs and businesses could be developed.

Our schools have been introducing our children to computer literacy throughout K-12 and are now producing a trainable high-tech workforce. Many of us that make up the generations that were not introduced to the computer age while in school sometimes have difficulty seeing or understanding these new fields which demand a new type of workforce, especially in our rural areas. Many times we are afraid of these unknowns and reject them simply for that reason. This should be part of the overall plan to educate we older citizens on the 'why' of the needs for broadband infrastructure. Many really do think that it is only to surf the web and have never really been shown any different. We have seen the age of manufacturing move from the cities to rural areas to overseas because of costs. During the past ten years we have seen the 'high-tech' jobs leave the cities and bypass our rural areas partly because of costs, but mainly for the fact that we lacked the infrastructure to accommodate the needs of this industry. We were left out of this age of job migration. This issue must be fully addressed.

Another area of advantage to leverage needs and funding in SEMO is the fact that the Eighth Congressional District is the 14th poorest district of the 435 nationally; demonstrating the need for higher paying, higher skilled jobs. There are twenty-eight Missouri Counties classed as economically distressed within the Delta Regional Authority. Twenty-six of these counties are of the twenty-eight that comprise Missouri's 8th District. One of the targets of the current DRA comprehensive economic development plan for the region is information technology and the information superhighway for business development and e-commerce with an emphasis on entrepreneurship. During a strategic planning retreat, the DRA board determined that one of the authority's three top policy priorities would be information technology and that increased information technology capacity and access will increase employment.

Income compared to the amount of transfer payments in many of our counties is a shame. Unemployment numbers are consistently higher in our rural counties. Currently there is a statewide Homeland Security grant being implemented to address the Emergency Management needs in the event of a disaster. One of the primary areas of focus is in the area of GIS/GPS Mapping. Whether through wireless or landline, this will require infrastructure that will handle bundling of large amounts of information to be useful. Where will the poorer counties fall in this project? Many of these counties tax base is so low that they do not yet have 911 systems.

One last comment that I wish to include is that many of the ideas that have shaped my work and thoughts in this area came from a project implemented in the late 1990's by the late Senator Paul Wellstone in Northeastern Minnesota. It encompassed a three county area utilizing vacant storefronts to begin with and supplying broadband to the small towns they were located in. This with the involvement of Junior Colleges for training has created a vast number of new jobs. It was called the True North Initiative. I urge the Taskforce to view their websites.

Rural High-Speed Internet Access is a very challenging and complicated matter, but a challenge we must all address for the livelihood, quality of life and wellbeing of Rural Missourians.

Again I thank the members of the Taskforce for allowing me to enter my testimony into the record on this very important issue.

Sincerely,

Jeffrey Holloway

Attachments

RURAL NEEDS TO ATTRACT MODERN INDUSTRIES

Introduction: January 2003

Name: Jeff Holloway

Position: Area Economic Coordinator

Business: UCS, Inc. (United Coordinating Services, Inc.)

PO Box 452

Puxico, MO 63960

Office: (573) 222-6402 Fax: (573) 222-6052

Project: Four Corners Development

Area: Portions of Stoddard, Wayne, Bollinger and Butler Counties.

The Four Corners Project I am currently working on basically evolved from being involved in areas of economic development on the local, county, and state levels over a period of several years. During those years I became aware of trends facing our state and nation, trends that have brought the closing of many of our primary employers. These trends have hurt all areas, urban and rural, but it seemed that the urban areas were able to rebound more quickly simply because of the presence of infrastructure and training needs necessary to adapt to the 'higher tech' types of jobs that were quickly replacing the 'smoke stack and apparel industries' moving abroad.

Today we find the trends happening again in these new 'Information Technologies' (IT) jobs being outsourced to countries abroad, while the rural areas are still battling for the infrastructure required to allow them to be a competitor in this job market...with trained rural workers that pay local, state, and federal taxes. From my research over the past few years I have written an RBOG (Rural Business Opportunity Grant) for our rural area to USDA-Rural Development. We were successful in receiving the grant, which targeted two primary areas to promote economic development, new jobs, and a higher quality of life for our residents.

One area brings our vast amount of natural resources into play...tourism potentials. The other area is the feasibility of ecommerce (IT) and other outsourcing opportunities, which require high-speed Internet capabilities. Our Feasibility Study is now complete and the results were no surprise to me. The findings were very positive that the potentials for drawing outsourcing contracts in an almost uncountable number

of potential new job creating businesses and entrepreneurial opportunities. We have commitments from Federal, State, County and Local agencies for the training of this potential workforce. Some such agencies committed to our project are:

- Mingo Job Corps, US Forestry
- Three Rivers Community College-Distance Learning Center
- University of Missouri
- University of Missouri Outreach & Extension
- SEMO State University
- Stoddard County Career Learning Center
- SEMO Workforce Investment Board
- Puxico Public Schools
- Administration Health Care Institute

With such training partners aligned, we now find ourselves ready to pursue the task of training this potential workforce and constructing a building to serve as a ‘Hub Building’ with high-speed communication capabilities or equipping vacant store front buildings with this communications capability.

We have found potential outsourcing contracts in areas such as:

- Medical Transcription
- Medical Coding
- Medical Billing
- Service Industry...Vehicle rental companies, product warranty service, 1-800 service operations, reservation service agencies, and our county is also designated as a Federal Hub Zone allowing advantages in acquiring Federal contracts and procurements.

*(Note...During this research we have found that even the State of Missouri’s Department of Family Services are currently outsourcing their 1-800 type service calls to India.)

This all said...we find our community without the primary ingredient necessary to bring this project together...access to Broadband. With the passage of the 1996 Telecommunications Act, one would assume that this would not and should not be the problem that would stop a project that will create such a positive influx of revenues into the system as ours would potentially create...to ultimately be its downfall. We find that DSL is offered by our phone company, but apparently only if the community is large enough to warrant the installation of the expensive equipment necessary to provide DSL. I have also met with the

City of Kennett and toured their recently installed wireless broadband system. Kennett has installed this system as a city utility. This may be a feasible avenue to address the problem, but is a hard sell in a rural community of less than 1200 population.

Now to jump back to the beginning, during the initial research of this project and how to direct existing human resources to obtain the desirable results to enhance a higher quality of life for our residents. Much of the initial information and ideas we have put together have been obtained by watching a project started in North Eastern Minnesota called the True North Initiative implemented by Senator Paul Wellstone. This project seems to be very successful in bringing a three county area, Community Colleges, vacant businesses, rural communities, training, and a workforce together. I have included some links to this project on the attachment page.

My conclusion is that the potential to revitalize our rural communities and to address the ‘brain drain’ we face as we see our young folks receive a higher education or technical training, then be forced to move to an urban area because their rural area does not offer the type of higher paying jobs they are entitled to...simply because of the lack of infrastructure...should be a sin; if it isn’t...and must be addressed soon. Hopefully this is beginning to be recognized at state levels as depicted in a recent study conducted by the Missouri Department of Economic Development. The study was broken down into Regional Profiles with a description of measures comprised of:

- Index of Economic Momentum
- Economic Share
- Economic Influence
- Target Industries

The following chart is the result of the Profile for the Bootheel Region out of 13 Regions statewide:

<u>Measure</u>	<u>Bootheel*</u>	<u>State Average</u>	<u>Regional Rank</u>
Population Growth since 1990	1.4%	9.1%	12
Poverty Rate--1999	20.4%	11.8%	13
Unemployment Rate--2001	7.2%	4.7%	13
Per Capita Income--2000	\$20,120	\$27,271	12
Per Capita Taxable Sales--2001	\$1,790	\$2,738	10
Economic Momentum	-1.08		
Economic Share	3.6%		
Economic Influence	-3.88		

*Highest rate of all regions

The Target Industry Recommendations for the Bootheel Region indicated that three industries; Concrete Products, Motor Vehicles, and Miscellaneous Equipment Rental and Leasing scored perfect scores. A deeper analysis of the top seven industries revealed the potential for future economic difficulties in the Bootheel Region. This indicated that the Bootheel Region is highly dependent on industries that are shrinking at the national level. In fact, this is true for 18 of the top 26 industries on the target scale for this region. Further, modern hybrid industries such as *Information Technologies* and *Life Science* score very low on the target scale, with the average scores around 40. These findings suggest that concerted efforts must be made to attract modern industries to this area and train the available workforce so these industries can be supported.

*Information taken from State of Missouri Consolidated Plan FY 2003-2007; 24 CFR Part 91.

Pages 146 & 147. Prepared by Missouri Department of Economic Development.

One last thought I would like to add is with broadband infrastructure throughout rural communities, we would be closer to a level playing field with urban areas in health care services available. With the advancement in the Telemedicine Fields, we would be able to receive a higher degree of medical evaluations, opinions, and treatments through broadband transmittals to specialists in the best and largest medical facilities...regardless of their location. Who knows, it might even keep medical treatment affordable if every small hospital didn't have to keep specialists in every field on staff?

Attachments

The following are pasted from Four Corners Development broiler plates.

1.

Puxico, Missouri is located in the eastern edge of the Ozarks in northwestern Stoddard County on State Highway 51, just 12 miles north of four-lane US Highway 60. It is seven miles from beautiful Lake Wappapello, next to nationally known Mingo National Wildlife Refuge and only about eight miles from Duck Creek Conservation Area. Puxico is located in one of the finest hunting and fishing areas in the country. Puxico has recently purchased 20 acres of land for an Industrial Park, which will make an improved location for facilities available for new businesses in the city.

Puxico City is declared a distressed area by the State of Missouri and is able to offer benefits to prospective employers. Puxico is fairly isolated from the rest of the cities in the county by distance. The median age of the residents is considerably higher than the county and median income is considerably lower. 2000 Median Household Income for Puxico is \$20,900. This is 55% of the state average and 77.4% of the average for Stoddard County. Less than 29% of the residents work in their hometown. Creating jobs and business opportunities requiring higher degrees of skills and training as well as promoting tourism will increase the quality and number of jobs locally available.

Creating job and business opportunities requiring higher degrees of skills and training as well as promoting tourism will increase the quality and number of jobs locally available. These needs will be addressed through feasibility studies and local planning, followed with immediate actions creating higher career potentials than those that presently exist. Positive adjustments to the above statistics will bring our area closer to the standard of living experienced throughout the rest of our county and state.

An exploration will be made for opportunities to stimulate existing businesses and create a niche for other businesses to develop in the area. Efforts will be made to utilize and develop additional resources for economic development. Puxico is already home to small e-commerce businesses. Several recent retirees with knowledge of e-commerce and contacts within the industry will offer their resources to study the expansion of this industry to utilize a captive labor force. This labor force will consist, in part, of retirees who want to lead a useful and productive life while residing in a high 'quality of life' area. The impetus gained from these seasoned and experienced workers is intended to create opportunities for younger residents to find professional employment in this rural area. The City of Puxico and the Puxico Improvement Corporation have an excellent track record of providing assistance to local businesses, with limited resources of time and funding.

We will begin the process of creating the job and entrepreneurial opportunities necessary to retain our younger population with jobs that require higher levels of skills and education as well as the opportunity to enter into the small business sector. In creating an atmosphere that requires higher technical skills for job placement, we can more fully realize the benefits of our areas existing university, junior college, and technical training facilities. Past demographics show that we do not have the types of jobs in this rural area to hold the portion of our population that receive higher education and technical training. This directly affects the core of our standard of living by the continual migration of those that have the potential of higher incomes to larger metropolitan areas. This trend is creating a "vacuum effect" in many areas of our economy, including the ability of the remaining workforce to keep up with the local tax needs to maintain our current standard of living. We are rapidly turning into a "bedroom

community” which will require retirees to carry the majority of the burden of these tax needs to at least maintain our current living standard. We feel that the “bedroom community” aspect can be beneficial to all by exploiting our many natural assets and resources by also developing and expanding the tourism industry to attract these types of people as well as creating new jobs and entrepreneurial opportunities.

The project will also provide opportunities to assist entrepreneurs to become Federal Hub Zone compliant in pursuing federal contracts and procurements. We will also link to the newly developed Stoddard County Career Learning Center for training in higher technical fields, interactive communications technologies, and leadership development training for prospective rural entrepreneurs, managers, and workforce.

The opportunity is also present to create an immediately available workforce with existing skills, with minimal training that can fill job slots created through government and business outsourcing contracts. This ready workforce we have found available is the area retirees of the teaching profession. In surveying this section of the workforce, we find many very interested in part time and full time employment. This would generate additional income for this sector as well as a reasonable prospect that many would actually become rural entrepreneurs and managers. This would eventually create a business environment that could entice teachers to move into retirement when eligible, and open teaching slots for those entering the profession.

The new jobs created will not be solely or explicitly for the teaching profession, but this profession is used to establish the fact that although present demographics may not reflect an existing workforce available, this group is available and growing on a yearly basis. The longer-range hopes will also create the need for graduates of area higher education institutions in the computer science and business fields.

Needs are: Training in higher technical fields, interactive communications technologies, infrastructure, funding, and leadership development training for prospective rural entrepreneurs, managers, and workforce.

Attachments

2.

The following are links to the True North Initiative.

<http://www.truenorth.mnscu.edu/activities.html>

<http://www.doitmn.com/index2.html>

<http://www.truenorth.mnscu.edu/>

<http://www.irrb.org/http://www.mdcinc.org/rcci>

<http://www.truenorth.mnscu.edu/mission.html>

<http://www.doitmn.com/index2.html>

<http://www.mdcinc.org/rcci/philosophy.htm>

<http://www.nettrainingu.com/>

<http://www.tip.mnscu.edu/>

<http://www.nettrainingu.com/network.htm>

<http://www.ruralpolicyforum.org/mnsummit2002/>

http://www.ruralpolicyforum.org/mnsummit2002/online_resources.htm

<http://cbdd.wsu.edu/Digital.Pathways/TrueNorthpressrelease.rtf>

<http://www.mdcinc.org/rcci>

Attachments

3.

From: Toni Kistner [TKistner@nww.com]

Sent: Tuesday, January 15, 2002 10:08 AM

To: Jeff Holloway (E-mail)

Subject: rural news from wash st.

College of Agriculture & Home Economics

SOURCE CONTACTS:

Dee Christensen -- 360/956-2024 (Work) 360/951-4633 (Home)

November 7, 2001

FOR IMMEDIATE RELEASE

Grant to Help Bring Telework Jobs to Rural Washington

PULLMAN, Wash. -- A \$514,000 grant from the Fund for Rural America to the Washington State University Energy Program will help solve employment problems in rural Washington communities and also provide benefits to employers in metropolitan areas.

The two-year grant will allow WSU to help establish telework jobs in three rural areas of the state -- Okanogan County, the town of Forks in Clallam County, and the northeastern corner of the state (Ferry, Pend Oreille and Stevens counties and Deer Park.)

The areas were selected because they have struggling natural resource-based economies, high unemployment, low-wage jobs and an out-migration of young adults. The areas also have strong local teams working to improve their telecommunications infrastructure and find ways to strengthen their economy.

"In our information-based economy, more and more jobs can be done away from the central office," says Dee Christensen, telecommunications unit manager. "The goal of WSU's Rural Telework Project is to demonstrate that many of these jobs can be accomplished effectively from rural areas resulting in benefits for rural communities and urban employers alike, Christensen said.

"Many urban businesses suffer from high real estate costs and traffic congestion problems that negatively impact worker productivity. These problems are forcing some urban businesses to consider relocation or growth outside the urban cores."

Christensen describes the rural telework project a win-win strategy for rural communities and urban employers. "It brings badly needed jobs to rural communities," she said. "At the same time it provides urban employers with a lower operating cost. They save on reduced turnover, facilities expenses, lower utility costs, and wages, while getting skilled employees who have a strong work ethic."

You might even say the project is one for the best of times and for the worst of times. When the economy is booming, urban employers have difficulty finding enough workers. When the

economy is sliding, businesses have an even stronger incentive to reduce costs.

WSU will use the grant to bring urban employers together with rural citizens who are interested in telework. Christensen says WSU will seek three to six employers who will participate in the project and hopes to help create 20 to 40 jobs.

Washington Dental Service will be the first employer to participate in the rural telework project. WDS announced earlier this week that it will establish 30 new jobs in Colville by the second quarter of 2002. The Rural Telework Project is preparing rural communities to be ready to respond when companies like WDS look for a site to expand their operations.

Christensen says rural telework is effective for a broad range of jobs, especially for "knowledge" or "information" workers. Possibilities include data managers, medical transcriptionists, software programmers, project managers, writers, claims adjusters, reservationists, and many back-office functions.

The university will help establish working relationships between target communities and urban employers, identify necessary job skills for telework, and work with community teams and employers to identify qualified applicants and job-specific training needs. The project also includes a research component to measure impacts and document lessons learned.

Although the use of telework may not have grown as rapidly as projected, the number of teleworkers continues to steadily increase. The International Telework Association and Council report the number of teleworkers in the United States jumped from 19.6 million in October 1999, to 23.6 million in October 2001 and could reach 30 million by 2004. In Washington, 34 percent of urban employers have telework programs and have made the cultural and business practice changes necessary for telework to succeed.

The USDA grant continues WSU's rural telework activities begun earlier this year with funding from the Washington State Office of Trade and Economic Development, U.S. Forest Service and Washington Mutual Foundation.

For more information contact Christensen at (360) 956-2024 or christensend@energy.wsu.edu.

- 30 -

Terence L. Day -- 509/335-2806 (Work)
terence@wsu.edu -- 509/334-1619 (Home)

Toni Kistner
Managing editor, Net.Worker
Tying Teleworkers to the Enterprise
www.nwfusion.com/net.worker
207-878-8246
tkistner@nww.com
Mailing address:
1164 Washington Avenue
Portland, ME 04103
Network World, The Leader in Network Knowledge
For networking news & info: www.nwfusion.com
Find out about Network World: www.networkworld.com

Attachments

4. The following list are the areas defined most important by those attending the seven community visioning sessions.

TOURISM

- Promote Agri-tourism
- Restoring old buildings
- Develop the Depot as a historic museum
- Build a motel
- Upgrade and beautify Main Street
- Improve Highway 51
- Promote Mingo Tours Auto/Bus/Historical/Civil War theme
- County Bicycle tour
- Promote Puxico as the 'Gateway to Mingo and Wappapello"
- Puxico walking tour
- Local festivals

SOCIAL IMPROVEMENT

- New building for Senior Center
- Improve Veterans Park for festivals, and use as community center
- Purchase/build a building for adult learning center
- Cultivate the culture of the area/region

ECONOMIC IMPROVEMENT

- Speculative building in industrial park for area career center
- Create higher skilled, higher paying jobs
- Support the growth of local businesses
- More jobs, better pay to retain young people
- Business Recruitment
- Improve infrastructure
- Improve Highway 51
- Cultivate the culture of the area/region
- Promote, market, advertise, take advantage of existing resources

PHYSICAL IMPROVEMENTS

- Downtown Revitalization, Lighting, Sidewalks
- Build a motel
- Beautification, Yard of the month
- Action Committee
- Volunteer clean up days in conjunction with a cookout
- Make Highway 51 a 'Super 2'
- Research and exploit fund raising opportunities.

7/17/02

Re: Puxico Area Development Plan

Letter to the editor:

The following is an attempt to bring the citizens of our community and region up to date on a process we will for the present call the Puxico Area Development Plan. By design, we would also hope that those who at one time or another have been part of the community or still have friends or relatives in the area would also take part in the process.

The perception of this plan began over one year ago with a group of people getting together tossing around ideas in regards to the future of our community. The most common denominators seemed to be the fact that for existing businesses to survive, cash flow was one of the primary areas that needed to be targeted, with the indirect effects being the resulting tax base for a healthy city government and infrastructure. It was agreed upon that our existing businesses should be the first priority and to investigate ways to improve their situation. Next all were in agreement that the community needed more jobs and business opportunities, especially in areas that would address the outmigration of our younger population with the types of employment that would allow them to stay "at home" if they chose to do so, but maintain a high quality of life. The other area considered crucial to our community remaining healthy was the importance our retirees and senior citizens play, not only in the future, but also in keeping the heritage of our community alive and well.

These being agreed upon as some of the areas that could most directly have positive effects on the future of the community of Puxico, the group began outlining such things as: natural and human assets, demographics, infrastructure, and areas of opportunity that were once totally out of the question for rural areas, made possible through the advancement of the "high tech" age we now live in. The end result of these "brainstorming sessions" were the considerations of the many natural assets we have in place in the areas of recreation and nature study in an approximate fifteen mile radius of Puxico and the amount of visitors each brings to the area on a yearly basis. It was determined that this existing flow of visitors through our community to and from these points of interest warrant consideration in response to the areas determined important to our community's future.

The other area defined as a possibility was job creation. We found that the trends set forth by both the State and Federal Government are not toward the manufacturing industries now, but more geared to the "high tech, e-commerce" types of employers. This being the case, the group felt that with the partnerships existing for training; the Puxico School System, Mingo Job Corps, Three Rivers Community College, SEMO State University's outreach program, Stoddard County Development Foundation, Stoddard County Industrial Development Authority, and various Workforce Investment Training Sites of the area, make the possibility of jobs that were once out of reach to us something now worth consideration.

Since the terms "high tech and e-commerce" can take on so many meanings the group has considered using the following definitions for those terms as well as one for tourism and the recreational aspects earlier determined.

"HIGH-TECH JOBS" refers to the latest advancements in computers and electronics as well as to the social and political environment and consequences created by such machines.

"E-COMMERCE (Electronic-Commerce)" refers to doing business online, typically via the Web.

“E-commerce” may also refer to electronic data interchange (EDI), in which one company's computer queries and transmits purchase orders to another company's computer.

“TOURISM” refers to the practice of traveling for recreation; the guidance or management of tourists; the promotion or encouragement of touring; or the accommodation of tourists.

Once the group had reached this point, it was decided to research possible government programs that could fund a means to further investigate the possibilities of tourism, high tech jobs, and other potential job markets. The Puxico Improvement Corporation and the City of Puxico were then approached as possible sponsors for such a proposal. Each group was in full support of the proposal and the grant writing process began. While this process moved forward, the Improvement Corporation applied for and received its 501(c) 3 classification from the IRS, which should add some benefit to future business and investment possibilities.

The type of grant applied for was a Rural Business Opportunity Grant (RBOG). The city ended up being the applicant and a steering committee was appointed by the board of aldermen comprised of two aldermen and five members of the Puxico Improvement Corporation to oversee the process. The city was successful in receiving the grant for a feasibility study and a position for a coordinator. The grant is funded 100% by Federal USDA-Rural Development funds. The community should feel very proud to be selected for this funding. Our application was one in only forty-three nation wide funded and ranked second in the State of Missouri.

The proposals for the positions for a feasibility study contractor and coordinator are now in to the city and the steering committee has decided to sponsor community-visioning sessions beginning in early September. We are currently getting the web site for the Stoddard County IDA set up with a link to the Puxico Development Project. Our intentions are to host the visioning sessions locally and post findings on the site with the availability to add comments via the Internet for those who are unable to attend the meetings as well as those living out of the area with interests and input. The SCIDA website is: <http://www.idasc.com> The site should be open for comment prior to the sessions beginning within the next few days.

One last thing currently underway which will support the tourism aspect is an Oral History Project sponsored by the Mingo National Wildlife Refuge and the Mingo Swamp Friends. The interviews are beginning this week at the Visitors Center on the Refuge. Interviews will be conducted through the week of Homecoming. During “Homecoming Week” interviews will be in the old Luke Smith building on Main Street. They will be doing video interviews with those interested with information (stories) on prior and post Refuge days and the surrounding area. Those interviewed will receive a free copy of the interview. For information you may contact Mollie Mehl, Public Use Specialist or Monica Bishop at MFWS at (573) 222-3589.

I feel we are about to begin something that will have a very positive impact on the course set by the community. I would like to invite input from all into the visioning sessions and oral interviews, whether Puxico is now home, once was home, or a combination of both. Everyone's ideas and input will be critical to the success of the overall project.

Sincerely,

Jeff Holloway

Puxico Area Development Plan

Puxico Areas Best Opportunities for Regional Development

Feasibility Study

- 1) The Puxico Area Development Plan Program is a one-time feasibility analysis of the capacity of the Puxico region to support innovative, high-tech businesses and expand its role in the myriad of recreational and tourism opportunities in the area. The findings of the study will be a guide for the citizens of the area to bolster the economy of the area and develop their considerable resources
- 2) The major focus of the study will be for the City of Puxico and the surrounding area, which will include portions of Stoddard, Wayne, Butler and Bollinger counties. Focus for the e-commerce and other business development portions of the study will concentrate on the Puxico area. Recreational investigation will cover the areas of Mingo, Wappapello and a number of other areas in an approximately 15-mile radius, which will offer tourism and recreational development activities.
- 3) Those involved in the planning of this project are the City of Puxico, Friends of Mingo, the Puxico Improvement Corporation, Mingo Job Corps, Corps of Engineers, Missouri Department of Conservation, Federal Fish and Wildlife Service, Stoddard Countians in Action and Stoddard County Industrial Development Authority. Each will have input as to the needs for the systematic development of the area for tourism, e-commerce and other business opportunities that will be identified.
- 4) The purpose of the proposed feasibility study will be to determine how to capitalize on resources that are already in existence and utilize them to the fullest. With the results from the study, a plan can be implemented that will increase the employment and economic base of the area; creating new jobs and bringing additional capital into the area.
- 5) No particular business has been identified as selected for assistance. Instead, an exploration will be made of the opportunities to develop an already increasing market for the tourism industry to add opportunities to the existing businesses and create a niche for other businesses to develop in the area to utilize and develop additional

resources for economic development. Puxico is already home to small e-commerce businesses and several recent retirees with knowledge of the industry and contacts within the industry will offer their resources to study the expansion of this industry to utilize a captive labor force. This labor force will consist, in part, of retirees who want to lead a useful and productive life while residing in a high 'quality of life' area. The impetus gained from these seasoned and experienced workers is intended to create opportunities for younger residents to find professional employment in this rural area.

- 6) The feasibility study request is specifically targeted to identifying the businesses, areas and major focus of the impending project. It is assumed that the target area for the expansion of e-commerce and other identified businesses will be Puxico and the immediate area and that the area for the tourism promotion will be determined by the feasibility study.
- 7) As the feasibility study is being written, a review of draft materials will be made by the Coordinator and reports given to the City and Steering Committee. The Coordinator, City, and Steering Committee will study the final product. The findings will be implemented as time and funding allow.

Puxico Telecommunications Meeting
December 11, 2002
10:30 a.m.
Puxico City Hall

Attendees

Sue Tippen, Stoddard Co. IDA, PO Box 625 Bloomfield, MO
Peter Coutavas, Puxico Mayor, PB 441, Puxico, MO
Delietha Smith, 19390 State Hwy 51, Puxico, MO
Norman Ogles, Alderman, PO Box 441, Puxico, MO
Jeff Holloway, Puxico Area Economic Coordinator, 57489 CR 290, Puxico, MO
Julian Steiner, Missouri Enterprise, SEMO, M5 6800, Cape Girardeau, MO 63701
Gary Capps, Stoddard Co. IDA, P) Box 625, Bloomfield, MO 63825
Don McRoy, Tech. Puxico R-8 School District, 481 N. Bedford, Puxico, MO 63960
Jerry Hobbs, Super. Puxico R-8 School District, 481 N. Bedford, Puxico, MO
Don Riggle, Director Mingo Job Corps. Puxico, MO
Van Ayers, UOE, Bloomfield, MO
Judy Moss, UOE-PB-TCRC, 202 Tinnin Center, 2080 TR blvd. Poplar Bluff, MO 63901
Kevin Anderson, UOE-PB-TCRC

Situation

The city of Puxico in conjunction with Mingo Job Corps, Missouri Enterprise, Stoddard County IDA and the R-8 School District met with University of Missouri Outreach (UOE) specialists to explore the possibilities of connecting the Puxico area to high speed Internet. With the high-speed Internet connection, it would be possible for Puxico to offer credit and non-credit classes, meetings and consultations, computer and professional certification training, and other significant programs over an interactive television system (ITV).

Puxico Economic Coordinator, Jeff Holloway, indicated BJC (St. Louis) and several larger out of state corporations were interested in out-sourcing their medical transcription needs as well as other service and processing areas not associated with the medical field. These companies have expressed they would entertain a proposal from Puxico if the infrastructure and technical abilities were there. Jerry Hobbs from the R-8 School District has the ITV system in-place but wants to connect to a system that will allow the school to receive dual credit courses from Three Rivers Community College (TRCC) and others. Don Riggle from the Mingo Job Corps has a system that connects with the federal government through a T-1 line connect with Texas. Don would like the capability of connecting to TRCC for the training of his clients/students and personnel.

Existing Facilities

Dr. Van Ayers, Jeff Holloway, Gary Capps, Sue Tippen, Kevin Anderson, and Judy Moss toured the Mingo Job Corp and the R-8 School District. The existing connections and the information on each site toured will be discussed.

Mingo Job Corp. – The facility is located on 66 acres of land just south and west of Puxico. Mingo Job Corp is part of the Job Corp federal training network created by the 1998 Workforce Re-investment Act. It is administered by the Department of Labor. A tour of the networked facility indicated a T-1 connection in the south end of the main computer training room with a computer, camera, and projector. This T-1 connection was a direct-connect to the Job Corp main office in Texas and had a firewall to protect the information that was transmitted. After discussion with the technicians it was apparent there were more T-1 lines installed, however identification of the connection sites requires further exploration.

Mingo has a memorandum of agreement (MOU) with R-8 School District to provide courses for the Mingo clients. That MOU provides a part-time principle and two instructors that are housed in the Mingo facility. Mingo also partners with the Workforce Investment Board (WIB) to utilize the re-training and displaced worker funds.

R-8 School District. – The district has an agreement with the Southeast Missouri Consortium to deliver and receive classes in their present well-equipped ITV room. Those classes are conducted over the present T-1 line that exists within the ITV room. However, a second T-1 line exists for the computer network. The district is connected through the MOREnet statewide area network (WAN). Mr. Anderson observed that his research of the MOREnet site had indicated the total usage by R-8 was about 1/3 of their capacity on one T-1 line, which allows 2/3 of a T-1, and a 100% capacity on the other T-1 line.

ECommerce – Demographics of the Stoddard County area indicate the unemployment, per capita income, single-parent families, and literacy levels are all significant. Re-training is necessary for the citizens of the county to continue to live in the area. The economic viability of Stoddard County depends on significant and sufficient job growth. Planning for development of a networked billing facility to employ a significant number of workers has begun, however, the contracts are ready for negotiation and it may be necessary to set up a temporary facility. Ultimately the facility will be housed in a HUB building served by a dedicated T-1 line to that facility.

Technical expertise is necessary; therefore, a temporary training program must be initiated. Several options are available such as; computer training on-site in either R-8 or Mingo existing computer classrooms, training from the home office of the contracting company over the ITV, busing to TRCC classrooms, or install a satellite and run a local area network (LAN) over the microwave. Mr. Holloway indicated local companies had offered workspace and the satellite for this type of project.

Immediate Solutions

There are no easy solutions, but with careful evaluation of the present facilities it may be possible to implement a temporary process for training with the existing network.. The exiting connections at the R-8 School District and the Mingo Job Corp will allow limited training to begin.

1. R-8 School District join the TRENDnet school-to-school network to allow interconnection between the school districts and receive college dual credit programming. Mr. Anderson advised Mr. McRoy of the procedure to join and what the ITV room would need to be compatible with the existing TRENDnet system.
2. Mingo should evaluate the existing connections and determine if they have more than one T-1 connection. If they have another connection forget the federal connection, keep it dedicated to the Job Corp, and use the other T-1 line for receiving classes from TRCC and other secondary education institutions. Several thousand dollars must be allowed to remodel the ITV room and buy equipment even in a short-term situation.
3. Mingo and R-8 have an MOA, Mingo can piggyback with R-8 over MOREnet to transmit and receive educational programs. Utilize the MOA as an arm of the school district.
4. Fiber optic is available within a mile of Puxico and could be transmitted over the existing electric lines. At this time the electric cooperative will not agree to work this out with Puxico however it remains a viable alternative with further negotiations. Mr. Capps indicated he might have an idea on implementation.
5. The public library has a connection but there was no other information available. Perhaps the connection and its capabilities should be investigated for viability as a training site.

Long-term Goals

In the long-term the city of Puxico, Mingo Job Corps, and the R-8 School District want the distance learning capabilities of a sophisticated, technically prepared and well integrated city. Long range plans to promote the educational capabilities of the citizens are necessary to sustain the population and improve the economic viability of the area.

Long Range Plans - eCommerce is the future of Puxico. Funding for the construction of a Hub building to house the ECommerce project is necessary. Mr. Holloway and Julian Steiner of MO Enterprise are actively looking for funding for the building. A partnership with the Mingo Job Corps, R-8 School District, and the city of Puxico is necessary to develop the technical expertise of the workers that will meet the

requirements of the contracting companies. With a partnership in-place, Mingo will be able to move a percentage of Mingo students into the ECommerce workforce, therefore guaranteeing their students job opportunity.

Summary

In summary the group agreed that some infrastructure was already present and with a minimum of effort R-8's educational needs could be met. Mingo did not have a sufficient ITV system to implement an efficient distance-learning program. However, with some modifications and significant amount of capitol the system could be up and running within a short time. ECommerce was available to the citizens of the area and it is necessary to train those citizens technologically. The City of Puxico is ready and willing to work with any project that will benefit the community. Puxico is anxious to procure a local area network (LAN) that will meet the needs of the entire community.