

Background Notes from the Mayor's Desk - March 2018

What is the latest news on the Broadband Project?

In the January 2018 "Background Notes" article, I wrote that Council would be making a decision in January about proceeding with the "Town owned Public Option", or looking further into having a private company provide improved broadband service. Council wanted every member of Council in attendance for this very important decision and there have been some meetings without everyone in attendance. In addition, staff have been looking further into ideas that would reduce the debenture debt borrowing if we went ahead with the "Town-owned" option. On March 12th, Council will review the latest information about this project. In addition to the "Public Town-owned" option and the "Private" option, staff will be presenting a third "Public, Private Partnership" option. Council will review the pros and cons of each option. There will then be the opportunity to direct Administration to move ahead with one, or more of these choices.

I'm sure there is frustration with the delay in moving ahead with this project. I know there is frustration on Council. This project has been a "moving target" since 2014, as more and more details come to be known, and more questions come forward that are in need of study to get answers. We could make a decision now, without all the information coming before us, and in doing so we may very well miss an opportunity to subsidize taxes in the future. A rushed decision now may also leave future Councils and ratepayers with debt because we "rushed to failure" on this project.

When the idea of improving broadband service in Sundre came up in 2014, little was known about how to accomplish that goal. No private company was willing to invest in Sundre to improve broadband service. Council at the time allocated money to investigate the possibility of "doing it ourselves." A consultant was hired, a community committee was struck, the results from the consultant report were presented to the committee, and to Council. The bottom line in the report was a cost of between \$5-6 million for an underground deployment. Council sent staff back to the drawing board and asked for a better and cheaper plan. The staff did a great job and came back with a 2-phase plan with both overhead and underground deployment, at an estimated cost of just about \$3 million.

Public presentations were held and a survey was done asking the public whether there was support for a "Town-owned" option to improve broadband – and 60% said they preferred the idea of a "Town-owned" option. There was strong concern that taxpayers not get saddled with debt from this project. Meanwhile, we still had no private company interested in being in partnership with the Town to improve service.

Then we had an election, and four new Council members joined Council, and we had a private company give a presentation saying they would be interested in investing in Sundre to provide improved broadband service. We also reviewed our 5-year Capital Plan with some serious debenture debt borrowing plans to do necessary projects – and debt for a broadband project may affect our ability to do some of those Capital Projects. Council has asked Administration to take another look at options where we don't use so much debenture debt borrowing to do those Capital Projects.

Yes, this is a long and somewhat complicated story about how "everything is connected."

The Broadband project details keep evolving, and that decision cannot be made in isolation. On March 12th, Council will have the latest information presented about Broadband options, and decide about the next steps. Everyone is certainly welcome to attend that meeting. All Councillors are happy to talk with anyone who has questions, suggestions or advice.

As always, please call me at 403-559-7352 if you would like to talk further about the information above, or any other matter.

Terry Leslie, Mayor