

June 23, 2020

Under Council's Strategic Plan, Strategic Priority 1. Sustainable Governance - Goal 1.1 Improve communication and transparency with our stakeholders, and Strategic Priority 3. Community Well-being - Goal 3.3 – Continue to work with and value community groups, Administration has provided the following in regard to Council's review of the Departmental Reports for May (*see Regular Council Meeting Agenda, June 22<sup>nd</sup>, 2020*), and at Council's direction posted to the Town's website.

#### Operations:

Was the pump for Well #5 installed and operational in the timeline stated in the report?

Yes, however the censor that starts and stops the pumps has been delayed due to COVID, we are expecting it to be installed this week.

May report states that Operations is reviewing costs and priorities to repair roads, will this priority listing be ready for Council workshop in July?

Yes, the report has been completed and will be a topic for discussion at the workshop.

Was more than the normal amount of line painting done?

Yes, we added the Third Street N.E. crosswalk for the school. There are a few minor corrections, but we will address those in the very near future.

#### Community Services

What information will be included in the assessment report on the arena that is mentioned? Is there an approximate time frame on the date Council will receive this report?

The review will likely include the following:

- Building Structural (incl. engineered wood structure)
- Building Exterior
- Building Interior
- Mechanical Systems
- Electrical Systems
- Refrigeration

#### Memorial Park?

Council had questions on the Memorial Park. Administration has had an opportunity to meet with Bev Hallett to discuss the project. To clarify, the intent is to involve the community as much as possible. The Palliative Care Association will be managing the funds (donations) for this project. Anyone wanting to participate through purchasing trees, benches, etc. will be provided with a receipt by the Palliative Care Association. The group would like to get the first phase of the project started as soon as possible with the path and some planting.

They have discussed calling the project a Memory Park rather than a Memorial Park as it is less formal. They believe calling it a garden would imply flowers when the intent is mostly for trees and shrubs. This area is meant to be a quiet space for meditation and remembering loved ones.

We discussed setting up a webpage for updates to keep the community informed.

#### Economic Development

Can the report that was provided to Administration on the broadband project history please be circulated to council?

See attached report.

## Project Tombstone Information

### Project Title

MUNICIPAL BROADBAND FIBRE OPTIC NETWORK

### Brief Project Description

#### Background:

Since 2015, the Town of Sundre has been pursuing an investment into a broadband fibre optic network. In 2017, the Town completed an extensive market demand study, finding that about 60% of respondents would have switched to the network. In total, about 75% of respondents supported the effort of the Town to pursue such a network. In 2018, Sundre Town Council chose to pursue an investment partnership with a third-party private partner, versus investing into the entire network itself.

#### Project Options:

There are two operational models that may be achieved through support provided via this funding request. Either model could further be supported by the Federal Government's CRTC Universal Broadband Fund, for which two Alberta-based private internet service providers (ISPs) that the Town has been working closely with have submitted applications. The two ISPs are CCI Wireless of Calgary, and O-Net of Olds.

Operational Model A – Town owns the dark-fibre network outright and sells access to the network to a private ISP partner:

- This model would re-open the model that was pursued until 2018, and for which an economic feasibility analysis has already been completed. Town would own the network as a major asset, while outsourcing the operations and maintenance of it.

Operational Model B – Town provides financial support to private partner and operator, without ownership stake, but generates long-term revenue:

- This model would see one of the private ISPs that the Town is currently working with own and operate the network, while generating a long-term revenue stream for the municipality. In this situation, the funding support would enable the private ISP to deploy with much reduced risk, and the Town to maintain greater leverage in its revenue-generation negotiations.
- The Town would incorporate legal requirements embedded into the contract that guarantees it access to the downstream revenue in perpetuity, regardless of ownership of the infrastructure.

### Ultimate Recipient

Name	TOWN OF SUNDRE
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Type	MUNICIPALITY
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### Project Finances

#### Sources of Funds

Are sources of funding secured for the total project costs?	NO; by means of this application, we hope to close any gap in funding.
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<i>If no, provide explanation.</i>	PRIVATE PROVIDER WAITING FOR CONTRIBUTION THROUGH CRTC UNIVERSAL BROADBAND FUND
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Source	Amount (\$)
Total Project Costs (approx.)	\$3,500,000
<b>Provincial Contribution (through this request)</b>	<b>\$1,500,000</b>
Town of Sundre Contribution	\$1,000,000
Other Contribution	

Private Partner	\$500,000 (estimated)								
Other Federal Contribution ( <i>Specify source, one row for each source, e.g. Gas Tax Fund</i> )									
CRTC Universal Broadband Fund	\$500,000 (estimated)								
<b>Fiscal Year Breakdown – Provincial contribution (April 1 to March 31)</b>									
2019-20		2024-25							
2020-21	\$1,500,000	2025-26							
2021-22		2026-27							
2022-23		2027-28							
2023-24									
<b>Project Implementation Details</b>									
<b>Nature of the Project</b> ( <i>indicate % for each relevant type</i> )									
100%	New								
%	Rehabilitation								
%	Expansion								
%	Other ( <i>provide explanation</i> )								
<b>Asset Ownership</b>									
Will the Ultimate Recipient own and operate the asset?			NO						
<i>If No, provide additional information:</i>									
<p>Should additional funding support be granted via this request, the Town may have the opportunity to become an outright owner of the infrastructure with the private service provider as indicated in the project description brief above. In this situation, the Town would NOT be an operator (merely an owner), meaning operations would be outsourced to the private partner. This would allow for the Town of Sundre to both earn a financial return on the investment, as well as own the strategic infrastructure asset while not being burdened as an operator.</p> <p>NOTE: The complete deployment design has been completed by the private partners the Town has been working in collaboration with. The project is shovel ready.</p>									
<b>Location</b>									
Province/Territory	ALBERTA								
Municipality	SUNDRE								
<b>Indicate the percentage of design completed</b>									
<input type="checkbox"/>	not started	<input type="checkbox"/>	up to 25%	<input type="checkbox"/>	26-50%	<input type="checkbox"/>	51-75%	<input checked="" type="checkbox"/>	76-100%
<b>Construction Dates (DD, MM, YYYY)</b>									
Forecasted Construction Start Date				01, 10, 2020 (dependent on receipt of CRTC and/or provincial support)					

Forecasted Construction End Date	30, 09, 2021
<b>Procurement</b>	
Will a sole source procurement be used?	YES, the project deployment will be managed and completed by either one of the successful private service providers that the Town intends on partnering with.
Contract #1	CCI WIRELESS (Partner Option 1)
Contract #2	O-NET (Partner Option 2)
<b>Risks and Mitigation Strategies</b>	
<b>Project Complexity (select all that apply)</b>	<b>Description and Mitigation Strategies</b>
<input type="checkbox"/> Remote Geographical location <input type="checkbox"/> Unpredictable weather <input type="checkbox"/> Innovative Project/Technologies <input type="checkbox"/> Technical nature of the project <input type="checkbox"/> Interdependencies between phases <input checked="" type="checkbox"/> Other (describe) <input type="checkbox"/> No risk identified	<p><i>Based on the fact the ground in Sundre is made up of pit-run, deploying underground may be more difficult. For this, an aerial deployment on utility poles would be possible for much of the geographic area of the town, though coordination with Fortis will be required.</i></p>
<b>Project Readiness (select all that apply)</b>	<b>Description and Mitigation Strategies</b>
<input type="checkbox"/> Project site hasn't been finalized <input type="checkbox"/> Land hasn't been acquired <input type="checkbox"/> Potential issues with permits or authorizations (federal, provincial, territorial and municipal) <input type="checkbox"/> Industry supply may not be able to meet demand <input checked="" type="checkbox"/> Non-federal sources of funding are not secured for the entire project cost <input checked="" type="checkbox"/> Other (describe) <input type="checkbox"/> No risk identified	<p><i>The project has completed at least 5 years of preparatory work, including market demand study, economic feasibility analysis, and recruitment of a private service provider. We are well prepared to put shovels in the ground.</i></p> <p><i>Complete funding has been sought through the CRTC Universal Broadband Fund; receipt of funds from this program is not guaranteed. To ensure the program is successful, and to help the Municipality be in as advantageous a position as possible, funding from the province would help guarantee the project's success (regardless of the CRTC grant decision).</i></p>
<b>Public Sensitivity (select all that apply)</b>	<b>Description and Mitigation Strategies</b>
<input checked="" type="checkbox"/> The project has received positive media attention <input type="checkbox"/> The project has received negative media attention <input checked="" type="checkbox"/> Certain stakeholders have been vocal about the project <input type="checkbox"/> Other (describe) <input checked="" type="checkbox"/> No risk identified	<p><i>The community at large has indicated they support the implementation of a public broadband network; around 75% of the respondents of a 2017 market demand study supported the initiative, with about 60% saying they would switch to the service once their existing service contracts ended (meaning typically within two years of deployment). All stakeholders, including the business community, industry groups, and residents, have indicated a massive need for broadband fibre optics and telecommunications improvements to remain competitive as a community.</i></p>

Ultimate Recipient Risk <i>(select all that apply)</i>	Description and Mitigation Strategies
<input type="checkbox"/> The Ultimate Recipient does not have experience with this type of project <input checked="" type="checkbox"/> The Ultimate Recipient has low capacity in one or more area: technical expertise, human resources, reporting, delivery of past projects, etc. <input type="checkbox"/> Other <i>(describe)</i> <input type="checkbox"/> No risk identified	<p><i>Based on the fact the Town itself is not a telecommunications provider, the private service provider we ultimately partner with will manage the technical requirements associated project delivery, operational maintenance, and service delivery.</i></p> <p><i>The Town has been pursuing broadband fibre optics for five years, and relevant staff have gained substantial technical knowledge.</i></p>
Attestation (by the Applicant)	
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