

Memorandum

Date: Tuesday, January 15, 2019

To: Members of Council

From: Erin Britnell, Interim Manager, Information Technology, Corporate Services

Subject: Update on Broadband Connectivity in Caledon

High speed internet access has become an essential service in today's society. Most businesses require it to operate, and it has become a key component of economic development. Current and future residents expect to have access to high speed internet for both personal and professional endeavors. Much of the school curriculum has become dependent on students having access to internet and a computer at home. In the 2014 - 2018 Council Work Plan, Broadband was identified as a key priority. This memorandum provides an update on what has been accomplished over the previous term of Council and highlights current initiatives related to broadband.

Town's Role in Broadband Infrastructure

Policies around telecommunications is the responsibility of the Federal government, and services to homes and businesses are delivered through private sector providers, such as Bell, or Rogers. The Town of Caledon, like other rural municipalities, has taken a more active role in broadband infrastructure to assist the needs of residents with internet connectivity. The Town has and continues to assist in the following ways:

- Advocate for policy changes and funding from the federal and provincial governments
- Place conduit (necessary wiring to move broadband) into the ground as part of construction projects.
- Maintain a public sector network (cannot be utilized for private homes or businesses)
- Work with telecom companies through approved procurement methods to help to partner with private sector companies in bringing their infrastructure and services to Caledon

It is not within the Town's responsibilities or abilities to:

- Advocate to providers on behalf of specific residents (this should be done directly with the providers by the residents or through the CRTC complaint mechanism)
- Provide broadband service directly to residents (would not be financially feasible)
- Force providers to install services in specific areas or restrict the cost of those services

Goal of the Broadband Project

The goal of this project is to ensure that every home and business in Caledon has access to affordable high speed connectivity.

Action Taken

Advocacy

At recent conferences of the Rural Ontario Municipal Association (ROMA), Association of Municipalities of Ontario (AMO) and the Federation of Canadian Municipalities (FCM), delegations were made, and advocacy materials provided regarding the necessity of broadband infrastructure in Caledon. The ask of the province and federal governments has been that broadband be made an essential service, and more funding is provided to ensure that all areas of rural Ontario and Canada (in particular Caledon) have affordable access.

Residential Access

Council approved the first collection of a special broadband levy on residents' tax bills in 2016. This results in approximately \$300,000 per year put into reserves for the specific use of expanding broadband access for residents. This is approximately \$10 per household per year. To date this funding has been used primarily to fund our commitment to SWIFT and to provide wireless hot spot lending through the Caledon Public Library.

South Western Integrated Fibre Technology (SWIFT)

In 2015, the Town of Caledon joined the SWIFT Project, as a response to Council direction to develop a town wide internet strategy. By joining with many other municipalities across South Western Ontario, the Town can leverage economies of scale to obtain funding from other levels of government, and contracts with private sector providers. The Town's capital funding obligation to SWIFT is \$634,062, which has been paid for through the Broadband Levy. SWIFT expects the return on municipal contributions to remain at 14 times return on the overall investment. However, while SWIFT expects a substantially greater return at the individual municipal level, it has established a minimum baseline return of four (4) times. There is an additional annual membership fee to support the organizations operations. SWIFT is targeting for the release of Requests for Proposals for various areas of the province starting in the first quarter of this year (2019) and will stagger the release over approximately 24 months. It has not been released yet as to where Caledon will fall within this schedule.

Hot Spot Lending Program

Through funding from the broadband levy, the Caledon Public Library has 50 hot spots available for lending to residents and additional 50 hot spots have been requested in the 2019 Budget. These mobile Wi-Fi devices provide unlimited, no-charge Internet access to Wi-Fi enabled devices and can be borrowed for one week at a time. The 50 additional hot spot devices has a one-time capital cost of \$5,650. The total proposed hot spot lending program will have an annual operating cost of \$67,800 related to internet usage that is funded from the levy. These hot spots have been highly successful and

continue to have a waiting list for borrowing, which is why additional devices have been requested in the 2019 budget.

New Developments

As part of new subdivision agreements, the Town is encouraging developers to include fibre infrastructure into construction. This is however dependent on coming to an agreement with each developer, and the private companies willingness to provide affordable packages in these areas.

The Town is also exploring ways to incorporate fibre infrastructure as part of road reconstruction projects. This does not guarantee services will be provided as a private sector provider would still need to be willing to partner with the Town for use of the infrastructure and provide the service to the homes.

Expansion to Commercial Areas

Staff in Economic Development are working with providers and businesses in the Bolton business area to expand high speed access along Coleraine Drive. The Town's goal is to facilitate affordable connectivity for new and existing businesses in the area from one of these providers.

Expansion of the Public Sector Network

The Town of Caledon is a member of the Peel Public Sector Network, along with the other municipalities within the Region of Peel. This network includes a number of public sector partners, such as educational institutions, but it can only be used to connect public institutions. The Town has expanded access to a number of our locations through this network, including recreation centres and libraries. The Town has constructed 26km of fibre and connected 12 sites as part of this project.

Next Steps

Staff will continue with the following initiatives to continue to connect Caledon:

- Continued participation with SWIFT
- 2019 Capital budget request to expand the existing hot spot lending program
- Exploration of additional procurement opportunities to utilize broadband levy funding to bring affordable providers to Caledon
- Continued work with developers on the inclusion of fibre infrastructure in new developments
- Continued work with providers to bring service to designated business areas
- Further expansion of the Public Sector Network in Bolton (2019 - 2020)
- Continued advocacy to the Provincial and Federal governments on the need to fund broadband infrastructure