

Telecommunication Company Activities in the City of Markham

**Presentation by
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Presentation Content

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Overview

Rogers and Bell are investing millions of dollars to bring fibre-optic cable closer to homes to:

- Increase data capability
- Increase speeds
- Provide the services customers want
- Stay competitive

Rogers has started a seven-year city-wide upgrade in late fall of 2018 and Bell will be starting their upgrade in 2019.

Legislative Context

- Telecommunication companies have a statutory right, pursuant to the Federal ***Telecommunications Act***, to utilize the City's right-of-ways to install and maintain their infrastructure.
- Municipalities enter into ***Municipal Access Agreements*** ("MAAs") with all companies/utilities that use City right-of-ways.
- The MAAs define the requirements, roles, and service levels and stipulate that permits are required prior to work commencing. (staff have 15 days to process permits as per the MAA)
- The Utilities and Survey group in the Operations Department review, adjust and approve or reject all such applications. They also inspect projects throughout construction. (Road Occupancy Bylaw)

Rogers Work Plan

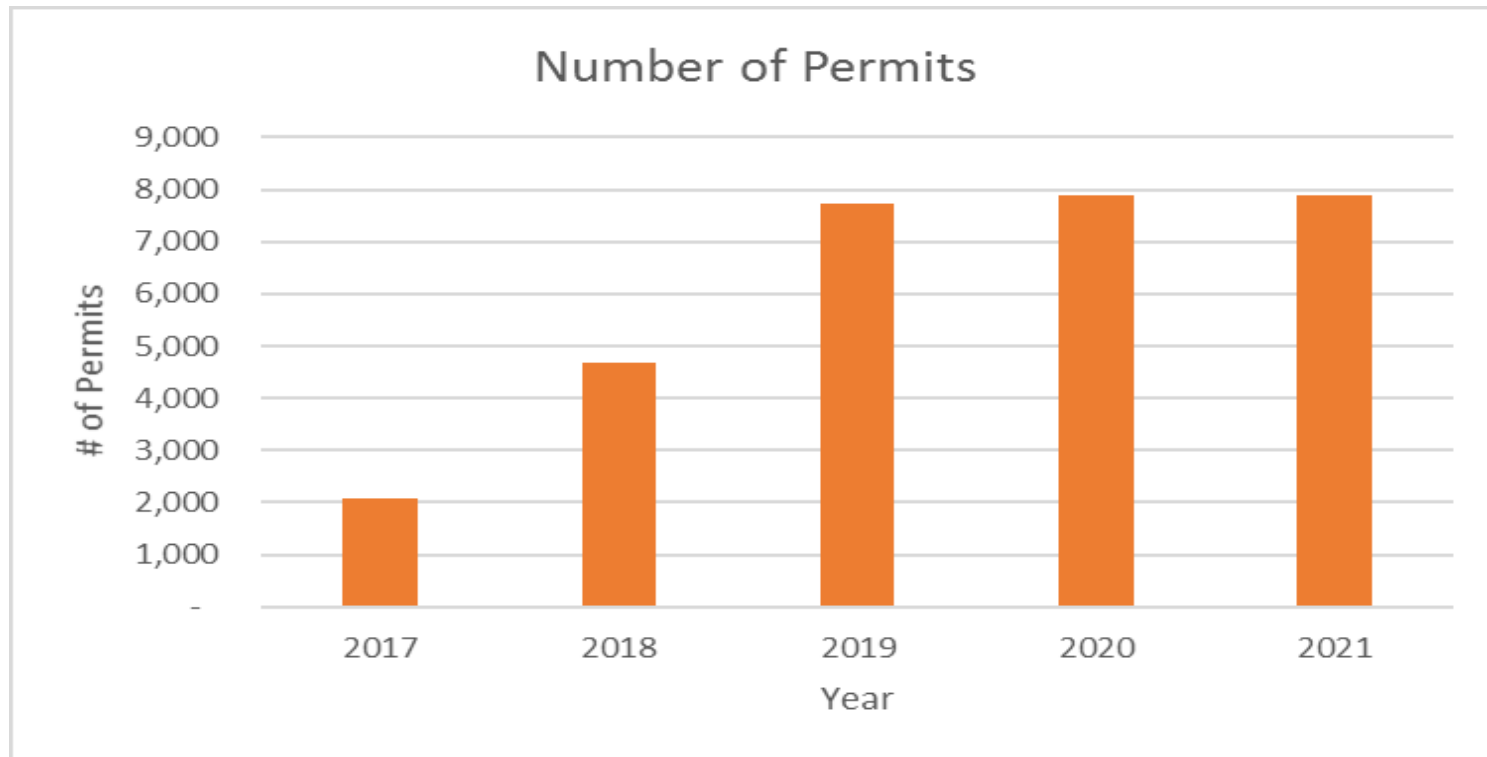
Rogers has indicated they will be re-building up to fifteen neighborhoods in 2019 and 2020 which will affect approximately 5,500 homes each year. Similar levels of work will be experienced in future years.

Bell Work Plan

Bell has indicated they will be re-building up to five neighborhoods in 2019, each consisting of approximately 500 homes. We are currently waiting for a roll out plan for future years. Our projected volumes do not at this time include Bell's plans beyond 2019.

Projected Permit Volumes

Permit applications to place infrastructure within the City's municipal road and boulevard network.



**2,080 permits (base year) to 7,900 permits per year
(Rogers projected average for 7 years)**

Resource Implications

- With the increase (2,080 to 7,900) in permit applications current staffing levels in the Operations will be unable to maintain the service levels agreed to in the MAAs with the Telecommunication Companies.
- **Rogers:** To be able to process the additional volume of 6,000 extra permits, 5 additional contract / temporary staff are required for the duration of the Rogers upgrade project. Total cost of \$ 332,000.
- **Bell:** Additional resources are to be determined once the City receives Bell's future plans.
- **Costs of additional resources will be fully recovered.**

Funding Agreements

- Staff will require telecommunication companies undertaking such projects to enter into a funding agreement with the City to cover the cost of reviewing increased permit volumes.
- Staff has negotiated the first funding agreement with Rogers whereby they would pay the City \$165,000 per year to fund two additional contract staff.
- The remaining resource costs will be recovered from increased permit volumes from Rogers. (\$332,000 - \$165,000 = \$167,000 from increased permits.)

Financial Impacts / Projected Permit Fees

Year	Permit Fees	# of Permits
2017	\$183,632	2,080
2018	\$227,000	4,666
2019	\$394,000	7,726
2020	\$450,000	7,900
2021	\$450,000	7,900

Projected fees are based on Roger's upgrade project with Bell's information to be determined post 2019.

Total incremental <u>costs</u> for increased volume	\$332,000	
<u>Cost Recovery Sources</u>		
Less Revenue : Funding Agreement	\$ 165,000	
Less Revenue: Increased Permits *	\$ 167,000	
(Total Incremental increase of \$265,000)		

Community Implications

- Construction activities will bring increased levels of noise, equipment and debris
- Occasional obstruction of driveways / roadways will occur
- Additional vaults and pedestals will be installed on street boulevards



Communication Plan

- Distribution of notifications to homes and businesses in affected areas prior to construction
- Construction notification sign boards at entrances to areas of work
- Emails to customers in the area
- Telecommunications construction hotline phone number for residents to call
- Project information to be included on the City's web page
- Maps of construction progress to be distributed regularly to City staff and Councillors

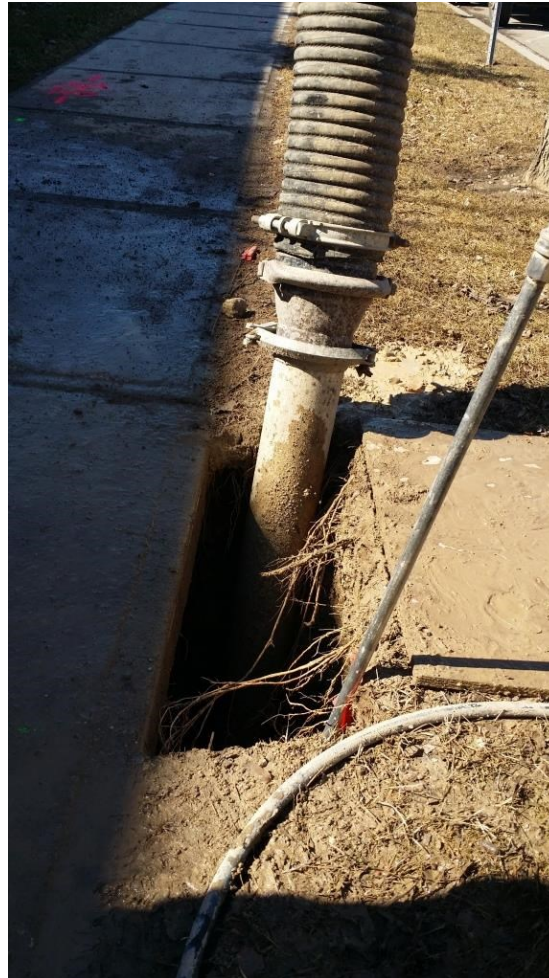
Construction Methods

Directional Bore



Construction Methods (Cont'd)

Vacuum Excavation



Construction Methods (Cont'd)

Pit



Recommendations

- That the staff report entitled, Telecommunication Company Activities in the City of Markham be received;
- That the Mayor and Clerk be authorized to execute funding agreements between the City and telecommunication companies to cover the costs to meet service levels as a result of increased permit applications relating to infrastructure upgrade projects, as outlined in this report, provided that the form and content of such agreements are satisfactory to the Commissioner of the Community and Fire Services and the City Solicitor; and

Recommendations (Cont'd)

- That 5 additional two year contract staff be hired at the cost of approximately \$332,000 per year, with costs being funded through amounts paid to the City pursuant to a funding agreement and through permit fees recovered from increased permit review applications; and,
- That the Treasurer and Director of Operations be authorized to hire additional temporary staff to address the legislated time requirements for permit review during the period of increased volumes with the costs of such fully recovered through amounts paid to the City pursuant to funding agreement(s) and through permit fees recovered from increased permit review applications;

Recommendations (Cont'd)

- That Staff be authorized and directed to do all things necessary to give effect to this resolution.