



## REQUEST FOR DECISION

**MEETING DATE:** April 17, 2023

**TITLE:** Council Delegation - TELUS Report on Fibre Optic Broadband Agreement

**DIVISION:** City Manager's Office

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### SUMMARY:

Representatives from TELUS will be providing a report on implementation of the Fibre Optic Broadband Agreement (the “Agreement”) with the City of Spruce Grove.

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### PROPOSED MOTION:

A motion is not required.

### BACKGROUND / ANALYSIS:

A delegation from TELUS will be making a presentation to Council intended to celebrate the completion of construction of the fibre optic network as set out in the Fibre Optic Broadband Agreement between TELUS and the City of Spruce Grove. Expected TELUS representatives will include:

Erin Mirth, General Manager, Northern Alberta  
Matthew Schweighart, Acting General Manager  
Tom Hovland, Strategy Manager, Local Government Relations, Western Canada  
Ryan Kessler, Community Manager, Customer Service Delivery

To address the lack of high-speed internet connectivity in Spruce Grove, especially in the industrial and commercial areas, the City retained IBI Group to develop a Fibre Optic Broadband Strategy (the “Strategy”) which was presented to Council in June 2019. The strategy set out a series of deployment recommendations and an implementation plan. This led to the development of a business plan to implement the recommendations in the Strategy.

A business case was developed and subsequently approved by Council in the 2021 Corporate Plan. It provided for the build out of a fibre optic network in the industrial and commercial areas and enhanced high-speed broadband service in the residential areas. It was also to support, where possible, construction of the city fibre ring to connect municipal facilities. The business plan recommended that the City take an active role in facilitating the development of a digital infrastructure (fibre) network and seek potential partnerships with internet service providers (ISPs).

As a result, on March 29, 2021 the City issued Request for Proposals (RFP) soliciting proposals from ISP companies to construct, operate and maintain a fibre optic broadband network and provide high quality internet services to businesses and residents in Spruce Grove. As part of the RFP, the City committed to providing \$4.25 million specifically to build out the network in the industrial and commercial areas. TELUS was the successful proponent, and an Agreement was negotiated.

The Agreement committed TELUS to build out and operate a fibre optic broadband network to provide high-speed broadband access to over 90 per cent of the premises in Spruce Grove. The total investment is \$54 million which is the largest infrastructure project in the City's history. The City committed to provide \$4.25 million toward providing digital access in the industrial and commercial areas. Construction started on the build in fall 2021 and was completed in early 2023 with the release of the final service areas.

#### **OPTIONS / ALTERNATIVES:**

n/a

#### **CONSULTATION / ENGAGEMENT:**

City departments have worked closely with TELUS through weekly touchpoint meetings, and regular updates to monitor the project and status of construction and address issues. Where concerns were raised by residents, TELUS was usually able to have someone on site to address the issue within 24 hours.

Telecon, as the design partner, on behalf of TELUS, submitted Utility Line Assignment (ULA) drawings to the City for review. This was to ensure there were no conflicts with existing City water, sanitary sewer, storm sewer, or traffic signal infrastructure. Approval of each ULA submission was sent back to Telecon as a signed and dated copy of the drawings. Any proposed changes to the approved drawings required City approval.

## **IMPLEMENTATION / COMMUNICATION:**

TELUS shared their communication plan with the City prior to start of construction and over the course of the project. This included mail outs, door hangers and signage to inform residents what was happening in their neighborhoods with TELUS contact information for residents who had concerns or questions.

The City created a TELUS Pure Fibre Build webpage that outlines project details, FAQs, construction updates, and contact information. TELUS Studios, in cooperation with the City, developed a video about the fibre build in Spruce Grove that will be shown as part of the presentation on April 17 to Council.

TELUS will also speak to the remediation program they will be implementing in May/June to ensure that disturbances on properties resulting from construction are repaired.

## **IMPACTS:**

This initiative provides access to high-speed internet and data connections through a fibre optic network to over 90 per cent of all premises in Spruce Grove. The advantages of fibre optics are gigabit enabled speeds, wider bandwidth, minimal distance loss, reliability, and symmetrical speeds (same upload and download speeds). With the continued growth in demand for digital technologies and services, this has become essential infrastructure for homes, schools, and businesses.

In particular, access to a fibre optic network provides a competitive advantage for businesses in Spruce Grove and has become an important element in our investment and business attraction strategy. Businesses have been migrating to locations where fibre is available, and this has become one of the top-ranking factors in site selection. This was a necessary condition for several businesses that have recently expanded or moved to Spruce Grove.

## **FINANCIAL IMPLICATIONS:**

The City invested \$4.25 million toward the build out of the fibre optic network in the industrial and commercial areas. TELUS invested \$49.75 million to complete the build out for the entire community. The total value of the fibre optic project was \$54 million.