

Report ITR-PCD-04-16

To: Chair McQueen and Members of Planning and Community Development Committee
From: Geoff Hogan, Information Technology (IT) Director
Meeting Date: April 19, 2015
Subject: **Connected County Broadband Update**
Status: Recommendation adopted by Committee as presented per Resolution PCD65-16; Endorsed by County Council May 3, 2016 per Resolution CC55-16;

Recommendation(s)

WHEREAS Grey County was not successful applying for funding from the Small Communities Fund (SCF) for a local broadband infrastructure project;

AND WHEREAS improving broadband in Grey County is still a council priority;

NOW THEREFORE BE IT RESOLVED THAT report ITR-PCD-04-16 be received;

AND THAT Grey County work with other public sector organizations in the region to aggregate demand for fibre based broadband infrastructure;

AND FURTHER THAT Grey County encourage a joint procurement with other public and private sector organizations in the Grey Bruce region including Bruce County and the two school boards.

Background

The Western Ontario Warden's Caucus (WOWC) SWIFT project has been collecting data, engaging stakeholders and providers and working towards regional funding for additional broadband infrastructure for the past three years. The approach to improving broadband in the WOWC region has been carefully considered and included significant consultation with providers and stakeholders.

In 2015, recognizing both the urgency of addressing the broadband access issue and a funding opportunity, County Council allocated \$1,000,000 (in addition to the commitment to the SWIFT project) to a reserve specifically for local broadband and instructed staff to apply to the Small Communities Fund (SCF) for further funding. An

Expression of Interest (EOI) was submitted to the SCF program in October 2015 however the EOI was not successful. Funding programs for rural broadband are currently not available from the Federal or Provincial Governments.

Significant data on fibre availability and user requirements has been collected in Grey County over the last few months. The fundamentals have not changed; better broadband is still required residents, farms and business in Grey County. The resolution adopted in the December 10th [minutes](#) of the committee recommended:

THAT County staff and consultants be directed to create a specific network design for certain portions of the County;

AND FURTHER THAT the providers that met the requirements of the RFPQ process be invited to bid on the RFP when provincial and federal funding is secured.

With no upper government funding secured staff are now looking at alternate approaches for the project, there is not enough capital without more funding to build even the specific network referenced above.

Alternate Approach

Incenting providers to build rural broadband is difficult. The Return on Investment (ROI) for the providers is low in low density areas, particularly for wired (fibre) solutions. Even with government subsidies it is difficult to convince providers to spend scarce capital dollars in rural areas. The public sector needs high quality connections between facilities, schools in particular have very high needs (100MB to primary schools and 1GB to secondary schools). Providers are much more interested in building infrastructure when public sector anchor tenants are part of procurement.

Grey County, Bruce County, the Bluewater District School board, the Bruce Grey Catholic District Schoolboard and Grey Bruce Health Services have met twice to explore options for a joint network procurement. The group has adopted the following vision statement: *“In the interest of the Public Services within Bruce and Grey Counties to facilitate the delivery of a shared, robust, open access network infrastructure as a foundation for the future.”* The group is going to release a Request for Information (RFI) to ask the providers in the region if they can provide the services the group requires. Grey County’s lower tiers will also be contacted to see if they have requirements that could be added to the RFI. The more public sector sites that wish to participate in the RFI the more likely the private sector will participate.

The two Counties are interested in providing broadband to residents (e.g. SWIFT participation), the School Boards recognize that students at home require broadband

and the hospital has other health care organizations it would like to connect to. A well planned public procurement that follows the guiding principles adopted in [ITR-PCD-01-16 GREAT Network Guiding Principles](#), particularly the principle of open access, will help improve broadband for residents and business by driving open access fibre into low density locations.

Financial / Staffing / Legal / Information Technology (IT) Considerations

Currently only Grey County has capital (\$1M) set aside for the broadband project. When the results of the RFI are tabulates a report will come forward to recommend the best way to leverage the capital.

Current staff resources and budget resources are sufficient to do this project.

Link to Strategic Goals / Priorities

Goal Number One of the Corporate Strategic Plan is to expand the prosperity base of the County. This means enhancing and diversifying economic opportunities within the County, becoming “investment-ready” and ensuring the foundation is in place for sustained success. Broadband is a foundational element of a diversified economy.

Respectfully submitted by,

Geoff Hogan
Director of Information Technology