

## Municipality Of Chatham-Kent

### Finance, Budget, Information Technology & Transformation

#### Administration

#### Information Report

**To:** Mayor and Members of Council

**From:** Gord Quinton, MBA, CPA, CGA  
Chief Financial Officer / Treasurer /  
GM, Finance, Budget, Information Technology & Transformation

**Date:** November 26, 2020

**Subject:** Fibre Permitting

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This report is for the information of Council.

#### **Background**

In 2018, Council directed Administration to have Infrastructure and Engineering Services waive the standard permit fees for access to the underground right of ways to encourage the expansion of high-speed fibre networks across the municipality.

#### **Comments**

Administration has continued to waive fees for the cost of permitting and the continued commitment of this practice has been included with recent Internet Service Providers (ISP) grant applications for expanded networks to at least the end of this term of Council. Allowing free permitting reduces the ISP costs and allows them to significantly increase the number of properties reached with each application, making the applications more attractive. Chatham-Kent waives the fee to all ISP providers. The request for permits requires four temporary staff members in Engineering to keep up with the high demand, along with leased vehicles, laptops and cell phones, at an annual cost of approximately \$425,000.

Currently there are several grant programs outstanding to bring fibre across Chatham-Kent. The SWIFT RFP closes on December 11, 2020 and there will be approximately \$10M awarded to Internet Service Providers (ISPs) in early 2021 to expand access. In addition, decisions are outstanding for the CRTC grant application, and several Improving Connectivity for Ontario (ICON) applications submitted by many ISP's for projects in every ward of Chatham-Kent. The Province recently announced an additional \$680M for the ICON program. Council, on September 14, 2020 approved entering into a \$6.5M Rural Fibre Backbone Agreement with TekSavvy Solutions Inc. to build five fibre backbone facilities in rural wards. TekSavvy also has been contracted by SWIFT to build the Moraviantown network. The demands for permitting will remain strong for 2021 and 2022 at a minimum.

**Consultation**

The Executive Management Team supports Council's decision of waiving permit fees as a tool to address the lack of suitable internet access across Chatham-Kent.

**Financial Implications**

Funding to continue waiving fees for fibre network facilities permitting is referred to the 2021 Budget deliberations, although this practice has already been committed to ISP's as per Council's direction. The annual cost is estimated to be approximately \$425,000. Costs to date of providing this free service from 2018 to the end of 2020 is approximately \$850,000.

Prepared by:

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Gord Quinton, MBA, CPA CGA  
Chief Financial Officer  
General Manager  
Finance, Budget, Information Technology & Transformation

Attachments: none

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