

## **Intelligent City Advisory Committee**

**Wednesday, September 3, 2014 – 3:00pm**  
**EOC 1, City Hall**

### **MINUTES**

#### **MEMBERS PRESENT:**

Councillor Bill Harper - Co-chair, City Council  
Michael Hrybyk - Co-chair, Community Member  
Reg Nordman - Community Member, EDAC representative  
Gary Munro - Community Member  
Jen Arbo - Community Member  
Nelson Eng - Community Member  
Neely Hazell - Fraser Works ESC  
Ian McLeod - Community Member

#### **REGRETS:**

Gerry Akkerman - TransLink  
Jonina Campbell - Community Member  
Philip Barker - Fraser Health Authority  
Jim Lowrie - Director, Engineering  
Susan Buss - Deputy Chief Librarian

#### **STAFF:**

Blair Fryer - Manager, Communications and Economic Development  
Rod Carle - General Manager, Electric Utility Commission  
Alvin Chok - Chief Information Officer  
Bev Grieve - Director, Development Services  
Andréa Khan - Economic Development Coordinator/Recording Clerk  
Gary Holowatiuk - Director, Finance and Information Technology

#### **GUESTS:**

Roel Coert - Consultant, Go4Objectives  
Colin Commandeur - GNEC

The meeting was called to order at 2:24pm.

### **1.0 APPROVAL OF AGENDA**

#### **MOVED and SECONDED**

**THAT** the September 3, 2014 agenda be adopted

**CARRIED.**

All members of the Committee present voted in favour of the motion.

## **2.0 ADOPTION OF JUNE 24, 2014 MINUTES**

### **MOVED and SECONDED**

**THAT** the June 24, 2014 meeting minutes be adopted.

**CARRIED.**

All members of the Committee present voted in favour of the motion.

## **3.0 INTELLIGENT COMMUNITY FORUM REVIEW**

Tabled until September 18, 2014.

## **4.0 STRATUSCORE @ ANVIL CENTRE BETA TEST**

Tabled until September 18, 2014.

## **5.0 FIBRE NETWORK BUSINESS PLAN AND OPEN ACCESS**

Item 5 considered before items 3 and 4.

Alvin Chok re-introduced the Consultant, the Guest Consultant, as well as the business plan and build cost calculations for FttH and FttP.

Presentation: Municipal Fibre Network FttP and FttH

- Agenda
- Network overview and construction
  - The Consultant presented large print outs of city maps showing the proposed fibre network;
  - Outlined basic needs and assumptions (ie: undergrounding costs can be prohibitive, but in areas where everything is already underground, this will be the preferred method)
  - The business case is based on a dark fibre model
  - Existing fibre and conduits need to be verified

The Committee discussed the business case and how it would factor into interest from the ISPs.

After discussing the Guest Consultant's professional background, the Committee noted that the municipal system (specifically traffic control) is not included in the cost calculations. The Consultants confirmed that there would be capacity to add traffic control based on the proposed fibre map.

Presentation continued:

- Benefits
- FttP and FttH assumptions

- Dark fibre model because it offers a profitable business plan without competing directly with the private sector
- 40% is based on the premise that one current major ISP will build on their own network, and that a competing telco will be interested in working with the city. 40% is for the FttH calculation only.

The Committee discussed the premise of a 40% take rate and what the business case will look like if that rate is not achieved.

Presentation continued:

- FttP and FttH combined
  - Based on the lifespan of the fibre which is 30 years
  - The take rate could be encouraged and/or increased by leveraging the ICAC marketing initiatives
  - Overviewed fibre preparation needs for new developments and the benefits of including this work during development/construction instead of post-development

The Committee discussed how this could be encouraged or required for all future developments in New Westminster, referring to the Toronto waterfront as an example in which fibre or conduit provisions were mandated for new developments.

Presentation continued:

- Proposed FttH and FttP deployment strategy
  - The “go or not go” defining line is 40%, meaning pre-sales would be required to determine action
  - Suggested that the City receive letters of intent from ISPs

The Committee discussed the need for commitment from ISPs leasing dark fibre. Acknowledging the risks involved, the Committee requested that the Consultant provide a sensitivity analysis that addressed both take rate and contract service length.

The Consultant explained that the business case focuses on the revenue from leasing fibre and does not include revenues gained by the City through increased property values, increased number or size of businesses.

**Procedural note:** Blair Fryer exited at 4:21pm

Presentation continued:

- FttP only
  - Schools would need to build out to the fibre network

After discussion the value of a staged approach, the Committee requested that separated financial projections be provided for the FttP phase followed by the FttH phase.

The Committee agreed that there are some revisions needed before this report is presented to Council. The next iteration needs to include a slower staged approach that includes staged financing and sensitivity analysis and an ongoing risk management plan.

## **6.0 SUBGROUP PROGRESS UPDATES (ALL SUBGROUPS)**

Tabled until September 18, 2014.

## **7.0 MEETINGS WITH LOCAL TELECOMMUNICATIONS COMPANIES**

Tabled until September 18, 2014.

## **8.0 INFRASTRUCTURE FUNDING**

Tabled until September 18, 2014.

## **9.0 OTHER BUSINESS**

No items.

## **10.0 NEXT STEPS**

The report will be modified based on today's discussions. Mr. Coert will be able to modify it in time for the October 16 meeting.

## **11.0 MEETING ADJOURNMENT**

The meeting was adjourned at 4:38pm.

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Councillor Bill Harper  
Chair

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Andréa Khan  
Recording Clerk