



To: Public Works and Transportation Committee

Date: August 11, 2014

From: John Irving, P.Eng. MPA
Director, Engineering

File: 10-6060-01/2014-Vol
01

Re: **Municipal Access Agreement with TeraSpan Networks Inc.**

Staff Recommendation

That the Chief Administrative Officer and the General Manager, Engineering & Public Works be authorized to execute, on behalf of the City, a Municipal Access Agreement between the City and TeraSpan Networks Inc containing the material terms and conditions set out in the staff report titled, "Municipal Access Agreement with TeraSpan Networks Inc.", dated August 11, 2014 from the Director, Engineering.

John Irving, P.Eng. MPA
Director, Engineering
(604-276-4140)

| REPORT CONCURRENCE | | |
|----------------------------------------------------------|-------------------------------------|--------------------------------|
| ROUTED TO: | CONCURRENCE | CONCURRENCE OF GENERAL MANAGER |
| Law | <input checked="" type="checkbox"/> | |
| REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE | INITIALS: | APPROVED BY CAO |

Staff Report

Origin

TeraSpan Networks Inc. have requested to install telecommunication infrastructure and equipment within dedicated highways, streets, roads, road allowances, lanes and bridges under the City's jurisdiction (collectively, the "Service Corridors"). To accommodate this request, a draft Municipal Access Agreement ("MAA") between TeraSpan and the City has been prepared.

Analysis

TeraSpan is a federally regulated telecommunications company providing telecommunications services in Canada and specializing in shallow-inlay processes. TeraSpan is proposing to install telecommunications infrastructure and equipment within the City of Richmond's Service Corridors. TeraSpan must obtain the City's consent to use the Service Corridors and this is typically accomplished through a MAA.

The City has MAAs with all telecommunications companies operating in the City. The proposed TeraSpan MAA will protect the City's interests and establishes the roles and responsibilities of both parties. The proposed MAA with TeraSpan will:

- Specify locations where the agreement will be applicable (i.e. the Service Corridors);
- Specify required consent for constructing, maintaining, operating, repairing and removing TeraSpan's equipment, and define the scope of the City's consent;
- Require TeraSpan to pay causal¹ costs to the City;
- Define the conditions which TeraSpan may carry out work;
- Enable the City to have access to information about TeraSpan equipment;
- Specify cost allocations for TeraSpan equipment to be relocated as a result of any municipal and third party projects;
- Minimize the City's liability due to TeraSpan's work or equipment;
- Permit shallow inlay fibre;
- Identify the initial term of the MAA to be one year, automatically renewable for successive one year periods thereafter;
- Define fees (eg. lost productivity costs, permitting and inspection costs, and pavement degradation) and their annual CPI increase;
- Require TeraSpan to assume environmental liability for any hazardous substances that they bring to or cause to be brought to the Service Corridors;
- Identify the insurance requirements TeraSpan must maintain; and
- Include mutual indemnity clauses.

¹ Causal costs are costs incurred as a result of additional effort and materials spent working around a private utility installation while maintaining or constructing public infrastructure

Financial Impact

None. Note that Companies that utilize City property as utility corridors pay an annual 1% tax to the City as per Section 192 of the Community Charter and Section 353 of the Local Government Act.

Conclusion

A Municipal Access Agreement between the City and TeraSpan will allow the City to better manage and regulate the installation and presence of TeraSpan equipment within the City's Service Corridors. The terms and conditions of the proposed agreement provide cost recovery for the City and protect the City's interests.



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