

THE COUNTY OF LANARK

ECONOMIC DEVELOPMENT COMMITTEE

October 28th, 2020

Report #CAO-20-2020

Last Mile Broadband Internet

1. STAFF RECOMMENDATIONS:

“THAT, Lanark County Council accept the report CAO-20-2020 “Last Mile Broadband” for Information

AND THAT, County Council support moving this project to the draft 2021 budget;

AND THAT, a copy of this report be sent to the local municipalities.”

Prepared and Recommended By:

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Chief Administrative Officer**

2. PURPOSE

To begin a discussion about developing a joint County/Local Municipal program for Last Mile Broadband Internet.

3. BACKGROUND

Lanark County has been involved in several projects to bring high speed internet and mobile broadband to the County.

Rural Connections Broadband program was completed in June 2012.

Lanark County is a member of the Eastern Ontario Warden's Caucus (EOWC). The EOWC is the owner of the Eastern Ontario Regional Network (EORN). The first EORN project, \$260 million, completed in 2015 brought a fibre optic backbone across Eastern Ontario with 160 points of presence (POPs) for connection to local networks. This project allows high speed networks to build off the backbone. These networks are a mixture of fibre optics and fixed wireless internet solutions. As the networks build out from the POPs to areas of low-density housing there is a diminishing return on investment for internet providers. Some locations due to topography and vegetation etc. have only satellite service.

Lanark County is also part of EORN's cell project that will bring improved coverage and capacity to Eastern Ontario. This \$213 million dollar project will begin construction in 2021 and will cover 99% of homes, business and arterial roads. This system also builds off the EORN fibre backbone from the first project.

EORN has announced a third proposed project to bring fibre service to every home in Eastern Ontario. This project has been costed at \$1.2 to \$1.6 billion and is subject to major investment from all levels of government.

4. DISCUSSION

The supply of high-speed internet to rural residents is constantly growing. All the Internet Service Providers are building out their networks adding fibre optics and extra towers.

There are however always areas where topography and density do not allow a business case to make sense for an economical solution. Fixed wireless and satellite options can provide basic service but as demand for higher speeds and improved capacity grows it is outpacing supply for many residents.

The emphasis today on online services for education, work and health is placing many residents with slow service at a disadvantage.

These areas need a helping hand to allow for higher capacity solutions to be economical.

The suggested plan would be to do a request for proposal where we ask the ISPs to submit plans by municipality for improved internet service.

The municipalities could identify areas where service is requested or leave it to the ISP to identify the areas they could upgrade.

The evaluation metrics will be predetermined to create a consistent template. Criteria could include company experience, proposed download and upload speeds, customer pricing ranges, timelines to completion etc.

Potential Cost Sharing Formula

Lanark County (17%)
Local Municipality (17%)
Customer (17%)
Internet Service Provider (50%)

The initial County budget is recommended at \$125,000 which would leverage a \$750,000 investment.

5. FINANCIAL IMPLICATIONS

The County's initial investment is suggested at \$125,000. The recommendation would be to pull this amount from reserves.

6. LOCAL MUNICIPAL IMPACT

The local municipalities have an opportunity to partner in this project.

7. CONCLUSIONS

High speed internet has quickly become an essential service in today's world. In order to help full enhanced infrastructure all levels of government are taking an active approach.

8. ATTACHMENTS

None