



**To:** Public Works and Transportation Committee      **Date:** June 23, 2009  
**From:** John Irving, P.Eng. MPA      **File:** 03-1000-14--INBOX/Vol 01  
Director, Engineering  
**Re:** **Municipal Access Agreement with Novus Entertainment Inc.**

**Staff Recommendation**

That the General Manager, Engineering & Public Works be authorized to negotiate, enter into and execute a Municipal Access Agreement between the City of Richmond and Novus Entertainment Inc.

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

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ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
Budgets.....	Y	<input checked="" type="checkbox"/>	N		
Real Estate Services.....	Y	<input checked="" type="checkbox"/>	N		
Law .....	Y	<input checked="" type="checkbox"/>	N		
<b>REVIEWED BY TAG</b>	YES	<input checked="" type="checkbox"/>	NO	<b>REVIEWED BY CAO</b>	YES
			<input type="checkbox"/>		<input checked="" type="checkbox"/>

## Staff Report

### Origin

In December 2008, the City received an application from Novus Entertainment Inc. to install telecommunication facilities within City Rights-of-Way that triggered negotiations for the creation of a Novus Municipal Access Agreement (MAA).

### Analysis

Novus Entertainment Inc. is a federally governed telecommunications company providing high-speed Internet, television and digital phone services to both residential and non-residential customers in the Metro Vancouver area. Novus is planning to expand its network to provide services within the City of Richmond.

As governed under the Telecommunications Act and federally regulated by the Canadian Radio-Television and Telecommunications Commission (CRTC), the Company is permitted to operate within the City's streets. The Act also gives municipalities the right to negotiate access agreements with telecommunications companies governed by the act.

The City of Richmond has signed MAA's with other telecommunications companies, most recently with TELUS in June 2008 and with Shaw in November 2006. These two recent MAA's are providing the general framework for negotiating the Novus MAA.

Relocation, causal<sup>1</sup>, and administration costs incurred by the City in dealing with Novus infrastructure in public rights of way can be onerous. With the continuing densification of the City centre these costs and issues have become increasingly pronounced. The proposed Novus MAA would address the above concerns.

The MAA will establish the roles and responsibilities of Novus and the City, and will provide protection of the City's interests. The MAA to be negotiated with Novus would be based on, but not limited to, the following terms and conditions:

- Specify when Novus must obtain the City's consent for constructing, maintaining, operating repairing and removing its equipment, and define the scope of the City's consent;
- Define the conditions which Novus may carry out emergency work and routine work;
- Include provisions for the City to request and receive information for Novus equipment locations;
- Specify the allocation of costs for Novus equipment to be relocated as a result of any municipal and third party projects;
- Include provisions to protect the City from any liability due to Novus work or equipment;

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<sup>1</sup> Causal costs are those costs that are incurred as a result of additional effort and materials spend working around a private utility installation in maintaining or constructing public infrastructure

- The initial term of the MAA will be one year and shall automatically renew for successive one year periods thereafter;
- Include appropriate fees to be paid to the City for cost recovery for causal costs, lost productivity costs, permitting and inspection costs, and pavement degradation fees;
- State the insurance requirements Novus shall maintain;
- Require Novus to assume all environmental liability for any hazardous substances which they bring to or cause;

### Financial Impact

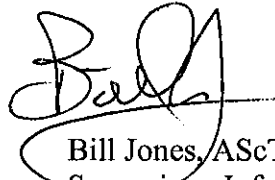
Richmond will realize new revenues to offset administration costs and offset additional capital costs as a result of entering into this agreement. Novus will pay relocation costs on a sliding scale based on the age and date of installation. Richmond will recover causal costs as they relate to the presence and installation of any Novus infrastructure in the City's streets and rights-of-way. The agreement also includes Permitting and Inspection Fees to be paid by Novus in addition to Lost Productivity costs, Administration costs and Pavement Degradation Fees.

### Conclusion

Staff recommends that the General Manager, Engineering and Public Works be authorized to negotiate, enter into and execute a Municipal Access Agreement between the City of Richmond and Novus Entertainment Inc.



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BJ:bj