City of Richmond

Report to Committee

To:	Public Works and Transportation Committee	**Date:**	May 31, 2016
From:	John Irving, P.Eng. MPA Director, Engineering	**File:**	10-6060-01/2016-Vol 01
Re:	**Municipal Access Agreement with Optic Zoo Networks Ltd.**		

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 Optic Zoo Networks Ltd. containing the material terms and conditions set out in the staff report titled, "Municipal Access Agreement with Optic Zoo Networks Ltd.", dated May 31, 2016 from the Director, Engineering.

John Irving, P.Eng. MPA
Director, Engineering
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REPORT CONCURRENCE		
ROUTED TO:	**CONCURRENCE**	**CONCURRENCE OF GENERAL MANAGER**
Law	☑	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	**INITIALS:** DW	**APPROVED BY CAO**

Staff Report

Origin

Optic Zoo Networks Ltd. has 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 between Optic Zoo and the City has been prepared.

Analysis

Optic Zoo is a federally regulated telecommunications company providing telecommunications services in Canada. Optic Zoo is proposing to install telecommunications infrastructure and equipment within the City of Richmond's Service Corridors. Optic Zoo must obtain the City's consent to use the Service Corridors and this is typically accomplished through a Municipal Access Agreement.

The City has Municipal Access Agreements with all telecommunications companies operating in the City. The proposed Optic Zoo Municipal Access Agreement will protect the City's interests and establishes the roles and responsibilities of both parties. The proposed agreement with Optic Zoo will:

- Specify locations where the agreement will be applicable (i.e. the Service Corridors);
- Specify required consent for constructing, maintaining, operating, repairing and removing Optic Zoo's equipment, and define the scope of the City's consent;
- Require Optic Zoo to pay causal[1] costs to the City;
- Define the conditions which Optic Zoo may carry out work;
- Enable the City to have access to information about Optic Zoo equipment;
- Specify cost allocations for Optic Zoo equipment to be relocated as a result of any municipal and third party projects;
- Minimize the City's liability due to Optic Zoo's work or equipment;
- Permit shallow inlay fibre;
- Identify the initial term of the Municipal Access Agreement 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 Optic Zoo 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 Optic Zoo 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. 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 644 of the Local Government Act.

Conclusion

A Municipal Access Agreement between the City and Optic Zoo will allow the City to better manage and regulate the installation and presence of Optic Zoo 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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LB:cjr