

Request for Decision

Ahj 065 002

Date	June 25, 2018
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Subject	Community Works Fund Grant Request – Columbia Basin Broadband Corp. – Connectivity to St. Mary’s Valley and Meadowbrook

REQUEST

The Columbia Basin Broadband Corporation (CBBC) has requested between \$50,000 and \$80,000 from the RDEK to construct towers to support internet connectivity to St. Mary’s Valley and Meadowbrook.

OPTIONS

1. That Community Works Funds of up to \$80,000 be granted to the Columbia Basin Broadband Corporation to construct towers to provide internet connectivity to the St. Mary’s Valley and Meadowbrook areas AND further that the 2018 to 2022 Financial Plan be amended to include the grant in the Electoral Area E Economic Development Service.
2. That the request for Community Works Funds to provide internet connectivity to the St. Mary’s Valley and Meadowbrook area be denied.

RECOMMENDATION

Option 1.

BACKGROUND/ANALYSIS

The CBBC is working on a project with the City of Kimberley to install two communication towers in Kimberley to solve a connectivity challenge that the City is having with regards to collection and transmission of their SCADA control information. This project offers an opportunity for the RDEK to provide funding to construct larger towers to provide internet connectivity for residents underserved in the St. Mary’s Valley and Meadowbrook area.

The total cost of the project is expected to be between \$100,000 and \$130,000 with the City of Kimberley funding \$20,000; CBBC funding \$30,000 and the RDEK funding between \$50,000 to \$80,000.

The CBBC will own and operate the towers under it’s open access principles. There will likely be more towers required in the St. Mary’s Valley in the future to provide service to the entire area.

SPECIFIC CONSIDERATIONS

Regional Sustainability Strategy (RSS)

This project supports the RSS goal related to Economy as it supports and nurtures a diversified and skilled workforce, job opportunities and attracting spending in investment as per the following objective:

“to maintain economic growth and diversification opportunities, the RDEK will support the enhancement and completion of the provision of broadband infrastructure in the region through direct supply of service, encouraging private and public-sector investment and advocating for legislative and regulatory change to facilitate the provision of broadband service.”

The project also supports the RSS goal of Social Services as expanded service will be available for more residents and visitors to contact emergency resources.

Previous Board Action

The Board supported a \$20,200 CWF grant in 2015 for the CBBC and Yahk Area Communications Society (which was later changed to the Moyie project) and a \$48,090 CWF grant in 2016 for Flexinet for projects in Areas B, C, E and F.

The Board also supported \$420,000 to CBBC as part of a larger grant application to the Innovation, Science and Economic Development (ISED) Canada's Connect to Innovate Program for new broadband connectivity projects. There was heavy subscription for that program and CBBC is still working on the application process. The St. Mary's Valley, Meadowbrook connectivity project would not be eligible under that granting opportunity.

Financial – Budget

The 2018 – 2022 Financial Plan will have to be amended if CWF grant amounts provided to the CBBC are to occur in 2018. Since the grant requested is a range of \$50,000 to \$80,000; the higher amount of \$80,000 will be used in the amendment.

Financial – Taxes

There would be no effect on taxation due to the funding being provided through the Community Works Funds.

Community Works Fund Eligible Project Category

This project meets the criteria outlined in the Community Works Fund agreement under the Broadband Connectivity category. The grant would benefit Area E and the amount per capita (based on the population of the St. Mary Lake Area and Meadowbrook) ranges from \$72 to \$116 depending on the final grant amount. The CWF funding would be 50% - 62% of the project. As with other recent Broadband projects, the CWF funding would be 100% of the RDEK contribution.

Community Works Fund – Funds Available

The uncommitted balance of the Community Works Fund is currently \$782,997.

Attachment