

WiFi Expansion with Shaw Communications

Corporate Services Report
2008COT002.

Report

Recent advances in digital communication are reshaping the economies and societies of many cities around the world. Keeping pace with these advances by adjusting our digital infrastructure can create opportunities to improve our service for residents and meet the increasing need for online services.

Mobile technology has grown exponentially over the last decade. With WiFi being built-in to all mobile devices, WiFi has become the predominant means by which an individual accesses the Internet. Providing a WiFi network that is accessible and inclusive is becoming a social and economic responsibility of government. Free access to WiFi will allow all residents an opportunity to participate in the digital world.

Currently, Wireless Edmonton provides free access to the public in some City buildings where employees access our own internal secure wireless network. In the last five years, the City has made WiFi available to the public at 21 public facilities and 16 Library locations throughout Edmonton. As new facilities are built the network will expand; however, the City of Edmonton has no plans to create a public network that expands to locations beyond where City staff work.

Creating a WiFi network that encompasses all public and gathering places throughout Edmonton (including all public facilities, parks, transit and

Recommendation:

That Executive Committee recommend to City Council:

That a Memorandum of Understanding with Shaw Communications, as outlined in Attachment 1 of the May 13, 2013, Office of the City Manager report CR_63, to expand WiFi access in City of Edmonton indoor and outdoor spaces, be approved.

Report Summary

Administration recommends entering into a strategic arrangement with Shaw Communications to provide free WiFi access in City of Edmonton facilities and outdoor spaces.

Previous Council/Committee Action

At the June 18, 2008, City Council meeting, the following motions were passed:

1. That the City continue to provide and promote WiFi (Wireless Edmonton) service at Main Floor City Hall, Sir Winston Churchill Square, Kinsmen Sports Centre and Commonwealth Sports and Fitness Centre.
2. That the City continue to explore opportunities to expand the Wireless Edmonton service where existing City network infrastructure is available and where there is public interest, as outlined in the May 15, 2008,

LRT routes, and festival locations) would cost The City of Edmonton \$10-\$15 million.

A preferred approach is partnering with telecom providers that have the same goal to build a WiFi network, and leverage their investment to the benefit of the public. In this new paradigm of mutual support, the municipality and carrier are both beneficiaries. Instead of a tenant-renter relationship the two parties would exchange service to the public for access to public locations.

Additionally, in order to ensure the broadest, most comprehensive network possible be developed in the shortest period of time, the City of Edmonton could enter into agreements with all possible providers, rather than choose a single provider through a traditional Request for Proposal process. The New West Partnership Trade Agreement and Agreement on Internal Trade procurement requirements do not apply to this agreement due to the fact that the dollar value of this agreement falls below the Trade Agreement thresholds for open procurement.

City of Edmonton/Shaw Communications Arrangement

Shaw Communications approached the City of Edmonton and Edmonton Public Library in 2012 to discuss opportunities for extending its Shaw EXO WiFi service to selected City of Edmonton facilities and public spaces. Administration's initial response was to treat Shaw as a tenant and charge a licensing fee knowing the WiFi service would be available only to Shaw customers.

During discussions later in 2012,

Administration decided that telecommunications providers wanting to provide WiFi service in public spaces should make the service available for everyone, not just the customers of that provider. Administration decided to pose a partnership approach rather than a tenant approach with Shaw. In January 2013, Shaw submitted its current proposal to partner with the City of Edmonton.

This proposed arrangement includes Shaw installing WiFi in 63 facilities, 18 Libraries, 15 LRT Stations and 890 street light poles distributed around public meeting places in Edmonton. In total Shaw will install an estimated 1500 WiFi access points and operate the service through its Shaw Go WiFi Network. With this arrangement the public will gain access to 500 MB of data per month (about 500,000 emails, or 5000 web page visits or 1 hour of streaming video). Shaw customers who already use WiFi services throughout Edmonton will not need to complete a monthly sign-on. Non Shaw customers will need to sign onto the service monthly. Note, that the required sign-on page will be co-branded and will allow The City of Edmonton an opportunity to provide dynamic content to public WiFi users.

Once Shaw Go WiFi is operational in a location previously served by the City, the Wireless Edmonton service in that location will be decommissioned. However, the City of Edmonton wireless infrastructure will remain intact and operational since it will continue to serve City employees.

Shaw estimates its investment to be about \$16 million, which includes

equipment, installation and maintenance. Shaw proposes completing the work in three phases, the first phase being within 6 months, the second phase 6 to 12 months and the third phase 12 to 24 months. See Attachment 2.

Although there is no direct investment by the City of Edmonton, our contribution will be staff time required to coordinate the project, review and approve locations, oversee installations and inspect completed work. The City calculates its allocation to this project to be an investment of approximately \$540,000, or \$360 per access point.

Since Shaw is requesting to use City-owned fibre to connect the LRT stations, it is offering to exchange fibre lines on its own network that loops around the LRT line, providing redundancy to both parties. This fibre line redundancy will remove risks associated with a break in the fibre line increasing our ability to provide information and services related to the LRT system.

This is a non-exclusive arrangement, meaning that the City is able to enter into agreements with other telecommunications companies for similar arrangements.

Risks and Benefits

Administration contacted other cities during discussions with Shaw to determine risks, benefits and structure of the arrangements. Winnipeg and Victoria already have agreements in place with Shaw. Calgary is in the process of a non-exclusive Request for Proposal for a WiFi provider to install and operate WiFi in City of Calgary

facilities. See Attachment 3 for a summary of these municipalities.

There is the risk that Shaw may not deliver the entire network in the time frame that they have defined. However, we believe this risk is small since it is in their best interest to complete the network. Shaw is in a very competitive market and is seeking to establish itself as the leader in WiFi not only in Edmonton but in all municipalities across Canada. Plus, Shaw has proven to be a trustworthy partner by delivering on time in other cities.

Additionally, it has been raised that the redundancy of devices at the 21 facilities may be unsightly or limited in space, especially if other providers wish the same access. Currently there are two or three other providers that may be interested and each carrier has its own technology and strategy, which means that they may not all wish to be in the same locations. Plus, within the industry there are co-location and shared service arrangements that can manage situations when space won't allow for multiple devices. Ultimately, the decision for the locations will remain with The City of Edmonton.

Policy

There is currently no policy in place which deals with the development or use of WiFi networks.

Corporate Outcomes

- Citizens are connected to their communities and have pride in their City.
- Complete communities that are strong, inclusive and have accessible services.

- The Corporation supports a competitive business climate and delivers business-friendly services.
- The City attracts talent and investment making it nationally and internationally competitive.

Public Consultation

No public consultation is required by Canadian Radio-television Telecommunications Commission for this work as the devices are attached to existing infrastructure, without requiring any significant changes.

Budget/Financial Implications

The City will not be incurring additional costs in the planning and deployment of the WiFi work. However, there will be an investment, since internal costs (staff time to manage and monitor the project, and unmetered power) will be absorbed within existing budgets.

Legal Implications

The Memorandum of Understanding in Attachment 1 is a document intended to capture the arrangement between the parties and is not a legally-binding agreement.

As indicated in the Memorandum of Understanding, various legally-binding Licence Agreements will be entered into by the parties to govern access to and use of approved locations indoors, outdoors and underground. Such agreements will contain a level of detail appropriate to each type of arrangement and will include clauses dealing with terms and conditions of access, maintenance and repair, relocation and insurance/indemnity. Licences granted for use of road right of way will be drafted in accordance with section 17 of

the *Municipal Government Act*, R.S.A. 2000, c. M-26.

Justification of Recommendation

Approval of a Memorandum of Understanding is needed to proceed with a WiFi arrangement with Shaw Communications.

Attachments

1. Memorandum of Understanding
2. Proposed Phased Roll-out of Access Points
3. Other Canadian Municipalities and their Approaches with Shaw WiFi

Others Reviewing this Report

- Corporate Leadership Team