

Staff Report

Report To: City Council
Report From: Lara Widdifield, Director of Public Works and Engineering
Meeting Date: January 29, 2024
Report Code: OP-24-005
Subject: Assignment of Bruce Telecom Municipal Access Agreement

Recommendations:

That in consideration of Staff Report OP-24-005 respecting the Assignment of Bruce Telecom Municipal Access Agreement, City Council directs staff to bring forward a by-law to execute the transfer document.

Highlights:

- The City enters into access agreements with utility companies to outline rights and obligations for access, alignment approval and construction work.
- Bruce Telecom, in its various forms, has enjoyed an access agreement with the City of Owen Sound since 2002.
- Bruce Telecom Ontario Inc. is being sold and reorganized into Bruce Telecom LP, so a transfer (“assignment”) of the access agreement is being sought, as the agreement requires the consent of the City to assign to another entity.

Strategic Plan Alignment:

Service Excellence - KR2 - Enhance our information, technology and digital capabilities to allow residents, businesses and visitors to interact with the City where, when and how they choose.

Climate and Environmental Implications:

There are no anticipated climate or environmental impacts.

Previous Report/Authority:

[OP-17-093](#): Assignment of Bruce Municipal Telephone System Municipal Access Agreement, December 18, 2017

Background:

Bruce Telecom Ontario Inc. (formerly d/b/a Bruce Municipal Telephone System) ("Bruce Telecom") has an access agreement with the City of Owen Sound that was established originally in 2002 through the passage of By-law No. 2002-70, when the Corporation of the Municipality of Kincardine owned the company. In 2017, the access agreement was transferred to Bruce Telecom when the Municipality restructured its business and transferred it to a new entity named Bruce Telecom Ontario Inc., a subsidiary of Bruce Telecom Company that the Municipality wholly owns.

The City has received correspondence from Bruce Telecom giving notice that the Corporation of the Municipality of Kincardine has agreed to sell Bruce Telecom Holdings Inc. to WPC Infrastructure Fund LP, which was expected to close on December 31, 2023. The post-closure reorganization would result in the transfer of Bruce Telecom assets, including any access agreements.

The access agreement permits the installation of telecommunications infrastructure within the City's rights of way. The current agreement requires the City's consent to transfer. As such, Bruce Telecom Ontario Inc. requests an assignment of the access agreement to Bruce Telecom LP, a limited partnership with its general partner, Bruce Telecom, and its sole limited partner, WPC Infrastructure Fund LP.

Analysis:

The telecommunications company provides a valuable service to the residents by providing access to high-speed internet. The current access agreement is still relevant and protects the City's interests. Staff see no reason to deny the assignment of the agreement to the new entity.

Financial Implications:

No financial impacts arise from this report.

Communication Strategy:

As this contractual change is strictly administrative and no perceptible impact is expected to be experienced by the community, no communication strategy is required.

Consultation:

City Clerk

Attachments:

None.

Recommended by:

Lara Widdifield, Director of Public Works and Engineering

Submission approved by:

Phil Eagleson, Fire Chief (Acting City Manager)

For more information on this report, please contact Lara Widdifield, Director of Public Works and Engineering, at lwiddifield@owensound.ca or 519-376-4440 ext. 1201.