



City of  
**Peterborough**

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**To:** **Members of the General Committee**

**From:** **Sandra Clancy, Chief Administrative Officer**

**Meeting Date:** **November 2, 2020**

**Subject:** **Report CAOCS20-005**  
**Non-exclusive Small Cell Master Agreement for Licensing**  
**space on City utility infrastructure**

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## **Purpose**

A report to recommend a non-exclusive Small Cell Master Agreement relating to the installation of private telecommunications network equipment on City-owned infrastructure.

## **Recommendations**

That Council approve the recommendations outlined in Report CAOCS20-005, dated November 2, 2020, of the Chief Administrative Officer, as follows:

- a) That the City enter into a non-exclusive Small Cell Master Agreement with Rogers Communications Inc., in a form acceptable to the City Solicitor, for the licensing of space on City-owned infrastructure for its private telecommunications network equipment for a 10-year term commencing on December 1, 2020 and ending on November 30, 2030; and
- b) That City staff be given the delegated authority to (i) negotiate with Rogers Communications Inc. on the shared use of the parties' respective fibre networks and (ii) and, upon those negotiations being successful, that the CAO and Clerk be authorised to execute such agreements as the City Solicitor determines are required which are in a form acceptable to the City Solicitor.

## Budget and Financial Implications

In exchange for licensed space on City poles, Rogers communications will compensate the City at a rate of \$350 per pole, per year, plus a one-time \$250 per pole cost related to application review.

The first phase of this project is estimated to include 50 poles. At a rate of \$350 per pole, the City will generate \$17,500 annually or \$175,000 over a ten-year term for the first phase and \$12,500 for the application review for a total of \$187,500.

Rogers Communications is planning an additional 2 phases in Peterborough in the coming years estimated to be of a similar size and scope. The Master Cell Agreement will set the terms and conditions for any future phases within the term of the Master Cell Agreement, with each specific location requiring the City's agreement.

## Background

In 2019, the City was approached by Rogers Communications Inc. (Rogers) seeking to establish a Master Cell Agreement for use of City infrastructure such as light standards to support small cell telecommunications equipment.

Access to telecommunication services and reliable, high-quality internet connectivity supports economic activity and uses by residents. The infrastructure to support these services is regularly connected to public spaces, such as when cables are run underground under sidewalks or roads. The broader use of small cell telecommunications equipment supports improved telecommunication services for residents and businesses.

Small cells are a low-powered cellular radio frequency node used to provide in-building and outdoor wireless service. Mobile operators, such as Rogers, use them to extend service coverage and/or increase network capacity. Small cells operate on Canadian Radio-television and Telecommunications (CRTC) licensed radio frequency spectrum to connect cellular devices onto a network. An image of a small cell is shown in Appendix A. Each small cell is directly connected back into a fibre optic network which supports expanded capacity for data.

Telecommunications companies are making investments to densify their networks in urban centers where demands on cellular data and network bandwidths are growing. At the end of 2017, more than 12 million small cells have been installed worldwide. With continued global expansions of cellular networks, forecasts are as high as 70 million small cells will be in place by 2025.

Rogers is proposing three clusters of cells on an estimated 50 City-owned poles for streetlights as part of Phase 1 with potential future phases to follow. These clusters are

outlined in Appendix B. Rogers' plans include installation of macro towers as part of its network expansion in the region. The macro tower component will be processed separately from the small cell proposal in accordance with the City's Telecommunications Structures Policy #0025. The macro tower component is directly related to the small cell component as both elements are necessary to complete the planned network.

Internal discussions have included staff from Transportation, Planning, Engineering, Legal Services, Peterborough Technology Services and Real Estate and Development. The City will remain in full control of its assets, any associated costs will be the responsibility of the proponent, and the City will be compensated annually for the use of the space.

Rogers will be financially responsible for all design and development costs to City standards, installations, equipment service, and relocation or removal of equipment when and where necessary. Rogers Communications will be required to enter into a service agreement with the City's contractor of record for maintenance, repair, and emergency services to City-owned poles supporting street lighting and traffic signals.

The City's current contractor of record for maintenance on street poles is Guild Electric, which was awarded through a public tender process. The current agreement is for the period October 1, 2018 to September 30, 2022, with an option to extend the contract for a four-year period commencing on or about October 1, 2022 to September 30, 2026 with the same terms and conditions.

From the City's perspective, it is required that when street pole work is undertaken for any reason by the City's contractor of record, that contractor must also be able to deal with Rogers' equipment ensuring that pole work is completed per the City's requirements without delay. This requirement eliminates the need to dispatch multiple service providers and coordinate multiple communications. The City process for servicing poles will remain unchanged and Rogers' equipment will be managed within that same process. All costs for work associated with Rogers equipment will be billed back to Rogers by the service contractor.

### **Other City Benefits**

There will be future benefits to the City through the new network infrastructure and private capital investments with the installation of the small cell technology as it will support the expansion or enhancement of the City's networked traffic signal infrastructure to new signaled intersections without additional cost to the City.

The City currently has an agreement with Rogers to access its fibre network to support the connection of 110 of the City's 146 signalized intersections in the City's smart city network. This agreement was signed in 2006 and expires in 2028. Under the agreement, Rogers provides this access to the City at no cost. The smart signalized

intersections transmit traffic data across the network. As the City grows, there are an additional 10 signalized intersections planned over the next 5 years. When the agreement expires, the City will need to consider costs and options to continue network connectivity at all intersections. Leveraging the Master Cell Agreement with Rogers is an opportunity to negotiate fibre access into the future at no cost to the City. The full extent of this opportunity will not be known until Rogers has completed detailed planning of all three phases of the project.

In addition, the City owns and manages sections of fibre network installed exclusively to support the City's smart traffic signal network. These sections of fibre offer more capacity than is currently being utilized by the City. Where it is deemed possible and appropriate by Peterborough Technology Services, the City could negotiate an agreement to allow Rogers to access this infrastructure in return for the City's access to Rogers network. There is potential that sharing excess capacity on City fibre will provide costs savings and value. Access to networks offers the City the ability to expand smart city capabilities while minimizing capital and operational costs associated with installing City owned fiber networks.

### **Other Related Works**

Cellular and broadband network capacity is essential to economic growth. Regions across Ontario are actively seeking public and private investments to support network expansion. In 2020, City Council approved a budget allocation of \$563,700 over four years (Report CLSFS19-020) to Eastern Ontario Regional Network (EORN), a non-profit organization supported by municipalities and mandated to "improve rural connectivity". This is an example of public funds invested to support infrastructure for telecommunication services and economic growth. EORN was been consulted on the proposed Rogers project and its CEO, David Fell, provided supportive comments. EORN's submitted comments are included in Appendix C

In 2017, the City of Peterborough entered into an agreement with Bell Mobility for a smaller scale project to install small cell technology in the Peterborough Memorial Centre (PMC) to improve cellular signal strength and network capacity. The City generates revenues from this agreement and Bell now offers significantly improved cellular service in that facility.

### **Summary**

The installation of private telecommunications network equipment on City-owned infrastructure such as streetlight poles will be a significant investment in network infrastructure in the City of Peterborough. The investment will support the City's ability to expand and enhance its networked traffic signal infrastructure and will support the growing demand for telecommunications data services by residents and businesses.

The agreement will generate approximately \$175,000 in non-tax revenue over the next 10 years as part of Phase 1 of a multi-phase project being proposed by Rogers.

Submitted by,

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**Attachments:**

Appendix A – Image of Small Cell on a Pole  
Appendix B – Rogers Proposed Small Cell Locations  
Appendix C – EORN Letter of Support