

To: Regional and Corporate Services Committee

Date: 2020-07-14

From: Yader Wong, Manager of Information Technology & GIS

Pam Loat, Legislative Coordinator

File No: 0870-25

Subject: Assignment and Assumption Agreements for Sale of Shaw Telecommunications Tower on Sumas Mountain

RECOMMENDATION

THAT the Fraser Valley Regional District Board authorize its signatories to execute an agreement to assign the Shaw Cablesystems License of Occupation for its telecommunication site on Sumas Mountain to TRK Connect Inc. for the remainder of the existing term to April 30, 2023;

AND THAT the Fraser Valley Regional District Board authorize its signatories to execute an agreement providing for TRK Connect Inc. to assume the associated sub-licence, which allows for FVRD equipment to be housed on the same communications tower.

STRATEGIC AREA(S) OF FOCUS

Provide Responsive & Effective Public Services

Foster a Strong & Diverse Economy

BACKGROUND

There has been an agreement in place to house FVRD dispatch equipment on the Shaw telecommunications tower on Sumas Mountain since 1995. At that time, the area was a Provincial Park and Shaw held a Park Use Permit to occupy the land. The FVRD entered into a Crown Land Tenure for Sumas Mountain Park in 2002, and a License of Occupation agreement was finalized with Shaw for the tower site in 2003.

The FVRD's current contract with E-COMM for Eg11 dispatch services does not include maintenance and operations of radio communications equipment. Therefore, the FVRD maintains and operates such equipment located at various towers in the region, including Sumas Mountain.

DISCUSSION

Earlier this year, Shaw informed the FVRD that it was in negotiations to sell the tower site and have since requested that the License of Occupation and sub-license for FVRD equipment on the tower be assigned to TRK Connect Ltd for the remainder of the terms, both expiring on April 30, 2023.

COST

Currently, the annual revenue to the FVRD from the License of Occupation is \$15,000. The annual costs for placing equipment on the tower are \$17,779.50.

CONCLUSION

The assignment of these agreements to the new owner of the communications tower will allow for the continuation of these arrangements to April 30, 2023, with the same terms and conditions that currently apply. Prior to expiry of the term, TRK Connect and the FVRD will negotiate terms for a new consolidated agreement, including both the occupation of the land by TRK Connect and the use of the tower by the FVRD, with fees based on market values at that time. These agreements benefit both parties, as the tower is a prime location for FVRD radio communications equipment.

COMMENTS BY:

Kelly Lownsbrough, Chief Financial Officer/ Director of Financial Services: Reviewed and supported.

Jennifer Kinneman, Chief Administrative Officer: Reviewed and supported.