



ECONOMIC DEVELOPMENT ADVISORY COMMITTEE

INAUGURAL MEETING AGENDA

October 29, 2020

7:00 p.m.

Virtual

CALL TO ORDER

1. ADOPTION OF AGENDA

2. MINUTES

3. BUSINESS ITEMS

- a. 2020-2021 Economic Development Advisory Committee Meeting Dates Schedule – Walker
- b. Discussion about Annual Workplan – Stevenson

4. DELEGATIONS

- a. Spruce Grove Broadband Presentation – Bruno Peters and Keith Ponton

5. INFORMATION ITEMS

6. CLOSED SESSION

ADJOURNMENT



Economic Development Advisory Committee October 29, 2020

REQUEST FOR DECISION

ITEM DESCRIPTION:**1. ADOPTION OF AGENDA****PROPOSED MOTION:**

That the agenda be approved as presented.

BACKGROUND/ANALYSIS:**FINANCIAL IMPLICATIONS:****ATTACHMENTS:**



Economic Development Advisory Committee October 29, 2020

REQUEST FOR DECISION

ITEM DESCRIPTION:

3. BUSINESS ITEMS

- a. 2020-2021 Economic Development Advisory Committee Meeting Dates - Walker

PROPOSED MOTION:

That the 2020-2021 calendar of regularly scheduled Economic Development Advisory Committee regular meeting dates be approved as presented.

BACKGROUND/ANALYSIS:

In accordance with the Economic Development Advisory Committee Bylaw C-1121-20, the Committee is required to establish a meeting schedule that specifies the date, time and place of all regular Committee meetings. The bylaw further sets out that the Committee is required to meet on a quarterly basis.

The approved meeting schedule will be posted on the City's website.

Additional meetings may be called by the Chair by giving at least 24 hours' notice to the members of the Committee and to the public by posting a notice on the City's website.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

2020-2021 Economic Development Advisory Committee Meeting Dates

**Economic Development Advisory Committee (EDAC)
2020 – 2021 Meeting Schedule
Virtual
6:00 p.m.**

2020 Special EDAC Meetings

Monday, December 7

2021 Regular EDAC Meetings

Monday, March 1

Monday, June 7

Monday, September 6

Monday, December 6

**ITEM DESCRIPTION:****3. BUSINESS ITEMS****b. Economic Development Advisory Committee Annual Workplan****PROPOSED MOTION:**

That the Economic Development Advisory Committee Annual Workplan item be received as information.

BACKGROUND/ANALYSIS:

In accordance with the Economic Development Advisory Committee Bylaw C-1121-20, the Committee is required to develop an annual work plan for Council approval that identifies key priorities and goals based on its mandate and this bylaw.

The Committee may provide reports which include recommendations on matters related to the Committee's mandate and annual work plan to Council, as appropriate.

At least once per year, the Committee will report to Council on the following:

- review of its work plan;
- update on progress and initiatives; and
- any information or recommendations on issues or opportunities within its mandate.

FINANCIAL IMPLICATIONS:**ATTACHMENTS:**



ITEM DESCRIPTION:

4. DELEGATIONS

a. IBI Group Broadband Presentation

PROPOSED MOTION:

That Keith Ponton and Bruno Peters of IBI Group be thanked for their presentation.

BACKGROUND:

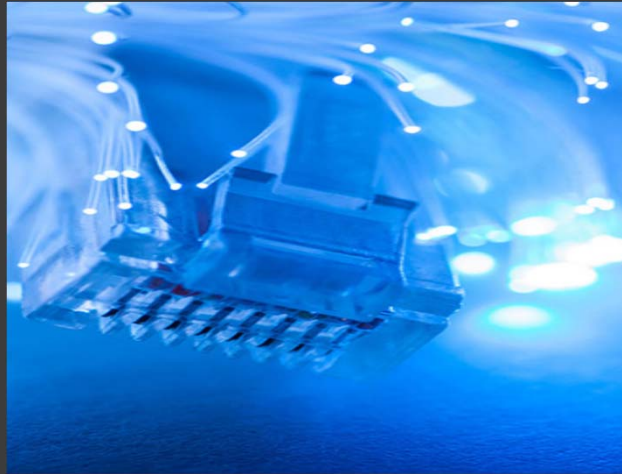
Keith Ponton and Bruno Peters of IBI Group will be making a presentation on the fibre-optic broadband strategy for Spruce Grove. This presentation is to inform the Committee on the status of the strategy and the proposed build-out of the first phase of the network in the industrial and commercial areas.

The presentation will have the following structure:

1. Why is this Important?
2. Current State of Broadband
3. Strategic Decisions
4. Q&A

FINANCIAL IMPLICATIONS:

ATTACHMENTS:



Spruce Grove Broadband Presentation to Spruce Grove Economic Development Advisory Committee (EDAC)

October 29, 2020

Agenda



1. Why is this Important?
2. Current State of Broadband
3. Strategic Decisions
4. Q&A

Why is this important?

Technology is Continuously Transforming the World

- Transformation is accelerating
- Internet of Things and Big Data
- Connectivity and Mobile Technologies – 5G
- All Things Blockchain
- Digitalization and Manufacturing
- 3D Printing, Additives, Intelligent Materials Science
- Artificial Reality / Virtual Reality
- Artificial Intelligence and Machine Learning, Robotics
- Worldwide Pandemic



Why is this important?

Technology is a Global Equalizer

- It has disrupted almost every form of business on the planet
- Untethered skills can be anywhere
- It is creating a new world order – geopolitics
- More affordable, safer locations have an advantage
- Savvy small communities and rural regions can become competitive

'Access is the great equalizer...and is key for widely distributed innovation opportunities.'

~ Prof. Manuel Trajtenberg –Chair,
OECD/National Economic Council



Why is this important?

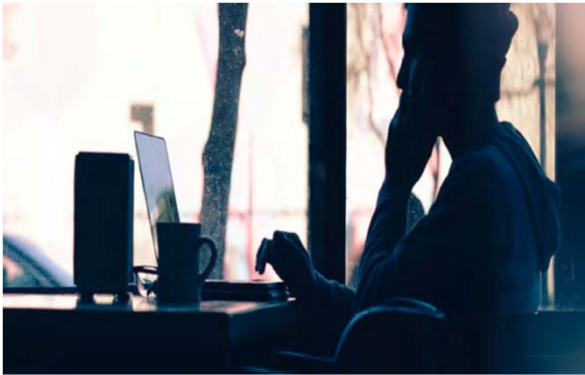
Top 10 List – Location Decision-Making Priorities*

Decision-Making Factor	Ranking	Percentage
Security and Safety	1	61%
Connectivity and Broadband	2	51%
Supportive Business Environment	3	49%
Transportation and Logistics	4	43%
Income and Prosperity	5	40%
Strong Community Leadership	6	39%
Return on Investment	7	39%
Affordability and Accessibility	8	38%
Access to Markets	9	33%
Access to Capital Financing	10	32%

*Global Trends ~ Local Opportunities in Economic Development Lee Malleau, April 2018



Why is this important?



Broadband-Enabled Technologies



Internet of Things (IoT) – a system of objects embedded with computing devices (i.e. electronics, software, sensors, etc.) that are connected through the internet to enable them to send/receive data



Artificial Intelligence (AI) – the simulation of human intelligence processes by machines. It can give rise to the use of robotics to perform human tasks.



Blockchain – a decentralized digital ledger in which transactions or records can be made chronologically and publically. It is a growing list of records, called blocks, which are linked and secured using cryptography.

All of these technologies require broadband as a foundation for connectivity and have the potential to influence various economic sectors.

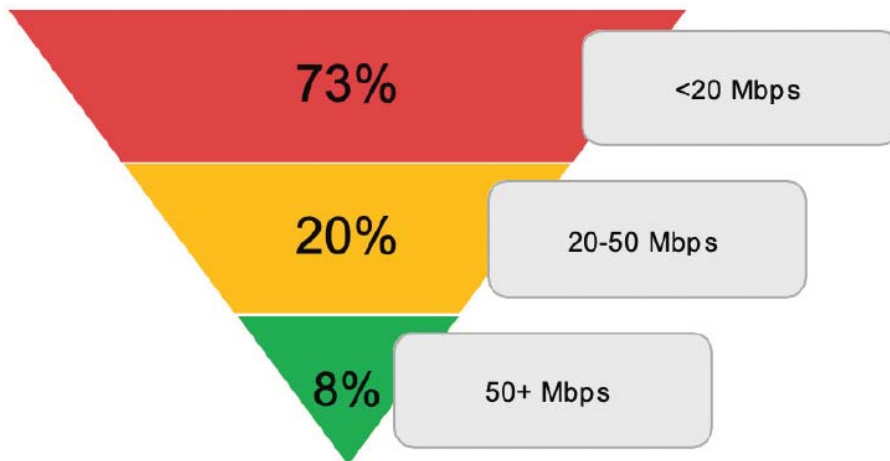
Agenda



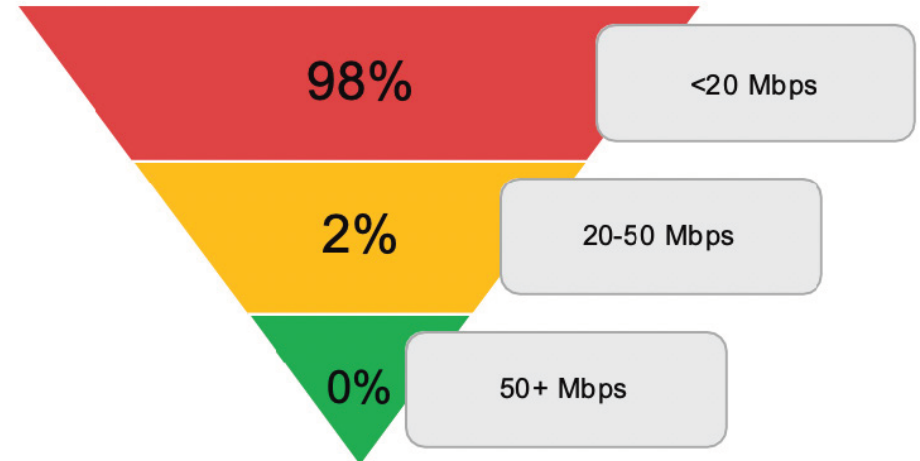
1. Why is this Important?
- 2. The Current State**
3. Strategic Decisions
4. Q&A

CIRA Spruce Grove Industrial & Commercial area Broadband Speeds

Industrial

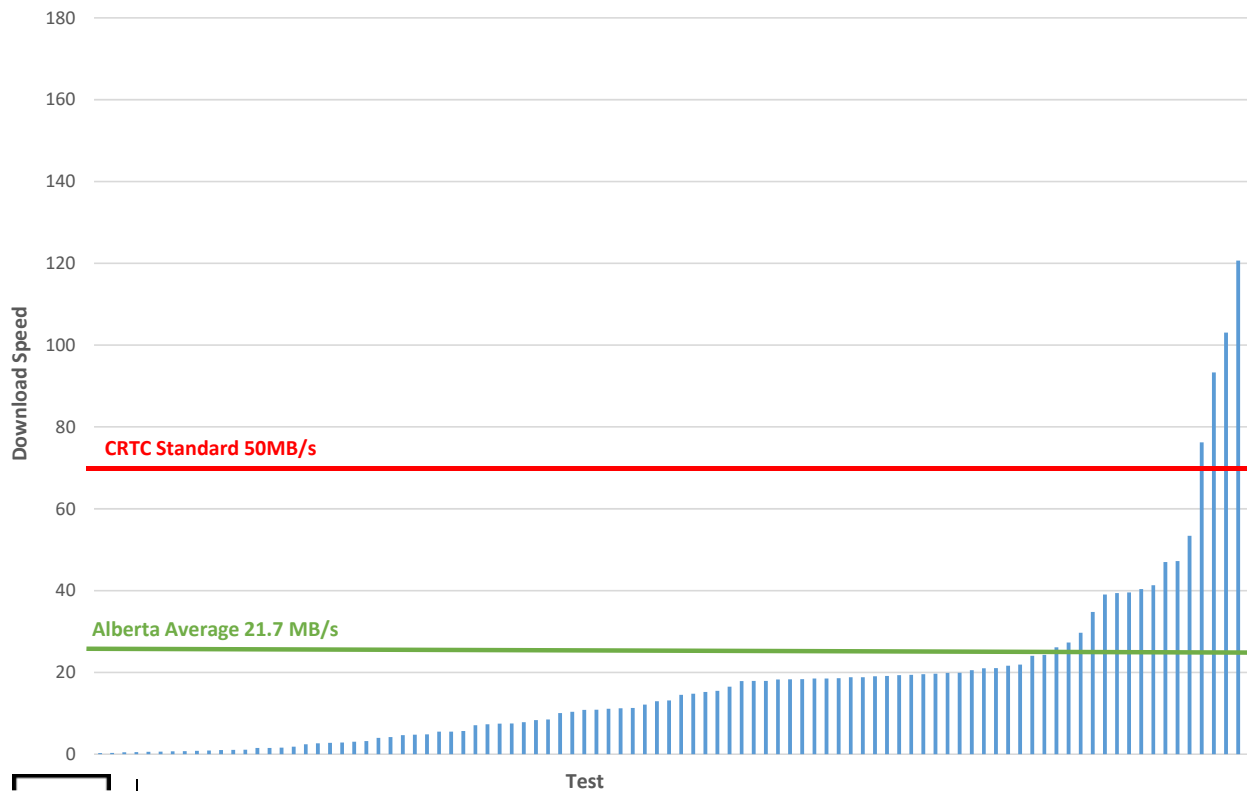


Commercial

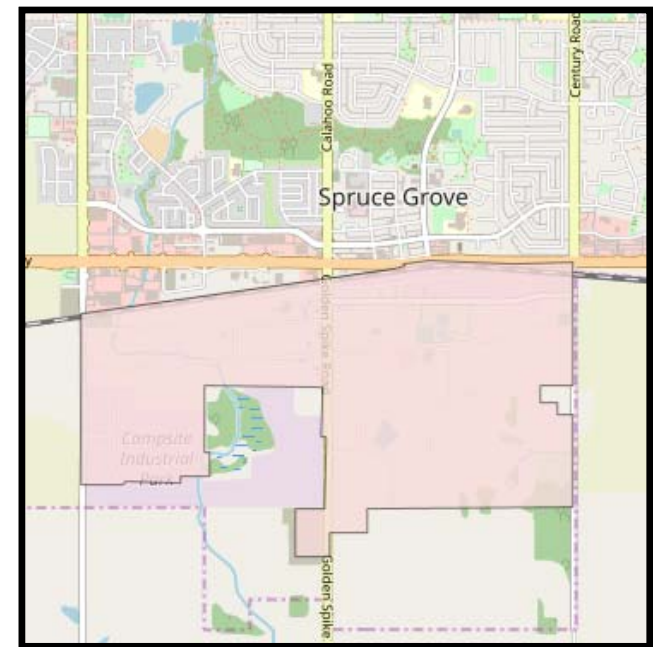


CIRA Spruce Grove Industrial Results

Spruce Grove Industrial Download Speed

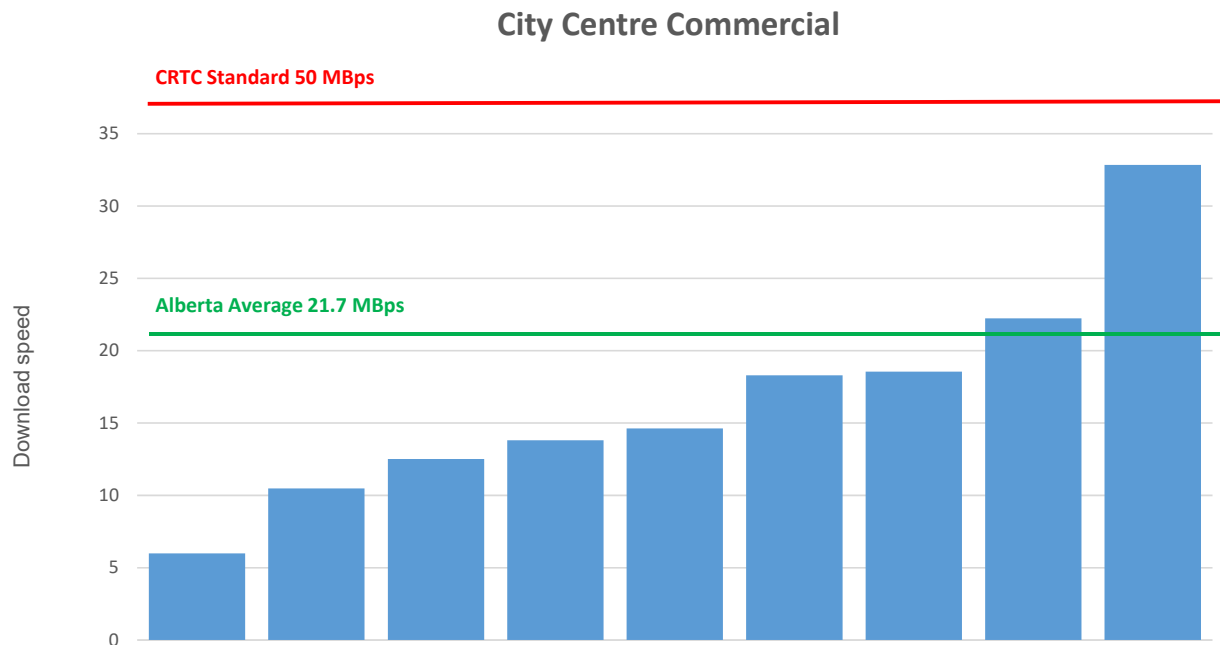


IBI Group



The Current State

CIRA Spruce Grove Commercial Results



The Business Perspective:

- Businesses generate large amounts of data everyday and most storage technologies are available online (in the cloud).
- In today's reality of the pandemic we need ability to use reliably use video conferencing tools, conduct business and work remotely and be able to perform video uploads, nightly file backups
- Quotations of high installation costs are not uncommon (> \$100,000)
- Relocating to other industrial areas where broadband is readily available is a reality when leases are due.



The Current State

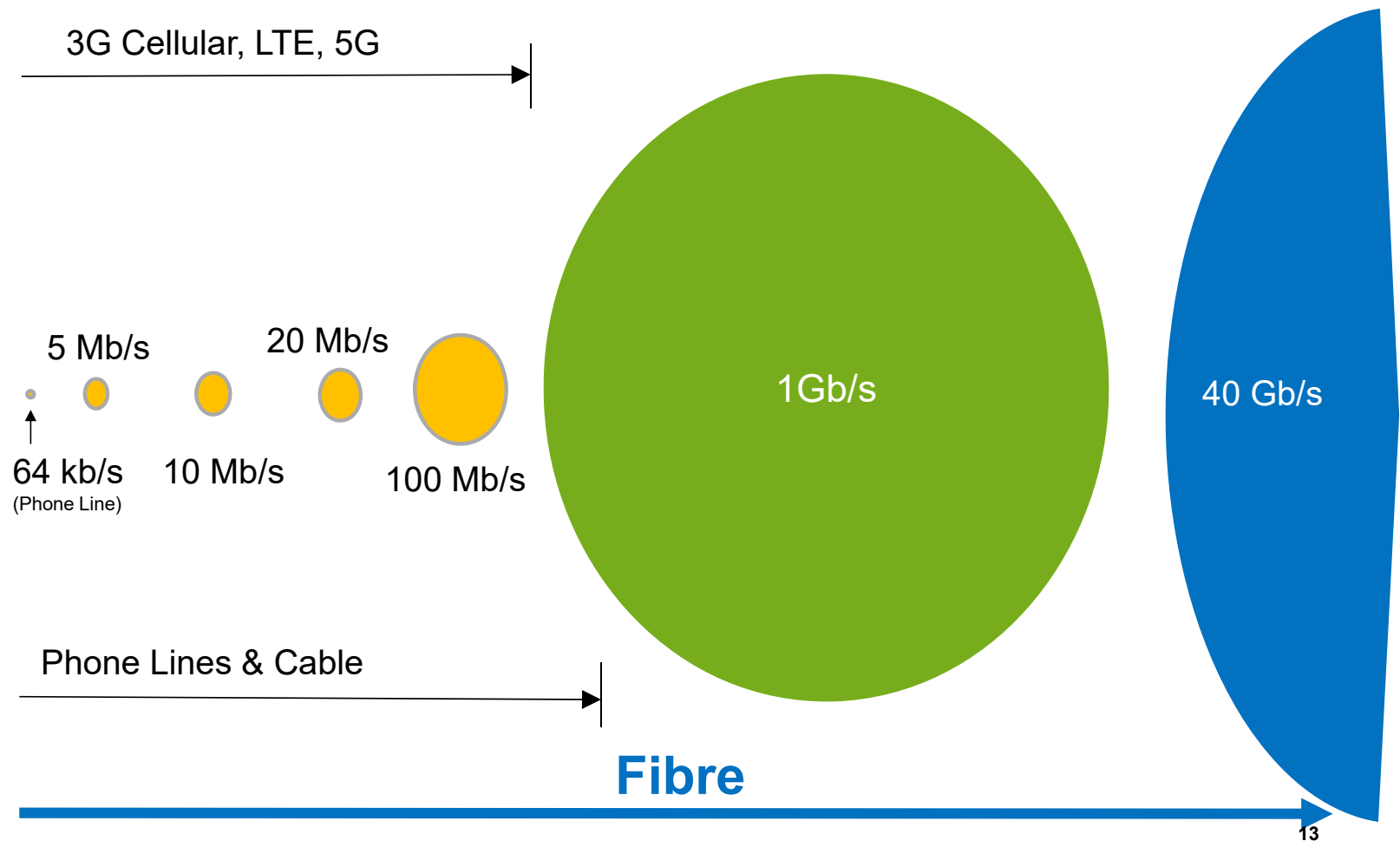
What are we doing about it:

- Developed a Fibre Optic Broadband Strategy (completed July 2019) with 7 key recommendations
- Recommended initial fibre investment to serve the City and act as a catalyst to enable broadband service to industrial customers (anchor investment)
- **Secured \$4.8M in provincial & municipal funding for fibre design and construction in 2021**



Why Fibre?

1. Future proof investment
2. Lowest operations/ maintenance costs
3. Useful life beyond 30 yrs.
4. Open network access
5. Cost effective in urban areas
6. Globally deployed



Agenda



1. Why is this Important?
2. The Current State of Broadband
- 3. Strategic Decisions Moving Forward**
4. Q&A

Business Model Options and Analysis



Approach	Business Structure	Issues to Consider
City Owned Model	<ul style="list-style-type: none"> Utility Corporation (e.g. EPCOR) City Owned 	<ul style="list-style-type: none"> Focused on sustainable operations City control of assets/ strategy
Partnership/Collaborative Model	<ul style="list-style-type: none"> Outsourced Operations Equity Partner/ Investor Design/Build / Finance/Maintain (PPP) 	<ul style="list-style-type: none"> Less capital and operational risks Less control of assets and direction
Carrier Commitment	<ul style="list-style-type: none"> Exclusive agreement / NDA 	<ul style="list-style-type: none"> No control of outcomes Provides advantage to single service provider No cost

Strategic Considerations Moving Forward

Strategic Decisions and Considerations

Do Nothing

**Publish Plans
search for
private sector
partner
(RFI/ RFP)**

**Create a PPP
(Public –
Private
Partnership)**

**Build and
Lease out
dark fibre /
ducts to
private sector**

**Build and operate
a public network
to businesses,
innovation
districts and
community
anchors**

**Build and run a
public network
(business and
residential)**

BENEFITS

<ul style="list-style-type: none"> No financial risk 	<ul style="list-style-type: none"> Leaves options open if unsure of strategy Limited investment 	<ul style="list-style-type: none"> Shared risk Limited public investment 	<ul style="list-style-type: none"> Increased competition Local control of assets Future expansion open 	<ul style="list-style-type: none"> Local control of investment and assets Targeted economic benefit 	<ul style="list-style-type: none"> Local control assets Universal coverage Community accountability
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RISKS

<ul style="list-style-type: none"> Comparative Disadvantage 	<ul style="list-style-type: none"> Disadvantage if no partner found 	<ul style="list-style-type: none"> Lack of local control Partnership conflicts 	<ul style="list-style-type: none"> Financial risk 	<ul style="list-style-type: none"> Financial risk Operational Sustainability 	<ul style="list-style-type: none"> Financial return Operational sustainability Predatory pricing from incumbents⁶
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Decisions coming up

1. Service Offering:
 - Dark Fibre?
 - Internet Speed - 1 Gigabits per second (Gbps), 10Gps?
2. Operate as an open access network?
3. Keep control of and build out City's own operational network?
4. Build with a view to future sell off of assets
5. Continue the investment as a requirement for new development work in the City:
 - Engineering standards?
 - New developer requirements?
6. Manage as a 4th utility?

Agenda



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Questions?

