

Supplementary Budget – Briefing Note

2019 Budget

One page brief per request

Briefing Note required for:

-items >\$50,000

-changes in FTE

Dept	Division	Business Unit	Item	Base Supp	Amount	FTE Impact
FBIS	ITS	13903	Initial Investment - Year 5 of 5 - SWIFT/WOWC : Project initiation	S	100,000	
FBIS	ITS	13903	Funding from the Strategic Development Reserve	S	(100,000)	
			TOTAL		\$0	

Background:

-Briefly provide why this is a request (eg. Based on 3 year history)

Previously approved (Year 1 of 5 -- now in year 5 of 5)

As part of Western Ontario Warden's Caucus (WOWC), the Southwestern Integrated Fiber Technology (SWIFT) project is a group of 16 local governments in Southwestern Ontario whose one goal is "to bring affordable high speed internet to everyone in Southwestern Ontario". Those who are participating in this project have been asked to contribute \$16M for an ultra-high speed broadband infrastructure build. (A regional area network (RAN)). Demands for fiber connections are increasing exponentially due to technology use increasing by the majority of businesses and citizens. The SWIFT goal is to provide internet connectivity that is equitably affordable and accessible to users regardless of population density. The SWIFT regional area network design will provide fiber optic coverage to all groups who participate in the project. The goal is to create an integrated and unified network of existing and new fiber optic construction where all providers may fairly compete and to provide access to users (2,960,941). The Municipality's participation in this Regional Area Network project requires specific contributions as listed below. SWIFT Inc. has been created. Funding of \$180 million (Federal/Provincial funding) was approved for the SWIFT initiative. The Municipality of Chatham-Kent is a member of SWIFT.

Comment:

- provide any further details if required, impact to user fees, etc. (eg. Gross expenses, any revenues, subsidies, etc.)

To participate in this Regional Area Network, the following requirements are required: A total of \$16 million contribution by the 16 local governments. There is expected to be an initial, non-refundable contribution of \$375,000 i.e. \$75,000 per year, for five years. The remaining contribution will be determined based on the past infrastructure investments, incremental benefits of the proposed build out, etc. The submission is for initial minimum investment of \$75,000 (for 5 years) and an additional \$25,000 for the operational budget to be part of the SWIFT/WOWC group. The WOWC estimates capital of \$242 M greenfield less 20-30% from contribution provider partners for existing assets. Funding goal is to get monies from Infrastructure Canada, the Province of Ontario, WOWC members and from the private sector provider partners.