



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Susan Silver, Senior Advisor – Strategic Initiatives

DATE: May 29, 2023

REPORT NO.: ADMIN-2023-018

SUBJECT: Halton Digital Access Services Corporation

RECOMMENDATION:

THAT Report No. ADMIN-2023-018 dated May 29, 2023 regarding Halton Digital Access Services Corporation be received;

AND FURTHER THAT Council approve the role of the Town of Halton Hills in the creation and operation of a Municipal Services Corporation (“MSC”) to be known as “Halton Digital Access Services Corporation” as described in this Report No. ADMIN-2023-018, including approving the Town of Halton Hills subscribing for shares in the capital of Halton Digital Access Services Corporation, and entering into any ancillary agreements, documents or forms the CAO deems are reasonably required for the creation of Halton Digital Access Services Corporation;

AND FURTHER THAT Council nominate the CAO to be the Town’s representative on the Halton Digital Access Services Corporation’s Board of Directors, and delegate to the CAO the authority to approve and execute on behalf of the Town in its capacity as a shareholder the Unanimous Shareholders Agreement, all shareholders’ resolutions, by-laws, agreements, documents and forms the CAO deems are reasonably required to be approved and executed;

AND FURTHER THAT Council approve the Town entering into the Halton Digital Access Services Corporation Municipal Pole License Agreement;

AND FURTHER THAT Council adopt the Asset Transfer Policy as described in this report and included as Appendix B;

AND FURTHER THAT a copy of Report No. ADMIN-2023-018 be sent to the Region of Halton, City of Burlington, the Towns of Milton and Oakville and Halton Hills Community Energy Corporation for their information.

KEY POINTS:

The following are key points for consideration with respect to this report:

- Town of Halton Hills Council, through [ADMIN-2022-0036](#), authorized the CAO to work with Halton Region (the Region) and the four Halton Region Local Municipalities (Local Municipalities) in the development of a business plan and governance structure for a Municipal Services Corporation (MSC) to facilitate 5G rollout in Halton.
- 5G technology implementation is expected to be a key economic driver over the next decade generating significant economic growth, and it is important that the Town of Halton Hills be positioned to benefit from that growth.
- A 5G network implementation requires the attachment of wireless transmitting devices to streetlights and hydro poles (“Vertical Assets”) typically along road rights-of-way. There is a potential opportunity to use municipal Vertical Assets for these 5G device attachments.
- This report provides recommendations regarding the creation of a new Municipal Services Corporation (MSC) in partnership with Halton Region, the City of Burlington, the Town of Milton and the Town of Oakville, along with the four local Hydro Companies to provide a “one-window” telecommunication permitting service.
- The creation of Halton Digital Access Services Corporation (HDASC) will require the Town and the Region and the other Municipal and Hydro partners to enter into several legal agreements, including a “Unanimous Shareholders Agreement” (which governs the relationships between the 9 partners), and a “Pole License Agreement” (which assigns HDASC the rights to license positions on streetlight and hydro poles to the telecommunication service providers).
- Telecommunication network operators do not have to use municipal assets and could install 5G microcells on other vertical assets including buildings or on their own poles or towers. There will be no financial burden on the Town in case telecommunication network operators do not use Town poles in their initial phase of 5G rollout.
- The Town of Halton Hills will stop utilizing or terminate existing small cell agreements with telecommunication providers upon confirmation by all parties to form an MSC and new agreements are put in place with the formation of the new corporation.
- As noted in the attached CONFIDENTIAL Appendix A, “Commercial Report, Municipal Vertical Infrastructure for 5G Deployment” business case, it is not anticipated that the Town of Halton Hills will have large volumes of 5G installations in the near term given the expected rollout by telecommunication service providers.
- As required in the *Municipal Act, 2001*, public consultation is required prior to the formation of any Municipal Services Corporation. Halton Region led this public consultation from November 23 to December 14, 2022. Members of Council were notified in November of the public consultation and provided a further briefing note as part of council orientation. Results of the consultation conducted are summarized in this report.

- In Canada, Innovation, Science and Economic Development Canada approves the use of 5G and sets stringent standards for radio frequency emissions for all emitting devices including cell phones and towers. Health Canada sets radio frequency standards for devices under its Safety Code 6 within its public health mandate.

BACKGROUND AND DISCUSSION

Digital Access Strategy

In the spring of 2021, the Halton CAOs were presented with an opportunity from the Hydro company Chief Operating Officers to utilize Vertical Assets throughout the Region for the deployment of 5G attachments by telecommunication companies. The exponential growth in the demand for mobile services led to major advancements in wireless network technologies approximately every 10 years, resulting in the emergence of groundbreaking 4G networks in 2010 and now leading to 5G technology which increases network capacity to better support mobile broadband users demanding faster speed and more data and presents significant economic opportunities.

The Halton CAOs identified the requirement to develop a strategy for digital access in the Region that would establish digital access objectives, identify gaps in both the rural and urban area, consider mobile and fixed technologies and identify strategies, roles and partnerships required for implementation. It was also scoped to contemplate a framework in which to consider ad hoc requests from telecommunication companies to utilize municipal assets including street light poles.

On December 15, 2021, Regional Council received Report No. ST-08-21, Digital Access Strategy Report, which provided an overview of the economic benefits of widespread 5G access. This report was also shared with Halton Hills Town Council via Report ADMIN-2022-0036, Halton Digital Access Strategy.

To implement 5G wireless technology, network operators such as Bell, Rogers and others need to create a network of small cells (antennas) to deliver the technology into homes, businesses and mobile devices. These small cells (or microcells) are essential for 5G network capability as they allow the operators to support more users with faster speeds, without the need to acquire additional wireless spectrum. Small cells are mini cellular towers (antennas), which are roughly the size of a standard laptop and can be installed on top of buildings, streetlights, and hydro poles. In this context, the Local Municipalities and Hydro Companies can leverage their existing Vertical Assets to facilitate faster deployment of 5G network capability.

A “one-window” permitting service model whereby the telecommunication companies would apply through a centralized permitting service has the potential to help the telecommunication companies expedite their 5G implementation plans across Halton Region. Consultations with several telecommunication companies by members of the

Halton Region working group and CAO's confirm the industry's support for a "one-window" permitting service.

Municipal Services Corporation (MSC)

Halton Region Report No. DI-02-22/LPS69-22, Halton Digital Access Strategy Implementation Plan, outlined a design and implementation approach for the Halton Digital Access Strategy "one-window" 5G permitting service created through a proposed new Municipal Services Corporation through the provisions of the *Municipal Act, 2001*.

Halton Hills Report No. ADMIN-2022-0036 dated July 4, 2022 regarding Halton Digital Access Strategy authorized the CAO to continue to work with the Region and other Local Municipalities in development of a business plan and governance structure for a Municipal Services Corporation (MSC) to facilitate 5G rollout in Halton.

A Municipal Services Corporation can only provide a system, service, or thing that a municipality is entitled to provide, which would include the 5G pole attachment permitting service described in this report. Through the provisions of the *Municipal Act, 2001*, a Municipal Services Corporation, owned by Halton Region together with each of the Local Municipalities, could be established to operate the "one-window" business to provide these centralized 5G permitting and management services, including:

- initial permit application and ongoing access licenses for telecommunication companies' use of poles for 5G attachments;
- municipal and Hydro company licenses to manage 5G pole attachment rights to the Municipal Services Corporation; and
- facilitation or coordination services to the telecommunication companies, including engineering, installation, maintenance and removal of cell attachments.

In addition, the proposed structure could allow the Municipal Services Corporation to eventually provide additional services beyond 5G, including a "one-window" approach for all non-5G telecommunication permits, should that be considered desirable by the Municipal Services Corporation partners.

Overall, a Municipal Services Corporation approach should create favourable conditions for the rollout of 5G across Halton Region. This will accelerate the delivery of 5G connectivity for local residents and businesses, bringing with it the associated economic and social benefits.

Governance and Requirements of MSC

Given the distributed ownership of Vertical Assets (i.e. that no party owns more than 17 percent of the total assets), it will be important to establish the appropriate governance to deliver a "one-window" approach to support 5G deployment. Key principles identified for developing a governance structure for municipal consideration were as follows:

- ownership of the poles is not transferred by the owner to the Municipal Services Corporation;
- municipalities and Hydro Companies will license rights to the Municipal Services Corporation to manage telecommunication companies' "one-window" access to Vertical Assets;
- 5G equipment and maintenance must not interfere with the primary purpose of the Vertical Asset;
- each Vertical Asset owner will take part in the governance of the Municipal Services Corporation; and,
- fees charged to telecommunication companies should be based on rates that at a minimum cover all operating costs associated with "one-window" service and allow for full cost recovery for the owner of the Vertical Asset.

The *Municipal Act, 2001* sets out several statutory requirements that must be met prior to the creation of a Municipal Services Corporation, including the following:

- Business case study – A municipality must adopt a business case study before it establishes a Municipal Services Corporation either alone or with one or more other municipalities.
- Asset transfer policies – A municipality must adopt and maintain policies on asset transfers to corporations, even though no asset transfers to Halton Digital Access Services Corporation are currently contemplated (i.e. the ownership of the pole infrastructure would remain with the individual municipalities and the Hydro Companies).
- Public Participation – A municipality must consult with the public about the proposal to establish a Municipal Services Corporation prior to such corporation's establishment. There are no specific rules governing the nature of the public consultation.

Business Case/Commercial Report and Operating Model

Under direction of the Halton CAOs, Town of Halton Hills staff, working jointly with Halton Region, the other Local Municipalities, the four local Hydro Companies, consultants, and external legal counsel, have completed the necessary preparations for consideration of a proposed "one-window" centralized 5G permitting service through a new Municipal Services Corporation.

As detailed in CONFIDENTIAL Appendix A, "Commercial Report, Municipal Vertical Infrastructure for 5G Deployment", the proposed Halton Digital Access Services Corporation, the Region and the four Local Municipalities would each own 20 percent of the shares in Halton Digital Access Services Corporation and would each have one representative on its Board of Directors. Each of the four local Hydro Companies would also have a representative on the board.

Each of the nine Halton Digital Access Services Corporation partners would license space on their respective Vertical Assets to Halton Digital Access Services Corporation, who in turn would be able to license space on these poles for 5G microcell equipment to telecommunication companies (e.g. Bell and Rogers).

Halton Digital Access Services Corporation would:

- work with the telecommunication companies to understand their business plans for 5G roll-out in Halton;
- accept applications from telecommunication companies for the installation of 5G equipment on poles;
- review these permit applications (in consultation with the pole owners if necessary);
- issue licenses for the equipment installation (with appropriate conditions) to the telecommunication companies; and
- ensure the equipment is installed properly, and does not interfere with the primary pole uses.

Halton Digital Access Services Corporation is intended to be a very “lean” organization, and to leverage the capabilities and expertise of its nine partners as needed. It would have a very small staff, currently contemplated to consist of a part-time General Manager, a part-time Manager of Permits and Approvals, and a part-time Manager of Finance and Administration. Halton Digital Access Services Corporation would enter into service contracts as needed for the provision of support services, legal and technical support, and the creation and ongoing support of digital systems to deliver its services.

Halton Digital Access Services Corporation would charge the telecommunication companies a permit application and review fee, which would cover the costs associated with reviewing applications, issuing permits and conducting inspections (if necessary). Depending on the volume and complexity of permit applications, it is possible that Halton Digital Access Services Corporation will contract with one or more consultants or contractors to assist with the permitting process.

Halton Digital Access Services Corporation will also charge the telecommunication companies an annual fee for each pole license. This annual fee would be consistent for all poles – regardless of the pole type or owner, and would be based on typical “market rates”. The revenue generated by these fees would be used for several purposes, including:

- distribution to the hydro pole owners (on a market-rate basis) for each pole licensed (less Halton Digital Access Services Corporation administration fees charged to the hydro pole owner);
- distribution to the municipal pole owners (on a cost recovery basis) for each pole licensed; and

- covering Halton Digital Access Services Corporation operating costs, including maintaining a contingency reserve.

Any additional revenues would be distributed to the municipal shareholders on a pro-rated basis based on the number of municipal Vertical Assets licensed to the telecommunication companies.

A key factor affecting Halton Digital Access Services Corporation revenue will be the pace at which 5G equipment is installed on Vertical Assets in Halton. Assumptions are specified in the report attached as CONFIDENTIAL Appendix A and it should be noted that the volumes for the Town of Halton Hills are minor, particularly in the early years. The telecommunication operators' initial focus will be on the dense areas mainly in the southern parts of the Region to meet the growing network capacity requirements.

It is also worth noting that in terms of Halton Digital Access Services Corporation governance framework and business model, there will be no financial burden on the Town in case telecommunication network operators do not use Town poles in their initial phase of 5G rollout. However, the Town of Halton Hills as a member of HDASC will be well positioned to effectively participate in the realization of long-term economic benefits of 5G technology deployments.

In 2019, Council authorized staff to enter into a Master Cellular Agreement and Small Cell Licence Agreement with Rogers Communications. The agreement authorized the Town to work with Rogers to address the placement, maintenance, repair and replacement of small cell (5G) units. To date, no installations of this type have occurred. Notice to terminate the small cell agreement will be provided to Rogers upon confirmation of the town's participation in HDASC and the signing of new agreements upon the formation of the new corporation. Rogers is aware that the existing agreement will be superseded once the corporation agreement is in place. There are no monetary penalties associated with this action.

Operational Start-Up

Based on discussions with telecommunication companies, and corresponding estimates of revenues and operating costs, it is estimated that Halton Digital Access Services Corporation costs will slightly exceed revenues in the first year of operation, and that revenues will exceed costs in every year thereafter. To provide for appropriate funds to cover operating costs during the start-up phase of Halton Digital Access Services Corporation, until it reaches a positive cash flow position, it is proposed that Halton Region provide a \$500,000 start-up loan to Halton Digital Access Services Corporation.

Halton Region Report DI-03-23/LPS23-23, Creation of Halton Digital Access Services Corporation outlines additional details and seeks approval from Regional Council to enter into a loan agreement with HDASC to provide these funds. There is no monetary commitment required of the Town of Halton Hills and Halton Region bears all risk associated with the loan.

Asset Transfer Policy

As noted earlier in this report, one of the requirements of the *Municipal Act, 2001* is that a municipality must have an asset transfer policy in place prior to creating a Municipal Services Corporation, even if there is no intention to transfer assets to the Corporation.

Because the Town of Halton Hills currently does not have an asset transfer policy in place, it is recommended that Council adopt the Asset Transfer Policy included as Appendix B. The proposed Asset Transfer Policy permits Council to transfer assets to a Municipal Services Corporation, but requires that “Any Asset transfer must be approved by the Council in advance of the transfer”, and allows Council to attach conditions to such a transfer.

Although it is proposed that the Town license space on its poles to Halton Digital Access Services Corporation, there is no intention that the Town (or any of the pole owners) transfer ownership of their poles to Halton Digital Access Services Corporation. Transferring of assets would require specific Council approval.

Public Participation/Consultation

As outlined in the *Municipal Act, 2001*, it is a statutory requirement to conduct public consultation prior to establishing a Municipal Services Corporation. Halton Region led this public consultation from November 23 to December 14, 2022. The following is a summary of the consultation which is described in Halton Region Report DI-03-23/LPS23-23, Creation of Halton Digital Access Services Corporation.

The purpose of the Halton Municipalities consultation was to outline the benefits, ownership, governance, operation, and purpose of the proposed Municipal Services Corporation and to provide an opportunity for the public to provide comments regarding the proposed Municipal Services Corporation.

The public consultation yielded a significant engagement with approximately 2,000 reviews of the initiative overview on [Halton.ca](https://www.halton.ca), 171 “yes/no” submissions and 94 comments. Themes within the comments included: Health concerns related to cellular technology, support for accelerating 5G rollout in Halton, and support for broadband and 5G in rural areas. Within the survey results, support was fairly evenly split between those supporting the creation of the Halton Digital Access Municipal Services Corporation to accelerate 5G deployment and those not supporting the acceleration of 5G deployment due to health concerns.

The proposed Halton Digital Access Municipal Services Corporation content on [Halton.ca](https://www.halton.ca) provided an overview of the business case including how the Municipal Services Corporation would be owned and operated, and the benefits to Halton. In addition, the Region provided Federal Health information regarding the health implications of 5G in the form of a video. With respect to health concerns, according to Health Canada, based on the available scientific evidence, there are no health risks

from exposure to the low levels of radiofrequency electromagnetic fields emitted by 5G devices.

Residents were invited to complete a short survey asking if they support the creation of the proposed Municipal Services Corporation and they were given an opportunity to submit comments. The public consultation was supported by social media, local newspapers and communication campaigns. Communications staff from the Town of Halton Hills participated in the promotion of the campaign.

Federal 5G Standards, Approvals and Regulations

Ontario Municipalities do not have jurisdiction over the provisioning of broadband and cellular services by the telecommunication companies, including 5G technology.

The provision of broadband internet is the responsibility of the Federal Government through the Canadian Radio-television and Telecommunication Commission which regulates the telecommunication companies, including implementations of 5G networks in Halton.

Cell phone towers and 5G transmitters emit radiofrequency electromagnetic fields similar to energy used by AM/FM radio and television signals. The equipment is usually installed high above ground level, often on towers and utility poles.

In Canada, Innovation, Science and Economic Development Canada approves the use of 5G and sets stringent standards for radio frequency emissions for all emitting devices including cell phones and towers, which align with those of prominent international organizations such as the Institute of Electrical and Electronics Engineers, the Internal Telecommunication Union and the Federal Communications Commission. Similarly, Health Canada sets radio frequency standards for devices under its Safety Code 6 within its public health mandate. Innovation, Science and Economic Development Canada tests and approves the use of 5G devices before they can be used in Canada.

According to Health Canada, based on the available scientific evidence, there are no health risks from exposure to the low levels of radiofrequency electromagnetic fields emitted by 5G devices.

Both Innovation, Science and Economic Development Canada and Health Canada have concluded that 5G devices approved for use in Canada are compliant with Safety Code 6 and do not pose a danger to the public.

In addition, Public Health Ontario continues to study the environmental public health effects of radio frequency exposure in Ontario and in September 2022 published [Focus On: Health Effects of Radiofrequency Electromagnetic Fields, Including 5G](#) which anticipates that with the expanded use of wireless technology, exposures to radio frequencies may increase, but are expected to remain under regulatory limits.

It should be emphasized that the approval of the use of 5G devices is a federal responsibility, outside of the purview of municipal governments or hydro utilities. The recommendations in this report relate to the creation of a “one-window” approach which would facilitate the installation of 5G equipment on Vertical Assets. Should this “one-window” approach not proceed, individual municipalities and hydro companies could license the installation of 5G equipment on their own poles, and telecommunication companies could also install 5G microcells on other vertical assets including buildings, and on their own poles or towers.

Process to Create and Implement Halton Digital Access Services Corporation

There are a number of legal and practical steps that need to be taken to formally create Halton Digital Access Services Corporation as a Municipal Services Corporation, and to get Halton Digital Access Services Corporation to an operational state. Some of the key steps and legal agreements include the following:

- All nine partner organizations enter into a Unanimous Shareholders Agreement
- Formation of the Board of Directors
- Filing of Articles of Incorporation
- All nine partner organizations enter into Pole License Agreements with Halton Digital Access Services Corporation

Each of these steps is described briefly below.

Unanimous Shareholders Agreement

The Unanimous Shareholders Agreement describes and governs the relationship between the nine parties to the agreement. It describes the role of the Municipalities as shareholders of Halton Digital Access Services Corporation, and the Hydro Companies as participants in Halton Digital Access Services Corporation. It includes numerous provisions required by law, such as: the size, composition, and decision-making processes of the Board of Directors; rights of the parties to receive unaudited and audited financial statements; confidentiality; provisions related to the issuing of shares; and provisions related to parties exiting the agreement.

Board of Directors

It is proposed that each of the nine partners would have one member on the Board of Directors, and that the Chair of the Board would be Halton Region’s representative on the Board. It is also proposed that the representative of each partner organization would be the organization’s senior staff person (CAO, CEO or COO) or designate. These senior executives have acted as the Steering Committee, which has guided the formation of Halton Digital Access Services Corporation to this point, and they would bring that background and knowledge to their roles on the Board. At some point in the future, once Halton Digital Access Services Corporation has achieved an operational “steady state”, they may choose to delegate their role on the Board of Directors to another representative from their organization.

Any matters requiring a Board decision would require a two-thirds majority of Board members casting votes to pass. In addition, there are certain matters (such as

amending the Unanimous Shareholders Agreement or winding up the business) which would require a “Special Approval”, which consists of consent of at least all but one of the municipal representatives on the Board of Directors.

Articles of Incorporation

The formal, legal step required to create Halton Digital Access Services Corporation as a Corporation is the filing of Articles of Incorporation. The Articles of Incorporation describe the share capital of the corporation. It is proposed that Halton Digital Access Services Corporation would issue 100 common shares to each incorporating shareholder municipality, with the shares valued at \$1 each.

Pole License Agreements

The primary focus for Halton Digital Access Services Corporation is to provide “one-window” access to the Vertical Assets owned by the nine Halton Digital Access Services Corporation partners.

In order for Halton Digital Access Services Corporation to have the ability and authority to license space on these poles to telecommunication companies, each of the pole owners must first grant a “license” to Halton Digital Access Services Corporation for space on the poles. It is proposed that each pole owner will enter into a pole license agreement with Halton Digital Access Services Corporation, which will grant Halton Digital Access Services Corporation the ability to license space on the poles to telecommunication companies.

The pole license agreement describes the rights and responsibilities of Halton Digital Access Services Corporation and the pole owners, and it ensures that the primary purpose of the poles (for municipal or hydro purposes) is protected. In return for the pole owner granting a license to Halton Digital Access Services Corporation, Halton Digital Access Services Corporation agrees to share revenues from the telecommunication companies with the respective pole owners, as described in previous sections of this report.

Other key elements of the pole license agreement include the following:

- The agreements will be for an initial term ending December 31, 2032, with automatic successive five-year renewal terms until terminated;
- After the initial term any party can terminate the agreement on 12 months’ notice;
- Halton Digital Access Services Corporation is required to indemnify the municipality for any damages incurred by the municipality that arise out of or are related to Halton Digital Access Services Corporation’s performance or nonperformance of the agreement.

Risks

As noted in previous sections of this report, there are many advantages to expediting the roll-out of 5G technology in Halton Region, and Halton Digital Access Services Corporation is expected to help facilitate and expedite the roll-out of 5G microcells by the telecommunication companies. However, there are also risks with the proposed approach that are important to acknowledge.

Some of these risks include the following:

- Federal or Provincial governments or regulatory agencies could decide to regulate 5G pole attachment fees at a lower rate than currently contemplated in the Halton Digital Access Services Corporation business plan. This would reduce Halton Digital Access Services Corporation's revenue, which could jeopardize its ability to cover its operating costs, and its ability to pay back the \$500,000 start-up loan from Halton Region.
- The rate of roll-out and installation of 5G microcells by the telecommunication companies could be slower than assumed in the business plan (based on information provided by the telecommunication companies). This would also reduce Halton Digital Access Services Corporation's revenue, which could jeopardize its ability to cover its operating costs, and its ability to pay back the startup loan.
- Halton Digital Access Services Corporation costs to deliver its services could be higher than currently budgeted. This would impact Halton Digital Access Services Corporation's profitability and potentially affect its ability to distribute the anticipated revenue to the various pole owners, and potentially affect its ability to pay back the start-up loan.

Next Steps

Each of the Local Municipalities and Hydro Companies are taking reports to their Councils/Boards in late May / early June seeking the necessary approvals to proceed with implementing Halton Digital Access Services Corporation.

Once all the necessary approvals are in place, then the Articles of Incorporation will be filed, formally creating Halton Digital Access Services Corporation as a legal entity. The Board of Directors will then convene for their inaugural meeting, and they will take all the necessary steps to get Halton Digital Access Services Corporation "up and running".

Important early activities for the Board will be hiring the initial (part-time) Halton Digital Access Services Corporation General Manager, finalizing pole license agreements with the telecommunication companies, and developing the necessary operational systems and processes to process pole permit applications efficiently and effectively. It is expected that licensing and installation of 5G attachments on poles would commence later this year.

STRATEGIC PLAN ALIGNMENT:

This report aligns to the Town's Strategic plan recognizing the value to foster a prosperous economy, maintain and enhance the economic vitality of the town through the provision of a wide range of opportunities for economic development.

This report also identifies shaping growth as one of the Town's Strategic priorities.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement to form a Municipal Services Corporation is a statutory requirement under the Municipal Act, 2001 and has been conducted as described in this report.

INTERNAL CONSULTATION:

Town staff from Finance and Accounting, Purchasing, and Engineering have been directly involved as participants in various sub-working groups formed under the joint Regional implementation working group. Economic Development staff have also been consulted along with members of the Senior Management Team.

FINANCIAL IMPLICATIONS:

This report will be funded through an existing approved budget source.

There are no direct costs for the Town of Halton Hills to form the Municipal Services Corporation. Halton Region has funded the Digital Access Strategy and as noted in this report, will be providing a start-up loan to Halton Digital Access Services Corporation (HDASC).

The Town has been a party under a joint retainer agreement funded by Halton Region to receive advice from external legal counsel representing the interests of the Region and municipalities.

The Town has also engaged independent external legal counsel to protect the town's interests and seek advice as needed throughout the project. To date this expenditure has been approximately \$15,000 and has been charged to the corporate legal account in the operating budget.

Reviewed and approved by,

Richard Cockfield, Director of Strategic Planning

Chris Mills, Chief Administrative Officer