

Report

City of Merritt
REGULAR Council Meeting
October 27, 2020

File Number: 2240-55

To: Sean Smith, Chief Administrative Officer
From: Greg Lewis, Director of Corporate Services
Date: October 20, 2020
Subject: Shaw Go Wifi agreement renewal

RECOMMENDATION:

THAT Council approve the attached 5 year licensing agreement with Shaw Cablesystems Limited, and authorize the Mayor and Director of Corporate Services to sign it on behalf of the City.

Background:

In late 2015, the City of Merritt entered into a licensing agreement with Shaw Cable to provide Shaw Go wi-fi access points on certain buildings owned by the City of Merritt¹. This resulted from over a year-long process following Shaw approaching the City in 2014, and the City launching an RFP to gauge commercial interest.

Consideration at the time was given to alternative methods of providing the service, including it being available to all residents at no cost, but legal advice at the time suggested that this would be considered commercial assistance to Shaw, which is not permitted under the Community Charter. That statutory provision has not changed.

This licensing agreement provides Shaw customers within range of the access points with access to wireless internet service without needing to use a data plan on their mobile device. In return, Shaw makes a payment to the City for each access point installed. These access points are maintained by Shaw personnel, who access them as needed at no cost to the City.

¹ Resolution 295/15.

The agreement has been positive for Shaw, who wish to renew it. However, City staff wish to change the agreement to reduce the number of access points, due to difficulties the installation has caused City wireless services. The signal provided by Shaw is extremely powerful and has at times 'drowned out' the City's internal wireless network, causing problems for the effective operation of IT services. The contract provides that the City shall not operate anything that interferes with Shaw's equipment or service, but the same provision does not apply in reverse.

As a result, City staff and Shaw representatives conferenced in September 2020, and agreed to a new layout of access points should Council approve a renewal of the agreement. Access points would be removed completely from most City buildings (City Hall, the Civic Centre, and the Aquatic Centre), meaning the service offered by Shaw to their customers would be reduced, and the payment received by the City would be less in turn.

In spite of the reduction of service and payment, both Shaw and City staff feel that the agreement would continue to offer a benefit to Merritt residents and are requesting Council's authorization to enter into a new five year agreement for the remaining access points at the Nicola Valley Memorial Arena. This is a large facility where the access points are sufficiently spaced out to not interfere with City equipment.

Options / discussion

1. Council could renew the agreement as proposed
2. Council could propose modifications to the agreement to be negotiated with Shaw
3. Council could refuse to renew the agreement and terminate the provision of commercial Wifi service from any City facilities, or seek alternative providers

Financial / Risk Implications:

Shaw pays the City \$250 (plus \$40 for electricity) for each outdoor access point, and \$100 (plus \$25 for electricity) for each indoor access point, annually. The reduction in access points will mean a small reduction in income.

Others Consulted:

Jim Johnston, IT Manager
Shaw Cable

Attachments:

Schedule A: Shaw Go Wifi Agreement from 2015
Schedule B: Proposed Amending and Renewal Agreement from 2020

Respectfully submitted,

Greg Lowis
Director of Corporate Services