



Council supports fibre project

Paul Frey, Olds Albertan, June 23, 2010

Town of Olds councillors were generally supportive of a \$6 million loan request by members of the Olds Institute For Community and Regional Development to finish the fibre-to-the-premise project that was begun several years ago.

While council decided on June 14 to receive the presentation for information, town administrators will be drafting bylaws to allow the town to lend the money to the OICRD. At a future council meeting, council will be asked to pass the bylaws. If the bylaws are passed, the town will borrow the money from the Alberta Municipal Finance Authority, and in turn loan it to the OICRD.

The OICRD would repay the loan, in part, from revenue it receives from subscriber services.

"I think we have a solid plan," said Coun. Warren Smith, noting that both Stirling McLeod, chairman of the OICRD and Joe Gustafson, chairman of the technology committee spearheading the project, have done an excellent job in promoting it for the last several years. "We have looked at (fibre-to-the-premise) as a model for other communities."

Coun. Mary Jane Harper said she appreciates the work done by the committee on the project since the objective was identified in 2000.

"I know that \$6 million is a lot of money. I cannot understand for the life of me why some of these (technology) companies haven't jumped into our sandbox," she said.

Mayor Judy Dahl said council has been following the process for about the last six years and has been pleased that the committee has asked for as much funding as possible from other sources. The group has about \$3.5 million in combined funding from both the provincial government and the Rural Alberta Development Fund.

The project is estimated to cost \$12.89 million. A private investor has agreed to give \$1.5 million to the project.

"We always knew that they might come back to us for a \$1.8 million ask for a debenture. Of course in the end it's come to \$6 million because of some of the grants that never came through," Dahl said, adding council expected the discrepancy between the two requests because six years had passed between the two figures.

Dahl said the community will benefit from the project by more people being able to live and work in Olds rather than having to commute to Red Deer or Calgary.

"For us, it is keeping the sustainability of youth and families here in Olds rather than them having to move to the city to have good paying jobs for their families. It's retention," she said.

The project will have an open access network. Gustafson said the capacity of the network is anywhere from five to 10 times greater than what's available currently, with the ability to both upload and download information at the same speed.

"The network ... has so many capabilities," Gustafson said.

Currently there is six kilometres of conduit in the ground, with more to come.

"The goal here is to retain our human capital," Gustafson told council.

The OICRD will be commencing a survey of community members over the next eight weeks to gauge the level of subscriber support that a finished project would have in the community.

In similar projects done in the United States, the technology committee found that a community subscriber rate of 30 per cent was a good number. Gustafson told council he thinks that number will be conservative in Olds.

Following the council presentation, McLeod said within the next decade "significant income" would be generated by the OICRD from bandwidth various users purchase from the institute. "(The OICRD) can use that money to advance their community and economic development activities," he said.

He said the jobs that will be available through the use of the system are clean, green and higher-paying positions that are the types of jobs that will attract people to the area in the future.

Gustafson added that the goal of having Olds as the first community to have every citizen able to access the Supernet will be a reality, and urged people to participate in the survey.

"I think this is an opportunity that is just amazing. It's taken a long time to bring us here but we will be the first businesses and homes in the province to be connected to the Supernet," he said.

The technology committee hopes to have the fibre installed throughout the community by 2011, with subscribers using the service by 2012.