



REGIONAL MUNICIPALITY
OF WOOD BUFFALO

RURAL DEVELOPMENT COMMITTEE REPORT

Meeting Date: March 24, 2015

**Lease of Municipal Lands – Alberta First Responders Radio
Subject: Communication System – Portion of Lot 35A, Block 1,
Plan 032 1502, Hamlet of Janvier South**

APPROVALS:

Keith Smith, Director
Brian Moore, Executive Director
Bob Couture, Acting Chief Administrative Officer

Administrative Recommendation:

THAT the request to authorize the lease of the property legally described as a portion of Lot 35A, Block 1, Plan 032 1502, known as 110 Janvier Drive in the Hamlet of Janvier South, to the Minister of Justice and Solicitor General for the Province of Alberta, in accordance with the terms and conditions outlined in the Letter of Intent, dated March 6, 2015, be forwarded to Council and recommended for approval.

Summary:

The Municipality received a request from the Ministry of Justice and the Solicitor General for the Province of Alberta to lease 0.0229 hectares of land to accommodate installation of a 55 metre self-support telecommunication tower, adjacent to an existing municipally-owned 30.5 metre tower which houses radio frequency (RF) installations for Regional Emergency Services and an independent third party co-locator, abutting the Janvier Municipal Office. Positioning of this proposed tower is a critical element in the Alberta First Responders Radio Communications System (AFRRCS) network.

Background:

The Municipality received a lease request for a telecommunication tower from AFRRCS in late 2012 to fulfill a provincial initiative under which the Ministry of Justice and Solicitor General is establishing a two-way radio network serving first responder agencies, including police, fire and ambulance. It is designed to meet their current and future needs by eliminating technical barriers while facilitating inter-connectedness and inter-agency cooperation. Extensive investigation into alternative site selections, including tentative co-location arrangements and two other municipally owned sites, have proved unworkable.

Details of the proposed lease have been circulated to internal municipal departments, Alberta Transportation, Alberta Environment and Sustainable Resource Development, police, energy companies, and franchise and utility agencies. Responses from all stakeholders support the project. Also, a public engagement was held in the Hamlet of Janvier, and no objections were received. Final execution of a lease will depend upon the applicant fulfilling conditions which ensure that this project is both practically and economically viable, including compliance with all federal, provincial and municipal rules, regulations and guidelines. These conditions include Industry Canada's requirement for public consultation.

Budget/Financial Implications:

The Municipality will realize lease payments of \$15,000.00 per annum, with this rate increasing by 10% every 5 years over a span of 30 years. The rate is based on average regional rates paid by TELUS in six major urban centers throughout Alberta.

Rationale for Recommendation:

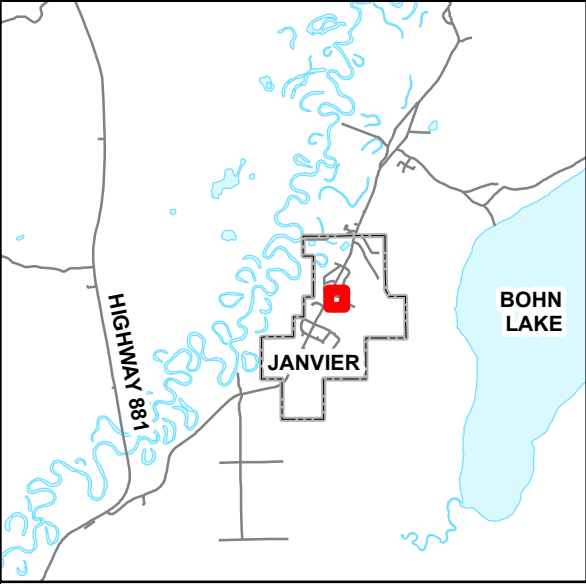
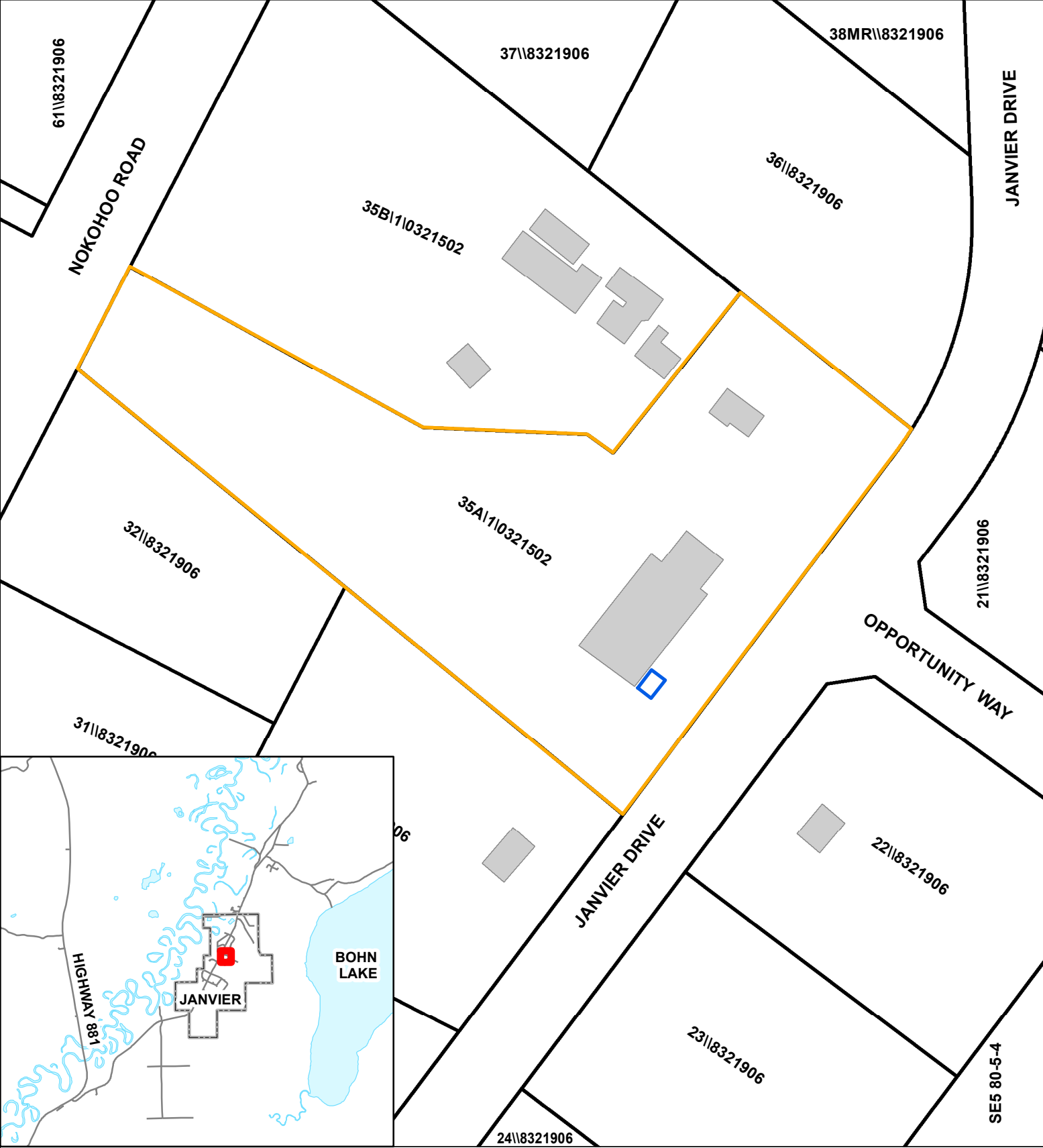
Administration supports granting this lease as the tower will support:



- Alberta's provincial government in their mandate to create a standardized radio network for first responders, thereby achieving network coverage for over 95% of primary and secondary roadways within the Province;
- the Municipality's identified initiatives including rural broadband connectivity and other Smart City and Intelligent Community initiatives, thereby improving electronic communication effectiveness, efficiency and quality of service in municipal operations;
- third party commercial interests: numerous service providers have expressed a desire to co-locate on this proposed tower;
- AFRRCS will be free to address co-location requests from third parties in accordance with Industry Canada/AFRRCS policies, and based on their individual merits.

This proposed tower is a critical element in the provincially mandated Alberta First Responders Radio Communication System project.

Attachments:

1. Subject Area Map
2. Letter of Intent



-  Proposed Lease Area
-  Lot

1 cm = 15 meters



Map created by the Land Administration Department
The use of this map is for reference only.
09 Mar 2015 / JM009



REGIONAL MUNICIPALITY
OF **WOOD BUFFALO**

LETTER OF INTENT

ATTACHMENT 2

Elaine Martens, Lease Coordinator

March 6, 2015

**Minister of Justice and the Solicitor General for the Province of Alberta
Suite 300 Sun Life Place
10123 99 Street,
Edmonton, AB T5J 3H1**

**Attention: Guy Bertrand, Director, Site Acquisition and Finance, AFRRCs
Attention: Stephen Bull, Executive Director, AFRRCs**

Dear Messrs. Bertrand & Bull:

The following is a summary of the anticipated business terms with respect to the **Minister of Justice and the Solicitor General for the Province of Alberta on behalf of the Alberta First Responders Radio Communication System project located within a portion of Lot 35A, Block 1, Plan 032 1502 (municipally known as 110 Janvier Drive, Janvier, AB T0P 1G0) (the "Premises")**.

- 1. LEGAL NAME OF LANDLORD :** Regional Municipality of Wood Buffalo
9909 Franklin Avenue, Fort McMurray, AB T9H 2K4
- 2. LEGAL NAME OF TENANT:** Minister of Justice and the Solicitor General for the Province of Alberta
TENANT'S HEAD OFFICE ADDRESS: Suite 300 Sun Life Place
10123 99 Street,
Edmonton, AB T5J 3H1
- 3. PREMISES:** Fenced compound approximately 40 ft. x 60 ft. (2400 square feet, being 0.055 acres) or 12.192m x 18.288m (222.967 meters squared, being 0.0229 hectares), in the approximate location shown on Schedule "A".
- 4. LEGAL DESCRIPTION** A portion of Plan 032 1502, Block 1, Lot 35A, municipally known as 110 Janvier Drive, Janvier, AB T0P 1G0
- 5. LEASE MUST BE FINALIZED BY:** **April 30, 2016.** Tenant will execute Landlord's form of lease for the Premises incorporating the relevant provisions of this letter (the "Lease"). Tenant acknowledges that this letter contains the basic terms and conditions upon which Landlord will consider leasing the Premises to Tenant and that supplementary language and revisions to the language contained in this letter may be warranted in the Lease.

6. **DUE DILLIGENCE PERIOD** The period commencing on the date Landlord notifies Tenant that the Premises are ready to commence Tenant's Work, estimated to be **May 1, 2015** and expiring on the date which is the earlier of: (i) **365** days after the Due Diligence Period began; (ii) the date on which the Tenant begins construction of the structure(s) intended for its use upon the leased Premises; and (iii) **April 30, 2016**. Tenant is responsible for all permitting and insurance during the Due Diligence Period.

7. **TERM:** **Five Years** with Five consecutive fixed option periods of five years each, totaling approximately **Thirty (30)** years commencing on the day following expiration of the Due Diligence Period (the "Commencement Date") and expiring on **April 30, 2045**.

8. **MINIMUM RENT :**

Years 1 to 5 inclusive:\$15,000.00 per annum;

Option Term #1:
Years 6 to 10 inclusive:\$16,500.00 per annum;

Option Term #2:
Years 11 to 15 inclusive:\$18,150.00 per annum;

Option Term #3:
Years 16 to 20 inclusive:\$19,965.00 per annum;

Option Term #4:
Years 21 to 25 inclusive:\$21,961.00 per annum;

Option Term #5:
Years 26 to 30 inclusive:\$24,157.00 per annum.

Tenant is responsible for all business taxes, surcharges, etc.

9. **SURRENDER OF PREMISES:** In the event the Tenant determines during the Due Diligence period that operating the Site for its intended purpose of a **self-supporting telecommunication tower measuring approximately 55 metres (180 feet) in height, accompanied by an equipment shelter (10' x 14'), waveguide bridge from shelter to tower, standby generator and propane tank, all within a fenced compound measuring approximately 40'x 60' (12.2m x 18.3m)** is or has become commercially impractical, for any reason, Tenant is relieved of its obligation to execute the Lease which is the subject of this Letter of Intent without damages or penalty upon sixty (60) days prior written notice to the Landlord. In the event of such termination, the Landlord shall refund to the Tenant any rent paid in advance for any period of time subsequent to the effective date of termination.

10. **REMEDIATION:** In the event Tenant is relieved of its obligation to execute the Lease for reasons set out in Item 9 above, Tenant covenants to restore the subject lands to their original condition.

11. **USE CLAUSE:** Tenant shall continuously and actively use the Premises solely for a **telecommunication tower** and as ancillary thereto, a **fenced compound to house an equipment shelter**, and for no other purpose.
12. **LANDLORD'S WORK:** Landlord will complete Landlord's Work, if any, in accordance with Schedule "B".
- Upon receiving evidence of:**
- a) **network analysis evidencing compatibility with existing RF installations on adjacent RMWB Regional Emergency Services tower; and**
- b) **compliance with Industry Canada CPC 2-0-03, Issue 5**
- Landlord agrees to provide Tenant with a Letter acknowledging such compliance for delivery to Industry Canada.**
13. **TENANT'S WORK:** Subject to Landlord's Work described above, if any, Tenant accepts the Premises in "as is" condition and will complete Tenant's Work at its expense prior to expiry of the Due Diligence Period in accordance with Schedule "B". Such Tenant's Work includes all work required in order for Tenant to commence business operations.
14. **FEDERAL, PROVINCIAL AND MUNICIPAL RULES AND REGULATIONS:** The Tenant acknowledges and agrees to provide evidence of compliance with all Federal, Provincial and Municipal rules and regulations, as required under law and as set out specifically in Schedule "C".
15. **AFFECTED DISPOSITIONS:** The Tenant agrees, if applicable, to provide evidence that appropriate authorizations from any disposition holders affected by the proposed Lease are in place in advance of execution of the proposed Lease
16. **DEPOSIT:** Tenant shall deliver a deposit cheque in the total sum of **\$15,000.00**, which shall be held by Landlord, without interest, and applied on account of Minimum Rent first becoming payable during the Term.
17. **EXTENSION OPTION(S):** **See Item #8**
18. **ENGINEERING STANDARDS:** The Tenant covenants to provide geotechnical data compiled during performance of due diligence with regards to this lease, and to comply fully with Engineering Standards established by the Regional Municipality of Wood Buffalo.

19. **REDEVELOPMENT / RELOCATION RIGHTS** Tenant acknowledges and agrees that the Lease will contain rights in favor of Landlord to (a) terminate the Lease in the event of a redevelopment of the lands; and/or (b) relocate the Premises, all in accordance with the Lease.
20. **SPECIAL PROVISIONS:**
- I - The Landlord shall be provided the opportunity to include tower apertures for the purpose of re-locating radio transmission equipment from the existing tower at the Premises, to the Tenant's tower, without neither a one-time nor a recurring cost to the Landlord, provided the request to re-locate this equipment is made in writing by the Landlord to the Tenant within ninety (90) calendar days of the date hereof.
- II – After ninety (90) calendar days from the date hereof, the Landlord shall be granted a right of first refusal for access to tower aperture for the purpose of installing radio transmission equipment, at terms typical for commercial use of tower space in the area, including the payment of recurring rent and the Landlord accepting all costs for analyzing the tower's capacity to accept the Landlord's radio transmission equipment - as well as the cost of installation and any tower reinforcement required;
- III - The Tenant will not be obligated to provide access to tower aperture to others, and will review such requests from time to time and make arrangements without the Landlord's involvement or influence.

This Letter of Intent ("LOI") constitutes only an expression of intent and does not constitute a binding agreement between the parties. No party will be under any legal obligation unless and until a Lease containing the terms outlined in this LOI and other terms mutually agreeable to the parties has been executed and delivered by all parties intended to be bound.

Please return this LOI to the undersigned together with the required deposit cheque in the amount of \$15,000.00, payable to **Regional Municipality of Wood Buffalo** by **April 30, 2015**.

Yours truly,

REGIONAL MUNICIPALITY OF WOOD BUFFALO

Keith Smith, Director, Land Administration

Acknowledged by:

**MINISTER OF JUSTICE and the SOLICITOR
GENERAL FOR THE PROVINCE OF ALBERTA**

Per: _____

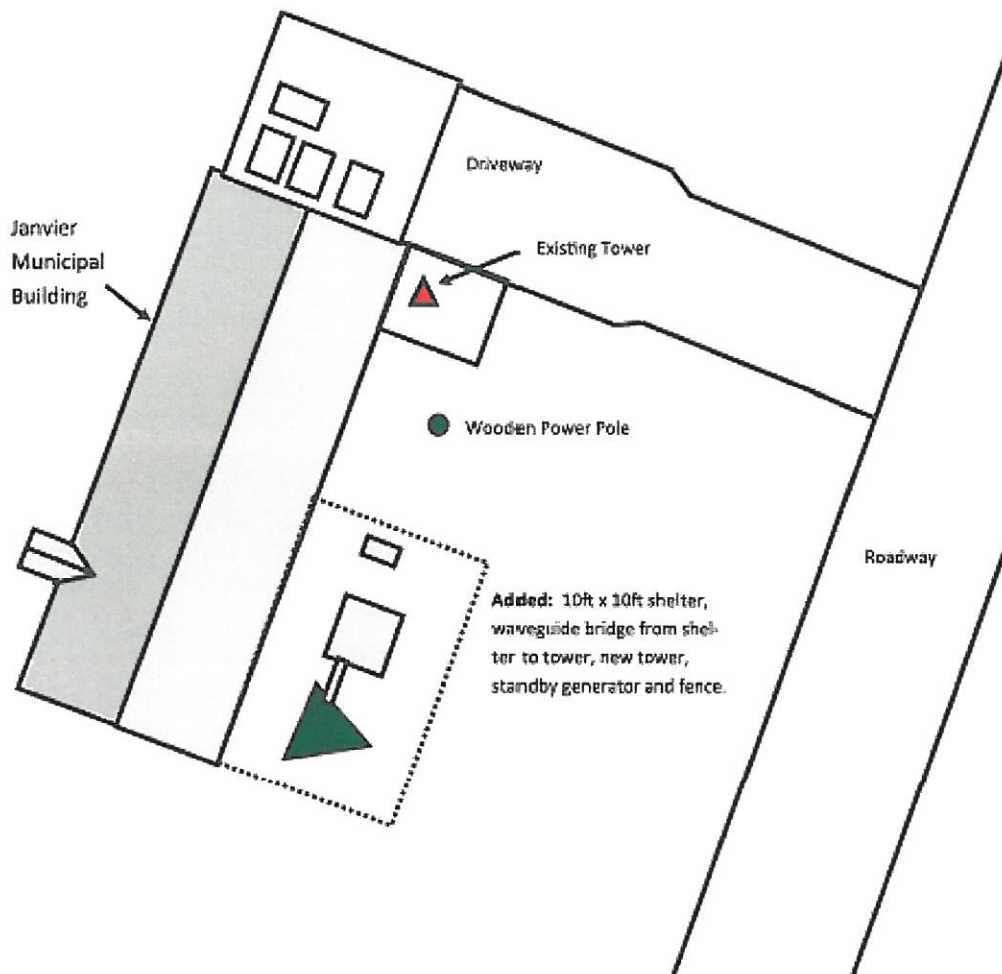
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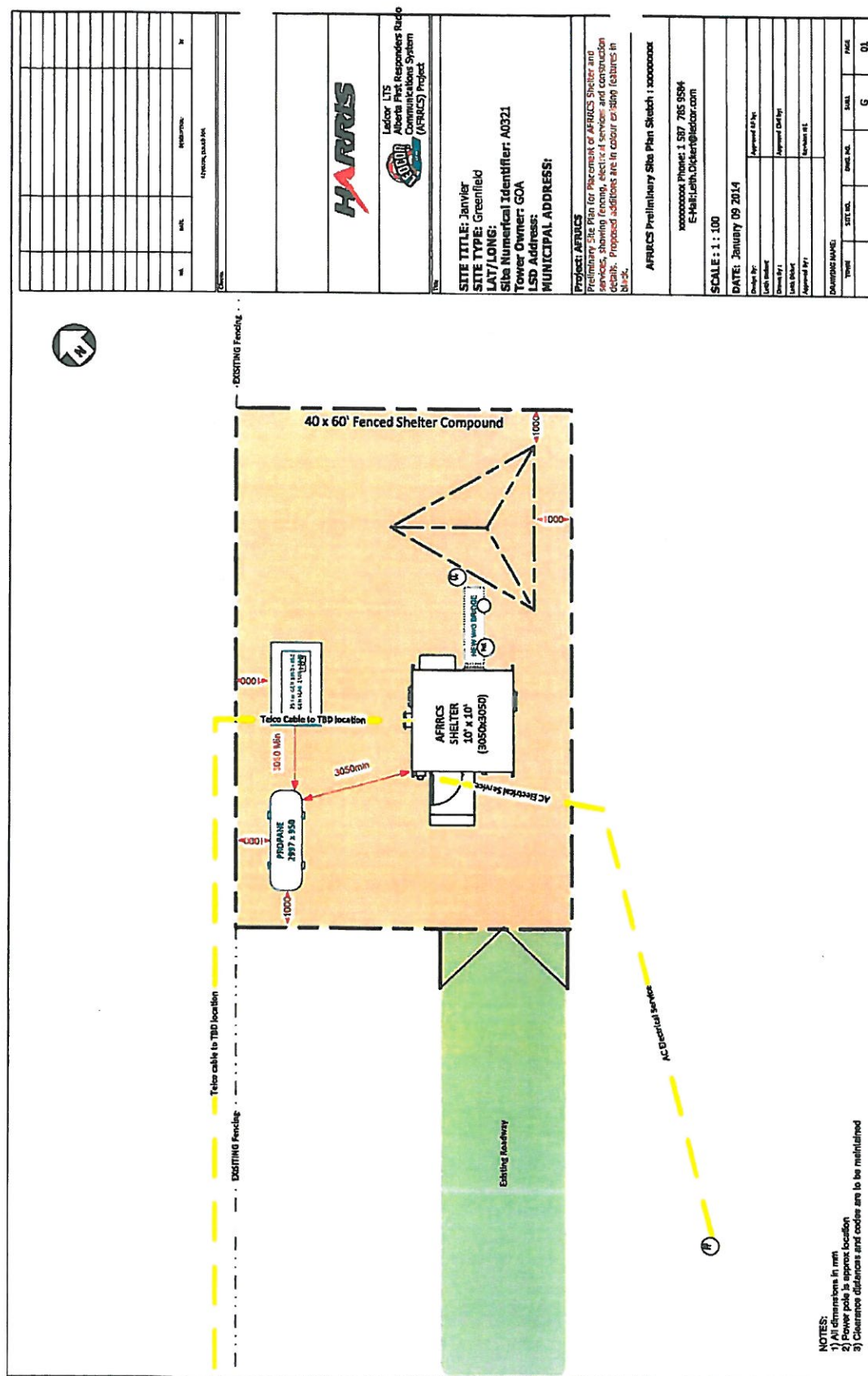
SCHEDULE "A" -SITE PLAN

The sole purpose of this plan is to identify the approximate location of the Premises. Landlord reserves the right at any time to relocate, rearrange, or alter the buildings and structures, other premises from that which is shown on this site plan. Depictions on this site plan do not constitute a representation, warranty or assurance from Landlord regarding the current location of municipal equipment or buildings.

Janvier Site Layout (RM of Wood Buffalo Municipal Building site).

The following is a very preliminary sketch of the tower and shelter compound that the Alberta First Responders Radio Communications System (AFRRCS) would propose at the Janvier Municipal Building site. The layout is provided for conceptual purposes only. The fenced compound footprint will be (maximum) 40ft x 60ft. The existence of Natural Gas at this site could help tighten the design layout (the propane tank if required, requires 3m of clearance from the shelter).





SCHEDULE "B"**Landlord's Work and Tenant's Work****Tenant's Work**

- 1 – Tenant will provide the Landlord with a Real Property Report denoting the subject premises in advance of execution of the subject Lease.
- 2 – Tenant will provide Landlord with evidence of authorization from Transport Canada to erect a self-supporting telecommunication tower in advance of execution of the subject Lease.
- 3 – Tenant will provide Landlord with all analyses and documentation required by IT Manager, Information Technology (AnnMarie Hintz), Regional Municipality of Wood Buffalo in advance of execution of the subject Lease.
- 4 – Tenant will comply with all Industry Canada criteria for telecommunication towers as described in CPC-2-0-04, including public engagement sessions, if required.

SCHEDULE "C"**Authorities with Rules and Regulations Pertinent to this Letter of Intent**

- 1 – Canadian Radio-television and Telecommunications Commission (CRTC)
- 2 - Industry Canada Client Protocol Procedure 2-0-03, Issue 5
- 2 – Canadian Transport Commission
- 3 – NAV Canada
- 4 – Regional Municipality of Wood Buffalo Land Use Bylaw 99/059
- 5 – Regional Municipality of Wood Buffalo Municipal Development Plan Bylaw 11/027
- 6 – Regional Municipality of Wood Buffalo City Centre Area Redevelopment Plan Bylaw 12/003