

Broadband Phase 2 Project

March 11, 2025



Sturgeon
C O U N T Y



Sturgeon County Broadband Network

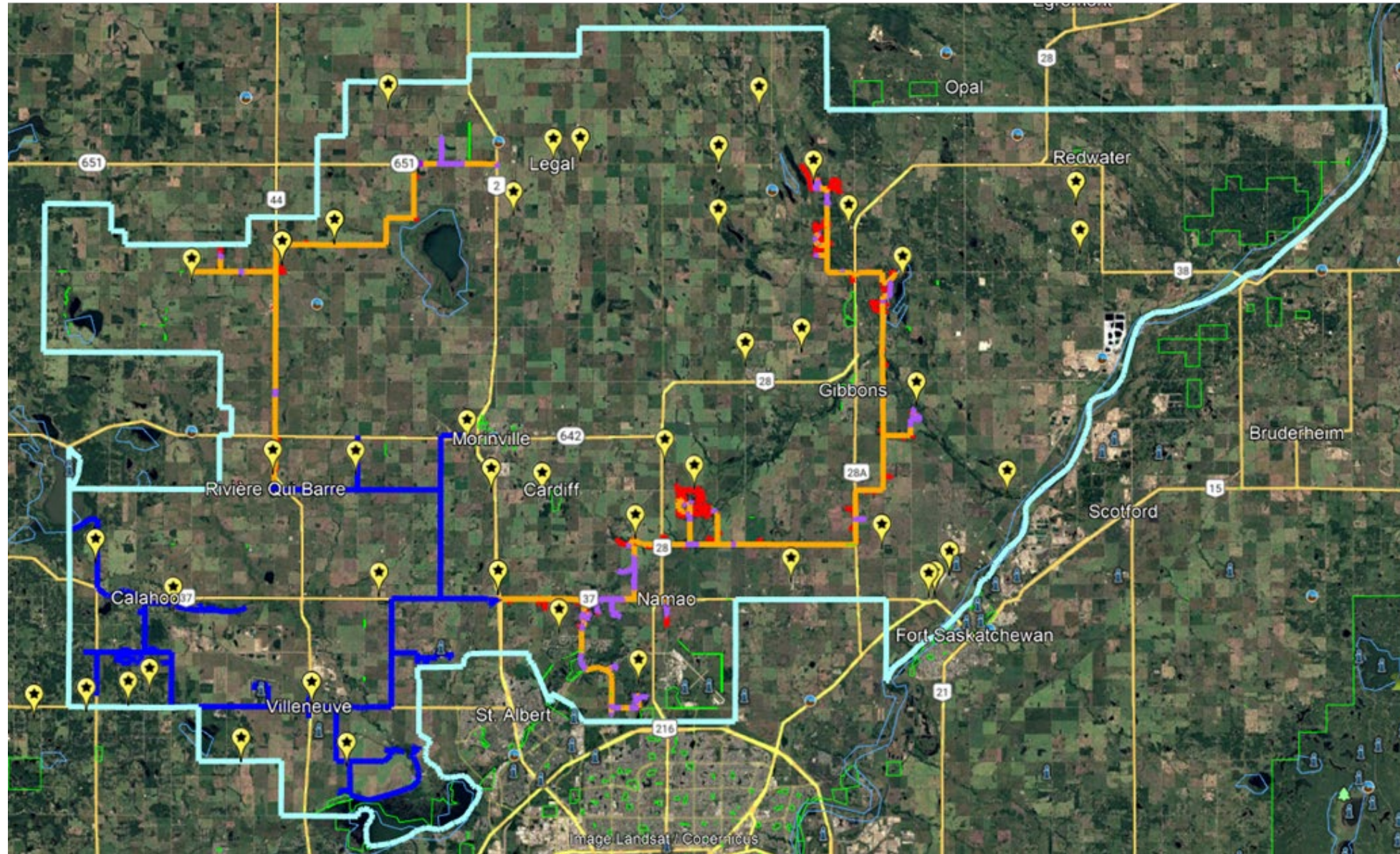
- Broadband has been identified as a strategic priority by Council
 - Planned Growth – Modern broadband and digital capabilities
 - Supports many of the other desired community outcomes
- Fibre is the fastest, most secure, most stable broadband technology available
- Phase 1 connected 923 homes and businesses with Fibre-To-The-Premise (FTTP)
 - Since launch in early 2024 seeing 64% subscription rate and growing
 - Total cost to County - \$7.85 million in debt financing



Phase 2 grant opportunity

- Sturgeon County has an opportunity to expand the network (Phase 2) using cost-sharing grants from the Government of Canada and Government of Alberta
- Grants are very specific on which homes qualify
 - 287 specific homes in the County – spread throughout the County
 - Primarily where wireless is not working
- The Government of Canada and Government of Alberta would each contribute \$4,313,811 for a total of \$8,627,622
- Sturgeon County would need to connect at least 223 of the 287 homes and contribute at least \$3,860,757 (31%)
- Construction must be complete by March 31, 2027

Blue – Existing Phase 1 fibre map
Orange – Proposed Phase 2 fibre map
Stars – Current tower locations





Benefits

- 226 additional homes in the County would have fibre-based broadband
- County would own and control a \$12.5 million asset to the benefit of citizens and businesses in the County
- Can be expanded outside of the grant program
 - Can offload or backhaul towers that serve other customers
 - Can be expanded to serve other homes along or near the fibre path at relatively small additional cost
 - Can be further expanded to serve nearby commercial properties or industrial parks



Risks

- Must have secured funding by July 2025
 - Financial Services has prepared a bylaw for the debenture
- Construction must be complete by March 31, 2027
 - County has a design and build partner already under contract
 - Partner has committed to the schedule
- Economic environment could negatively impact pricing
 - Many materials are available locally or can be sourced internationally
 - Requesting bridge funding to get long-lead time and materials with volatile pricing ordered



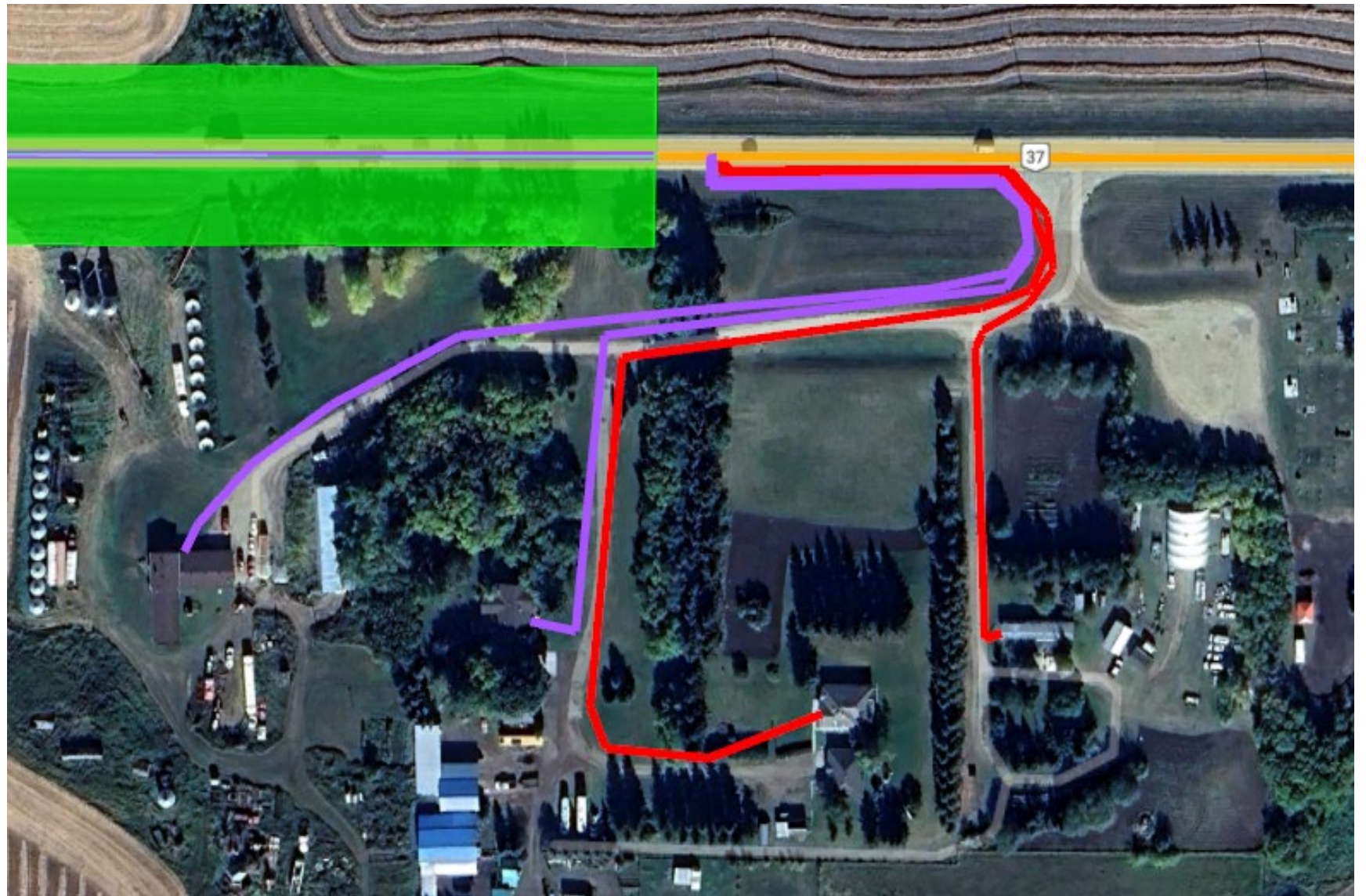
Expanded Phase 2

- Scope could be added now or in the future
- Connects 756 additional premises that are on or near the fibre path
- Would be considered outside of grant scope and at 100% County cost
- Connecting these homes would add an additional \$3,248,310 to the project cost at today's prices
- Total County cost \$7,109,067 for 982 homes (\$7,240 per home)



Expanded Phase 2 Benefits

- Additional 756 homes connected to fibre service
- More cost-effective than Phase 1
- Revenue projected to cover build costs over fibre lifespan
- Entire communities and subdivisions would be connected



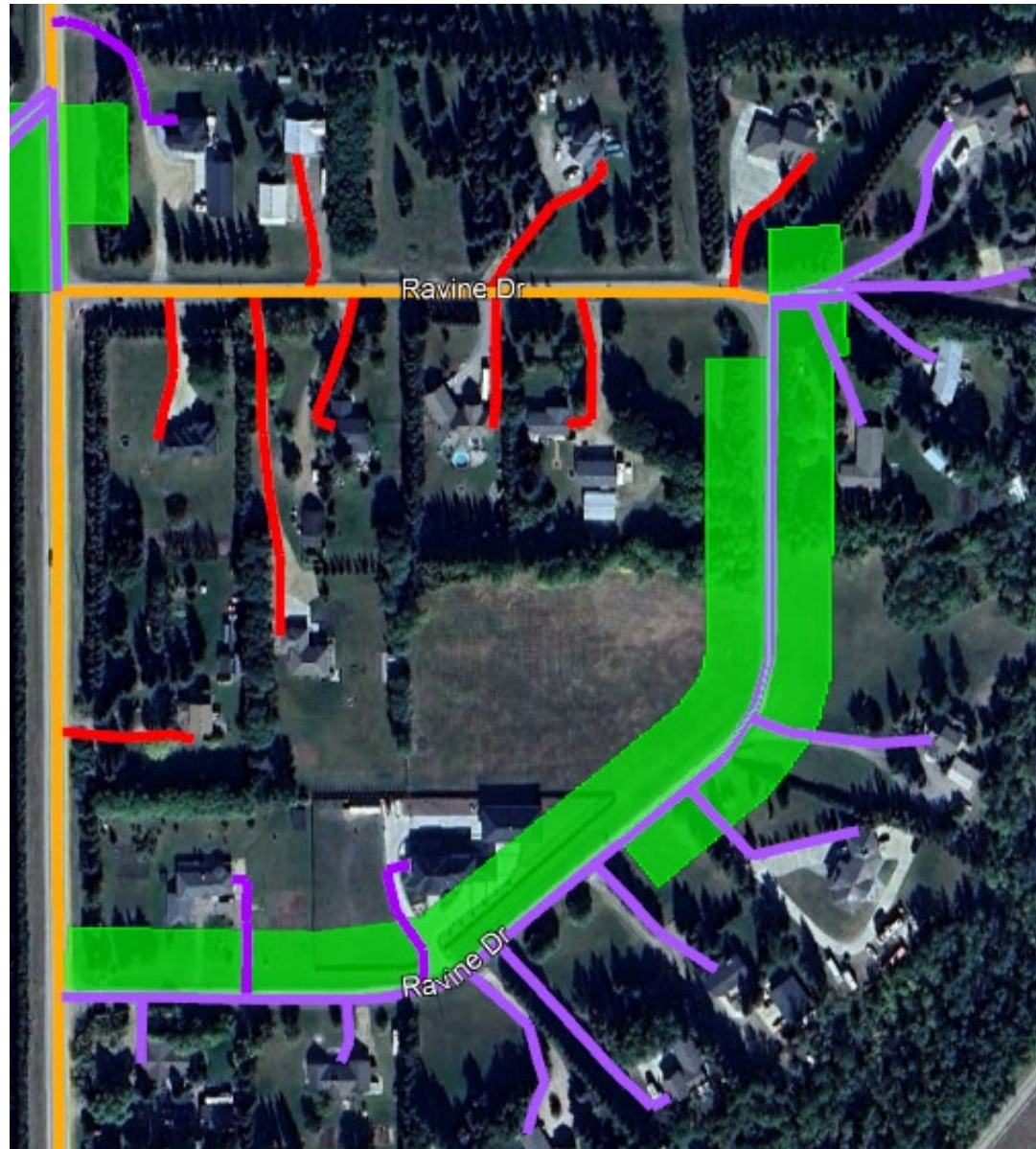
Although they share the same driveway, two homes will get fibre and two won't.



A few homes in the middle and bottom of this subdivision will get fibre, the rest won't.



Everyone will get fibre except a few homes in the middle of the subdivision.



The southern and east part of this subdivision get fibre, the north and west doesn't.



Everyone on this road gets fibre except for the last three homes.



Sturgeon County infill proposal

Subdivisions & Communities Serviced:

- Namao
- Alcomdale
- Green Acres
- Glenview Acres
- Carbondale
- Namao Ridge
- Sturgeon View Estates
- Cameron Park
- Grandview Heights
- Casa Vista
- Gibbonslea
- Lost Pointe Lake
- Dreamnook
- Hillsborough
- Woodridge
- Lily Lake Estates



Option summary

- Decline participation
 - No additional homes connected
 - No cost to the County
- Build minimal Phase 2
 - 226 homes connected
 - County cost \$ 3,860,757
 - Can still expand in the future
- Build expanded Phase 2 now
 - 982 homes connected
 - County cost \$7,109,067



Questions?

Thank you!