



BYLAW NO. 460

A BYLAW TO AUTHORIZE AMENDMENTS TO AGREEMENTS FOR THE CAPITAL FINANCING OF HIGH-SPEED BROADBAND INFRASTRUCTURE

WHEREAS the Regional District has, by Bylaw No. 428, been authorized to enter into agreements with City West Cable and Telephone Corporation for the capital financing of high-speed broadband infrastructure;

AND WHEREAS the Regional District wishes to amend Schedule 'A' (the 'Indebtedness Agreement') of the aforesaid Bylaw No. 428 to adjust the costs and formalize the circumstances under which communities will become eligible to receive dividends resulting from the operation of the last-mile broadband infrastructure;

AND WHEREAS the Regional District wishes to amend Schedule 'B' (the 'Partnership Agreement') of the aforesaid Bylaw No. 428 to provide for the capital financing of high-speed broadband infrastructure in the Kyuquot area and clarify the areas to be served on Quadra Island;

NOW THEREFORE the Board of Directors of the Strathcona Regional District, in open meeting assembled, enacts as follows:

Amendments

1. (1) Schedule 'A' [*Indebtedness Agreement*] of Bylaw No. 428 is amended as set out in Schedule 'A' [*Amending Agreement to Indebtedness Agreement*] of this bylaw.

(2) Schedule 'B' [*Last Mile Network Infrastructure Partnering Agreement*] of Bylaw No. 428 is amended as set out in Schedule 'B' [*Amending Agreement to Last Mile Infrastructure Partnering Agreement*] of this bylaw.

Authority to Execute

2. Following the adoption of this bylaw, the Chair and Corporate Officer shall have full authority to execute the amending agreements and such further documents as may be necessary to give effect to the amending agreements.

Citation

3. This bylaw may be cited for all purposes as Bylaw No. 460, being Broadband Infrastructure Capital Financing Agreements Authorization Bylaw 2021, Amendment No.1.

READ A FIRST TIME ON THE 11TH DAY OF MAY, 2022

READ A SECOND TIME ON THE 11TH DAY OF MAY, 2022


READ A THIRD TIME ON THE 11TH DAY OF MAY, 2022

**NOTICE OF INTENTION TO ADOPT BYLAW PUBLISHED ON THE 25th DAY OF MAY AND
THE 1ST DAY OF JUNE, 2022**

RECONSIDERED, FINALLY PASSED AND ADOPTED ON THE 15TH DAY OF JUNE, 2022



Chair



Corporate Officer

Schedule 'A'

AMENDING AGREEMENT TO INDEBTEDNESS AGREEMENT

THIS AMENDING AGREEMENT dated for reference June 1, 2022, is between City West Cable & Telephone Corp. ("**City West**") and Strathcona Regional District (the "**Regional District**").

WHEREAS:

- A. The parties entered into an Indebtedness Agreement on July 14, 2021 (the "**Agreement**"), whereby the Regional District agreed to borrow on City West's behalf a maximum sum of Twelve Million Dollars (\$12,000,000) in order to facilitate the last mile (fibre to the home) infrastructure project the parties are carrying out (the "**Project**");
- B. The parties agree that the cost of the Project has increased to Thirteen Million, Two Hundred Thousand Dollars (\$13,200,000) and that it will now be funded by a five percent contribution by the Regional District (\$660,000) and the value of the amount borrowed by the Regional District on City West's behalf will be Twelve Million, Five Hundred and Forty Thousand (\$12,540,000); and
- C. The parties wish to make certain other amendments to the Agreement.

THEREFORE the parties agree as follows:

1.0 DEFINITIONS

- 1.1 Capitalized terms not otherwise defined in this Amending Agreement will have the meaning ascribed to them in the Agreement.

2.0 AMENDMENTS

- 2.1 A new clause (a.1) of section 1.1 is added to the Agreement:

"Annual Gross Project Revenues" means the gross revenues received by City West with respect to providing the Services.

- 2.2 A new clause (a.2) of section 1.1 is added to the Agreement:

"Annual Net Project Revenues" means the Annual Gross Project Revenues minus the annual Operating Costs and overhead charges at cost.

- 2.3 The definition of "Loan" in clause (h) of section 1.1 is modified as follows:

"Loan" means the amount that the REGIONAL DISTRICT will borrow from the MFA, which funds it will advance to CITY WEST, to a maximum principal sum of Twelve Million, Five Hundred and Forty Thousand Dollars (\$12,540,000), and interest thereon;

2.4 A new clause (l.1) of section 1.1 is added to the Agreement:

"Operating Costs" means collectively, the actual out of pocket costs incurred by City West required to operate and maintain the Network Infrastructure through its life cycle following completion of construction and installation including, without limitation, costs relating to staffing, the provision of Services, taxes, insurance and capital maintenance and capital renewal/replacement costs.

2.5 The amount in section 2.1 with respect to the disbursement to Tahsis is changed from \$800,000 to \$2,000,000.

2.6 A new section 2.8 (Regional District Contribution) is added to the Agreement:

2.8 Regional District Contribution. The Regional District will make a capital contribution of not more than 5% of the overall Network Infrastructure costs up to a maximum of \$660,000 (the **"Regional District Contribution"**). The Regional District Contribution will be disbursed as follows:

- Quadra Island (\$285,000);
- Tahsis (\$100,000);
- Sayward (\$150,000); and
- Gold River (\$125,000).

2.7 A new section 2.9 (Distribution of Net Project Revenues) is added to the Agreement:

2.9 Distribution of Net Project Revenues. The Parties agree that the Regional District will receive 20% of the Annual Net Project Revenues generated from the Project.

3.0 GENERAL

3.1 This Amending Agreement will be read and construed with the Agreement. If there is a conflict between any provision of this Amendment Agreement and the Agreement, the relevant provision of the Amending Agreement prevails.

3.2 No change or modification of this Amending Agreement is valid unless it is in writing and signed by each of the parties hereto.

3.3 This Amending Agreement may be executed in counterparts, and its delivery may be made by facsimile or electronic transmission, and each counterpart so executed and delivered will be as valid and binding as if it were an originally signed copy thereof.

3.4 This Amending Agreement will be interpreted, construed, and governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein (other than any conflict of law rules that would result in the choice of laws of another jurisdiction). The parties agree to submit to the exclusive jurisdiction of the courts of British Columbia.

IN WITNESS WHEREOF, the parties have executed this Amending Agreement, with effect as of the date first written above.

CITY WEST CABLE AND TELEPHONE CORP.

Per: _____

Per: _____

STRATHCONA REGIONAL DISTRICT

Per: _____

Per: _____

Schedule 'B'

AMENDING AGREEMENT TO LAST MILE INFRASTRUCTURE PARTNERING AGREEMENT

THIS AMENDING AGREEMENT dated for reference June 1, 2022 is between City West Cable & Telephone Corp. ("**City West**") and Strathcona Regional District (the "**Regional District**").

WHEREAS:

- A. The parties have entered into a Last Mile Infrastructure Partnering Agreement on July 14, 2021 (the "**Agreement**"), whereby the parties agreed to certain rights and obligations with respect to the construction of last mile (fibre to the home) network for unserved and underserved residents within specified portions of the Strathcona Regional District (the "**Service Area**"); and
- B. The parties wish to add Kyuquot to the Service Area and amend the boundaries of the area to be served on Quadra Island.

THEREFORE the parties agree as follows:

1.0 DEFINITIONS

- 1.1 Capitalized terms not otherwise defined in this Amending Agreement will have the meaning ascribed to them in the Agreement.

2.0 AMENDMENTS

- 2.1 The listing of communities on page 1 of Appendix 'A' to the Agreement is amended as follows:

Cortes Island: \$435,160

Quadra Island: \$56,978

Zeballos: \$48,117

Kyuquot: \$39,730

Total: \$579,985

- 2.2 The Last Mile Infrastructure Maps attached to this Amending Agreement as Appendix "A" (Kyuquot and South Quadra Island) are added to the maps set out in Appendix "A" of the Agreement.

3.0 GENERAL

- 3.1 This Amending Agreement will be read and construed with the Agreement. If there is a conflict between any provision of this Amending Agreement and the Agreement, the relevant provision of the Amending Agreement prevails.

- 3.2 No change or modification of this Amending Agreement is valid unless it is in writing and signed by each of the parties hereto.
- 3.3 This Amending Agreement may be executed in counterparts, and its delivery may be made by facsimile or electronic transmission, and each counterpart so executed and delivered will be as valid and binding as if it were an originally signed copy thereof.
- 3.4 This Amending Agreement will be interpreted, construed, and governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein (other than any conflict of law rules that would result in the choice of laws of another jurisdiction). The parties agree to submit to the exclusive jurisdiction of the courts of British Columbia.

IN WITNESS WHEREOF, the parties have executed this Amending Agreement, with effect as of the date first written above.

CITY WEST CABLE AND TELEPHONE CORP.

Per: _____

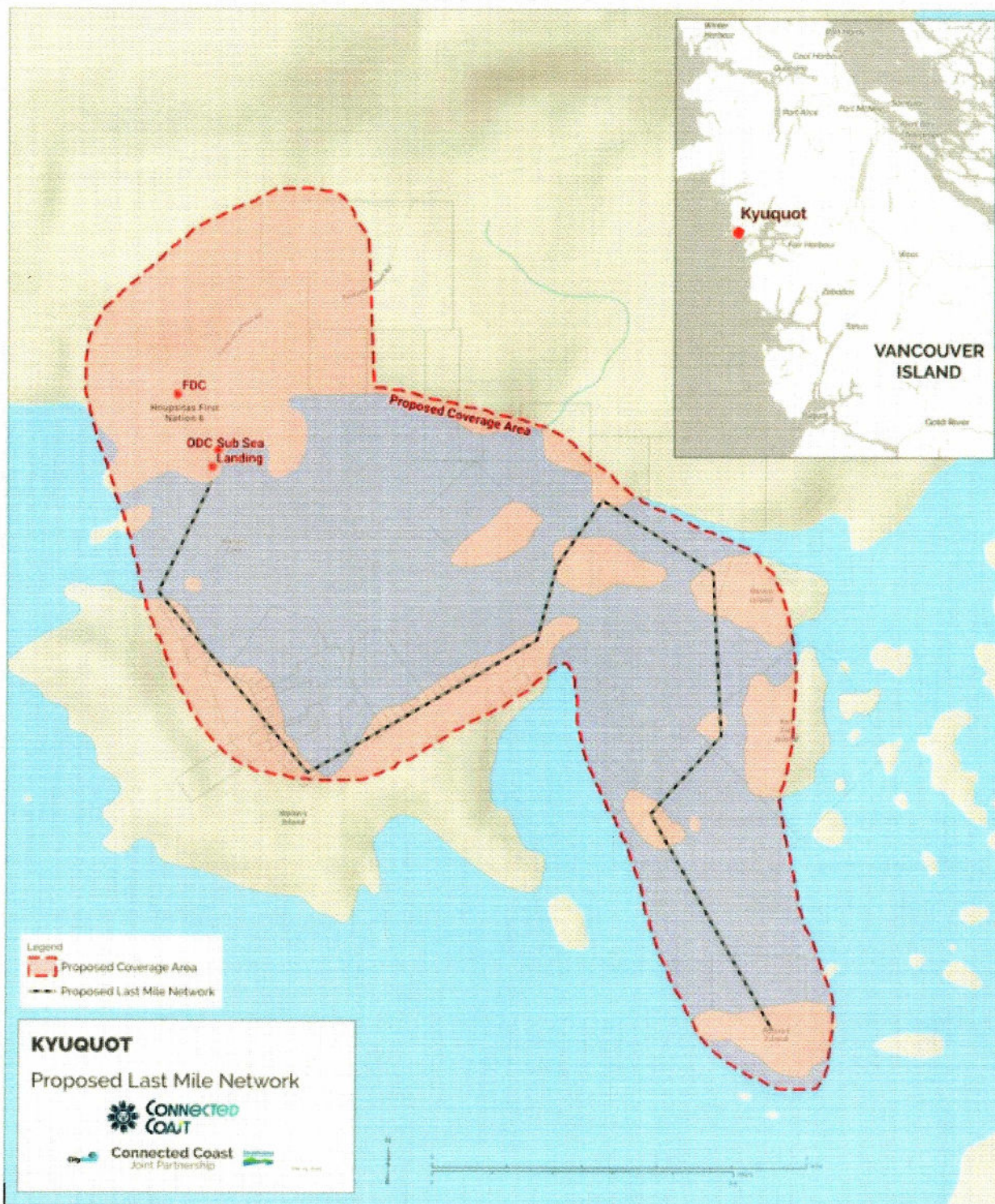
Per: _____

STRATHCONA REGIONAL DISTRICT

Per: _____

Per: _____

Appendix "A" Network Infrastructure Map of Kyuquot



Network Infrastructure Map of South Quadra Island

