



REPORT

To: Electoral Area Directors Committee

Report Number: ENV-EADC-012

From: Kari Bondaroff, General Manager of Environmental Services

Date: October 28, 2021

Subject: North Pine TV Tower Condition Assessment and 2021 Update

RECOMMENDATION:

That the Electoral Area Directors Committee resolve to build the established operational reserve for Function 525 – North Pine TV tower, up to the maximum allowance of \$50,000 for end of service life decommissioning in 2040.

BACKGROUND/RATIONALE:

The PRRD 2018-2022 Strategic Plan, under Organizational Effectiveness, identifies “undertake condition assessments of all PRRD owned asset” as an activity to further the goal of developing a corporate asset management program. Following the procurement process, the Request for Proposal #13-2021 was awarded to SNC Lavalin to complete a condition assessment for all aspects of the North Pine TV Tower (NPTV), a copy of which is attached. The SNC Lavalin report states that the current replacement value of the NPTV tower infrastructure, including the fence and storage building, is \$362,700.00.

The condition report ranks all aspects of the tower as either good, fair, poor, or critical, in their existing condition. As per the report, these types of towers have an estimated service life of 50 years, meaning that the NPTV tower has a remaining service life of 18 years, as it was built in 1989. Based on the current condition of the tower, there are no recommendations for retrofit or repair of the tower structure. However, the storage building, that contains the necessary electrical components for the tower, is in need of repair to the roofing panels and gutters. The short-term solution is to replace all metal roof panels and gutters. This is estimated to cost approximately \$8,908. In addition, there are additional aesthetic upgrades recommended; repairing the perimeter fence, replacing the iron chain and padlock, and installing PRRD contact information, including no-trespass messaging. The necessary repairs (roof) and suggested improvements will be included in draft 2022 budgets for this function as part of the 2022 financial plan process.

ALTERNATIVE OPTIONS:

1. That the Electoral Area Directors Committee provide further direction.

STRATEGIC PLAN RELEVANCE:

- ☒ Organizational Effectiveness
- ☒ Develop a Corporate Asset Management Program

FINANCIAL CONSIDERATION(S):

In 2021, there were two contracts with third parties to rent space on the tower, and each of those contracts generated \$3000 in revenue to the function for the PRRD. In addition, a new company, Red Creek Telecom, entered into a space rental agreement with the PRRD in July 2021 at a prorated annual rate. For the 2022 financial year, the expected income from the NPTV tower rental contracts is \$9,000. There is an on-going active advertisement on the PRRD website, seeking expressions of interest (EOI) from companies wishing to rent tower space for communication purposes.

The recommended repairs to the storage building roof can be completed in-house which will reduce the estimated price of \$8,908 to below \$5,000. This will be budgeted for in the 2022 operational budget.

The current operational reserve balance is \$26,914. In order to build the operational reserve to the maximum of \$50,000 by 2039 a minimum of \$1,283 will need to be budgeted for annually. This will not account for any unforeseen circumstances in which emergency repairs will have to be completed. It should be noted that operational dollars may be utilized for decommissioning of infrastructure.

There currently is not a capital reserve fund for this function. In order to have a capital reserve fund, a bylaw would need to be created as per the *Community Charter*.

COMMUNICATIONS CONSIDERATION(S):

None at this time.

OTHER CONSIDERATION(S):

None at this time.

Attachments:

1. 2021 North Pine TV Tower Condition Assessment Final.pdf