

SUBJECT: Resource funding agreements for fibre network buildout

TO: Committee of the Whole

FROM: Public Works
Engineering Services

Report Number: PWS-24-26

Wards Affected: All

Date to Committee: May 11, 2026

Date to Council: May 26, 2026

Recommendation

Authorize the Director of Engineering Services to negotiate and execute resource funding agreements with telecommunications carriers for the installation of fibre optic networks within the City of Burlington, using the principle of full cost-recovery for the City, with content satisfactory to the Director of Engineering Services and form satisfactory to the Commissioner, Legal and Legislative Services and City Solicitor.

Executive Summary

Purpose of report:

- To seek authorization for the Director of Engineering Services to negotiate and execute Resource Funding Agreements with telecommunications carriers undertaking large-scale fibre optic network installations within the City of Burlington.
- Resource Funding Agreements will establish service levels for permit processing and construction administration within the City's right-of-way.
- Agreements will include provisions to ensure full cost recovery for all City resources required to support these projects

Key findings:

- Telecommunications carriers are planning accelerated fibre optic network build-outs within the City, beginning as early as 2026.

- The City does not currently have sufficient resources to manage the significant increase in permitting, coordination, inspection, and public relations that will be required to support build-out projects.
- Resource Funding Agreements will ensure the City is adequately resourced through carrier-funded temporary staffing and operational support.
- Agreements will be structured so that carriers fund all incremental costs required to meet defined service levels.
- The agreement will support the timely installation of critical broadband infrastructure while ensuring the City is adequately resourced to manage the project and protect the interests of residents, businesses, and the community during construction.
- Delegating authority to the Director of Engineering Services will enable timely negotiation and execution of future agreements, avoiding delays associated with Council approval cycles and supporting delivery within construction windows.

Implications:

- No financial impact to the City; all costs will be recovered through agreements.
- Temporary contract staff will be required and funded through the agreements.
- Residents and businesses will experience increased construction activity and temporary disruptions.
- Additional staff funded by the agreements will oversee construction and ensure City infrastructure and natural assets are protected and properly restored and assist the public with any issues that may arise during construction.
- Expanded fibre infrastructure will improve fibre connectivity, reliability, and service choice for residents and businesses.

Recommendation Report

Background

Across Ontario, municipalities, including Burlington, continue to experience gaps in high-speed fibre infrastructure, particularly as demand for reliable, high-capacity connectivity increases for both residences and businesses.

The City has received proposals from telecommunications carriers to install fibre optic networks that would service thousands of homes and businesses through accelerated deployment within the City's right-of-way. These projects typically involve multi-phase construction programs focused on urban areas. Work includes installation of fibre optic cables and related infrastructure within the City's rights-of-way to support future service private service connections.

The City of Burlington permits utility companies (e.g. telecommunications companies) to install, operate, and maintain its plant within the municipal right-of-way (ROW) through the execution of a Municipal Access Agreement (MAA). The MAA establishes the legal and technical framework governing the utility's access to the ROW, including location, design, construction standards, restoration obligations, safety requirements, and financial securities. The agreement ensures the municipality retains control over its assets and coordination of competing uses of the ROW, while providing the utility with predictable, non-exclusive access necessary to deliver essential services. MAAs are used to protect the public interest, manage risk, and clearly allocate responsibilities between the municipality and the utility over the full lifecycle of the infrastructure. The Director of Engineering Services is delegated authority to negotiate and execute these agreements in a form satisfactory to the Commissioner, Legal and Legislative Services and City Solicitor.

Under the framework of the MAA, the City issues Municipal Consent (MC) permits for each distinct installation the utility seeks to construct. Engineering Services staff are responsible for coordination, and inspection of the permitted work within the right-of-way in accordance with applicable by-laws, legislation, and standards.

Due to the scale and pace of fibre network buildouts planned by telecommunications carriers, the carriers are requesting municipalities to dedicate additional resources to support timely permit processing and inspection services. Fibre buildouts are both planned and underway in area municipalities, including the Town of Oakville and the City of Hamilton, and carriers are anticipated to begin similar work in Burlington as early as 2026. City staff have undertaken a scan of peer municipalities and engaged directly with them to inform Burlington's approach, including understanding best practices and implementation considerations.

Analysis

Based on discussion with telecommunications carriers, and with other municipalities that have managed similar deployments, the anticipated number and rate of permit applications associated with a rapid large-scale fibre build-out will represent a significant increase over normal volumes currently processed through the City's right-of-way permitting program. Municipalities are using Resource Funding Agreements to facilitate the additional staff and process enhancements that are required to maintain service levels and ensure regulatory oversight.

A Resource Funding Agreement (RFA) complements the Municipal Access Agreement (MAA) by addressing the additional municipal capacity and coordination requirements associated with an accelerated or large-scale utility build-out within the municipal right-of-way. While the MAA establishes the standing legal authority and conditions for access to the ROW, an RFA enables the municipality to recover costs and secure dedicated resources needed to manage a heightened level of activity over a compressed timeframe. This includes funding for temporary or incremental staffing for permitting support, engineering review, traffic management coordination, engineering and forestry inspection, and increased engagement with other infrastructure stakeholders. A core principle of the RFA is full cost-recovery for the municipality.

By aligning municipal resources with the utility's construction schedule, the RFA helps facilitate timely delivery of the project while maintaining municipal standards, protecting public assets, and minimizing impacts to residents and other ROW users. Together, the MAA and RFA provide a clear, accountable framework that supports rapid infrastructure deployment without transferring undue operational or financial risk to the municipality.

Delegating authority to the Director of Engineering Services to negotiate and execute Resource Funding Agreements will allow the City to be responsive to telecommunication carrier build-out proposals, reduce the risk of delay associated with Council approval cycles and avoid seeking repeated Council approval for each telecommunication carrier that pursues a build-out project in the City. This approach will complement existing delegated authority established for Municipal Access Agreements.

Benefits

- Accelerated deployment of high-speed fibre infrastructure to homes and businesses
- Improved connectivity, reliability, and telecommunications choices to provide support for economic activity, remote work, and digital services
- Full cost recovery for City resources required to support build-out projects

- Enhanced oversight of construction within the right-of-way

Considerations

- Given the potential scale and accelerated timeline associated with local fibre network deployments, interdepartmental coordination will be essential to ensure that construction activities within the City's right-of-way are managed effectively and that potential impacts to roads, boulevards, trees, and traffic operations are minimized.
- Continuous coordination with telecommunications companies will be required to address scheduling, restoration requirements, inspections, and operational considerations throughout the construction period.

Community Engagement and Communications

Large-scale fibre deployments will increase construction activity across multiple neighbourhoods, resulting in temporary impacts such as:

- Traffic disruptions
- Noise
- Boulevard and sidewalk work

Each Resource Funding Agreement will require a comprehensive communication plan that:

- Provides advance notice of construction activities
- Outlines timelines, impacts, and restoration plans
- Includes complaint tracking and response protocols
- Identifies clear points of contact to support resident concerns

Carriers will be responsible for implementing communication plans, with oversight from the City. City staff will support public inquiries and escalations as needed.

Recommendation Details

Authorize the Director of Engineering Services to negotiate and execute Resource Funding Agreements with telecommunications carriers for the installation of fibre optic networks within the City of Burlington, using the principle of full cost-recovery for the City, with content satisfactory to the Director of Engineering Services and form satisfactory to the Commissioner, Legal and Legislative Services and City Solicitor.

Key Dates & Milestones

- Subject to proposals by telecommunications companies
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Implications

- All costs will be fully recovered through Resource Funding Agreements.
 - Delegated authority will enable efficient project delivery while maintaining appropriate internal controls and oversight.
 - Costs associated with each Resource Funding Agreement will be tracked separately within the City's financial system to ensure accurate and transparent record keeping and to facilitate full recovery from telecommunication companies.
 - Additional temporary contract staff will be required to administer fibre deployment projects.
 - An accelerated hiring process may be required, and the hiring and contract management will place additional demand on HR services.
 - Pending Council's approval of PWS-24-26, staff will bring forward an update to the Delegated Authority By-law at the appropriate time
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References

N/A

Strategic Alignment

- Designing and delivering complete communities
 - Providing the best services and experiences
 - Protecting and improving the natural environment and taking action on climate change
 - Driving organizational performance
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Author:

Andrew Maas
Manager Asset Planning
andrew.maas@burlington.ca

Alyshia Tuomi
Supervisor Linear Asset Management
alyshia.tuomi@burlington.ca

Appendices:

N/A

Draft By-laws for Approval at Council:

N/A

Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.