

Thorold opts out of agreement for wireless service

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Thorold's Confederation Heights will be wired once again.

The Standard learned Wednesday that city council decided during an in-camera meeting last week to pull the plug on a one-year pilot project with ReliaClear Canada Inc. to provide free wireless broadband Internet service to the neighbourhood.

Mayor Henry D'Angela confirmed the decision.

However, because it was made behind closed doors for legal reasons, he was unable to say why the city opted out of the agreement just three months after narrowly voting in favour of the project.

The legal agreement between ReliaClear and Thorold states the city has the right to end the agreement at any time during the term, and at its sole discretion. It must give at least 30 days notice to ReliaClear.

That means the wireless fidelity (Wi-Fi) transmitters, installed on lamp posts throughout the neighbourhood, will be removed by month's end, much to D'Angela's chagrin.

"I've been very supportive of working with businesses in our community so I'm disappointed the project will end basically without exploring the system's possibilities," D'Angela said. "I do believe this technology had some great potential. It was a council decision not to continue with the pilot project."

Six councillors were present at last week's meeting, he said. Although a recorded vote was not taken, it wasn't a unanimous decision to terminate the contract.

ReliaClear was not prepared to comment Wednesday.

Missi Miller, the company's communications director, said a statement will be made this morning.

This is the second blow ReliaClear has been dealt in recent weeks. Last month, its telemarketing business was scrapped, resulting in pink slips for 38 workers. The company, whose core business is voice-over Internet protocol phone service, now employs 25 people.

The Wi-Fi project became mired in controversy last spring.

ReliaClear announced with much fanfare in November that it intended to make Thorold Canada's first totally wireless city by the end of 2008.

President Michael Somerville told The Standard at the time that he hoped to make the rest of the region wireless within three to five years.

The pilot project would enable the company to showcase the technology to other municipalities in hopes of garnering more business.

But potential costs to taxpayers forced the company to scale back those plans and make only Confederation Heights wireless. In doing so, ReliaClear would provide residents free Internet access at a frequency between dial-up and a slower version of high-speed.

The drastic change in plans raised red flags for many councillors and resulted in a tie-breaking vote, cast by D'Angela, for the project to go ahead.

Soon after, a group of Niagara residents asked council to reconsider because of potential ill health effects from radiation the transmitters may emit.

On Wednesday, one of those residents expressed relief at council's latest decision.

"I say this is good news for Thorold," said Stephanie Soccio-Marandola, who lives in Confederation Heights. "I'm excited. I can't wait to go home and tell my kids."

Coun. Tim Whalen, who originally voted against the project and requested ReliaClear's financial statements on multiple occasions, remained steadfast in his opposition Wednesday.

"I'm surprised it fell apart so quickly, which is the downside," Whalen said. "The city spent a lot of money on a contract."

More than \$5,500 in legal fees were spent negotiating a deal with ReliaClear.

Whalen added he hoped ReliaClear would recover from the blow.