

ACQUISITION OF PROPERTY - WINNIPEG, MANITOBA

Mr. Fraser noted that this land acquisition was not included on the 1968/69 capital reserved list. However, advice has been received that the owner is prepared to consider an offer of purchase. This lot provides an additional 4,600 square feet (for a total of 2.3 acres) for consolidation of facilities in Winnipeg.

Mr. Lypka moved, seconded by Mr. Denning,

THAT the Finance Committee recommends to the Board of Directors that Management be authorized to negotiate for the purchase of property at 359 Young Street, Winnipeg, for future use in support of regional operations; the transaction to be completed in time to permit use of 1968/69 capital funds; the price not to exceed \$85,000.
CARRIED.

PURCHASE OF GAGNON MICROWAVE SYSTEM - CHAPAIS/CHIBOUGAMAU

Mr. Fraser also noted that this project was not included on the 1968/69 capital reserved list. The owner of the microwave system, which presently delivers television service to a CATV system from St. Félicien to Chapais/Chibougamau, has made an offer to the Corporation to provide full network service on a 10-year contract basis at an annual cost of \$120,000 for the first five years and \$70,000 for each of the remaining five years. This was considered to be excessive and the owner has made an alternative offer to the Corporation to purchase the present system for an amount of \$350,000. In the event the Corporation purchases this system, an additional expenditure of \$200,000 will be required to establish an intermediate relay between Jonquière and St. Félicien in order to connect the French network terminal at Jonquière. The President suggested in order to protect the Corporation's position should questions be raised in the future about the purchase, that it would be advisable to secure an independent evaluation.

Mr. Denning moved, seconded by Mr. Lypka,

THAT the Finance Committee recommends to the Board of Directors that authority be granted Management to negotiate the purchase of the microwave relay system between St. Félicien and Chapais/Chibougamau, Quebec, from Gagnon Limited, for the purpose of providing the full CBC French network service to the proposed CBC transmitter at Chapais/Chibougamau, subject to final approval by the Board of Directors.
CARRIED.

REPORT ON PROPERTY TRANSACTIONS

The Committee noted the agenda report which covered property transactions for the period November 16, 1968 to January 6, 1969.

ACQUISITION OF FRENCH-LANGUAGE PRODUCTION FACILITIES - MONCTON

Mr. Fraser read the agenda report and pointed out that the Corporation's negotiators were successful in reducing the purchase price by \$50,000 below the anticipated minimum. In addition to the purchase price (\$600,000) there will be additional capital outlays for legal fees, building renovations, technical equipment and engineering and overhead, bringing the total requirement to \$1,068,000. Mr. Fraser indicated that to this would have to be added a further \$111,000 to cover installation of remote control facilities for CBAF, Moncton. This latter expenditure would effect a staff salary saving of between \$18,000 and \$20,000 per year. Excluding the purchase price, the additional cost required would therefore be \$579,000.