

COUNTY ENGINEER’S REPORT
FRANCHISE – CABLE SYSTEM FACILITIES
ZIPLY FIBER NORTHWEST, LLC

Pursuant to 47 U.S.C. §521 *et seq.*, Chapter 36.55.010 Revised Code of Washington (RCW), Section 9.20 Snohomish County Charter, and Title 13 of the Snohomish County Code (SCC), Ziplly Fiber Northwest, LLC, has applied to Snohomish County (the “County”) for a franchise to operate its cable system over its fiber-based telecommunications facilities in County public rights-of-way, and for no other purpose or use whatsoever. Chapter 36.55 RCW and Snohomish County Charter Section 9.20 authorize the County to grant nonexclusive franchises for use of County public rights-of-way. Snohomish County’s franchise procedure is contained in chapter 13.80 SCC. The County Engineer has examined the application and submits the following report to council in accordance with SCC 13.80.040.

FINDINGS

1. Applicant

Ziplly Fiber Northwest, LLC (“Ziplly Fiber”) is a foreign limited liability company, UBI Number 313 013 420, which operates a cable system as defined in the Federal Communications Act, 47 U.S.C. §521 *et seq.* and provides video programming to customers within unincorporated Snohomish County. Ziplly Fiber has been providing cable service under the franchise originally granted to Verizon Northwest, Inc., on August 27, 2008, by Ordinance No. 08-102, recorded under Auditor’s File No. 200809090396, which expired on September 5, 2021.

Control of the franchise granted by Ordinance No. 08-102 was transferred from Verizon Northwest, Inc. to Frontier Communications Corporation by Motion No. 09-490 which was approved by the Snohomish County Council on November 9, 2009. Control of the franchise was transferred from Frontier Communications Corporation to Northwest Fiber, LLC, by Motion No. 19-282 which was approved by the Snohomish County Council on September 25, 2019. Upon closing of the acquisition transaction and transfer of control approved by Section 1 of Motion 19-282, the Franchisee was converted into Frontier Communications Northwest, LLC, a direct and wholly-owned subsidiary of Northwest Fiber, LLC. Frontier Communications Northwest, LLC, was subsequently renamed to Ziplly Fiber Northwest, LLC, on June 21, 2021.

2. Description of County Roads Included in the Proposed Franchise

The proposed franchise includes all public rights-of-way located within the boundaries of unincorporated Snohomish County, as shown in Exhibit A.

3. Description of Facilities

Zipty Fiber's cable service is provided over an existing "Fiber to the Premises" (FTTP) telecommunications network consisting of overhead and underground facilities. Construction and maintenance of the cable system are subject to the terms and conditions of the separate telecommunications franchise granted to Zipty Fiber Northwest, LLC D/B/A Zipty Fiber on July 12, 2023, by Ord. No. 23-059, recorded under Auditor File No. 202308140141, as provided in franchise Section 3.

4. Insurance

Zipty Fiber has agreed to obtain and maintain insurance for the term of the franchise in accordance with SCC 13.10.100 and Section 9 of the franchise. The Risk Management Division has reviewed and approved the insurance requirements in the proposed franchise. The franchise will not take effect until Zipty Fiber provides evidence of insurance acceptable to the Risk Management Division, as provided in franchise Section 2.11.

5. Term of Franchise

The term of the proposed cable franchise is for a period of five (5) years, beginning on the effective date as defined in Section 2.11 of the franchise. The County and Zipty Fiber will discuss a possible extension of the proposed franchise upon commencement of the franchise renewal period described in the Cable Act, as more fully described in franchise Section 2.10.

6. Provisions of Franchise

Under the proposed franchise, Zipty Fiber will:

- Comply with all applicable provisions of federal, State and local laws and regulations, as more fully described in proposed franchise Section 2.
- Perform construction and maintenance of the Cable System in accordance with the requirements set forth in the separate telecommunications franchise granted to Zipty Fiber by Ord. No. 23-059, as more fully described in proposed franchise Section 3.
- Make quarterly payments to the County in an amount equal to five percent (5%) of the gross revenue derived from the provision of cable services within the franchise area, as more fully described in proposed franchise Section 7.
- Not assign any franchise rights or obligations without prior written consent of the County, as more fully described in proposed franchise Section 8.
- Indemnify, defend, and hold harmless any County Party from any and all claims, demands, liability, suits, and judgments, including costs of defense thereof, for bodily injury to persons, death, or property damage arising out of its use of Public rights-of-way pursuant to the franchise, as more fully described in proposed franchise Section 10.
- Provide a Franchise Bond in the amount of twenty-five thousand dollars (\$25,000) to ensure the faithful performance of its responsibilities under this Franchise and applicable law, as more fully described in proposed franchise Section 12.
- Make available two (2) high definition educational and governmental digital access channels and two (2) standard definition digital access channels upon written notice and within certain timeframes, as more fully described in proposed franchise Section 14.

- Compensate the county for its expenses incurred in processing the franchise, as more fully described in proposed franchise Section 18.
- Comply with Title VI Assurances and Non-Discrimination requirements, as more fully described in proposed franchise Section 19.

COUNTY ENGINEER’S RECOMMENDATION

Based on the foregoing findings and pursuant to SCC 13.80.040, the County Engineer recommends the County Council grant a right-of-way cable franchise to Zply Fiber with a term of five (5) years, under the terms and conditions of County Charter, County Code and the proposed ordinance granting a franchise.

SNOHOMISH COUNTY PUBLIC WORKS

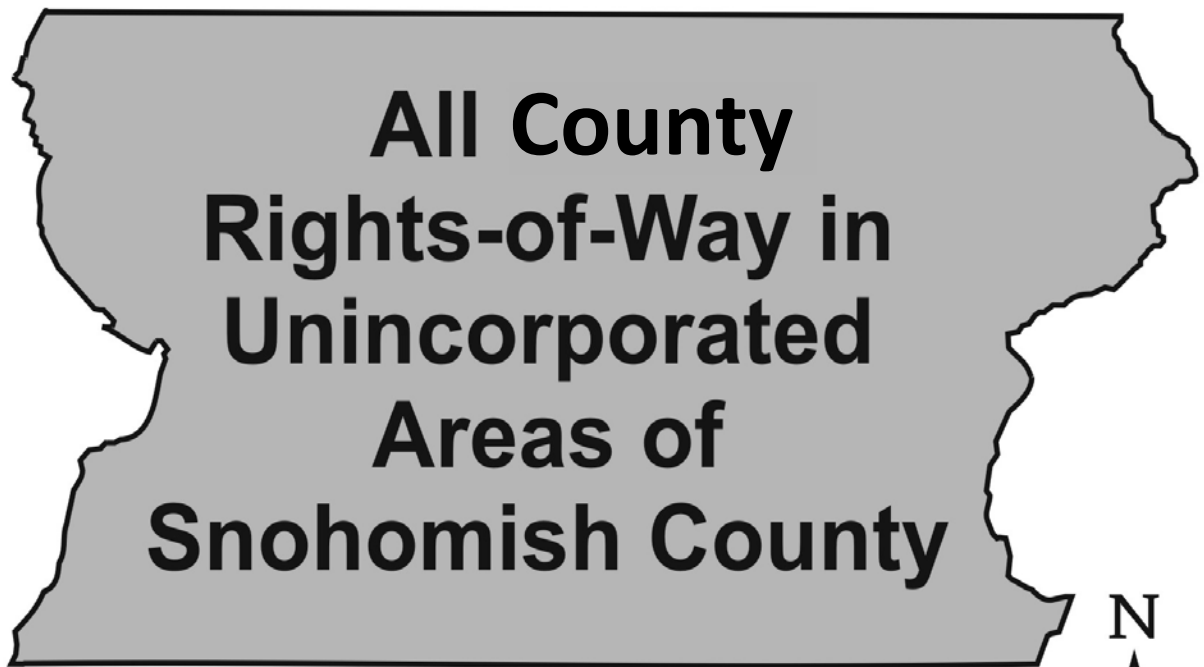
Douglas W. McCormick, P.E. Date
Deputy Director/County Engineer

Prepared by:

Mary Madole Date
Senior Planner – Special Projects

**Exhibit A -
Zipty Fiber Northwest, LLC
Proposed Cable Franchise Area**

Skagit County



**All County
Rights-of-Way in
Unincorporated
Areas of
Snohomish County**



King County