

COUNTY ENGINEER’S REPORT
FRANCHISE – TELECOMMUNICATIONS FACILITIES
SQF, LLC D/B/A VERTA

(File # 25-119797 RWE)

Pursuant to chapter 36.55.010 Revised Code of Washington (RCW), Section 9.20 Snohomish County Charter, and Title 13 of the Snohomish County Code (SCC), SQF, LLC dba Verta (“Verta”) has applied to Snohomish County (the “County”) for a franchise to install, operate and maintain telecommunications infrastructure 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 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 reports the following to the council the following in accordance with SCC 13.80.040.

FINDINGS

1. Applicant

SQF, LLC dba Verta, is a Delaware limited liability company that owns and operates telecommunications infrastructure. Its principal office is in Portland, Maine, and it has been operating as an independent company since 2019. It is majority owned, through one or more Delaware LLC holding companies, by SDC Tilson Investor, LLC, a Delaware limited liability company with a principal office in New York, New York. SDC Tilson is wholly owned by SDC Digital Infrastructure Opportunity Fund I, which is managed by SDC Capital Partners, LLC, a private investment firm based in New York City focused on information technology and communications infrastructure.

Verta is a competitive telecommunications provider in 48 states. It owns and operates more than 3,000 small wireless facilities within public rights-of-way in several states and is starting to construct small wireless facilities in Washington. Verta is registered with the Secretary of State of Washington as a Telecommunications Reseller / Infrastructure Development, Ownership, Operation, and Commercialization business (UBI 603 620 985). It was granted registration as a competitive telecommunications company by the Washington Utilities and Transportation Commission on March 20, 2025 (UTC ID 44187). It was granted a non-exclusive telecommunications franchise by the City of Tacoma on January 6, 2026 (Ord. 29079).

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

Verta provides infrastructure ownership, operation, and maintenance for wireless telecommunications services providers. It will build, own, and operate small wireless facilities as defined in 47 CFR § 1.6002(I), together with any power, fiber or other supporting equipment necessary to operate the facilities. Small wireless facilities will be placed on new poles within the right-of-way in areas lacking adequate network coverage and capacity as determined by wireless service providers and as approved by the County in accordance with the

development standards and regulations for siting personal wireless service facilities (Chapter 30.28A SCC). New construction of fiber and power will be for service drops only, Verta does not provide any retail services.

4. Insurance

Verta has agreed to obtain and maintain insurance for the term of the franchise in accordance with SCC 13.10.100 and Section 18 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 Verta provides evidence of insurance acceptable to the Risk Management Division, as provided in franchise Section 33.

5. Term of Franchise

The initial term of the proposed franchise is for a period of ten (10) years, beginning on the effective date as defined in Section 33 of the franchise. The franchise would automatically renew for an additional term of ten (10) years, subject to the County's right to unilaterally open negotiations with Verta at any time after the initial term, as more fully described in franchise Section 3.3.

6. Provisions of Franchise

Under the proposed franchise, Verta will:

- Obtain a right-of-way use permit pursuant to Title 13 SCC prior to commencing any work within the Public Rights-of-Way, as more fully described in franchise Section 4.
- Comply with all applicable federal, state and local laws, rules and regulations (including, but not limited to, the County's comprehensive plan, zoning code, and other development regulations), as more fully described in franchise Section 6.
- Promptly, at its own expense, relocate or remove its facilities from county rights-of-way when the County Engineer determines that it is necessary due to: traffic conditions; public safety; dedications, improvements and vacations of rights-of-way; and other reasons more fully described in franchise Section 9.
- In no event abandon in place all or any portion of their facilities without the express written consent of the county as more fully described in franchise Section 14.
- Compensate the county for its expenses incurred in the examination and report of the proposed franchise and pay an annual utility right-of-way use fee in the amount of \$270 per year, per small cell facility, as more fully described in franchise Section 15.
- Indemnify, defend and hold harmless County Parties from any and all claims arising out of its use of public rights-of-way under the proposed franchise, as more fully described in franchise Section 16.
- Provide the county with adequate insurance appropriate for a telecommunications franchise, as more fully described in franchise Section 18.
- Provide a financial security device sufficient to ensure performance of its obligations when required by the County Engineer, as more fully described in franchise Section 19.
- Not assign any franchise rights or obligations without prior written consent of the county, as more fully described in franchise Section 22.
- Comply with Title VI Assurances and Non-Discrimination requirements, as more fully described in franchise Section 29.

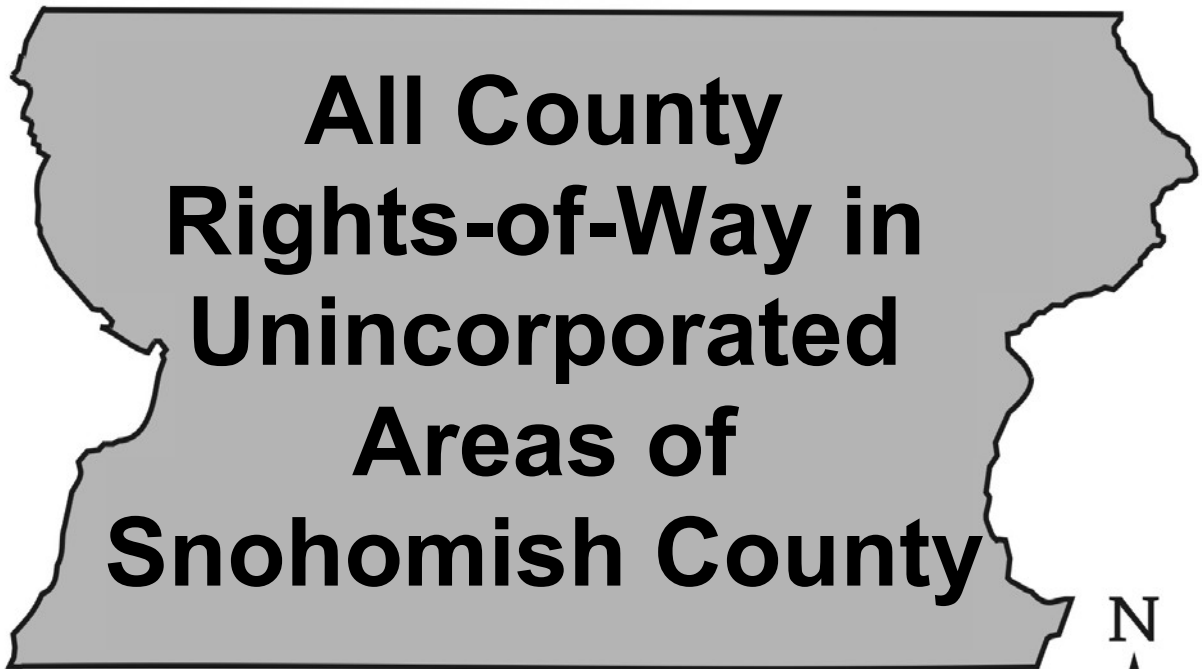
COUNTY ENGINEER'S RECOMMENDATION

Based on the foregoing findings and pursuant to SCC 13.80.040, the County Engineer recommends the County Council grant a right-of-way franchise to SQF, LLC dba Verta with an initial term of ten (10) years and an

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**Exhibit A
SQF, LLC d/b/a Verta
Proposed Franchise Area**

Skagit County



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

King County

