

### **COUNTY ENGINEER'S REPORT**

# FRANCHISE – TELECOMMUNICATIONS FACILITIES INTERMOUNTAIN INFRASTRUCTURE GROUP, LLC

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), Intermountain Infrastructure Group, LLC, a Delaware limited liability company, has applied to Snohomish County (the "County") for a franchise to install, operate and maintain a telecommunications system, including fiber optic cables and uses incidental thereto. 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 requirements for this Engineer's report are described in SCC 13.80.040.

### FINDINGS

#### 1. Applicant

Intermountain Infrastructure Group, LLC, hereafter referred to as "IIG", is a Delaware limited liability company registered with the Washington Utilities and Transportation Commission as a Competitive Telecommunications Company. IIG is based in Burlingame, CA, providing dark fiber and wholesale telecommunications services in Chelan County, Douglas County, Grant County, and Lincoln County in Washington state, as well providing services in Idaho, Montana, California, Nevada, Oregon, and Illinois.

#### 2. Description of Facilities

IIG does not currently own facilities in Snohomish County, but will be applying for permits to construct facilities at locations as provided in Exhibit A. The proposed system consists of high density polyethylene conduits and manholes. The proposed installation method will be directional drilling, trenching, or plowing dependent upon type and quantity of rights-of-way and permitting as approved by the County. All work shall be performed in compliance with all federal, state and local laws, rules and regulations (including, but not limited to, the County's comprehensive plan, zoning code, and other development regulations) that are applicable to any and all work or other activities performed by IIG pursuant to or under authority of the Franchise as more fully described within the proposed franchise and Section 6 of this report.

#### 3. Insurance

IIG has agreed to provide proof of insurance in accordance with SCC 13.10.100 and Section 18 of the franchise. The Risk Management Division has reviewed and approved the insurance requirements contained in the Section 18. In accordance with Section 33 of the franchise, the

franchise shall not take effect until IIG provides evidence of insurance acceptable to the Risk Management Division.

## 4. Description of County Rights-of-Way Covered by the Proposed Franchise

The proposed franchise includes all county rights-of-way located in the portions of unincorporated Snohomish County as shown in Exhibit A and within the township, range, and section below:

<u>Township</u>	<u>Range</u>	<u>Section</u>
27N	8E	6
27N	7E	1, 2, 3, 4, 5 & 6
27N	6E	12, 13, 14, 23, 24, 25, 26, 35 & 36
28N	8E	31
28N	7E	32, 33, 34, 35 & 36

## 5. Term of Franchise

The initial term of the franchise shall be for a period of ten (10) years (the "Initial Term"), beginning on the Effective Date as that term is defined in Section 33 of the franchise, and continuing until the date that is one day prior to the tenth (10th) anniversary of the Effective Date (the "Initial Term Expiration Date"), unless earlier terminated, revoked or modified pursuant to the provisions of the franchise. The franchise automatically renews for an additional term of ten (10) years (the "Extended Term," and, together with the Initial Term, the "Term"), subject to the county's right unilaterally open negotiations with IIG at any time after the Initial Term Expiration Date, as more fully described in Section 3.3 of the franchise.

## 6. Terms and Conditions of Franchise

Under the franchise, IIG will:

- Comply with the requirements of State law, County Charter, Title 13 SCC, the Engineering Design and Development Standards (EDDS), the county's Utility Accommodation Policy, and all right-of-way use permit application, review and construction standards.
- Promptly, at its sole cost and expense, relocate or remove its facilities from county rights-of way when the County Engineer determines it to be necessary due to: (i) traffic conditions; (ii) public safety; (iii) dedications of new public rights-of-way and the establishment and/or improvement thereof; (iv) widening and/or improvement of existing public rights-of-way;(v) vacations of public rights-of-way; (vi) freeway construction; (vii) change or establishment of road grade; or (viii) the construction of any public improvement or structure by any governmental agency acting in a governmental capacity.
- Not in any event abandon in place all or a portion of their facilities without the express written consent of the county as more fully described in Section 14 of the franchise.
- Compensate the county for its administrative expenses in preparing the franchise.
- 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 except to the extent caused by the sole negligence or willful misconduct of any County Party as more fully described in Section 16 of the franchise.

- Provide the county with adequate insurance appropriate for a telecommunications system franchise as specified in Section 18 of the franchise.
- Post a security device sufficient to ensure performance of its obligations when required by the County Engineer.
- Not assign any franchise rights or obligations without prior written consent of the county as more fully described in Section 22 of the franchise.
- Comply with Title VI Assurances and Non-Discrimination provisions as included in Section 29 of the franchise.

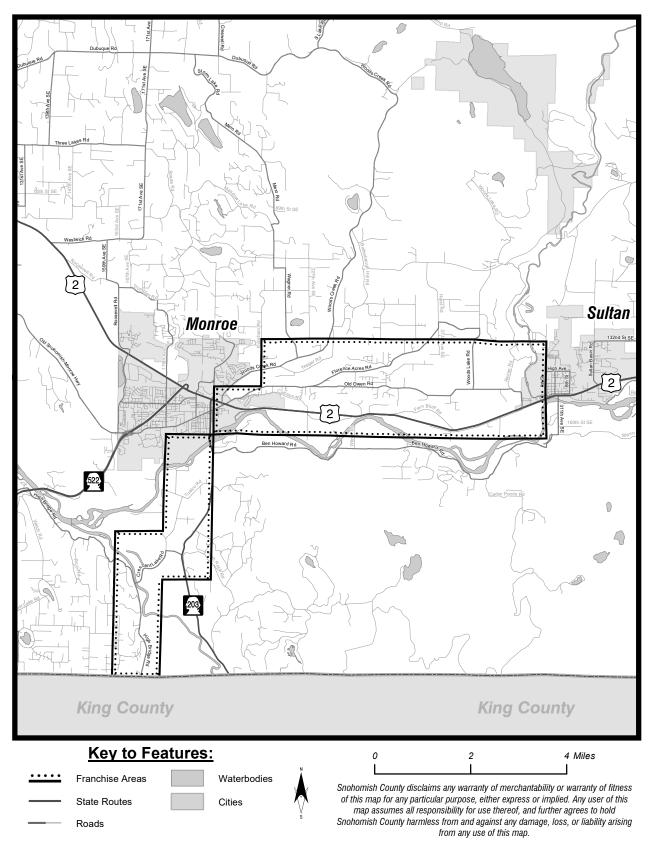
## COUNTY ENGINEER'S RECOMMENDATION

Based on the above findings, the Department of Public Works recommends the County Council grant a right-of-way franchise to Intermountain Infrastructure Group, LLC under the terms and conditions of County Charter, County Code and the ordinance granting a franchise.

Prepared by on date:

Approved by on date:

Brook Chesterfield, PE Special Projects Coordinator Douglas W. McCormick, P.E. County Road Engineer



## Exhibit A. Intermountain Infrastructure Group, LLC Proposed Franchise Area

(The proposed franchise applies exclusively to county rights-of-way located in the portions of unincorporated Snohomish County depicted above.)