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CITY OF REDMOND

CITY COUNCIL

September 8, 2026
Council Chambers • 411 SW 9th Street

COUNCIL MEMBERS

Ed Fitch
Mayor

Shannon Wedding
Council President

Clifford Evelyn
Councilor

John Nielsen
Councilor

Kathryn Osborne
Councilor

Jay Patrick
Councilor

Cat Zwicker
Councilor

SEPTEMBER 8, 2026 — EXECUTIVE SESSION AGENDA — 5:15 PM

I. EXECUTIVE SESSION

Oregon Law permits public bodies to meet in executive session to discuss specific matters which are not open to the public. Final actions or decisions on these matters will be made during regular session.

A. Litigation – ORS 192.660(2)(h) authorizes executive sessions "to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed."

B. City Manager Evaluation – ORS 192.660(2)(i) authorizes executive sessions "to review and evaluate, pursuant to standards, criteria and policy directives adopted by the governing body, the employment-related performance of the chief executive officer of any public body..."

Under the provisions of the Oregon Public Meetings Law, the proceedings of this executive session are for background information only for media attending and not for publication or broadcast.

SEPTEMBER 8, 2026 — REGULAR MEETING AGENDA — 6:00 PM

I. CALL TO ORDER / ESTABLISH A QUORUM

II. BLESSING - Pastor Chris Wooten, Journey Church Redmond

III. PLEDGE OF ALLEGIANCE

IV. MOTIONS AS A RESULT OF EXECUTIVE SESSION

V. CITY ANNOUNCEMENTS

VI. CONSENT AGENDA

A. Minutes of July 14, 2026, Council Meeting

B. Minutes of July 20, 2026, Council Workshop

VII. PRESENTATIONS

A. Employee Spotlight

VIII. ORDINANCES

In accordance with the City of Redmond Charter, an ordinance takes effect 30 days after its enactment except when a later effective date is specified in the ordinance; when the ordinance contains an emergency clause, it takes effective immediately.

A. Ordinance #2026-12: An ordinance granting a non-exclusive telecommunication franchise to Vero Broadband, LLC and repealing Ordinance No. 2020-11.

IX. COMMENTS FROM CITIZENS AT THE MEETING

Citizen comments are limited to three (3) minutes per person and will be accepted for a period of 30 minutes. Comments should be focused on City of Redmond business. Attendees are asked to refrain from interrupting, calling-out, or cheering during citizen comments.

X. CITY MANAGER COMMENTS

XI. COUNCIL COMMENTS

XII. MAYOR'S COMMENTS

A. Local Improvement District for 27th Street

B. September 11th Recognition

C. Eastside Arterial Status Update

D. Growth Management Thoughts / Cascadia Reserves

E. Warm Springs Meeting Overview

F. Redmond Parks & Recreation Center - 35th Street & Highland Avenue Update

G. Highland Avenue Study Update

H. South Highway 97 Update

XIII. ADJOURN

Regular Council meetings are broadcast live on COTV11 – BendBroadband Channel 11 beginning at 6:00 p.m. on the 2nd and 4th Tuesdays of each month. Rebroadcasts are scheduled for the non-meeting Tuesdays at 6:00 p.m.
The City of Redmond encourages all citizens to participate in its programs and activities. This meeting location is accessible to people with disabilities. Requests for accommodation may include sign language interpreter service, assistive listening devices, materials in an alternate format or any other accommodation. If any accommodations are needed, please contact the ADA Coordinator at 541-504-3036 or access@redmondoregon.gov. Requests should be made as soon as possible, but at least 3 business days prior to the scheduled meeting.
The City of Redmond does not discriminate on the basis of disability status in the admission or access to, or treatment, or employment in, its programs or activities

Redmond City Council **July 14, 2026**
Regular Meeting Minutes
Executive Conference Room & Remote Video Conferencing
https://www.redmondoregon.gov/city-council

Present:	Clifford Evelyn, Ed Fitch, John Nielsen, Kathryn Osborne, Jay Patrick, Shannon Wedding, Cat Zwicker
Excused:	None
Staff Present:	City Manager Keith Witcosky; Deputy City Manager Steve Ashworth; Deputy City Recorder Kayla Duddy; Airport Director Zachary Bass; City Attorney Keith Leitz; Deputy City Manager/Chief Financial Officer Jason Neff; Communications Director Heather Cassaro; Economic Development/Urban Renewal Program Project Manager Chuck Arnold; Urban Renewal Program Analyst Meghan Gassner; Finance Director James Wood; Client Systems Administrator Tyler Roppe; Police Chief Devin Lewis; Assistant City Engineer Lindsey Cromsigt; Planning Director Kyle Roberts; Long Range Planner Landon Stevens; Human Resources Director Jason Bavuso; Budget Analyst Herlinda Corn; Project Engineer Julie Thiessen
Media Present:	Peyton Thomas - Central Oregon Daily News

CALL TO ORDER
Mayor Fitch called the meeting to order at 6:00 p.m.

BLESSING
Father Saji Thomas with St. Thomas Catholic Church led the blessing.

PLEDGE OF ALLEGIANCE
Mayor Fitch led the Pledge of Allegiance.

CITY ANNOUNCEMENTS
A. Overview of 4th of July Weekend from Redmond PD and Redmond Fire.

Police Chief Devin Lewis and Redmond Fire & Rescue Fire Marshal Tom Mooney provided an update on the Fourth of July weekend.

A majority of the City Council supported staff preparing a draft ordinance and scheduling a public hearing in August before finalizing any changes to the City's fireworks regulations.

CONSENT AGENDA
A. Minutes of April 20, 2026, Council Workshop
B. Minutes of April 28, 2026, Council Meeting
C. Minutes of May 5, 2026, Council Special Meeting
D. Minutes of May 12, 2026, Council Meeting
E. Redmond Wetlands Complex Project (WW2001) Change Order #7 to Taylor Northwest: $55,184.09.
F. Central Dry Canyon Project (PK2102) Change Order #3 with Keeton King Contracting, LLC: $93,194.83

Councilor Wedding moved, seconded by Councilor Osborne, to approve the Consent Agenda, the motion passed. (Evelyn-yes, Fitch-yes, Nielsen-yes, Osborne-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

PUBLIC HEARINGS

A. Resolution #2026-14: A resolution of the City of Redmond, Oregon, updating the Wastewater System Development Charge Methodology and updating the City's Fee Schedule.

Mayor Fitch opened the public hearing.

Assistant City Engineer Lindsey Cromsigt provided an overview of the Wastewater System Development Charge Methodology and an update on the City Fee Schedule.

Central Oregon Builders Association Director of Government Affairs Garrett Mosher encouraged the Council to adopt the one-year phased implementation.

Mayor Fitch closed the public hearing.

Councilor Nielsen, seconded by Councilor Evelyn, moved to adopt Resolution #2026-14, including the preferred Phasing Option 1, the motion passed. (Evelyn-yes, Fitch-no, Nielsen-yes, Osborne-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

B. Special Event Street Closure Request for the August 15, 2026, for the Wild Ride Classic Car Show

Mayor Fitch opened the public hearing.

Economic Development/Urban Renewal Program Manager Chuck Arnold requested approval for a special event street closure for the Wild Ride Classic Car Show.

There being no public testimony, Mayor Fitch closed the public hearing.

Councilor Zwicker moved, seconded by Councilor Wedding, to approve the Public Assembly Permit and Fee Schedule of the Wild Ride Classic Car Show on August 15, 2026, the motion passed. (Evelyn-yes, Fitch-yes, Nielsen-yes, Osborne-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

C. Ordinance #2026-08 - An ordinance approving the Redmond East Gateway Development Agreement, Master Development Plan, and Zoning Map Amendment Compliant with the 2040 Greater Redmond Area Comprehensive Plan.

Mayor Fitch opened the public hearing and read the Statement of Land Use Hearing. There were no pre-hearing context, ex-parte observations, or conflicts of interest disclosed.

Long Range Planner Landon Stevens presented an overview of the Redmond East Gateway Project.

Blackmore Planning and Development Services Director Greg Blackmore provided an overview of the applicants Redmond East Gateway Project map amendment and zone change and master development plan.

There being no public testimony, Mayor Fitch closed the public hearing.

Councilor Nielsen moved, seconded by Councilor Osborne, to have a First and Second Reading of Ordinance #2026-08 by title only, the motion passed. (Evelyn-yes, Fitch-yes, Nielsen-yes, Osborne-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

City Attorney Keith Leitz provided the First and Second Reading of Ordinance #2026-08 by title only.

Councilor Osborne moved, seconded by Councilor Wedding, to approve Ordinance #2026-08.

ROLL CALL VOTE

DRAFT

Ayes: Evelyn, Fitch, Nielsen, Osborne, Patrick, Wedding, Zwicker.
Nays: None
Motion passed: 7 to 0.

D. Sale of City-Owned Property Tax Lot 151319CA00099 adjacent to 2511 SW 43rd Court.

Mayor Fitch opened the public hearing.

Ms. Cromsigt presented a proposed sale of a portion of City-owned property adjacent to 2511 SW 43rd Court.

There being no public testimony, Mayor Fitch closed the public hearing.

Councilor Osborne moved, seconded by Councilor Evelyn, to authorize the City Manager to sign the sales agreement and execute all necessary subsequent actions to complete the conveyance of real property located at Tax Lot 151319CA00099, the motion passed. (Evelyn-yes, Fitch-yes, Nielsen-yes, Osborne-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

ACTION ITEMS

A. Approval to Amend Contract #2025-33 with The Wallace Group for Airport Terminal Expansion Construction Special Inspection Services to the Amount of $413,800

Airport Director Zachary Bass requested approval of an amendment to Contract #2025-33 with The Wallace Group for Airport Terminal Expansion Construction Special Inspection Services.

Councilor Evelyn moved, seconded by Councilor Nielsen, to approve the amendment of Contract #2025-33 with The Wallace Group for Airport Terminal Expansion Construction Special Inspection Services to the amount of $413,800 and authorize the City Manager to sign the amendment, the motion passed. (Evelyn-yes, Fitch-yes, Nielsen-yes, Osborne-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

B. Authorization to enter into an up to seven-year lease for use by the City of Redmond for office space located at 325 SW 7th Street: $524,250.

Mr. Bass requested the Council authorize an up to seven-year lease for use by the City of Redmond for office space located at 325 SW 7th Street.

Councilor Osborne moved, seconded by Councilor Zwicker, to approve the up to seven-year lease for space located at 325 SW 7th Street for a cost of up to $524,250 and authorize the City Manager to sign the agreement, the motion passed. (Evelyn-yes, Fitch-yes, Nielsen-yes, Osborne-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

COMMENTS FROM CITIZENS AT THE MEETING

A. Kathy Written Testimony

Redmond residents Trevor Johnson, Molly Nielsen, and Maxwell Nielsen expressed support of a firework ban.

CITY MANAGER COMMENTS

City Manager Keith Witcosky reported on the August 11, 2026, fireworks ban public hearing, and City street improvements.

COUNCIL COMMENTS

Councilor Evelyn and Councilor Nielsen reported on consumer fireworks.

Councilor Patrick and Councilor Osborne reported on the Redmond 250 celebration.

MAYOR'S COMMENTS
Mayor Fitch reported on the Redmond 250 celebration.

ADJOURN
The meeting adjourned at 8:02 p.m.

Prepared by ABC Transcription Services, Inc.
Reviewed by Kayla Duddy, Deputy City Recorder

APPROVED by the City Council and SIGNED by the Mayor this 8th day of September 2026.

____
Ed Fitch, Mayor

ATTEST:

____
Kayla Duddy, Deputy City Recorder

DRAFT

Redmond City Council **July 20, 2026**
Workshop Meeting Minutes
Executive Conference Room & Remote Video Conferencing
https://www.redmondoregon.gov/city-council

Present: Clifford Evelyn, Ed Fitch, John Nielsen, Kathryn Osborne, Jay Patrick, Shannon Wedding, Cat Zwicker

Excused: None

Staff Present: City Manager Keith Witcosky, Deputy City Manager Steve Ashworth, City Recorder Kelly Morse, Airport Director Zachary Bass, City Attorney Keith Leitz, Deputy City Manager/Chief Financial Officer Jason Neff, Communications Director Heather Cassaro, Finance Director James Wood, Police Chief Devin Lewis, Planning Director Kyle Roberts, Long Range Planner Cory Murray, Human Resources Director Jason Bavuso, Airport Property and Contracts Manager Leif Anderson, Public Works Operations Manager Joshua Wedding, Housing Programs Analyst Linda Cline

Media Present: None

CALL TO ORDER

Mayor Fitch called the meeting to order at 3:00 p.m.

PRESENTATIONS

A. Discussion of BasX/AAON Agreement

SunWest Builders President and BasX/AAON Owner’s Representative Steve Buettner, and Redmond Economic Development Inc. Executive Director Steve Curley presented an overview of the proposed development agreement addressing traffic access to the company's existing facility on Airport Way.

City Manager Keith Witcosky proposed continuing the discussion on July 27, 2026, to allow staff time to further address Council's concerns and questions.

B. Airport Concessions Contract

Airport Director Zachary Bass presented an overview of the retail and vending concessions procurement process for the Airport Terminal Expansion project.

C. Northpoint Update

Deputy City Manager Steve Ashworth provided an update on the Northpoint Vista development.

The Council suggested including a dog run to serve residents with limited private yard space.

ADJOURN

The meeting adjourned at 4:08 p.m.

Prepared by ABC Transcription Services, Inc.
Reviewed by Kayla Duddy, Deputy City Recorder

APPROVED by the City Council and SIGNED by the Mayor this 8th day of September 2026.

____
Ed Fitch, Mayor

ATTEST:

____
Kayla Duddy, Deputy City Recorder

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STAFF REPORT

DATE: September 8, 2026
TO: City Council
THROUGH: Keith Witcosky, City Manager
Jason Neff, Deputy City Manager/Chief Financial Officer
James Wood, Finance Director
FROM: Valerie Taylor, Billing and Collections Manager
SUBJECT: Ordinance #2026-12: An ordinance granting a non-exclusive telecommunication franchise to Vero Broadband, LLC and repealing Ordinance No. 2020-11.

Report in Brief:
This item requests the City Council approve a five-year non-exclusive telecommunications franchise agreement with Vero Broadband LLC.

Background:
BendTel was acquired by Vero Broadband LLC and will be operating under Vero Fiber to provide high-speed internet, voice, and data services to residential and business customers.

Discussion:
This ordinance is a five-year non-exclusive telecommunications franchise agreement granting Vero Broadband, LLC the authority to operate in the City's rights of way to provide telecommunication services while maintaining the City's development standards. The agreement repeals the previous agreement with BendTel Inc and is set to automatically renew for two successive terms of five years each unless terminated.

Fiscal Impact:
The actual revenue to be received from this franchise is unknown at this point as it will depend on the roll-out of services by Vero Broadband LLC. However, franchise fee revenue that we receive from Vero Broadband, LLC expanding services would be offset by reductions to the other telecommunication providers. Vero Broadband, LLC is providing an alternative option for the community. The roll-out is tentatively scheduled to start by the end of November 2026 and be completed within the next 12 months. They currently plan to service roughly 4,400 homes.

Alternative Courses of Action:

1. Approve Ordinance #2026-12.
2. Do not approve Ordinance #2026-12.
3. Request more information.

As required by the City Charter, on September 2, 2026, notices regarding this Ordinance were posted in three places. Copies of the Ordinance were available for review at City Hall.

Recommendation / Suggested Motion:
"I move to have a first and second reading of Ordinance #2026-12, by title only" (Voice vote)

(The City Attorney will read the ordinance by title only.)

"I move to approve Ordinance #2026-12." (Roll call vote)

REDMOND ORDINANCE
ORDINANCE NO. 2026-12

AN ORDINANCE GRANTING A NON-EXCLUSIVE TELECOMMUNICATION FRANCHISE TO VERO BROADBAND, LLC AND REPEALING ORDINANCE NO. 2020-11.

WHEREAS, Vero Broadband, LLC is a telecommunications provider seeking to provide telecommunication services in the City of Redmond;

WHEREAS, providing telecommunication services requires the installation, operation and maintenance of facilities within the public rights of ways within the City of Redmond;

WHEREAS, the City of Redmond desires to set forth the terms and conditions by which Vero Broadband, LLC shall use the public rights of way within the City of Redmond;

WHEREAS, the City of Redmond and Vero Broadband, LLC desire to enter into a franchise agreement and have reached agreement on the terms of that franchise agreement.

NOW, THEREFORE, THE CITY OF REDMOND, OREGON, ORDAINS AS FOLLOWS:

This Telecommunications Franchise Agreement (“Agreement”) is between the City of Redmond, an Oregon municipal corporation ("City") and Vero Broadband, LLC ("Franchisee").

Section 1. Definitions.

Any terms defined in the Redmond Code and not in this Agreement have the meaning provided by the Redmond Code.

“Effective Date” means thirty days from council approval, or the date on which each party has signed this Agreement, whichever is later.

"Facilities" means the conduits, cables, optic fibers, poles, wires, vaults, fixtures, aboveground and underground lines, antennas, support mast and mounts, amplifiers, receivers, equipment cabinets, through bolts, washers, nuts, power supply cabinets, power meters, grounding or bond wires, enclosures, cabinets, battery back-up units, and other physical components and related equipment of Franchisee's Telecommunication System that are in compliance with applicable laws, rules and regulations as required by Section 3.

“Fiscal Year” means the 12-month reporting period that begins on July 1st and ends on June 30th.

"Gross revenue" means and includes recurring revenues received by the Franchisee for the provision of telecommunications services, either directly by the Franchisee or indirectly through a reseller, if any, to customers of such services consumed wholly or in part within the City. Gross Revenue shall not include:

a) sales, ad valorem, or other types of "add on" taxes, levies, or fees calculated by gross receipts or gross revenues which might have to be paid or collected for federal, state, or local government (exclusive of the Right-of-Way Use Fee paid to the City as provided herein);
b) retail discounts or other promotions;
c) non-collectable amounts due the Franchisee or its customers;
d) refunds or rebates;
e) non-operating revenues such as interest income or gain from the sale of an asset; or
f) payments received by Franchisee for the construction of network facilities.

To the extent the Franchisee provides services through facilities in City rights of way other than through telecommunication facilities, the definition of "gross revenues" means any revenue received from sources within the City limits by the Franchisee; including revenue from the use, rental or lease of operating facilities of the Franchisee and from the provision of services by the Franchisee.

"Telecommunications System" means all Facilities owned, operated or used by Franchisee to provide telecommunication services, including voice, data and audio and video transmission services, and located in rights-of-way administered by the City.

Section 2. Grant of Authority.

City grants to Franchisee the right to construct, install, maintain, restore, replace, and operate Facilities over, in, on, and under present and future City rights-of-way for the purpose of providing telecommunication services on the terms stated in this Agreement and subject to applicable law.

This Franchise is not exclusive. The City reserves the right to grant a similar franchise to any other person or entity at any time during the period of this Agreement. This Agreement is subject to all prior rights, interests, agreements, permits, easements or licenses granted by the City, and to the City's right to use and administer rights-of-way for any purpose.

Section 3. Compliance with Laws, Rules and Regulations.

Franchisee shall comply with all applicable federal, state and City laws, rules and regulations, including but not limited to the Redmond Development Code, other provisions or revisions of the Redmond Code, and City ordinances. The locations and methods of installation and maintenance of all Franchisee's Facilities shall be subject at all times to regulation by the City (including City's ordinances, standards and specifications, and regulations on street cuts and use of rights-of-way or public easements).

Franchisee must obtain right-of-way permits prior to installation or construction of Facilities. Franchisee must develop, site, construct, install, and at all times maintain and operate all Facilities in accordance with telecommunications industry standards and City standards and specifications, including but not limited to Redmond Development Code and as directed by the City Engineer in accordance with the Redmond Code.

Section 4. Franchisee Liability, Indemnification of City, and Insurance.

A. Liability and Indemnification. Franchisee will defend, indemnify , and hold the City, its officers, agents, employees and volunteers harmless against all liability, claims, losses, demands, suits, fees and judgments (collectively known as "claims") that may be based on, or arise out of damage or injury, including death, to persons or property caused by or resulting from any act or omission sustained in connection with the performance of this Agreement or by conditions created thereby or based upon violation of any statute, ordinance or regulation. This indemnification does not apply to claims caused by the negligence or willful misconduct of the City, its officers, agents, employees and volunteers. Franchisee agrees that it is not an agent of the City and is not entitled to indemnification and defense under ORS 30.285 and ORS 30.287. The City will promptly notify the franchisee in writing of any claim, action, or proceeding for which indemnity is sought and will cooperate with the franchisee in the defense and settlement thereof. The franchisee will have the right to control the defense and settlement of any such claim, action, or proceeding, provided that the franchisee will not settle any claim, action, or proceeding in a manner that admits fault or liability on the part of the City without the City's prior written consent, which will not be unreasonably withheld.

B. Insurance. Franchisee must maintain, at Franchisee's expense during the term of this Agreement, commercial general liability covering bodily injury and property damage in an amount of $2 million per occurrence and $4 million general aggregate; commercial automobile insurance $2 million combined single limit per accident which limits may be met by any combination of primary and excess or umbrella insurance. The insurance policies obtained by Franchisee shall be primary and non-contributory. Franchisee shall defend, indemnify, and hold City, its officers, employees and volunteers harmless for any claims resulting from negligence or intentional misconduct of Franchisee and its employees in performance of this Agreement, even if not covered by, or in excess of insurance limits.

Commercial general liability coverage and commercial auto liability policies must name by separate endorsement "The City of Redmond, its officers, agents, directors, employees, and volunteers as an additional insured" (endorsement must be provided), as their interest may appear under this Agreement with respect to Franchisee's work or services conducted under this Agreement. Insurance coverage must apply on a "primary and non-contributory basis". Upon receipt of notice from its insurers, Franchisee will give the City 30 days' written notice of any cancellation of any required coverage. Any failure to comply with this provision will not affect the insurance coverage provided to City.

Franchisee must maintain workers' compensation insurance as required by ORS Chapter 656 and meeting the statutory requirements therein.

Franchisee must ensure that each contractor and subcontractor obtains and maintains substantially the same insurance as required of Franchisee before performing work.

Coverages provided by Franchisee must be underwritten by an insurance company authorized to do business in the state of Oregon and with a Best's rating of A-VII or higher.

As evidence of the insurance coverage required by this Agreement, Franchisee must provide a certificate of insurance and required separate endorsements as referenced above, from the carrier(s). This Agreement will not be in effect until the required certificate and separate endorsements have been received and approved by City, which reasonable approval may not be withheld or delayed. Renewal certificates and endorsements will be provided to City upon receipt by Franchisee. The City may terminate this Agreement for failure to maintain the required insurance.

C. Waiver of Subrogation. Franchisee grants a waiver of subrogation to the City, its officers, employees, and volunteers for any claims arising out of Franchisee's work or service. Further, Franchisee agrees that in the event of loss due to any of the risks for which it has agreed to provide insurance, recovery will be solely with its insurance carrier, and also grants to City, on behalf of any insurer providing coverage to either Franchisee or City with respect to the work or services of Franchisee, a waiver of any right to subrogation which any insurer or subcontractor may acquire against City by virtue of the payment of any loss under such insurance coverage.

Section 5. Performance Bond.

Before commencing any work in any right-of-way administered by the City, Franchisee must provide a performance bond in the amount of $100,000, or a lesser amount as agreed to in writing by the City as being sufficient to assure proper restoration of any street, sidewalk or other surface disturbed by Franchisee. Franchisee must keep the bond in full force and effect during any activities that disturb the surface of any rights-of-way and for a period of at least one year after restoration of rights-of-way. The bond may be withdrawn one year after restoration of rights-of-way but must be restored prior to any further action that would disturb any street, sidewalk, or other surface. The bond must be issued by surety authorized to do business in the state of Oregon and with a Best's rating of A- VII or higher.

City may, in the event of any construction which is likely to be substantially greater than $100,000, or in the event the City's cost to complete or repair the construction upon Franchisee's failure to perform the same would be greater than $100,000, as reasonably determined by the City, require the amount of the performance bond to be increased. The performance bond is subject to increase each time Franchisee applies for permits to perform work within the city of Redmond. Franchisee must provide to City all necessary documentation demonstrating Franchisee's cost estimation in a format reasonably acceptable to City.

Section 6. Construction and Conditions on Right-of-Way Occupancy.

A. Use. Franchisee must conduct its operations under this Franchise, including installation, construction, operations, and maintenance of its Facilities, in compliance with all lawful governmental regulations and in a safe, competent, and skillful manner so as not to present a danger to the public or City. Franchisee must construct, install, maintain and operate its Facilities in designated City rights- of-way consistent with industry standards and in City's commercially reasonable satisfaction, in compliance with all City ordinances, rules, standards and specifications, policies and regulations, in a manner so as to interfere as little as practicable with traffic and other use of rights of way, and to cause minimum interference with the rights or reasonable convenience of property owners who adjoin any of the rights of way, including existing and future City services. All work in City right-of-way requires a permit and a traffic plan that is fully compliant with the City of Redmond Design Standards and Specifications, prior to the start of any work.

B. Construction. Prior to beginning construction, Franchisee must obtain all necessary land use approvals and permits. When construction is complete, Franchisee must provide the City Engineer as-built drawings with a map showing the location of installed Facilities in City rights-of-way as required by City codes, standards and specifications, and building requirements. The City Engineer may require additional information on the as-built drawings.

C. Restoration. In case of any disturbance of pavement, sidewalk, driveway, or other surface by Franchisee, Franchisee must, at its own cost and expense and in compliance with the City's standards and specifications, promptly replace and restore all paving, sidewalk, driveway, landscaping or surface of any street or alley disturbed, reasonable wear and tear excepted. Franchisee warrants all restoration work for a period of one year from completion of the work. If Franchisee fails to make restoration as required by this section within a reasonable timeframe following written notice from City to Franchisee, or if the restoration fails within the one-year warranty period, City may cause the repairs to be made at the expense of Franchisee. If Franchisee fails to reimburse the City for any costs incurred under this section within 45 days of demand for reimbursement and such failure is not a result of a good faith dispute between City and Franchisee, City may refuse to issue additional permits.

D. Notification. Franchisee must comply with the requirements of Oregon Utility Notification Law and implementing rules and regulations.

E. Relocation. City may require Franchisee to relocate its Facilities. If the removal or relocation of Facilities is caused directly by an identifiable development of property or other third-party project and the removal or relocation of Facilities is expected to occur within the area to be developed, or is made for the convenience of other third-party, Franchisee may charge the expense of removal or relocation to the developer or other third-party. Franchisee will be solely responsible for enforcing collection from the developer or other third-party.

   If the removal or relocation of Facilities results from City's need to provide public facilities, a City-funded project, or is otherwise requested by City or is made for the purpose of improving a street to City standards or other improvement for the benefit of the public, Franchisee will remove or relocate its Facilities at Franchisee's expense.

When given advanced notification, such as when the City is in the design stage of a project, relocation must occur within 120 days or within the timeframe provided by the City in the notification, if longer than 120 days. Where a conflict could not reasonably have been identified by City at the design stage through the exercise of reasonable diligence, Franchisee will commence relocation upon notification and will diligently pursue the relocation to completion within sixty (60) days. For any relocation required under this section, City will make a reasonable effort to provide Franchisee with a mutually agreeable alternate location for its Facilities within City rights-of-way, or allow Franchisee to temporarily remove or relocate its Facilities for the duration of the City Project and allow Franchisee the opportunity to replace its Facilities in the same or similar location after completion of the City project, consistent with City approval for Franchisee's location of the Facility. In the event that City receives third party funding for a City project or improvement to a City street that covers Franchisee's expenses, City will remit payment to Franchisee from the third-party funding for reimbursement for Franchisee's relocation expenses.

In cases of capital improvement projects undertaken by City where overhead utility are converted to underground installations, Franchisee must convert above-ground Facilities to underground, at Franchisee's expense, if requested to do so by City, except to the extent Franchisee's Facilities must remain above-ground to operate. City agrees to comply with provisions of applicable law when requiring such conversion and to do so in a non-discriminatory manner.

F. Placement of Facilities. Franchisee will not knowingly place its Facilities where they will interfere with any existing or future City utility, gas, electric, or telephone fixture or power, sanitary sewer, storm sewer, or water facility. Franchisee must consult with City Engineer prior to placement of Facilities, and will comply with all City ordinances, policies, rules, and regulations in connection with its placement of Facilities. Whenever all existing electric utilities, cable facilities and telecommunications facilities are located underground within a public right-of-way in the City, Franchisee must also locate or relocate its Facilities underground to the extent possible.

G. Temporary Rearrangement of Facilities. Franchisee must, consistent with City policies, ordinances, rules, and regulations, arrange to temporarily raise, lower, or otherwise move its Facilities to permit the moving of buildings or other objects if the person or entity wishing to move the building or other object makes a reasonable arrangement to reimburse Franchisee for its expenses in rearranging its Facilities. Nothing in this section precludes City from requiring Franchisee to move its Facilities at Franchisee's expense when public convenience requires the move.

H. Maps and Records. Franchisee shall at all times keep maps and records showing the locations and components of all facilities constructed by it or owned by it within the City right of way. Spatial data for facilities located in the rights-of-way shall be available to the City as needed. Franchisee shall keep as-builts on file and available for City use upon request.

Section 7. Transfer of Franchise.

Franchisee may not sell, assign, dispose of, or transfer in any manner whatsoever any interest in this Franchise or in the Facilities authorized by this Agreement, or any part of the Facilities, without prior written approval of City, which approval will not be unreasonably withheld. The City may impose reasonable conditions on any such approval, including but not limited to the requirement that the transferee acknowledge in writing and agree to be bound by the terms of this Agreement. City has the right to collect from Franchisee City's actual administrative costs associated with processing a transfer request, including the cost of ascertaining the financial responsibility of the proposed transferee. Use of Franchisee's Facilities by third parties shall not constitute an assignment or transfer of privileges for purposes of this Agreement. Notwithstanding the foregoing, no City approval is required but notice shall be provided for any assignment, disposal, or transfer of this Franchise or the Facilities to an affiliate of Franchisee or its parent company.

Section 8. City Rights in Franchise.

A. City Supervision and Inspection. City has the right to supervise all construction or installation of Franchisee's Facilities subject to the provisions of this Agreement and make such inspections as it finds necessary to ensure compliance with governing laws, ordinances, rules, and regulations.

B. Termination or Abandonment of Agreement. Upon any termination of this Agreement, all Facilities installed or used by Franchisee must be removed by Franchisee at Franchisee's expense within one hundred twenty (120) days after such termination, and the property upon which the Facilities were used restored by Franchisee to the condition it was in before installation.

C. Co-location. Franchisee must offer the City the opportunity to co-locate City conduit and lines in trenches dug by Franchisee in City rights-of-way and may charge City only any incremental additional costs incurred in making the trenches available for City use.

Section 9. Franchise Fee.

A. Franchisee shall pay monthly to City a Franchise fee equal to 7% of Company's gross revenues received from ultimate consumers of the facilities who do not re-sell their use of the facilities to third parties within the corporate limits of City. Company also may at its option deduct uncollectible accounts of customers within the corporate limits of City from these gross revenues.

   The intention of the parties in charging different fees for telecommunications service providers and ultimate consumers is to prevent any end user from paying a permit or franchise fee to City more than once for the same use of the facilities, while at the same time charging a fair amount for the use of City's rights of way.

B. The Franchise Fee required by this section is due and payable within 60 days after the end of each applicable calendar month. Any payment not made when due will bear interest at the rate of 9% per annum, compounded monthly, from the date due until paid. Together with each payment of the Franchise Fee, Franchisee will submit a Telecommunications Franchise Fee Percentage Reporting Form in the form of Exhibit A.

C. City's acceptance of any payments due under this section shall not be considered a waiver by City of any breach of this franchise agreement.

D. Except to the extent prohibited by Federal or State law, the Franchise Fee is in addition to any permit fee required to comply with Section 3.

Section 10. Franchisee Records and Reports.

A. Franchisee shall keep accurate books of financial accounts throughout the term of this Franchise Agreement and for six years after the expiration or termination of this Agreement. Franchisee shall produce all books and records directly concerning its Gross Revenues and other financial information deemed necessary by City for purposes of calculation of the franchise fee for inspection by City, upon 30 days' written notice, during normal working hours. City may require periodic reports from Franchisee relating to its operation within City.

B. City shall have the right during the term of this Franchise Agreement or within 180 days after expiration or termination of the franchise to audit Franchisee's records for the period of three years prior to the audit. If the audit reveals underpayment of 3% or more, the City may expand the audit to cover up to 6 years. The audits shall be undertaken by a qualified person or entity selected by City. The cost of the audit shall be borne by City, unless the results of the audit reveal an underpayment of more than 3% of the franchise fee for the period audited. In the case of underpayment of 3% or more, the full cost of the audit shall be paid by Franchisee. Franchisee shall immediately pay the amount of the underpayment as determined by the audit to City together with 9% annual interest from the date the payment should have been made to the date the payment is actually made.

C. Any audit information obtained by City under these provisions shall be kept confidential to the maximum extent allowed by Oregon law, except that this obligation shall not prevent the City from introducing audit results in any forum where enforcement of the provisions of this Franchise Agreement is at issue.

Section 11. Permit and Inspection Fees.

Nothing in this Agreement may be construed to limit the right of City to require Franchisee to pay reasonable costs incurred by City in connection with the issuance of a license or permit, making an inspection, or performing any other service for or in connection with Franchisee or its

Facilities, whether pursuant to this Agreement or any ordinance or regulation, subject to any limitation imposed by Federal or state law.

Section 12. Enforcement and Termination of Agreement for Violation.

A. Default. Time of payment and performance are of the essence in the Agreement. The following are events of default:

   a. Default in Payment. The failure of Franchisee to pay City when due any amounts required by the Agreement pursuant to Section 9 and such failure continues for a period of 15 days after the postmark date of Licensee's notice of its failure to pay.

   b. Default in Other Covenants. The failure of Franchisee to perform any of the covenants and conditions required by this Agreement to be kept and performed by Franchisee, and such failure continues for a period of 30 days after notice from City of such failure, or longer than 30 days if the nature of the cure requires a longer period of time and the cure was commenced within the 30-day period. Upon the occurrence of an event of default, Franchisee must pay to City the sum of $200 per day for each day the default continues along with any additional damages suffered by City as a result of Franchisee's default.

B. The City may terminate this Agreement for defaults that are not cured within the time allowed by providing 30 days' notice to Franchisee of its intent to terminate. Franchisee may avoid termination by completely curing the default(s), including payment of the penalty required by Subsection A.2 of this section, unless the notice of termination is the third notice of termination within a 12-month period. Franchisee may challenge a notice of termination by providing a written protest to the City Manager within 15 business days after the postmark date of Franchisee notice of termination. The City Manager, on receipt of the protest shall either grant the protest, in which case the Agreement will remain in place, or refer the matter to the City Council for a decision. The termination will not become final until after the decision by the City Manager or City Council.

Section 13. Remedies not Exclusive; Waiver.

All remedies granted the City under this Agreement are cumulative, and recovery or enforcement of one is not a bar to the recovery or enforcement of any other remedy. Remedies contained in this Agreement are not exclusive and City reserves the right to enforce penal provisions of any ordinance and also use any remedy available to City at law or in equity. Failure to enforce any provision of this Agreement may not be construed as a waiver of a breach of any other term, condition or obligation of this Agreement.

Section 14. Franchise Term.

This Franchise is granted for a term of five years beginning the Effective Date ("Initial Term) and will automatically renew for two successive terms of five years each (each a "Renewal Term") unless notice of termination is provided. Franchisee and City may terminate this Agreement at the end of the Initial Term or any Renewal Term by providing notice of termination at least 60 days prior to the end of the Initial Term or relevant Renewal Term. If notice of termination is provided, the parties may elect to negotiate a new franchise agreement in lieu of termination. In the event the City adopts code provisions, regulations or standards and specifications applicable to this Franchise or if state or federal legislation or regulation affects any provision of this Franchise, the Parties, at the request of either Party, may request renegotiation of the Franchise to reflect the changes in law or regulation.

Section 15. Severability.

If any section, subsection, sentence, clause or portion of this Agreement becomes for any reason invalid, superseded by applicable authority, or if any such portion of this Agreement is rendered unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity or constitutionality of the remaining portion thereof. If for any reason, the franchise fee is invalidated or amended by the act of any court or governmental agency, then the highest reasonable franchise fee allowed by such court or other governmental agency shall be the franchise fee charged by this Agreement.

Section 16. Notices.

Any notice required or permitted under this Agreement, including Annexation notifications, shall be deemed given when received or when deposited with the United States Postal Service, postage prepaid and sent as registered or certified mail addressed as follows:

TO CITY:

Keith Witcosky
City Manager
City of Redmond
411 SW 9th St
Redmond, OR 97756

TO FRANCHISEE:

Name:	Vero Broadband, LLC
Attn:	Grant Chappell
Address:	740 E. US Hwy 24 Woodland Park, CO 80863

or to such other addresses as may be specified from time to time by either party in writing.

The primary contact regarding administration of this Franchise for the City is:

Position:	Billing and Collections Manager
Name:	Valerie Taylor

Email: valerie.taylor@redmondoregon.gov
Phone: 541.923.7732

and for Franchisee is:

Position: Market Development Engineering Lead
Name: Grant Chappell
Email: gchappell@verofiber.com
Phone: 502.299.2737

The primary contacts may be changed at any time by a written communication, including email, without the need for formal notice.

Section 17. Interpretation/Jurisdiction.

Interpretation of the Agreement shall be governed by laws of the State of Oregon and any legal action relating to this Agreement must be brought in the state or federal courts located in Deschutes County.

Section 18. Change of Law.

If any federal or state laws or regulations or any binding judicial interpretations thereof that govern any aspect of the rights or obligations of one or more parties under this Agreement shall change after full execution, and such change makes any aspect of such rights or obligations inconsistent with the then-effective federal or state laws, regulations or binding judicial interpretations, then the parties agree to promptly amend the Agreement as reasonably required to accommodate and/or ensure compliance with any such legal or regulatory change.

City of Redmond

____
Ed Fitch, Mayor

____
Printed Name

____
Date

ATTEST:

____
Kayla Duddy, Deputy City Recorder

Franchisee

____
Authorized Representative

____
Printed Name

____
Date

ATTEST:

By: ____________________________

EXHIBIT A

City of Redmond
Telecommunications Franchise Fee Percentage Reporting Form

Franchisee: ___________________________________

Reporting Period: ___________________________________

Description	Revenue and Fee Calculation
A. Gross Revenues-Resold	$
B. Less: Revenues Exempt from Franchise Fees	$
C. Other Adjustments to Gross Revenues	$
D. **Net Revenues Subject to Franchise Fees (A+B+C)**	**$**
E. Franchise Fee	7%
F. **Total Franchise Fee for Gross Revenues-Resold (D x E)**	**$**
G. Gross Revenues-Not Resold	
H. Less: Revenues Exempt from Franchise Fees	$
I. Other Adjustments to Gross Revenues	$
J. **Net Revenues Subject to Franchise Fees (G+H+I)**	**$**
K. Franchise Fee	7%
L. **Franchise Fee for Gross Revenues-Not Resold (J x K)**	**$**
M. **Total Franchise Fee Remitted to City of Redmond (F+L)**	**$**

Certification by Officer or Authorized Representative:

I declare under the penalties for perjury that the information provided herein is true, complete, and accurate to the best of my knowledge and belief.

_______________________________ _____________________
Name Date

____
Title

Please remit payment to:

City of Redmond
411 SW 9th Street
Redmond, OR 97756

For questions, please contact City of Redmond Finance Department at 541.504.3066