

Mayor and Members of the City Council **STAFF REPORT**For the Meeting of November 14, 2022

Title/Subject

Resolution #2243- Franchise Agreement Renewal for Fatbeam, LLC.

Summary and Background

Fatbeam is a telecommunications provider which mainly provides backbone connectivity between educational facilities. Like other similar providers, they are allowed to maintain their infrastructure within the City-Owned Right of Way because they provide a valuable service to the community. In exchange for this benefit, companies like this pay franchise fees to the City.

Fatbeam has operated within Hermiston for a number of years, with no major issues or concerns, and have complied with the terms of their existing franchise agreement. This renewal features no substantive changes from the existing agreement.

Tie-In to Council Goals

Fiscal Information

Due to the nature of Fatbeam's narrow business model, this agreement generates relatively minimal annual Franchise Fees. Typically less than \$5,000 per year.

Alternatives and Recommendation

<u>Alternatives</u>

- Approve Resolution 2243
- Reject Resolution 2243
- Table Resolution 2243 and request changes

Recommended Action/Motion

Approve Resolution 2243 as presented.

Submitted By:

Mark Morgan