
Meeting Type:	SandyNet Advisory Board
Meeting Date:	7/16/2026
From:	Gregory Brewster
Subject:	Lottery Site Project Update

BACKGROUND / CONTEXT:

In early 2022, City Council approved an IGA between the City and Clackamas County for SandyNet and the County's broadband department, Clackamas Broadband eXchange (CBX). That IGA allowed both parties to work together and offer business level broadband services to various businesses within Clackamas County. At that time, the existing IGA only offered a single service tier and was considered a Dedicated Internet Access (DIA) based on CBX's deployment architecture at the time. A DIA is a service that most businesses do not typically require, especially due to the cost savings found under shared-mediums, such as passive-optical-networks (PON).

In September 2025, SandyNet was contacted by a consultant that works under Lumen. Lumen holds the statewide contract for providing internet to all Oregon Lottery sites. Any retail location that offers any traditional or video lottery services has a separate connection to the internet that is managed by Lumen. The State of Oregon was working towards migrating all of their connections over to fiber.

Lumen is a large nationwide telephone and broadband provider and Incumbent Local Exchange Carrier (ILEC) that operates in several Oregon territories. Lumen does not have fiber optic broadband services in many of its Oregon service territories; and for those areas, chose to outsource those sites to an outside consultant. That consultant works with other broadband service providers to set up a fiber connection for those Oregon Lottery sites. After speaking with the consultant, SandyNet and CBX identified many locations that could be serviced within Clackamas County. Twenty of those sites were within Sandy city limits, most of which were already existing SandyNet subscribers or otherwise had fiber at their premises. The remaining thirty-four locations were accessible by CBX using their network.

For all fifty-four orders, a price was set at \$80 a month for each location. Each order also included a minimum one-time \$430 turn-up fee. All connections were under the same small-business Service Level Agreement (SLA), that is offered to non-enterprise accounts within city limits. Each order was placed under a five-year contract. For sites that are already within Sandy City Limits, SandyNet currently retains the full \$80 a month. For sites shared with CBX, SandyNet retains \$40, and the other half is remitted to CBX. Those price changes were reflected in an amendment to the IGA between CBX and SandyNet on October 6, 2025.

Additionally, a 500Mbps, or half-gigabit package was added for \$100 a month, allowing SandyNet to pick up other businesses near existing lottery locations.

Between December 2025 and June 2026, both SandyNet and CBX performed fiber buildouts and installations to fifty-three businesses within Clackamas County. SandyNet was able to place a used

XGS-PON line card down in the Clackamas area, which fed all the sites located in Oregon City, Portland, Milwaukie, Lake Oswego and West Linn. Sites up in Welches and Government Camp were fed from both CBX's existing XSG-PON system and SandyNet's existing GPON system.

KEY CONSIDERATIONS / ANALYSIS:

To date, the project is 95% completed. Most sites are cut over and live, and the remainder of completed sites are now needing work by Lumen before they are officially closed out. One site is still pending on its construction within Sandy city limits and has been delayed due to a permit from ODOT. One other site is currently blocked, due to an unresponsive property owner.

While the project is now closed out, there are already several takeaways and lessons learned from SandyNet Staff. Staff considers the project a success. Both CBX and SandyNet rose to take on these sites and completed most of them on time or ahead of schedule. SandyNet now has the ability to hook up hundreds of new businesses in the Clackamas area over the next several years, pending their respective feasibility assessments. The rates are sustainable for future hardware replacement, and none of the lottery connections require SandyNet to provide or manage a router, making the troubleshooting process much simpler. CBX has already been able to extend fiber into new construction throughout the County, and those sites can be fed from the system installed for the Lottery project.

The project has also shed light on areas that SandyNet could improve upon. Given that many of these systems operate late into the night, SandyNet must now adjust its processes for updating system after hours or during maintenance windows, especially for businesses. It also outlines the need for more frequent and specific communication with CBX. Between the blend of mixed PON systems up the mountain, and where equipment is installed outside and/or inside each building, both parties have different ways of performing their necessary work.

One other adjustment requires the existing IGA to be updated. A proposal to raise the price of the 500Mbps tier from \$100 a month to \$120 a month is expected to go before Sandy City Council on July 27, 2026.

CONCLUSION:

As things wrap up, it is good to note that the project helped to expand SandyNet's footprint in the greater Clackamas area and reinforce the partnership between SandyNet and CBX. Moving forward with future projects, both parties need to establish their own standards and prevent duplicating or creating gaps in their processes and work.