

ORIGINAL

ORDINANCE NO. 296

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, EXTENDING THE FRANCHISES UNDER WHICH THE RONALD WASTEWATER DISTRICT (FORMERLY KNOWN AS SHORELINE WASTEWATER MANAGEMENT DISTRICT) IS AUTHORIZED TO PROVIDE SANITARY SEWER SERVICES WITHIN THE CITY OF SHORELINE.

WHEREAS, the City of Shoreline, by Shoreline City Ordinance No. 152, granted the Ronald Wastewater District (District) a non-exclusive Franchise to construct, maintain, operate, replace and repair a sanitary sewer system, in, under, through and below certain designated public rights-of-way of the city effective March 8, 1998; and

WHEREAS, the Franchise granted to the District by the City through Ordinance No. 152, as amended by Ordinance No. 175, was extended by Ordinance No. 267 through December 31, 2001, and

WHEREAS, on October 1, 2001, the District acquired Seattle Public Utilities' (SPU) facilities, accounts, and service area within Shoreline; and

WHEREAS, SPU's operating franchise granted by Ordinance No. 215 was assigned to the District effective October 1, 2001, by assumption agreement approved by the City pursuant to Ordinance No. 215, and terminates December 31, 2003 unless replaced with a substitute franchise prior to that date; and

WHEREAS, the District does not agree with key provisions of the franchise granted by Ordinance No. 215 and does not desire its extension to their historical service area; and

WHEREAS, the District has protested the Franchise Fee payment applied to revenue from SPU customers included in Ordinance No. 215, and both the District and the City agree that the means selected by SPU to pass this cost onto its Shoreline customers is undesirable, but the District is willing to continue making this payment pending negotiations to resolve this concern; and

WHEREAS, both the City and the District are committed to developing new agreements to guide their relationship; and

WHEREAS, the District is currently occupied with operational issues related to the acquisition of the SPU service area; and

WHEREAS, the District and the City agree that it is in the best interest of sanitary sewer customers and the City that the District continue to operate under a City franchise and that the status quo be preserved for a reasonable period of time to allow the development of a unified franchise agreement and potentially an interlocal agreement as envisioned by the parties in their Interlocal Agreement dated August 13, 1997:

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE,
WASHINGTON, DO ORDAIN AS FOLLOWS:**

Section 1. Franchise Extension. The sanitary sewer franchise granted pursuant to City Ordinance No. 152, is hereby extended through the earlier of June 30, 2002, or until the effective date of a replacement franchise (whichever first occurs). The terms of this franchise shall apply to the area of the City serviced by the District prior to October 1, 2001. This franchise shall, in that area, also control over any conflicting provisions of the sanitary sewer franchise granted to SPU pursuant to City Ordinance No. 215 and assigned to the District effective October-1, 2001.

Section 2. Franchise Amendment. The sanitary sewer franchise granted pursuant to City Ordinance No. 215, is hereby amended to end its effective term on June 30, 2002, or upon the effective date of a replacement franchise (whichever first occurs). The terms of this franchise shall apply to the area of the City serviced by SPU at the time of its adoption. The parties further stipulate that the Franchise Fee payment methodology utilized by SPU and as continued by the District satisfy the Franchise Fee payment requirements of this franchise. The City hereby waives any right to audit or otherwise seek revision or reconciliation of the District's satisfaction of this payment obligation during the remaining term of this franchise as long as the District continues to adhere to SPU's payment methodology.

Section 3. Directions to City Clerk. The City Clerk is hereby authorized and directed to forward certified copies of this ordinance to the Grantee set forth in this ordinance. The Grantee shall have fifteen (15) days from receipt of the certified copy of this ordinance to accept in writing the extension of the franchise granted to the Grantee in this ordinance.

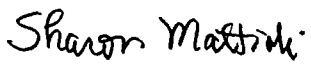
Section 4. Publication and Effective Date. In accord with state law, this ordinance shall be published in full and shall take effect five days after said publication.

PASSED BY THE CITY COUNCIL ON DECEMBER 10, 2001.



Mayor Scott Jepsen

ATTEST:



Sharon Mattioli, CMC
City Clerk

APPROVED AS TO FORM:



Ian Sievers, City Attorney

Date of Publication: December 13, 2001
Effective Date: December 18, 2001