

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Ordinance No. 383 Extending the Seattle Public Utilities Water Franchise
<b>DEPARTMENT:</b>	City Manager's Office
<b>PRESENTED BY:</b>	Bob Olander, Deputy City Manager

**PROBLEM/ISSUE STATEMENT:**

Staff is requesting a twelve-month extension of the Seattle Public Utilities (SPU) water franchise. An initial franchise to operate the water system owned by the City of Seattle, generally west of I-5, was granted in December 1999. An automatic two-year extension was invoked in 2001 followed by a six-month extension in December 2003, and the Council approved another one year extension last year providing for the current expiration date of June 30, 2005. In a separate franchise and agreement with the Shoreline Water District, the City required that the Water District undertake negotiations to purchase and assume that portion of the SPU water system within the City of Shoreline boundaries.



The Shoreline Water District and remains in the initial stages of negotiation with SPU over the acquisition of the system. They have requested the intervention and assistance of the City in this process and the City Council has been briefed on this in executive session. The City of Shoreline franchise agreement with SPU is an important factor in these negotiations, and the acquisition and franchise negotiations need to proceed on parallel and concurrent tracks. The twelve month extension will provide City staff and the Water District additional time to pursue these negotiations.

**FINANCIAL IMPACT:**

Renewal will grant no financial impact; the 6% franchise fee the City receives from SPU will continue under the extended franchise.

**RECOMMENDATION**

It is recommended that the City Council pass Ordinance No. 383 granting SPU a twelve-month franchise extension.

Approved By:            City Manager             City Attorney 

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**ORDINANCE NO. 383**

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, EXTENDING THE FRANCHISES UNDER WHICH SEATTLE PUBLIC UTILITIES IS AUTHORIZED TO PROVIDE WATER WITHIN THE CITY OF SHORELINE.**

WHEREAS, the City of Shoreline, by Shoreline City Ordinance No. 214 and No. 215, granted Seattle Public Utilities a non-exclusive franchise for the operation of water system and wastewater system respectively within the City right-of-way effective December 8, 1999; and

WHEREAS, the franchise granted to SPU Wastewater was assigned to the Ronald Wastewater District effective October 1, 2001, by assumption agreement approved by the City pursuant to Ordinance 215, and terminated with the franchise granted to Ronald Wastewater District on October 22, 2002 by Ordinance No. 306; and

WHEREAS, the franchise extension granted to SPU Water by the City through Ordinance No. 344 and extended an additional year through Ordinance No. 356 expires on June 30, 2005; and

WHEREAS, the City and SPU Water agree to an extension of the current franchise for twelve (12) additional months to allow SPU to continue to pursue negotiations on the consolidation of the SPU Water service area into the Shoreline Water District;

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

**Section 1. Franchise Extensions.** The water franchise granted pursuant to City Ordinance Nos. 214 and applicable extensions is hereby extended through the earlier of June 30, 2006, or until the effective date of replacement franchises (whichever first occurs).

**Section 2. 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 JUNE 27, 2005.**

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Mayor Ronald B. Hansen

**ATTEST:**

**APPROVED AS TO FORM:**

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Sharon Mattioli, MMC  
City Clerk

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Ian Sievers, City Attorney

Date of Publication: June 30, 2005  
Effective Date: July 5, 2005