



SHORELINE CITY COUNCIL STUDY SESSION (V.2)

Monday, May 21, 2007
6:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

	<u>Page</u>	<u>Estimated Time</u>
1. CALL TO ORDER		6:30
2. FLAG SALUTE/ROLL CALL		
(a) Proclamation of "Bicycle Awareness Month"	<u>1</u>	
3. CITY MANAGER'S REPORT AND FUTURE AGENDAS		
4. COMMUNITY PRESENTATION		
(a) TeenHope Shelter	<u>3</u>	6:50
5. GENERAL PUBLIC COMMENT		7:20
<i>This is an opportunity for the public to address the Council on topics other than those listed on the agenda, and which are not of a quasi-judicial nature. The public may comment for up to three minutes; the Public Comment under Item 5 will be limited to a maximum period of 30 minutes. The public may also comment for up to three minutes on agenda items following each staff report. The total public comment period on each agenda item is limited to 20 minutes. In all cases, speakers are asked to come to the front of the room to have their comments recorded. Speakers should clearly state their name and city of residence.</i>		
6. STUDY ITEMS		
(a) Economic Development Advisory Board	<u>13</u>	7:40
(b) Cascade Cities Agenda and Green City Partnership Programs	<u>19</u>	8:10
(c) Reserve Policies	<u>31</u>	8:50
(d) Ordinance No. 471 Extending the Seattle Public Utilities Water Franchise	<u>37</u>	9:20
7. ADJOURNMENT		9:30

The Council meeting is wheelchair accessible. Any person requiring a disability accommodation should contact the City Clerk's Office at 546-8919 in advance for more information. For TTY service, call 546-0457. For up-to-date information on future agendas, call 546-2190 or see the web page at www.cityofshoreline.com. Council meetings are shown on Comcast Cable Services Channel 21 Tuesdays at 12 noon and 8 p.m., and Wednesday through Sunday at 6 a.m., 12 noon and 8 p.m. Online Council meetings can also be viewed on the City's Web site at <http://cityofshoreline.com/cityhall/citycouncil/index.cfm>.

Council Meeting Date: May 21, 2007

Agenda Item: 2(a)

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Proclamation of "Bicycle Awareness Month"
DEPARTMENT:	CMO/CCK
PRESENTED BY:	Scott Passey, City Clerk


PROBLEM/ISSUE STATEMENT:

The City of Shoreline recognizes that the bicycle is a viable and environmentally sound form of transportation and an excellent form of recreation. This proclamation recognizes the month of May, 2007 as "Bicycle Awareness Month" and encourages everyone to recognize bicycling as an important mode of transportation, recreation, and exercise.

David Hiller and Patrick McGrath, representing the Cascade Bicycle Club, will be at the meeting to accept the proclamation.

RECOMMENDATION

No action is required.

Approved By: City Manager  City Attorney ____



PROCLAMATION

WHEREAS, the bicycle is a viable and environmentally sound form of transportation and an excellent form of recreation; and

WHEREAS, millions of Americans will experience the joys of bicycling during the month of May 2007, through group rides and commuting events; and

WHEREAS, Americans in record numbers are turning to bicycling for transportation, recreation and exercise; and

WHEREAS, bicyclists and motorists each have an obligation to share the road and exercise safe and responsible driving behavior; and

WHEREAS, the City of Shoreline joins the League of American Bicyclists, the Cascade Bicycle Club, and other organizations in declaring 2007 as the 51st consecutive year that the League has declared May to be National Bike Month; and

WHEREAS, bicyclists of all ages throughout Shoreline, the Puget Sound region, and the nation will be promoting bicycling as an environmentally-friendly alternative to the automobile and a wholesome leisurely activity during the month of May 2007;

NOW, THEREFORE, I, Robert L. Ransom, Mayor of the City of Shoreline, on behalf of the Shoreline City Council, do hereby proclaim the month of May, 2007 as

BICYCLE AWARENESS MONTH

and encourage everyone to recognize bicycling as an important mode of transportation, recreation, and exercise.

Robert L. Ransom, Mayor

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Community Group Presentation: Teen HOPE Inc.
DEPARTMENT:	City Council
PREPARED BY:	Julie Modrzejewski, Assistant City Manager
PRESENTED BY:	Henry Delle Chiaie, Executive Director, Teen HOPE Inc.

ISSUE STATEMENT:

Teen HOPE Inc. will provide to the Council and community a presentation on their mission and programs. Providing the presentation this evening is Henry Delle Chiaie, Executive Director.

BACKGROUND:

In 2006 the Council amended their Rules of Procedure to include an agenda item titled, "Community Group Presentation," which is made available by request at the second study session of each month (Section 5.4.B). Attached are presentation guidelines (attachment A).

In order for the presentation to be scheduled on the Council agenda planner, two Councilmembers must sponsor the presentation. Deputy Mayor Maggie Fimia and Councilmember Janet Way are the two sponsoring Councilmembers as per the attached request form; additional informational materials are also attached (attachment B). Teen HOPE Inc. is the sixth community group presentation scheduled and presented.

RECOMMENDATION

No action is required.

Approved By: City Manager  City Attorney _____

ATTACHMENT A

Shoreline City Council Community Group Presentations Guidelines

ATTACHMENT B

Teen Hope Inc. Request Form and informational materials



SHORELINE CITY COUNCIL COMMUNITY GROUP PRESENTATIONS GUIDELINES

Under the Shoreline City Council's Rules of Procedure, Section 5.4: Study Sessions....

The Council shall make available at its study session of each month, a **Community Group Presentation**. The order of business shall omit Council Reports and include Community Presentations following the Consent Calendar. The intent of the presentations is to provide a means for nonprofit organizations to inform the Council, staff and public about their initiatives or efforts in the community to address a specific problem or need. The presentations are available to individuals who are affiliated with a registered nonprofit organization. In order to schedule the presentation, two Councilmembers under rule 3.2 B must sponsor the request. The presentations shall be limited to 30 minutes with approximately 15 minutes for the presentation and 15 minutes for questions. Guidelines for presentations include:

1. Each organization or agency must complete a request form and submit it to the Shoreline City Council Office. The form shall be available on the web, from the City Clerk's Office and also published in the agenda packet.
2. For planning purposes, the presentation must be scheduled on the agenda planner at least four (4) weeks in advance of the meeting date requested.
3. Information and sources used in the presentation should be available in hard copy or electronically for reference.
4. Up to three (3) members of the organization are invited to participate.
5. The presentation must support the adopted position/policy of the organization.
6. The presentation should be more than a general promotion of the organization. The information presented should be about specific initiatives/programs or planning that the organization is doing which is relevant to Shoreline citizens and government.
7. Presentations shall not include:
 - i. Discussion of ballot measures or candidates.
 - ii. Issues of a partisan or religious nature.
 - iii. Negative statements or information about other organizations, agencies or individuals.
 - iv. Commercial solicitations or endorsements.
8. Organizations which may have alternative, controversial positions or information will be scheduled at the next study session.

Please complete the attached form. For questions regarding scheduling Community Presentations, contact Julie Modrzejewski, Assistant City Manager, at (206) 546-8978

05/11/07 FRI 13:10 FAX 2065462200

CITY OF SHORELINE

002



Attachment B

**REQUEST TO APPEAR BEFORE
THE SHORELINE CITY COUNCIL**

Date Request Submitted: 5/11/07
Council Study Session Date Requested: May 21st
Name: Teen HOPE Inc. Henry DelleChioie
Title or Position: Executive Director
Nonprofit Organization: Teen HOPE Registration #: _____
Address: 915 N. 199th St. Shoreline, Wa. 98133
Email Address: Henry DC @ TeenHOPEWa.org
Phone Number: 206-546-1010 Fax Number: 206-546-4226

Topic: Summary overview of the presentation you wish to make and statement of action you wish Council and/or the community to take if relevant. Attach additional sheets if necessary.

See attached

I have received and read Council rule 5.4-Community Presentations and affirm that my presentation will comply with this rule.

Signature of Requestor: Henry DelleChioie

(1) Sponsoring Councilmember: Sam Way

(2) Sponsoring Councilmember: Maggie Finia

This form must be returned to the Shoreline City Council Office 4 weeks prior to the City Council study session meeting date requested. For confirmation, staff from the Council Office will contact you to discuss arrangements. Please send this form to:

Shoreline City Council
17544 Midvale Avenue North
Shoreline, WA 98133-4921
Fax: (206) 546-2200 or Email: Council@ci.shoreline.wa.us

The City of Shoreline will not discriminate against qualified individuals with disabilities in the City's services, programs or activities. The Council meeting is wheelchair accessible. Any person requiring a disability accommodation should contact the City Clerk's Office at (206) 546-8919 in advance for more information.

Who we are

TeenHOPE is a warm, safe home run by a professional staff and dedicated volunteers.

Located in Shoreline, Washington, we serve 13 to 17 year old boys and girls by providing:

- Shelter seven nights a week.
- Warm showers and hygiene.
- Nutritious meals.
- Counseling, referral, and advocacy.
- Transition to permanent housing.
- Employment and educational guidance.
- Case management.
- Bus passes and phone calls to loved ones.

We also provide family mediation services uniquely co-mediated by an adult and teenage peer.

Why we are here

TeenHOPE was started by a grassroots group of concerned people who realized:

- Only about 60 beds were available in this area for 2,000 homeless teens.
- Once boys reach 13, they cannot stay with their mothers in family shelters.
- After three days on the streets, most teens are forced to steal, panhandle or sell drugs — or themselves — just to survive.

In 1995, TeenHOPE became incorporated as a 501(c)(3) nonprofit organization. In April, 1997, we opened a comfortable house in a residential neighborhood in Shoreline, and have since provided more than 10,000 "bed-nights" for teenagers.

How you can help

Monetary donations are always needed and welcome, of course. Other ways you can help include:

- Volunteer one or two evenings a month helping with dinner, playing board games, and simply listening to teens.
- Volunteer to bring a nutritious dinner to TeenHOPE.
- Adopt TeenHOPE as your community cause for a year.
- Sponsor TeenHOPE fundraisers at your business, church group, service club or school.
- Invite TeenHOPE to speak to your business or social group.
- Volunteer your gardening, "handyperson," or other talents to help keep the house in tip-top shape.
- Teach a class in your hobby.
- Write in "TeenHOPE" when allocating your charitable giving at work.
- Write to your local, state, and national representatives to allocate funds for youth services and housing.

Tell me more about TeenHOPE! My name is: _____

My address is: _____

_____ I am enclosing a tax-deductible donation in the amount of \$ _____.

Please charge my ☐ Visa ☐ MC ☐ AMEX Account # _____ Exp. ____/____

_____ Please send me a receipt.

_____ Please send me more information about: _____ Please call me with more information.

_____ Volunteer Opportunities.

My telephone number is: _____

_____ Fundraising Needs

The best time to reach me is: _____

_____ Shelter Wish List

_____ Please contact me via e-mail.

_____ Other: _____ My e-mail address is: _____

Send this form to: TeenHOPE, PO Box 55903, Shoreline, WA 98155; or call: 206-546-1010

TeenHOPE is a 501(c)(3) organization licensed in the State of Washington.

In August 2002 I got my GED. I
couldn't have done it
“ without the people at
TeenHOPE. Now I'm
hoping to go to community
college next year!

Gina Z.
”

I was desperate, so I went to
TeenHOPE. At first, it was
“ hard. I didn't like their
rules or having to do chores. But
I was able to stay off drugs, get a
job, and find a place to live.
Now I want to get my GED.
Now I care about myself and my
future.

” Bruce K.

TeenHOPE
Building Hope... Changing Lives

Many people assume
homeless teenagers
choose the streets for the thrill
and freedom of
living on the edge.

They're **Wrong.**

In reality, nearly half of all homeless
teens are escaping physical abuse,
sexual abuse or their parents'
problems with alcohol, drugs, or
mental illness.

These kids dream
about going home.
Maybe, someday,
that will be

possible.

In the meantime,
there's
TeenHOPE.

Please
place
stamp
here

TeenHOPE
Building Hope... Changing Lives
P.O. Box 55903
Shoreline, WA 98155

If her dreams
came true, she'd run
home tonight.



But instead, she'll join 800 other
homeless teens looking for a
place to sleep — in a park, on a
rooftop, or inside a dumpster . . .
in Seattle, in Edmonds, in
Shoreline . . . in *your* community.

You can help.

TeenHOPE □ (206) 546-1010
PO Box 55903 □ Shoreline, WA 98155



Before your family resorts to:

VIOLENCE

RUNNING AWAY

COURTS & LAWYERS

IGNORING THE PROBLEMS

NOT COMMUNICATING

CONSTANT FIGHTING

Come to PeaceTable
Youth & Family Mediation
(206) 546-1010



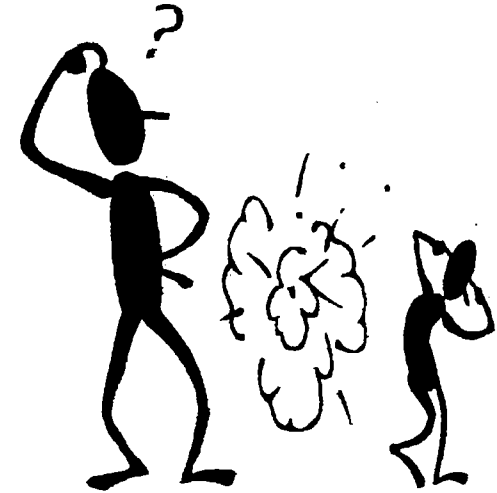
Phone: (206) 546-1010

TeenHOPE
Building Hope...Changing Lives

PeaceTable Youth & Family Mediation
Post Office Box 55903
Shoreline, WA 98155
henryk.teenhope@comcast.net

Phone: (206) 546-1010
Fax: (206) 546-4227
1-866-73TEENS (738-3347)

TeenHOPE



Peace Table
A mediation
program for
PARENTS and
TEENAGERS

There **IS** a way to
communicate with
your teen without
the constant battle!

Call TeenHOPE (206) 546-1010

PO Box 55903 Shoreline, WA 98155

MAY-11-2007 04:39 PM TeenHOPE

206 546 4226

P.05

05/11/07 FRI 17:01 [TX/RX NO 6842]

Peace Table Youth & Family Mediation

"He's disturbing everyone in the house and a bad influence on his younger brothers. I don't know what to do anymore."
"I've tried talking to her but we just end up shouting. I don't think we need counseling, just a plan to help us."

Parents and youth often disagree about important matters in the home and at school. Conflicts can happen over:

- Alcohol and drug use
- Runaway and juvenile justice issues
- Out of control behavior
- Friendships, dating and sexual activity
- Teacher/student issues or student/student problems
- School attendance and grades
- Curfews
- House rules and chores
- Foster/parents & kids
- Health care
- Siblings, rooms and fairness



The Key is
Co-Mediation
by an adult
and youth.

Our program is uniquely co-mediated by an adult and youth. Using co-mediators provides common ground and equal voice. Youth mediators show both the parent and teen that a teen is able to understand both perspectives and coach both parties to communicate their needs in ways that will be understood by the other. Plus, kids listen to kids!

What is Mediation?

Mediation is a process that helps parents and kids sort through the problems, find the issues, and come up with a set of agreements that EVERYONE can accept.

In our mediation sessions, two trained mediators, one adult and one youth, will help each person have time to tell what's important to them and will help them search for fair and workable solutions. The mediators will help keep communication positive and clear, and will keep each person focused on the issues.

Rather than looking at past blame or guilt, mediation asks those in conflict to focus on the present and future. Agreements that are made will be written by the mediators and each member will get a copy.

Who are the Mediators?

MEDIATORS are adults and kids who care about people and who have completed a special training of more than 40 hours. Using highly trained volunteers keeps the cost of your services low. All mediations are supervised by a professional mediator to ensure quality.



Honestly, you CAN
work it out
together

Mediation sessions held afternoons, evenings or
Saturday mornings.

OK. How do we set up a Mediation Session?

1. **CALL (206) 546-1010** Monday through Friday 9:30 a.m. to 5:00 p.m. and ask to speak to Henry. He will set up an initial appointment where you can decide if mediation fits your needs.
2. **INITIAL SESSION** All involved persons come to this session and meet with the mediation team. The mediators will explain the process, answer questions and begin to mediate. If the family members make agreements, the mediators provide a written Mediated Plan.
3. **ADDITIONAL SESSIONS** If all issues have not been resolved in the first session, the family can ask for additional sessions. Mediations typically require two to four sessions.

(Sliding fee scale; no one turned away for inability to pay.)

Mediation Sessions are:

- Confidential
- Voluntary
- Low Cost
- Short Term

TeenHOPE

Peace Table Youth & Family Mediation
Post Office Box 55903
Shoreline, WA 98155
henry@teenhope.com or contact

Phone: (206) 546-1010
Fax: (206) 546-4227
1-866-73TEENS (738-3367)

TeenHOPE

Building Hope.....Changing Lives

BOARD OF DIRECTORS

Edward G. MacMillan, President
Sterling Savings Bank

Alan Merry, Immediate Past President
Group Health Cooperative

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Purcell & Adams, PLLC

Frank Bretholle
Retired, the Ackertley Group

Todd Schultz
Servant Church

STAFF

Henry Delle Chiale
Executive Director

Liza Ziliak
Program Manager

Jenny Renek
Administrative Assistant

Dear friends,

We are embarking on a new program at TeenHOPE; It is called Project Safe Place. This is a nationally recognized program where community and social service groups work together to help teens get off the streets. Project Safe Place is a dynamic community youth information and outreach program that affords youth service agencies and local businesses to provide a safe place for teens to go and receive a hot drink, a friendly face and a phone call to TeenHOPE to get shelter for the night or a week or more. There are few resources for the teens in this area to use when they need help. The idea is to have several businesses to be a Safe Place member and display a Safe Place sign that will tell the teens that this is a safe place where teens are welcome and will be safe until someone can pick them up. TeenHOPE's staff and a crew of volunteers will be available 24 hours a day, seven days a week, so teens will not fall prey to any kind of exploitation while out on the streets. TeenHOPE has several services that are available to teens, this new program will aid in bringing these teens here where they can be helped.

If you are willing to display a Project Safe Place sign at your business, please contact me at the number below.

Thank you for your consideration.
Respectfully,



Henry Delle Chiale
Executive Director



United Way
of Snohomish County

Mailing Address: PO Box 55903 • Shoreline, WA 98156
Phone: 206-546-1010 • Fax: 206-546-4226

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CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Economic Development Advisory Board DEPARTMENT: City Manager PRESENTED BY: Tom Boydell, EDP Manager
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PROBLEM/ISSUE STATEMENT:

The Economic Development Task Force, which was an *Ad Hoc* group, completed its work on the strategy in 2005 and 2006. The Council has since expressed an interest in establishing a standing committee, to be called an Economic Development Advisory Board. Staff has drafted a proposed outline of the purposes, composition, and appointment process for this advisory board. Based on Council advice and direction, staff will revise this charter and later bring it back to Council for final review and adoption.

PROPOSED CHARTER:

Purposes:

The Shoreline Economic Development Advisory Board will carry out two general purposes.

- I.) To report to the City Council one to two times per year:
 - a. With recommendations for any changes to the "Economic Development Strategy".
 - b. With an update on activities, programs and progress.
 - c. Assist with developing specific performance measures.

- II.) Meet regularly with the City's Economic Development Manager, to provide assistance and recommendations, with respect to
 - a. Developing programmatic resources
 - b. Establishing new contacts in the business community
 - c. Improving customer service
 - d. Retention and recruitment activities
 - e. Increasing sales tax growth

Composition and Selection Process

It is proposed that there will be 12 to 15 members. These members will be nominated by the City Manager and confirmed by the City Council, including the selection of one person to serve as the Board Chair.

The City will seek applicants through a public process. Both a standard application and a supplemental questionnaire are attached. The City will seek for a balanced representation from the business and development community. Each member must own property or operate a business in Shoreline or otherwise be a resident of the Shoreline community. For example, members could include the following:

- A. One representative of the following 5 organizations – the Chamber of Commerce, Forward Shoreline, Planning Commission, School District, and Shoreline Community College.
- B. Direct business appointees should be represented from commercial areas as follows: 2 from Aurora (including Aurora Village and Aurora Square), 1 from Ballinger, 1 from Richmond Beach or Richmond Highlands, and 1 from North City or other eastside commercial neighborhoods.
- C. Two to 5 at large professionals members with business management, economic development or real estate expertise.

Members should be selected to provide a balanced and representative cross section of business within Shoreline such as retail, service, professional, financial, and non profit organizations.

FINANCIAL IMPACT:

Staffing Role, Budget, and Logistics:

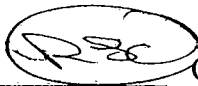
The Economic Development Manager help to facilitate the meetings but otherwise there is no budget for the Board. This will be a standing committee. Members will be re-appointed every four years, with half the members first appointed to a two year term to ensure committee continuity. Meetings will be held on a regular basis, at a minimum of one meeting each quarter. The Board will try to operate by consensus.

ATTACHMENT

It is envisioned that a public process, similar to what has been done for other City boards and commissions, will be used to advertise applicants. A draft application is attached.

Approved By:

City Manager



City Attorney



COMMUNITY SERVICE APPLICATION

FOR MEMBERSHIP ON THE

Economic Development Advisory Board

(Please type or print)

Name _____

Are you a Shoreline resident or property owner? _____

Length of residence _____

1. List your educational background. _____

2. Please state your occupational background, beginning with your current occupation and employer. _____

3. Describe your involvement in the Shoreline community. _____

4. Describe your leadership roles and/or any special expertise you have which would be applicable to the position for which you are applying. _____

5. List the addresses of property you own in Shoreline and the type of property (residential or commercial). _____

6. Are you an official representative of a homeowners' association or other group? If so, please name the group. _____

7. Describe why you are interested in serving in this position. _____

Appointment to this board or commission will require your consistent attendance at regularly scheduled meetings.

Are you available for evening meetings? _____ Daytime meetings? _____

Please return this application by the deadline to: City of Shoreline, City Clerk
 17544 Midvale Avenue North
 Shoreline, WA 98133
 (206) 546-8919

Disclosure Notice: Please note that your responses to the above application questions may be disclosed to the public under Washington State Law. The Personal Information form (page 3), however, is not subject to public disclosure.

*Thank you for taking the time to fill out this application.
 Volunteers play a vital role in the Shoreline government. We appreciate your interest.*

Supplemental Questionnaire

Name of Applicant _____

FOR MEMBERSHIP ON THE

Economic Development Advisory Board

Are you a Shoreline business owner or manager? _____

Length of business activity in Shoreline _____

Name, size, and location of your business(es)

Please describe the nature of your business(es)

Additional Comments

PERSONAL INFORMATION

Name _____

Home Address _____

_____ Zip Code _____

Home Telephone Number _____

Work Address _____

_____ Zip Code _____

Work Telephone Number _____

E-mail address _____

I declare under penalty of perjury under the laws of the State of Washington that the information provided herein is true and correct.

Signature

Date

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Cascade Agenda City and Green City Partnership Programs
DEPARTMENT: Planning and Development Services
PRESENTED BY: Joe Tovar, Director, Planning and Development Services

PROBLEM/ISSUE STATEMENT:

The City Council will consider whether or not the City of Shoreline should endorse the Cascade Agenda and avail the City of the related "Cascade Agenda City" and "Green City Partnership" programs.

FINANCIAL IMPACT:

There would be no cost or financial impact to becoming a "Cascade City". Many of our current Council goals and implementing work plans are already in alignment with the aspirations and directions of the Cascade Agenda.

RECOMMENDATION

The staff recommends that the City Council adopt the enclosed resolution which endorses the vision articulated in the Cascade Agenda and states that the City will pursue partnership with the Cascade Land Conservancy "Cascade Agenda City" and "Green City Partnership" programs. The resolution also directs the City Manager to appoint a staff member to act as the City's liaison with Cascade Agenda activities.

Approved By: City Manager  City Attorney 

INTRODUCTION

In March of this year, the City Council heard a presentation and reviewed materials regarding the Cascade Agenda, an ambitious long-term vision of focused conservation priorities, economic prosperity and enhanced livability for the region's communities. There are striking parallels between the principles and strategies called for in the Cascade Agenda and the City of Shoreline's adopted Council Goals for 2007-2008.

Several cities in the region, including Kirkland, Issaquah, Tacoma, and Seattle, have adopted resolutions endorsing the Cascade Agenda and committed to work with the Cascade Land Conservancy and others toward the fulfillment of the Agenda's objectives. The Shoreline City Council has asked the staff to examine whether the City of Shoreline should become a "Cascade Agenda City," what advantages there might be to do so, as well as what cost or other consequences there would be.

BACKGROUND

Gene Duvernoy and Alison Van Gorp of the Cascade Land Conservancy made a presentation to the Shoreline community on March 19, 2007 as part of the Shoreline 2010 Speaker Series. That presentation was hosted by the Shoreline City Council at the beginning of the regular meeting agenda. Their focus was the Cascade Agenda generally and the Cascade Agenda City Program specifically. That presentation was broadcast on the City's cable access channel and remains available as streaming video on the City's website via the link:

http://shoreline.granicus.com/MediaPlayer.php?view_id=2&clip_id=44&publish_id=&event_id=

The Cascade Land Conservancy and its partners began "The Cascade Dialogues" over two years ago. The project engaged over 3,500 elected officials, scientists, business leaders, loggers, farmers, timber companies and private citizens in the Central Cascade counties of King, Snohomish, Pierce, and Kittitas. From that exhaustive effort came a report and call to action titled "The Cascade Agenda," the full text and a summary of which are available online at:

<http://www.cascadeagenda.com/ourstory/the-cascade-agenda>

Two programs have been launched by the Cascade Land Conservancy in order to advance the city components of the Cascade Agenda: the Cascade Agenda City and Green City Partnership Programs.

Cascade Agenda City Program

A one page summary of the Cascade Agenda City program is Exhibit A. It describes a Cascade Agenda City as one that "creates great public places, parks, trails and open spaces, livable and walkable neighborhoods, green buildings and infrastructure, affordable housing and economic development."

These strategies and objectives closely mirror those embodied in the first seven of the City Council's adopted Goals for 2007-2008 (Exhibit B). Indeed, several prominent Shoreline projects nearing completion (mile one of Aurora and the Interurban Trail) and underway (plans for spending the \$18M of parks bond funds, building a new City Hall, and the second two miles of Aurora) are tangible illustrations of a Cascade Agenda City.

Likewise, the City's commitment to public outreach, a comprehensive housing strategy, and environmental sustainability are precisely how cities should strive to implement the Cascade Agenda. A Cascade Agenda City designation would acknowledge that fact and provide a mechanism to increase public awareness of and support for the Council's adopted goals. It would also provide access to the conservation expertise of the Cascade Land Conservancy and its network of resources in the region.

Participation as a Cascade Agenda City would also provide an opportunity for our citizens to see the linkage between local actions and the achievement of broader regional goals in which all city residents have a stake and an interest. For example, the "Transfer of Development Rights" (TDR) concept is a keystone of the Cascade Agenda, and a recent focus of legislative attention in Olympia. TDR programs harness private market forces to promote conservation priorities in the rural and resource lands. This concept is now under evaluation as part of our work on the South Aurora triangle. Council ultimately will decide if it makes sense to predicate increased height or density in Shoreline at least in part on transferring development rights from the rural area.

A brief video about the Cascade Agenda City program, including an overview of its objectives and observations by some local elected officials from area cities is online at: <http://www.youtube.com/watch?v=JhhbnDUM6W4> Also, presently under review is a design for a public sign to identify designated Cascade Agenda cities, similar to the way that some cities are identified as "Tree City USA" or "All American Cities," and the "Mountain to Sound Greenway" signs along Interstate 90 identify that regional corridor.



Green City Partnership Program

This program focuses on parks and open spaces, including such activities as "Ivy Out" days which Shoreline already does in coordination with the Cascade Land Conservancy. A one page summary of the program is attached as Exhibit C. The focus

of such partnerships can vary from city to city, the details of which would be set forth in any Memorandum of Agreement or contract between a city and CLC.

A focus on tree canopy is a large part of Green City partnerships that Cascade Land Conservancy has already entered with the City of Seattle and the City of Kirkland. This is already a focus of the work being done on four Shoreline city parks as part of Goal 6 – create an environmentally sustainable community. A summary of the “Green Kirkland Partnership” is attached as Exhibit D. Other opportunities to draw upon the conservation expertise of the Cascade Land Conservancy include the preparation of open space and natural resource management plans.

One of the chief advantages to the City’s participation in either the Cascade Agenda City program or the Green City Partnership programs is as a communication and coordination tool. Such designations would put the City’s current efforts to implement Council Goals 1 through 7 into the context of a longer term and larger scope regional strategy, provide a tangible way to increase public awareness of and support for the implementation of the Goals, and foster the City’s partnership with other participating jurisdictions and organizations.

There are no apparent disadvantages to adoption of the resolution. Its adoption would have no fiscal impact nor bind the City Council to any specific future action. The resolution is a statement of aspiration and intent.

RECOMMENDATION

The staff recommends that the City Council adopt the enclosed resolution (Exhibit E) which endorses the vision articulated in the Cascade Agenda and states that the City will pursue partnership with the Cascade Land Conservancy “Cascade Agenda City” and “Green City Partnership” programs. The resolution also directs the City Manager to appoint a staff member to act as the City’s liaison with Cascade Agenda activities.

Exhibits

- A Cascade Agenda Cities Program Summary
- B Shoreline City Council Goals for 2007-2008
- C Green Cities Partnerships Summary
- D Green Kirkland Partnership Summary
- E Resolution regarding Cascade Agenda



CASCADE AGENDA CITIES PROGRAM

Building Great Communities

Why We Care About Cities

The population of the central Cascades is projected to double in the next 100 years—that's enough new people to create six cities the size of Seattle. The pressure for additional housing will have a significant impact on the quality of life for all who make this region their home. The Cascade Agenda calls for nurturing a relationship between the conservation of our landscapes and outstanding places to live, work and raise our families. Our cities and towns are economic hubs vital to the region. They offer residents good jobs, housing choices, trails, parks—generally a high quality of life. Attractive, vibrant cities provide the great places to live that act as a magnet for growth, protecting our region's natural and working lands from sprawling development. That's why Cascade Land Conservancy has launched the Cascade Agenda Cities™ Program.

Simply put, a Cascade Agenda City is taking the steps to make a desirable place for people of all income levels to live, work and raise their families.

What is a Cascade Agenda City?

A Cascade Agenda City strives to become even more vibrant, attractive and livable. It aspires to sustain both a sound economy and a healthy environment, by providing attractive places where people want to live. A Cascade Agenda City builds civic pride by actively engaging its citizens in creating and sustaining an exceptional community both now and in the future. Above all, a Cascade Agenda City works to create:

Great Public Places

- Healthy parks, trails, and open space
- Civic spaces
- Cultural institutions

Quality Neighborhoods

- Livable & walkable
- Good design
- Green buildings & infrastructure
- Transit & streets

A Successful Region

- Responsible growth management
- Affordable housing
- Economic development & jobs

How Can My City Get Involved?

There are two levels of involvement in the program: (1) To get started, your city will need to pass a resolution endorsing The Cascade Agenda and committing to the principles of The Cascade Agenda Cities™ program. If your city is interested in a more in-depth involvement, they can (2) apply to become a Cascade Agenda Leadership Partner. If accepted into this program, Cascade Agenda staff will work with your city to develop a detailed vision and implementation plan that will make these principles a reality in your city.

More Information

Please contact Alison Van Gorp at 206-292-5907 x127 or alisonv@cascadeland.org.



2007-2008

Complete the projects approved in the 2006 Parks Bond

Implement the Economic Development Strategic Plan

Implement an affordable civic center/city hall project

Complete the Aurora improvements from 165th to 205th Streets including, but not limited to, sidewalks, drainage and transit

Develop a comprehensive housing strategy



Create an "environmentally sustainable community"

Provide safe and affordable transportation options to support land use plans including walking, bicycling, transit and vehicular options

Develop a Fircrest master plan in partnership with the state

Increase emergency preparedness training and education

GOAL NO. 10

Increase opportunities for all residents, including our youth, to get more involved in neighborhood safety and improvement programs



GREEN CITY PARTNERSHIPS

Parks and open spaces are vital to cities and, in the Puget Sound, we are fortunate to have a legacy of forested parklands. Preserved by thoughtful community leaders for wildlife habitat and recreation, parks and greenbelts beautify and strengthen our local neighborhoods. Trees also provide valuable "green infrastructure" services that save us money! The Cascade Land Conservancy **Green City Partnership** program works to protect this important legacy of beautiful parks and vibrant communities for our children and great-grandchildren.

Forests are in danger...

Without immediate action, 70% of the tree canopy in our forested parklands will be lost in the next twenty years. Urban natural areas are not self-sustainable: the trees can't take care of themselves!

Why do trees need our help?

Many of our trees are "pioneer species" like big leaf maple and red alder. These trees are at the end of their lifespan and, at the same time, invasive species - plants such as English ivy, bindweed and clematis - are growing under the trees and climbing into the tree tops. Right now, these invasive plants are preventing native trees like Western red cedar or Doug fir from reseeding or growing.

Together, we can save our forests!

Each city is unique. And, in each of our cities, a community-based, scientific, environmental restoration effort can save forested parklands. **Hundreds of volunteers** spend thousands of hours each year working to battle against invasive plants in our local parks. Each individual has a significant impact, but overall success has been limited. These community volunteers need the support of **businesses, community groups, non-profits and government agencies**. The trees we protect and plant today will grow and thrive, becoming a living asset.

A city's green infrastructure

Each tree in your neighborhood is working hard to:

- Improve **air and water quality**
- **Reduce runoff** from storm water and **fight erosion**
- **Buffer noise**, provide beauty and improve property values
- Create **habitat for birds and other wildlife**.



Volunteers are working to plant trees and remove the invasive species that threaten

The Cascade Land Conservancy **Green City Partnership**:

- ✓ **Builds awareness** of the problem and creates a model for immediate action
- ✓ **Increases community capacity** and builds **civic pride** through education and volunteerism

CASCADE LAND CONSERVANCY **Green City Partnerships**

Program Manager | 206-292-5907 | leslie@cascadeland.org
www.cascadeland.org/greencities

- ✓ Promotes **scientific restoration** to ensure long-term ecological sustainability
- ✓ Sustains **healthy parklands for future generations**
- ✓ Help preserve our region's natural landscapes by making Cities **attractive, vibrant and livable**; a Cascade Agenda City

For more information, visit our website: www.cascadeland.org/greencities/



Green Kirkland! Program Information

Cascade Land Conservancy's Stewardship Program

Mission

To inventory, assess, restore and acquire Open Space/Natural Areas in the City of Kirkland and to create a program for the stewardship of those lands owned by the City of Kirkland.

Background

The City of Kirkland's Comprehensive Park, Open Space and Recreation Plan (2001) identifies natural area rehabilitation as a major issue in the City of Kirkland's Parks and Recreation Services. The plan has also identified opportunities to remedy this issue through reforestation, habitat and wetland restoration, noxious weed control, and trail improvement in City Natural Areas including Watershed Park.

Cascade Land Conservancy (CLC) is now engaged in the Discovery Phase of the Watershed Park restoration planning project which includes an environmental quality and land use assessment, development of a restoration concept plan, and development of a Site Access agreement with the City.

Phase I (March 2006 through March 2007)

• Goal 1

Assess current ownership of open space/habitat lands in the City of Kirkland

• Goal 2

Conduct an environmental quality and land use assessment of the City of Kirkland's currently owned public Open Space/Natural Area lands as identified in Goal 1.

• Goal 3

Agency and Community Stewardship Capacity Assessment – Assess the current capacity of Municipal Agencies, community organizations and volunteers to restore Kirkland's owned Open Space/Natural Areas

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL, CITY OF SHORELINE, WASHINGTON, ENDORSING THE PRINCIPLES OF THE CASCADE AGENDA, OBSERVING THAT THE CITY COUNCIL GOALS FOR 2007-2008 REFLECT THE OBJECTIVES OF THE CASCADE AGENDA CITIES PROGRAM, AND DECLARING THE CITY'S INTENT TO PARTICIPATE IN THE "CASCADE AGENDA CITY" AND "GREEN CITY PARTNERSHIP" PROGRAMS.

WHEREAS, the Cascade Agenda is a century-long vision for the Central Cascade region of King, Pierce, Snohomish and Kittitas counties, and sets forth goals and strategies to conserve this region's natural character, create vibrant cities and towns, and ensure a strong economy, and

WHEREAS, the Cascade Land Conservancy has launched both the "Cascade Agenda City Program" and the "Green City Partnership Program" to recognize the relationship between the creation of great communities and the conservation of this region's ecology and working landscapes, and

WHEREAS, the population of the Central Puget Sound region is forecasted to grow from 3.3 million today to 5 million by the year 2040, with a corresponding increase in the population in central cities such as Shoreline, and

WHEREAS, in the face of significant long-term growth, the City of Shoreline's choices are not whether to grow or how much to grow, but rather how to manage growth in a way that maintains and enhances Shoreline's quality of life, and

WHEREAS, the core principles and objectives of the Cascade Agenda City Program are reflected in the City Council's adopted goals for 2007-2008, including:

- Goal 1 Complete the projects approved in the 2006 Parks Bond
- Goal 2 Implement the Economic Development Strategic Plan
- Goal 3 Implement an affordable civic center/city hall project
- Goal 4 Complete the Aurora improvements from N.165th Street to N. 205th Street, including, but not limited to, sidewalks, drainage, and transit
- Goal 5 Develop a comprehensive housing strategy
- Goal 6 Create an "environmentally sustainable community"
- Goal 7 Provide safe and affordable transportation options to support land use Plans including walking, bicycling, transit and vehicular options

and,

WHEREAS, the Shoreline Planning Commission and Parks Board received a presentation on the Cascade Agenda on September 7, 2006 and the City Council received a presentation regarding the Cascade Agenda and the Cities program on March 19, 2007, and

WHEREAS, the long-term economic vitality, environmental health and natural beauty of the Central Cascades region is a vital interest to the citizens of Shoreline.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The City of Shoreline endorses the vision articulated in the Cascade Agenda and shall pursue partnership with the Cascade Land Conservancy in both the “Cascade Agenda City” and “Green City Partnership” programs as a strategy to increase public awareness of and support for the implementation of Shoreline City Council Goals 1 through 7.

Section 2. The City of Shoreline will seek to align its policies and programs on community development, housing, transportation, parks, and open space with the strategies and approaches of the Cascade Agenda.

Section 3. The City Manager shall appoint a staff representative to act as the City’s primary liaison with respect to Cascade Agenda related activities and shall provide periodic reports to the City Council.

ADOPTED BY THE CITY COUNCIL ON _____

Robert L. Ransom, Mayor

ATTEST:

Scott Passey, City Clerk

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CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Reserve Policies DEPARTMENT: Finance Department PRESENTED BY: Debbie Tarry, Finance Director

PROBLEM/ISSUE STATEMENT:

The City's current adopted financial policies provide for maintaining an operating contingency reserve, unreserved operating fund balances, a budgeted operating contingency, and a budgeted insurance contingency. Staff has reviewed the current policies and is recommending that the City Council repeal the current policies and adopt new reserve policies that support the City's long-term fiscal stability goals and that would be more transparent and understandable to the public.

BACKGROUND

Adequate fund balance and reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength.

The City needs to maintain operating reserves for these primary purposes: a buffer for unexpected economic changes, to manage the City's cash flow needs, provide resources to pay for the City's insurance deductibles in the case of unexpected damage to the City's assets (buildings, equipment, infrastructure) and to provide flexibility for unexpected expenditures.

Current Policies

In 2000 the City adopted the following reserve policies:

Contingency Reserve

It is the City's policy to maintain a contingency reserve in accordance with RCW 35A.33.040. The reserve will be available for unforeseen urgent or emergency needs. The contingency reserve is intended to provide for unanticipated expenditures or revenue shortfalls of a non-recurring nature. The maximum allowable amount in the contingency reserve is 37.5 cents per thousand dollars of assessed valuation.

Unreserved Fund Balance

It is the City's policy to maintain a unreserved balance in each of the operating funds of the City (i.e., General, City Streets) at a level sufficient to provide for cash flow needs, a reasonable amount for emergent or unforeseen needs, and an orderly adjustment to adverse changes in revenues, including termination of revenue sources through actions of other governmental bodies. The Finance Director, in conjunction with the

departments and the City Manager, will analyze fund balance requirements and recommend formal fund balance policies for each of the principal City funds. Fund balance policies will be reviewed at least every three years to ensure all relevant factors are being considered. Until such time as a thorough analysis has been completed for each fund, the City's policy will be to provide a minimum fund balance (combination of Contingency Reserve and Unreserved Fund Balance) of at least 10% of budgeted operating revenues for the General Fund and a minimum unreserved fund balance of 5% of budgeted operating revenues for other City operating funds.

Budgeted Operating Contingency

In order to provide for unforeseen expenditures or new opportunities throughout the year, the General Fund budget will have an operating contingency of \$250,000 that will be used only with City Council approval. Savings within departmental budgets throughout the year will be the first source for funding unforeseen expenditures or providing for new opportunities before the Operating Contingency is accessed.

Budgeted Insurance Reserve

A separate insurance reserve account will be budgeted within the General Fund budget to be used for potential substantial events (street damage, inverse condemnation, etc.) and infrastructure repair not covered by insurance policies or other sources such as FEMA. The budgeted amount should approximate 2% of the City's assets (not including roads and surface water utilities).

Current Reserve Levels

As of January 1, 2007, the City had the following operating reserves:

General Fund Unreserved Fund Balance	\$ 8,482,000
General Reserve Fund	\$ 2,275,000
Total General Operating Reserves	<u>\$10,757,000</u>
 City Street Fund	 <u>\$ 947,000</u>

The required operating reserve levels per the City's adopted financial policies are:

General Fund Unreserved Fund Balance:	
Insurance Reserve	\$ 255,000
Budget Contingency	\$ 250,000
Fund Balance	\$ 2,862,270
General Reserve Fund	\$ 2,445,389
Total General Operating Reserves	<u>\$ 5,812,659</u>
 City Street Fund	 <u>\$ 121,104</u>

Comparing the actual General Operating Reserves as of January 1, 2007, and the reserve levels required, actual levels exceeded required levels by \$4,944,341. Even though this is the case, staff believes that the current policy does not provide adequate General Operating Reserves. The current policy does not provide a reserve level adequate to manage the City's operating cash flow needs or provide adequate reserve levels in the case of recessionary pressures.

ALTERNATIVES ANALYSIS

General Reserve Fund

Staff is recommending that Council eliminate the "General Reserve Fund", which has a legal cap on the amount of funds that can be accumulated. Instead, staff would recommend that Council establish a "Revenue Stabilization Fund". The purpose of the fund would be to set aside adequate reserves to cover revenue shortfalls over a recessionary period and basically serve as an "emergency savings account" for the City.

Cities have used a variety of formulas either tied to expenditure activity or revenue activity to establish such a reserve. Some formulas used by other cities include:

- A percentage of operating revenues or operating expenditures
- An amount equal to a certain number of months of expenditures such as the average of three months of general fund expenditures. (For Shoreline this would be approximately \$7.7 to \$7.9 million)
- A percentage of economically sensitive operating revenues for certain amount of time. The City of Des Moines uses such a formula which is defined as 10% of economically sensitive revenues to cover revenue shortfalls over a three year recessionary period. (For Shoreline this would be approximately \$6 million)

Staff would recommend that the City use a formula similar to that used by the City of Des Moines. The Revenue Stabilization Fund would accumulate an amount equal to a three-year level of 10% of economically sensitive revenues. Economically sensitive revenues include sales tax, gambling tax, utility tax, investment interest, state-shared revenues, permit fees, and recreation fees. Since historically recessions and their related recoveries have lasted two to three years, staff believes it is important to maintain a three year level of the recommended 10% of economically sensitive revenues. For 2007 the amount required would be \$5,792,000.

General Fund Operating Reserves

In order to adequately manage the cash flows within the City's General Fund the City must maintain an operating reserve within the General Fund of \$3 million. This is primarily because the General Fund expenditures tend to occur on a relatively equal basis each month throughout the year, while many of the substantial revenue sources are received on a quarterly basis (i.e., gambling tax, utility taxes) or semi-annually (i.e., property tax). In reviewing the General Fund cash flow for 2005 and 2006 it appears that the largest negative cash flow balance during the year was \$2.5 million. Reserves allow the City to manage the cash flow adequately so that we do not have to borrow monies and pay interest during times of the year when there is a negative cash flow.

In addition to the need to manage cash flow, staff would recommend that the Council continue the policy of budgeting a budget contingency and insurance reserve. Staff would recommend that the budget contingency be \$550,000, approximately 2% of budgeted operating revenues, and the insurance contingency of \$255,000. This would be a total of \$805,000 in reserve contingencies.

The total recommended General Fund Operating Reserve would be \$3,805,000 .

City Street Reserves

Staff recommends that the City Street reserves be set at 20% of operating revenues. The primary reason to establish reserves at this level is to provide adequate reserves to manage the cash flows of the fund. The operating revenues for the City Street fund are \$1,021,000 for 2007. A 20% reserve level is approximately \$200,000. The remaining revenues used to provide maintenance for City streets comes from the General Fund.

Total General Operating Reserves

If the Council agrees to revise the current operating reserve policy, as recommended by staff, the required 2007 operating reserves would be as follows:

General Fund Operating Reserve:	
Insurance Deductible Reserve	\$ 255,000
Budget Contingency	\$ 550,000
Cash Flow Reserve	\$ 3,000,000
Total General Fund Operating Reserve	<u>\$ 3,805,000</u>
Revenue Stabilization Fund	<u>\$ 6,000,000</u>

The combination of the General Fund Operating Reserve and the Revenue Stabilization Fund are \$9,805,000. This is approximately \$952,000 less than current general operating reserve levels of \$10.757 million. It should be noted that the \$952,000 includes the \$838,000 in one-time savings from 2006.

The City's financial policies state that resources (fund balance) greater than budget estimates in any fund shall be considered "one-time" resources and shall not be used to fund ongoing service delivery programs. If the Council chooses to modify the existing operating reserve policy and spend any reserves in excess of required levels then this needs to be done with the expectation that the funds are used for one-time purposes. Also if at any time in the future operating reserves drop below required levels the City will need to include in it's annual a budget to bring reserves to the required levels.

Other Reserves

In addition to the City's general operating reserves (General Fund, General Reserve and Street Fund) the City has fund balance in designated funds (those funds which have revenues that have been designated for a specific purpose such as code abatement, equipment replacement or drug seizure) and fund balance in funds that restricted for specific purposes (those funds in which there is a legal requirement that the resources must be spent for a specific purpose such as capital or surface water revenues).

Staff recommends that Council include in a modified reserve/fund balance policy the following:

- The City shall maintain reserves required by law, ordinance and/or bond covenants.
- The City shall maintain reserves in the Enterprise Funds as follows:

- Surface Water Utility Fund – 15% - 25% of total budgeted operating expenses plus any fund balance dedicated for future surface water capital improvements.
- Reserve balances of other funds shall be set through the budget process in an amount consistent with the purpose and nature of the fund.
- The City will maintain fully funded reserves for the replacement of City equipment, vehicles, personal computers, and computer network hardware. Contributions will be made through assessments to the using funds and maintained on a per asset basis. *This is the City's current practice.*

FINANCIAL IMPACT:

There is no financial impact to revising the City's reserve policies. The City currently has operating reserves in excess of the recommended policy revisions by approximately \$952,000. If the Council allocates any of the excess reserves for expenditures it should be for one-time items, as per the City's financial policies.

RECOMMENDATION

Staff recommends that the Council give direction to staff to revise the City's financial policies for reserves/funds balance to include the following:

- Establish a Revenue Stabilization Fund equal to a three-year level of 10% of economically sensitive operating revenues.
- Establish a policy to require a \$3 million General Fund Operating Reserve for cash flow purposes.
- Continue to require an insurance contingency and a budget contingency reserve within the General Fund equal to \$805,000.
- Establish a policy to maintain the a City Street Fund Reserve equal to 20% of operating revenues.
- Include language to provide reserve levels for bond covenants, enterprise funds, equipment replacement, and other City fund.

Approved By:  City Manager ____ City Attorney ____

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CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Ordinance No. 471 Extending the Seattle Public Utilities Franchise for Water
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Bob Olander, Deputy City Manager

PROBLEM/ISSUE STATEMENT:

Staff is requesting a two-year 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 two one-year extensions in 2005 and last year providing for the current expiration date of June 30, 2007.

The attached franchise amendment extends the terms of the existing franchise for two additional years. This will allow time for the City to complete its negotiations with SPU regarding franchise terms and/or potential acquisition of the SPU system by Shoreline. This proposed franchise can be replaced with a long-term franchise prior to the end of the two-year term if we reach agreement with SPU before the extension expiration.

FINANCIAL IMPACT:

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

RECOMMENDATION

No action is required at the May 21 meeting since State law mandates that franchise agreements cannot be passed at the meeting in which it is first introduced. It is recommended that the City Council pass Ordinance No. 471 granting SPU a two-year franchise extension ending June 30, 2009 to a second reading and vote on June 4, 2007.

Approved By: City Manager  City Attorney _____

ATTACHMENTS: A) Proposed Ord. No. 471 B) Ord. No. 214

ORDINANCE NO. 471

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON,
EXTENDING THE FRANCHISE 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, granted Seattle Public Utilities a non-exclusive franchise for the operation of water system within the City right-of-way effective December 8, 1999; and

WHEREAS, the franchise extensions granted to SPU Water by the City through Ordinance Nos. 344, 356, 383 and 427 expire on June 30, 2007; and

WHEREAS, the City and SPU Water agree to an extension of the current franchise for twenty-four additional months to allow time to pursue negotiations on the franchise renewal or consolidation of the SPU Water service area into the City of Shoreline;

**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 No. 214 and extended by Ordinance Nos. 356, 383 and 427 is extended through the earlier of June 30, 2009, or until the effective date of a replacement franchise, whichever occurs first.

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 3. 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 4, 2007.

Mayor Robert L. Ransom

ATTEST:

APPROVED AS TO FORM:

Scott Passey, CMC

Ian Sievers, City Attorney

City Clerk

Date of Publication: June , 2007
Effective Date: June , 2007

ORDINANCE NO. 214

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, GRANTING SEATTLE PUBLIC UTILITIES WATER DIVISION A NON- EXCLUSIVE FRANCHISE TO CONSTRUCT, MAINTAIN, OPERATE, REPLACE AND REPAIR A WATER SYSTEM WITHIN PUBLIC RIGHTS-OF-WAY OF THE CITY OF SHORELINE, WASHINGTON

WHEREAS, RCW 35A.11.020 grants the City broad authority to regulate the use of the public right-of-way; and

WHEREAS, RCW 35A.47.040 authorizes the City “to grant nonexclusive franchises for the use of public streets, bridges or other public ways, structures or places above or below the surface of the ground for ... facilities for public conveyances, for poles, conduits, tunnels, towers and structures, pipes and wires and appurtenances thereof for transmission and distribution of electrical energy, signals and other methods of communication, for gas, steam and liquid fuels, for water, sewer and other private and publicly owned and operated facilities for public service;” and

WHEREAS, the Council finds that it is in the best interests of the health, safety and welfare of residents of the Shoreline community to grant a non-exclusive franchise to Seattle Public Utilities Water Division for the operation of a water system within the City right-of-way;

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

1. **Definitions.** The following terms contained herein, unless otherwise indicated, shall be defined as follows:
 - 1.1. City: The City of Shoreline, a municipal corporation of the State of Washington, specifically including all areas incorporated therein as of the effective date of this ordinance and any other areas later added thereto by annexation or other means.
 - 1.2. Days: Calendar days.
 - 1.3. Director: The head of the Planning and Development Services department of the City, or the head of the Public Works department of the City, or the designee of either of these individuals.
 - 1.4. Facilities: All pipes, access ways, pump stations, storage facilities, equipment, and supporting structures, located in the City’s right-of-way, utilized by the Grantee in the operation of activities authorized by this Ordinance. The abandonment by Grantee of any facilities as defined herein shall not act to remove the same from this definition.
 - 1.5. Grantee: As incorporated or used herein shall refer to Seattle Public Utilities Water Division (SPU).
 - 1.6. Permittee: A person who has been granted a permit by the Permitting Authority, and SPU operating under Section 6.6 Blanket Permit of this agreement.

- 1.7. **Permitting Authority:** The head of the City department authorized to process and grant permits required to perform work in the City's right-of-way, or the head of any agency authorized to perform this function on the City's behalf. Unless otherwise indicated, all references to Permitting Authority shall include the designee of the department or agency head.
- 1.8. **Person:** An entity or natural person.
- 1.9. **Revenue:** This term as used herein shall refer to all revenue collected from SPU's customers with billing addresses that are within the corporate boundaries of the City.
- 1.10. **Right-of-way:** As used herein shall refer to the surface of and the space along, above, and below any street, road, highway, freeway, lane, sidewalk, alley, court, boulevard, parkway, drive, utility easement, and/or road right-of-way now or hereafter held or administered by the City of Shoreline.
- 1.11. **SPU:** Seattle Public Utilities Water Division, a water utility owned and operated by the City of Seattle, a municipal corporation, and its respective successors and assigns.

2. **Franchise Granted.**

- 2.1. Pursuant to RCW 35A.47.040, the City hereby grants to SPU, its successors and assigns, subject to the terms and conditions hereinafter set forth, a franchise beginning on the effective date of this Ordinance.
 - 2.2. This franchise shall grant SPU the right, privilege and authority, subject to the terms and conditions hereinafter set forth, to construct, operate, maintain, replace, and use all necessary equipment and facilities for a water system, in, under, on, across, over, through, along or below the public right-of-way located in the City of Shoreline, as approved under City permits issued by the Permitting Authority pursuant to this franchise and City ordinances.
 - 2.3. This franchise is granted upon the express condition that it shall not in any manner prevent the City from granting other or further franchises in, along, over, through, under, below or across any right-of-way. Such franchise shall in no way prevent or prohibit the City from using any right-of-way or other City property or affect its jurisdiction over them or any part of them, and the City shall retain the authority to make all necessary changes, relocations, repairs, maintenance, establishment, improvement, dedication of the same as the City may deem fit, including the dedication, establishment, maintenance, and improvement of all new rights-of-way or other public properties of every type and description.
3. **Franchise Term.** The term of the franchise granted hereunder shall be for the period commencing upon the effective date of this ordinance through December 31, 2001. This franchise will automatically renew for an additional two-year period unless its termination is confirmed in writing by the City at least sixty days prior to December 31, 2001, or it is replaced by a substitute franchise ordinance prior to that date.
4. **Franchise Fee.** In consideration of the right granted to SPU to occupy City rights-of-way for the purpose of operating a water utility within the City and as partial compensation for the City's costs to construct, maintain, repair, develop, and manage the right-of-way, SPU agrees:

- 4.1. To collect and distribute to the City a franchise fee equal to 6% of Revenues.
 - 4.1.1. This franchise fee shall be collected beginning upon the effective date of this franchise.
 - 4.1.2. Proceeds of the franchise fee collected shall be distributed to the City no later than 30 days after the end of each calendar quarter (quarters ending at the end of March, June, September and December).
- 4.2. Should the SPU be prevented by judicial or legislative action from collecting a franchise fee on all or a part of the revenues, SPU shall be excused from the collection and distribution of that portion of the franchise fee.
- 4.3. Should a court of competent jurisdiction declare, or a change in law make the franchise fee to be collected on behalf of the City invalid, in whole or in part, or should a court of competent jurisdiction hold that the collection of the franchise fee by SPU is in violation of a pre-existing contractual obligation of SPU, then SPU's obligation to collect and distribute a franchise fee to the City under this Section shall be terminated in accordance with and to the degree required to comply with such court action.
- 4.4. SPU agrees that the franchise fee established by this Section is appropriate and that SPU will not be a party to or otherwise support legal or legislative action intended to result in judicial determinations or legislative action referred to in Sections 4.2 & 4.3 hereof.

5. City Ordinances and Regulations.

- 5.1. Nothing herein shall be deemed to direct or restrict the City's ability to adopt and enforce all necessary and appropriate ordinances regulating the performance of the conditions of this franchise, including any reasonable ordinance made in the exercise of its police powers in the interest of public safety and for the welfare of the public. The City shall have the authority at all times to control, by appropriate regulations, the location, elevation, and manner of construction and maintenance of any facilities of SPU located within the City right-of-way. SPU shall promptly conform with all such regulations, unless compliance would cause SPU to violate other requirements of law.

6. Right-of-Way Management.

6.1. Excavation.

- 6.1.1. During any period of relocation or maintenance, all surface structures, if any, shall be erected and used in such places and positions within the right-of-way so as to interfere as little as possible with the safe and unobstructed passage of traffic and the unobstructed use of adjoining property. SPU shall at all times post and maintain proper barricades and comply with all applicable safety regulations during such period of construction as required by the ordinances of the City or state law, including RCW 39.04.180, for the construction of trench safety systems.
- 6.1.2. Whenever SPU excavates in any right-of-way for the purpose of installation, construction, repair, maintenance or relocation of its facilities, it shall apply to the City for a permit to do so in accord with the ordinances and regulations of the City

requiring permits to operate in the right-of-way. In no case shall any such work commence within any right-of-way without a permit, except as otherwise provided in this Ordinance. During the progress of the work, SPU shall not unnecessarily obstruct the passage or use of the right-of-way, and shall provide the City with plans, maps, and information showing the proposed and final location of any facilities in accordance with Section 6.10 of this Ordinance.

- 6.2. Abandonment of SPU's Facilities. No facilities laid, installed, constructed, or maintained in the right-of-way by SPU may be abandoned by SPU without the prior written consent of the Director of a removal plan. All necessary permits must be obtained prior to such work.
- 6.3. Restoration after Construction.
 - 6.3.1. SPU shall, after any installation, construction, relocation, maintenance, or repair of Facilities within the franchise area, restore the right-of-way to at least the condition the same was in immediately prior to any such abandonment, installation, construction, relocation, maintenance or repair. All concrete encased monuments, which have been disturbed or displaced by such work, shall be restored pursuant to all federal, state and local standards and specifications. SPU agrees to promptly complete all restoration work and to promptly repair any damage caused by such work at its sole cost and expense.
 - 6.3.2. If it is determined that SPU has failed to restore the right-of-way in accordance with this Section, the City shall provide SPU with written notice including a description of actions the City believes necessary to restore the right-of-way. If the right-of-way is not restored in accordance with the City's notice within fifteen (15) days of that notice, the City, or its authorized agent, may restore the right-of-way. SPU is responsible for all costs and expenses incurred by the City in restoring the right-of-way in accordance with this Section. The rights granted to the City under this Paragraph shall be in addition to those otherwise provided by this franchise.
- 6.4. Bonding Requirement. SPU, as a public agency, is not required to comply with the City's standard bonding requirement for working in the City's right-of-way.
- 6.5. Emergency Work, Permit Waiver. In the event of any emergency where any facilities located in the right-of-way are broken or damaged, or if SPU's construction area for their facilities is in such a condition as to place the health or safety of any person or property in imminent danger, SPU shall immediately take any necessary emergency measures to repair or remove its facilities without first applying for and obtaining a permit as required by this franchise. However, this emergency provision shall not relieve SPU from later obtaining any necessary permits for the emergency work. SPU shall apply for the required permits the next business day following the emergency work or as soon as practical given the nature and duration of the emergency.
- 6.6. Blanket Permit. The terms "Minor Activities" and "Blanket Activities" shall be defined in a specifically negotiated Blanket Permit Definitions, a copy of which has been filed with the City Clerk and identified by Clerk's Receiving Number 1042.

Permittee shall be authorized to perform Minor Activities without a City permit of any kind and Blanket Activities under the terms and conditions of this Section. All other activities will require a separate permit in accordance with City ordinances.

- 6.6.1. The Permittee shall pay the City a permit inspection/processing fee in the amount set out in Blanket Permit Definitions.
- 6.6.2. The Permittee shall provide a monthly list of permit construction activity by the 10th of the following month listing the previous month's activity authorized under this Section.
- 6.6.3. The Permittee shall provide payment of inspection fees for the monthly activity on a monthly basis. No statement will be provided by the City.
- 6.6.4. For each separate use of the right-of-way under this Section, and prior to commencing any work on the right-of-way under this Section, the Permittee shall:
 - 6.6.4.1. Fax or otherwise deliver to the Permitting Authority, at least twenty-four (24) hours in advance of entering the right-of-way, a City Inspection Request Form, as provided by the Permitting Authority, which shall include at a minimum the following information: franchise ordinance number, street address nearest to the proposed work site; parcel number and description of work to be performed.
 - 6.6.4.2. Fax or deliver to the Permitting Authority a notice of completion in the form provided by the Permitting Authority within twenty-four (24) hours after completing work.
- 6.6.5. In the event the Permittee fails to comply with any of the conditions set forth in this Section, the City is authorized to immediately terminate the Permittee's authority to operate under this Section by providing Permittee written notice of such termination and the basis therefore.
- 6.6.6. The City reserves the right to alter the terms and conditions of Subsection 6.6. and of Blanket Permit Definitions by providing thirty (30) days written notice to the Permittee. Any change made pursuant to this Paragraph, including any change in the inspection fee stated in Blanket Permit Definitions, shall thereafter apply to all subsequent work performed pursuant to this Section. Further, the City may terminate the Permittee's authority to work in the City's right-of-way under the terms of this Section at any time without cause by providing thirty (30) days written notice to the Permittee. Notwithstanding any termination, the Permittee will not be relieved of any liability to the City.

6.7. Safety.

- 6.7.1. The Grantee, in accordance with applicable federal, state, and local safety rules and regulations shall, at all times, employ ordinary care in the installation, maintenance, and repair utilizing methods and devices commonly accepted in their industry of operation to prevent failures and accidents that are likely to cause damage, injury, or nuisance to persons or property.

6.7.2. All of Grantee's facilities in the right-of-way shall be constructed and maintained in a safe and operational condition.

6.8. Dangerous Conditions, Authority for City to Abate.

6.8.1. Whenever Facilities or the operations of the Grantee cause or contribute to a condition that appears to endanger any person or substantially impair the lateral support of the adjoining right-of-way, public or private property, the Director may direct the Grantee, at no charge or expense to the City, to take actions to resolve the condition or remove the endangerment. Such directive may include compliance within a prescribed time period.

6.8.2. In the event the Grantee fails or refuses to promptly take the directed action, or fails to fully comply with such direction, or if emergency conditions exist which require immediate action to prevent imminent injury or damages to persons or property, the City may take such actions as it believes are necessary to protect persons or property and the Grantee shall be responsible to reimburse the City for its costs.

6.9. Relocation of System Facilities.

6.9.1. SPU agrees and covenants to protect, support, temporarily disconnect, relocate or remove from any right-of-way its facilities without cost to the City, when so required by the City, provided that SPU shall in all such cases have the privilege to temporarily bypass, in the authorized portion of the same right-of-way and upon approval by the City, any facilities required to be temporarily disconnected or removed.

6.9.2. All Facilities utilized for providing water service within SPU's service area and within the right-of-way shall be considered owned, operated and maintained by SPU.

6.9.3. If the City determines that a public project necessitates the relocation of SPU's existing facilities, the City shall:

6.9.3.1. As soon as possible, but not less than sixty (60) days prior to the commencement of such project, provide SPU with written notice requiring such relocation; and

6.9.3.2. Provide SPU with copies of any plans and specifications pertinent to the requested relocation and a proposed temporary or permanent relocation for SPU's facilities.

6.9.3.3. After receipt of such notice and such plans and specifications, SPU shall complete relocation of its facilities at no charge or expense to the City at least ten (10) days prior to commencement of the project.

6.9.4. SPU may, after receipt of written notice requesting a relocation of its facilities, submit to the City written alternatives to such relocation. The City shall evaluate such alternatives and advise SPU in writing if any of the alternatives are suitable to accommodate the work that necessitates the relocation of the facilities. If so requested by the City, SPU shall submit additional information to assist the City

in making such evaluation. The City shall give each alternative proposed by SPU full and fair consideration. In the event the City ultimately determines that there is no other reasonable alternative, SPU shall relocate its facilities as provided in this Section.

- 6.9.5. The provisions of Section 6.9 shall in no manner preclude or restrict SPU from making any arrangements it may deem appropriate when responding to a request for relocation of its Facilities by any person other than the City, where the improvements to be constructed by said person are not or will not become City-owned, operated or maintained, provided that such arrangements do not unduly delay or increase the cost of a planned City construction project.
- 6.10. SPU's Maps and Records. As a condition of this franchise, and without charge to the City, SPU agrees to provide the City with as-built plans, maps, and records that show the vertical and horizontal location of its facilities within the right-of-way, measured from the center line of the right-of-way, using a minimum scale of one inch equals one hundred feet (1"=100'). Maps shall be provided in Geographical Information System (GIS) or other digital electronic format used by the City and, upon request, in hard copy plan form used by SPU. This information shall be provided between one hundred twenty (120) and one hundred eighty (180) days of the effective date of this Ordinance and shall be updated upon reasonable request by the City.

7. Planning Coordination.

- 7.1. Growth Management. SPU agrees, as follows, to participate in the development of, and reasonable updates to, the utilities element of the City's comprehensive plan:
- 7.1.1. For SPU's service within the City limits, SPU will participate in a cooperative effort with the City of Shoreline to develop a Comprehensive Plan Utilities Element that meets the requirements described in RCW 36.70A.070(4).
- 7.1.2. SPU will participate in a cooperative effort with the City to ensure that the Utilities Element of Shoreline's Comprehensive plan is accurate as it relates to SPU's operations and is updated to ensure its continued relevance at reasonable intervals.
- 7.1.3. SPU shall submit information related to the general location, proposed location, and capacity of all existing and proposed Facilities within the City as requested by the Director within a reasonable time, not exceeding sixty (60) days from receipt of a written request for such information.
- 7.1.4. SPU will update information provided to the City under this Section whenever there are major changes in SPU's system plans for Shoreline.
- 7.2. System Development Information. SPU will assign a representative whose responsibility shall be to coordinate with the City on planning for CIP projects including those that involve undergrounding. At a minimum, such coordination shall include the following:

- 7.2.1. By February 1st of each year, SPU shall provide the City Manager or his designee with a schedule of its planned capital improvements, which may affect the right of way for that year;
 - 7.2.2. SPU shall meet with the City, other franchisees and users of the right-of-way, according to a schedule to be determined by the City, to schedule and coordinate construction; and
 - 7.2.3. All construction locations, activities, and schedules shall be coordinated, as required by the City Manager or his designee, to minimize public inconvenience, disruption, or damages.
- 7.3. Emergency Operations. The City and SPU agree to cooperate in the planning and implementation of emergency operations response procedures.
8. Service Quality. SPU shall exercise the same degree of technical, professional and administrative quality in serving its customers in the City that is provided to all other customers with similar circumstances within SPU's service territory. SPU shall at all times comply with the minimum regulatory standards presently in effect or as may be amended for the provision of water services.
9. Indemnification.
 - 9.1. SPU hereby releases, covenants not to bring suit, and agrees to indemnify, defend and hold harmless the City, its elected officials, employees, agents, and volunteers from any and all claims, costs, judgments, awards or liability to any person, including claims by SPU's own employees to which SPU might otherwise be immune under Title 51 RCW, arising from personal injury or damage to property allegedly due to the negligent or intentional acts or omissions of SPU, its agents, servants, officers or employees in performing activities authorized by this franchise, including those claims arising against the City by virtue of SPU's exercise of the rights granted herein. This covenant of indemnification shall include, but not be limited by this reference, claims against the City arising as a result of the negligent acts or omissions of SPU, its agents, servants, officers or employees. If final judgment is rendered against the City, its elected officials, employees, agents, and volunteers, or any of them, SPU shall satisfy the same. The City may appear in any proceeding it deems necessary to protect the City's or the public's interests.
 - 9.2. Inspection or acceptance by the City of any work performed by SPU at the time of completion of construction shall not be grounds for avoidance of any of these covenants of indemnification. Said indemnification obligations shall extend to claims that are not reduced to a suit and any claims that may be settled prior to the culmination of any litigation or the institution of any litigation.
 - 9.3. In the event SPU refuses to undertake the defense of any suit or any claim, after the City's request for defense and indemnification has been made pursuant to the indemnification clauses contained herein, and SPU's refusal is subsequently determined by a court having jurisdiction (or such other tribunal that the parties shall agree to decide the matter), to have been a wrongful refusal on the part of SPU, then SPU shall pay all of the City's costs and expenses for defense of the action, including

reasonable attorneys' fees of recovering under this indemnification clause as well as any judgment against the City.

- 9.4. Should a court of competent jurisdiction determine that this franchise is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of SPU and the City, its officers, employees and agents, SPU's liability hereunder shall be only to the extent of SPU's negligence. This waiver has been mutually negotiated by the parties.
- 9.5. The City hereby releases and agrees to indemnify, defend and hold harmless the SPU, its elected officials, employees, agents, and volunteers from any and all claims, costs, judgments, awards or liability to any person arising from SPU's compliance with Section 4 hereof. This indemnification is contingent upon SPU's compliance with Section 4.4 hereof.

10. Enforcement.

- 10.1. In addition to all other rights and powers retained by the City under this franchise, the City reserves the right to revoke and terminate this franchise and all rights and privileges of the Grantee in the event of a substantial violation or breach of its terms and conditions. Likewise, SPU may terminate this franchise in the event of a substantial violation or breach of its terms and conditions by the City.
- 10.2. A substantial violation or breach by a Grantee shall include, but shall not be limited to, the following:
 - 10.2.1. An uncured violation of any material provision of this franchise, or any material rule, order or regulation of the City made pursuant to its power to protect the public health, safety and welfare;
 - 10.2.2. An intentional evasion or knowing attempt to evade any material provision of this franchise or practice of any fraud or deceit upon the system customers or upon the City;
 - 10.2.3. Failure to begin or substantially complete any system construction or system extension as set forth in a franchise or right-of-way use agreement;
 - 10.2.4. Failure to provide the services specified in the franchise;
 - 10.2.5. Misrepresentation of material fact during negotiations relating to this franchise or the implementation thereof;
 - 10.2.6. A continuous and willful pattern of grossly inadequate service and failure to respond to legitimate customer complaints;
 - 10.2.7. An uncured failure to pay fees associated with this franchise
- 10.3. No violation or breach shall occur which is without fault of the Grantee or the City, or which is as a result of circumstances beyond the Grantee's or the City's reasonable control. Neither the Grantee, nor the City, shall be excused by economic hardship nor by nonfeasance or malfeasance of its directors, officers, agents or employees; provided, however, that damage to equipment causing service interruption shall be

deemed to be the result of circumstances beyond a Grantee's or the City's control if it is caused by any negligent act or unintended omission of its employees (assuming proper training) or agents (assuming reasonable diligence in their selection), or sabotage or vandalism or malicious mischief by its employees or agents. A Grantee, or the City, shall bear the burden of proof in establishing the existence of such conditions.

10.4. Except in the case of termination pursuant to Paragraph 10.2.5. of this Section, prior to any termination or revocation, the City, or the Grantee, shall provide the other with detailed written notice of any substantial violation or material breach upon which it proposes to take action. The party who is allegedly in breach shall have a period of 60 days following such written notice to cure the alleged violation or breach, demonstrate to the other's satisfaction that a violation or breach does not exist, or submit a plan satisfactory to the other to correct the violation or breach. If, at the end of said 60-day period, the City or the Grantee reasonably believes that a substantial violation or material breach is continuing and the party in breach is not taking satisfactory corrective action, the other may declare that the party in breach is in default, which declaration must be in writing. Within 20 days after receipt of a written declaration of default, the party that is alleged to be in default may request, in writing, a hearing before a "hearing examiner" as provided by the City's development regulations. The hearing examiner's decision may be appealed to any court of competent jurisdiction.

10.5. The City may, in its discretion, provide an additional opportunity for the Grantee to remedy any violation or breach and come into compliance with this agreement so as to avoid the termination or revocation.

10.6. In addition to any other remedy provided for herein for violation of any provision, or failure to comply with any of the requirements of this franchise, the City may levy liquidated damages of up to \$500.00 for each of the first five days that a violation exists and up to \$1,000.00 for each subsequent day that a violation exists. Payment of such liquidated damages shall not relieve any person of the duty to correct the violation.

10.7. Any violation existing for a period greater than 30 days may be remedied by the City at the Grantee's expense.

11. **Survival.** All of the provisions, conditions and requirements of Sections 6.1 Excavation, 6.2 Abandonment Of SPU's Facilities, 6.3 Restoration After Construction, 6.8 Dangerous Conditions, Authority For City To Abate, 6.9 Relocation Of System Facilities, and 9 Indemnification, of this franchise shall be in addition to any and all other obligations and liabilities SPU may have to the City at common law, by statute, or by contract, and shall survive the City's franchise to SPU for the use of the areas mentioned in Section 2 herein, and any renewals or extensions thereof. All of the provisions, conditions, regulations and requirements contained in this franchise Ordinance shall further be binding upon the heirs, successors, executors, administrators, legal representatives and assigns of SPU and all privileges, as well as all obligations and liabilities of SPU shall inure to its heirs, successors and assigns equally as if they were specifically mentioned wherever SPU is named herein.

12. **Severability.** If any Section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other Section, sentence, clause or phrase of this franchise Ordinance. The Parties may amend, repeal, add, replace, or modify any provision of this Franchise to preserve the intent of the parties as expressed herein prior to any finding of invalidity or unconstitutionality.
13. **Assignment.** This franchise shall not be sold, transferred, assigned, or disposed of in whole or in part either by sale, voluntary or involuntary merger, consolidation or otherwise, without the written approval of the City. Any costs associated with the City's review of any transfer proposed by the Grantee shall be reimbursed to the City by the Grantee.
- 13.1. Except as otherwise provided herein, the Grantee shall promptly notify the City prior to any proposed change in, or transfer of, or acquisition by any other party of control of the Grantee's utility. Every change, transfer, or acquisition of control of the Grantee's utility shall cause a review of the proposed transfer. In the event that the City denies its consent and such change, transfer or acquisition of control has been effected, the Franchise is terminated.
14. **Notice.** Any notice or information required or permitted to be given to the parties under this franchise may be sent to the following addresses unless otherwise specified:
- | | |
|--|--------------------------|
| Seattle Public Utilities Managing Director | Director of Public Works |
| Dexter Horton Building, 10 th Floor | City of Shoreline |
| 710 Second Avenue | 17544 Midvale Avenue N. |
| Seattle, WA 98104 | Shoreline, WA 98133-4921 |
| Phone: (206) 684-5851 | Phone: (206) 546-1700 |
| Fax: (206) 684-4631 | Fax: (206) 546-2200 |
15. **Non-Waiver.** The failure of either party to enforce any breach or violation by the other party of any provision of this Franchise shall not be deemed to be a waiver or a continuing waiver by the non-breaching party of any subsequent breach or violation of the same or any other provision of this Franchise.
16. **Alternate Dispute Resolution.** If the parties are unable to resolve disputes arising from the terms of this franchise, prior to resorting to a court of competent jurisdiction, the parties shall submit the dispute to a non-binding alternate dispute resolution process agreed to by the parties. Unless otherwise agreed between the parties or determined herein, the cost of that process shall be shared equally.
17. **Entire Agreement.** This franchise constitutes the entire understanding and agreement between the parties as to the subject matter herein and no other agreements or understandings, written or otherwise, shall be binding upon the parties upon execution and acceptance hereof.
18. **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 sixty (60) days from receipt of the certified copy of this ordinance to accept in writing the terms of the franchise granted to the Grantee in this ordinance.

19. **Publication Costs.** In accord with state law, this ordinance shall be published in full.
20. **Effective Date.** This ordinance shall take effect and be in full force five days after publication. The City Clerk is hereby directed to publish this ordinance in full.

PASSED BY THE CITY COUNCIL ON NOVEMBER 29, 1999.

Mayor Scott Jepsen

ATTEST:

Sharon Mattioli, CMC
City Clerk

APPROVED AS TO FORM:

Ian Sievers
City Attorney

Date of Publication: December 3, 1999
Effective Date: December 8, 1999