

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

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

It is recommended that the City Council pass Ordinance No. 471 granting SPU a two-year franchise extension ending June 30, 2009.

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

This page intentionally left blank