ORDINANCE NO. 2021-11-045

AN ORDINANCE OF THE CITY OF BELLINGHAM, WASHINGTON RENEWING THE FRANCHISE GRANTED TO OLYMPIC PIPE LINE COMPANY LLC FOR THE OPERATION AND MAINTENANCE OF ITS EXISTING PETROLEUM PIPLINE WITHIN CERTAIN CITY RIGHTS OF WAY AND PUBLIC PROPERTY

WHEREAS, City of Bellingham ("City") Ordinance No. 2001-11-081 granted Olympic Pipe Line Company LLC ("Grantee") a nonexclusive franchise to operate and maintain its existing liquid petroleum pipeline within certain City rights of way and public property for a period of ten years (hereinafter, the "Initial Period"); and

WHEREAS, Ordinance No. 2011-11-060 renewed Grantee's franchise for an additional ten-year period (hereinafter, the "First Renewal Period") upon the same terms and conditions; and

WHEREAS, Ordinance No. 2011-11-060 provides that the Bellingham City Council will consider renewing such franchise at the written request of Grantee; and

WHEREAS, Grantee has requested to renew such franchise for an additional ten-year period; and

WHEREAS, the Bellingham City Charter and Bellingham Municipal Code authorize the City to grant and renew nonexclusive franchises for the use of City rights-of-way and public property; and

WHEREAS, the City of Bellingham Public Works Director has reviewed Grantee's renewal application and the factors set forth BMC 13.15.050(D) and has recommended that the franchise be renewed for an additional ten-year period; and

WHEREAS, notice of the proposed franchise renewal has been published in accordance with the public notice requirements of BMC 13.15.050.

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NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELLINGHAM DOES HEREBY ORDAIN THAT:

Section 1. Renewal

The City hereby renews for a period of ten (10) years from the Effective Date (hereinafter, the "Second Renewal Period") the nonexclusive franchise set forth in Ordinance No. 2001-11-081 to Grantee to operate and maintain its existing pipeline and related facilities necessary to operate and maintain the pipeline as a liquid petroleum product delivery system for Grantee's business. This franchise is conditioned upon the terms and conditions contained in Ordinance No. 2001-11-081 and Grantee's compliance with any applicable federal or state regulatory programs that currently exist or may hereafter be enacted by any federal or state regulatory agencies with jurisdiction over Grantee. The terms and conditions contained in Ordinance No. 2001-11-081 are hereby incorporated herein in their entirety, except as specifically modified by this ordinance.

Section 2. Term

The Second Renewal Term shall commence and become effective upon Grantee's written acceptance of the terms and conditions of this franchise renewal ordinance (hereinafter, the "Effective Date") and shall remain in effect for a period of ten years thereafter. Subsequently, and in accordance with Bellingham City Charter Article XI and Chapter 13.15 BMC, City Council will consider renewing this franchise at the written request of Grantee.

Section 3. Annual Franchise Fee

In consideration for granting the franchise and for the use of the franchise area, Ordinance No. 2001-11-081 established an annual franchise fee of Fifty Thousand Dollars ($50,000), paid in United States Dollars. During the Initial Period and First Renewal Period, the annual franchise fee has been increased or decreased every three years in the percentage amount that the Consumer

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Price Index-All Urban Consumers ("CPI-U") for the Seattle area has increased or decreased for that three year period, in accordance with Section 15.2 of Ordinance No. 2001-11-081. Every three years during the Second Renewal Period, the annual fee shall continue to be increased or decreased from the most recent three-year adjustment.

PASSED by City Council this 8th day of November, 2021.

Council President

APPROVED by me this 19 day of November, 2021.

Mayor Seth Fleetwood

ATTEST:

Andy Asbjornsen, Finance Director

APPROVED AS TO FORM:

Matt Stamps, Office of the City Attorney

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FRANCHISE ACCEPTANCE

I, the undersigned official of Olympic Pipe Line Company LLC ("Grantee"), am authorized to bind Grantee and to accept the terms and conditions of the foregoing franchise (Ordinance No. 2021-11-045), which are hereby accepted by Grantee this 30th day of November, 2021. The foregoing date shall constitute the "Effective Date" of the Ordinance.

OLYMPIC PIPE LINE COMPANY LLC

By: _____

Name: Terry Zimmerman

Title: President

STATE OF Washington)
) ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that Terry Zimmerman is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the President of OLYMPIC PIPE LINE COMPANY LLC to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED this 30th day of November, 2021.

JOSEPH A STONE
NOTARY PUBLIC #112303
STATE OF WASHINGTON
COMMISSION EXPIRES
AUGUST 22, 2025

Joseph A. Stone
NOTARY PUBLIC in and for the State of Washington
My appointment expires: August 22, 2025

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