Return to:
City of Oak Harbor
865 SE Barrington Drive
Oak Harbor, WA 98277

GRANTOR: City of Oak Harbor
GRANTEE: Island Disposal, Inc.

LEGAL DESCRIPTION:

As set out in Schedule A to Oak Harbor Ordinance No. 266, annexing certain portions of the Naval Air Station into the City of Oak Harbor (See Exhibit "A" for complete legal description)


ORDINANCE NO. 1605

AN ORDINANCE OF THE CITY OF OAK HARBOR PROVIDING A SOLID WASTE FRANCHISE TO ISLAND DISPOSAL, INC. FOR AREA KNOWN AS THE “SEAPLANE BASE”

WHEREAS, Island Disposal, Inc. (hereafter also referred to as "Grantee") holds a permit from the State of Washington Utilities and Transportation Commission ("WUTC") to collect solid waste in unincorporated areas within Island County; and

WHEREAS, Grantee has been granted various exclusive franchises for solid waste disposal services within the Oak Harbor city limits as a result of annexations of territory formerly in unincorporated Island County; and

WHEREAS, the area described in Exhibit “A” hereto and known as the “Seaplane Base” was annexed into the City of Oak Harbor by Ordinance No. 226 on March 31, 1969; and
WHEREAS, in 2007, the property management company responsible for privatized housing on the Seaplane Base contracted with Island Disposal, Inc. to serve the Seaplane Base; and

WHEREAS, Island Disposal failed to pay utility tax on its solid waste disposal activities on the Seaplane Base from December 2007 through December 2010; and

WHEREAS, Island Disposal wishes to now remit the missed utility taxes for that period in the Seaplane Base at the same time it secures permission from the City to continue to provide solid waste disposal services on the Seaplane Base for a sufficient period of time to amortize its investment in serving that area; and

WHEREAS, the City would have to acquire additional equipment and staff hours to provide solid waste disposal services to the Seaplane Base; and

WHEREAS, the service historically provided by Island Disposal has met the City’s standards for solid waste disposal services; and

WHEREAS, by separate agreement, Island Disposal has promised to pay utility taxes for the period of December 2007 through December 2010 in the total amount of $52,679.02;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAK HARBOR do ordain as follows:

Section One. A franchise to provide solid waste disposal services to certain areas within the city limits of the city of Oak Harbor is hereby granted to Island Disposal on the following terms and conditions:

(1) Franchise area. This franchise applies to the “Seaplane Base”, described in Exhibit "A" hereto attached.

(2) Nature of the franchise. Grantee shall hereby have the right during the term of the franchise granted by this ordinance to collect and haul for hire over the streets and alleys of the city all solid waste collected from private customers located within the corporate limits of the city in the franchise area described in paragraph (1) above PROVIDED that the City may serve its own animal shelter and/or a wastewater treatment plant operated by the City or its contractor(s) on the Seaplane Base.

"Solid waste", as used herein, shall be interpreted to mean and include all solid waste, animal and vegetable matter, rubbish, trash, debris, ashes, tin cans, and other waste materials generally, including articles ordinarily and customarily hauled away and dumped.
(3) **Duration of the franchise.** The franchise shall become effective five (5) days after publication of this ordinance and shall continue for ten (10) years from its effective date. Thereafter, the franchise shall terminate unless extended by written agreement approved by City Council.

(4) **Acceptance of franchise.** Acceptance of this franchise shall constitute Grantee’s agreement to abide by all the terms and conditions of this ordinance and the applicable terms and conditions of the Oak Harbor Municipal Code.

(5) **Utility tax.** The Grantee shall pay utility taxes imposed on solid waste utility services by the City of Oak Harbor for all solid waste utility services provided by the Grantee within the city of Oak Harbor and all areas listed in this franchise ordinance in which a franchise is granted or extended or both granted and extended.

It is further provided that such taxes shall apply to this franchise effective January 1, 2011.

(6) **Collection rates.** Grantee’s collection rates inside the city shall be at the same levels as those filed with and approved by the WUTC for regulated Island County service by Grantee or its successor; provided, nothing in this section shall be construed as preventing Grantee from increasing the collection rates approved by the WUTC to account for the cost of any utility taxes or increases in utility taxes imposed by the City on solid waste services or in assessing rates at other levels specified by the SeaPlane Base Naval housing entity.

Grantee will provide notice to the City of applications for changes in rates or charges made to WUTC which affects rates in the franchise area. Grantee will further notify the City if WUTC ceases to regulate rates for Grantee in Island County.

It is further provided, that if the WUTC ceases regulating rates for Grantee in Island County, then the Grantee's rates for solid waste collection services in the franchise area shall be the same as those rates established by the City for customers of the City solid waste utility except for any rates applicable to solid waste utility services provided to the SeaPlane Base Naval housing entity; provided, that the Grantee shall have the right to request a public hearing within thirty (30) days of notice of the application of City rates to the franchise area to establish a different rate structure for the franchise area. After public hearing on the Grantee's proposed rates, the City shall establish such rates as are reasonable based on the charges last approved by the WUTC to cover the cost of service and to allow for sufficient profit in the provision of solid waste collection service.

At the time of enactment of this franchise, the City requires mandatory accounts within all franchise areas. Grantee will cooperate in providing information in this
regard unless and until the franchise expires or the City amends its requirements for
mandatory accounts.

(7) Frequency of collections. Grantee shall offer regular collections of solid waste
throughout the business areas assigned to the Grantee and shall offer once a week
collection in all residential districts assigned to the Grantee in accordance with the
franchise issued by the WUTC or by separate agreement with the SeaPlane Base
Naval housing entity; provided, that the City may modify this clause as to frequency
of collections of solid waste and may prescribe the hours during which collections will
be made, and Grantee shall comply with all such regulations so adopted and
prescribed to the extent applicable.

(8) Service required. Grantee shall furnish collection service to any person or
organization, public or private, within the franchise area within thirty (30) days of
receipt of a written request for such service.

Grantee shall not, however, be required to furnish service to any household, dwelling,
business establishment or other building requiring service unless the owner thereof
shall furnish an opening to his yard or grounds from the alley or street where solid
waste is customarily collected, and Grantee shall not be required to service any
household, dwelling, business establishment or other building, where a private road
must be used to obtain access thereto unless such private road is more than twenty (20)
feet in width. The Grantee shall notify the City of addresses and locations of any
household, dwelling, business establishment or other building in the area which it is
not providing service under this provision with the reason why it is not providing
service.

(9) Customer list. At the end of the term referred to in Section One (3) above, or at a time
as mutually extended, Grantee will provide City a list of invoiced customers to be
established by the City so that the City may use such information to assure universal
collection of solid waste service for the City of Oak Harbor.

(10) Reserved regulations. The City reserves the right to impose additional regulations
upon Grantee in its reasonable discretion for purposes of health, welfare and safety.

Section Two. Notice of Tax on Utility Business. This ordinance shall establish written
notice to Island Disposal that the rate for solid waste utilities is presently set at six and one-
quarter percent (6.25%) on the gross income derived from doing business in Oak Harbor.
This rate is subject to change by Oak Harbor ordinance.

Section Three. Severability. If any provision of this Ordinance or its application to any
person or circumstance is held invalid, the remainder of the Ordinance or the application of
the provision to other persons or circumstances shall not be affected.

Island Disposal Solid Waste Franchise
Ordinance (Seaplane Base) - 4
6/17/2011 10:40 AM
Section Four. Effective Date. This Ordinance shall be in full force and effect five (5) days after publication as required by law.

PASSED by the City Council and approved by its Mayor this 27th day of JUNE, 2011.

THE CITY OF OAK HARBOR

[Signature]
Mayor

Attest:

[Signature]
City Clerk

Approved as to Form:

[Signature]
City Attorney

Published: JUNE 27, 2011
16th (O+WA)

Island Disposal, a Washington corporation, hereby accepts the above franchise on the terms and conditions stated therein.

ISLAND DISPOSAL

[Signature]
Title: Region Vice President

Island Disposal Solid Waste Franchise
Ordinance (Seaplane Base) - 5
6/17/2011 10:40 AM
STATE OF WASHINGTON  
) ss:
COUNTY OF ISLAND  
)

THIS IS TO CERTIFY that on this 17th day of June, 2011, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared Robert A. Nielsen, to me known to be the RVP of Island Disposal, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that said individual was authorized to execute said instrument.

WITNESS my hand and official seal the day and year first above written.

[Signature]

Print: D. Michele Heim
NOTARY PUBLIC in and for the State of Washington, residing at Vancouver
Commission expires: August 15, 2012
Beginning at a point on the westerly line of Oak Harbor at the SE corner of the Samuel Walker D.L.C.; thence North along the West boundary of said D.L.C. to a point which is 2067.8 feet South of the NE corner of the SW of T.21N.R.33E.SEC.33; thence East 41.9 feet to the center of county road; thence Northerly along county road to a point described as follows:

North 89° 55' East 859.86 feet and South 7° 21' West 1027.30 feet from a monument marking the NE corner of Sec. 36; thence from said described point Easterly along the Frostad-Haller county road through Sec. 36, 31 and 32 to the NE corner of the James Mounts D.L.C.; thence East to a point on the East boundary of the William Wallace D.L.C. 1400 feet more or less South of the NE corner of said D.L.C.; thence North 80 feet more or less to the North line of the SW of NW of Sec. 33; thence East along the North line of the SW of NW of the SW of NE of Sec. 33; thence South along the East line of the SW of NE and NW of SE and Lot 1 of Sec. 33 to the SE corner of Lot 1, Sec. 33; thence South along the East line of Lot 2, Lot 3, and Lot 2, Sec. 4, to the SE corner of Sec. 2, Sec. 4, this point being on the North boundary of the Charles Miller D.L.C.; thence South to a point on the South line of the Charles Miller D.L.C.; thence Southwesterly along the South line to a point 133 feet East of the SE corner of the Charles Miller D.L.C.; thence along the East line of Sec. 2, Sec. 4, to the SW corner of the Charles Miller D.L.C.; thence along the West line of the Charles Miller D.L.C. to the SE corner of the James Busby D.L.C.; thence Northwesterly along the South line of the James Busby D.L.C. to the SE corner of the William Wallace D.L.C.; thence Northwesterly along the South line of the said Wallace D.L.C. to the SW corner of said D.L.C.; thence Southwesterly along the South line of the Samual Walker D.L.C. to the NE corner of the Samuel Walker D.L.C.; thence along the South line of the Samuel Walker D.L.C. to the SE corner of the Samuel Walker D.L.C. intersecting the Oak Harbor meander line; thence Northwesterly along the South line of the Oak Harbor meander line of the Samuel Walker D.L.C. to point of beginning.

Said land being situated in Sections 1, 2, and 11 and 12, Twp. 32 N.R.1 E.W.; Section 33, Twp. 33 N.R.1 E.W.; Sections 31, 32 and 33, Twp. 33 N.R.2 E.W.; and Sections 4, 5, 6 and 9, Twp. 32 N.R.2 E.W. Also any portion of land that lies between the West boundary of Samuel Walker D.L.C. and the East Corporate limits of Oak Harbor, also any part of a county road running Northerly from the intersection of 700 Ave. East except that portion beginning at a point located on the east right-of-way fence line for 70th NE St. (Simard St.) and 50 feet Southerly from its intersection with a prolongation of the center line of 875 Street; said point being 2581 feet southerly along the SW of T.21N.R.33E.SEC.33; and 90 feet Southerly from the intersection of 700 Ave. East, except the above mentioned line from the northeast corner of the Taftezon D.L.C. and is the true point of beginning for this property description; thence east (Washington State Co-ordinate System Bearing) 529 feet to the northeast corner; thence southerly 1036.13 feet along a line parallel to the east right-of-way fence line for Simard St. to the southeast corner; thence west (Washington State Co-ordinate Bearing) to its intersection with the West boundary line of 70th N.E. St. (Simard Street); thence Northerly along the West boundary of the above mentioned street to its intersection with a prolongation of the North boundary of this school tract; thence east (Washington State Co-ordinate Bearing) to the true point of beginning for this property description. This tract is all located in Section 36, T33N, R1, E.W.M.

EXHIBIT "A"