

Ordinance No. 124140

Council Bill No. 117711

AN ORDINANCE relating to the City Light Department ("City Light"), declaring certain real property rights surplus and no longer required for providing public utility service or other municipal purpose; authorizing the Superintendent of City Light to execute of a Real Property Exchange Agreement between the City of Seattle and Sierra Pacific Industries, Inc. (SPI) for the conveyance of said surplus property and a cash equalization payment of Two Hundred Eight Thousand Dollars (\$208,000) in exchange for the conveyance of SPI-owned land to the City in the South Fork of the Nooksack River watershed, Skagit County, Washington for wildlife habitat purposes; authorizing the Superintendent of City Light or his designee to execute Bargain and Sale Deeds for the properties conveyed by the City and accept a Bargain Sale Deed for the lands conveyed to the City; and placing said lands under the jurisdiction of City Light.

CF No. \_\_\_\_\_

Date Introduced:	<u>2.11.13</u>	
Date 1st Referred:	To: (committee) <u>Energy &amp; Environment</u>	
Date Re - Referred:	To: (committee)	
Date Re - Referred:	To: (committee)	
Date of Final Passage:	Full Council Vote: <u>9-0</u>	
Date Presented to Mayor:	Date Approved: <u>3.26.13</u>	
Date Returned to City Clerk:	Date Published:	T.O. <input checked="" type="checkbox"/> F.T. _____
Date Vetoed by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

# The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: [Signature]

Councilmember

## Committee Action:

02-26-13 No action, Public Hearing

03-12-13 Pass 3 ~~0000~~ <sup>MO, TB, SC</sup> - 0-0

Full Council 3/18/13 passed 9-0

This file is complete and ready for presentation to Full Council. Committee: \_\_\_\_\_ (initial/date)

LAW DEPARTMENT

Law Dept. Review

OMP Review

City Clerk Review

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Indexed

**CITY OF SEATTLE**

**ORDINANCE** 124140

**COUNCIL BILL** 117711

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3  
4 AN ORDINANCE relating to the City Light Department ("City Light"), declaring certain real  
5 property rights surplus and no longer required for providing public utility service or other  
6 municipal purpose; authorizing the Superintendent of City Light to execute a Real  
7 Property Exchange Agreement between the City of Seattle and Sierra Pacific Industries,  
8 Inc. (SPI) for the conveyance of said surplus property and a cash equalization payment  
9 of \$208,000 in exchange for the conveyance of SPI-owned land to the City in the South  
10 Fork of the Nooksack River watershed, Skagit County, Washington for wildlife habitat  
11 purposes; authorizing the Superintendent of City Light or his designee to execute Bargain  
12 and Sale Deeds for the properties conveyed by the City and accept a Bargain Sale Deed  
13 for the lands conveyed to the City; and placing said lands under the jurisdiction of City  
14 Light.

15 WHEREAS, in connection with the relicensing of the Skagit River Hydroelectric Project by the  
16 Federal Energy Regulatory Commission and pursuant to Resolution 28349, City Light  
17 entered into the Settlement Agreement Concerning Wildlife, incorporating by reference  
18 the Wildlife Habitat Protection and Management Plan, (collectively, "Wildlife  
19 Agreement"), dated April 1991, with the Washington Department of Wildlife (now,  
20 Washington Department of Fish and Wildlife); U.S. Department of the Interior, National  
21 Park Service, U.S. Fish and Wildlife Service and Bureau of Indian Affairs; U.S.  
22 Department of Agriculture, U.S. Forest Service; Upper Skagit Tribe; Sauk-Suiattle Tribe;  
23 Swinomish Indian Tribal Community; and the North Cascades Conservation Council; and

24 WHEREAS, Ordinance 118226 authorizes the Superintendent of City Light to negotiate for and  
25 purchase parcels of land pursuant to the principles and procedures of the Wildlife  
26 Agreement; and

27 WHEREAS, City Light has acquired approximately 10,081 acres of land in Skagit and  
28 Snohomish counties to be set aside as wildlife habitat; and

WHEREAS, City Light has conducted a road engineering assessment of the forest road on City-  
owned property in the South Fork Nooksack River watershed (the "200 Road"), and has  
determined that the cost of necessary road repairs and improvements for stream passage  
and drainage would be approximately \$300,000-\$400,000 between 2012 and 2016 if the  
City continues to own the land; and



1 WHEREAS, City Light uses the 200 Road with passenger vehicles to infrequently access the  
2 City's wildlife habitat land in the South Fork Nooksack River watershed for inspection,  
land management and administrative purposes; and

3 WHEREAS, SPI has a permanent access easement for the 200 Road and uses it frequently to  
4 access its lands in the South Fork Nooksack River watershed; and

5 WHEREAS, City Light and SPI have jointly developed a proposed land exchange that would  
6 transfer fee title ownership of the 200 Road property from the City to SPI so that City  
7 Light will avoid future costs related to road maintenance and repairs, and receive in  
exchange from SPI fee title to land with wildlife habitat comparable to other City  
property in the South Fork Nooksack watershed; and

8 WHEREAS, professional land value appraisals have established the fair market value of the  
9 City's 200 Road property at \$281,000, and the fair market value of the SPI property at  
\$489,000, respectively; and

10 WHEREAS, it is in the best interest of the City to exchange its 200 Road property for SPI-owned  
11 land in the South Fork Nooksack watershed and increase the total acreage of the City's  
12 wildlife habitat land holdings for the Skagit River Hydroelectric Project mitigation by  
13 approximately 218 acres, while eliminating the City's long-term road maintenance  
obligations for Road 200; and

14 WHEREAS, City Light has conducted the public hearings required by RCW 35.040 before lands  
15 and property originally acquired by a city for utility purposes can be sold or conveyed;  
16 NOW, THEREFORE,

17 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

18 Section 1. Pursuant to RCW 35.94.040 and after public hearing, the following described  
19 properties (the "Properties") are declared to be surplus to the City's needs and no longer required  
20 for providing continued public utility service or other municipal purpose:

21  
22 **"Property A"**

23 All in Township 36 North, Range 6 East, W.M., Skagit County, Washington, the property  
24 described as follows:



1 Portions of Section 14, described as follows:

2 The North 1,000 feet of the Northwest 1/4 of the Southwest 1/4; AND the West 200 feet of  
3 north 655 feet of Government Lot 2; AND The North 655 feet of Government Lot 3;

4  
5 Portions of Section 15, described as follows:

6 The Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4; AND The East 1/2 of the  
7 Southeast 1/4 of the Southeast 1/4 Except the East 200 Feet of said Southeast 1/4 of the  
8 Southeast 1/4; AND the East 200 feet of the West Half of the Southeast 1/4 of the Southeast  
9 1/4; AND the East 200 feet of the Southwest 1/4 of the Northeast 1/4 of the Southeast Quarter;

10  
11 Portions of Section 22, described as follows:

12 Government Lot 1 except the Eastern 200 feet of said Government Lot 1; AND, all of  
13 Government Lot 2 except the North 670 feet thereof, also except the West 670 feet thereof;

14  
15 AND, all of U.S. Government Lot 7, except the South 1,250 feet of Government Lot 7; also  
16 except the West 260 feet of Government Lot 7; also except all that portion lying Southerly of a  
17 line that is parallel with and 30 feet Northerly of the center line of that certain existing private  
18 road known as Road 300; also except all that portion of a line that is parallel with and 30 feet  
19 Southerly of the center line of that certain existing private road known as Road 100.

20  
21 An access easement is reserved by the City across Property A over Road 200. Due to its de  
22 minimus use of this road to inspect its conservation properties on an infrequent basis, the City  
23 will not be responsible for any costs associated with maintenance, repair, or replacement of the  
24 roadway unless such maintenance, repair or replacement is solely caused by the negligent or  
25 wrongful acts of the City.



1  
2 **“Property C”**

3 In Township 36 North, Range 6 East, W.M., Skagit County, Washington, the property  
4 described as follows:

5 Portions of Section 12

6 The following described lands, easements, rights, and property, over and across the South ½ of  
7 the Southeast ¼, lying northwesterly of a line parallel to and 100 feet southeasterly of the  
8 centerline of the existing forest road known as the “200 Road”, said centerline more  
9 particularly described as:

10  
11 Beginning at the Northwest corner of the Southwest ¼ of the Southeast ¼ of said Section 12,  
12 thence South 0° 43’ East a distance of 466 feet along the West line of said Southwest ¼ of the  
13 Southeast ¼ to the true point of beginning (basis of bearing Demeyer survey at AF  
14 200806300108),

15  
16 thence North 57° East a distance of 51 feet, thence North 51° East a distance 330 feet, thence  
17 North 47° East a distance of 165 feet, thence North 38° East a distance of 74 feet, thence North  
18 27° East a distance of 69 feet to a point on the North line of said Southwest ¼ of the Southeast  
19 ¼ which true point of ending lies approximately 477 feet easterly of the Northwest corner of  
20 the Southwest ¼ of the Southeast ¼ of said Section 12 along said North line, or as existed on  
21 September 1, 2011;

22  
23 An access easement is reserved by the City across Property C over Road 200. Due to its de  
24 minimus use of this road to inspect its conservation properties on an infrequent basis, the City  
25 will not be responsible for any costs associated with maintenance, repair, or replacement of the  
26



1 roadway unless such maintenance, repair or replacement is solely caused by the negligent or  
2 wrongful acts of the City.

3  
4 **“Property A2”**

5 In Township 36 North, Range 6 East, W.M., Skagit County, Washington, the property  
6 described as follows:

7 Portions of Section 13

8 Commencing at the North 1/4 corner of Section 13, T36N, R6E., W.M., thence Westerly  
9 1303.59' along the North line of Section 13 to the West 1/16th on the North line of Section 13,  
10 which is a 5/8" rebar/1" plastic cap marked "NWS & GPS, LS 21423, and the true point of  
11 beginning; thence Southerly 365 feet along the west line of the NE 1/4 of the NW 1/4 of  
12 Section 13, thence Northeasterly, 772 feet more or less to a point on the north line of Section  
13 13 which is 680 feet Easterly from the point of beginning, thence, Westerly 680 feet along the  
14 north line of Section 13 to the point of beginning,

15  
16 An access easement is reserved by the City across Property A2 over Road 200. Due to its de  
17 minimus use of this road to inspect its conservation properties on an infrequent basis, the City  
18 will not be responsible for any costs associated with maintenance, repair, or replacement of the  
19 roadway unless such maintenance, repair or replacement is solely caused by the negligent or  
20 wrongful acts of the City.

21  
22 Section 2. The Superintendent of the City Light Department (“Superintendent”), or his  
23 designee, is authorized to execute on behalf of The City of Seattle the “Real Property  
24 Exchange Agreement Between The City of Seattle & Sierra Pacific Industries DBA Sierra  
25 Pacific Industries, Inc.,” attached hereto as Attachment “1,” (“Exchange Agreement”).



1  
2 Section 3. The Superintendent or his designee is further authorized, in accordance with  
3 the Exchange Agreement, to execute and deliver Bargain and Sale Deeds, substantially in the  
4 form as attached hereto as Attachments 2 and 3, conveying the Properties and reserving to the  
5 City a permanent road access easement on, over, and through said Properties.

6  
7 Section 4. The Superintendent or his designee is further authorized, in return for  
8 conveying the Properties and providing a cash equalization payment of \$208,000 to SPI in  
9 accordance with the Exchange Agreement, to accept for and on behalf of the City from SPI a  
10 Bargain and Sale Deed for conveyance of approximately 349.9 acres of land located in the  
11 South Fork of the Nooksack River watershed, Skagit County, Washington for wildlife habitat  
12 purposes, described as follows:

13  
14 **“Property B”**

15 The West ½ and the West ½ of the Southeast ¼ of Section 2, Township 36 North, Range 7  
16 East, W.M., EXCEPTING THEREFROM that portion of the West ½ of the Southwest ¼ of  
17 Section 2, Township 36 North, Range 7 East, W.M., lying Westerly of a line drawn parallel  
18 with and 30 feet Westerly of the centerline of an existing private road known as Road 300.  
19 Situate in the County of Skagit, State of Washington.

20  
21 The property described in this Section will be under the jurisdiction of Seattle City Light. The  
22 Bargain and Sale Deed for Property B shall be substantially in the form attached hereto as  
23 Attachment 4.

1           Section 5. The Superintendent or his designee is further authorized to execute all such  
2 other documents as may be deemed necessary or desirable to effectuate the real property  
3 conveyances authorized herein.  
4

5           Section 6. This ordinance shall take effect and be in force 30 days after its approval by  
6 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
7 shall take effect as provided by Seattle Municipal Code Section 1.04.020.  
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1 Passed by the City Council the 18<sup>th</sup> day of March, 2013, and  
2 signed by me in open session in authentication of its passage this  
3 18<sup>th</sup> day of March, 2013.

4  
5   
6 President \_\_\_\_\_ of the City Council

7 26<sup>th</sup>  
8 Approved by me this ~~18<sup>th</sup>~~ day of March, 2013.

9  
10   
11 Michael McGinn, Mayor

12  
13 Filed by me this 27<sup>th</sup> day of Apr March, 2013.

14  
15   
16 Monica Martinez Simmons, City Clerk

17 (Seal)

18  
19 Attachment 1 – Real Property Exchange Agreement

20 Attachment 2 – Bargain and Sale Deed - Property A

21 Attachment 3 – Bargain and Sale Deed – Properties C and A2

22 Attachment 4 – Bargain Sale Deed – Property B





1 WHEREAS, the City and SPI have also determined that the Property B, being high-  
2 quality habitat adjacent to other City-owned conservation lands and US Forest Service lands,  
3 would benefit by being transferred to City ownership to be managed for habitat conservation  
4 purposes consistent with the adjacent City conservation lands, and

5 WHEREAS, the fair market values of the Properties A, C and A2, as compared to  
6 Property B are not equal, as determined by recent appraisals prepared for each property; and

7 WHEREAS, Properties C and A2 are small parcels of City-owned property that are  
8 not adjacent to SPI-owned property, as legally described on Exhibits C and D, attached  
9 hereto and incorporated by this reference; and

10 WHEREAS, Properties C and A2 contain portions of Road 200 that SPI and the City  
11 want to be under ownership of a timber company that will maintain these segments of the  
12 road; and

13 WHEREAS, SPI does not own property adjacent to Properties C and A2 but another  
14 timber company, Bloedel Timberland Development Inc. ("Bloedel"), does own adjacent  
15 property, and the City will need to transfer Properties C and A2 to Bloedel to avoid creation  
16 of substandard lots and achieve the objective of placing these segments of Road 200 under  
17 ownership of a timber company. SPI will use the value of Properties C and A2 as partial  
18 compensation toward a separate land exchange between SPI and Bloedel, as more particularly  
19 described in a separate agreement between SPI and Bloedel (the "SPI/Bloedel Exchange");  
20 and

21 WHEREAS, SPI and the City desire to provide for the exchange of Property A from  
22 the City to SPI, for the exchange of Property B from SPI to the City, and for the transfer of  
23 Properties C and A2 from the City to Bloedel;

24 NOW THEREFORE, in consideration of the mutual promises and covenants set forth  
25 herein, and other valuable consideration, the mutual receipt and sufficiency of which is hereby  
26 acknowledged by the City and SPI, the parties agree as follows:

27 **1.0 City Conveyance of Property A to SPI.** At closing, the City shall provide for the  
28 direct conveyance of Property A to SPI, subject to the contingencies and the terms and  
conditions of this Agreement. The legal description of Property A is set forth in Exhibit A,  
and the conveyance to SPI shall include the following:



- 1 (a) Conveyance of Property A by Bargain and Sale Deed, in a form substantially  
similar to that attached to this Agreement as Exhibit E; and
- 2 (b) All improvements, located upon or within said Property A, including the portions of  
3 Road 200 within Property A; and
- 4 (c) A cash equalization payment of Two Hundred Eight Thousand Dollars (\$208,000);  
5 and
- 6 (d) An access easement reserved by the City across Property A over Road 200 from its  
7 junction with Road 100 in sections 14, 15, and 22 of T36N, R6E; and
- 8 (e) All other easements, rights of way and other rights used in connection with  
9 Property A.

10 **2.0 SPI Conveyance of Property B to City.** At closing, SPI shall provide for the direct  
conveyance of Property B to the City, subject to the contingencies and the terms and  
11 conditions of this Agreement. The legal description of Property B is set forth in Exhibit B,  
and the conveyance to the City shall include the following:

- 12 (a) Conveyance of Property B by Bargain and Sale Deed, in a form substantially  
13 similar to that attached to this Agreement as Exhibit F; and
- 14 (b) All improvements, if any, located upon or within Property B; and
- 15 (c) All easements, rights of way and other rights used in connection with Property B.  
16

17 **3.0 City Conveyance of Properties C and A2.** At closing, the City shall provide for the  
conveyance of Properties C and A2 by Bargain and Sale Deed to Bloedel, subject to the  
18 contingencies and the terms and conditions of this Agreement. The legal descriptions of  
Properties C and A2 are set forth in Exhibits C and D, and the conveyances to Bloedel shall  
19 include the following:

- 20 (a) All improvements, located upon or within said Properties C and A2, including the  
21 portions of Road 200 within Properties C and A2; and
- 22 (b) An access easement reserved by the City across Properties C and A2 over Road 200  
23 in sections 12 and 13 of T36N, R6E; and



1 (c) All other easements, rights of way and other rights used in connection with  
2 Properties C and A2.

3 The City shall execute a Bargain and Sale Deed in the form attached to this Agreement  
4 as Exhibit G, to be held in escrow for SPI to use as part of the SPI/Bloedel Exchange. Said  
5 Bargain and Sale Deed for Properties C and A2 shall be recorded at Closing subsequent to  
6 recording of the deeds for Properties A and B.

6 **4.0 Property Appraisals and Values.** The properties described in Exhibits A, B, and C  
7 (Properties A, B, and C) are the subjects of independent appraisals prepared by International  
8 Forestry Consultants, Inc., dated December 17, 2010 and amended June 30, 2011 and  
9 reviewed by S.A. Newman Firm dated July 7, 2011. An Update Amendment to the Appraisal  
10 was completed by International Forestry Consultants, Inc., on June 10, 2012 to reflect minor  
11 adjustments in boundaries Properties A & C and the addition of Property A2 to encompass all  
12 City segments of the Road 200. The City and SPI acknowledge and agree that, as determined  
13 by such Appraisals, Properties A, C, and A2 together have a current market value of Two  
14 Hundred Eighty-One Thousand Dollars (\$281,000), and Property B has a current market  
15 value of Four Hundred Eighty-Nine Thousand Dollars (\$489,000). The City and SPI agree to  
16 exchange their respective properties (including the transfer of Properties C and A2 to Bloedel  
17 as partial consideration by SPI for the SPI/Bloedel Exchange), with the City making up the  
18 difference between the valuations through a cash equalization payment in the amount of Two  
19 Hundred Eight Thousand Dollars (\$208,000) to be provided to SPI at closing as provided in  
20 Section 1.0 (c) of this Agreement. In the event that Property C or A2 are not transferred to  
21 Bloedel for the benefit of SPI per this Agreement, the City and SPI agree that the current  
22 market value of Property C is Ten Thousand Four Hundred Fifty Eight Dollars (\$10,458) and  
23 the current market value of Property A2 is Six Thousand Eighty-Five Dollars (\$6,085) and the  
24 City would have to make an additional cash equalization payment in these amounts to SPI to  
25 satisfy this Agreement.

18 **5.0 Contingencies to Closing.**

19  
20 5.1 The City's Contingencies to Closing. The City's obligations pursuant to this  
21 Agreement are expressly contingent upon satisfaction of, or the City determining in its sole  
22 discretion to waive, each of the following contingencies. The City shall have the following  
23 specified time periods from the date of mutual execution of this Agreement to waive and  
24 remove the City's contingencies:



1           5.1.1 Condition of Title. Upon mutual acceptance of this Agreement, SPI  
2 shall cause Land Title Company of Skagit County (the "Title Company") to  
3 issue a supplement to the preliminary commitment, Second Schedule A, for  
4 standard owner's policy of title insurance dated October 28, 2010, for SPI's  
5 property (Property B), as described in Exhibit B, together with full copies of  
6 any exceptions set forth therein (the "Preliminary Commitment"). The City  
7 shall have ten (10) days after delivery of the Preliminary Commitment within  
8 which to notify SPI, in writing, of the City's disapproval of any exceptions  
9 shown on the Preliminary Commitment. If at any time prior to Closing, the  
10 Title Company issues an updated Commitment with any additional exceptions  
11 to title not shown on the Commitment, SPI shall remove or cure such defects  
12 or cause the Title Company to insure over said defects and all other exceptions  
13 at Closing.

14           If the City disapproves any of the exceptions or defects set forth in the  
15 Preliminary Commitment, SPI shall have five (5) days from delivery of the  
16 City's notice to eliminate any disapproved exceptions from the policy of title  
17 insurance to be issued in favor of the City, provided, that all monetary  
18 encumbrances and liens, if any, shall be deemed automatically disapproved  
19 and shall be paid by SPI at Closing; and provided, further that, if such  
20 exception or defects cannot be eliminated within such five (5) day period, SPI  
21 may notify the City in writing of SPI's agreement to remove such exceptions  
22 or defects, in which case such exceptions or defects shall be removed from title  
23 prior to closing.

24           If disapproved exceptions are not eliminated within said five (5) day period, or  
25 if SPI fails to notify the City within five (5) days of its willingness to remove  
26 such exceptions prior to Closing, or if SPI notifies the City in writing that SPI  
27 will not eliminate the same, then this Agreement shall terminate, and neither  
28 the City nor SPI shall have any further rights, duties or obligations hereunder,  
unless within two (2) days after the earlier of (i) the expiration of said five (5)  
day period, or (ii) the date that SPI notifies the City that SPI will not eliminate  
the disapproved exceptions, the City waives its prior disapproval and elects to  
proceed with Closing subject to the disapproved exception with no reduction in  
the agreed value of Property B.

5.1.2 Inspection. The City has ten (10) days from the date of mutual  
execution of this Agreement within which to fully examine all aspects and



1 conditions of Property B and to determine that this property and its conditions  
2 are fully acceptable for the City's intended purpose. If the City does not notify  
3 SPI of its disapproval of the inspection within the time period set forth herein,  
4 this contingency shall be deemed waived.

5 5.1.3 Transfer of Title to Properties C and A2. The City shall transfer title to  
6 Properties C and A2 by giving instructions to escrow to record the Bargain and  
7 Sale Deed (Exhibit G). Said Bargain and Sale Deed shall be recorded at  
8 Closing subsequent to and only in the event that recording of the Bargain and  
9 Sale Deeds for Properties A and B has occurred. However, in the event that  
10 SPI notifies the City prior to Closing that it has elected not to proceed with the  
11 SPI/Bloedel Exchange, the City shall compensate SPI for the fair market value  
12 of Property C in the amount of Ten Thousand Four Hundred Fifty Eight  
13 Dollars (\$10,458) and for the fair market value of Property A2 in the amount  
14 of Six Thousand Eighty-Five Dollars (\$6,085) and the unrecorded deed from  
15 the City to Bloedel being held in escrow shall be returned to the City.

16 5.1.4 Waiver of Contingencies. If the City notifies SPI in writing that the  
17 contingencies set forth herein have been waived, or if the contingencies  
18 otherwise are satisfied or expire on their own terms, the Closing of this  
19 transaction shall thereafter proceed in accordance with the terms of this  
20 Agreement.

21 5.1.5 The conditions contained in Subsection 5.1 of this Agreement are  
22 intended solely for the benefit of the City. Except as otherwise expressly  
23 provided herein, if any of the foregoing conditions are not satisfied, the City  
24 will have the right, at its sole election, either to waive the condition in question  
25 and proceed with the exchange at Closing, or in the alternative to terminate this  
26 Agreement by the delivery of timely written notice to SPI, whereupon, except  
27 as otherwise provided in the Agreement, neither party will have any further  
28 rights, duties or obligations under this Agreement.

5.1.6 The Planning & Development Services department of the County of  
Skagit, State of Washington (the "County"), shall have agreed to execute all  
documentation necessary to allow the transfer of Properties C and A2 to  
Bloedel by the City without the requirement of a formal Boundary Line  
Adjustment. In the event the County shall have determined prior to Closing  
that a formal Boundary Line Adjustment will be required, the City and SPI



1 shall have thirty (30) days (or such longer period as may be agreed between the  
2 City and SPI) after notification by the County of such requirement within  
3 which to determine whether to: 1) comply with the County's requirement of a  
4 formal Boundary Line Adjustment for Properties C and A2 and proceed with  
5 the transactions contemplated by this Agreement, 2) amend this Agreement to  
6 remove Properties C and A2 altogether from this transaction, or 3) mutually  
7 terminate this Agreement with no further rights, duties or obligations of either  
8 party under this Agreement.

9  
10 5.2 SPI's Contingencies to Closing. SPI's obligations pursuant to this Agreement  
11 are expressly contingent upon the satisfaction of, or SPI determining in its sole  
12 discretion to waive, each of its contingencies. SPI shall have the following specified  
13 time periods from the date of mutual execution of this Agreement to waive and  
14 remove the following contingencies:

15 5.2.1 Condition of Title. Upon mutual acceptance of this Agreement, SPI  
16 shall cause Land Title Company of Skagit County (the "Title Company") to  
17 issue a supplement to the preliminary commitment, Second Schedule A, for  
18 standard owner's policy of title insurance dated October 28, 2010, for the  
19 City's property (Property A), as described in Exhibit A, together with full  
20 copies of any exceptions set forth therein (the "Preliminary Commitment").  
21 SPI shall have ten (10) days after delivery of the Preliminary Commitment  
22 within which to notify the City, in writing, of SPI's disapproval of any  
23 exceptions shown on the Preliminary Commitment. If at any time prior to  
24 Closing, the Title Company issues an updated Commitment with any  
25 additional exceptions to title not shown on the Commitment, the City shall  
26 remove or cure such defects or cause the Title Company to insure over said  
27 defects and all other exceptions at Closing.

28 If SPI disapproves any of the exceptions or defects set forth in the Preliminary  
Commitment, the City shall have five (5) days from delivery of SPI's notice to  
eliminate any disapproved exceptions from the policy of title insurance to be  
issued in favor of SPI, provided, that all monetary encumbrances and liens, if  
any, shall be deemed automatically disapproved and shall be paid by the City  
at Closing; and provided, further that, if such exception or defects cannot be  
eliminated within such five (5) day period, the City may notify SPI in writing  
of the City's agreement to remove such exceptions or defects, in which case  
such exceptions or defects shall be removed from title prior to closing.



1 If disapproved exceptions are not eliminated within said five (5) day period, or  
2 if the City fails to notify SPI within five (5) days of its willingness to remove  
3 such exceptions prior to Closing, or if the City notifies SPI in writing that the  
4 City will not eliminate the same, then this Agreement shall terminate, and  
5 neither SPI nor the City shall have any further rights, duties or obligations  
6 hereunder, unless within two (2) days after the earlier of (i) the expiration of  
7 said five (5) day period, or (ii) the date that the City notifies SPI that the City  
8 will not eliminate the disapproved exceptions, SPI waives its prior disapproval  
9 and elects to proceed with Closing subject to the disapproved exception with  
10 no reduction in the agreed value of Property A.  
11

12 5.2.2 Inspection. SPI has ten (10) days from the date of mutual execution of  
13 this Agreement within which to fully examine all aspects and conditions of  
14 Property A and to determine that this property and its conditions are fully  
15 acceptable for SPI's intended purpose. If SPI does not notify the City of its  
16 disapproval of the inspection within the time period set forth herein, this  
17 contingency shall be deemed waived.  
18

19 5.2.3 Waiver of Contingencies. If SPI notifies the City in writing that the  
20 contingencies set forth herein have been waived, or if the contingencies  
21 otherwise are satisfied or expire on their own terms, the Closing of this  
22 transaction shall thereafter proceed in accordance with the terms of this  
23 Agreement.  
24

25 5.2.4 The conditions contained in Subsection 5.2 of this Agreement are  
26 intended solely for the benefit of SPI. Except as otherwise expressly provided  
27 herein, if any of the foregoing conditions are not satisfied, SPI will have the  
28 right, at its sole election either to waive the condition in question and proceed  
with the exchange at Closing, or in the alternative to terminate this Agreement  
by the delivery of timely written notice to the City, whereupon, except as  
otherwise provided in the Agreement, neither party will have any further  
rights, duties or obligations under this Agreement.

5.2.5 The County shall have agreed to execute all documentation necessary  
to allow the transfer of Properties C and A2 to Bloedel by the City without the  
requirement of a formal Boundary Line Adjustment. In the event the County  
shall have determined prior to Closing that a formal Boundary Line



1 Adjustment will be required, the City and SPI shall have thirty (30) days (or  
2 such longer period as may be agreed between the City and SPI) after  
3 notification by the County of such requirement within which to determine  
4 whether to: 1) comply with the County's requirement of a formal Boundary  
5 Line Adjustment for Properties C and A2 and proceed with the transactions  
6 contemplated by this Agreement, 2) amend this Agreement to remove  
7 Properties C and A2 altogether from this transaction, or 3) mutually terminate  
8 this Agreement with no further rights, duties or obligations of either party  
9 under this Agreement.

6  
7 **6.0 Closing and Escrow.**

8 6.1 Escrow Agent. Upon mutual execution of this Agreement, the parties shall  
9 cause to be delivered an executed counterpart with Land Title Company of Skagit  
10 County, P.O. Box 445, 111 East George Hopper Road, Burlington, WA 98233 (the  
11 "Escrow Agent"). For consummation of the exchange contemplated hereby, the City  
12 and SPI shall execute such additional and supplementary escrow instructions as may  
13 be reasonable or appropriate to enable the Escrow Agent to comply with the terms of  
14 this Agreement. In the event of a conflict between the provisions of this Agreement  
15 and any escrow instructions, the terms of this Agreement shall govern.

16 6.2 Closing Date. The exchange transaction set forth in this Agreement shall  
17 be closed by December 31<sup>st</sup>, 2013, subject only to the satisfaction of the contingencies  
18 set forth herein.

19 6.3 Conveyance of Title to Property A. On the Closing Date, the City shall convey  
20 to SPI title to Property A, by Bargain and Sale Deed, subject to the City's reservation  
21 of an access easement across Property A over Road 200, and the exceptions to title  
22 approved by SPI. Prior to or concurrent with the delivery of the Bargain and Sale  
23 Deed, the City shall also deliver or cause to be delivered to SPI, for SPI's benefit, a  
24 final Standard Coverage Owner's Policy of Title Insurance for the Property, in SPI's  
25 name and in the amount of the appraised value of \$264,457 for the City's property  
26 described in Exhibit A. The final title policy shall contain only those permitted  
27 exceptions approved by SPI pursuant to this Agreement.

28 6.4 Conveyance of Title to Property B. On the Closing Date, SPI shall convey to  
the City title to its property described in Exhibit B, by Bargain and Sale Deed, subject  
only to the exceptions to title approved by the City. Prior to or concurrent with the



1 delivery of the Bargain and Sale Deed, SPI shall also deliver or cause to be delivered  
2 to the City, for the City's benefit, a final Standard Coverage Owner's Policy of Title  
3 Insurance for the Property, in the City's name and in the amount of the appraised  
4 value of \$489,000 for SPI's property described in Exhibit A. The final title policy  
5 shall contain only those permitted exceptions approved by the City pursuant to this  
6 Agreement.

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6.5 Conveyance of Title to Properties C and A2. The City shall deliver to escrow  
a separate Bargain and Sale Deed for Properties C and A2, in the same or similar form  
as shown in Exhibit G, naming Bloedel Timberlands Development Inc. as Grantee,  
subject to the City's reservation of an access easement across Property C over Road  
200. Said Bargain and Sale Deed shall be recorded at Closing subsequent to and only  
in the event that recording of the Bargain and Sale Deeds for Properties A and B has  
occurred. Prior to or concurrent with the delivery of the Bargain and Sale Deed, the  
City shall also deliver or cause to be delivered to Bloedel, for SPI's benefit, a final  
Standard Coverage Owner's Policy of Title Insurance for the Property, in Bloedel's  
name and in the amount of the appraised value of \$10,458 for the City's property  
described in Exhibit C and in the amount of the appraised value of Six Thousand  
Eighty-Five Dollars (\$6,085) for the City's property described in Exhibit D. However,  
in the event that SPI notifies the City prior to Closing that it has elected not to proceed  
with the SPI/Bloedel Exchange, the City shall compensate SPI for the fair market  
value of Property C in the amount of Ten Thousand Four Hundred Fifty Eight  
Dollars(\$10,458) and the fair market value of Property A2 in the amount of Six  
Thousand Eighty-five Dollars (\$6,085) , and said Bargain and Sale Deed being held in  
escrow shall not be recorded, and shall be returned to the City. Both the cash value  
and deed for Properties C and A2 shall be held in escrow to cover both of these  
compensation options.

6.6 Prorations. All taxes and assessments for the exchanged properties shall  
be respectively prorated as of the Date of Closing between the two parties. SPI and  
the City shall cooperate to obtain a waiver for any taxes, interest, and penalties for  
withdrawal of land designated as Classified Forest Lands, subject to the provisions of  
RCW 84.33.

6.7 Closing Costs. On Closing, the parties shall share equally: (i) all recording  
fees; and (ii) escrow fees charged by the Escrow Agent.



1 With respect to the City's property (Properties A, C and A2), the City is exempt from  
2 paying real estate excise and property taxes and compensating taxes associated with  
3 the exchange but will pay the premium for the owner's standard form of title insurance  
4 to be issued by the Title Company for the benefit of SPI in the amount of the \$281,000  
5 appraised value of its property described in Exhibits A, C, and D. SPI shall pay the  
6 cost of any other title insurance, including any extended coverage and any  
7 endorsement thereto that SPI may require.

8 With respect to SPI's property, SPI shall pay any and all real estate excise and  
9 property taxes and compensating taxes associated with the exchange, and the premium  
10 for the owner's standard form of title insurance to be issued by the Title Company for  
11 the benefit of the City in the amount of the \$489,000 appraised value of its property  
12 described in Exhibit B. The City shall (i) pay the cost of any other title insurance,  
13 including any extended coverage and any endorsement thereto that the City may  
14 require.

15 6.8 Closing Obligations of the City. At Closing, the City shall deliver to the  
16 Escrow Agent the following duly executed and acknowledged documents and cash  
17 (where appropriate):

18 6.8.1 Two Bargain and Sale Deeds sufficient to convey fee simple title to  
19 Properties A, C and A2, as legally described in Exhibits A, C, and D and in a  
20 form similar to Exhibits E and G, attached to this Agreement, subject only to  
21 the title exceptions approved by SPI pursuant to this Agreement, and the  
22 reserved access easement by the City over Road 200 on Properties A, C and  
23 A2.

24 6.8.2 Cash difference between the appraised value of the City's property and  
25 SPI's property, which is a total of Two Hundred and Eight Thousand Dollars  
26 (\$208,000)

27 6.8.3 Additional cash in the amount of Sixteen Thousand Five Hundred  
28 Forty-Three Dollars (\$16,543) in the event that the Bargain and Sale Deed for  
Properties C and A2 to Bloedel is not recorded in accordance with Section 6.5.

6.8.4 A Closing statement in form and content reasonably satisfactory to SPI.

6.8.5 A signed Real Estate Excise Tax Affidavit.



1           6.9    Closing Obligations of SPI. At Closing, SPI shall deliver to the  
2           Escrow Agent the following duly executed and acknowledged documents (where  
3           appropriate):

4                   6.9.1   Bargain and Sale deed sufficient to convey fee simple  
5                   title to Property B, as legally described in Exhibit B, in a form similar to  
6                   Exhibit F, attached to this Agreement, subject only to the title exceptions  
7                   approved by the City pursuant to this Agreement.

8                   6.9.2   Closing statement in form and content reasonably satisfactory to the  
9                   City.

10                  6.9.3   A signed Real Estate Excise Tax Affidavit.

11           6.10   Possession. The City shall be entitled to possession of Property B, and SPI  
12           shall be entitled to possession of Property A upon Closing. SPI shall be benefitted by  
13           the transfer of Properties C and A2 to Bloedel and Bloedel shall be entitled to  
14           possession of Properties C and A2 as provided by the agreed terms of the SPI/Bloedel  
15           Exchange.

16   **7.0    Miscellaneous Covenants.**

17           7.1    Reservation of City Access Easement. In conjunction with this Agreement, the  
18           City will reserve an access easement for the portions of Road 200 that pass through  
19           Properties A, C, and A2 in the Bargain and Sale Deeds for those properties. Due to  
20           its de minimus use of this road to inspect its conservation properties on an infrequent  
21           basis, the City will not be responsible for any costs associated with maintenance,  
22           repair, or replacement of the roadway unless such maintenance, repair or replacement  
23           is solely caused by the negligent or wrongful acts of the City. The covenants set forth  
24           herein shall survive termination of this Agreement.

25           7.2    Indemnification. SPI shall indemnify, defend and hold harmless the City from  
26           and against any and all loss, claims, demands, causes of action, liability, liens and  
27           encumbrances, costs and expenses, including all out-of-pocket litigation costs and the  
28           reasonable fees and expense of counsel, to the extent caused by any act or omission of  
29           SPI, (a) related in any way to the Properties A, B, C, or A2 and occurring or arising  
30           before the Closing, or in any way related to or arising from any act, omission or



1 agreement of SPI on, before or after Closing; and (b) arising out of the inaccuracy in  
2 or breach of any representation or warranty of SPI, or any breach or default by SPI  
3 under this Agreement. The City shall notify SPI in writing of the nature of any claim  
4 for indemnification.

5 The City shall indemnify, defend, and hold harmless SPI from and against any and all  
6 loss, claims, demands, causes of action, liability, liens and encumbrances, costs and  
7 expenses, including all out-of-pocket litigation costs and the reasonable fees and  
8 expense of counsel, to the extent caused by any act or omission of the City, (a) related  
9 in any way to the Properties A, B, C, or A2 and occurring or arising before the  
10 Closing, or in any way related to or arising from any act, omission or agreement of the  
11 City on, before or after Closing; and (b) arising out of the inaccuracy in or breach of  
12 any representation or warranty of the City, or arising out of any breach or default by  
13 the City under this Agreement. SPI shall notify the City in writing of the nature of any  
14 claim for indemnification. This Section shall survive termination or expiration of this  
15 Agreement.

16 **7.3 Representations and Warranties.** Both the City and SPI hereby make the  
17 following representations and warranties about their respective properties to be  
18 exchanged in accordance with this Agreement, as of Closing:

19 7.3.1 To the best knowledge of such party, there are no parties or trespassers  
20 in possession of, or which have a right to possess all or any portion of the  
21 Property, and there are no leases or licenses affecting the Property.

22 7.3.2 Such party has complied in all material respects with all applicable  
23 laws, ordinances, regulations, statutes and rules relating to the Property, and  
24 every part thereof, and has not received nor is aware of any notification from  
25 any governmental authority having jurisdiction, requiring any work to be done  
26 on the Property or advising of any condition (including without limitation  
27 hazardous wastes) which would render the Property unusable or affect the  
28 usability or value of the Property or any part thereof for the purposes of the  
each party.

7.3.3 Such party shall not and has not entered into any leases, trust deeds,  
mortgages, restrictions, encumbrances, liens, licenses or other instruments or  
agreements affecting the Property (each, an "Instrument") without the prior  
written consent of the other party from and after the date of this Agreement.



1           Such party shall not assume nor be deemed to have assumed any obligation or  
2 liability under any such Instrument without its express written agreement to do  
3 so.

4           7.3.4 Such party is not holding fee title as nominee for any other person or  
5 entity.

6           7.3.5 Neither the execution nor delivery of this Agreement, nor  
7 consummation of the transaction contemplated hereby, nor fulfillment of, nor  
8 compliance with the terms and conditions hereof, contravenes any provision of  
9 any law, statute, rule or ordinance to which such party or the properties being  
10 exchanged are subject, or conflicts with or results in a breach of or constitutes  
11 a default under any of the terms or conditions of any agreement or instrument  
12 to which the City and SPI are a party or by which they are bound, or  
13 constitutes a default under any of the foregoing and there exists no default in  
14 respect to any obligation pertaining to the properties being exchanged.

15           7.3.6 No labor, materials or services have been furnished in, on or about the  
16 exchange properties or any part thereof as a result of which any mechanics',  
17 laborers', or material persons' liens or claims might arise.

18           7.3.7 Such party shall not be required, by virtue of the transaction  
19 contemplated by this Agreement, to satisfy any obligation of the other party.

20           7.3.8 Such party is not in default and there has occurred no uncured event  
21 which, with notice, the passage of time or both would be a default under any  
22 contract, transaction, agreement, lease, encumbrance or other instrument  
23 pertaining to its Property.

24           7.3.9 There is no litigation either pending or, to the best of such party's  
25 knowledge, threatened, which could now or in the future in any way constitute  
26 a lien, claim or obligation of any kind on its Property, affect the use, ownership  
27 or operation of its Property or otherwise adversely affect its Property. For  
28 purposes of this subsection, "litigation" includes any lawsuit, action,  
administrative proceeding, governmental investigation and all other  
proceedings before any tribunal having jurisdiction over such party or its  
Property.



1 7.3.10 To the best of such party's knowledge: 1) its Property does not contain  
2 and has not been used in any manner for the production or storage of any  
3 hazardous or toxic substance, material or waste; 2) there has been no  
4 discharge, deposit, or dumping of hazardous or toxic substances, materials or  
5 wastes on the properties; and 3) there exists no contamination on or in the  
6 properties of soil, groundwater or otherwise.

7 7.3.11 To such party's knowledge, its Property does not contain underground  
8 tanks of any type, or any materials containing or producing any  
9 polychlorinated biphenyls or any asbestos.

10 7.3.12 To such party's knowledge, there are no surface or subsurface  
11 conditions with respect to its Property which constitute or with the passage of  
12 time may constitute a public or private nuisance.

13 7.3.13 To such party's knowledge, there are no easements, tenancies or rights  
14 of way which have been acquired by prescription or which are otherwise not of  
15 record that encumber or may encumber its Property. There are no disputes,  
16 claims or actions involving the location of any fence or other monumentation  
17 of its Property's boundaries nor any claims or actions involving the location of  
18 any fence or boundary.

19 **8.0 Default.** If either party fails, without legal excuse, to complete the exchange  
20 provided for herein, the defaulting party shall pay to the non-defaulting party the sum of Two  
21 Thousand Dollars (\$2,000) as agreed and liquidated damages, and not as a penalty, as the  
22 non-defaulting party's sole and exclusive remedy for the defaulting party's breach. Upon  
23 receipt of such amount by the non-defaulting parting, the parties shall be relieved of any  
24 further obligations or liability hereunder.

25 \_\_\_\_\_ The City's Initials                      \_\_\_\_\_ SPI's Initials

26 **9.0 Covenant to Maintain.**

27 9.1 The City's Covenants. The City shall maintain Properties A, C, and A2 in their  
28 current condition. The City agrees that it will not damage, dissipate, nor commit waste on any  
portion of Properties A, C, or A2, nor through inaction permit any damage, dissipation or



1 waste on any portion of its property, between the date of acceptance of this Agreement and  
2 the Closing Date. The City shall surrender Property A to SPI and Properties C and A2 to  
Bloedel in good condition as exists on the date of this Agreement.

3 9.2 SPI's Covenants. SPI shall maintain Property B in its current condition. SPI  
4 agrees that it will not damage, dissipate, nor commit waste on any portion of Property B, nor  
5 through inaction permit any damage, dissipation or waste on any portion of Property B,  
6 between the date of acceptance of this Agreement and the Closing Date. SPI shall surrender  
Property B to the City in good condition as exists on the date of this Agreement.

7 **10.0 Notices.** All notices, demands, consents, approvals and other communications  
8 which are required or allowed to be given by either party to the other hereunder shall be in  
9 writing and shall be either (i) hand delivered to the other party; (ii) sent by the United States  
10 regular mail, postage prepaid, return receipt requested, or (iii) delivered by a duly licensed  
11 and reliable professional same-day or overnight courier, all addressed to the appropriate party  
at its address set forth below, or at such other address as such party shall have last designated  
by notice to the other. Notices, demands, consents, approvals and other communication shall  
be deemed given when delivered or three days after mailing to the following addresses:

12 To the City:

13 SEATTLE CITY LIGHT  
14 REAL ESTATE SERVICES  
15 ATTENTION: MARY DAVIS  
16 700 – 5<sup>th</sup> AVENUE, SUITE 3300  
17 POST OFFICE BOX 34023  
SEATTLE, WA 98124-4023

To SPI:

SIERRA PACIFIC INDUSTRIES  
ATTENTION: JOHN GOLD  
14353 Mc FARLAND ROAD  
MOUNT VERNON, WA 98273

18 **11.0 Counterparts.** This Agreement may be executed in any number of counterparts  
19 and by different parties hereto, each of which counterpart when so executed shall have the  
same force and effect as if that party had signed all other counterparts.

20 **12.0 Brokers and Finders.** Each party represents and warrants to the other that, to such  
21 party's knowledge, no broker, agent or finder is involved in this transaction. In the event any  
22 broker or other person makes a claim for a commission or finder's fee based upon the  
23 transaction contemplated by this Agreement, the party through whom said broker or other  
person makes its claim will indemnify and hold harmless the other party from said claim and



1 all liabilities, costs, and other expenses related thereto, including but not limited to, reasonable  
2 attorneys' fees, which may be incurred by such other party in connection with such claim.  
3 This indemnity shall survive the closing of this transaction.

4 **13.0 Amendments.** This Agreement may be amended or modified only by a written  
5 instrument executed by both parties to this Agreement.

6 **14.0 Governing Law.** This Agreement shall be governed and construed in accordance  
7 with the laws of the State of Washington. Venue for any dispute arising hereunder shall be in  
8 King County, Washington.

9 **15.0 Attorney's Fees.** If either party fails to perform any of its obligations under this  
10 Agreement or if a dispute arises concerning the meaning or interpretation of any provision of  
11 this Agreement, the party not prevailing in the dispute will pay any and all costs and expenses  
12 incurred by the other party in enforcing or establishing its rights under this Agreement,  
13 including without limitation, court costs and reasonable attorney's fees, whether incurred at  
14 the pre-trial, trial or appeals level and including arbitration fees, if any.

15 **16.0 Time is of the Essence.** Time is of the essence of this Agreement and of all acts  
16 required to be done and performed by the parties hereto.

17 **17.0 Waiver.** Neither the City's nor SPI's waiver of the breach of any covenant under this  
18 Agreement will be construed as a waiver of the breach of any other covenants or as a waiver  
19 of a subsequent breach of the same covenant.

20 **18.0 Assignment.** Neither party may assign this Agreement without the other party's prior  
21 written consent, which may be withheld for any reason.

22 **19.0 Negotiation and Construction.** This Agreement and each of its terms and provisions  
23 are deemed to have been explicitly negotiated between the parties, and the language in all  
24 parts of this Agreement will, in all cases, be construed according to its fair meaning and not  
25 strictly for or against either party.

26 **20.0 Additional Acts.** Except as otherwise provided herein, in addition to the acts and  
27 deeds recited herein and contemplated to be performed, executed and/or delivered by any  
28 party hereto, the parties agree to perform, execute and/or deliver, or cause to be performed,  
executed and/or delivered, any and all such further acts, deeds and assurances which may  
reasonably be required to effect the transactions described in this Agreement.



1 **21.0 Entire Agreement.** This Agreement constitutes the entire agreement between the  
2 parties with respect to the exchange of properties, as described in Exhibits A, B, and C, and  
3 supersedes all prior agreements and understandings, oral or written, between the parties  
relating to the subject matter of this Agreement.

4 **22.0 Authorization.** Each of the individuals executing this Agreement warrants and  
5 represents to the other that he or she has the full power and authority to enter into this  
6 Agreement on behalf of the entity that such party purports to represent.

7 **23.0 Exhibits.** The following exhibits are attached and shall be incorporated into the  
8 Agreement by reference:

- 9 Exhibit A Legal description of City's Property A to be exchanged
- 10 Exhibit B Legal description of SPI's Property B to be exchanged
- 11 Exhibit C Legal description of City Property C to be deeded to Bloedel
- 12 Exhibit D Legal description of City Property A2 to be deeded to Bloedel
- 13 Exhibit E Bargain and Sale Deed for Property A from City to SPI
- 14 Exhibit F Bargain and Sale Deed for Property B from SPI to City
- 15 Exhibit G Bargain and Sale Deed for Properties C and A2 from City to  
Bloedel
- 16 Exhibit H Map

17 The parties have executed this Agreement as of the date first stated above.

18 **THE CITY:**

**SPI:**

19 **The City of Seattle, Washington,  
20 a municipal corporation,  
21 acting by and through the  
22 City of Seattle Department of  
23 Lighting:**

**Sierra Pacific Holding Company  
Sierra Pacific Industries, dba  
Sierra Pacific Industries, Inc.  
all California Corporations**

24 **By:** \_\_\_\_\_

**By:** \_\_\_\_\_

25 **Jorge Carrasco  
26 Superintendent of Seattle City Light**

**Its:** \_\_\_\_\_





Ron Tressler  
SCL South Fork Nooksack Land Exchange ORD ATT 1  
December 17, 2012  
Version #1

1 Notary Seal

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SCL South Fork Nooksack Land Exchange ORD ATT 1

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**Exhibit A to Land Exchange Agreement**  
**Legal description of City's Property A to be exchanged**

**Exhibit A**

**All in Township 36 North, Range 6 East, W.M., Skagit County, Washington, the following described property:**

Portions of Section 14 – approximately 51.9 acres described as follows:

The North 1,000 feet of the Northwest 1/4 of the Southwest 1/4;

AND the West 200 feet of north 655 feet of Government Lot 2;

AND The North 655 feet of Government Lot 3;

Portions of Section 15 – approximately 33.1 acres, described as follows:

The Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4;

AND The East 1/2 of the Southeast 1/4 of the Southeast 1/4 Except the East 200 Feet of said Southeast 1/4 of the Southeast 1/4;

AND the East 200 feet of the West Half of the Southeast 1/4 of the Southeast 1/4;

AND the East 200 feet of the Southwest 1/4 of the Northeast 1/4 of the Southeast Quarter;

Portions of Section 22 – approximately 39.2 acres, described as follows:

Government Lot 1 except the Eastern 200 feet of said Government Lot 1;

AND, all of Government Lot 2 except the North 670 feet thereof, also except the West 670 feet thereof;

AND, all of U.S. Government Lot 7, except the South 1,250 feet of Government Lot 7; also except the West 260 feet of Government Lot 7; also except all that portion lying Southerly of



1 a line that is parallel with and 30 feet Northerly of the center line of that certain existing  
2 private road known as Road 300; also except all that portion of a line that is parallel with and  
3 30 feet Southerly of the center line of that certain existing private road known as Road 100.  
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**Exhibit B to Land Exchange Agreement**  
**Legal description of SPI's Property B to be exchanged**

**Exhibit B**

The West 1/2 and the West 1/2 of the Southeast 1/4 of Section 2, Township 36 North, Range 7 East, W.M.,

EXCEPTING THEREFROM that portion of the West 1/2 of the Southwest 1/4 of Section 2, Township 36 North, Range 7 East, W.M., lying Westerly of a line drawn parallel with and 30 feet Westerly of the centerline of an existing private road known as Road 300.

Situate in the County of Skagit, State of Washington.



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**Exhibit C to Land Exchange Agreement**

**Legal description of City Property C to be deeded to Bloedel**

**Exhibit C**

In Township 36 North, Range 6 East, W.M., Skagit County, Washington, the following:

Section 12

The following described lands, easements, rights, and property, over and across the South 1/2 of the Southeast 1/4, lying northwesterly of a line parallel to and 100 feet southeasterly of the centerline of the existing forest road known as the "200 Road", said centerline more particularly described as:

beginning at the Northwest corner of the Southwest 1/4 of the Southeast 1/4 of said Section 12, thence South 0° 43' East a distance of 466 feet along the West line of said Southwest 1/4 of the Southeast 1/4 to the true point of beginning (basis of bearing Demeyer survey at AF 200806300108),  
thence North 57° East a distance of 51 feet,  
thence North 51° East a distance 330 feet,  
thence North 47° East a distance of 165 feet,  
thence North 38° East a distance of 74 feet,  
thence North 27° East a distance of 69 feet to a point on the North line of said Southwest 1/4 of the Southeast 1/4 which true point of ending lies approximately 477 feet easterly of the Northwest corner of the Southwest 1/4 of the Southeast 1/4 of said Section 12 along said North line, or as existed on September 1, 2011;



**Exhibit D to Land Exchange Agreement**  
**Legal description of City Property A2 to be deeded to Bloedel**

**Exhibit D**

In Township 36 North, Range 6 East, W.M., Skagit County, Washington, the following:

Section 13 – 2.9 Acres

Commencing at the North 1/4 corner of Section 13, T36N, R6E., W.M., thence Westerly 1303.59' along the North line of Section 13 to the West 1/16th on the North line of Section 13, which is a 5/8" rebar/1" plastic cap marked "NWS & GPS, LS 21423, and the true point of beginning; thence Southerly 365 feet along the west line of the NE 1/4 of the NW 1/4 of Section 13, thence Northeasterly, 772 feet more or less to a point on the north line of Section 13 which is 680 feet Easterly from the point of beginning, thence, Westerly 680 feet along the north line of Section 13 to the point of beginning,



**Exhibit E to Land Exchange Agreement**  
**Bargain and Sale Deed for Property A from City to SPI**

When recorded return to:

Sierra Pacific Industries  
14353 McFarland Road  
Mount Vernon, WA 98273

At the request of Land Title & Escrow Co. Order no. 131844-OE

**BARGAIN AND SALE DEED**

**THE GRANTOR(S) CITY OF SEATTLE, a municipal corporation of the State of Washington, acting by and through its CITY LIGHT DEPARTMENT a corporation of the State of Washington,**

for and in consideration of ten dollars (\$10.00) and other good and valuable consideration in hand paid, bargains, sells, and conveys to

**Sierra Pacific Holding Company and Sierra Pacific Industries, dba Sierra Pacific Industries, Inc., all California Corporations, ("Grantee"),**

the real estate, situated in Skagit County, Washington State described in "Exhibit A" attached to and made part of this deed.

Grantor, their successors and assigns, reserves a non-exclusive easement for the purposes of ingress, egress over, through, under and across a portion of said property using roadways as they exist today or may be altered in the future. Said roadways are approximately 10 feet-wide gravel vehicular drive areas with 2 foot shoulders, culverts, and open ditches. Grantor's use of these roadways will be de minimus and shall not require Grantor to bear any repair or maintenance costs



1 Abbreviated Legal: Ptns 14,15, & 22, 36N R6E, W.M.

2 Tax Parcel Number(s): P51269, P51271, & P51295.  
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8 Executed this \_\_\_\_\_ day of  
9 \_\_\_\_\_ 2013, pursuant to  
10 Ordinance No. \_\_\_\_\_ of The City  
11 of Seattle.

11 **THE CITY OF SEATTLE**  
12 **SEATTLE CITY LIGHT** \_\_\_\_\_

13 by \_\_\_\_\_

14 Print Name: Jorge Carrasco \_\_\_\_\_

15 Title: Superintendent  
16  
17

18 **APPROVED AS TO FORM AND ACCEPTED BY PURCHASER**

19 The undersigned Grantee(s)/Purchaser(s) herein, does/do hereby approve this Bargain and  
20 Sale Deed as to form and acknowledge and accept all of the terms, conditions and provisions  
21 contained herein.

21 **Sierra Pacific Holding Company and Sierra Pacific Industries, dba Sierra Pacific**  
22 **Industries, Inc.**



Ron Tressler  
SCL South Fork Nooksack Land Exchange ORD ATT 1  
December 17, 2012  
Version #1

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By: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_



1 (ACKNOWLEDGMENT)  
2

3 STATE OF WASHINGTON )  
4 COUNTY OF KING ) ss.

5 I certify that I know or have satisfactory evidence that **Jorge Carrasco** signed this instrument,  
6 on oath stated that he was authorized to execute this instrument, and acknowledged it as the  
7 **Superintendent of the City Light Department of the City of Seattle**, a municipal  
8 corporation, to be the free and voluntary act of such party for the uses and purposes  
mentioned in the instrument.

9 Date \_\_\_\_\_  
10

11 Printed Name \_\_\_\_\_  
12 Notary Public in and for the State of WA  
13 Residing at \_\_\_\_\_  
14 My commission expires \_\_\_\_\_  
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17 Notary Seal  
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Ron Tressler  
SCL South Fork Nooksack Land Exchange ORD ATT 1  
December 17, 2012  
Version #1

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1  
2 **Exhibit A**

3  
4 **All in Township 36 North, Range 6 East, W.M., Skagit County, Washington, the following**  
5 **described property:**

6 Portions of Section 14 – approximately 51.9 acres described as follows:

7 The North 1,000 feet of the Northwest 1/4 of the Southwest 1/4;

8 AND the West 200 feet of north 655 feet of Government Lot 2;

9 AND The North 655 feet of Government Lot 3;

10 Portions of Section 15 – approximately 33.1 acres, described as follows:

11 The Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4;

12 AND The East 1/2 of the Southeast 1/4 of the Southeast 1/4 Except the East 200 Feet of said  
13 Southeast 1/4 of the Southeast 1/4;

14 AND the East 200 feet of the West Half of the Southeast 1/4 of the Southeast 1/4;

15 AND the East 200 feet of the Southwest 1/4 of the Northeast 1/4 of the Southeast Quarter;

16 Portions of Section 22 – approximately 39.2 acres, described as follows:

17 Government Lot 1 except the Eastern 200 feet of said Government Lot 1;

18 AND, all of Government Lot 2 except the North 670 feet thereof, also except the West 670 feet  
19 thereof;

20  
21 AND, all of U.S. Government Lot 7, except the South 1,250 feet of Government Lot 7; also  
22 except the West 260 feet of Government Lot 7; also except all that portion lying Southerly of a  
23 line that is parallel with and 30 feet Northerly of the center line of that certain existing private  
24 road known as Road 300; also except all that portion of a line that is parallel with and 30 feet  
25 Southerly of the center line of that certain existing private road known as Road 100.  
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1 **Exhibit F to Land Exchange Agreement**  
2 **Bargain and Sale Deed for Property B from SPI to City**

3 When recorded return to:

4 Seattle City Light  
5 Real Estate Services  
6 Attention: Mary Davis,  
7 700 5<sup>th</sup> Avenue, Suite 3200,  
8 Room SMT 3338  
9 Post Office Box 34023  
10 Seattle, WA 98124-9871

11 At the request of Land Title & Escrow Co. Order no. 131844-OE

12 **BARGAIN AND SALE DEED**

13  
14 **THE GRANTOR(S) Sierra Pacific Holding Company and Sierra Pacific Industries, dba**  
15 **Sierra Pacific Industries, Inc., all California Corporations,**

16 for and in consideration of ten dollars (\$10.00) and other good and valuable consideration in  
17 hand paid, bargains, sells, and conveys to

18 **CITY OF SEATTLE, a municipal corporation of the State of Washington, acting by and**  
19 **through its CITY LIGHT DEPARTMENT a corporation of the State of Washington**  
20 **("Grantee"),**

21 the real estate, situated in Skagit County, Washington State described in  
22 "Exhibit A" attached to and made part of this deed.

23 Abbreviated Legal: W1/2 SE 1/4; NW 1/4; ptn SW 1/4; of 2-36-7 E.W.M.

24 Tax Parcel Number(s): P51326



Dated:

Sierra Pacific Holding Company and Sierra Pacific  
Industries, dba Sierra Pacific Industries, Inc.

by \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM AND ACCEPTED BY PURCHASER**

The undersigned Grantee(s)/Purchaser(s) herein, does/do hereby approve this Bargain and Sale Deed as to form and acknowledge and accept all of the terms, conditions and provisions contained herein.

**THE CITY OF SEATTLE  
SEATTLE CITY LIGHT**

By: \_\_\_\_\_

Print Name: Jorge Carrasco

Print Title: Superintendent







**Exhibit A**

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The West ½ and the West ½ of the Southeast ¼ of Section 2, Township 36 North, Range 7 East, W.M.,  
EXCEPTING THEREFROM that portion of the West ½ of the Southwest ¼ of Section 2, Township 36 North, Range 7 East, W.M., lying Westerly of a line drawn parallel with and 30 feet Westerly of the centerline of an existing private road known as Road 300.  
Situate in the County of Skagit, State of Washington.



1 **Exhibit G to Land Exchange Agreement**  
2 **Bargain and Sale Deed for Properties C and A2 from City to Bloedel**

3 When recorded return to:

4 Bloedel Timberlands Development, Inc.  
5 1938 Fairview Ave. E., Suite 300  
6 Seattle, WA 98102

7 At the request of Land Title & Escrow Co. Order no. 131844-OE  
8  
9

10 **BARGAIN AND SALE DEED**  
11

12 **THE GRANTOR(S) CITY OF SEATTLE, a municipal corporation of the State of**  
13 **Washington, acting by and through its CITY LIGHT DEPARTMENT a corporation of the**  
14 **State of Washington,**

15 for and in consideration of ten dollars (\$10.00) and other good and valuable consideration in  
16 hand paid, bargains, sells, and conveys to

17 **Bloedel Timberlands Development, Inc., (“Grantee”),**

18 the real estate, situated in Skagit County, Washington State described in  
19 “Exhibit A” attached to and made part of this deed.

20 Grantor, their successors and assigns, reserves a non-exclusive easement for the purposes  
21 of ingress, egress over, through, under and across a portion of said property using roadways as  
22 they exist today or may be altered in the future. Said roadways are approximately 10 feet-wide  
23 gravel vehicular drive areas with 2 foot shoulders, culverts, and open ditches. Grantor’s use of  
24 these roadways will be de minimus and shall not require Grantor to bear any repair or  
25 maintenance costs

26 Abbreviated Legal: Ptns 12 & 13, 36N R6E, W.M.

27 Tax Parcel Number(s): P51263 & P51264  
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Executed this \_\_\_\_\_ day of \_\_\_\_\_  
\_\_\_\_\_ 2013, pursuant to  
Ordinance No. \_\_\_\_\_ of The City  
of Seattle.

**THE CITY OF SEATTLE**  
**SEATTLE CITY LIGHT**

\_\_\_\_\_

by \_\_\_\_\_

\_\_\_\_\_

Print Name: Jorge Carrasco

Title: Superintendent

**APPROVED AS TO FORM AND ACCEPTED BY PURCHASER**

The undersigned Grantee(s)/Purchaser(s) herein, does/do hereby approve this Bargain and Sale Deed as to form and acknowledge and accept all of the terms, conditions and provisions contained herein.

**Boedel Timberlands Development, Inc.**

By: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_



1 (ACKNOWLEDGMENT)

2

3 STATE OF WASHINGTON )

4 ) ss.

5 COUNTY OF KING )

6 I certify that I know or have satisfactory evidence that **Jorge Carrasco** signed this instrument,  
7 on oath stated that he was authorized to execute this instrument, and acknowledged it as the  
8 **Superintendent of the City Light Department of the City of Seattle**, a municipal corporation,  
9 to be the free and voluntary act of such party for the uses and purposes mentioned in the  
10 instrument.

11 Date \_\_\_\_\_

12

13 \_\_\_\_\_  
14 Printed Name \_\_\_\_\_

15 Notary Public in and for the State of WA

16 Residing at \_\_\_\_\_

17 My commission expires \_\_\_\_\_

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19

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21 Notary Seal

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1 (ACKNOWLEDGMENT)

2  
3 STATE OF WASHINGTON )  
4 COUNTY OF KING ) ss.

5 On this \_\_\_\_\_ day of \_\_\_\_\_, 2013, before me personally appeared  
6 \_\_\_\_\_, to me known to be the \_\_\_\_\_ of  
7 **Bloedel Timberlands Development, Inc.** executed the within and foregoing instrument, and  
8 acknowledged that said instrument was the free and voluntary act and deed of said corporations  
9 for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute  
10 said instrument.

11 Given under my hand and official seal the day and year in this certificate above written.

12 Date \_\_\_\_\_

13 Printed Name \_\_\_\_\_  
14 Notary Public in and for the State of \_\_\_\_\_  
15 Residing at \_\_\_\_\_  
16 My commission expires \_\_\_\_\_

17  
18  
19 Notary Seal



1  
2 **Exhibit A**

3  
4 **All in Township 36 North, Range 6 East, W.M., Skagit County, Washington, the following**  
5 **described property:**

6 **Portion of Section 12, (approximately 4.6 acres) described as follows:**

7 The following described lands, easements, rights, and property, over and across the South 1/2 of  
8 the Southeast 1/4, lying northwesterly of a line parallel to and 100 feet southeasterly of the  
9 centerline of the existing forest road known as the "200 Road", said centerline more particularly  
10 described as:

11 beginning at the Northwest corner of the Southwest 1/4 of the Southeast 1/4 of said Section 12,  
12 thence South 0° 43' East a distance of 466 feet along the West line of said Southwest 1/4 of the  
13 Southeast 1/4 to the true point of beginning (basis of bearing Demeyer survey at AF  
14 200806300108),  
15 thence North 57° East a distance of 51 feet,  
16 thence North 51° East a distance 330 feet,  
17 thence North 47° East a distance of 165 feet,  
18 thence North 38° East a distance of 74 feet,  
19 thence North 27° East a distance of 69 feet to a point on the North line of said Southwest 1/4 of  
20 the Southeast 1/4 which true point of ending lies approximately 477 feet easterly of the  
21 Northwest corner of the Southwest 1/4 of the Southeast 1/4 of said Section 12 along said North  
22 line, or as existed on September 1, 2011;

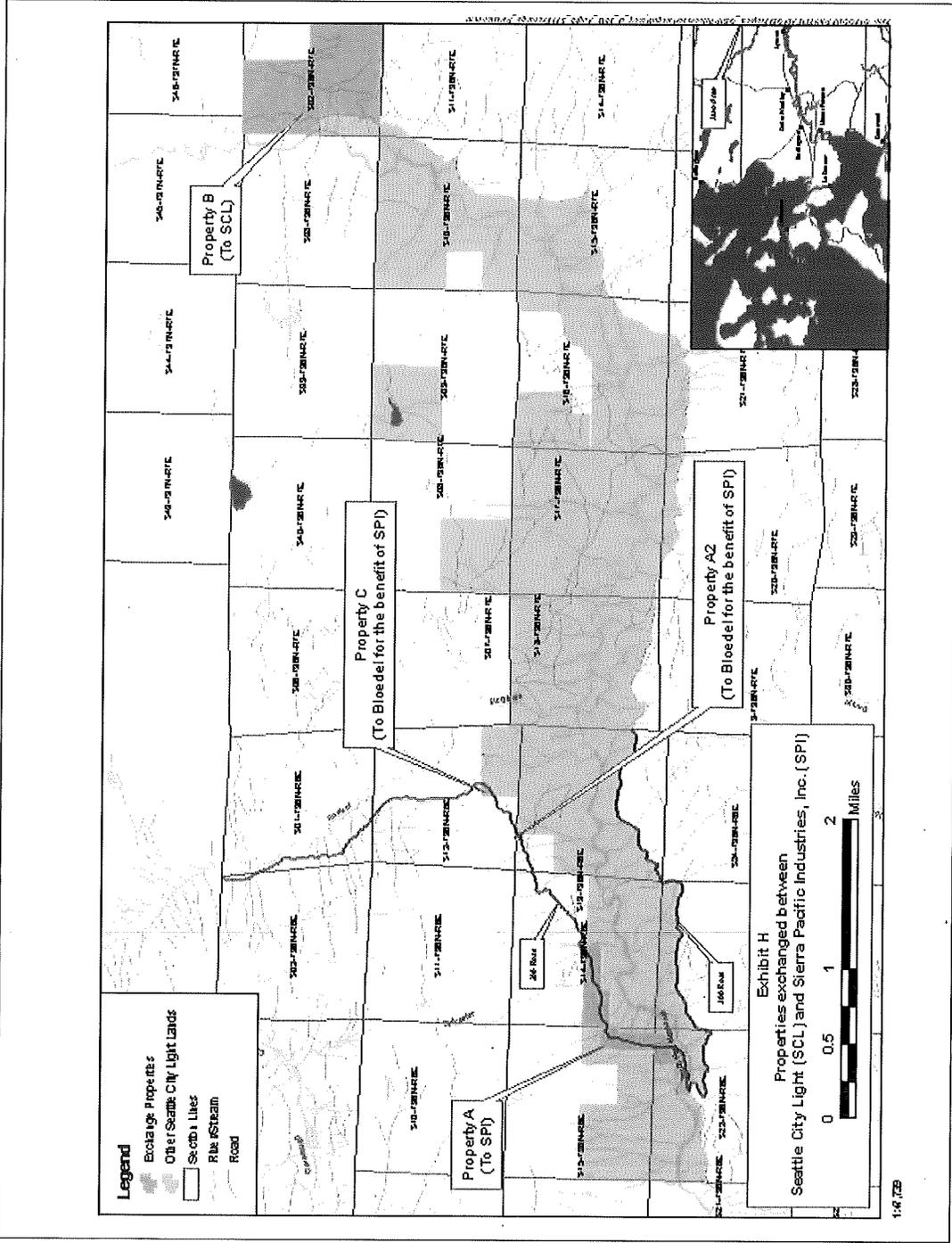
23 AND,

24 **Portion of Section 13, (approximately 2.9 acres) described as follows:**

25 Commencing at the North 1/4 corner of Section 13, T36N, R6E., W.M., thence Westerly  
26 1303.59' along the North line of Section 13 to the West 1/16th on the North line of Section 13,  
27 which is a 5/8" rebar/1" plastic cap marked "NWS & GPS, LS 21423, and the true point of  
28 beginning; thence Southerly 365 feet along the west line of the NE 1/4 of the NW 1/4 of Section  
13, thence Northeasterly, 772 feet more or less to a point on the north line of Section 13 which is  
680 feet Easterly from the point of beginning, thence, Westerly 680 feet along the north line of  
Section 13 to the point of beginning.



**Exhibit H to Land Exchange Agreement  
 Map**



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2 When recorded return to:

3 Sierra Pacific Industries  
4 14353 McFarland Road  
5 Mount Vernon, WA 98273

6 At the request of Land Title & Escrow Co. Order no. 131844-OE

7  
8 **BARGAIN AND SALE DEED**

9  
10 **THE GRANTOR(S) THE CITY OF SEATTLE, a municipal corporation of the State of**  
11 **Washington, acting by and through its CITY LIGHT DEPARTMENT a corporation of**  
12 **the State of Washington,**

13 for and in consideration of ten dollars (\$10.00) and other good and valuable consideration in  
14 hand paid, bargains, sells, and conveys to

15 **Sierra Pacific Holding Company and Sierra Pacific Industries, dba**  
16 **Sierra Pacific Industries, Inc., all California Corporations, ("Grantee"),**

17 the real estate, situated in Skagit County, Washington State described in  
18 "Exhibit A" attached to and made part of this deed.

19 Grantor, their successors and assigns, reserves a non-exclusive easement for the  
20 purposes of ingress, egress over, through, under and across a portion of said property using  
21 roadways as they exist today or may be altered in the future. Said roadways are approximately  
22 10 feet-wide gravel vehicular drive areas with 2 foot shoulders, culverts, and open ditches.  
23 Grantor's use of these roadways will be de minimus and shall not require Grantor to bear any  
24 repair or maintenance costs

25 Abbreviated Legal: Ptns 14,15, & 22, 36N R6E, W.M.

26 Tax Parcel Number(s): P51269, P51271, & P51295.



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Executed this \_\_\_\_\_ day of  
\_\_\_\_\_ 2012, pursuant  
to Ordinance No. \_\_\_\_\_ of  
The City of Seattle.

**THE CITY OF SEATTLE**  
**SEATTLE CITY LIGHT**

by \_\_\_\_\_

Print Name: Jorge Carrasco

Title: Superintendent

**APPROVED AS TO FORM AND ACCEPTED BY PURCHASER**  
The undersigned Grantee(s)/Purchaser(s) herein, does/do hereby approve this Bargain and  
Sale Deed as to form and acknowledge and accept all of the terms, conditions and  
provisions contained herein.

**Sierra Pacific Holding Company and Sierra Pacific Industries, dba Sierra Pacific  
Industries, Inc.**







**Exhibit A**

**All in Township 36 North, Range 6 East, W.M., Skagit County, Washington, the following described property:**

Portions of Section 14 – approximately 51.9 acres described as follows:

The North 1,000 feet of the Northwest 1/4 of the Southwest 1/4;

AND the West 200 feet of north 655 feet of Government Lot 2;

AND The North 655 feet of Government Lot 3;

Portions of Section 15 – approximately 33.1 acres, described as follows:

The Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4;

AND The East 1/2 of the Southeast 1/4 of the Southeast 1/4 Except the East 200 Feet of said Southeast 1/4 of the Southeast 1/4;

AND the East 200 feet of the West Half of the Southeast 1/4 of the Southeast 1/4;

AND the East 200 feet of the Southwest 1/4 of the Northeast 1/4 of the Southeast Quarter;

Portions of Section 22 – approximately 39.2 acres, described as follows:

Government Lot 1 except the Eastern 200 feet of said Government Lot 1;

AND, all of Government Lot 2 except the North 670 feet thereof, also except the West 670 feet thereof;



1 AND, all of U.S. Government Lot 7, except the South 1,250 feet of Government Lot 7; also  
2 except the West 260 feet of Government Lot 7; also except all that portion lying Southerly of  
3 a line that is parallel with and 30 feet Northerly of the center line of that certain existing  
4 private road known as Road 300; also except all that portion of a line that is parallel with and  
5 30 feet Southerly of the center line of that certain existing private road known as Road 100.  
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2 When recorded return to:

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4 Bloedel Timberlands Development, Inc.  
5 1938 Fairview Ave. E., Suite 300  
6 Seattle, WA 98102  
7

8  
9 At the request of Land Title & Escrow Co. Order no. 131844-OE  
10  
11

12  
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14 **BARGAIN AND SALE DEED**  
15

16  
17 **THE GRANTOR(S) CITY OF SEATTLE, a municipal corporation of the State of**  
18 **Washington, acting by and through its CITY LIGHT DEPARTMENT a corporation of**  
19 **the State of Washington,**  
20

21 for and in consideration of ten dollars (\$10.00) and other good and valuable consideration in  
22 hand paid, bargains, sells, and conveys to

23  
24 **Bloedel Timberlands Development, Inc.,** (“Grantee”),  
25

26 the real estate, situated in Skagit County, Washington State described in  
27 “Exhibit A” attached to and made part of this deed.  
28

29 Grantor, their successors and assigns, reserves a non-exclusive easement for the  
30 purposes of ingress, egress over, through, under and across a portion of said property using  
31 roadways as they exist today or may be altered in the future. Said roadways are approximately  
32 10 feet-wide gravel vehicular drive areas with 2 foot shoulders, culverts, and open ditches.  
33 Grantor’s use of these roadways will be de minimus and shall not require Grantor to bear any  
34 repair or maintenance costs  
35

36 Abbreviated Legal: Ptns 12 & 13, 36N R6E, W.M.  
37

38 Tax Parcel Number(s): P51263 & P51264  
39



Executed this \_\_\_\_\_ day of  
\_\_\_\_\_ 2013, pursuant  
to Ordinance No. \_\_\_\_\_ of  
The City of Seattle.

**THE CITY OF SEATTLE  
SEATTLE CITY LIGHT**

by \_\_\_\_\_

Print Name: Jorge Carrasco

Title: Superintendent

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**APPROVED AS TO FORM AND ACCEPTED BY PURCHASER**

The undersigned Grantee(s)/Purchaser(s) herein, does/do hereby approve this Bargain and Sale Deed as to form and acknowledge and accept all of the terms, conditions and provisions contained herein.

**Boedel Timberlands Development, Inc.**

By: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_







**Exhibit A**

**All in Township 36 North, Range 6 East, W.M., Skagit County, Washington, the following described property:**

**Portion of Section 12, (approximately 4.6 acres) described as follows:**

The following described lands, easements, rights, and property, over and across the South 1/2 of the Southeast 1/4, lying northwesterly of a line parallel to and 100 feet southeasterly of the centerline of the existing forest road known as the "200 Road", said centerline more particularly described as:

beginning at the Northwest corner of the Southwest 1/4 of the Southeast 1/4 of said Section 12, thence South 0° 43' East a distance of 466 feet along the West line of said Southwest 1/4 of the Southeast 1/4 to the true point of beginning (basis of bearing Demeyer survey at AF 200806300108),

thence North 57° East a distance of 51 feet,  
thence North 51° East a distance 330 feet,  
thence North 47° East a distance of 165 feet,  
thence North 38° East a distance of 74 feet,  
thence North 27° East a distance of 69 feet to a point on the North line of said Southwest 1/4 of the Southeast 1/4 which true point of ending lies approximately 477 feet easterly of the Northwest corner of the Southwest 1/4 of the Southeast 1/4 of said Section 12 along said North line,

or as existed on September 1, 2011;

AND,

**Portion of Section 13, (approximately 2.9 acres) described as follows:**

Commencing at the North 1/4 corner of Section 13, T36N, R6E., W.M., thence Westerly 1303.59' along the North line of Section 13 to the West 1/16th on the North line of Section 13, which is a 5/8" rebar/1" plastic cap marked "NWS & GPS, LS 21423, and the true point of beginning; thence Southerly 365 feet along the west line of the NE 1/4 of the NW 1/4 of Section 13, thence Northeasterly, 772 feet more or less to a point on the north line of Section 13 which is 680 feet Easterly from the point of beginning, thence, Westerly 680 feet along the north line of Section 13 to the point of beginning.



Ron Tressler  
SCL South Fork Nooksack Land Exchange ORD ATT 4  
December 17, 2012  
Version #1

When recorded return to:

Seattle City Light  
Real Estate Services  
Attention: Mary Davis,  
700 5<sup>th</sup> Avenue, Suite 3200,  
Room SMT 3338  
Post Office Box 34023  
Seattle, WA 98124-9871

At the request of Land Title & Escrow Co. Order no. 131844-OE

**BARGAIN AND SALE DEED**

**THE GRANTOR(S) Sierra Pacific Holding Company and Sierra Pacific Industries, dba  
Sierra Pacific Industries, Inc., all California Corporations,**

for and in consideration of ten dollars (\$10.00) and other good and valuable consideration in  
hand paid, bargains, sells, and conveys to

**CITY OF SEATTLE, a municipal corporation of the State of Washington, acting by and  
through its CITY LIGHT DEPARTMENT a corporation of the State of Washington  
("Grantee"),**

the real estate, situated in Skagit County, Washington State described in  
"Exhibit A" attached to and made part of this deed.

Abbreviated Legal: W1/2 SE 1/4; NW 1/4; ptn SW 1/4; of 2-36-7 E.W.M.

Tax Parcel Number(s): P51326



Ron Tressler  
SCL South Fork Nooksack Land Exchange ORD ATT 4  
December 17, 2012  
Version #1

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Dated:

Sierra Pacific Holding Company and Sierra Pacific  
Industries, dba Sierra Pacific Industries, Inc.

by \_\_\_\_\_  
\_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM AND ACCEPTED BY PURCHASER**

The undersigned Grantee(s)/Purchaser(s) herein, does/do hereby approve this Bargain and  
Sale Deed as to form and acknowledge and accept all of the terms, conditions and  
provisions contained herein.

THE CITY OF SEATTLE  
SEATTLE CITY LIGHT

By: \_\_\_\_\_

Print Name: Jorge Carrasco

Print Title: Superintendent







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**Exhibit A**

The West ½ and the West ½ of the Southeast ¼ of Section 2, Township 36 North, Range 7 East, W.M.,  
EXCEPTING THEREFROM that portion of the West ½ of the Southwest ¼ of Section 2, Township 36 North,  
Range 7 East, W.M., lying Westerly of a line drawn parallel with and 30 feet Westerly of the centerline of an  
existing private road known as Road 300.  
Situate in the County of Skagit, State of Washington.



**FISCAL NOTE FOR CAPITAL PROJECTS ONLY**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
City Light	Lynn Best / 386-4586	Calvin Chow / 684-4652

Legislation Title:

AN ORDINANCE relating to the City Light Department ("City Light"), declaring certain real property rights surplus and no longer required for providing public utility service or other municipal purpose; authorizing the Superintendent of Seattle City Light to execute a Real Property Exchange Agreement between the City of Seattle and Sierra Pacific Industries, Inc. (SPI) for the conveyance of said surplus property and a cash equalization payment of Two Hundred Eight Thousand Dollars (\$208,000), in exchange for the conveyance of SPI-owned land to the City in the South Fork of the Nooksack River watershed, Skagit County, Washington for wildlife habitat purposes; authorizing the Superintendent of City Light or his designee to execute Bargain and Sale Deeds for the properties conveyed by the City and accept a Bargain and Sale Deed for the lands conveyed to the City; and placing said lands under the jurisdiction of the City Light Department.

Summary and background of the Legislation:

The ordinance would authorize the Superintendent of City Light or his designee to execute a Real Property Exchange Agreement on behalf of The City of Seattle that will exchange 131.6 acres of City-owned land and \$208,000 in exchange for 349.9 acres of SPI-owned land in the South Fork Nooksack River watershed for fair market value. The ordinance would authorize acceptance of a Bargain and Sale Deed executed by SPI, as Grantor, conveying Skagit County Parcel P51326 of 349.9 acres, located in Skagit County, to the City for wildlife habitat protection purposes. The Ordinance would also authorize the execution of Bargain Sale Deeds that dispose of portions of City-owned Skagit County Parcels P51263, P51264, P51269, P51271, & P51295.

Background: In connection with the relicensing of the Skagit River Hydroelectric Project by the Federal Energy Regulatory Commission and pursuant to Resolution 28349, City Light entered into the Settlement Agreement Concerning Wildlife, incorporating by reference the Wildlife Habitat Protection and Management Plan, (collectively, "Wildlife Agreement"), dated April 1991, with several Federal, State, Tribal, and private non-profit parties. Ordinance 118226 authorizes the Superintendent of City Light to negotiate for and purchase parcels of land pursuant to the principles and procedures of the Wildlife Agreement.

This land exchange will transfer, to timber companies, a small percentage of City-owned Wildlife Mitigation land that was purchased in 1991-1992. The SCL land to be disposed has a forest road that is regularly used by neighboring private timber companies for hauling harvested timber from their lands. In exchange, the City will receive lands currently owned by SPI that are not encumbered by timber hauling roads. Without this exchange, the City will be obligated to make significant expenditures (estimated to be up to \$400,000) for road repairs and maintenance to meet State of Washington Road Abandonment and Management Plan (RMAP) regulations and will further be exposed to future maintenance costs. The City-owned land to be disposed has an appraised Fair Market Value of \$281,000, while the land to be acquired by SCL has an appraised Fair Market Value of \$489,000. The City will pay SPI \$208,000 from its Skagit Mitigation funds to equalize the values. The acquired parcel will be managed by City Light as part of the Skagit Wildlife Mitigation Lands Program. A map of the properties to be exchanged is attached as Attachment A.

<b>Project Name:</b>	<b>Project I.D.:</b>	<b>Project Location:</b>	<b>Start Date:</b>	<b>End Date:</b>
Skagit Hydro Project Mitigation	6991	Skagit and Nooksack watersheds	1991	n/a



Please check any of the following that apply:

This legislation creates, funds, or anticipates a new CIP Project.

This legislation does not have any financial implications.

This legislation has financial implications.

**Appropriations:**

This legislation requires no new appropriations (see Appropriations Notes).

Fund Name and Number	Department	Budget Control Level*	Existing 2013 Appropriation	New 2013 Appropriation (if any)	2014 Anticipated Appropriation
<b>TOTAL</b>					

\*See budget book to obtain the appropriate Budget Control Level for your department.

Appropriations Notes:

The \$208,000 needed for the exchange is available in SCL Project 6991 (Skagit Mitigation).

**Spending Plan and Future Appropriations for Capital Projects:**

No additional appropriations are required (see Notes below).

Spending Plan and Budget	2013	2014	2015	2016	2017	2018	Total
Spending Plan							
Current Year Appropriation							
Future Appropriations							

Spending Plan and Budget Notes:

The property will be maintained as wildlife habitat. Sufficient funds for the management (one or two property visits and inspections annually by a City Light Environmental Affairs Division staff member) of the acquired property is available in the existing CIP budget for Skagit River Hydroelectric Project Mitigation (6991), approximately \$200 per year.

**Funding Source:**

The existing CIP, -6991, will be used for the exchange and for future monitoring of the acquired property.



<b>Funding Source (Fund Name and Number, if applicable)</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Total</b>
Skagit CIP -- 6991	200	200	200	200	200	200	<b>1,000</b>
<b>TOTAL</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>1,000</b>

Funding Source Notes:

**Bond Financing Required:**

Not applicable.

<b>Type</b>	<b>Amount</b>	<b>Assumed Interest Rate</b>	<b>Term</b>	<b>Timing</b>	<b>Expected Annual Debt Service/Payment</b>
<b>TOTAL</b>					

Bond Notes:

**Uses and Sources for Operation and Maintenance Costs for the Project:**

Not applicable (see notes).

<b>O&amp;M</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Total</b>
<b>Uses</b>							
Start Up							
On-going							
<b>Sources (itemize)</b>							

Operation and Maintenance Notes:

The only operational and maintenance costs anticipated are for periodic monitoring visits by SCL Environmental Affairs and Real Estate Services Division staff.

**Periodic Major Maintenance Costs for the Project:**

No major maintenance costs are anticipated but if one were to arise, existing Skagit Mitigation budget would be utilized.

<b>Major Maintenance Item</b>	<b>Frequency</b>	<b>Cost</b>	<b>Likely Funding Source</b>
<b>TOTAL</b>			

**Funding sources for replacement of project:**

n/a



Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:  
 No positions are affected by this legislation.

Position Title and Department*	Position # for Existing Positions	Fund Name & #	PT/FT	2013 Positions	2013 FTE	2014 Positions **	2014 FTE **
<b>TOTAL</b>							

\* List each position separately

\*\* 2014 positions and FTE are total 2014 position changes resulting from this legislation, not incremental changes. Therefore, under 2014, please be sure to include any continuing positions from 2013.

Position Notes:

Existing position in SCL is responsible for managing the Skagit Wildlife Mitigation Lands.

Do positions sunset in the future?

n/a

**Other Implications:**

a) **Does the legislation have indirect financial implications, or long-term implications?**

b) **What is the financial cost of not implementing the legislation?**

If the legislation were not implemented, SCL would be required to complete extensive upgrades and repairs to the hauling road on SCL land to comply with Washington Department of Natural Resources Road Management and Abandonment Plan (RMAP). This is estimated at \$400,000. SCL would also still be responsible for possible maintenance in the future.

c) **Does this legislation affect any departments besides the originating department?**

No

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

No other alternatives exist at this time.

e) **Is a public hearing required for this legislation?**

Yes.

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No



**g) Does this legislation affect a piece of property?**

Yes, see attached map for lands to be exchanged.

**h) Other Issues:**

The acquired property will be part of the Skagit Wildlife Mitigation Lands created pursuant to the Skagit River Wildlife Settlement Agreement for fish and wildlife habitat protection. SCL may seek external grants and partners for additional funding to restore habitat on the property.

**List attachments to the fiscal note below:**

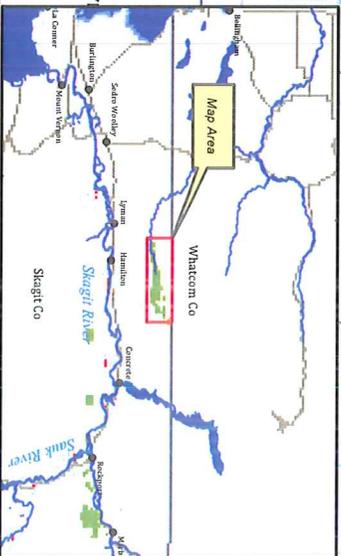
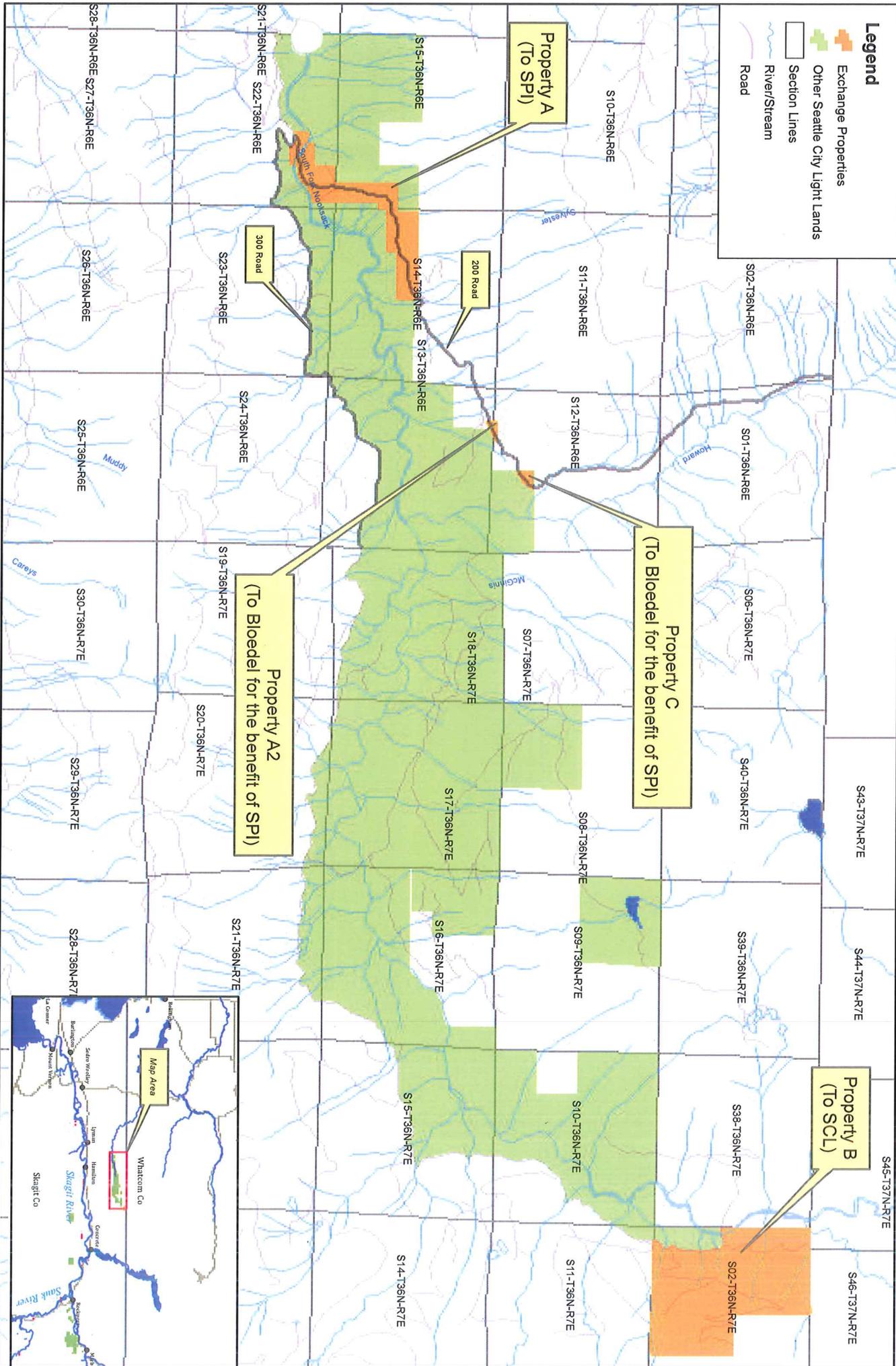
Attachment A: Map of Properties included in South Fork Nooksack Land Exchange.





**Legend**

- Exchange Properties
- Other Seattle City Light Lands
- Section Lines
- River/Stream
- Road





**City of Seattle**  
Office of the Mayor

February 19, 2013

Honorable Sally J. Clark  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Clark:

I am pleased to transmit the attached proposed Council Bill which would authorize Seattle City Light to execute a land exchange agreement with Sierra Pacific Industries, Inc. in the South Fork Nooksack River watershed in Skagit County, Washington for wildlife habitat protection purposes. The ordinance also authorizes the transfer of 131.6 acres of City-owned land along with cash payment of \$208,000 in exchange for the conveyance of 349.9 acres of land to the City from Sierra Pacific Industries, and placing said lands under the jurisdiction of the City Light Department.

The City manages over 10,000 acres of wildlife mitigation lands in the Skagit and South Fork Nooksack watersheds in connection with re-licensing requirements for the Skagit River Hydroelectric Project. The land exchange will result in a net increase of 218.3 acres and eliminates the cost of maintaining a segment of forest road used by timber company vehicles. The land exchange was approved by the Wildlife Management Review Committee that oversees the wildlife habitat land acquisitions under the Skagit Hydroelectric Project Settlement Agreement on Wildlife. This land exchange helps to ensure that the City is in compliance with the federal license and the Settlement Agreement.

Thank you for your consideration of this legislation. Should you have questions, please contact James Baggs, City Light's Power Supply and Environmental Affairs Officer, at 684-3243.

Sincerely,

Michael McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor  
Office of the Mayor  
600 Fourth Avenue, 7<sup>th</sup> Floor  
PO Box 94749  
Seattle, WA 98124-4749

Tel (206) 684-4000  
Fax (206) 684-5360  
TDD (206) 615-0476  
mike.mcgin@seattle.gov



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STATE OF WASHINGTON -- KING COUNTY

--ss.

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296304  
CITY OF SEATTLE, CLERKS OFFICE

No. 124140,141,142,143,144

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT; TITLE ONLY ORDINANCE

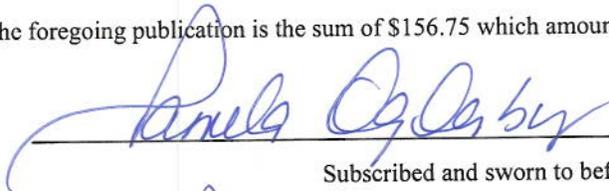
was published on

04/11/13

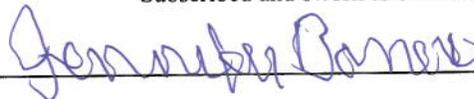
The amount of the fee charged for the foregoing publication is the sum of \$156.75 which amount has been paid in full.



Affidavit of Publication

  
Subscribed and sworn to before me on

04/11/2013



Notary public for the State of Washington,  
residing in Seattle

# State of Washington, King County

## City of Seattle

### Title Only Ordinances

The full text of the following legislation, passed by the City Council on March 18, 2013, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City

Council, please visit <http://www.seattle.gov/council/calendar>.

Contact: Office of the City Clerk at (206) 684-8344.

#### ORDINANCE NO. 124140

AN ORDINANCE relating to the City Light Department ("City Light"), declaring certain real property rights surplus and no longer required for providing public utility service or other municipal purpose; authorizing the Superintendent of City Light to execute a Real Property Exchange Agreement between the City of Seattle and Sierra Pacific Industries, Inc. (SPI) for the conveyance of said surplus property and a cash equalization payment of \$208,000 in exchange for the conveyance of SPI-owned land to the City in the South Fork of the Nooksack River watershed, Skagit County, Washington for wildlife habitat purposes; authorizing the Superintendent of City Light or his designee to execute Bargain and Sale Deeds for the properties conveyed by the City and accept a Bargain Sale Deed for the lands conveyed to the City; and placing said lands under the jurisdiction of City Light.

#### ORDINANCE NO. 124141

AN ORDINANCE accepting deeds for street or alley purposes; laying off, opening, widening, extending, and establishing portions of the following rights-of-way: the alley in Block 72, Gilman Park; the alley in Block 26, Woodlawn Addition to Green Lake; the alley in Block 11, D. T. Denny's Water Front Addition to the City of Seattle; the alley in Block 4, University Heights; the alley in Block 17, Heirs of Sara A. Bell's 2<sup>nd</sup> Addition to the City of Seattle; the alley in Block 18, Hill Tract Addition to the City of Seattle; the alley in Block 6, Plat of Replat of North Trunk Road Addition to the City of Seattle; the alley in Block 33, D.T. Denny's Home Addition to the City of Seattle; the alley in Block 55, Terry's First Addition to the Town of Seattle; the alley in Block 22, Hill Tract Addition to the City of Seattle; the alley in Block 4, Eastern Addition to the Town of Seattle; West Barrett Street abutting Block 20, Gilman's Addition to the City of Seattle; the alley in Block 20, Gilman's Addition to the City of Seattle; the alley in Block 11, Fairview Homestead Association for the Benefit of Mechanics and Laborers; Southwest Snoqualmie Street abutting Block 63, The Boston Co's Plat of West Seattle; the alley in Block 63, The Boston Co's Plat of West Seattle; the alley in Block 11, Bell & Denny's Addition to the City of Seattle; the alley in Block 56, Gilman Park; the alley in Block 3, Elbert Place Addition to the City of Seattle; placing the real property conveyed by said deeds under the jurisdiction of the Seattle Department of Transportation; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 124142

AN ORDINANCE relating to the City of Seattle's use of surveillance equipment; requiring City departments to obtain City Council approval prior to acquiring certain surveillance equipment; requiring departments to propose protocols related to proper use and deployment of certain surveillance equipment for Council review, requiring departments to adopt written protocols that address data retention, storage and access of any data obtained through the use of certain surveillance equipment, and establishing a new Chapter 14.18 in the Seattle Municipal Code.

#### ORDINANCE NO. 124143

AN ORDINANCE relating to the Traffic Code; amending section 11.23.160 of the Seattle Municipal Code to increase the number of free-floating car share permits authorized annually and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 124144

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Date of publication in the Seattle Daily Journal of Commerce, April 11, 2013.

4/11(296304)