

CB 117089

#5

**ORDINANCE**

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2  
3 AN ORDINANCE relating to the City Light Department, authorizing the acceptance of the  
4 transfer of certain state trust lands in Skagit County, Washington from the Washington  
5 State Department of Natural Resources, authorizing the acceptance of the quitclaim deeds  
6 thereto, ratifying and confirming certain prior acts, and placing said lands under the  
7 jurisdiction of the City Light Department.

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

17 WHEREAS, Ordinance 118226 authorizes the Superintendent of City Light to negotiate for and  
18 purchase parcels of land pursuant to the principles and procedures of the Wildlife  
19 Agreement; and

20 WHEREAS, the City Light Department has acquired over 8,000 acres of land in Skagit County  
21 to be set aside as wildlife habitat; and

22 WHEREAS, the Washington State Department of Natural Resources ("DNR") administers the  
23 Trust Land Transfer Program, which removes economically unproductive land from the  
24 State's Common School Construction Trust and transfers ecologically important lands to  
25 public agencies that are able to manage them in a protected status; and

26 WHEREAS, the City of Seattle has been identified by DNR as a potential recipient under the  
27 Trust Land Transfer Program appropriation for the fiscal period 2009-2011; and

28 WHEREAS, a letter of intent (Exhibit A) that outlines the process and conditions for transfer  
was signed by City Light Environmental Affairs Division Director; and

WHEREAS, the DNR lands proposed for transfer to the City are consistent with the lands sought  
under the principles of the Wildlife Agreement; and

WHEREAS, the DNR lands proposed for transfer to the City are adjacent to or very near City-  
owned wildlife habitat lands, and



1 WHEREAS, the City is able to manage these DNR lands in concert with the City's existing  
2 wildlife habitat lands in a protected status; and

3 WHEREAS, this transfer will add approximately 890 acres of land to the City's wildlife habitat  
4 land holdings in the Skagit and South Fork Nooksack River basin; NOW, THEREFORE,

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

6  
7 Section 1. That the Superintendent of the City Light Department, or his designee, is  
8 authorized to accept on behalf of The City of Seattle the Quitclaim Deed executed by the  
9 Governor of the State of Washington, as Grantor, conveying approximately 640 acres of land  
10 located in the Skagit River basin known as the Finney Creek Parcel, described as follows and on  
11 the attached Exhibit B:

12  
13 Section 36, Township 35 North, Range 8 East, Willamette Meridian, Skagit  
14 County, Washington, according to U.S. Government subdivision procedures  
15 and the real property conveyed therein is placed under the jurisdiction of the City Light  
16 Department.

17 Section 2. That the Superintendent of the City Light Department, or his designee, is  
18 authorized to accept on behalf of The City of Seattle the Quitclaim Deed executed by the  
19 Governor of the State of Washington, as Grantor, conveying approximately 210 acres of land  
20 located in the South Fork Nooksack River basin known as the Olivine Ends Parcels, described as  
21 follows and on the attached Exhibit C;

22 The E1/2 of the E1/2 of the NE1/4 of Section 16, Township 36 North, Range 7  
23 East, Willamette Meridian, Skagit County, Washington, together with those portions of  
24 the W1/2 of the E1/2 of the NE1/4 and of the SW1/4 of the NE1/4 of said Section 16  
25 lying southerly of the South Fork of the Nooksack River, also together with the W1/2 of  
26 the NE1/4 of the NW1/4, the NW1/4 of the SE1/4 of the NW1/4 and the W1/2 of the  
27 NW1/4 of said Section 16, according to U.S. Government subdivision procedures.

28 AND



1           The NE1/4 of the NE1/4 of Section 17, Township 36 North, Range 7 East,  
2           Willamette Meridian, Skagit County, Washington, according to U.S. Government  
3           subdivision procedures and the real property conveyed therein is placed under the  
4           jurisdiction of the City Light Department.

5           Section 3. That the Superintendent of the City Light Department, or his designee, is  
6           authorized to accept on behalf of The City of Seattle the Quitclaim Deed executed by the  
7           Governor of the State of Washington, as Grantor, conveying approximately 40 acres of land  
8           located in the Skagit River basin known as the South Marble 40 Parcel, described as follows and  
9           on the attached Exhibit D;

10           The SW1/4 quarter of the SE1/4 quarter of Section 13, T35N, R10E, W.M.,  
11           Skagit County, Washington, according to U.S. Government subdivision procedures  
12           and the real property conveyed therein is placed under the jurisdiction of the City Light  
13           Department.

14           Section 4. Any act pursuant to the authority and prior to the effective date of this  
15           ordinance is hereby ratified and confirmed.

16           Section 5. This ordinance shall take effect and be in force 30 days from and after its  
17           approval by the Mayor, but if not approved and returned by the Mayor within ten days after  
18           presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.



1 Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2011, and  
2 signed by me in open session in authentication of its passage this  
3 \_\_\_\_ day of \_\_\_\_\_, 2011.

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

8 Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2011.

9  
10  
11 \_\_\_\_\_  
12 Michael McGinn, Mayor

13 Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2011.

14  
15  
16 \_\_\_\_\_  
17 City Clerk

18 (Seal)

19 Exhibit A – Letter of Intent executed by Seattle City Light and Washington Department of

20 Natural Resources

21 Exhibit B – Finney Creek Parcel Quit Claim Deed

22 Exhibit C – Olivine Ends Parcels Quit Claim Deed

23 Exhibit D – South Marble 40 Quit Claim Deed  
24  
25  
26  
27  
28



Ron Tressler  
SCL Trust Land Transfer Program Properties Deed Acceptance EXH A  
October 13, 2010  
Version #2



WASHINGTON STATE DEPARTMENT OF  
**Natural Resources**

PETER GOLDMARK  
*Commissioner of Public Lands*

July 30, 2009

Ronald Tressler  
Seattle City Light  
Environmental Affairs Division  
700 5<sup>th</sup> Avenue, Suite 3200  
P.O. Box 34023  
Seattle, WA 98124

Dear Ron,

Enclosed are two originals of the signed Letter of Intent for transfer of the Finney Creek, Olivine Ends, Pressentin Creek, and South Marble 40 Trust Land Transfers to Seattle City Light. We look forward to working with you this biennium to complete these transactions. Please contact me at (360) 902-1482 if additional information is needed.

Sincerely,

Deborah Whitney  
Property & Acquisition Specialist  
Asset Management and Protection Division  
PO Box 47014  
Olympia, WA 98504-7014

Enclosures

RECEIVED

JUL 31 2009

Environmental  
Affairs  
Division



WASHINGTON STATE  
DEPARTMENT OF NATURAL RESOURCES  
LETTER OF INTENT

TRUST LAND TRANSFER  
SEATTLE CITY LIGHT

**1. Introduction.** Seattle City Light (Receiving Agency) has been designated to receive state trust land identified as Pressentin Creek, South Marble 40, Finney Creek and Olivine Ends in the Trust Land Transfer (TLT) legislative appropriation for the 2009–2011 biennium. The purpose of this Letter of Intent (LOI) is to identify the process and terms of the transfer as provided by legislative direction and the Department of Natural Resources (DNR) trust management obligations. This LOI is an expression of the good faith intent of both parties to move this transaction to completion and is not a legally binding document.

**2. Trust Land Transfer Program.** The Trust Land Transfer program was created by legislation to protect special trust lands, provide funds for school construction and reposition Common School Trust lands to increase revenues and reduce management costs. Trust lands included in the program are recognized as having special characteristics desirable for uses other than timber harvest and trust revenue production. The legislature appropriates funds to acquire or lease the property at market value and directs the timber value be deposited to the common school construction account and the land value be used to acquire other common school trust land better suited for producing trust revenues. The selected property is transferred to the designated receiving agency to be managed for the intended special public use. Additional program information may be found on the DNR web site at [http://www.dnr.wa.gov/BusinessPermits/Topics/OtherLandTransactions/Pages/amp\\_tlt.aspx](http://www.dnr.wa.gov/BusinessPermits/Topics/OtherLandTransactions/Pages/amp_tlt.aspx).

**3. Authority.** Authority and funding for the transfer is provided by Chapter 497, Section 3203 of the 2009 Capital Budget Bill, RCW 79.17.200, and other statutes that may apply. The legislature has appropriated \$94 million to transfer or lease 34 properties. A copy of the Budget Bill is attached as Exhibit D.

**4. Receiving Agency.** The receiving agency as identified on LEAP Capital Document No. 2009-2a, referenced in 3203(1) as the approved property list, is "Seattle City Light". The conveyance deed will identify the City of Seattle as the Grantee.

**5. Property.** Pressentin Creek, South Marble 40, Finney Creek and Olivine Ends, (herein referred to as 'The Property') proposed for transfer comprises approximately 1,500 acres in four locations within Skagit County. Some of the property is currently managed for trusts other than Common School and must be exchanged for equal valued Common School Trust land before the transfer can be completed. This extra step will be included as part of our administrative process. The Property is identified in Exhibit A.



**6. Title.** Title will be conveyed by quitclaim deed substantially in form as set forth in Exhibit B. The property will be conveyed AS IS, WHERE IS. The deed shall contain a release of liability relating to the condition of the property. The applicable deed will be submitted to the Receiving Agency for approval prior to conveyance.

**7. Title Insurance.** DNR will not provide title insurance. The Receiving Agency may acquire title insurance at its own expense.

**8. Reservations.** DNR will reserve minerals as required by RCW 79.11.210. DNR will also retain the property as "Permit Lands" as defined in the Department's Habitat Conservation Agreement entered into on January 30, 1997. Retaining The Property as Permit Lands is essential to protect the integrity of DNR's Habitat Conservation Plan. Both reservations are identified in Exhibit B.

**9. Property Value.** The Legislative appropriation will be used to compensate the Common School Trust for the value of The Property. The Receiving Agency will receive The Property without charge, but will be responsible for all future costs after ownership has been transferred.

**10. Appraisal.** DNR will complete an appraisal of The Property to determine market value. The appraisal will include a value for land and timber that will provide the basis for distributions to the land replacement and school construction accounts as required by legislation. The appraisal will remain confidential to DNR until the transfer is complete.

**11. Board of Natural Resources.** The transfer is conditioned upon approval by the Board of Natural Resources. The transfer will be presented to the Board after the appraisal is complete and the property transfer is desirable to both parties. The Board has the legal obligation to establish value for all lands leaving trust ownership.

**12. Administrative Costs.** DNR costs to complete trust land transfers are paid for by the appropriation. Such costs include staff time, equipment, travel, appraisals, closing costs, etc. Costs incurred by the Receiving Agency to receive, hold and manage The Property are the responsibility of the Receiving Agency.

**13. Use Restriction.** As required in Section 3203(6), a use restriction will be included in the deed that dedicates The Property for the appropriate public use as identified in Section 3203(1). The public use restriction proposed for Pressentin Creek, South Marble 40, Finney Creek and Olivine Ends is that it be conveyed to be used exclusively for fish and wildlife habitat, open space or recreation. Refer to the second paragraph in the deed (Exhibit B).



**14. Prorations.** All lease/rental income, if any, and assessments and other expenses relating to The Property shall be prorated as of closing. The Receiving Agency will assume responsibility for any assessments remaining unpaid as of the closing date.

**15. Leases and Encumbrances.** Leases and encumbrances will be transferred with the property unless other arrangements are made. A DNR title records report with copies of lease and encumbrance documents will be provided for review.

**16. Access.** Legal access appurtenant to The Property will be conveyed when available. However, DNR does not guarantee legal access to all properties. Access to some properties may be unavailable or restricted by easement language.

**17. Removal from List.** DNR and the Receiving Agency will attempt to complete the transfers as provided by legislation, however, either party may remove a property from the list as provided for in Section 3203(7) if determined the transfer is not in the state wide interest of the Common School Trust or Receiving Agency.

**18. Continuing Forest Obligation.** The Notice of Continuing Forest Land Obligation form will be signed by DNR and then the Receiving Agency prior to closing as required by RCW 76.09.070, RCW 76.09.390, and WAC 222-20-055. A sample of the form is attached as Exhibit C. All continuing forest obligations will become the responsibility of the Receiving Agency following closing.

**19. Closing.** Closing shall be carried out at the Olympia office of the Department of Natural Resources. The Receiving Agency acknowledges that DNR staff is acting as interested parties and not as escrow agents in preparing documentation and closing this transfer. Closing (Closing Date) will usually occur within 45 days following approval by the Board of Natural Resources. Each party will execute sufficiently in advance of the Closing Date all documents necessary to carry out this transfer including but not limited to real estate excise tax affidavits, assignment of any leasehold rights, etc. The cost of recording will be paid by DNR.

**20. Lease Transfer.** *This clause does not apply to any of the Seattle City Light Transfers.*

**21. Schedule.** DNR is initiating appraisal contracts for higher elevation properties first in order to take advantage of the summer operating season. Properties with high timber to land values also have an earlier schedule. We expect to begin work during the summer of 2009 and should have the first properties ready for transfer by early 2010.

**22. Notices.** Notices affecting this LOI or the subject transfers should be addressed to the following:



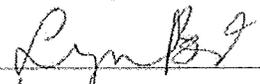
Ron Tressler  
 SCL Trust Land Transfer Program Properties Deed Acceptance EXH A  
 October 13, 2010  
 Version #2

City of Seattle	Department of Natural Resources
Seattle City Light Environmental Affairs Division Attn: Ronald Tressler P.O. Box 34023 Seattle, WA 98124 Fax: 206-386-4589 Phone: 206-386-4506 email: ron.tressler@seattle.gov	State of Washington Department of Natural Resources Asset Management and Recreation Division Attn: Evert Challstedt P. O. Box 47014 1111 Washington Street SE Olympia, WA 98504-7014 Fax: (360) 902-1789 Phone: (360) 902-1605 email: evert.challstedt@dnr.wa.gov

23. **Acknowledgments.** The acknowledgments below indicate that both parties are committed to proceed with the Trust Land Transfer and/or Lease as provided by legislation and conditions as set forth in this document. It is understood that the decision to proceed is based on current knowledge and that new information could change the desirability of the transfer for either party. This LOI is not intended to have a legally binding effect, but is an expression of good faith intentions of both parties.

Please return the signed original to the above address and an executed copy will be returned when signed by DNR. Signature is requested by August 25, 2009 to maintain the indicated schedule.

**City of Seattle**

Signed:   
 Printed: LYNN BEST  
 Title: DIRECTOR, EAD  
 Date: 7/24/09

**Department of Natural Resources**

Signed:   
 Printed: Stephan Saunders  
 Title: Division Mgr, AM&R  
 Date: 7-30-09

Exhibit A to SCL Trust Land Transfer  
 Program Properties Deed Acceptance ORD



Ron Tressler  
SCL Trust Land Transfer Program Properties Deed Acceptance EXH B  
October 13, 2010  
Version #2

**AFTER RECORDING RETURN TO:**  
Department of Natural Resources  
Asset and Property Management Division  
ATTN: Trust Land Transfer Program  
PO Box 47014  
Olympia, WA 98504-7014



201005100107  
Skagit County Auditor

5/10/2010 Page 1 of 5 3:45PM

**QUITCLAIM DEED**  
**Skagit County**

Grantor: State of Washington, by and through the Department of Natural Resources

Grantee: City of Seattle, by and through the Seattle City Light Department

Abbreviated

Legal Desc: Section 36, Township 35 North, Range 8 East, W.M.

Tax Parcel #: P44353

THE GRANTOR, STATE OF WASHINGTON, acting by and through the Department of Natural Resources, for and in consideration of the sum of ONE MILLION FIVE HUNDRED FIFTY THREE THOUSAND Dollars (\$1,553,000), which amount has been paid by state legislative appropriation pursuant to Washington Laws of 2009, Ch. 497, Section 3203 and RCW 79.17.200, hereby conveys and quitclaims to City of Seattle, by and through the Seattle City Light Department, GRANTEE, all interest in the real property situated in Skagit County, Washington, and described in EXHIBIT A, attached hereto, which by this reference is made a part hereof.

This property shall be used exclusively for one or more of the following public purposes: Fish and wildlife habitat, open space, or recreation.

The real property described in Exhibit A is conveyed subject to the Department's Habitat Conservation Plan Implementation Agreement entered into as of the 30th day of January, 1997 by and between the Secretary of the Interior acting through the United States Department of the Interior, as represented by the United States Fish and Wildlife Service ("USFWS"), an agency of the federal government, the Secretary of Commerce acting through the National Oceanic & Atmospheric Administration as represented by the National Marine Fisheries Service ("NMFS"), an agency of the federal government, and the Washington State Department of Natural Resources.  
02-084633

Finney Creek Trust Land Transfer

Exhibit B to SCL Trust Land Transfer  
Program Properties Deed Acceptance ORD



Resources ("DNR"), an agency of the State of Washington, which includes the Washington State Board of Natural Resources ("Board"). All lands conveyed for the above-stated purposes are also to be used consistent with management as "PERMIT LANDS" as defined in the Habitat Conservation Plan Implementation Agreement as long as the Habitat Conservation Plan Implementation Agreement is in effect. Grantee accepts the property for management as "PERMIT LANDS" and by accepting the property agrees to comply with the requirements of the Habitat Conservation Plan Implementation Agreement. A Memorandum of the Habitat Conservation Plan Implementation Agreement is attached hereto as Exhibit B and incorporated herein by this reference.

The above-described lands are subject to that certain statutory reserved right as set forth in RCW 79.36.370 and to the following reservation:

The Grantor hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself and its successors and assigns forever, all oils, gases, coal, ores, minerals, and fossils of every name, kind, or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself and its successors and assigns forever, the right to enter by itself or its agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, and working mines thereon, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns, forever, the right by its or their agents, servants, and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, and railroads, sink such shafts, remove such soil, and to remain on said lands or any part thereof for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business, hereby expressly reserving to itself and its successors and assigns, as aforesaid, generally, all rights and powers in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and the rights hereby expressly reserved.

No rights shall be exercised under the foregoing reservation, by the state or its successors or assigns, until provision has been made by the state or its successors or assigns, to pay to the owner of the land upon which the rights reserved herein to the state or its successors or assigns, are sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land: PROVIDED, That if said owner from any cause whatever refuses or neglects to settle said damages, then the state or its successors or assigns, or any applicant for a lease or contract from the state for the purpose of prospecting for or mining valuable minerals, or

02-084633

Finney Creek Trust Land Transfer



Exhibit B to SCL Trust Land Transfer  
Program Properties Deed Acceptance ORD



option contract, or lease, for mining coal, or lease for extracting petroleum or natural gas, shall have the right to institute such legal proceedings in the superior court of the county wherein the land is situate, as may be necessary to determine the damages which said owner of said land may suffer.

Grantee accepts the Property "AS IS, WHERE IS" with all faults. The Grantor disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose about the Property, including but not limited to improvements located thereon, and no employee or agent of the Grantor is authorized otherwise. The foregoing specifically includes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste or claims based thereon arising out of the actual or threatened discharge, disposal, seepage, migration, or escape of such substances at, from, or into the Property. Grantee hereby fully releases the Grantor from any and all liability to Grantee arising out of or related to the condition of the Property prior to, at, or after Grantee accepts title to the Property, including but not limited to the deposit or release of hazardous or toxic wastes or material and pollutants.

This Deed is executed and delivered pursuant to RCW 79.02.270 at the request of the Commissioner of Public Lands with the approval of the Board of Natural Resources, State of Washington.

WITNESS the Seal of the State of Washington, affixed this 2nd day of April, 2010.

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX  
1312  
MAY 1 0 2010

Christine Gregoire  
GOVERNOR  
[Signature]  
SECRETARY OF STATE

ATTEST:

Amount Paid \$/ \$  
Skagit Co. Treasurer  
By [Signature] Deputy

Approved as to form this 4th day of January, 2010.  
Adrienne Smith  
Assistant Attorney General



Deed No. 26814.  
State Record of Deeds, Volume 14, Page 26.  
Transaction File No. 02-084633

02-084633  
  
201005100107  
Skagit County Auditor

Finney Creek Trust Land Transfer



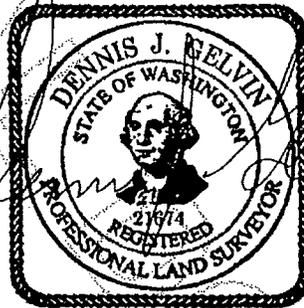
**DEPARTMENT OF NATURAL RESOURCES**

**EXHIBIT A**

**FINNEY CREEK TRUST LAND TRANSFER  
LEGAL DESCRIPTION**

The following describes the State land to be transferred to the City of Seattle, by and through the Seattle City Light Department:

Section 36, Township 35 North, Range 8 East, Willamette Meridian, Skagit County, Washington.



Dennis J. Gelvin, PLS 21674  
Land Description & R/W Specialist  
Land Survey Unit  
Engineering Division  
PO Box 47060  
Olympia, WA 98504-7060

Dated 12-22-09



201005100107

Skagit County Auditor

5/10/2010 Page 4 of 5 3:45PM



**DEPARTMENT OF NATURAL RESOURCES**

**EXHIBIT B**

**MEMORANDUM OF IMPLEMENTATION AGREEMENT FOR  
THE WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES  
HABITAT CONSERVATION PLAN**

The Agreement for the Washington State Department of Natural Resources Habitat Conservation Plan dated January 30, 1997 was entered into as a result of the completion of an approved habitat conservation plan prepared pursuant to the Endangered Species Act for DNR-managed forest lands within the range of the northern spotted owl and other federally listed species in the State of Washington, simultaneous with the issuance of an incidental take statement, Incidental Take Permit No. 812521 issued on January 30, 1997, which has been amended subsequently to add requirements with respect to additional species. The Habitat Conservation Plan and amendments, Implementation Agreement, and Incidental Take Permits associated therewith (collectively referred to as "HCP") define obligations with respect to lands defined in the HCP as "PERMIT LANDS." The term of the HCP is seventy (70) years from January 30, 1997, unless otherwise revoked or amended, with the possibility of renewal for three (3) additional terms of ten (10) years each. The documents and agreements comprising the HCP are in a format not capable of recording. Pursuant to RCW 42.56, these documents are maintained at the offices of DNR at the following address and may be reviewed upon request to:

DNR Public Disclosure Program  
Public Records Administrator  
[publicdisclosure@dnr.wa.gov](mailto:publicdisclosure@dnr.wa.gov)  
PO Box 47014  
1111 Washington Street SE  
Olympia, WA 98504-7014

Approved as to form this 4th day  
of January, 2010.  
Adrienne Suise  
Assistant Attorney General



20100510.0107

Skagit County Auditor

5/10/2010 Page 5 of 5 3:45PM





201005100106  
Skagit County Auditor

5/10/2010 Page 1 of 5 3:45PM

**AFTER RECORDING RETURN TO:**  
Department of Natural Resources  
Asset and Property Management Division  
ATTN: Trust Land Transfer Program  
PO Box 47014  
Olympia, WA 98504-7014

**QUITCLAIM DEED**  
Skagit County

Grantor: State of Washington, by and through the Department of Natural Resources

Grantee: City of Seattle, by and through the Seattle City Light Department

Abbreviated

Legal Desc: Portions Section 16 and 17, Township 36 North, Range 7 East, W.M.

Tax Parcel #: P51354, P51355, P51356

THE GRANTOR, STATE OF WASHINGTON, acting by and through the Department of Natural Resources, for and in consideration of the sum of FOUR HUNDRED THIRTEEN THOUSAND Dollars (\$413,000), which amount has been paid by state legislative appropriation pursuant to Washington Laws of 2009, Ch. 497, Section 3203 and RCW 79.17.200, hereby conveys and quitclaims to the City of Seattle, by and through the Seattle City Light Department, GRANTEE, all interest in the real property situated in Skagit County, Washington, and described in EXHIBIT A, attached hereto, which by this reference is made a part hereof.

This property shall be used exclusively for one or more of the following public purposes: Fish and wildlife habitat, open space, or recreation.

The real property described in Exhibit A is conveyed subject to the Department's Habitat Conservation Plan Implementation Agreement entered into as of the 30th day of January, 1997 by and between the Secretary of the Interior acting through the United States Department of the Interior, as represented by the United States Fish and Wildlife Service ("USFWS"), an agency of the federal government, the Secretary of Commerce acting through the National Oceanic & Atmospheric Administration as represented by the National Marine Fisheries Service ("NMFS"), an agency of the federal government, and the Washington State Department of Natural

02-084632

Olivine Ends Trust Land Transfer



Resources ("DNR"), an agency of the State of Washington, which includes the Washington State Board of Natural Resources ("Board"). All lands conveyed for the above-stated purposes are also to be used consistent with management as "PERMIT LANDS" as defined in the Habitat Conservation Plan Implementation Agreement as long as the Habitat Conservation Plan Implementation Agreement is in effect. Grantee accepts the property for management as "PERMIT LANDS" and by accepting the property agrees to comply with the requirements of the Habitat Conservation Plan Implementation Agreement. A Memorandum of the Habitat Conservation Plan Implementation Agreement is attached hereto as Exhibit B and incorporated herein by this reference.

The above-described lands are subject to that certain statutory reserved right as set forth in RCW 79.36.370 and to the following reservation:

The Grantor hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself and its successors and assigns forever, all oils, gases, coal, ores, minerals, and fossils of every name, kind, or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself and its successors and assigns forever, the right to enter by itself or its agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, and working mines thereon, and taking out and removing there from all such oils, gases, coal, ores, minerals, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns, forever, the right by its or their agents, servants, and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, and railroads, sink such shafts, remove such soil, and to remain on said lands or any part thereof for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business, hereby expressly reserving to itself and its successors and assigns, as aforesaid, generally, all rights and powers in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and the rights hereby expressly reserved.

No rights shall be exercised under the foregoing reservation, by the state or its successors or assigns, until provision has been made by the state or its successors or assigns, to pay to the owner of the land upon which the rights reserved herein to the state or its successors or assigns, are sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land: PROVIDED, That if said owner from any cause whatever refuses or neglects to settle said damages, then the state or its successors or assigns, or any applicant for a lease or contract from the state for the purpose of prospecting for or mining valuable minerals, or

02-084632

Olivine Ends Trust Land Transfer



201005100106  
Skagit County Auditor



option contract, or lease, for mining coal, or lease for extracting petroleum or natural gas, shall have the right to institute such legal proceedings in the superior court of the county wherein the land is situate, as may be necessary to determine the damages which said owner of said land may suffer.

Grantee accepts the Property "AS IS, WHERE IS" with all faults. The Grantor disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose about the Property, including but not limited to improvements located thereon, and no employee or agent of the Grantor is authorized otherwise. The foregoing specifically includes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste or claims based thereon arising out of the actual or threatened discharge, disposal, seepage, migration, or escape of such substances at, from, or into the Property. Grantee hereby fully releases the Grantor from any and all liability to Grantee arising out of or related to the condition of the Property prior to, at, or after Grantee accepts title to the Property, including but not limited to the deposit or release of hazardous or toxic wastes or material and pollutants.

This Deed is executed and delivered pursuant to RCW 79.02.270 at the request of the Commissioner of Public Lands with the approval of the Board of Natural Resources, State of Washington.

WITNESS the Seal of the State of Washington, affixed this 8<sup>th</sup> day of March, 2010

1309  
SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

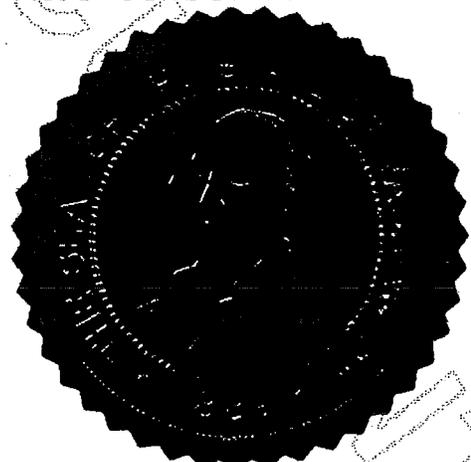
MAY 1 0 2010

Amount Paid \$0  
Skagit Co. Treasurer  
By mm Deputy

ATTEST:

Christine Gregoire  
GOVERNOR  
[Signature]  
SECRETARY OF STATE

Approved as to form this 4<sup>th</sup> day  
of January, 2010.  
Adrienne Smith  
Assistant Attorney General



Deed No. 26813.  
State Record of Deeds, Volume 14, Page 25.  
Transaction File No. 02-084632

02-084632



Olivine Ends Trust Land Transfer



**DEPARTMENT OF NATURAL RESOURCES**

**EXHIBIT A**

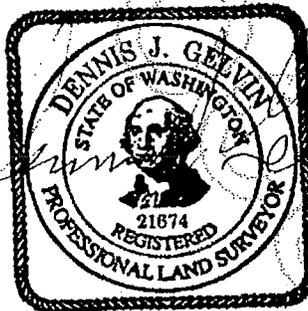
**OLIVINE ENDS TRUST LAND TRANSFER  
LEGAL DESCRIPTION**

The following describes the State land to be transferred to the City of Seattle, by and through the Seattle City Light Department:

The E1/2 of the E1/2 of the NE1/4 of Section 16, Township 36 North, Range 7 East, Willamette Meridian, Skagit County, Washington, together with those portions of the W1/2 of the E1/2 of the NE1/4 and of the SW1/4 of the NE1/4 of said Section 16 lying southerly of the South Fork of the Nooksack River, also together with the W1/2 of the NE1/4 of the NW1/4, the NW1/4 of the SE1/4 of the NW1/4 and the W1/2 of the NW1/4 of said Section 16, according to U.S. Government subdivision procedures.

AND

The NE1/4 of the NE1/4 of Section 17, Township 36 North, Range 7 East, Willamette Meridian, Skagit County, Washington, according to U.S. Government subdivision procedures.



Dennis J. Gelvin, PLS 21674  
Land Description & R/W Specialist  
Land Survey Unit  
Engineering Division  
PO Box 47060  
Olympia, WA 98504-7060

Dated 12-22-09

02-084632



201005100106  
Skagit County Auditor

5/10/2010 Page 4 of 5 3:45PM

Olivine Ends Trust Land Transfer

Exhibit C to SCL Trust Land Transfer  
Program Properties Deed Acceptance ORD



DEPARTMENT OF NATURAL RESOURCES

EXHIBIT B

MEMORANDUM OF IMPLEMENTATION AGREEMENT FOR  
THE WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES  
HABITAT CONSERVATION PLAN

The Agreement for the Washington State Department of Natural Resources Habitat Conservation Plan dated January 30, 1997 was entered into as a result of the completion of an approved habitat conservation plan prepared pursuant to the Endangered Species Act for DNR-managed forest lands within the range of the northern spotted owl and other federally listed species in the State of Washington, simultaneous with the issuance of an incidental take statement, Incidental Take Permit No. 812521 issued on January 30, 1997, which has been amended subsequently to add requirements with respect to additional species. The Habitat Conservation Plan and amendments, Implementation Agreement, and Incidental Take Permits associated therewith (collectively referred to as "HCP") define obligations with respect to lands defined in the HCP as "PERMIT LANDS." The term of the HCP is seventy (70) years from January 30, 1997, unless otherwise revoked or amended, with the possibility of renewal for three (3) additional terms of ten (10) years each. The documents and agreements comprising the HCP are in a format not capable of recording. Pursuant to RCW 42.56, these documents are maintained at the offices of DNR at the following address and may be reviewed upon request to:

DNR Public Disclosure Program  
Public Records Administrator  
[publicdisclosure@dnr.wa.gov](mailto:publicdisclosure@dnr.wa.gov)  
PO Box 47014  
1111 Washington Street SE  
Olympia, WA 98504-7014

Approved as to form this 4<sup>th</sup> day  
of January, 2010.  
Assunne Smith  
Assistant Attorney General



201005100106  
Skagit County Auditor

5/10/2010 Page 5 of 5 3:45PM

02-084632

Olivine Ends Trust Land Transfer

Exhibit C to SCL Trust Land Transfer  
Program Properties Deed Acceptance ORD



Ron Tressler  
SCL Trust Land Transfer Program Properties Deed Acceptance EXH D  
October 13, 2010  
Version #2

**AFTER RECORDING RETURN TO:**  
Department of Natural Resources  
Asset and Property Management Division  
ATTN: Trust Land Transfer Program  
PO Box 47014  
Olympia, WA 98504-7014



201007200130  
Skagit County Auditor

7/20/2010 Page 1 of 5 3:53PM

**QUITCLAIM DEED**  
Skagit County

Grantor: State of Washington, by and through the Department of Natural Resources

Grantee: City of Seattle, by and through its City Light Department

Abbreviated

Legal Desc: Section 13, Township 35 North, Range 10 East, W.M.

Tax Parcel #: P45307

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

2164  
JUL 20 2010

Amount Paid \$0  
Skagit Co. Treasurer  
By *ADM* Deputy

THE GRANTOR, STATE OF WASHINGTON, acting by and through the Department of Natural Resources, for and in consideration of the sum of ONE HUNDRED NINE THOUSAND Dollars (\$109,000), which amount has been paid by state legislative appropriation pursuant to Washington Laws of 2009, Ch. 497, Section 3203 and RCW 79.17.200, hereby conveys and quitclaims to City of Seattle, by and through its City Light Department, GRANTEE, all interest in the real property situated in Skagit County, Washington, and described in EXHIBIT A, attached hereto, which by this reference is made a part hereof.

This property shall be used exclusively for one or more of the following public purposes: Fish and wildlife habitat, open space, or recreation.

The real property described in Exhibit A is conveyed subject to the Department's Habitat Conservation Plan Implementation Agreement entered into as of the 30th day of January, 1997 by and between the Secretary of the Interior acting through the United States Department of the Interior, as represented by the United States Fish and Wildlife Service ("USFWS"), an agency of the federal government, the Secretary of Commerce acting through the National Oceanic & Atmospheric Administration as represented by the National Marine Fisheries Service ("NMFS"), an agency of the federal government, and the Washington State Department of Natural

02-084795

South Marble Trust Land Transfer



Resources ("DNR"), an agency of the State of Washington, which includes the Washington State Board of Natural Resources ("Board"). All lands conveyed for the above-stated purposes are also to be used consistent with management as "PERMIT LANDS" as defined in the Habitat Conservation Plan Implementation Agreement as long as the Habitat Conservation Plan Implementation Agreement is in effect. Grantee accepts the property for management as "PERMIT LANDS" and by accepting the property agrees to comply with the requirements of the Habitat Conservation Plan Implementation Agreement. A Memorandum of the Habitat Conservation Plan Implementation Agreement is attached hereto as Exhibit B and incorporated herein by this reference.

The above-described lands are subject to that certain statutory reserved right as set forth in RCW 79.36.370 and to the following reservation:

The Grantor hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself and its successors and assigns forever, all oils, gases, coal, ores, minerals, and fossils of every name, kind, or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself and its successors and assigns forever, the right to enter by itself or its agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, and working mines thereon, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns, forever, the right by its or their agents, servants, and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, and railroads, sink such shafts, remove such soil, and to remain on said lands or any part thereof for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business, hereby expressly reserving to itself and its successors and assigns, as aforesaid, generally, all rights and powers in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and the rights hereby expressly reserved.

No rights shall be exercised under the foregoing reservation, by the state or its successors or assigns, until provision has been made by the state or its successors or assigns, to pay to the owner of the land upon which the rights reserved herein to the state or its successors or assigns, are sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land: PROVIDED, That if said owner from any cause whatever refuses or neglects to settle said damages, then the state or its successors or assigns, or any applicant for a lease or contract from the state for the purpose of prospecting for or mining valuable minerals, or

02-084795

South Marble Trust Land Transfer



201007200130  
Skagit County Auditor

7/20/2010 Page

2 of

5 3:53PM

Exhibit D to SCL Trust Land Transfer  
Program Properties Deed Acceptance ORD



option contract, or lease, for mining coal, or lease for extracting petroleum or natural gas, shall have the right to institute such legal proceedings in the superior court of the county wherein the land is situate, as may be necessary to determine the damages which said owner of said land may suffer.

Grantee accepts the Property "AS IS, WHERE IS" with all faults. The Grantor disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose about the Property, including but not limited to improvements located thereon, and no employee or agent of the Grantor is authorized otherwise. The foregoing specifically includes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste or claims based thereon arising out of the actual or threatened discharge, disposal, seepage, migration, or escape of such substances at, from, or into the Property. Grantee hereby fully releases the Grantor from any and all liability to Grantee arising out of or related to the condition of the Property prior to, at, or after Grantee accepts title to the Property, including but not limited to the deposit or release of hazardous or toxic wastes or material and pollutants.

This Deed is executed and delivered pursuant to RCW 79.02.270 at the request of the Commissioner of Public Lands with the approval of the Board of Natural Resources, State of Washington.

WITNESS the Seal of the State of Washington, affixed this 9<sup>th</sup> day of June, 2010

Christine Gregoire  
GOVERNOR

ATTEST: [Signature]  
SECRETARY OF STATE

Approved as to form this 17<sup>th</sup> day of March, 2010.  
Andrew Smith  
Assistant Attorney General



Deed No. 26816.  
State Record of Deeds, Volume 14, Page 28.  
Transaction File No. 02-084795

02-08  
  
201007200130  
Skagit County Auditor

South Marble Trust Land Transfer



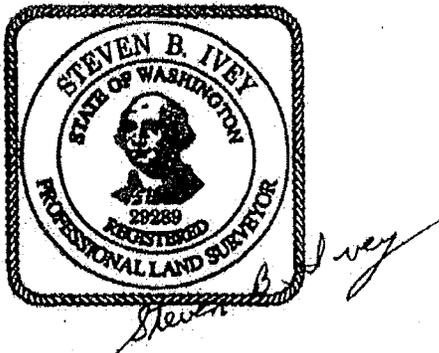
**DEPARTMENT OF NATURAL RESOURCES**

**EXHIBIT A**

**SOUTH MARBLE 40 TRUST LAND TRANSFER  
LEGAL DESCRIPTION**

The following describes the State land to be transferred to Seattle City Light:

The Southwest quarter of the Southeast quarter of Section 13, T35N, R10E, W. M., Skagit County, Washington, according to U. S. Government subdivision procedures.



Steven B. Ivey, PLS 29289  
Professional Land Surveyor  
Land Survey Unit,  
Engineering Division  
P.O. Box 47030  
Olympia, WA 98504-7030

Dated 3/5/2010



201007200130  
Skagit County Auditor

7/20/2010 Page 4 of 5 3:53PM



**DEPARTMENT OF NATURAL RESOURCES**

**EXHIBIT B**

**MEMORANDUM OF IMPLEMENTATION AGREEMENT FOR  
THE WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES  
HABITAT CONSERVATION PLAN**

The Agreement for the Washington State Department of Natural Resources Habitat Conservation Plan dated January 30, 1997 was entered into as a result of the completion of an approved habitat conservation plan prepared pursuant to the Endangered Species Act for DNR-managed forest lands within the range of the northern spotted owl and other federally listed species in the State of Washington, simultaneous with the issuance of an incidental take statement, Incidental Take Permit No. 812521 issued on January 30, 1997, which has been amended subsequently to add requirements with respect to additional species. The Habitat Conservation Plan and amendments, Implementation Agreement, and Incidental Take Permits associated therewith (collectively referred to as "HCP") define obligations with respect to lands defined in the HCP as "PERMIT LANDS." The term of the HCP is seventy (70) years from January 30, 1997, unless otherwise revoked or amended, with the possibility of renewal for three (3) additional terms of ten (10) years each. The documents and agreements comprising the HCP are in a format not capable of recording. Pursuant to RCW 42.56, these documents are maintained at the offices of DNR at the following address and may be reviewed upon request to:

DNR Public Disclosure Program  
Public Records Administrator  
[publicdisclosure@dnr.wa.gov](mailto:publicdisclosure@dnr.wa.gov)  
PO Box 47014  
1111 Washington Street SE  
Olympia, WA 98504-7014

Approved as to form this 5<sup>th</sup> day  
of March, 2010.

Adrienne Smith  
Assistant Attorney General



201007200130  
Skagit County Auditor

7/20/2010 Page 5 of 5 3:53PM

02-084795

South Marble Trust Land Transfer

Exhibit D to SCL Trust Land Transfer  
Program Properties Deed Acceptance ORD



**FISCAL NOTE FOR CAPITAL PROJECTS ONLY**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
City Light	Ron Tressler / 386-4506	Calvin Chow 684-4652

**Legislation Title:**

AN ORDINANCE relating to the City Light Department, authorizing the acceptance of the transfer of certain state trust lands in Skagit County, Washington from the Washington State Department of Natural Resources, authorizing the acceptance of the quitclaim deeds thereto, ratifying and confirming certain prior acts, 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 accept on behalf of The City of Seattle the Quitclaim Deeds executed by the Governor of the State of Washington, as Grantor, conveying three properties of approximately 640 acres, 210 acres, and 40 acres, respectively, located in Skagit County, for wildlife habitat protection purposes.

- **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.

The three parcels will be managed by City Light as part of the Skagit Wildlife Mitigation Lands Program. The properties are being transferred at no cost to City Light by Washington Department of Natural Resources and do not require a new appropriation. A map showing the location of the three properties 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.**



**X** This legislation has financial implications. (Please complete all relevant sections that follow.)

**Appropriations:**

This legislation requires no appropriations.

Appropriations Notes: No appropriations were required for this land transfer

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

No funds are authorized by this legislation and no additional appropriations are anticipated in the future.

Spending Plan and Budget Notes: The properties 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 these properties are available in the existing CIP budget for Skagit River Hydroelectric Project Mitigation.

**Funding Source:**

Operational and Maintenance costs are described in Uses and Sources for Operational and Maintenance Costs section.

**Bond Financing Required:**

Not applicable

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

O&M	2011	2012	2013	2014	2015	2016	Total
<b>Uses</b>							
Start Up							
On-going							
Sources: Skagit Mitigation - 6991	\$400	\$400	\$400	\$400	\$400	\$400	<b>\$2,400</b>

Operation and Maintenance Notes: Only operational and maintenance costs anticipated are for access maintenance and periodic visits by SCL EAD 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.

**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 Notes:**

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

**Do positions sunset in the future?** n/a

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

If the legislation were not implemented, SCL would be out of compliance with the terms of the signed closing documents with the Washington Department of Natural Resources. This would result in SCL not receiving deeds to the properties and would subject SCL to reimbursing DNR for costs incurred.

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

No.

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

No other alternatives exist at this time.

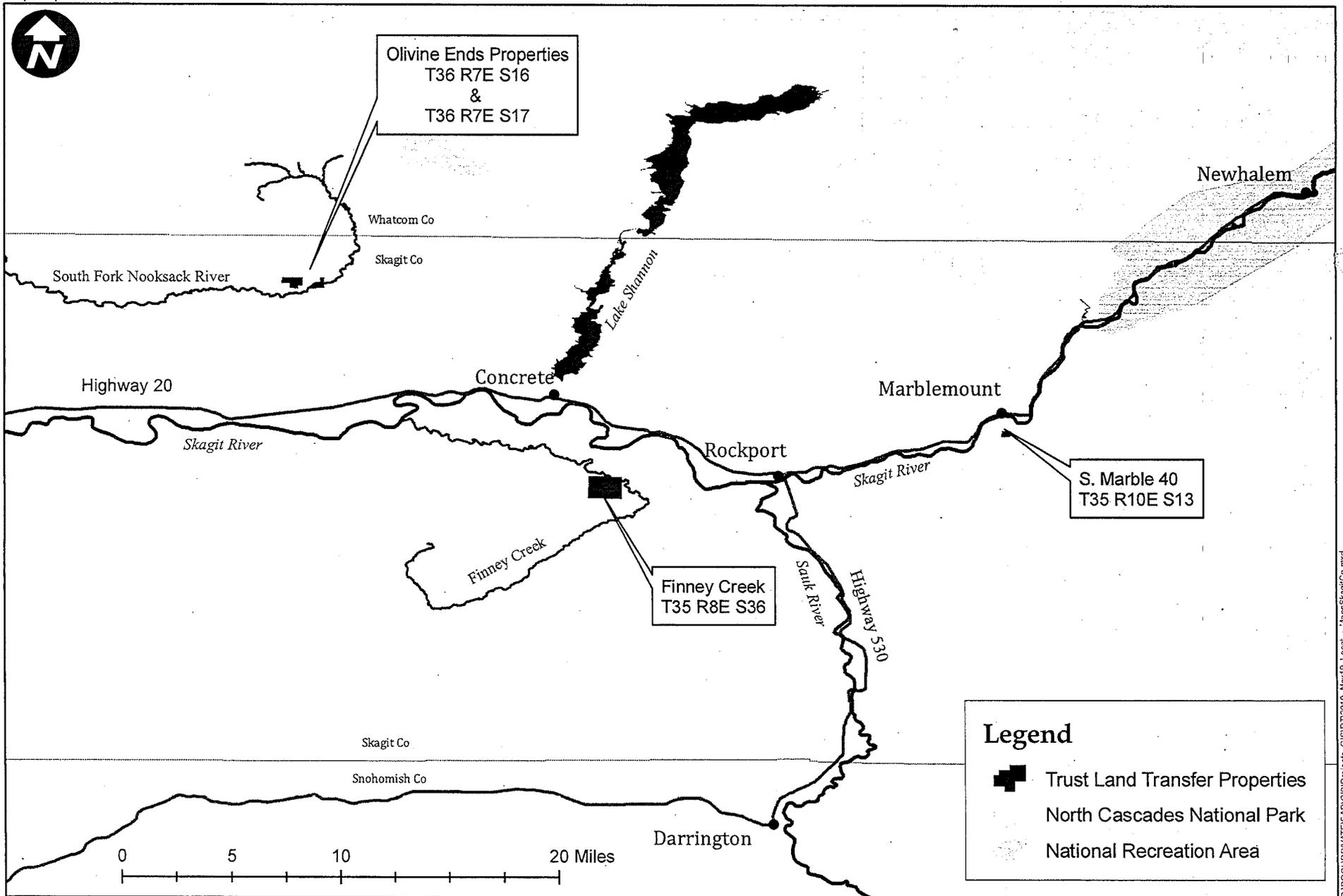
**Is the legislation subject to public hearing requirements?**

No

**Other Issues:** The 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 these properties.

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

Attachment A: Map of Olivine Ends, Finney Creek, and S. Marble 40 Properties



O:\POOL\PRIVATE\ADIGIS\Projects\_GIS\RT2010\_Nov19\_Loc\MapSkagitCo.mxd





City of Seattle  
Office of the Mayor

January 11, 2011

Honorable Richard Conlin  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill which would authorize Seattle City Light to accept the transfer of three parcels of state trust lands in Skagit County, Washington from the Washington State Department of Natural Resources ("DNR") for wildlife habitat protection purposes. The legislation will also authorize the acceptance of deeds to the properties, and place the properties under the jurisdiction of City Light.

The City manages over 8,000 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 DNR has identified the City of Seattle as a potential recipient of Trust Land Transfer Program lands. The DNR has determined that these ecologically important lands cannot be managed for maximum timber harvest and is removing them from the State's Common School Construction Trust by transferring them to public agencies that are able to manage them in a protected status. By accepting the transfer of 890 acres, the City will be continuing to fulfill its obligations under the Skagit Hydroelectric Project federal license.

Thank you for your consideration of this legislation. Should you have questions, please contact Lynn Best, Director, Seattle City Light Environmental Affairs, at 386-4586 or Ron Tressler at 386-4506.

Sincerely,

Michael McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

