



3628 South 35th Street

Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

Date: September 9, 2014

To: William A. Gaines, Director of Public Utilities/CEO

From: Theodore C. Coates, Power Superintendent/COO *TC*

Subject: Tacoma Power Property Conveyance to Skokomish Tribe

Recommendation: Tacoma Power requests your approval to declare surplus and convey a portion of the tidelands between the high water mark and extreme low tide adjoining Saltwater Park to the Skokomish Tribe, in exchange for Tacoma Power's use of a portion of Saltwater Park for hatchery development.

Background:

In December 2008, the City of Tacoma entered into a Settlement Agreement with the Skokomish Tribe ("Tribe"), as part of the Cushman Project relicensing requirements. As part of the settlement, real estate was conveyed to the Tribe, including a portion of the area commonly known as 'Saltwater Park', which is located on Hood Canal. The tidelands in front of the park were not conveyed and neither was the southern most part of the park, which was retained to construct a hatchery. Since then, Tacoma Power has determined it requires the use of other Tribe property for hatchery infrastructure, and has agreed to convey the tidelands to the Tribe in exchange for this perpetual use.

Since the Tribe owns the adjacent waterfront property, the conveyance of the additional tidelands will ensure consistent ownership. Further, Tacoma Power operations will not be negatively impacted because the area where the Cushman No. 2 tailrace enters the canal will not be retained.

The Tribe's support of the hatchery project and willingness to grant the City the rights to use portions of their property for the hatchery are reasonable consideration for the tidelands.

Your approval is requested to submit this matter to the Public Utility Board for Consideration.

APPROVED:

William A. Gaines
Director of Utilities/CEO