

**SKAGIT RIVER HYDROELECTRIC PROJECT (FERC PROJECT NO. 553)**  
**OFF-LICENSE AGREEMENT BY AND BETWEEN THE UPPER SKAGIT INDIAN**  
**TRIBE AND THE CITY OF SEATTLE**

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**List of Attachments**

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Attachment B	Depiction of Upper Skagit Meeting Center Land Location.
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Attachment D	Off-License Agreement Section 4.1.6.A Use Easement Lands.
Attachment E	Tribe’s Translations of “Skiyou” and “Syəwǝd,” and Explanation of the Cultural Significance of These Terms to the Tribe.
Attachment F	Effective Ordinance of the Seattle City Council Approving and Authorizing this Agreement.
Attachment G	Resolution from the Tribal Council (1) Approving and Authorizing this Agreement and (2) Acknowledging Obligations of this Agreement.

This Off-License Agreement (“OLA” or “Agreement”) is dated \_\_\_\_\_ and is by and between the Upper Skagit Indian Tribe (“Tribe”) as a federally recognized Indian Tribe with specific unique rights and interests throughout the Skagit River watershed, and the City of Seattle, a Washington municipal corporation acting through its City Light department (“Seattle”). The Tribe and Seattle are each referred to individually herein as a “Party” and collectively as the “Parties.”

## RECITALS

### WHEREAS,

- A. The Tribe is the political successor in interest to certain villages, cultural sites, and 11 aboriginal bands that signed the 1855 Treaty of Point Elliott, which among other things reserved fishing, hunting, and gathering rights in areas including the Skagit River watershed.
- B. Seattle is the Licensee for the Skagit River Hydroelectric Project, Federal Energy Regulatory Commission (“FERC”) Project No. 553 (“Project”).
- C. The Project is located in the Skagit River watershed in Whatcom, Skagit, and Snohomish counties in Washington State.
- D. The Project, which includes the City-owned towns of Newhalem and Diablo and Gorge, Diablo, and Ross dams and reservoirs, is located in areas of cultural and religious significance to the Tribe.
- E. The current FERC Project License, issued by FERC on May 16, 1995, was based upon an Offer of Settlement dated April 29, 1991, which included numerous settlement agreements (between Seattle and the Tribe and various other licensing participants) that addressed operation and maintenance of the Project during the current FERC Project License.
- F. Seattle and the Tribe are entering into this Agreement as part of the overall settlement process leading to issuance by FERC of a New License for the Project.
- G. On April 28, 2023, Seattle filed a Final License Application with FERC seeking a New License for the continued operation and maintenance of the Project (“New License”). The current FERC Project License expired on April 30, 2025. Since that time, Seattle has been operating on an annual license.
- H. Seattle and the Tribe are signatories to the comprehensive FERC Relicensing Settlement Agreement for the Project executed concurrently with this Agreement and made and entered into pursuant to FERC Rule 602, 18 CFR § 385.602.
- I. The Relicensing Settlement Agreement will request that FERC adopt certain protection, mitigation, and enhancement measures into the New License to govern the continued operation of the Project. The Parties intend that this Agreement, although a separate agreement, is part of an overall comprehensive resolution of all issues pertaining to the relicensing of the Project. Seattle and the Tribe acknowledge that the Relicensing

Settlement Agreement and this Agreement shall each be construed according to its own terms, except insofar as this Agreement provides to the contrary.

- J. Seattle acknowledges that the Tribe, as a federally recognized Indian Tribe, has unique rights and interests, including but not limited to adjudicated Treaty Rights, in the Skagit River watershed, and those interests and rights have been impacted by construction, maintenance, operation and existence of the Project.

In reliance upon the representations, warranties, covenants, and agreements of each of the Parties as set forth herein, the Parties agree that:

## **ARTICLE 1** **DEFINITIONS**

As used in this Agreement, the following terms shall have the meanings specified in this Article 1 unless the context clearly requires otherwise:

- 1.1 “Agreement” has the meaning set forth in the introductory paragraph hereof.
- 1.2 “Applicable Law” means general law that (i) exists outside of this Agreement, including all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of the United States, the Tribe, or any domestic state, county, city or other political subdivision or of any Governmental Authority and (ii) applies to obligations or activities of the Parties under this Agreement.
- 1.3 “Claims” means any and all rights, demands, actions, causes of action, suits, judgments, liabilities, obligations, losses, damages, penalties, compensation, costs, attorney fees, or any other expense whatsoever, of whatever kind or nature, incurred by the Tribe (including, but not limited to, the Tribe’s Treaty Rights) or its members, in law, equity or otherwise, without any limitation as to amount pertaining to the construction, maintenance, operation, and/or existence of the Project that may have occurred in the past or may occur after execution through the term of this Agreement. Notwithstanding, “Claims” shall not be construed to include the following rights, demands, etc.:
- 1.3.1 Arising after the execution of this Agreement that are not based upon any alleged impact to the Tribe, the Tribe’s Treaty Rights, or its members;
- 1.3.2 Pertaining to the Project arising upon or after expiration or termination of this Agreement; or
- 1.3.3 Arising after execution of this Agreement from a catastrophic event associated with the Project (such as sudden structural failure of a Project dam or event of similar magnitude); or
- 1.3.4 Related to Seattle’s future transfer of lands that are both within the Project Boundary and demarcated in Indian Claims Commission, *Upper Skagit Tribe of Indians v. U.S.*, 8 Ind. Cl. Comm. 475 (1960) paragraph 17, to any federally recognized tribe.

- 1.4 “Current License” means the license issued in 1995 by FERC to City of Seattle for the continued operation and maintenance of the Project pursuant to Section 15 of the FPA, 16 United States Code (USC) § 808, including any subsequent annual licenses prior to the New License.
- 1.5 “District Court” means the U.S. District Court for the Western District of Washington.
- 1.6 “Effective Date” shall mean the date that is sixty (60) days after the date upon which FERC issues the Final Order issuing a New Project License. If any Party to the FERC proceeding seeks administrative and/or judicial review of the order issuing a New Project License, the Effective Date shall be sixty (60) days after the completion of the administrative and/or judicial review that will result in the FERC Order issuing the New Project License becoming a Final Order.
- 1.7 “FERC” means the Federal Energy Regulatory Commission.
- 1.8 “FPA” means the Federal Power Act, 16 USC §§ 791a *et seq.*
- 1.9 “Final Order” means an order of any regulatory body or court having jurisdiction over a matter and for which there is no further opportunity or right for administrative or judicial review of such order.
- 1.10 “Force Majeure” means any cause reasonably beyond the Party’s control, whether unforeseen, foreseen, foreseeable, or unforeseeable, including but not limited to: acts of God, fire, war, insurrection, civil disturbance, explosion; adverse weather conditions that could not be reasonably anticipated causing unusual delay in transportation and/or field work activities; restraint by court order or order of public authority; inability to obtain, after exercise of reasonable diligence and timely submittal of all applicable applications, any necessary authorizations, approvals, permits, or licenses due to action or inaction of any governmental agency or authority; or labor disputes or strikes which are reasonably beyond the control of the Party seeking excuse from performance.
- 1.11 “Governmental Authority” means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, the Tribe, county, city or other political subdivision or similar governing entity.
- 1.12 “Minimum Flow Unit” means the proposed new generation unit and associated infrastructure (such as new transmission and access for the unit) at Gorge Dam that Seattle proposes to construct and operate to generate electricity from the 250 cfs minimum flow released into the Gorge Reach pursuant to Proposed License Article OPS LA-03. Seattle currently anticipates that this Minimum Flow Unit will have a capacity of approximately 2.5 megawatts.
- 1.13 “New License” means the license issued by FERC to Seattle for the continued operation and maintenance of the Project pursuant to Section 15 of the FPA, 16 USC § 808, including any subsequent annual licenses, replacing the 1995 license.

- 1.14 “Notice” means a written communication that meets the requirements of Section 12.5.
- 1.15 “Parties” or “Party” means the signatories to this Agreement.
- 1.16 “Person” means any natural person, corporation, general partnership, limited partnership, proprietorship, limited liability company, other business organization, trust, union association, or Governmental Authority.
- 1.17 “Project” means the Skagit River Hydroelectric Project, FERC No. 553.
- 1.18 “Project Boundary” means the boundary for the Project as defined in the New License.
- 1.19 “Project Works” is defined by the Federal Power Act, 16 USC § 796(12).
- 1.20 “Proposed License Articles” means the Proposed License Articles set forth in Appendix 1 of the Relicensing Settlement Agreement, as well as the Management Plans set forth in Appendices 6-18 thereof, that the Parties to that agreement will request FERC include, without material modification, in the New License.
- 1.21 “Relicensing Settlement Agreement” means the comprehensive Settlement Agreement for the Relicensing of the Skagit River Hydroelectric Project (FERC Project No. 553) dated \_\_\_\_\_.
- 1.22 “Seattle” means the City of Seattle, a Washington municipal corporation, including its City Light department.
- 1.23 “Term of the Agreement” is defined in Section 13.15.
- 1.24 “Tribe” means the Upper Skagit Indian Tribe.
- 1.25 “Tribe’s Treaty Rights” means the Tribe’s rights (including, but not limited to, any habitat rights based upon the right to take fish) reserved by the Tribe of the Treaty of Point Elliott, Jan. 22, 1855, 12 Stat. 927, ratified Mar. 8, 1859, proclaimed Apr. 11, 1859.

## **ARTICLE 2**

### **SETTLEMENT PURPOSE**

The purpose of this Agreement is, upon the Effective Date of this Agreement and except as specified herein, to fully, finally, and irrevocably settle the Claims by the Tribe against Seattle.

## **ARTICLE 3**

### **RELEASE OF CLAIMS**

- 3.1 Release of Claims. Except for those obligations and rights created by and arising out of this Agreement, in consideration of the compensation stated in Article 4, the Tribe waives, releases and discharges Seattle and its elected and appointed officials, officers, directors, employees, agents, and attorneys from the Claims, as defined in Section 1.3. The Parties

intend that this release and discharge is contingent upon payment of the compensation required by Section 4.1.

- 3.2 Indemnification. The Tribe agrees to indemnify and hold harmless Seattle and its elected and appointed officials, officers, directors, employees, agents, and attorneys from any Claims by the United States or by the Tribe’s members asserted against Seattle. However, this section shall not be construed to apply or extend to any exercise of regulatory authority by the United States or any agency or department thereof.
- 3.3 Tucker Act and other Breach of Trust Claims against the United States. The Tribe waives, releases and covenants not to challenge the issuance of the FERC license, the execution of federal trust responsibilities or any other element of federal performance under the Indian Tucker Act (28 USC § 1505) associated with the issuance or existence of the FERC license pursuant to the FPA or any other federal law that imposes a specific and unambiguous duty upon the United States.
- 3.4 Reservation of Rights. By the releases provided in Section 3.1 and 3.3, the Tribe is releasing and discharging Seattle and its elected and appointed officials, officers, directors, employees, agents, and attorneys from the Claims. The Tribe reserves all Claims that it may have against any other individual, organization or corporation or their respective heirs, legal representatives, successors, or assigns (except as expressly provided in this Agreement), and any right the Tribe has to proceed against such parties, pertaining to the subject matter of this Agreement.

#### **ARTICLE 4**

#### **COMPENSATION TO THE TRIBE**

- 4.1 Settlement of Claims. In consideration of the terms and conditions set forth herein, Tribe’s release of Claims, Seattle will provide the following compensation to the Tribe:
- 4.1.1 Compensation upon Execution of the Relicensing Settlement Agreement. Within ninety (90) days after the date of execution of the Relicensing Settlement Agreement by the Parties, Seattle shall pay the Tribe one million four hundred thousand dollars (\$1,400,000) (2025). Of that amount, four hundred thousand (\$400,000) shall be used by the Tribe to engage a qualified consultant/contractor to complete the Passage Program Cost and Schedule Report as described in the Relicensing Settlement Agreement’s Skagit Fish Passage Program Plan (Relicensing Settlement Agreement, Appendix 5, Section 5.b) within six months of the Effective Date of the Relicensing Settlement Agreement and the remaining one million dollars (\$1,000,000) shall be used by the Tribe for design and permitting of the Upper Skagit Newhalem Meeting Center described in Section 4.1.4. Within one (1) year of receiving the payment from Seattle and yearly thereafter until the payment amount is depleted, the Tribe shall provide Seattle with an annual report detailing how the payment has been expended during the previous year to support the tasks described in this subsection.

- 4.1.2 Compensation upon License Issuance. Within six (6) months after the Effective Date, Seattle shall pay the Tribe eight million dollars (\$8,000,000) (2025).
- 4.1.3 Annual Payment. Seattle shall provide an annual payment to the Tribe of two million two hundred and fifty thousand dollars (\$2,250,000) (2025). The first payment will commence six (6) months after the New License becomes final and is affirmatively accepted by Seattle. Thereafter, the annual payment for a preceding year shall be made by April 1 of the following year.
- a. Annual Payment shall continue through the term of the New License and any subsequent annual licenses.
  - b. Annual Payments shall not be conditioned upon yearly accounting by the Tribe or restrictions on the Tribe’s use of compensation.
- 4.1.4 Land Transfers. Seattle will transfer to the Tribe by quit claim deed the properties listed in Section 4.1.4a and 4.1.4b below, subject to the Parties executing a mutually acceptable property transfer agreement, Seattle completing any required regulatory review (including, if necessary, the State Environmental Policy Act, Chapter 43.21C Revised Code of Washington), obtaining regulatory approvals, and standard City deed covenants. In the event that such review and approvals require more than one year, the properties will be transferred upon obtaining final regulatory review and approvals. Upon execution of the Agreement, Seattle shall promptly commence such regulatory review, begin seeking any necessary regulatory approvals including subdivision or creation of legal lots for transfer, and pursue such final approvals with due diligence. Seattle’s obligations to transfer land under this subsection are subject to and conditioned upon the Seattle City Council authorizing the transfer of such land by ordinance, which shall not occur until after completion of regulatory review and obtaining all final regulatory approvals. If the Seattle City Council does not authorize the transfer of the land under this subsection within 10 years after the Effective Date, Seattle and the Tribe shall meet and confer to negotiate alternative measures that provide similar consideration to the Tribe as would be provided by the land transfers described in this Agreement.
- a. Newhalem Ponds and County Line Properties. Seattle shall transfer to the Tribe by quit claim deed the properties as generally depicted in Attachment A (which are commonly referred to as the Newhalem Ponds and County Line properties). The Newhalem Ponds property is approximately 103.5 acres and the County Line property is approximately 45.6 acres. These property transfers will occur at an agreed upon time after (i) the issuance of the New License and (ii) Seattle obtains and develops suitable alternative operation facilities to replace its current uses of these properties. These property transfers are subject to FERC agreeing to remove such properties from the FERC Project Boundary prior to the transfer. These transfers are expressly conditioned on (i) a survey being completed to determine a legal description and (ii) approval of a subdivision or legal lot determination for transfer, and subject to completing any necessary federal, state, county, and/or Seattle regulatory review and approval process.

- b. Upper Skagit Newhalem Meeting Center Land Transfer. Seattle shall transfer to the Tribe by quit claim deed the approximately 2.4 acres of land located within the Town of Newhalem that is generally depicted in Attachment B (which will be subsequently used by the Tribe as the location for the Upper Skagit Newhalem Meeting Center). This property transfer will occur at an agreed upon time after (i) the issuance of the new FERC license for the Project and (ii) Seattle obtains and develops suitable alternative operation facilities to replace its current uses of this property. This property transfer is subject to FERC agreeing to remove such properties from the FERC Project Boundary prior to the transfer. Additionally, this property transfer is expressly conditioned on (i) a survey being completed to determine a legal description and (ii) approval of a subdivision or legal lot determination for transfer, and would be subject to standard City deed covenants, and completing any necessary federal, state, county, and/or Seattle regulatory review and approval process.
  - c. Reservations. For all property transfers, Seattle shall reserve from the property transfer Project Works and lands within the Project Boundary. This includes, powerlines, service and access roads, boat ramps, all easements and rights of way, and restoration projects within the Project Boundary.
  - d. Costs. For all property transfers, Seattle shall bear the costs of surveys, closing, real estate excise tax, recording fees, and any required regulatory review. The Tribe shall be responsible for all other costs associated with the property transfers.
  - e. Restrictions on Use of Property. For all property transfers, the applicable conveyance deed shall include a use restriction, with right of reversion, providing that the Tribe shall not conduct any business or commercial enterprise of any kind on the properties.
  - f. Prohibition on Transfer; Reversionary Interest. For all property transfers, the applicable conveyance deed shall include a covenant providing the Tribe shall not sell, transfer, or otherwise dispose of all or any portion of the transferred properties without the prior written consent of Seattle, which consent may be withheld in Seattle's sole and absolute discretion, and with Seattle reserving a reversionary interest in the transferred properties triggered upon the occurrence of any unauthorized sale, transfer or other disposition.
- 4.1.5 Upper Skagit Newhalem Meeting Center. As supplemental mitigation in addition to the agreed to 250 cubic feet per second minimum flow in the Skagit River downstream from Gorge Dam to Gorge Powerhouse, Seattle will fund the construction of an Upper Skagit Newhalem Meeting Center (Meeting Center), which will be located on the Town of Newhalem Property (referenced in Section 4.1.3b above), at a cost not to exceed eight million dollars (\$8,000,000) (2025).
- a. Construction of the Meeting Center will begin after the transfer of the property referenced in Section 4.1.4.b and will be based upon the design and permitting

funded by Seattle in Section 4.1.1. Although the Tribe reserves final decision-making authority as it pertains the Meeting Center’s design and features, the Parties acknowledge that design of the Meeting Center will be consistent with and compliment the character of surrounding environment including the Newhalem historic district. At no cost to the Tribe and upon the Tribe’s instruction, Seattle will oversee the construction of this facility. The Parties will target completing design and construction of the Meeting Center within five years of the Effective Date of this Agreement (subject to the completion of the property transfer described in Section 4.1.4.b and obtaining any necessary permits and authorization necessary for construction of the Meeting Center).

- b. The building will be owned and operated exclusively by the Tribe for noncommercial purposes.
- c. Seattle will provide routine maintenance of the Meeting Center’s exterior as described in Attachment C without charge, subject to personnel and equipment availability during the Term of the Agreement.

#### 4.1.6 Tribe’s Use of Lands Owned and Managed by Seattle.

- a. Within five (5) years of the Effective Date, Seattle shall grant the Tribe a non-exclusive easement for permissive non-possessory use of the Seattle lands identified in Attachment D, without warranty or guaranty, for the express purpose of hunting, fishing, gathering, and cultural practices, only to the extent that such uses: (i) are consistent with and are expressly subject to existing encumbrances, restrictions, covenants, and any FERC license obligations (including any future license obligations), (ii) are consistent with applicable state, federal, and tribal law, and (iii) are consistent with the habitat conservation purposes that Seattle originally acquired the lands for. The easements are subject to ordinance approval by the Seattle City Council. The Tribe’s use shall not interfere with or impair Project purposes or otherwise interfere with Seattle’s use of the properties. The Tribe shall release, defend, indemnify and hold Seattle harmless for claims and liabilities arising out of the Tribe’s or its members’ use of, activities or presence on the easement properties, or for the Tribe’s or its members’ breach of the easement agreement. The Tribe is expressly prohibited from siting, constructing, or installing any structures on the properties without prior written authorization from Seattle. The easements shall run with the land and be perpetual in nature, subject to revocation for breach. Seattle and the Tribe agree to share property management responsibilities and costs, with the Tribe’s share of costs proportional to its use of the properties, with such shared management responsibilities and cost share obligations to be memorialized in a written agreement between Seattle and the Tribe, as may be amended from time to time as agreed to by the Parties.
- b. Within ten (10) years of the Effective Date, Seattle and Tribe shall meet and confer to determine and identify which of the Seattle City Light owned properties located in the Skagit River watershed that are being managed as Endangered Species Act fish and wildlife mitigation lands, if any, on which that Seattle may grant the Tribe a non-exclusive easement for permissive non-possessory use of such Seattle lands

and the schedule for providing such easement (subject to, without limitation, the conditions and process described in 4.1.6.a. This determination shall consider the joint interests of the Parties in addressing the Tribe’s cultural interests while providing for efficient and cost-effective management of land.

4.2 Gorge Dam Minimum Flow Generation Unit Revenue Sharing. As described in this Section, Seattle will provide an annual payment to the Tribe equal to thirty-seven percent (37%) of the Net Value of the actual electric production from the new Gorge Dam Minimum Flow Unit (Minimum Flow Unit).

4.2.1 Annual Payment Calculation. “Net Value” of the electric production from the Minimum Flow Unit will mean the product of the Minimum Flow Unit’s actual annual net power generation as reported to FERC in EIA 906 (or a subsequent report) times a three-year (current billing year and the previous two years) average of the monthly means of the weighted Dow Jones Mid-Columbia Firm Electricity Price Index minus the Minimum Flow Unit’s Annual Power Costs. The Dow Jones Mid- Columbia Firm Electricity Price Index will be weighted by averaging the firm heavy load index at 66.7 percent and the firm light load index at 33.3 percent, except for Sundays and NERC holidays. For Sundays and NERC holidays, the Dow Jones 24-hour firm index will be used. In the event Dow Jones Energy Service changes the format of the Dow Jones Mid-Columbia Electricity Price Index or the Index is no longer available, another mutually agreeable price index will be used. The Annual Power Costs will include the annualized capital cost and the actual operation and maintenance cost for the Minimum Flow Unit and associated infrastructure.

4.2.2 Schedule for Annual Payments. The annual payment for a preceding year shall be made by April 1 of the following year. For example, Seattle will provide the annual payment for 2035 operations by April 1, 2036. The first annual payment shall be made by April 1 in the year following the commencement of the operation of the Minimum Flow Unit. The first payment will be prorated based upon the number of days remaining in that calendar year after the Minimum Flow Unit begins operation. The last annual payment shall be made by April 1 in the year following the expiration of the New License (and any subsequent annual licenses) and will be prorated based upon the number of days in the calendar year prior to the expiration of the New License (or any subsequent annual licenses). In the event information necessary for the annual payment is not available in time to make the April 1 payment, Seattle shall make its payment based upon a good faith estimate of the payment. Seattle shall reconcile any over- or under- payment at the time of the next scheduled annual payment. Seattle will provide support for the annual payment calculation at the time it makes the payment. No annual payment will be made in any year where the Net Value of the electric production from the Minimum Flow Unit for that year is zero dollars (or a negative monetary value). Unless otherwise agreed, the annual payment shall be made by electronic fund transfer using mutually agreed upon procedures.

- 4.2.4. Seattle and the Tribe will seek and support, as appropriate, federal, state, and other sources of funding for the Minimum Flow Unit. Such funding will be used to reduce the cost of construction, operation, and maintenance of the Minimum Flow Unit, thereby reducing the Minimum Flow Unit’s Annual Power Costs for purposes of calculating the annual revenue sharing payment amount.
- 4.2.5. If (i) FERC does not authorize Seattle to construct and operate the Minimum Flow Unit at Gorge Dam or authorizes it with conditions/requirements that would be considered Material Modifications to the FERC Relicensing Settlement Agreement, or (ii) the Minimum Flow Unit is not operational within ten years of issuance of a New License (unless extended by the agreement of the Parties), then Seattle and the Tribe will meet and confer to develop in good faith an alternate revenue sharing agreement that provides the Tribe with a functionally equivalent financial benefit and is based upon revenue sharing from a different new energy enhancement at the Project (such as, for example, the operation of a pump-back unit at Ross Dam). If that new energy enhancement at the Project is not operational within fifteen years of issuance of a New License or Seattle decides to not pursue a new energy enhancement at the Project, Seattle shall increase the amount of the Section 4.1.3 annual payment by two-hundred and fifty thousand dollars (\$250,000) (2025) per year beginning at the start of Year 15 after license issuance. Seattle and the Tribe agree that this increase to the Section 4.1.3 annual payment: (i) will be in lieu of a revenue sharing agreement between the Tribe and Seattle, and (ii) shall fully satisfy Seattle’s obligations to the Tribe for revenue sharing as described in Section 4.2. This increase to the annual payment will continue through the term of the New License and any subsequent annual licenses.
- 4.3 Sole and Exclusive Means of Compensation. This Agreement provides the sole and exclusive means by which Seattle shall compensate the Tribe or its members for the Claims. For the duration of the New License and any subsequent annual licenses, the Tribe shall not seek in any forum any additional consideration or compensation for the Claims from Seattle other than that consideration and compensation to the Tribe that is expressly provided in this Agreement.
- 4.4 Opportunity to Cure. Before initiating any dispute resolution proceeding pursuant to Section 10.2, pertaining to the timeliness or adequacy of payments provided by Seattle pursuant to Article 4, or before either Party purports to terminate this Agreement as a result of a Material Modification to the Relicensing Settlement Agreement, the Disputing Party shall provide the other Party with written notice of the alleged deficiency, specifying the Claim of breach and the basis of such Claim. The other Party shall have a reasonable opportunity, not to exceed sixty (60) days, to cure such deficiency. If, within sixty (60) days after the service of notice, the other Party in good faith disputes in writing that a deficiency has occurred, the Disputing Party may seek resolution of such dispute pursuant to the terms of Section 10.2.
- 4.5 All dollar amounts in this Agreement are stated as of the year 2025 and shall be adjusted according to Proposed License Article OPS LA-04 (Annual CPI Adjustment).

**ARTICLE 5**  
**TRIBE SUPPORT FOR NEW LICENSE**

- 5.1 Within thirty (30) days of the date of execution of the Relicensing Settlement Agreement by the Parties, the Tribe agrees to file a letter notifying FERC of the Tribe’s full support for: (i) FERC’s incorporation, without modification, of the Proposed License Articles into the New License; and (ii) FERC’s issuance of a New License. The Tribe will cooperate fully with Seattle to obtain a New License that is consistent with the FERC Relicensing Settlement Agreement for the Project. The Tribe agrees that, so long as this Agreement remains in effect, it will refrain from taking any position publicly or privately that indicates Seattle’s application for a New License should be denied, modified, or that the Proposed License Articles are deficient.
- 5.2 Consistent with the FERC Relicensing Settlement Agreement, the Tribe will cooperate fully with Seattle in the implementation of the FERC Relicensing Settlement Agreement and New License.
- 5.3 Project Power Production Enhancement Measures. The Tribe further agrees to support Seattle in its pursuit of regulatory approval to implement measures to enhance power production at the Project, as determined by Seattle, unless relevant new information demonstrates such measures pose the risk of significant adverse impacts to the Tribe’s Treaty fishing rights, as determined by the Tribe. At the request of Seattle, the Tribe agrees to file letter(s) notifying FERC of the Tribe’s full support for such measures, unless new information demonstrates measures pose the risk of significant adverse impacts to the Tribe’s Treaty fishing rights. These measures may include but are not limited to the following:
- (a) Construction and operation of the Gorge Dam Minimum Flow Generation Unit;
  - (b) Dredging at the mouth of Stetattle Creek to enhance power production at Diablo Dam (as described in Exhibit B Section 5.3 and Exhibit C Section 3.0 of the Final License Application) (without including any conditions/requirements that would be considered Material Modifications to the FERC Relicensing Settlement Agreement); and
  - (c) Construction and operation of a pump back generating unit at Ross Dam.

Seattle will seek, and the Tribe will support, FERC authorization in the New License to construct and operate the Minimum Flow Unit at Gorge Dam (without including any conditions/requirements that would be considered Material Modifications to the FERC Relicensing Settlement Agreement).

**ARTICLE 6**  
**GENERAL GOVERNMENTAL DISPUTE RESOLUTION PROCESS**

- 6.1 Liaisons. Seattle and the Tribe agree to appoint regularly, as a part of their respective governmental administrations, Tribal-Seattle liaisons who are to serve as the initial point

of contact between the Parties when either wishes to consult on matters of concern related to the implementation of this Agreement.

- 6.2 Annual Meetings. The Parties agree to meet at least annually to identify and discuss matters of concern related to this Agreement. The primary purpose of such meetings will be to address concerns before they rise to the level of a dispute.

## **ARTICLE 7**

### **ADDITIONAL COVENANTS BY PARTIES**

- 7.1 Cultural Resource Interpretation and Education Commitments. The Agreement will include the following additional commitments related to cultural resources:

- a. Signage. Seattle will install and maintain cultural resource interpretative signs at (i) the Town of Newhalem, (ii) the homesite of Charles Moses, and (iii) other locations agreed to between the Parties. The Town of Newhalem sign will acknowledge that the geographic location of the Town of Newhalem included a former village of the Tribe.
- b. Renaming of Gorge Dam and Gorge Powerhouse Bridge. Within five (5) years of the Effective Date and subject to obtaining any necessary regulatory approvals and authorizations, Seattle will rename the Gorge Dam as “Skiyou Dam” and the Gorge Powerhouse Bridge as “Syəwǝd Bridge”. For informational purposes only, Attachment E provides the Tribe’s translations of “Skiyou” and “Syəwǝd,” along with a brief explanation of the cultural significance of these terms to the Tribe.
- c. Salmon Release. Seattle will endeavor to allow a member of the Tribe to release into the Skagit River the first adult salmon passed above a Project dam (to the extent authorized by agencies with regulatory authority and is feasible).
- d. Tribe’s Access to Lands Owned and Managed by Seattle. Seattle shall make a good-faith effort to facilitate the ability of Tribal members to exercise Treaty Rights and carry out cultural practices on lands owned and managed by Seattle within the Skagit River watershed (including but not limited to lands owned by the City within the river reach between Gorge Dam and Gorge Powerhouse). Such access will be subject to safety and other reasonable conditions as exclusively determined by Seattle.
- e. Education. In order to support the Tribe’s implementation of cultural awareness and education programs, Seattle will annually pay the Tribe one hundred and fifty thousand dollars (\$150,000) (2025), with the first payment commencing six (6) months after the Effective Date.
- f. Tribal Cultural Curriculum at Seattle’s North Cascade Outdoor School Learning Center (LC). Seattle will provide the Tribe with the opportunity to develop and provide instruction on Tribal cultural curriculum at the LC. As appropriate and feasible, such cultural curriculum will be integrated into the existing learning programs provided at LC. At no expense to the Tribe, Seattle will install three interpretation signs designed by the Tribe at the LC with the locations to be determined by mutual agreement of the Parties. The Tribal cultural curriculum and interpretation signs will be subject to the

approval of Seattle (which will not be unreasonably withheld) and any necessary approval or authorization by National Park Service and FERC.

- 7.2 USIT License Implementation Cost Reimbursement. Seattle will annually pay the Tribe one hundred thousand dollars (\$100,000) (2025) for first five years after license issuance as financial assistance for the Tribe’s participation in the license’s implementation committee(s) (including any technical aquatic, terrestrial, and cultural working groups) and other license implementation activities, with the first payment commencing six (6) months after the Effective Date.
- 7.3. Reservation Energy Efficiency Program. In collaboration with the utility that services the Tribe’s reservation, Seattle will make City Light’s energy efficiency program advisors available to the Tribe to support the development and implementation of an energy efficiency program within the Tribe’s reservation.
- 7.4 Employment and Opportunities. In addition to the compensation to the Tribe, Seattle will collaborate with the Tribe in an effort to provide employment opportunities to Tribal members by encouraging and helping to prepare qualified candidates to apply for employment positions within City Light.
- 7.4.1 Seattle will support the Tribe’s development of a sponsorship or scholarship program, based upon an annual monetary contribution (up to \$10,000 annually). This program will be designed to enable Tribal members to obtain training or skills suitable for City Light employment opportunities at the Project.
- 7.4.2 Upon execution of this Agreement, Seattle and the Tribe will develop, through Interlocal Agreement (Chapter 39.34 RCW), mechanisms to allow (i) the Tribe to assist Seattle in implementation of specific license article obligations by providing Tribal members with part-time, seasonal, and/or temporary employment opportunities and (ii) Seattle to reimburse the Tribe for such assistance.
- 7.4.3 These commitments will be subject to being implemented consistent with any and all applicable federal, state, local, or tribal law, collective bargaining agreements, and Seattle employment policies.

## **ARTICLE 8**

### **REPRESENTATIONS AND WARRANTIES**

The Parties hereby represent and warrant as follows:

- 8.1 Authority of Seattle. Seattle has full power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to consummate the transactions contemplated hereby. The execution and delivery by Seattle of this Agreement, and the performance by Seattle of its obligations hereunder have been duly and validly authorized by the City of Seattle’s Mayor and Seattle City Council. This Agreement has been duly and validly executed and delivered by Seattle and constitutes legal, valid, and binding obligations of Seattle, enforceable against Seattle in accordance with the terms. The Mayor and Seattle City Council’s approval and authorization of this Agreement shall be

conclusively evidenced by an effective ordinance of the Seattle City Council. A copy of that ordinance is attached as Attachment F to this Agreement.

- 8.2 Authority of the Tribe. The Tribe has full power to execute and deliver this Agreement, to perform its obligations hereunder, and to consummate the transactions contemplated hereby. The execution and delivery by the Tribe of this Agreement, and the performance by the Tribe of its obligations hereunder, have been duly and validly authorized by the Tribal Council and no other tribal action on the part of the Tribe is necessary. Tribal Council approval and authorization of this Agreement shall be conclusively evidenced by a written resolution of the Tribal Council that is attested to by the Tribal Council Chair and counter signed by the Tribal Council Secretary. This Agreement constitutes legal, valid, and binding obligations of the Tribe, enforceable against the Tribe in accordance with its own terms. A copy of that resolution is attached as Attachment G to this Agreement.

## **ARTICLE 9**

### **EFFECTIVE DATE AND TERMINATION**

- 9.1 Effective Date. This Agreement and the contractual obligations of the Parties shall be effective upon the Effective Date, except Article 4.1.1, which shall be effective upon execution. Until the Effective Date, there shall be no liability or obligation on the part of any Party (or any of their respective elected and appointed officials, officers, directors, employees, agents, and attorneys), except as expressly provided in Article 4.1.1, Article 5, Article 8, and Article 9.
- 9.2 Effect of Any Failure of FERC to Issue a New License to Seattle. This Agreement shall have no effect in the event that FERC declines or fails to issue Seattle a New License, and such determination becomes a Final Order.
- 9.3 Effect of Application for Surrender or Notice of Intent to Decommission Prior to Effective Date.
- 9.3.1 If, prior to the Effective Date, Seattle files an Application for Surrender pursuant to 18 CFR § 6.1 with FERC or files an irrevocable notification with FERC that it declines to accept the New License and will decommission the Project and cease generation, the Effective Date shall be stayed. In such event, the Parties shall meet in good faith on a government-to-government basis to consider whether Seattle should provide compensation to the Tribe pending FERC’s consideration of the Application for Surrender.
- 9.3.2 If, following Seattle’s timely filing of an Application for Surrender or an irrevocable notification of intent to decommission pursuant to Section 9.3.1 above: (i) Seattle withdraws the Application for Surrender or notification described in Section 9.3.1 above, or (ii) FERC denies or rejects the Application for Surrender or notification described in Section 9.3.1 above, the Effective Date and all obligations under this Agreement shall commence upon the Effective Date.
- 9.4 Termination.

- 9.4.1 Termination by Mutual Consent. This Agreement may be terminated at any time by mutual written consent of Seattle and the Tribe.
- 9.4.2 Surrender and Decommissioning. This Agreement may be terminated by Seattle, in its sole discretion, if, subsequent to the Effective Date of this Agreement, Seattle obtains from FERC a Final Order for Surrender and Decommissioning of the Project and FERC’s regional engineer verifies that the Project facilities have been decommissioned in accordance with the Surrender Order.
- 9.4.3 Force Majeure. This Agreement may be terminated by Seattle, in its sole discretion, if subsequent to the Effective Date of this Agreement, a *Force Majeure* permanently prevents the continued operation of, and requires decommissioning of, the Project’s Gorge Development, Diablo Development, or Ross Development.
- 9.4.4 FERC Relicensing Settlement Agreement. This Agreement may be terminated by either Party, in its sole discretion, if FERC issues a Final Order that includes a Material Modification (as defined by the FERC Relicensing Settlement Agreement) and results in (i) either Party withdrawing from the FERC Relicensing Settlement Agreement or (ii) the termination of the FERC Relicensing Settlement Agreement.
- 9.4.5 Parties’ Actions upon Termination. Upon termination, this Agreement shall become null and void, and there shall be no liability or obligation on the part of any Party (or any of their respective elected and appointed officials, officers, directors, employees, agents and attorneys). Specifically, Seattle shall be under no obligation to continue the compensation specified within Section 4.1.3 or Article 5 in the event of termination.

**ARTICLE 10**  
**LIMITED WAIVER OF IMMUNITY; DISPUTES**

10.1 Limited Waiver of Immunity.

- 10.1.1 Acknowledgement. The Tribe acknowledges and agrees that in entering into this Agreement, it may incur obligations to Seattle, and Seattle’s successors and assigns, and may become liable to these parties for specific performance of the Tribe’s obligations under this Agreement. The Tribe further acknowledges that Seattle would not enter into this Agreement with the Tribe if the Tribe could defeat enforcement against it of the contractual rights granted to Seattle by claiming sovereign immunity from any action brought against the Tribe by Seattle arising from this Agreement. The Tribe shall formalize the acknowledgement of these obligations through written resolution by the Tribal Council. A copy of that resolution is attached as Attachment G to this Agreement.
- 10.1.2 Limited Waiver of Immunity. Nothing in this Agreement shall be deemed to be a waiver of the Tribe’s sovereign immunity except as expressly provided in this Article 10. The Tribe hereby expressly waives any Claim or assertion of sovereign immunity from suit in District Court by Seattle and Seattle’s successors and assigns

under this Agreement to interpret or enforce the Consent Judgment pursuant to Article 11.

## 10.2 Dispute Resolution between the Tribe and Seattle.

10.2.1 Consultation. As a condition precedent to commencing any action to interpret or enforce the Consent Judgment described in Article 11 by the Tribe or Seattle against the other relating to this Agreement, the subject matter hereof, any activities undertaken pursuant to this Agreement or with respect to the operation, maintenance, or management of the Project, other than those obligations created by the Relicensing Settlement Agreement or the Project License, the complaining Party shall first attempt to resolve the dispute through a government-to-government consultation with the other Party pursuant to Article 6 and Dispute Resolution through this Section 10.2.

10.2.2 Mediation. If the government-to-government consultation under Article 6 does not resolve the dispute within sixty (60) days, the complaining Party shall then submit the Claim or controversy to mandatory mediation for a period of sixty (60) days following the appointment of a mediator. The Tribe and Seattle agree to cooperate and operate in good faith to appoint the mediator and to attempt to resolve all matters in dispute with the assistance of the mediator. The Party requesting the appointment of a mediator shall cover the costs of the mediator unless there is an agreement among the disputing Parties to share costs. The 60-day period may be extended for a mutually agreed upon amount of time upon the request of either Party. In the event that resolution cannot be reached within the sixty (60) day negotiating period or a negotiating period otherwise agreed to by the Parties, then either Party may seek remedy for alleged violations as described in Article 12.

Mediation is not mandatory where:

- (a) The complaining Party certifies in good faith that:
  - (i) The other Party refused to engage in timely mediation prior to commencement of an action pursuant to Article 11;
  - (ii) Preliminary or temporary injunctive relief is necessary; or
  - (iv) A limitations period or a similar period affecting substantial rights of a Party would have run if an action pursuant to Article 11 were not commenced; or
- (b) A court finds that dismissal of an action pursuant to Article 11 for failure to comply with mandatory mediation would result in substantial prejudice to one of the Parties.

## **ARTICLE 11** **CONSENT JUDGMENT**

- 11.1 Consent Judgment. Within thirty (30) days after the Effective Date, the Tribe will file an action with the U.S. District Court for the Western District of Washington (“District Court”) encompassing the Claims in this Agreement. Simultaneously, the Parties will file a Motion for Entry of Consent Judgment, which seeks a final judgment based on the terms of settlement reached in this Agreement and seeks the District Court’s continuing jurisdiction to enforce the terms of this Agreement, other than Article 6 and Article 7. Article 6 and Article 7 shall not be judicially enforceable.
- 11.2 Consultation if No U.S. District Court Jurisdiction. In the event that the U.S. District Court declines for any reason to enter the Consent Judgment, then the Tribe and Seattle shall meet in good faith on a government-to-government basis to ensure the enforceability of this Agreement.

## **ARTICLE 12**

### **REMEDIES**

No Party shall seek relief in any forum for breach of this Agreement unless and until the requirements of Section 10.2.2 have been met. If dispute resolution is not successful, either Party may seek enforcement of the terms of this Agreement by invoking District Court’s continuing jurisdiction to enforce the terms of this Agreement.

## **ARTICLE 13**

### **MISCELLANEOUS**

- 13.1 No Changes to Existing Contracts. This Agreement is separate from and independent of other contracts and agreements among the Parties and does not change any rights or obligations under previously executed contracts or agreements between the Parties except as provided herein.
- 13.2 Further Assurances. Subject to the terms and conditions of this Agreement, Seattle and the Tribe shall each use commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper and advisable under Applicable Law to consummate and make effective this Agreement. From time to time after the date hereof, whether prior to or after the Effective Date, and without further consideration, Seattle and the Tribe shall, each at its own expense, execute and deliver such documents, and provide such information, to the other as such Party may reasonably request in order to accomplish, consummate, and perform their respective obligations under this Agreement.
- 13.3 Jurisdiction. Seattle does not consent to tribal jurisdiction related to enforcement of this Agreement and Seattle’s entry into the Agreement shall not be deemed to give rise to a consensual relationship that would establish the Tribe’s jurisdiction over Seattle’s activities.
- 13.4 Agreement Rights Attached to the Land. It is understood and agreed that this Agreement shall be binding upon the successors and assigns of Seattle as an owner and Licensee of the Project and attach to the land and shall be binding upon the successors in interest of

Seattle. It is understood and agreed that the rights, duties, and obligations set forth in this Agreement shall run with the Project ownership and FERC License.

13.4.1 In the event the Project is sold, transferred, or conveyed by Seattle, then the obligations of Seattle to the Tribe shall cease and terminate as to such facilities and become an obligation of the successor in interest of Seattle as to the respective facilities herein described.

13.4.2. In the event lands within the Project Boundary are sold, transferred, or conveyed by Seattle, Seattle will meet and confer in good faith with the Tribe to consider potential material adverse impacts of such transfer or conveyance of such lands on cultural resources of interest to the Tribe and potential measures to minimize material adverse impacts of such transfer or conveyance on such resources. The obligation to meet and confer in this subsection does not restrict Seattle in any way from transferring or conveying such lands or create a substantive obligation to minimize or mitigate such impacts. The Parties recognize that Seattle may meet and confer with other Tribes to consider impacts of such transfer or conveyance on cultural resources of interest to such other Tribes. The meet and confer obligations in this subsection are not subject to the dispute resolution provision in Section 10.

13.5 Successors and Assigns. This Agreement shall apply to, and be binding on, and inure to the benefit of the Parties and their successors and assigns. The assigning Party shall provide notice to the other Party at least sixty (60) days prior to the proposed effective date of a transfer or assignment.

13.6 Means of Notification. Unless otherwise provided herein, any notice, demand or request provided for in this Agreement by either Party shall be in writing and shall either be delivered in person or by email to the contact person's email listed below with telephonic confirmation. Notice delivered in person shall be deemed to have been properly given and received on the date delivered, so long as delivered during normal business hours. Notice delivered by email is complete on transmission when made prior to 5:00 p.m. pacific time (PT) on a business day. Notice delivered by email transmitted on a Saturday, Sunday, holiday, or after 5:00 p.m. PT on any other day shall be deemed complete at 9:00 a.m. PT on the first business day thereafter.

**To the Upper Skagit Indian Tribe:**

Scott Schuyler, Lead Settlement Negotiator  
Upper Skagit Indian Tribe  
Phone: 360-854-7016  
Email: ScottS@upperskagit.com

With cc to:

David S. Hawkins, General Counsel  
Upper Skagit Indian Tribe  
Phone: 360-854-7016  
Email: hawkins@upperskagit.com

**To City of Seattle:**

General Manager/Chief Executive Officer  
Seattle City Light  
Phone: 206-684-3500  
Email:

With cc to:

Stephen Karbowski  
Assistant City Attorney  
Seattle City Attorney's Office  
Phone: 206-684-8245  
Email: stephen.karbowski@seattle.gov

Notification of changes in the contact person must be made in writing and delivered to the other contact person.

13.6.1 Effective Time. Notice given pursuant to this Article 13.6 shall be effective upon actual receipt by the receiving Party.

13.7 No Consequential, Incidental, Indirect, Exemplary, or Punitive Damages. The Tribe and Seattle desire to minimize, to the extent possible, the potential for future disagreements between them with respect to the Project from matters arising under this Agreement. The Tribe and Seattle also recognize the magnitude of the potential consequential, incidental, indirect, exemplary, or punitive damages that might arise from this Agreement and desire to eliminate the risks each might face were such categories of damages included as Remedies available under Article 12. For these reasons, the Tribe and Seattle agree to the limitations as provided below:

13.7.1 Contracts. The Tribe and Seattle agree that for any Claim arising from a theory based on contract law, in no event shall either the Tribe or Seattle be liable to each other hereunder for any consequential, punitive, exemplary, incidental, or indirect losses or damages under or in respect of this Agreement.

13.7.2 Torts. The Tribe and Seattle agree that for any Claim arising from a theory based on tort law, in no event shall either the Tribe or Seattle be liable to each other hereunder for any consequential, punitive, exemplary, incidental, or indirect losses or damages under or in respect of this Agreement.

13.8 Severability. If under any present or future law any provision of this Agreement is held to be illegal, invalid, or unenforceable and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby: (i) such provision will be fully severable; (ii) this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part thereof; and (iii) the remaining provisions of this Agreement shall remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement.

- 13.9 Waivers. Except as otherwise provided herein, no provision of this Agreement may be waived except in writing. No failure by any Party to exercise, and no delay in exercising, short of the statutory period, any right, power, or remedy under this Agreement shall operate as a waiver thereof. Any waiver at any time by a Party of its right with respect to a default under this Agreement, or with respect to any other matter arising in connection therewith, shall not be deemed a waiver with respect to any subsequent default or matter.
- 13.10 No Third-Party Beneficiaries. None of the promises, rights, or obligations contained in this Agreement shall inure to the benefit of any Person or entity not a Party to this Agreement; and no action may be commenced or prosecuted against any Party by any third party claiming to be a third-party beneficiary of this Agreement or the transactions contemplated hereby.
- 13.11 No Reliance. Each Party acknowledges that in entering into this Agreement, it has not relied on any statement, representation, or promise of the other Party or any other Person or entity, except as expressly stated in this Agreement.
- 13.12 Headings. The headings used for the sections herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Agreement.
- 13.13 Interpretations. In this Agreement, unless a clear contrary intention appears: (i) the singular number includes the plural number and vice versa; (ii) reference to any person includes such person’s successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity; (iii) reference to any agreement (including this Agreement), document or instrument means such agreement, document, or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (iv) reference to any Article, Section, Schedule, or Attachment means such Article, Section, Schedule, or Attachment to this Agreement, and references in any Article, Section, Schedule, Attachment, or definition to any clause means such clause of such Article, Section, Schedule, Attachment, or definition; (v) “hereunder,” “hereof,” “hereto,” “herein” and words of similar import are references to this Agreement as a whole and not to any particular section or other provision unless specifically stated; (vi) relative to the determination of any period of time “from” means “from and including,” “to” means “to but excluding” and “through” means “through and including;” (vii) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and (viii) reference to any law (including statutes and ordinances) means such law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder.
- 13.14 Entire Agreement. Except as provided by future agreements between the Tribe and Seattle pertaining to the Tribe’s access to Project lands, this Agreement (and its Attachments) between Seattle and the Tribe constitutes the complete and entire expression of agreement between the Parties and supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, and communications, whether written or oral,

which may have been made in connection with the subject matter of this Agreement. Any such representations or Claims are hereby disclaimed. This Agreement may be signed in counterparts.

- 13.15 Term. This Agreement shall commence on the Effective Date and shall continue through the term of the New License and any subsequent annual licenses, which will be defined conclusively in the Order issuing the New License.
- 13.16 Governing Law. This Agreement shall be governed by, and construed, interpreted and enforced in accordance with the substantive law of contracts of the State of Washington (without reference to any principles of conflicts of laws). The scope and effect of the Limited Waiver of Immunity pursuant to Section 10.1.2 and the Tribe's Treaty Rights shall be governed by, construed, and interpreted in accordance with federal law. Interpretations of the FPA or other federal law will be governed by federal law when implementation of this Agreement requires interpretation of such applicable federal laws. Interpretations of Seattle's enabling authorities shall be governed by, construed, and interpreted in accordance with the laws of the State of Washington.
- 13.17 Non-Admission. This Agreement shall not constitute an admission or evidence of any fact, wrongdoing, misconduct, or liability on the part of Seattle and its elected and appointed officials, officers, directors, employees, agents, and attorneys.
- 13.18 Water Rights. Nothing in the Agreement is intended to, or shall be construed to, modify or alter either Seattle's or the Tribe's water rights. Notwithstanding, in the event that such water rights are determined through a legislative or adjudicative process, the Tribe agrees to forebear any right to assert a Claim or otherwise take a position on those rights in a manner inconsistent with the flow regime established by FERC during the term of this Agreement.
- 13.19 No Effect on the Parties' Participation in FERC Proceedings. Except as pertaining to the Claims released by the Tribe pursuant to Article 3 and support by the Tribe in Article 5, nothing in this Agreement is intended or shall be construed to limit or otherwise restrict the Parties' participation in any FERC proceedings so long as such participation is consistent with the Relicensing Settlement Agreement.

IN WITNESS WHEREOF, having read and intending to be bound by the provisions of this Agreement, the Parties have executed this Agreement as of the date first above written.

**UPPER SKAGIT INDIAN TRIBE**

By:   Date: 2-24-26  
Scott Schuyler, Director Natural Resources Policy      His Mark

Approved as to Form and Legality

By:  Date: 2/24/26  
David S. Hawkins, General Counsel

**CITY OF SEATTLE**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
General Manager/Chief Executive Officer

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

Approved as to Form and Legality

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Seattle City Attorney

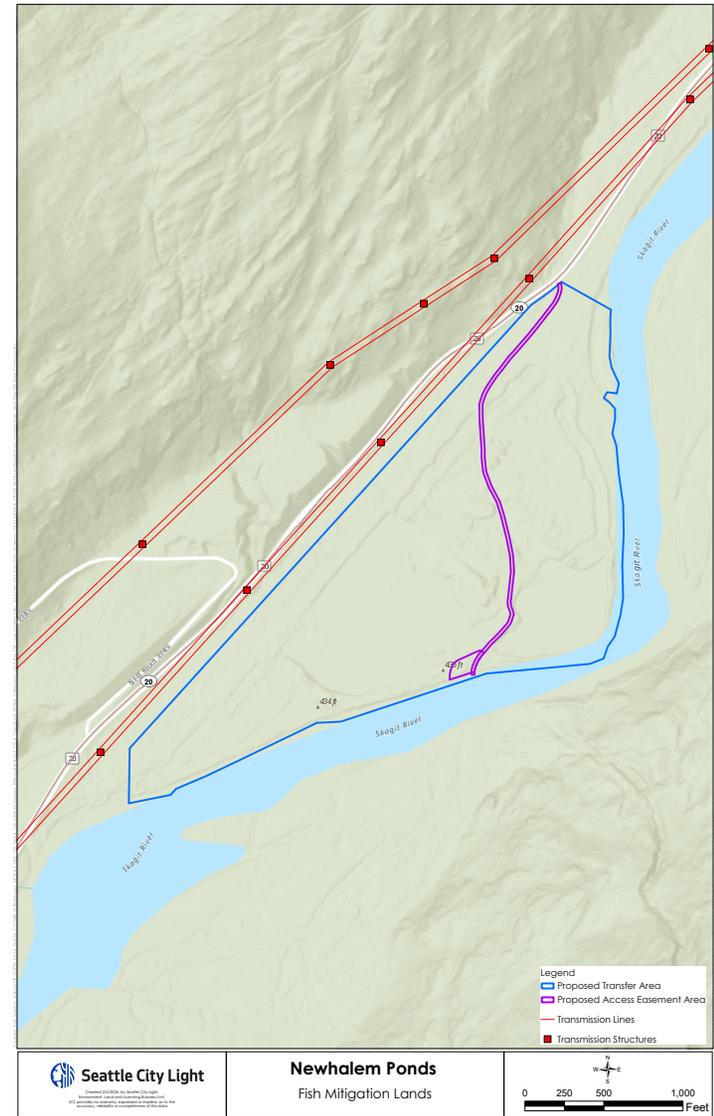
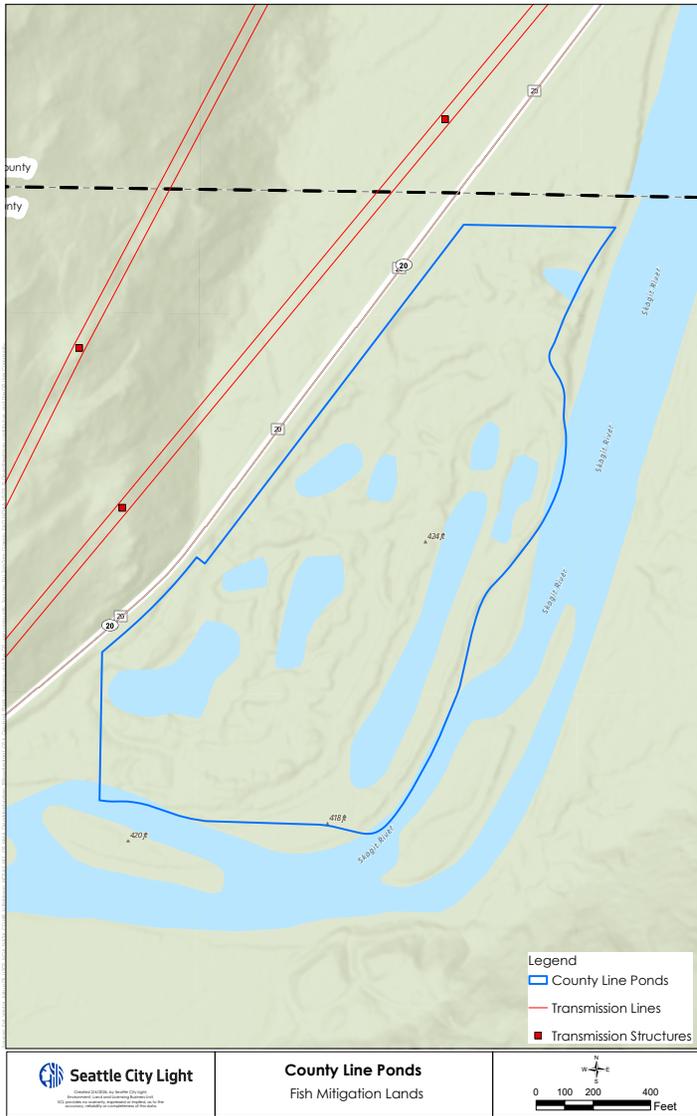
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**ATTACHMENT A**

**DEPICTION OF NEWHALEM PONDS AND COUNTY LINE PROPERTIES**

# ATTACHMENT A

## OFF-LICENSE AGREEMENT SECTION 4.1.4a LAND TRANSFERS



**ATTACHMENT B**

**DEPICTION OF UPPER SKAGIT MEETING CENTER LAND LOCATION**



## ATTACHMENT C

### **DESCRIPTION OF ROUTINE MAINTENANCE OF THE UPPER SKAGIT NEWHALEM MEETING CENTER EXTERIOR**

Seattle shall provide the following routine maintenance of the Upper Skagit Newhalem Meeting Center Exterior:

- Landscaping and Grounds: Regular mowing, weeding, and maintenance of all planted areas.
- Safety & Access: Clearing of parking areas, walkways, and removal of snow/ice.
- Exterior Lighting: Ongoing monitoring and replacement of fixtures.

**ATTACHMENT D****OFF-LICENSE AGREEMENT SECTION 4.1.6.a USE EASEMENT LANDS**

<b>Property</b>	<b>Tax Parcel Numbers</b>
<b>Boulder Creek</b>	46230, 46247, 46257, 46314
<b>Lower Finney</b>	44080, 44107
<b>Rockport/Johnson</b>	44646, 44686, 108130
<b>Whitmore (a.k.a. Tank Creek)</b>	38951, 38952, 38985, 38995, 38998, 39012, 39021, 39022, 39023, 41569
<b>Jones Creek</b>	40827, 40828, 101668
<b>Cumberland Creek</b>	41167, 41168, 41865
<b>Gilligan Creek, Anderson Creek and Ross Island Slough</b>	Gilligan: 40234, 40235, 40683, 40305 40306 Ross: 130015, 40236, 40237, 40238 Anderson Creek: 40243, 40228, 40227, 40180, 40239, 122580, 40185
<b>Diobsud Creek and Creek Mouth</b>	51903, 51905, 51976, 51977
<b>Upper Day Slough/Lyman Ferry</b>	41756, 41757, 41751

**ATTACHMENT E**

**TRIBE'S TRANSLATIONS OF "SKIYOU" AND "SYƏWD," AND EXPLANATION OF  
THE CULTURAL SIGNIFICANCE OF THESE TERMS TO THE TRIBE**

## ATTACHMENT E

### Upper Skagit Indian Tribe’s Translations of “Skiyou” and “Syəw’d,” and Explanation of the Cultural Significance of These Terms to the Tribe

As provided by OLA Section 7.1.b, Seattle will rename the Gorge Dam as “Skiyou Dam” and the Gorge Powerhouse Bridge as “Syəw’d Bridge”. For informational purposes only, this document provides the Tribe’s translations of “Skiyou” and “Syəw’d,” along with a brief explanation of the cultural significance of these terms to the Tribe.

**Translation:** The Tribe for the purpose of interpretation defines these words as follows:

- Skiyou (sky-you): Northern Lushootseed (Upper Skagit dialect) word for spirit or spirit presence.
- Syəw’d (see-yood): Northern Lushootseed (Upper Skagit dialect) word for spirit or spirit presence.

**Tribe’s Explanation of the Cultural Significance of These Terms:** The Tribe believes this will promote public understanding of the spiritual significance of the place traditionally referred to as the Valley of the Spirits.

The bridge and dam are located just upstream of the Tribe's traditional permanent village of Dawáylib (today's Newhalem). This location is one of the Tribe’s many sacred places along the length of the Skagit River. This is where the Skagit River in geologic time cut a deep, steep-sided gorge through bedrock of the North Cascades Range as it roared on its journey to the Salish Sea. In the mid-1900's, anthropologist June Collins interviewed Upper Skagit Indian elder Lucy Williams and transcribed her epic oral narrative of the Four Brothers who transformed the world from chaos to order. As the first to arrive in Skagit Valley in legend time, they walked up the river and named places and taught Indians how to find and cook food and to gain spirit power. Once in the Gorge, the older Brother S.gwedlíč dove into the Falls and told his brothers that Indians will find him and their spiritual power, thus establishing a traditional source of spirit power and how to obtain it. Collins found that "...the myth of s.gwedlíč has not been reported from other areas and may have originated in the Skagit valley." Today, all but a short segment of this source of spiritual power is mostly submerged under three reservoirs.

**ATTACHMENT F**

**EFFECTIVE ORDINANCE OF THE SEATTLE CITY COUNCIL APPROVING AND  
AUTHORIZING THIS AGREEMENT**

**[Placeholder]**

**ATTACHMENT G**

**(1) RESOLUTION FROM THE TRIBAL COUNCIL APPROVING AND AUTHORIZING THIS AGREEMENT AND (2) ACKNOWLEDGING OBLIGATIONS OF THIS AGREEMENT**



**UPPER SKAGIT TRIBAL COUNCIL  
RESOLUTION NO. 2026-016**

**Re: A Resolution of the Upper Skagit Tribal Council Providing a Limited Waiver of its Sovereign Immunity in Accord with Article 10 of the Off-license Cultural Settlement Agreement between the City of Seattle and the Upper Skagit Indian Tribe for the Skagit River Hydro-Project No. 553**

**WHEREAS**, the Upper Skagit Tribal Council is the duly elected governing body of the Upper Skagit Indian Tribe, a federally recognized Indian Tribe reorganized pursuant to section sixteen of the Indian Reorganization Act of 1934, 25 U.S.C., Section 476;

**WHEREAS**, the Upper Skagit Indian Tribe (“USIT”) is a federally recognized sovereign nation, dedicated to protecting its treaty-reserved rights and the cultural heritage of its people within the Skagit River Basin; and

**WHEREAS**, the City of Seattle, through its City Light Department (“City Light”), is seeking a new 50-year federal license for the continued operation of the Skagit River Hydroelectric Project No. 553 (“Project”); and

**WHEREAS**, the USIT has successfully negotiated vital Protection, Mitigation, and Enhancement (“PME”) measures to safeguard its treaty resources impacted by the Project for the next half-century; and

**WHEREAS**, the USIT has secured an Off-License Cultural Resources Settlement Agreement (“Settlement”), which includes Treaty and Cultural resources protections within the Skagit basin, with the City of Seattle, to address the profound and ongoing impacts of the Project on the Tribe; and

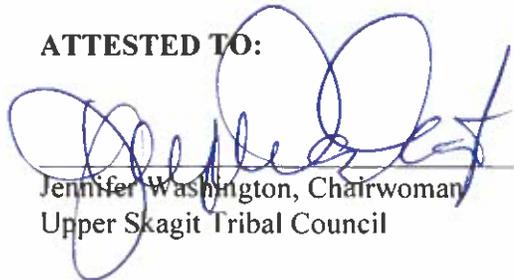
**WHEREAS**, to seek enforcement of the terms and conditions of Settlement, the City of Seattle requires a Limited Waiver of Sovereign Immunity from USIT as set forth in Article 10 of said Settlement.

**NOW, THEREFORE, BE IT RESOLVED** that the Upper Skagit Tribal Council hereby formally approves and authorizes the Limited Waiver of Sovereign Immunity in accord with Article 10 of the Settlement.

**CERTIFICATION**

As Secretary of the Upper Skagit Indian Tribal Council, I hereby certify that the foregoing Resolution was approved by the Upper Skagit Tribal Council on February 13, 2026, at which time a quorum was met, and the resolution was passed by a vote of 6 FOR, 0 AGAINST, and 0 ABSTENTIONS.

**ATTESTED TO:**

  
Jennifer Washington, Chairwoman  
Upper Skagit Tribal Council

  
Marilyn M. Scott, Secretary  
Upper Skagit Tribal Council