

**CITY OF SEATTLE**  
**ORDINANCE** 126614  
**COUNCIL BILL** 120349

AN ORDINANCE relating to the City Light Department; advancing certain objectives of the Treaty between the United States of America and Canada relating to the Skagit River and Ross Lake, and the Seven Mile Reservoir on the Pend Oreille River; authorizing the City Light Department to accept grant funds from the State of Washington Department of Commerce and execute the related agreement for and on behalf of The City of Seattle; authorizing the City Light Department to execute an agreement with the Skagit Environmental Endowment Commission to convey the grant funds received from the State of Washington Department of Commerce and certain City Light funds in contribution towards the Skagit Environmental Endowment Commission’s payment for the mining company’s surrender of mineral and related rights; and ratifying and confirming certain prior acts.

WHEREAS, The City of Seattle, by and through its City Light Department (“City Light”), owns and operates a hydroelectric project on the Skagit River; and

WHEREAS, the Skagit River watershed spans a large area that crosses the international border between the United States and Canada; and

WHEREAS, the Skagit River is the largest river system draining into the Puget Sound and supports some of the most abundant and diverse populations of salmonids in the region; and

WHEREAS, the Treaty between the United States of America and Canada relating to the Skagit River and Ross Lake, and the Seven Mile Reservoir on the Pend Oreille River (the “1984 High Ross Treaty”), governs the relationship between the Province of British Columbia and The City of Seattle regarding certain operations of the Skagit Hydroelectric Project and has served as a model for transboundary collaboration for over 35 years; and

WHEREAS, the 1984 High Ross Treaty also established the Skagit Environmental Endowment Commission to protect the environmental integrity of the transboundary watershed; and

1 WHEREAS, as documented in Appendix D of the 1984 High Ross Treaty, a stated purpose of  
2 the Skagit Environmental Endowment Commission is to support the acquisition of  
3 mineral or timber rights consistent with conservation and recreational purposes; and

4 WHEREAS, in 2018 a Canadian mining company submitted a Notice of Application for an  
5 exploratory mining permit in a 14,000-acre parcel of land in which it owned mineral  
6 rights known as the Skagit Headwaters “Donut Hole” (the “Donut Hole”) which is  
7 surrounded by protected provincial parklands; and

8 WHEREAS, an international coalition of United States Tribes, Canadian First Nations, as well as  
9 governmental and nongovernmental organizations, including The City of Seattle,  
10 launched a successful advocacy campaign in opposition to permitting mining activity in  
11 this area because metals released from exploratory drilling, particularly copper, are  
12 highly toxic to salmon and bull trout even at low quantities and is inconsistent with the  
13 1984 High Ross Treaty’s conservation objectives; and

14 WHEREAS, on January 24, 2022, in coordination with the Province of British Columbia, the  
15 mining company surrendered its mineral and related rights in the “Donut Hole” in  
16 exchange for a payment of CA\$24 million from the Skagit Environmental Endowment  
17 Commission; and

18 WHEREAS, the State of Washington (“State”) agreed to contribute an anticipated US\$4.5  
19 million towards the Skagit Environmental Endowment Commission’s payment for the  
20 surrender of the mining company’s mineral and related rights in the “Donut Hole”; and

21 WHEREAS, the State and City Light have agreed that City Light will facilitate the transfer of the  
22 State’s anticipated US\$4.5 million contribution to the Skagit Environmental Endowment

1 Commission to help pay for the surrender of mineral and related rights in the Donut Hole  
2 to support the protection of the headwaters of the Skagit river watershed; and

3 WHEREAS, City Light signed a Letter of Intent on January 28, 2022, agreeing to facilitate the  
4 transfer of the State’s anticipated US\$4.5 million contribution as well as to contribute an  
5 additional US\$1.25 million in funds to the Skagit Environmental Endowment  
6 Commission; and

7 WHEREAS, the State and City Light intend to execute a grant agreement that delivers the State’s  
8 anticipated US\$4.5 million contribution to City Light for ultimate conveyance to the  
9 Skagit Environmental Endowment Commission in support of the Skagit Environmental  
10 Endowment Commission’s payment for the surrender of the mining rights in the “Donut  
11 Hole”; and

12 WHEREAS, in an April 19, 2022, letter to Mayor Bruce Harrell, the Province of British  
13 Columbia expressed their appreciation to The City of Seattle and provided their  
14 commitment to implement regulatory measures to ensure the lands in the Skagit  
15 Headwaters “Donut Hole” are reserved from development, including mining and timber  
16 harvesting; and

17 WHEREAS, The City of Seattle recognizes that financial support of this effort aligns with the  
18 intent of the High Ross Treaty and the Skagit Hydropower Electric Project’s commitment  
19 to environmental stewardship and protection of imperiled species of fish critical to the  
20 regional economy as well as to United States Tribes and Canadian First Nations along our  
21 shared border; and NOW, THEREFORE,

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

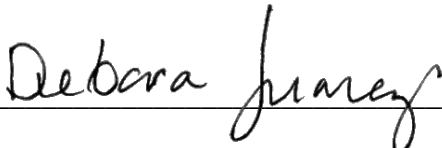
1           Section 1. The General Manager and Chief Executive Officer of City Light, or designee,  
2 is authorized to execute a grant agreement with the State of Washington that authorizes the  
3 payment of an anticipated US\$4.5 million from the State of Washington to City Light for City  
4 Light’s further transmittal of such funds to the Skagit Environmental Endowment Commission  
5 (“SEEC”) in contribution towards the SEEC’s January 2022 CA\$24 million payment for the  
6 mining company’s surrender of its mining and related rights in the 14,000-acre parcel of land  
7 known as the Skagit Headwaters “Donut Hole” (the “Donut Hole”).

8           Section 2. The General Manager and Chief Executive Officer of City Light, or designee,  
9 is authorized to execute an agreement with SEEC to convey the State’s grant agreement funds  
10 (anticipated US\$4.5 million), together with City Light’s contribution of US\$1.25 million, both  
11 payments for contribution towards the SEEC’s payment for the mining company’s surrender of  
12 its mining and related rights in the “Donut Hole.”


13           Section 3. Any act consistent with the authority of this ordinance taken prior to its  
14 effective date is ratified and confirmed.

1 Section 4. This ordinance shall take effect and be in force 30 days after its approval by  
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.


4 Passed by the City Council the 28th day of June, 2022,  
5 and signed by me in open session in authentication of its passage this 28th day of  
6 June, 2022.

7   
8 President \_\_\_\_\_ of the City Council

9  Approved /  returned unsigned /  vetoed this 5th day of July, 2022.

10   
11 Bruce A. Harrell, Mayor

12 Filed by me this 5th day of July, 2022.

13   
14 Monica Martinez Simmons, City Clerk

15 (Seal)

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Attachments: