



Mr. Steve Hall, City Manager
 City of Olympia
 P.O. Box 1967
 Olympia, WA 98507-1967

Commissioners
Bill McGregor
Jeff Davis
George Barner

June 4, 2012

RE: TIDELANDS PARCEL BY PERCIVAL LANDING

Dear Mr. Hall,

This letter follows up on discussions between the Port and the City regarding the potential sale by the Port to the City of a parcel of tidelands located under the boardwalk portion directly across from the Heritage Park Fountain (between Water and Sylvester Streets and east of the Oyster House). A drawing showing the parcel is attached for your reference and convenience.

The parcel was conveyed to the Port by way of the State vacating waterways in 1926, and a Quit Claim Deed was signed by Governor Christine Gregoire on February 18, 2010. A copy of the recorded Quit Claim Deed is also attached for your reference and convenience.

The City has been leasing the parcel from the Port for several years. The City now desires to acquire the parcel rather than continue a long-term lease. Based on our recent discussion, the Port would agree to sell the parcel, and the City would agree to purchase the parcel, on and subject to the following general terms and conditions:

1. The agreed value for the parcel was determined by applying the methodology for determining aquatic land value as stated in RCW 79.105.240.
2. The City will assume all liability related to the parcel, and will indemnify the Port from and against any and all liabilities related to the parcel, and in consideration of such condition, the agreed purchase price is \$27,412.50.
3. The City accepts the parcel in its "As Is" condition.
4. The sale and purchase are subject to approval by the parties' respective governing bodies in open public meeting, and the completion of all processes required for the transaction. The parties will coordinate their respective public processes.
5. The closing date will be as soon as reasonably practical after completion of all public processes and approvals.

If this is acceptable to you, please indicate so by signing on the line as provided below.

We appreciate our partnership and the continued work we do together for the benefit of the citizens of Thurston County.

Regards,
 E. B. Galligan

ACCEPTED:
 Port of Olympia

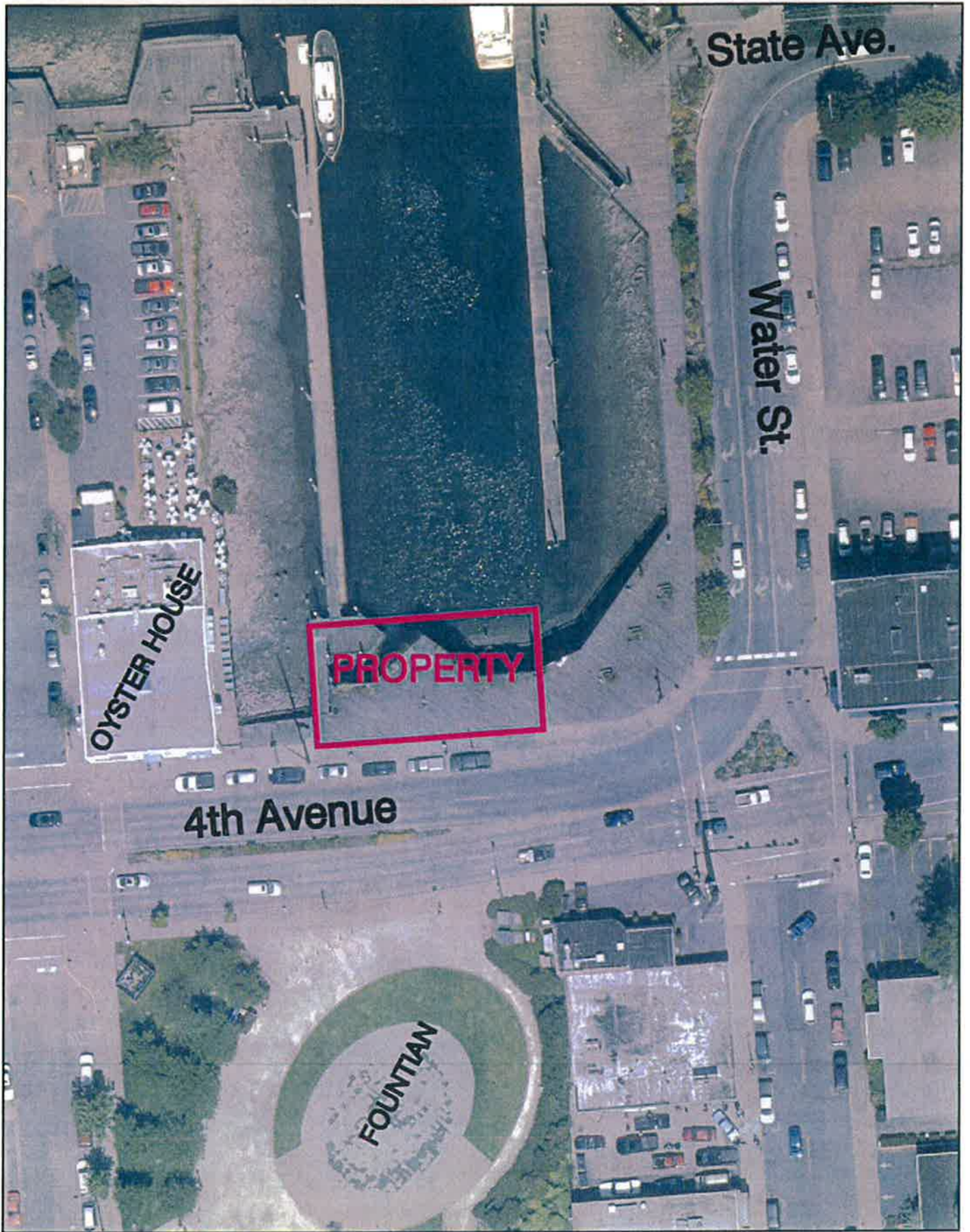

 E. B. Galligan, Executive Director

ACCEPTED:
 City of Olympia


 Steve Hall, City Manager

Enclosure(s): 2

cc: Tom Morrill, City Attorney
 David Hanna, Associate Director



AFTER RECORDING RETURN TO:
Department of Natural Resources
Aquatic Resources Division
PO Box 47027
Olympia, WA 98504-7027

3 MAR '10 510876

Thurston County Treasurer
Real Estate Excise Tax paid W.D.N.R.
By M. COOL Deputy

**QUITCLAIM DEED
Thurston County**

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

Grantee: Port of Olympia

Abbreviated

Legal Desc: Southern 50 feet of Capitol Waterway as shown upon the Supplemental Plat of Olympia Tidelands dated April 9, 1904 on file in the Office of the Commissioner of Public Lands at the City of Olympia, Thurston County, Washington.

Tax Parcel #: No parcel number assigned to this property

THE GRANTOR, STATE OF WASHINGTON, acting by and through the Department of Natural Resources, for purposes of clarifying title and in recognition of the September 29, 1926 Order of the Commissioner of Public Land vacating the south fifty feet on of the Capitol Waterway according to Vacation File No. 39 on file with the Commissioner of Public Lands in Olympia, Washington, hereby conveys and quitclaims to PORT OF OLYMPIA, GRANTEE, all interest in the real property situated in Thurston County, Washington, and described in Exhibit A, attached hereto, which by this reference is made a part hereof.

The above-described lands are subject to that certain statutory reserved right as set forth in RCW 79.110.010 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 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.

4139278

03/03/2010 11:32 AM Deed
Thurston County Washington

WA DT DNR

Page 2 of 4



This Deed is executed and delivered pursuant to RCW 79.02.270, in recognition of the September 29, 1926 Order of the Commissioner of Public Land vacating said portion of the waterway and pursuant to RCW 79.120.060.

WITNESS the Seal of the State of Washington, affixed this 18th day of February, 2010.

Christine Gregoire
GOVERNOR

ATTEST: [Signature]
SECRETARY OF STATE

Approved as to form this 17th day of December, 2009.
[Signature]
Assistant Attorney General



State Deed No. (26812)
State Record of Deeds, Volume (14), Page (24).
Transaction File No. 02-(02-085292)

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Legal Description for Capitol Waterway Vacation, 1926

The South 50 feet of Capitol Waterway as shown upon the Supplemental Plat of Olympia Tide Lands dated April 9, 1904 on file in the Office of the Commissioner of Public Lands at the City of Olympia, Thurston County, Washington.



Prepared September 16, 2009
Prepared by: Steven Ivey, PLS 29289
Land Ownership Specialist
Land Survey Unit
Engineering Division
PO Box 47030
Olympia, WA 98504-7030

