



SPECIAL MEETING AGENDA CLALLAM COUNTY REVENUE ADVISORY COMMITTEE

**223 East 4th Street, Room 160
Port Angeles, Washington
May 13, 2024 – 2:30 p.m.**

Revenue Advisory Committee meetings will be available virtually at:

If you would like to participate in the meeting via Zoom audio only, call 253-215-8782 and use meeting ID: 875 561 7844 and passcode: 12345

If you would like to participate in the meeting via Zoom video conference, visit <https://zoom.us/j/8755617844> and use meeting ID: 875 561 7844 and passcode: 12345

This meeting can be viewed on a live stream at this link:
<https://www.clallamcountywa.gov/669/Live-Archived-Meetings-Online>

Public comment and questions can be directed to the Clerk of the Board at 360-417-2256 or loni.gores@clallamcountywa.gov

- I. CALL TO ORDER, ROLL CALL**
- II. APPROVAL OF AGENDA**
- III. APPROVAL OF MINUTES FOR THE MEETINGS ON: March 25, 2024**
- IV. PUBLIC COMMENT (total of 20 minutes)**
- V. BUSINESS ITEMS**
 - a. Approval of the draft rules**
 - b. Consideration and response to the Trust Land Transfer application by the City of Port Angeles**
- IX. PUBLIC COMMENT (total of 20 minutes)**
- X. ADJOURNMENT**

Revenue Advisory Committee

Draft Minutes **March 25, 2024**



CLALLAM COUNTY REVENUE ADVISORY COMMITTEE MINUTES of March 25, 2024

MEETING OF THE REVENUE ADVISORY COMMITTEE (RAC)

Commissioner Johnson called the meeting to order at 1 p.m., March 25, 2024. Also present were Marty Brewer, Diana Reaume, Regan Nickels, Noah Glaude, Connie Beauvais, Steve Burke, Dan Huff, Michael Mingee, Ben Pacheco, Gregory Bellamy, Scott Horton, Sandra Lyons, and Drew Rosanbalm. John Nutter, David Bingham, and Janine Ledford were absent.

APPROVAL OF AGENDA

ACTION TAKEN: Burke moved to adopt the agenda as presented, Beauvais seconded, mc

PUBLIC COMMENT

- Ed Bowen, Clallam Bay, commented on Cape Flattery School District, taxing district, unified taxing districts, elected official responsibilities

BUSINESS ITEMS

- a. Welcome remarks – Commissioner Johnson

Johnson provided opening remarks. RAC members held discussion.

- b. Selection of officers: Chair, Vice Chair and Secretary

ACTION TAKEN: Burke moved to nominate Beauvais as Chair, Pacheco seconded motion; mc

ACTION TAKEN: Reaume moved to nominate Johnson as Vice Chair, Beauvais seconded motion; mc

ACTION TAKEN: Burke moved to nominate Gores as Secretary, Beauvais seconded motion; mc

- c. Taxing districts revenue projection letters – Rebecca Turner – Deputy CFO

Turner, Clallam County Deputy Chief Financial Officer, provided a presentation. RAC members held discussion.

- d. Review of draft rules of order and basic procedures

Johnson asked RAC members to review the draft rules of order and basic procedures. RAC will discuss it at the next meeting in May.

- e. Discussion of frequency of meetings and date/time

Johnson recommended holding the meetings at the same time as the Department of Natural Resources (DNR) quarterly meeting. The DNR holds quarterly meetings in March, June, August, and November on the 3rd Monday of the month at 1 p.m. Gores mentioned the RAC meetings will have a placeholder on the calendar on the 3rd Monday of each month at 3 p.m.

PUBLIC COMMENT

- Ed Bowen, Clallam Bay, commented on mission, Power Plant, carbon complex, Grays Harbor

NEXT MEETING – May 22, 2024 at 3 p.m.

After the meeting on March 25 Beauvais and Gores discussed the board room availability and agenda items. It was determined the next meeting will be held on May 22, 2024.

ADJOURNMENT

The meeting concluded at 2:13 p.m.

Revenue Advisory Committee

Business Items

Draft Rules

Revenue Advisory Committee

RULES

ARTICLE I – OBJECT

These Rules are for the governance of the Clallam County Revenue Advisory Committee, hereafter referred to as the RAC, and its members and committees.

ARTICLE II – OFFICERS AND STAFF

Section 1. There shall be elected from the members of the RAC the following officers who shall serve for the period of time necessary to complete the work articulated in Clallam County Resolution No. 15-2024:

- a. There shall be a Chair of the RAC whose duties shall be to convene and preside at all regular or special meetings, may act as a member of all committees and make all appointments to committees with the approval of the majority of members present at the regular RAC meeting. The Chair shall perform the duties specified in these Rules and other duties as may be found consistent with proper conduct of business.
- b. There shall be a Vice Chair who may be selected to chair any committee and who shall perform such other duties as may be specified in these Rules or as may be assigned by the RAC. In the absence of the Chair from any meeting or public hearing, the duties and prerogatives of the Chair shall be carried out and performed by the Vice Chair.
- c. There shall be a Secretary who will be responsible for working with staff to ensure that meetings are recorded, minutes prepared, and correspondence received and forwarded to the members of the RAC. Other duties may be specified by the RAC.

Section 2. There shall be an Executive Committee consisting of the Chair, Vice Chair, the Secretary, a DNR representative of the RAC, and an additional member approved by a majority of the RAC. Duties of the Executive Committee shall be to:

- a. Status reports.
- b. Oversee the activities of assigned county staff.
- c. Perform other duties as assigned by the RAC for the orderly conduct of the business of the RAC.
- d. Create agendas.

Section 3. The Board hereby approves the following for use by the RAC as Rules of Order and basic procedure:

- a. The Clallam County Administrative Manual 952.
- b. Clallam County Resolution 15-2024.
- c. Robert's Rules of Order.
- d. The Rules of Procedure set forth below.

ARTICLE III – MEETINGS

Section 1. Regular meetings of the RAC shall be held as established in the Rules and in compliance with Open Public Meetings Act RCW 42.30.

Section 2. Special meetings of the RAC may be called by the Chair or by a majority of the RAC in compliance with Open Public Meetings Act RCW 42.30.

Section 3. The RAC and committees may hold other meetings at such time and places as the RAC or committee may decide and which are in compliance with the Open Public Meetings Act RCW 42.30.

Section 4. The RAC and all committee meetings shall be held in a location accessible to the public.

Section 5. All meetings of the RAC and committees shall be open to the public and to the press; provided, however, that at the direction of the Chair or a majority of the members present, the RAC or committees may at any time meet in or go into closed session or executive session for the purpose of discussion of matters exempted by the state Open Public Meetings Act RCW 42.30.

Section 6. Two public comment opportunities will be available at each meeting, one on agenda items only, and a second for general comment. Public comment will be limited to 3 minutes for each speaker.

Section 7. RAC record shall be maintained at the Clallam County website in compliance with the Open Public Meetings Act.

Section 8. Meeting Minutes.

- a. Will be created by the Secretary through a review of recordings of the meeting;
- b. Minutes will be included in the agenda packet for review and approval at the next RAC meeting.

ARTICLE IV – RULES OF ORDER

Except as modified by these Rules and when not in conflict with municipal, state, or federal law, all meetings shall be conducted in accordance with the most recent edition of Roberts Rules of Order.

ARTICLE V – QUORUM, ABSENCES FROM RAC AND COMMITTEES

Section 1. Except as otherwise specifically provided in these Rules a simple majority of the RAC shall constitute a quorum for the transaction of business.

Section 2. A simple majority of a committee shall constitute a quorum for the conduct of the business of the committee.

Section 3. An attendance record of all RAC and committee meetings shall be kept.

Section 4. RAC will consist of one representative from the County, each of the taxing districts, and the Department of Natural Resources. Each participating entity shall select a representative and an alternate for continuity of committee discussion, participation and progress. RAC members will serve for a term of (3) years.

ARTICLE VI – PARTICIPATION BY THE CHAIR

The Chair may discuss any matter as a member and shall be entitled to vote on all matters.

ARTICLE VII – VOTING

All votes shall be cast by voice, show of hands, or open roll-call vote. Except for those motions noted within Robert's Rules of Order that require two-thirds vote for passage, and except as otherwise provided for within these Rules, a majority vote of the members present shall be sufficient for the adoption of the motion

ARTICLE VII – ADOPTION OF RECOMMENDATIONS TO THE BOARD BY THE RAC

Section 1. The recommendations to the County Commissioners, expected pursuant to Resolution No. 15-2024, shall be made upon a recorded, roll-call vote. No motion shall be entertained for a formal recommendation to the Commissioners regarding the items within said resolution unless written notice has been given to the RAC members.

Section 2. The adoption of formal recommendations to the County Commissioners shall occur at the meeting to be held after (5) days public notice has been given that the proposed recommendations were to be considered at the next meeting of the RAC.

- a. The vote shall be for the adoption of each proposed recommendation one-by-one.
- b. Passage of the motion to adopt a proposed recommendation shall require the approval of a majority of all of the members of the RAC.
- c. The final recommendation/report of the RAC to the County Commissioners shall include a list of all voting members of the RAC, the organizations that they were appointed to represent, and any additional affiliations of the members relevant to the work of the RAC.

ARTICLE IX – PUBLIC HEARINGS

Section 1. It is the desire of the RAC to hold public hearings as reasonable and when relevant as determined by the RAC.

Section 2. The time and place of public hearings shall be fixed as deemed appropriate by the RAC.

Section 3. The Chair, the Vice Chair, or in their absence, the designee of the members present, shall preside at public hearings conducted by the RAC or committees.

ARTICLE X – PUBLIC STATEMENTS

Section 1. While any member has a right to express personal views and opinions pursuant to our constitutional guarantee of freedom of speech, statements purporting to represent the views or pronouncements of the RAC or committees thereof shall not be made except as directed or authorized by a majority of the entire RAC at any special or regular meeting or public hearing and provision shall be made for expression of minority views at the same time.

Section 2. The Chair may make public announcements of meetings or public hearings, and may authorize the issuance of fact statements relating to the RAC's work as the Chair may deem necessary.

ARTICLE XI – VACANCIES

Section 1. Vacancies shall be filled pursuant to Clallam County Administrative Manual 952 and Resolution 15-2024.

ARTICLE XII – AMENDMENT OF THE RULES

These Rules may be amended at any time by an affirmative vote of two-thirds of the RAC members present at any regular or special meeting after written notice of the proposed action has been mailed, emailed, or delivered to members of the RAC at least five (5) days prior to the meeting and following posting of such proposed action on the Clallam County website.

Adopted: _____, 2024

Clerk of the Board: _____

Revenue Advisory Committee

Business Item

Letter to DNR - Commissioner Johnson



Board of Clallam County Commissioners

223 East 4th Street, Suite 4
Port Angeles, WA 98362-3015
360.417.2233 Fax: 360.417.2493
Email randy.johnson@clallamcountywa.gov

From the Desk of
COMMISSIONER RANDY JOHNSON

May 6, 2024

Mr. Todd Welker
Deputy Supervisor, State Uplands
Department of Natural Resources
111 Washington ST SE
MS47001
Olympia, WA

RE: Proposed TLT of 3082 Acres in Clallam County

Dear Todd,

First, the Commissioners very much appreciate the DNR reaching out to Clallam County to continue our discussions on many issues. A good example of this collaborative relationship relates to issues raised by the potential Trust Land Transfer requested by the City of Port Angeles as per your letter of April 23rd. This potential transfer is obviously a complex issue and involves many other beneficiaries and interested parties. It is exactly for this reason that Clallam County has a Revenue Advisory Committee for DNR timber and timberland with the direct beneficiaries being able to evaluate alternatives that could directly affect them. The Commissioners all discussed your letter and the Trust Land Transfer process during our last work session, and we believe this is the appropriate committee to review this and forward a recommendation to the County Commissioners.

In speaking to Duane Emmons and Kenny Ocker last Friday it is our understanding that we have until June 1 to present the comment to DNR. We greatly appreciate this time extension as it will take two meetings of the Revenue Advisory Committee to prepare a response for the Commissioners to move forward to you. Inasmuch as you penned the letter to the County regarding the comment period, we want to confirm with you that the time extension (June 1) will meet your internal deadline. **If this is not true, please respond immediately.**

Finally, since I sat on the committee to reconfigure the Trust Land Transfer process which I believe is beneficial to the citizens of this state, I am a little concerned that several of the requirements needed for this process appear to have changed. Specifically, the issue of trust assets underperforming economically was not disclosed in any of the applicant's information, and in fact, this asset appears to be performing well according to your documents. In addition, I believe there was a requirement that the requesting entity (City of Port Angeles) meet with the DNR if the value of the property was greater than \$15 million, and that does not appear to have been accomplished. I consider this an excellent program, but there appear to be new variables included in the evaluation process. My concern is that this will certainly complicate the ranking of individual TLT requests from across the state.

Sincerely,

A handwritten signature in cursive script, appearing to read "Randy Johnson", written over a horizontal line.
Randy Johnson
Clallam County Commissioner District II

Revenue Advisory Committee

Business Item

DNR letter and City of Port Angeles application



DEPARTMENT OF
NATURAL RESOURCES

COMMISSIONER OF PUBLIC
LANDS OFFICE
1111 WASHINGTON ST SE
MS 47001
OLYMPIA, WA 98504-7001

360-902-1000
WWW.DNR.WA.GOV

April 23, 2024

Clallam County Commissioners
223 E 4th Street, Suite 4
Port Angeles, WA 98362

Dear Clallam County Commissioners,

We are reaching out to you to inform you that the opportunity for county review of Trust Land Transfer applications for the 2025-27 biennium that include State Forest Lands (lands that support your county government) is now open.

DNR received one application in Clallam County that includes State Forest Lands – a request from the City of Port Angeles to transfer 3,082 acres of DNR-managed trust lands in the Elwha River watershed to the city to manage for conservation. Of those lands, 1,877 acres are managed to support Clallam County and junior taxing districts, primarily through the sustainable harvest of timber.

Given your request in December 2023 to create a collaborative relationship between our agency and county officials, we want to ensure that you have an opportunity to provide feedback regarding the City of Port Angeles' Trust Land Transfer application, which is attached.

The parcels included in the City's application have generated significant revenue for trust beneficiaries and continue to produce regular revenue for beneficiaries, while also protecting and growing habitat for the marbled murrelet, Northern spotted owl, and Taylor's checkerspot butterfly under DNR's State Uplands Habitat Conservation Plan. Future timber sales remain planned inside the boundaries of the proposed Trust Land Transfer indicate an ongoing potential for these lands to generate revenue for both present and future generations.

These are prime forestlands, zoned for forestry, blocked up with other DNR-managed lands, facing limited development pressures, and close to milling infrastructure. These parcels are not economically underperforming and their transfer may compromise the management of other trust parcels that benefit Clallam County and junior taxing districts west of Port Angeles.

DNR will be accepting comment regarding all of the Trust Land Transfer proposals through May 15, and emails can be sent to dnrtltprogram@dnr.wa.gov.

Clallam County Commissioners
April 23, 2024
Page 2 of 2

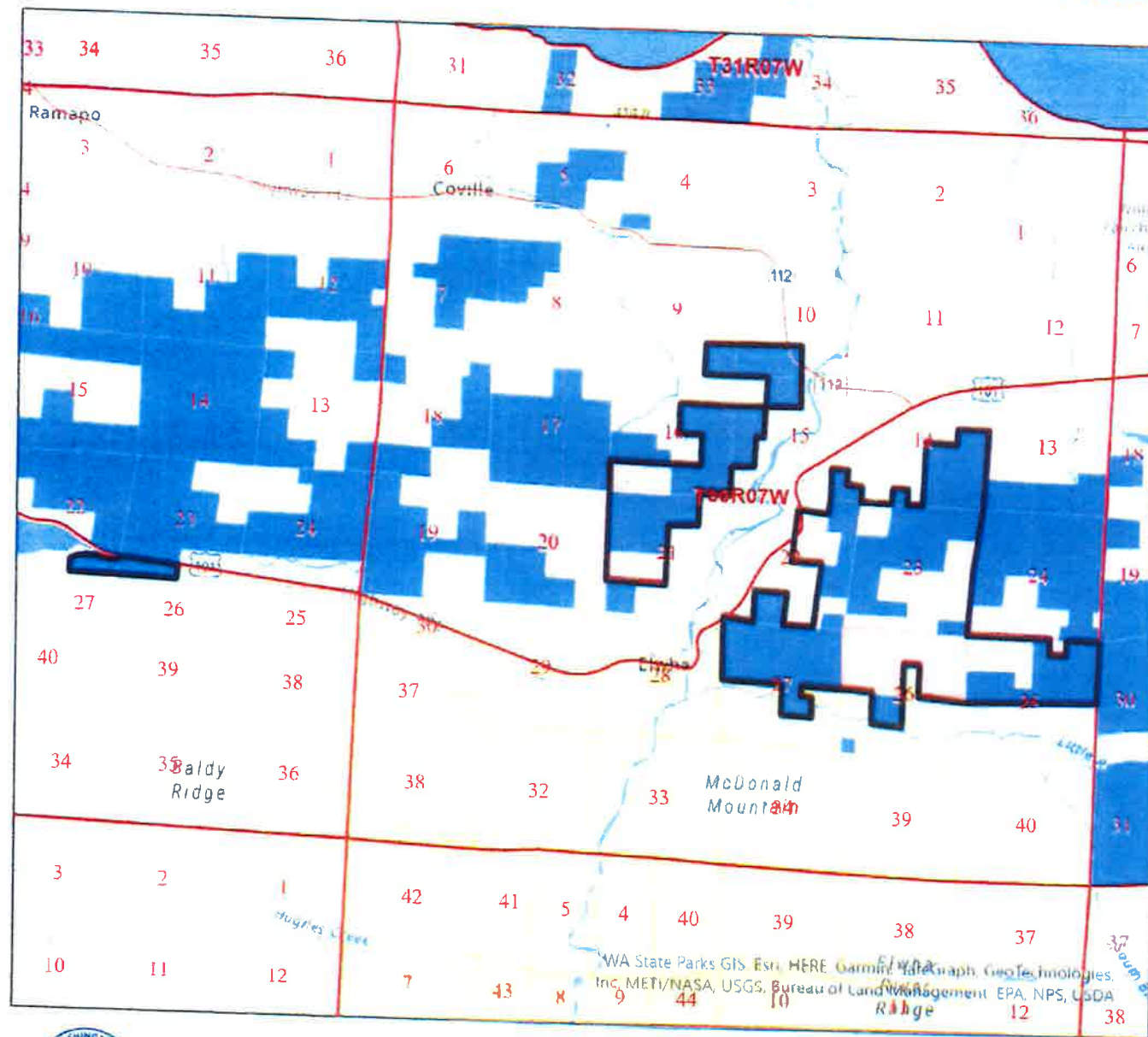
For more information on the Trust Land Transfer process, please [click here](#). If you have any further questions, please reach out to Program Manager Kenny Ocker at kenny.ocker@dnr.wa.gov or 360-810-1217 and he will be happy to assist you.

Sincerely,

A handwritten signature in blue ink that reads "Todd Welker".

Todd Welker
Deputy Supervisor, State Uplands

Port Angeles - Elwha Clallam County Trust Ownership Map

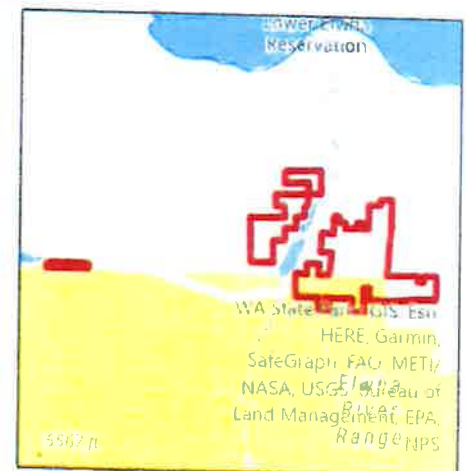


Legend

- Survey - Section Lines
- Public Land Survey Townships
- DNR Managed Surface Lands by Surface Trust
- Common School (S)
- State Forest Transfer (T)
- Other DNR-Managed Lands
- State Outline
- County Boundaries

Survey - Section Lines

- Highway Shields
- ROADSYM
- 112 112
- Highways
- U.S.
- State
- Survey - Section Lines
- Highway Shields
- ROADSYM
- 112 112
- Highways
- U.S.
- State
- Elwha



WASHINGTON STATE DEPT OF
NATURAL RESOURCES



0 0.350.7 1.4 2.1 2.8
Miles

Disclaimer: Extreme care was used during the compilation of this map to ensure accuracy. However, due to changes in ownership and the need to rely on outside information, the Department of Natural Resources cannot accept responsibility for errors or omissions and, therefore, there are no warranties which accompany this material.

Trust Land Transfer Program Parcel Application Cover Sheet

Date: 9/29/2023

Name of parcel: Elwha Watershed Protection Project

County/counties in which parcel is located: Clallam

Contact Information

Provide contact information as indicated below. All fields are required unless indicated otherwise.

A receiving agency also can serve as an applicant, in which case the receiving agency primary contact name and applicant name would be the same. The primary contact at the receiving agency does not need to be the same person who signs the receiving agency's letter of intent.

➤ Applicant

Name: Nathan A. West

Professional affiliation (if any): City of Port Angeles

Job title (if any): City Manager

Mailing address*: 321 E Fifth Street Port Angeles, WA 98362

Best phone number to reach you: 3604174500

Email address: nwest@cityofpa.us

*Optional

➤ Receiving Agency

Name of receiving agency: City of Port Angeles

Mailing address: 321 E Fifth Street Port Angeles, WA 98362

Primary contact name: Nathan West

Job title: City Manager

Primary contact phone number: 3604174500

Primary contact email address: nwest@cityofpa.us

Trust Land Transfer Program Parcel Application

Fill out this application to nominate a parcel of state trust lands for the Trust Land Transfer (TLT) Program. All fields are required. Submit the following attachments with your application:

- A map of the proposed parcel. Include section boundary lines for geographic reference so DNR can map the parcel in its GIS data system.
- A letter of intent from the receiving agency to accept and manage the parcel (required). The letter must be signed by someone at the receiving agency who has the authority to accept the transferred parcel.
- Letters of support from the community, receiving agency, advocacy groups, neighborhood associations, or others. Letters of support are optional but strongly recommended. If you need more time to obtain letters of support, you may submit them separately from your application. Letters should be sent to dnriltprogram@dnr.wa.gov no later than April 1, 2024.

Submit this application, including the cover sheet and requested attachments, to dnriltprogram@dnr.wa.gov by 5pm on September 30, 2023. Make sure the application is signed by both the applicant and the primary contact at the receiving agency. The primary contact does not have to be the same person who signs the receiving agency letter of intent.

Please do not send attachments that are not specifically requested in this application, such as fact sheets, press releases, or other materials. These additional attachments will not be reviewed or provided to the advisory committee for use in scoring. Also, do not send photos. If your parcel is considered eligible for the TLT program, you will be asked to give a presentation to the advisory committee; photos can be included in your presentation.

For more information on the TLT program and instructions for filling out this application, visit www.dnr.wa.gov/managed-lands/land-transactions/trust-land-transfer.

Part A: Parcel, Applicant, and Receiving Agency Names

Date: 9/29/2023

Name of parcel: Elwha Watershed Protection Project

Applicant name: Nathan A. West

Name of receiving agency: City of Port Angeles

Name of primary contact at receiving agency: Nathan West

Part B: Parcel Information

Parcel Location and Zoning

If the entire parcel is in one county, fill out the top three lines only. If the parcel crosses county boundaries, provide information for the portion of the parcel that is located in each county.

County in which parcel is located: Clallam

Township, range, and section: See Attachment A

Current zoning: RCC3 and RCC5

County in which parcel is located:

Township, range, and section:

Current zoning:

County in which parcel is located:

Township, range, and section:

Current zoning:

Total, estimated number of acres in proposed parcel: 3089

Does this parcel include State Forestlands?



Yes



No

If yes, approximately how many acres of State Forestlands does this parcel include?

Parcels that are worth \$15 million or more, or have 4,500 or more total acres require a pre-nomination meeting with DNR and the receiving agency before July 1, 2023.

If your parcel meets this criteria, indicate the date on which the meeting occurred:

DNR strongly recommends a pre-nomination meeting with DNR and the receiving agency for parcels that include 1,000 acres or more of State Forestlands, regardless of the parcel's total size or value. The meeting should take place before July 1, 2023.

If your parcel meets this criteria, did you attend a pre-nomination meeting?



Yes



No

Date on which the meeting occurred: N/A

Parcel Description

Describe the topography. For example, is the parcel flat, hilly, or mountainous?

Terrain in the Elwha watershed can best be described as hilly. Elevations in the parcels range from sea level to just under 800 feet. The relatively subtle variations in topography reflect the geologic history of the watershed, with uplift of the Olympic mountains later smoothed and shaped by glaciers and the constant, eroding processes of the Elwha River and its tributaries, Indian Creek and Little River.

What is the dominate vegetation type (for example, forested, grassland, shrub-steppe)? If forested, is the entire parcel forested or does the parcel have a mix of forest and open areas?

The dominant vegetation type in the Elwha watershed are dry Douglas-fir dominated forests which are unique to the rainshadow climate found only on this part of the North Olympic Peninsula. Within this dry climate zone, the forests respond to micro-climates and variations in topography. Mesic sites with higher soil moisture or fog can feature a high cover of western red cedar with associated moist site indicator understories of sword fern and salmonberry. Drier sites host madrone, ocean spray and baldhip rose. Elwha watershed uniquely features balds hosting less common meadow species.

Are there barns, boat launches, public restrooms, or other facilities on the parcel? If yes, describe. If the parcel has been leased for agriculture or other uses, describe any improvements the leaseholder has made, if known.

These parcels feature public trails including the Olympic Adventure Route of the Olympic Discovery Trail. Numerous other important community trails are located on these properties. There are no other noteworthy facilities on these parcels.

Describe any unique physical features of the parcel, such as local landmarks or water bodies.

The most unique feature of the parcels is the floodplain of the Elwha River, and its important tributaries Little River and Indian Creek. The parcels are adjacent to or include parts of these waterbodies and associated floodplains.

Due to the history of forest management, the parcels include a mix of forest stand ages and conditions, ranging from 100+ year old naturally regenerated forests with complex canopy structure, to very recent clearcuts.

Part C: Prioritization Criteria

In the following section, address four of the five prioritization criteria that the advisory committee will use to prioritize the parcels for transfer¹. Answer all questions succinctly. Refer to the [prioritization criteria summary](#) for information on how each criterion is scored.

This application does not include Criterion Five, tribal support. DNR and the receiving agency together will conduct tribal outreach and provide a summary of comments received to the advisory committee in a separate document.

DNR records and files are subject to the Public Records Act ([RCW 52.46](#)). In addition, DNR will post applications for eligible parcels on its website. Do not include any confidential or sensitive information in your application that cannot be made public. For example, do not provide specific location information for rare or unique plants or specific descriptions and location information for archaeological sites, artifacts, or other sensitive cultural resources.

To protect personal contact information such as email addresses and phone numbers, the cover sheet on this application will be removed before the application is posted.

➤ ***Criteria One: Community Involvement and Support***

This criterion gauges the level of community involvement and support for transfer of the proposed parcel. This criterion does not address tribal support. As noted above, tribal support is assessed through a separate process.

When scoring your parcel for this criterion, the advisory committee will consider letters of support from local citizens, local organizations, local elected officials, interest groups, volunteers, public agencies, and others, in addition to the information in your application. These letters are optional but encouraged. You may provide these letters to DNR with your application, or send them to DNR separately from your application package by April 1, 2024.

¹ Some deed restrictions will be placed upon the parcel when it is transferred. Restrictions may include mineral reservations (RCW 79.11.210), ability to purchase road access (RCW 79.36.370), specific easement reservations to protect remaining state trust lands, and/or restrictions on future, permitted uses of the property for the grantee (receiving agency) and their successors (in the event the parcel is conveyed to a new owner, or the receiving agency changes their name). Use restrictions will be based on the specific legislation that authorizes and funds the transfer. DNR also may consider a DNR proprietary use and management restriction on the parcel associated with DNR's *State Trust Lands Habitat Conservation Plan* (HCP). DNR will consult the intended TLT recipient on any proposed, proprietary HCP encumbrance language prior to the transfer.

Has the community been provided an opportunity to learn about the proposed transfer and share their thoughts? If yes, describe efforts made to engage with the community.

Yes. Community awareness and concerns about logging in the Elwha River Watershed date back to the “Aldwell” timber sale. The community has expressed significant concerns about logging on state land in the Elwha River Watershed and has supported the proposed transfer of the land as a solution. Local residents active with the Elwha Legacy Forests coalition held two educational forums at the Port Angeles library. Hundreds of flyers and informational materials have been distributed in public places, including farmers markets and the County fair. The Board of Clallam County Commissioners held a work session discussing revitalization of the trust land transfer program, and in that forum numerous community members have expressed their support for trust land transfer as a revenue replacement option to protect lands in the Elwha River Watershed. On September 19, 2023, the Port Angeles City Council discussed the proposed transfer and voted unanimously to direct the City to submit this application pertaining to lands in the Elwha River Watershed.

Describe the level of involvement and support from the community for the transfer, including local citizens, local organizations, local elected officials, interest groups, volunteers, public agencies, and others.

The City of Port Angeles has received a substantial number of complaints and concerns regarding the protection of these State forest lands. No less than 228 emails have been received by Council and staff. City Council has taken action on multiple occasions to protect and support the integrity of the Elwha Watershed. These actions have included proclamations, letters, direction to staff and support of local organizations working towards the same results. City Council has held Open Public Meetings where discussion of protecting these portions of our watershed have been included. Those meetings took place on October 18, 2022, September 20, 2022, April 4, 2023, May 16, 2023, September 5, 2023 and September 15, 2023. City representatives have attended multiple Board of Natural Resource meetings, and County Commission meetings providing testimony on the protection of these watershed lands.

A broad group of residents, organizations and state and local lawmakers have voiced their support for protecting forests in the Elwha River Watershed. Nearly 2,500 people have sent letters seeking cancellation of the Power Plant timber sale.

Explain any known opposition to the transfer and any efforts to mitigate or address this opposition. Provide an explanation of why the transfer should move forward despite any community opposition.

There is no known opposition to the transfer. Emails directed to City Council have been for the protection of this forestland and watershed rather than against. Of the 228 emails referenced in the above question only one was in opposition to the Council's position. While some concerns may arise from junior taxing districts, most of those districts depend on the long term protection of the Elwha River water supply for their viability.

Describe any outreach efforts specifically to overburdened communities, underserved populations, or vulnerable populations, and summarize any feedback received from these groups.

The City of Port Angeles is largely made up of a population that can be classified within Federal guidelines as one that is an overburdened community that is also underserved and vulnerable population as this community is heavily reliant on our tourism industry as a major economic driver. The tourism sector of the community economic survivability is largely dependent on the responsible use of an ever vulnerable reliable water supply.

Specific outreach activities have centered around the discussions at City Council meeting forums and discussions, local housing community events and at forums for residents and staff to discuss water concerns such as at the County Fair.

The community is well aware of the vulnerability of the city only having but a single source of drinking water through the Elwha River and our need to continually protect that precious resource especially in these times of post Elwha River Dam Removal. Additional reminders of the importance to protect the Elwha River watershed flows and the precarious conditions present with a single source of life sustaining water on our residents especially given the annual water conservation emergency directives that they receive when the flows of the Elwha River reach perilous levels during mid to late summer into the fall months of the year.

➤ **Criteria Two: Ecological Values**

Ecological values are the water, minerals, biota, and other factors that make up natural ecosystems and support native life forms. Examples of high ecological values include but are not limited to the following:

- Habitat for fish and wildlife species, including federal or state endangered, threatened, or sensitive species; and/or wide-ranging migratory species, especially winter range for these species.
- Opportunities to create larger blocks of high-quality habitat.

- Federal or state endangered, threatened, or sensitive plant species.
- Forests that meet the definition of old growth in DNR's *Policy for Sustainable Forests*.
- Other ecological traits that make this parcel significant on a global, regional, state, ecosystem, or watershed level.

Describe the specific ecological values of the proposed transfer. Include the ecological and biological quality of wildlife habitat and the habitat's role in supporting these species. If discussing endangered, threatened, or sensitive plant species, do not provide specific location information.

Forested parcels in the Elwha Watershed offer very high quality habitat due to the mix of forest age classes and forest types found within it, in particular the structurally complex older forest, with large diameter Douglas -fir and western red cedar trees. This whole area occurs within the rainshadow of the Olympic Mountains, resulting in unique forests which have adapted to the relatively dry climate conditions and occur only in this limited geographic area. The parcels offer high quality habitat for a broad mix of species, from amphibians to passerine birds. Importantly, these forests are contiguous with documented habitat for the endangered marbled murrelet. The forests in the Elwha Watershed, and especially these parcels adjacent to the Elwha River, play an important part in restoration of the watershed where over \$360 million dollars has been spent to restore native fish populations including federally listed Bull Trout and Chinook. Intact forest structure is an essential component of a hydrologic cycle beneficial to fish retain and cool surface water, reduce sediment delivery to the Elwha and guard against low flows in the summer..

Older forests such as those included in these parcels provide the additional important ecological benefit of storing and sequestering atmospheric carbon. Maintaining intact forests as well as reducing road construction associated with logging prevents the carbon loss to the atmosphere from the logging, and maintains the impressive carbon capturing power older forests provide.

Lastly, these forests enhance the climate resilience to climate stressors, and reducing the risks of blowdown, wildlife, landslides and flooding.

Describe the proximity of this parcel to other conserved areas (public, private, or tribal). Will this transfer create larger blocks of quality habitat?

These parcels are adjacent to the Elwha Project Lands, areas conserved as part of the Elwha dam removal project. They link to the Olympic National Park, thus increasing the connectivity between less disturbed forest tracts south to north along the Elwha and creating and enhancing blocks of larger quality habitat used by many species including elk, deer, cougars and bears.

These parcels are in close proximity to the Lower Elwha Klallam Tribe Creation site a location that is highly important to the Tribe's culture and history.

Describe the stewardship or management practices of the receiving agency to perpetuate the ecological values of the parcel. For example, does the agency have the ability to manage, monitor, and protect these values once the parcel is transferred? How would the parcel fit within long-term management plans?

The City of Port Angeles is a full-service city providing residents with a staff who routinely professionally practice in the areas of land management stewardship, Civil and Environmental Engineering and one with a fully staffed fulltime employee Fire Department. The City is well positioned to protect the ecological values of this parcel as a protective armor watershed especially given that it is a key sustainability component for the viability of our community. Protection of the Elwha River watershed is a major component of our Water Management Plan and is embraced in the mission and values expressed in our Climate Resiliency Plan. Management of this parcel is in the long term interest of the city and as such will be an important component of our long-term management plan.

➤ **Criteria Three: Economic Values**

This criterion addresses the potential positive or negative economic impact of the proposed transfer on local economic industries and the extent of those impacts. Examples of economic industries include but are not limited to the following:

- Local recreation
- Local tourism
- Forest products
- Non-forest products
- Local public services
- Shellfish
- Agriculture

In your answer, do not address the impacts to local industries of ceasing DNR's trust management activities on the parcel, now or in the future. Examples of these activities include timber harvest or leases for agriculture, grazing, or other uses. If a parcel is being nominated for this program, chances are that few, if any, of these activities are occurring on the parcel now, and the potential for these activities occurring in the future is low. DNR assesses this potential in detail when it conducts the "best interests of the trusts" analysis.

Instead, address the potential economic implications (positive or negative) of the parcel becoming a park, open space, nature preserve, or similar designation. For example, will the transfer:

- Attract more visitors to the area, who will spend money with local businesses?
- Provide additional protection of water resources, which will protect a local fish or shellfish industry?
- Affect agriculture, timber harvest, grazing, or other revenue-generating activities currently occurring on adjacent or nearby private properties?

- Affect future development plans for the local area?
- Affect the delivery of public services, such as a water pipeline, transmission line, or other infrastructure?

Describe the positive economic values of this transfer.

The City of Port Angeles has 13 large employers that produce in excess of 100 jobs each. All of these employers rely heavily on a consistent and dependable water supply. For most, their business model would not succeed without potable and industrial water. Therefore our jobs and local businesses that depend on the Elwha water supply are critical to maintaining our limited economic base. Port Angeles is also the economic center of the Olympic Peninsula with well over 400 businesses that rely on adequate fire flow via City services and the Elwha River. By protecting all of the subject parcels and ultimately the watershed the jobs of hundreds of businesses will be retained. Port Angeles sees over 3 million tourists annually and our tourism sector is a major driver in the local economy. The subject parcels host critical segments of the Olympic Discover Trail Adventure system which host numerous events annually. These events generate overnight stays and service industry activity that sustains the area economy. Protecting these properties helps maintain the environmental quality that enables the Olympic Peninsula to be a tourist destination. For visitors and locals the parcels maintain accessible cover of salal, ferns, mosses and berries harvested for sale for flower arrangement and holiday decorations. The parcels identified have limited economic viability from irregular timber harvest due to encumbrances and the need to protect their many unique environmental characteristics.

Describe the negative economic values of this transfer, and any potential strategies for mitigating those impacts.

There may be some short-term timber revenue loss to junior taxing districts and temporary or short-term loss of jobs. Strategies for the transfer will include working with local taxing districts and state legislators to mitigate impacts until replaced timber lands are acquired.

➤ Criteria Four: Public Benefits

A public benefit is something that has a positive effect on the general public or one or more groups of people. Examples of public benefits include but are not limited to the following:

- Park, open space, nature preserve, or similar designation
- Opportunities for resource-based recreation that are scarce or unavailable in the local area
- ADA-accessible recreation opportunities
- Distinctive scenic or aesthetic features
- Documented archeological, non-tribal cultural, or historically significant sites (Indicate if these features are present but do not describe them or indicate where on the parcel they are located)
- Scientific research opportunities and outdoor education opportunities

Describe the current public benefits provided by the parcel. Including any existing recreational uses.

The public benefits provided by these parcels include recreational and ecosystem services.

Access to conserved lands, trails, and parks is crucial to quality of life. Research shows that conservation and open spaces promote our well-being and improves both both physical and mental health. Recreational use of this parcel includes birding, hiking, walking, trail running, mountain biking, gravel biking, climbing, horseback riding, trail and trials motorcycle use. These activities occur not only on or near the Olympic Adventure Route, but also through networks of informal trails spread throughout the parcels.

We do not have any adequate mechanism to economically calculate the many and valuable public benefits provided by the ecosystem services these parcels provide. Mature forest canopy and associated soils improve water quality by capturing precipitation, filtering surface pollutants, and slowing runoff, therefore keeping surface water cool and maintaining in-stream summer flows. Further, forests remove air pollutants that endanger human health and damage structures.

These mature forests provide the public benefit of mitigating the effects of climate change.

Public benefit related to City of Port Angeles water supply.

Describe the public benefits that would result from the transfer. For example, transferring this parcel could expand existing public recreational access to the parcel, or provide new access.

The main public benefit is to further bolster the security of the City and County water supply. Short-term job loss associated with a decrease in logging activities in the transferred parcels, is mitigated by the local economic benefits of a more secure water supply, enhanced recreation and tourism, and increased job opportunities in ecological forest management. The transfer also will further opportunities that promote non-timber forest practices such as: harvesting berries, salal etc. The City would further highlight the high value of ecosystem services already identified in the DNR report entitled Trust Lands Performance Assessment Project: Charting a Course for the Future (https://www.dnr.wa.gov/publications/em_tlpa_lege_report_complete.pdf). This report illustrates an annual value of ecosystem services in the amount of \$990 million and the social cost of carbon of forested areas as \$16.56 billion.

Identify the communities that would be served by the parcel, including any overburdened community, underserved population, or vulnerable population that might receive direct public benefits from this transfer.

The City of Port Angeles, Clallam County residents will be directly served by the protection of these parcels. The City transmits water to the Clallam Public Utility District beyond City boundaries serving over 30% of the County's population. Dry Creek Water and the Lower Elwha Klallam Tribe also rely heavily on the Elwha River for water. Port Angeles has long been an economically disadvantaged community with income levels far below the State average. Our local underserved populations will continue to benefit from the non-forest timber products accessible throughout these parcels.

Describe how the proximity of the proposed transfer to these communities may increase the benefits you describe.

Local access to recreational opportunities and non-forest timber products will be retained. The proximity to Port Angeles and other underserved communities enables easy access for local needs.

Cite any publicly reviewed or adopted plans that support the need for the public benefits identified. Provide a link to these plans if available.

<https://www.cityofpa.us/DocumentCenter/View/5994/Water-System-Plan-2018?bidId=> Water System Management Plan

<https://www.cityofpa.us/DocumentCenter/View/11771/2022-Climate-Resiliency-Plan---Final>
Climate Resiliency Plan

<https://www.cityofpa.us/937/Comprehensive-Plan>

Part D: Receiving Agency

How will the receiving agency manage this parcel? Will the parcel be managed as a park, open space, nature preserve, or similar designation? Include information on how you will preserve the parcel's ecological values and public benefits. If the parcel is forested, describe plans (if any) to maintain or improve forest health and reduce wildfire risk.

The City of Port Angeles will manage these parcels as open space. Recreational access will be maintained. Where needed to improve forest health and reduce wildfire risk, the City may elect to develop forest management plans under which ecological forest methods including selective forest thinning might be applied.

Is there a comprehensive or landscape management plan that would apply to this parcel once it is transferred? If yes, include a hyperlink to the plan, if available.

See plans mentioned above most specifically the Water Systems Management Plan and Climate Resiliency Plans. Additional plans will be developed as necessary upon transfer.

<https://www.cityofpa.us/DocumentCenter/View/5994/Water-System-Plan-2018?bidId=> Water System Management Plan

<https://www.cityofpa.us/DocumentCenter/View/11771/2022-Climate-Resiliency-Plan---Final> Climate Resiliency Plan

Has the acquisition of this parcel been identified in planning documents as a priority? If yes, briefly explain why.

The acquisitions of these specific parcels have not been called out in planning documents, however, the motives for the transfer are incorporated throughout City policy documents with the message being protect the City's water supply. As noted in prior responses multiple Council actions have also recently been taken which effectively act as City policy. Most notable is the City Council action at the September 19th meeting where Council considered and approved the TLT approach and authorized the submission of the application.

How will the receiving agency fund the management of this parcel?

The City of Port Angeles works with numerous non-profit partners that assist with maintaining public properties and facilities. The City also has over 250 employees. Protection of the Elwha River watershed is a key component of our Water Management Plan and is embraced in the mission and values expressed in our Climate Resiliency Plan. Management of this parcel is in the long term interest of the city and as such will be an important component of our long-term management plan.

Part E: Summary Statement

In 300 words or fewer, summarize why you think this parcel is a good candidate for the TLT program.

The parcels identified are critical contributors to the Elwha River water supply and therefore impact a large portion of the Clallam County water supply for residents and businesses alike. Department of Natural Resources (DNR) standard practices for these properties lack the protection necessary to ensure the timberlands within these parcels protect critical watershed infiltration. Even with DNR standard practices timber harvest should not occur on slopes equal to or greater than 35%. Calculations for slopes equal to or greater than 35% within the proposed TLT area is 1,498 acres. The forests within these parcels act as an infiltration bank that maintain healthy flows of tributaries and groundwater into the Elwha River. A transfer to the City will ensure the the protection of the watershed is at the forefront of parcel planning and management.

Part F: Signatures

➤ Applicant

The information I have provided is true to the best of my knowledge.

Nathan A. West

Signature

09/29/2023

Date

City Manager

Job Title (if any)

City of Port Angeles

Professional affiliation (if any)

➤ Receiving Agency*

*If the receiving agency is acting as the applicant, check this box and leave rest of this section blank.



I have reviewed this application and the information is true to the best of my knowledge.

Signature

Date

Job Title

Professional affiliation (if any)

Part G: Glossary

Old-growth forest: Per DNR's *Policy for Sustainable Forests*, forest stands of at least 5 acres that are in the most structurally complex stage of stand development, sometimes referred to as the fully functional stage of stand development, with a natural origin date prior to 1850, generally considered the start of European settlement in the Pacific Northwest. Examples of structural complexity include multiple canopy layers, snags, gaps in the forest canopy, and fallen trees on the forest floor.

Overburdened community: A geographic area where vulnerable populations face combined, multiple environmental harms and health impacts, and includes, but is not limited to, highly impacted communities as defined in RCW 19.405.020 (ESSSB 5141 Sec. 2 (11)). "Highly impacted community" means a community designated by the department of health based on cumulative impact analyses in RCW 19.405.140 or a community located in census tracts that are fully or partially in "Indian country" as defined in 18 U.S.C. Sec. 1151.

Resource-based outdoor recreation: Outdoor recreation that is dependent on a particular element or combination of elements in the natural and cultural environments that cannot be easily duplicated by humans. Examples include but are not limited to trail use, camping, boating, swimming, picnicking, and nature study.

Underserved populations: Populations who face barriers in accessing victim services, and includes populations underserved because of geographic location or religion, underserved racial or ethnic populations, populations underserved because of special needs (such as language barriers, disabilities, alienage status, or age) and any other population determined to be underserved by the Attorney General or the Secretary of Health and Human Services, as appropriate (34 USC § 12291(a)(39)).

Vulnerable populations: Population groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms (ESSSB 5141 Sec. 2 (14)). "Vulnerable populations" includes, but is not limited to: (i) Racial or ethnic minorities; 11 (ii) Low-income populations; 12 13 (iii) Populations disproportionately impacted by environmental harms; and 14 15 (iv) Populations of workers experiencing environmental harms.

Attachment A

Name	DNR Parcel Sys	DNR Parcel Acres	Section	Zoning	Trust
Parched	5621	31	T30 R6W s23	RCC3 and/or RCC5	State Board Transfer
Parched	5622	21	T30 R6W s23	RCC3 and/or RCC5	State Board Transfer
Parched	5624	44	T30 R6W s33	RCC3 and/or RCC5	Common Schools and Indemnity
Parched	16442	42	T30 R6W s23	RCC3 and/or RCC5	Common Schools and Indemnity
Parched	5620	279	T30 R6W s23	RCC3 and/or RCC5	State Board Transfer
Parched	5623	21	T30 R6W s23	RCC3 and/or RCC5	State Board Transfer
Parched	16441	227	T30 R6W s23	RCC3 and/or RCC5	Common Schools and Indemnity

Parched Total 665

Elwha West	5594	40	T30 N R7W s9	RCC3 and/or RCC5
Elwha West	5600	45	T30 N R7W s10	RCC3 and/or RCC5
Elwha West	5595	96	T30 N R7W s10	RCC3 and/or RCC5
Elwha West	5602	181	T30 N R7W s16	RCC3 and/or RCC5
Elwha West	5603	5	T30 N R7W s16	RCC3 and/or RCC5
Elwha West	5601	72	T30 N R7W s15	RCC3 and/or RCC5
Elwha West	5605	80	T30 N R7W s16	RCC3 and/or RCC5
Elwha West	5615	194	T30 N R7W s21	RCC3 and/or RCC5
Elwha West	11643	78	T30 N R7W s21	RCC3 and/or RCC5

Elwha West 781

Elwha East	5597	189	T30 N R7W s14	RCC3 and/or RCC5
Elwha East	5598	10	T30 N R7W s14	RCC3 and/or RCC5
Elwha East	5599	31	T30 N R7W s15	RCC3 and/or RCC5
Elwha East	5617	42	T30 N R7W s22	RCC3 and/or RCC5
Elwha East	5618	105	T30 N R7W s22	RCC3 and/or RCC5
Elwha East	5619	15	T30 N R7W s22	RCC3 and/or RCC5
Elwha East	5626	252	T30 N R7W s25	RCC3 and/or RCC5
Elwha East	5629	346	T30 N R7W s29	RCC3 and/or RCC5
Elwha East	5627	42	T30 N R7W s26	RCC3 and/or RCC5
Elwha East	116393	41	T30 N R7W s26	RCC3 and/or RCC5
Elwha East	116427	26	T30 N R7W s22	RCC3 and/or RCC5
Elwha East	116428	4	T30 N R7W s22	RCC3 and/or RCC5
Elwha East	116429	78	T30 N R7W s22	RCC3 and/or RCC5
Elwha East	116434	277	T30 N R7W s26	RCC3 and/or RCC5
Elwha East	116435	106	T30 N R7W s25	RCC3 and/or RCC5

Elwha East Total 1564

Indian Creek	5669	37	T30 N R8W s22	RCC3 and/or RCC5
Indian Creek	5671	42	T30 N R8W s21	RCC3 and/or RCC5

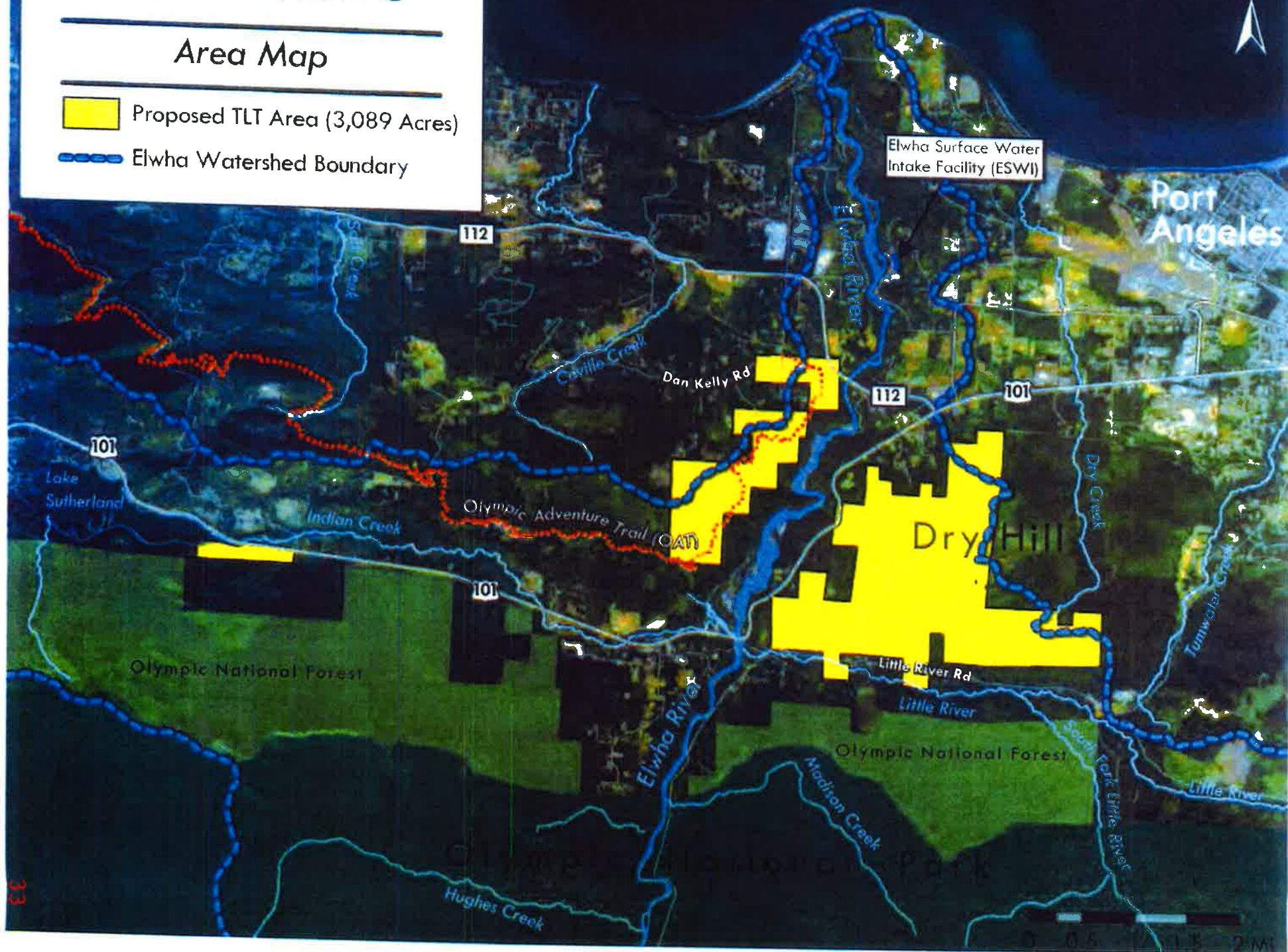
Indian Creek Total 79

Elwha Watershed Protection Project Acreage Total 3089

TLT MAPS

Area Map

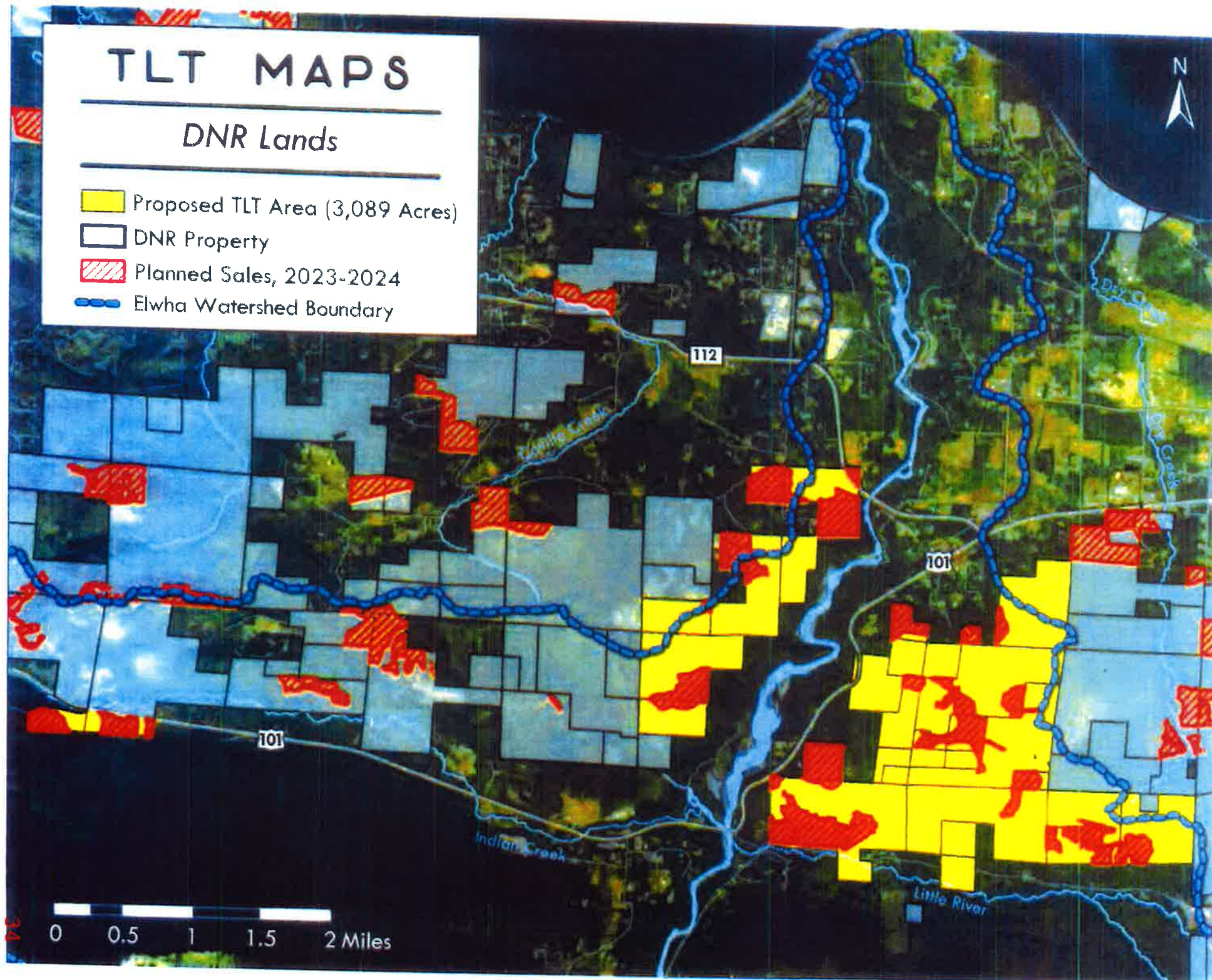
-  Proposed TLT Area (3,089 Acres)
-  Elwha Watershed Boundary



TLT MAPS

DNR Lands

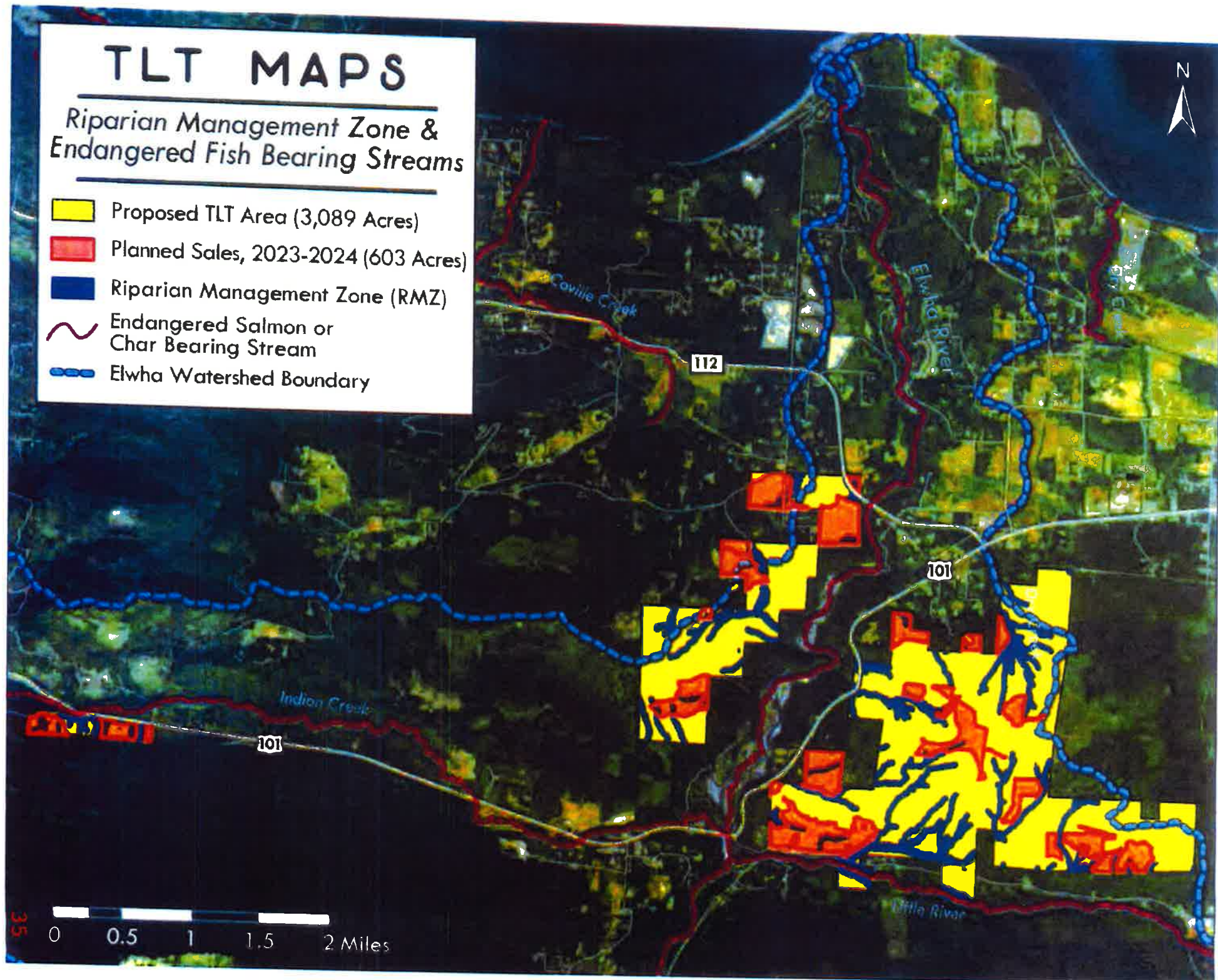
- Proposed TLT Area (3,089 Acres)
- DNR Property
- Planned Sales, 2023-2024
- Elwha Watershed Boundary



TLT MAPS

Riparian Management Zone & Endangered Fish Bearing Streams

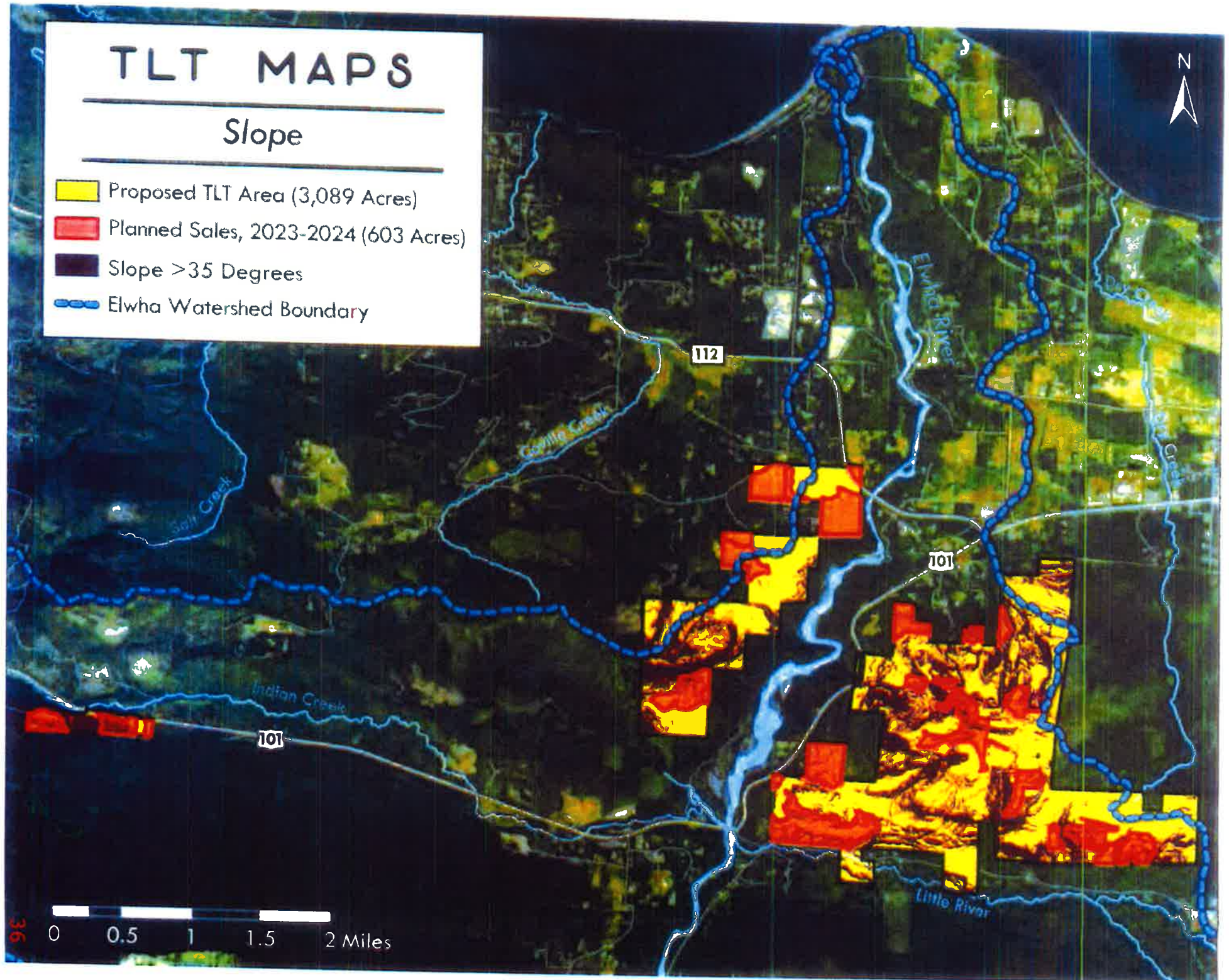
- Proposed TLT Area (3,089 Acres)
- Planned Sales, 2023-2024 (603 Acres)
- Riparian Management Zone (RMZ)
- Endangered Salmon or Char Bearing Stream
- Elwha Watershed Boundary



TLT MAPS

Slope

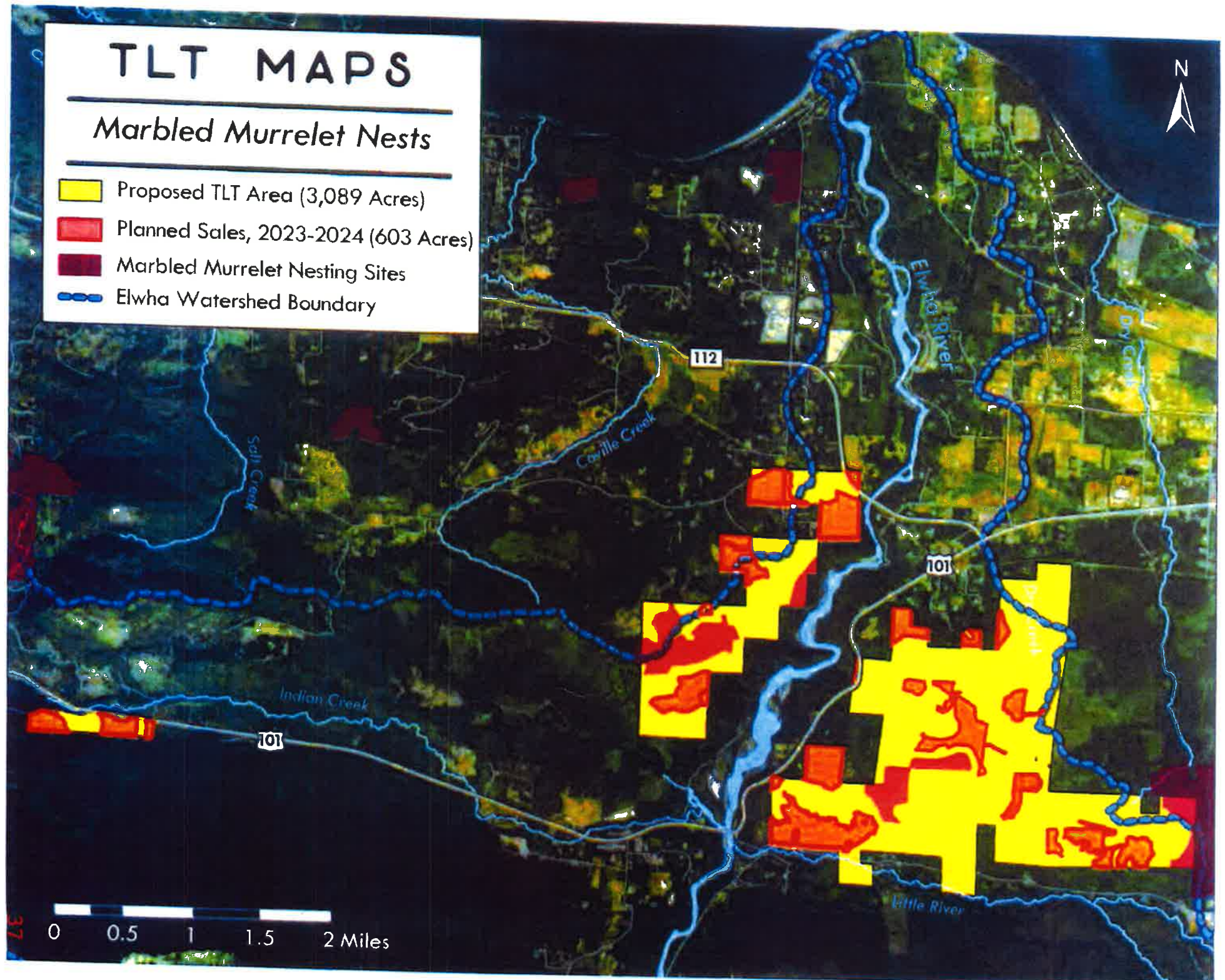
- Proposed TLT Area (3,089 Acres)
- Planned Sales, 2023-2024 (603 Acres)
- Slope >35 Degrees
- Elwha Watershed Boundary



TLT MAPS

Marbled Murrelet Nests

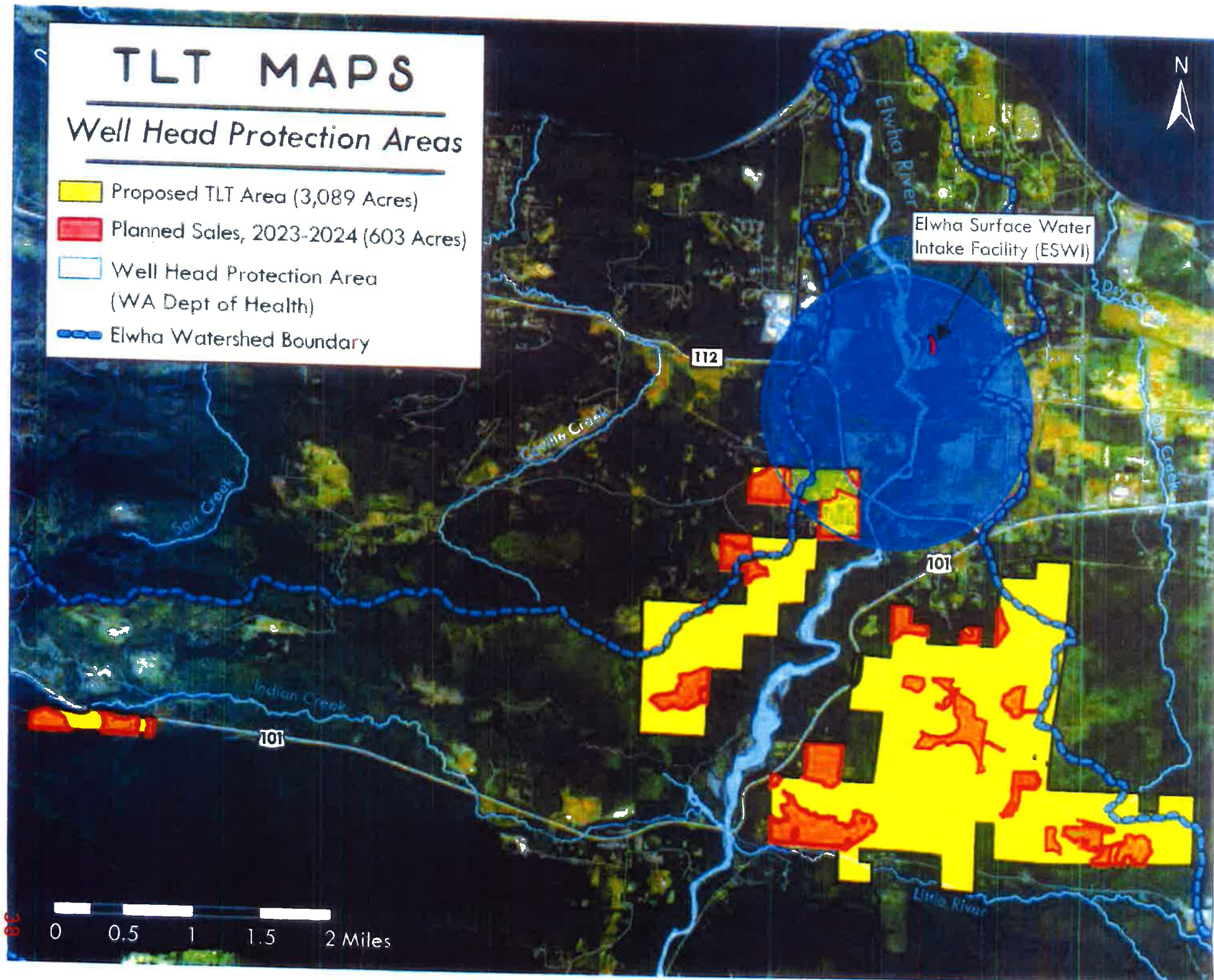
-  Proposed TLT Area (3,089 Acres)
-  Planned Sales, 2023-2024 (603 Acres)
-  Marbled Murrelet Nesting Sites
-  Elwha Watershed Boundary



TLT MAPS

Well Head Protection Areas

- Proposed TLT Area (3,089 Acres)
- Planned Sales, 2023-2024 (603 Acres)
- Well Head Protection Area (WA Dept of Health)
- Elwha Watershed Boundary





PORT ANGELES
WASHINGTON, U.S.A.

321 East Fifth Street
Port Angeles, WA 98362

September 29, 2023

Robin Hammill
TLT Program Manager
MS 47014
Olympia, WA 98504

Re: Letter of Intent - Nomination of a Parcel of State Trust Lands for the Trust Land Transfer (TLT) Program

Dear Robin Hammill,

The City of Port Angeles hereby presents the Trust Lands Transfer Program Application for the Elwha Watershed Protection Project. As required by the application, the intent of this letter is to verify the City Council of the City of Port Angeles through Council action taken on September 19, 2023, directed the City Manager to submit a Trust Land Transfer application to DNR no later than September 30, 2023 to protect the forest within the Elwha Watershed. Additionally, Council's motion stated the City should also continue to pursue options for Department of Natural Resources to use these properties for but not limited to carbon sequestration, other legislative fixes that address watershed protection, additional ownership options and potential property management solutions. Furthermore, this letter is intended to communicate that I, City Manager Nathan West, is authorized as the individual with the authority to accept the transferred parcel on behalf of the City.

The City will continue to oppose the State logging in the Elwha River Watershed, until such time that we can proactively and collectively discuss a long-term plan for harvests that protects the river and our community's water supply. As we have shared previously, the Elwha River is the water source which serves our entire community and over 25% of the county-wide drinking water.

We believe this issue is relevant to all citizens within the city and county as our residents and employers rely heavily on an ongoing and adequate water supply. Thank you in advance for your review and consideration of this important application.

Sincerely,

Nathan A. West
City Manager
City of Port Angeles



Legislative Building

Washington State Legislature

Olympia, WA 98504-0600

September 26, 2023

Robin Hammill
Department of Natural Resources
Trust Land Transfer Program Manager

Re: City of Port Angeles' TLT Application – Elwha River Watershed

Dear Ms. Hammill:

I am writing to express my support for the City of Port Angeles' nomination of parcels within the Elwha River Watershed for the trust land transfer program in the 2025-27 biennium.

The City of Port Angeles is an underserved rural community that relies on the Elwha River as its sole source of drinking and industrial water. Port Angeles City management and Council has expressed valid concerns that logging in the Elwha Watershed compromises efforts to restore endangered salmon habitat; threatens other endangered and recovering species; destroys essential carbon sinks; and threatens the City's sole drinking water source.

The iconic Elwha River is important to all Washingtonians and remains the largest completed dam removal project in U.S. history. The federal government spent \$327 million in Elwha River restoration post-dam removal. Transferring these forests out of the trust so that they are no longer subject to industrial logging compliments the larger scale restoration efforts and is an essential step toward restoring the ecosystem, preserving cultural areas of importance, protecting designated marbled murrelet areas, and securing vital sole source water supply for over 30,000 people. It also presents a significant economic opportunity to secure better suited timber for harvest away from environmentally sensitive areas found in the Elwha Watershed.

Sincerely,

A handwritten signature in blue ink that reads "M. Chapman".

Representative Mike Chapman
24th Legislative District

Protect Forests in the Elwha Watershed



WHEREAS the Elwha River Watershed is in a state of recovery after the removal of two dams, and the water quality and quantity of the Elwha River are essential for the health of both salmon species and the people of Clallam County; and

WHEREAS the Forest lands in the Elwha River Watershed play a critical role in mitigating climate change by absorbing and sequestering carbon dioxide; and

WHEREAS the Washington Department of Natural Resources (DNR), led by Commissioner of Public Lands Hilary Franz, continues to propose logging of older forests in the Elwha River Watershed, including forests within the proximity of the river itself, known by the sales names "Power Plant" and "TCB23"; and

WHEREAS the harvesting of timber of said forest will compromise efforts to restore salmon habitat, affect other recovering species, destroy important essential carbon sinks, threaten the sole drinking water source for the City of Port Angeles and over 25% of Clallam County, and diminish recreational value to the community; and

WHEREAS our Legislative District Representative Mike Chapman has stood up for his constituents in opposition to the proposed timber harvests designated as TCB23, and Power Plant forests;

THEREFORE, BE IT RESOLVED that the 24th Legislative District Democrats call upon Hilary Franz, Public Lands Commissioner, to direct the Department of Natural Resources (DNR) to:

1. delay or cancel the timber sales known as TCB23 and Power Plant;
2. evaluate these important stands relative to the Elwha River Watershed and the protection of steep slopes located between these stands and the river; and
3. pause all timber sales on State lands in the Elwha River Watershed until there can be proactive and collective discussion of a long-term plan for harvests that protect the Elwha River; and

THEREFORE, BE IT FINALLY RESOLVED that copies of this resolution be sent to Commissioner of Public Lands, Hilary Franz; State Representatives Mike Chapman and Steve Tharinger; State Senator Kevin van de Wege; Clallam Board of County Commissioners; Port Angeles City Manager

Submitted by:

Ellen Menshew, Executive Board LD24 and Brian Grad, Resolutions Committee, Clallam County Democrats
Reviewed and approved by Resolutions Committee of the 24th LD Democrats, August 29, 2023
Adopted by the Members on September 13, 2023.

Bruce Cowan, Chair, mrbrucecowan@gmail.com 360-774-6678

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RESOLUTION 23 - 02

Protect Forests in the Elwha Watershed

WHEREAS the Elwha River Watershed is in a state of recovery after the removal of two dams, and the water quality and quantity of the Elwha River are essential for the health of both salmon species and the people of Clallam County; and

WHEREAS the Forest lands in the Elwha River Watershed play a critical role in mitigating climate change by absorbing and sequestering carbon dioxide; and

WHEREAS the Washington Department of Natural Resources (DNR), led by Commissioner of Public Lands Hilary Franz, continues to propose logging of older forests in the Elwha River Watershed, including forests within the proximity of the river itself, known by the sales names "Power Plant" and "TCB23"; and

WHEREAS the harvesting of timber of said forest will compromise efforts to restore salmon habitat, affect other recovering species, destroy important essential carbon sinks, threaten the sole drinking water source for the City of Port Angeles and over 25% of Clallam County, and diminish recreational value to the community; and

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THEREFORE, BE IT FINALLY RESOLVED that copies of this resolution be sent to Commissioner of Public Lands, Hilary Franz; State Representatives Mike Chapman and Steve Tharinger; State Senator Kevin van de Wege; Clallam Board of County Commissioners; Port Angeles City Manager

Submitted by:

Ellen Menshew, Executive Board LD24, menshewmom@gmail.com, (360) 477-5104

Brian Grad, Resolutions Committee, Clallam County Democrats, briansway51@gmail.com, (360) 620-4036

**Adopted by the Membership of the Clallam County Democrats
September 9, 2023**

Revenue Advisory Committee

Business Item

Trust Land Transfer Program

Best Interests of the Trust Analysis (BIT) Form

This form must be completed for all nominated parcels that meet the following criteria:

- The application was turned in during the open application period.
- The parcel has not already been deemed ineligible, for example because it does not have a viable receiving agency.
- If the parcel is over 4,500 acres or \$15 million in value, the applicant and receiving agency have met with DNR for a pre-submittal meeting one month before the application period opened.

Date: February 22, 2024

Analyst: Kenny Ocker

Part A: General Parcel Information

Parcel name: Elwha

Biennium for which this parcel is proposed: 2025-27

Applicant: Nathan West, City of Port Angeles city manager

Receiving agency: City of Port Angeles

County in which parcel is located: Clallam

Total acres of state trust lands in parcel: 3,081.5

Affected trust (s) and acres of parcel in each affected trust:

Trust:	State Forest Transfer Trust (01)	Acres:	1,876.7	Percent of parcel:	60.9
Trust:	Common School Trust (03)	Acres:	1,204.9	Percent of parcel:	39.1
Trust:	Click or tap here to enter text.	Acres:	Click or tap here	Percent of parcel:	Click or tap here
Trust:	Click or tap here to enter text.	Acres:	Click or tap here	Percent of parcel:	Click or tap here

Topography (flat, hilly, mountainous): Hilly

Average annual rainfall (estimated): 29.4 in./749 mm

Part B: Forested Parcels

Fill out this section for forested parcels being managed primarily for timber harvest through DNR's Timber Sales program. If your parcel is not forested, leave blank but make sure you fill out Section B. The data source for each item is indicated in parentheses.

Dominant site class (GIS): Site Class IV

Dominant tree species (RS-FRIS): Western hemlock, Douglas fir

Are there any planned, sold, or recently completed timber harvests on this parcel? (LRM and GIS)

Yes ☒ No ☐

If yes, describe:

Unit 2 of the Dry Bike timber sale was completed across 69 acres in the southeastern portion of the eastern parcel in 2017. The Aldwell sale in the southwestern portion of the eastern parcel was sold in October 2022 and is currently in operation across 169 acres. The TCB23 sale was sold in July 2023 and is currently in operation across 46 acres. The Power Plant sale was sold in July 2023 across 143 acres in the central parcels, but the Commissioner of Public Lands opted to conserve parts of the sale area as part of the 2,000 acres of carbon-dense, structurally complex forests that she ordered set aside in December 2023. A portion of the Trees A Crowd commercial thinning sale sold in 2022 covers 35 acres in the northern portion of the eastern parcel.

In addition to the recently harvested and sold sales, several future sales are also planned across the parcels. In the eastern parcel, 100 acres are in the planned Alley Cat sale scheduled for auction in December 2024. Approximately 204 acres of the Parched timber sale in the eastern parcel are scheduled for a February 2025 auction date. A 3.4-acre portion of the Oh Well timber sale is planned in Fiscal Year 2026 in the central parcel. The Shore Thing timber sale is planned for three units across 100 acres on the western parcel in Fiscal Year 2027.

Paste output table from the TLT Automation Toolbox below.

Parcel Acres	3081.58
Harvestable Acres	1763.71
Percent of Parcel Harvestable	57.23
Minimum Stand Age	3
Maximum Stand Age	220
Local Knowledge Deferrals	Yes

Deferral Category	Specific Deferral Reasons	Acres
Non-forested		121.59
Riparian Areas		622.28
Unstable Slopes/Inoperable /Non-Productive Sites		215.94
Reason	Unstable Slopes	209.17
Reason	Inoperable Area	7.68
Reason	Non-Productive Sites	0.00
Indefinite Policy Deferrals		358.06
Non-Local Knowledge Reason	GENE_POOL	2.15
Non-Local Knowledge Reason	GENE_POOL:LCL_DF_YR	3.12
Non-Local Knowledge Reason	GENE_POOL:LCL_DF_YR:LTFC_PSTG	0.13
Non-Local Knowledge Reason	GENE_POOL:LCL_DF_YR:LTFC_PSTG:MM_INNER_BUFF	0.76
Non-Local Knowledge Reason	GENE_POOL:LCL_DF_YR:LTFC_PSTG:MM_INNER_BUFF:WOGHI_INDX	0.37
Non-Local Knowledge Reason	GENE_POOL:LCL_DF_YR:LTFC_PSTG:MM_OCC_SITE	1.06
Non-Local Knowledge Reason	GENE_POOL:LCL_DF_YR:MM_INNER_BUFF	5.52
Non-Local Knowledge Reason	GENE_POOL:LTFC_PSTG:MM_OCC_SITE	1.13
Non-Local Knowledge Reason	GENE_POOL:MM_INNER_BUFF	2.87
Non-Local Knowledge Reason	LCL_DF_YR:LTFC_PSTG:MM_OCC_SITE	1.15
Non-Local Knowledge Reason	LCL_DF_YR:MM_INNER_BUFF	2.25
Non-Local Knowledge Reason	LCL_DF_YR:OLD_GROWTH	2.42
Non-Local Knowledge Reason	LTFC_PSTG	12.58
Non-Local Knowledge Reason	LTFC_PSTG:MM_INNER_BUFF	11.20
Non-Local Knowledge Reason	LTFC_PSTG:MM_OCC_SITE	167.03
Non-Local Knowledge Reason	LTFC_PSTG:MM_OCC_SITE:OLD_GROWTH	1.14
Non-Local Knowledge Reason	LTFC_PSTG:OLD_GROWTH	5.79
Non-Local Knowledge Reason	LTFC_PSTG:OLD_GROWTH:WOGHI_INDX	9.01
Non-Local Knowledge Reason	LTFC_PSTG:WOGHI_INDX	0.84
Non-Local Knowledge Reason	MM_INNER_BUFF	75.87
Non-Local Knowledge Reason	MM_INNER_BUFF:OLD_GROWTH	0.83
Non-Local Knowledge Reason	OLD_GROWTH	28.83
Local Knowledge Reason	CLIFF	1.94
Local Knowledge Reason	WILDLIFE_ISSUE	20.09

Discount Rate	NPV Total	NPV per Harvestable Acre	BLV Total	BLV per Harvestable Acres
0.02	11843145.51	6714.92	3596781.38	2039.33
0.03	10431688.87	5914.64	1066275.73	604.57
0.04	9428606.73	5345.91	-39897.42	-22.62
0.05	8702809.54	4934.39	-592371.96	-335.87
0.06	8168804.00	4631.61	-881925.26	-500.04
0.07	7769711.07	4405.33	-1032768.05	-585.57

Part C: Non-forested Parcels

Fill out this section for non-forested or partially forested parcels that are not being managed primarily for timber harvest under DNR's Timber Sales program. If the parcel is forested, fill out Part B and leave this section blank.

Are there any current leases (for example, grazing, agriculture, lease number, other) on the parcel?

Yes ☒ No ☐

If yes, describe: Communications site lease

Annual revenue from current leases, if any: \$7,290.30

Does DNR have water rights for this parcel?

Yes ☐ No ☒

If yes, describe: Click or tap here to enter text.

Is there any infrastructure on the parcel (for example, buildings, wells, water pipelines, water storage tanks, irrigation systems, grain elevators, etcetera)?

Yes: ☒ No: ☐

If yes, describe: Communications site infrastructure.

Part D: Ecological and Social Factors, All Parcels

In this section, provide a narrative description of the ecological and social factors that impede the generation of long-term, sustainable revenue on this parcel under its current, dominant use, such as agriculture, grazing, or timber harvest. For forested parcels, this information is meant to supplement the acres summary provided in the TLT Automation Toolbox table.

1. Ecological factors

What is the type and extent of water bodies on the parcel (for example, streams, wetlands, lakes)?

The westernmost parcel includes a riparian buffer for Indian Creek, as well as one fish-bearing tributary to the creek. The central and eastern parcels surround the footprint of the former Lake Aldwell, the drained remnants of the reservoir on the Elwha River. The northern portion of the central parcel has a wetland adjacent to where State Route 112 crosses the parcel. Several non-fish-bearing streams, including one perennial stream, drain from the central parcel into the Elwha River. The Little River flows through the southernmost portion of the eastern parcel, and one of its fish-bearing tributaries flows slightly to its north for the width of the parcel. Eight non-fish-bearing tributaries also flow west from the parcel into the Elwha River.

Describe any unique site features (such as bogs, cliffs, caves, other) that require protection:

Kelly Ridge, which runs east-to-west through the central parcel, is habitat for the Taylor's checkerspot butterfly. Several cliffs are present in the southwest corner of the eastern parcel.

Describe any habitat for protected plant or wildlife species (endangered, threatened, sensitive, or candidate species). If possible, indicate how much of the parcel is affected.

Much of the central parcel is dominated by occupied marbled murrelet sites set aside for conservation under DNR's State Uplands Habitat Conservation Plan, which also has a large set-aside for Taylor's checkerspot butterfly habitat. The eastern parcel also contains multiple occupied marbled murrelet sites that are set aside under the HCP. Between these conservation areas, four patches of field-verified old growth, a DNR forest gene pool reserve, and riparian areas managed for long-term forest cover, nearly 43 percent of the parcels as a whole are in some type of conservation status.

The central parcel also includes a small population of yerba de selva, a critically imperiled plant statewide.

Does the parcel contain known cultural resources?Yes ☐ No ☐**What is the proximity of this parcel to other conserved or scenic lands? (approximate distance)**

Two of the three parcels are directly adjacent to lands managed by the Olympic National Forest, and the third is less than 1/2 mile from the National Forest boundary. The easternmost parcel is adjacent to a large occupied marbled murrelet site on DNR-managed lands that is protected under DNR's State Uplands Habitat Conservation Plan. The central parcel contains a portion of Taylor's checkerspot butterfly habitat that totals approximately 575 acres.

Does the parcel contain potential old growth forest (indicated in GIS but not field verified)? If yes, how many acres? [Include??]

In addition to the approximately 75 acres of field-verified old growth present in the parcels:

- 6 acres on the western edge of the westernmost parcel have a moderate old-growth potential, according to DNR's Weighted Old-Growth Habitat Index
- 60 acres in the central parcel have a moderate old-growth potential, according to DNR's Weighted Old-Growth Habitat Index
- 90 acres in the eastern parcel have a high old-growth potential, according to DNR's Weighted Old-Growth Habitat Index, and another 140 acres have a moderate old-growth potential.

2. Social Pressure**Is this parcel experiencing high public recreation use? For example, does it include DNR-managed or user-built trails? Is it being used for fishing, hunting, camping, or other uses?**

The Olympic Discovery Trail Adventure Route, managed by Clallam County, travels through the central parcels.

What is the proximity of this parcel to urban areas? (approximate distance)

The nearest parcel is approximately 1 mile southwest of the Port Angeles Urban Growth Area.

What is the proximity of this parcel to residential land? (approximate distance)

A homesite is directly adjacent to the western parcel to its northwest, and homesites exist to the north and west of the central parcel and surround three sides of the eastern parcel.

Is there strong local opposition to natural resource management on this parcel specifically, or on all natural resource lands in this general area?

There has been local opposition to recent DNR timber sales in the area, including the Power Plant sale.

Part F: Land Use Analysis, all Parcels

In this section, consider whether zoning, comprehensive plan designation, and development trends may affect DNR's ability to manage this parcel for revenue generation.

Is the parcel within the urban growth area?

Yes ☐ No ☒

Current zoning: Rural Conservation Character 3, Rural Conservation Character 5

Comprehensive plan designation: Click or tap here to enter text.

Existing development trends in local area that could affect future trust management activities on this parcel:

These parcels are not currently threatened by encroachment from development.

Part E: Access and Adjacent Land Impacts, all Parcels

This section addresses DNR's ability to access this parcel for management, and the potential impact that transfer of this parcel could have on DNR's access to, and management of, nearby or adjacent state trust lands.

Does the property have legal access? Yes ☒ No ☐

If yes, what type? State highways, county roads

If no, can access be attained? Yes ☐ No ☐

Does the property have physical access (such as roads)? Yes ☒ No ☐

Do additional roads or bridges needed to be built or improved to carry out trust management activities? In your answer, include any known obstacles to building necessary roads or bridges, such as unstable slopes or other sensitive areas.

No additional roads or bridges would be necessary to continue managing these parcels.

Indicate the approximate distance between this parcel and other state trust land parcels. Will transfer of this parcel affect either management of, or access to, adjacent or nearby state trust lands?

All three parcels are directly adjacent to other DNR-managed lands. Transfer of the central and eastern parcels would compromise road access to DNR-managed lands.

Part G: Other DNR Program Opportunity, all Parcels

Indicate if the proposed parcel would be a better fit for one of the following programs or strategies instead of the TLT program, and describe why.

Public auction:

Click or tap here to enter text.

Direct transfer to public agency:

Click or tap here to enter text.

Exchange:

Click or tap here to enter text.

Re-conveyance:

Click or tap here to enter text.

Transition lands program:

Click or tap here to enter text.

Could DNR generate long-term, sustainable revenue on this parcel through a different revenue-generating activity, such as alternative energy development? Why or why not?

The parcels are currently zoned for forestry management and are a short distance from the nearest mill, and forestry management remains their highest and best use.

Part H: Analyst Summary and Conclusion, All Parcels

Based on this analysis, is transfer of this parcel out of trust status through the TLT program in the best interests of the trusts? Why or why not?

In your response, address the following:

- The potential of this parcel to generate revenue for trust beneficiaries, including whether this parcel is suitable for a change of use.
- Why the parcel is or is not appropriate for other land disposal strategies.
- Whether this parcel is a good fit for the TLT program.

This parcel has generated significant revenue for trust beneficiaries and is poised to continue doing so going forward, and, per RCW 79.17.300, does not meet the Legislature's requirement that lands included in the Trust Land Transfer process be nonperforming or underperforming economically.

These parcels continue to produce regular revenue for the Common School Trust and junior taxing districts in Clallam County, while also protecting and growing habitat for the marbled murrelet, Northern spotted owl, and Taylor's checkerspot butterfly under DNR's State Uplands Habitat Conservation Plan. Future timber sales remain planned inside the boundaries of the proposed Trust Land Transfer indicate an ongoing potential for these lands to generate revenue for both present and future generations.

These are prime forestlands, zoned for forestry, blocked up with other DNR-managed lands, facing limited development pressures, and close to milling infrastructure. These parcels are not appropriate for disposal or a good fit for the Trust Land Transfer program because these parcels are not economically underperforming and because their transfer may compromise the management of other trust parcels west of Port Angeles. A Trust Land Transfer would not be in the best interest of the State Forest Transfer Trust nor the Common School Trust.

In addition to this proposed transfer not being in the best interests of the trusts, the valuation of the parcel in DNR-operable net present timber value and bare land value exceeds \$15 million and required a pre-meeting with DNR before the application was submitted.

Part I: Management review and final agency determination

Date of review: Click or tap here to enter text.

Reviewer name: Click or tap here to enter text.

Based on your review of the information on this form, do you concur that transfer of this parcel out of trust status through the TLT program in the best interests of the trusts?

Yes ☐ No ☐

If you disagree with the analyst's conclusion, indicate why:

Click or tap here to enter text.

Revenue Advisory Committee

Business Item

Comment Letter

Reed Wendel

April 29th, 2024

Commissioner Mike French
Mike.French@ClallamCountyWA.gov

Commissioner Randy Johnson
Randy.Johnson@ClallamCountyWA.gov

Commissioner Mark Ozias
Mark.Ozias@ClallamCountyWA.gov

Re: Please Deny Transfer of DNR Trust Lands,

Dear Clallam County Commissioners,

Please deny the Trust Land Transfer of Department of Natural Resources (DNR) managed forest lands to the City of Port Angeles for the following reasons:

1. Limiting timber harvest beyond the stringent management practices of DNR's habitat conservation plan (HCP) will have a negligible effect on stream conditions.
2. The Department of Natural Resources is a responsible forest manager that has produced the following benefits to the County:
 - Restoration of all known fish barriers through the Olympic Region DNR's Road Maintenance and Abandonment Plan (RMAP).
 - The development of multiple recreational trail networks including the Adventure Route, Foothills Trail, and Colville trail.
 - Production of forest products that are manufactured locally into value-added lumber at Interfor, PA Hardwoods, and Evergreen Fiber.
 - Timber sales directly benefit junior taxing districts.

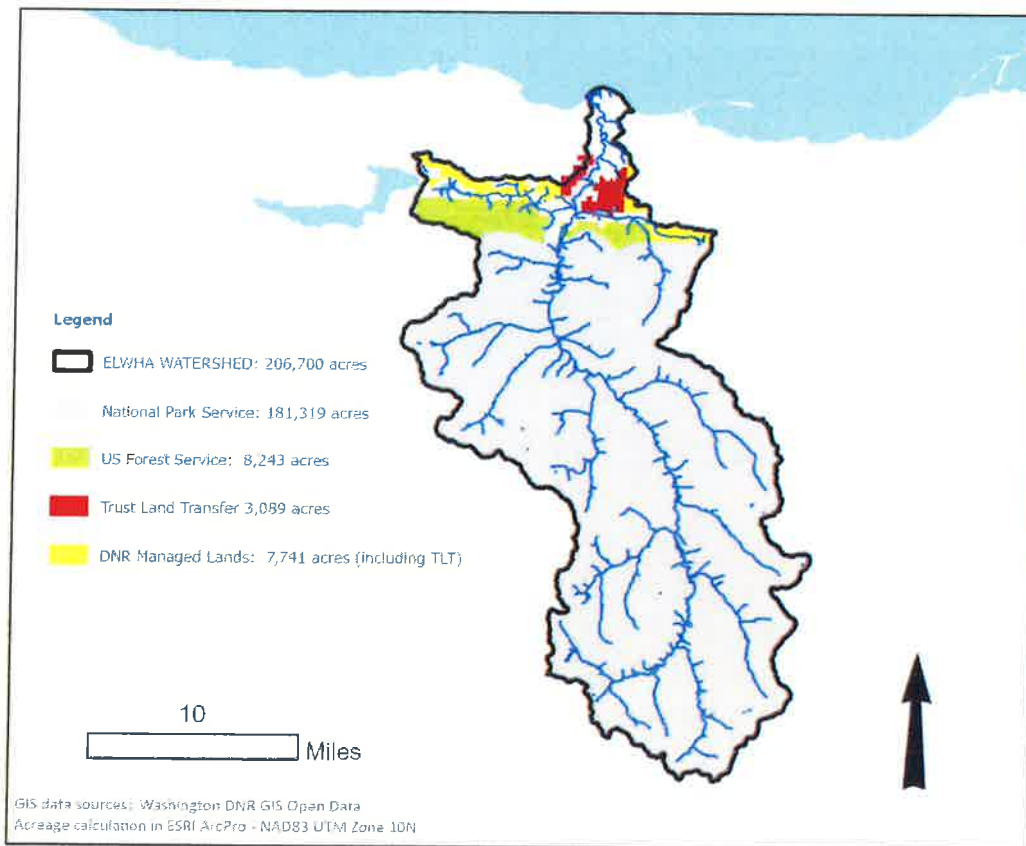
The DNR Manages a Small Portion of the Elwha Watershed

The current City Council is concerned that timber management by the DNR will harm water quality and reduce summertime flow in the Elwha River - Port Angeles's source of drinking water. In 2023 the City Council directed the City Manager to apply for a transfer of 3,089 acres of DNR-managed

lands to City management. These 3,089 acres are mapped in figure 1 and account for ~1.5% of the watershed area. This is a very small percentage of the overall basin.

National Park and US Forest Service lands make up most of the land area in the watershed (>91%) and are not actively managed for timber harvest. The Forest Service lands in the watershed are late-successional reserves and can only be partially cut in a restoration harvest to develop old-growth habitat.

Figure 1. Major land management in the Elwha Watershed.



The small portion of lands that are available for timber harvest in the lowlands of the Elwha watershed are unlikely to have a measurable impact on water supply. The Elwha is highly dependent on snowpack with peak flows in November-December when winter rains first come and then again in late spring when snowmelt peaks. The lands proposed for transfer hold no late-season snowpack and contribute little area to the overall basin. I do not expect that altering management on such a small portion of the basin will result in additional water for the city.

Timber Harvest in Elwha Watershed is Compatible with the City's own Water Planning.

In 2018 the environmental consultant group CH2M produced a Water Systems Plan for the City. The plan acknowledges that ongoing timber harvest in the watershed will not threaten the water supply:

“Ongoing and periodic logging on private and DNR lands is expected to continue in the lower watershed and is not expected to present a problem for the City’s Elwha supply. These activities have not presented a problem for the City’s Elwha Ranney collector supply since it was placed into service in 1977.”

Source: (<https://www.cityofpa.us/DocumentCenter/View/5994/Water-System-Plan-2018?bidId=>)

As a resident of the City of Port Angeles, I am concerned the City is considering spending money on a water preservation purchase with no evidence of benefit to the water supply. As a forester, I know that the DNR provides ample stream protection with their habitat conservation plan.

Loss of Reservoirs, Snowpack, and Glaciers is Reducing Summertime Flow

The 2018 CH2M report also explains that the removal of the Elwha Dams is likely to exacerbate low flow periods with reduced benefit to groundwater from impounded lakes:

“With the removal of the Elwha dams, the flowrate characteristics of the Elwha River have changed and are expected to continue to change over time. Even though the former reservoirs were not intended to store water during storm events and mitigate their impact, high flow events will be more intense because they are not buffered by the settling benefits provided by these former reservoirs. Low flow periods will also be exacerbated with the reduced benefit on groundwater flow resulting from the absence of impounded water.”

We are not going to rebuild the Dams, but the City should consider alternate sources of water or additional reservoirs if flow is likely to be limited.

Along with dam removal, the loss of glaciers and summertime snowpack in Olympic National Park is well-documented. Figure 2 is a set of National Park Service photos showing the Lillian Glacier disappearing between 1905 and 2015. The Lillian Glacier fed the Lillian River, a large tributary of the Elwha. Reduction of snowpack and glaciers result in lower summertime flow (Figure 3).

Figure 2. Lillian Glacier repeat photograph. Source: Terminus Project. Olympic National Park.
<https://www.nps.gov/olym/terminus.htm>

1905



2015



Figure 3: Twelve Month discharge graph at the McDonald BR gauge station.

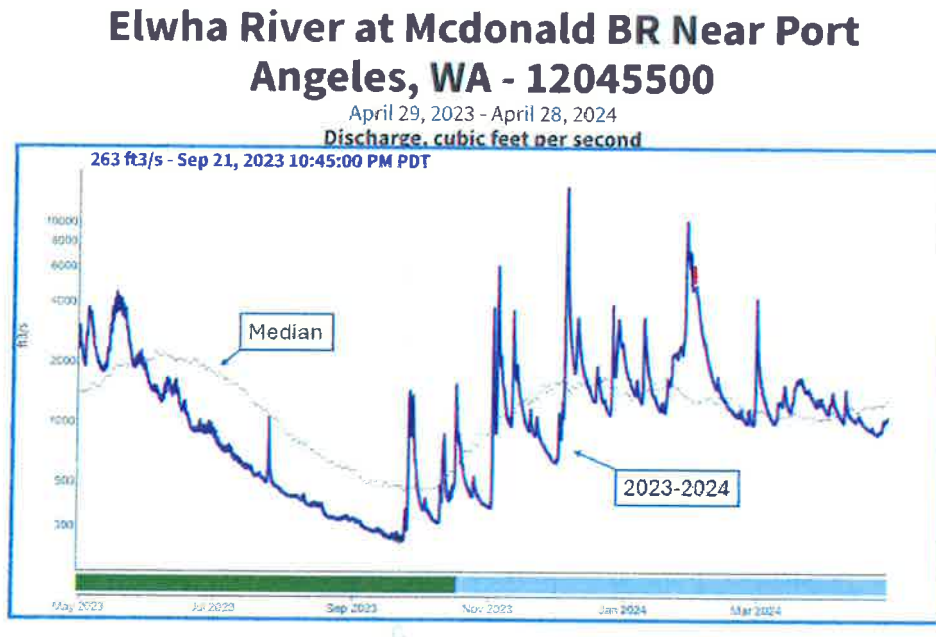


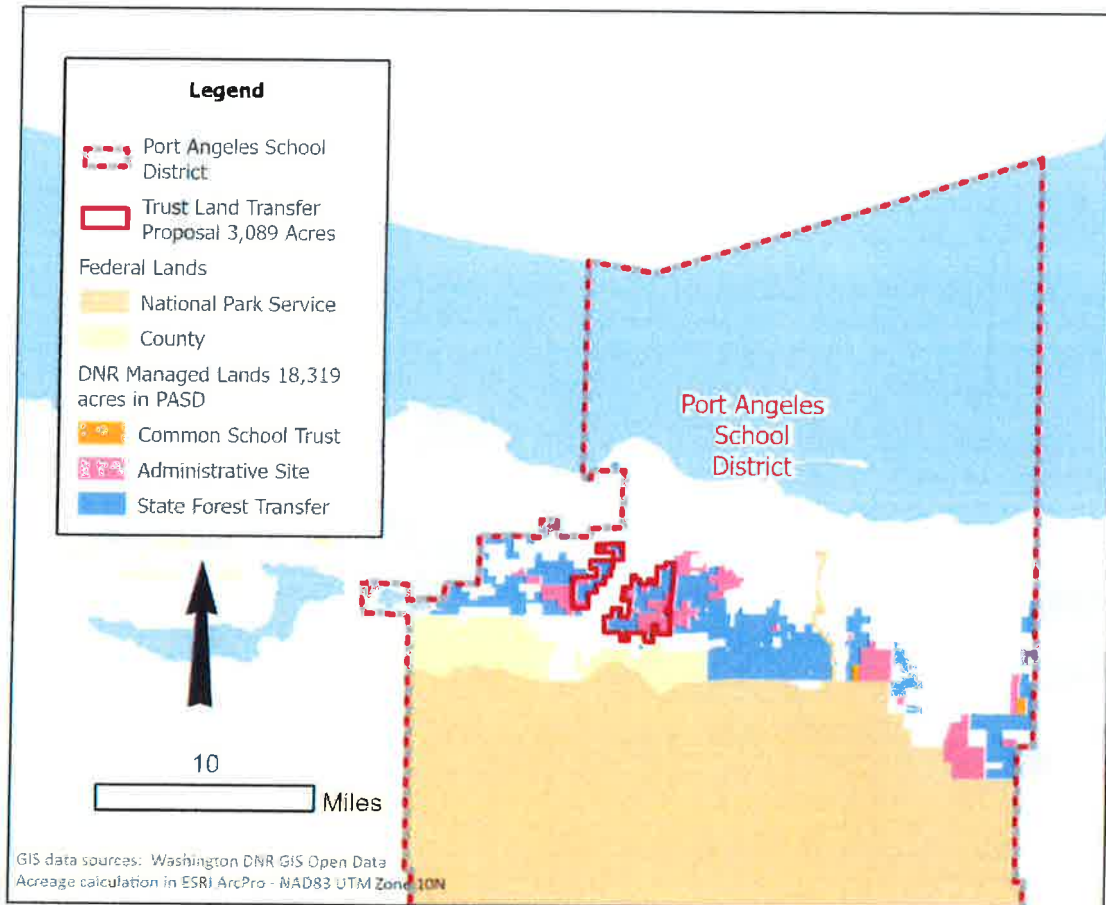
Figure three is a discharge graph of Elwha River Flows as measured at the USGS McDonald Bridge Gauge Station. This station is located just north of the National Park Service boundary, and it is not tributary to any DNR lands. I have put this chart in this letter to illustrate that low flows happen independently of DNR harvest. Summer 2023 had an early melt-off and flow rates of <300 cfs. The city is right to be concerned about low flows. However, reserving second-growth timberlands is the wrong course of action to provide residents with water.

DNR Lands in the Elwha in the Elwha provide revenue to Junior Taxing Districts

The proposal will transfer multiple parcels from various trusts to the City. The State Forest Transfer trust which benefits Clallam County's junior taxing districts makes up the largest portion of the transfer lands. These lands provide important revenue for our roads and school districts. Figure 4 is an overlay of DNR lands within the Port Angeles School District.

I have school-aged children in the Port Angeles District. Our district has a budget shortfall and has gone through a teaching and paraeducators strike earlier this month. All of the trust transfer lands are within the Port Angeles School District and comprise about 17% of the DNR managed lands within the district. Removal of these lands will reduce our school district's funding.

Figure 4. Proposed Trust Land Transfer within the Port Angeles School District.



DNR Lands Provide Other Benefits to the County

The DNR is a responsible forest land manager that provides multiple benefits to the County. Timber harvest and the sale of logs supply two Port Angeles sawmills with raw material to make lumber. Lumber is an important value-added product that is manufactured locally. Whether or not we like timber harvest, most of us rely on lumber for our house. Shelter is a basic human need. If logs and lumber do not come from here because we have decided to stop harvesting timber, we will likely still live in wooden houses. The wood will just come from someplace else, cost more, and require more fuel to bring it here.

The recreational benefit of the DNR is dependent upon timber harvest. Funding for trail networks comes from recreational fees, but the DNR's recreational trails system depends on the logging infrastructure for road access. Many of the trailheads developed by the DNR are located on former logging landings in order to provide a parking area. If DNR timber harvest does not pay for

continued maintenance of culverts and road, then access to trailheads will be limited. The loss of road access to recreational sites in Olympic National Park and Olympic National Forest is an example of recreation fees not being able to cover the cost of infrastructure.

Finally, the Olympic Region DNR has removed all of their known fish barriers through their road maintenance and abandonment plan. Other agencies such as the City of Port Angeles, Clallam County, Olympic National Park, and Olympic National Forest are still struggling to remove fish barriers. The Forest and Fish law and the urgency to construct fish passable road crossings provided the impetus for the DNR to complete this enormous and expensive task. Timber harvest revenue provided the means to pay for the restoration work and should continue to pay for the maintenance and repair of these structures.

Conclusion

Thank you for reading this. It is a long letter, but I wanted to provide some figures and context for what I have written in the past. I am concerned that the City is seeking a political solution to a practical problem, and it will result in a waste of resources and loss of benefit to the County.

Sincerely,



Reed Wendel
3715 Canyonedge Drive
Port Angeles, WA 98362
reed@angelesforestry.com



DNR Management and Impacts to Water Supply

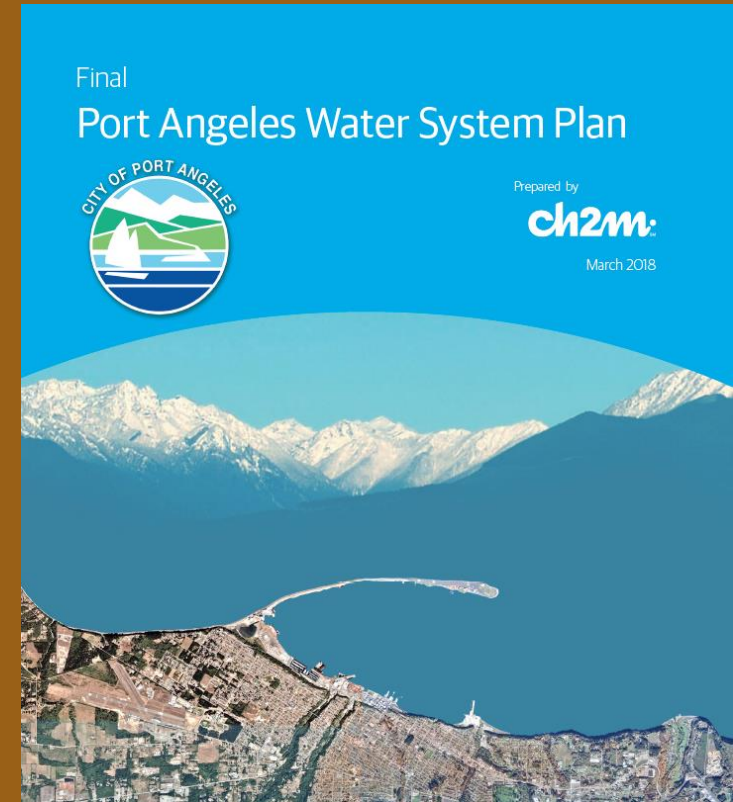
TLT Application Summary Statement:

“The parcels identified are critical contributors to the Elwha River water supply and therefore impact a large portion of the Clallam County water supply for residents and businesses alike. Department of Natural Resources standard practices for these properties lack the protection necessary to ensure the timberlands within these parcels protect critical watershed infiltration.”



Port Angeles Water System Plan

“Ongoing and periodic logging on private and DNR lands is expected to continue in the lower watershed and is not expected to present a problem for the City’s Elwha supply. These activities have not presented a problem for the City’s Elwha Ranney collector supply since it was placed into service in 1977.”



DNR Management and concerns to impact on water supply

- **DNR presented to the BOCC on May 15, 2023**
- **DNR staff addressed concerns related to the water supply of the Elwha River**
- **Impacts to Peak Flows and Lows Flows are generally related to road locations, yarding corridors, and harvest sizes within a basin**
- **Changes in peak and low flows values occur when large areas of a basin are harvested, over 20%**

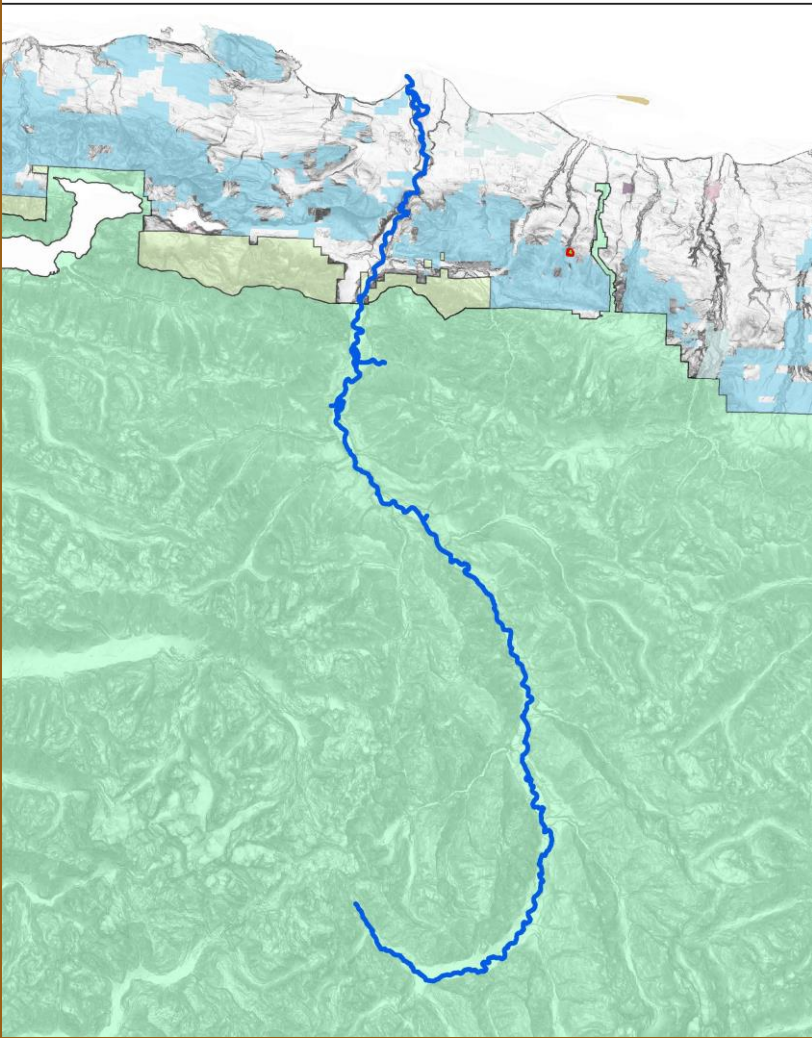


OESF and T3 Watershed Project

- **Olympic Experimental State Forest (OESF) is 270,000 acres**
- **DNR and research partner conduct applied research and monitoring, adaptive management framework**
- **Monitoring of Riparian and Aquatic Habitat project – collections of data on stream shade, water temperature, large woody debris, and other indicators**
- **T3 Watershed Experiment – collaborative study between the DNR and UW within the OESF**



Elwha Watershed



Elwha River is 45 miles long with a drainage area of 321 square miles or 206,864 acres. ~90% of Elwha Watershed is protected by Federal Ownership

DNR ownership is 7,704 acres within the Elwha Watershed or less than 4% of the total watershed. TLT proposal accounts of 1.5%

Over the past 5 years, DNR sold timber sales have accounted for 801 acres within the watershed which accounts for 0.4% of the Elwha Watershed.

Currently, DNR planned timber sales within the Elwha Watershed total 762 acres or 0.4% of the Elwha watershed.



Recreation

- **Straits district manages recreation sites across the landscape:**

- Lyre River Campground

- Foothills Trail System

- Sadie Creek Trail

- Dry Hill Mountain Bike Course

- Colville Bike Trail

- Sadie Jeep Trail

- Numerous scattered, dispersed recreation

- **Recreation Funding**

- Recreation is funded through State General Funding, Taxes revenue, and Grants

- Revenue from recreation for the trusts is minimal, comes from special events, not from the users

- The revenue realized from recreation benefits local businesses within the county – which is very important to the local economy

- **Can you manage recreation without managing lands?**

- USFS management of Olympic National Forest is an example



Carbon

- The United Nations' Intergovernmental Panel on Climate Change (IPCC) report “identifies several measures where sustainable forest management and forest products may be utilized to maintain and enhance carbon sequestration. These include increasing the carbon sequestration potential of forests and forest products by maintaining and expanding the forestland base, reducing emissions from land conversion to non-forest uses, increasing forest resiliency to reduce the risk of carbon releases from disturbances such as wildfire, pest infestation, and disease, and applying sustainable forest management techniques to maintain or enhance forest carbon stocks and forest carbon sinks, including through the transference of carbon to wood products”
- Recognizing the climate and carbon benefits of working forests in Washington’s Climate Commitment Act (RCW 70A.45.005), the legislature found that Washington should maintain and enhance the state's ability to continue to sequester carbon through natural and working lands and forest products.
- “Washington's existing forest products sector, including public and private working forests and the harvesting, transportation, and manufacturing sectors that enable working forests to remain on the land and the state to be a global supplier of forest products, is, according to a University of Washington study analyzing the global warming mitigating role of wood products from Washington's private forests, an industrial sector that currently operates as a significant net sequesterer of carbon. This value, which is only provided through the maintenance of an intact and synergistic industrial sector, is an integral component of the state's contribution to the global climate response and efforts to mitigate carbon emissions.” RCW 70A.45.090(1)(a).



Impacts on Junior Taxing Districts

“While some concerns may arise from junior taxing district, most of those districts depend on the long-term protection of the Elwha River Water supply for their viability” – TLT Application, Criteria One: Community Involvement and Support



Timber Excise Tax

The State of Washington imposes an excise tax of 5% of the stumpage value on the harvest of all timber on public or private lands for commercial or industrial use (see RCW 84.33.041 and RCW 84.33.046). This is known as the timber excise tax or, alternatively, the forest excise tax.

All counties are allowed to take a credit against the state timber excise tax (see RCW 84.33.041 and RCW 84.33.051). The credit is calculated as 4% of the stumpage value of all timber harvested within the county, and it applies to all harvests on public and private land.

Clallam County distributed \$1,878,659 to the Junior Taxing districts in 2023

Clallam County Timber Excise Tax Revenue from DNR Timber Sales:

- YTD FY24 = \$622,575
- FY23 = \$644,373
- FY22 = \$577,184



Potential Impacts on Excise Tax Revenue:

- **Loss of 3,082 acres of Clallam County's Timber Assessed Value (TAV)**
 - 1,877 acres of County Trust, 1,205 acres of Common School Trust
- **State will be required to purchase replacement lands, which also results in loss of TAV**
- **State Land Management vs Large Private Management:**

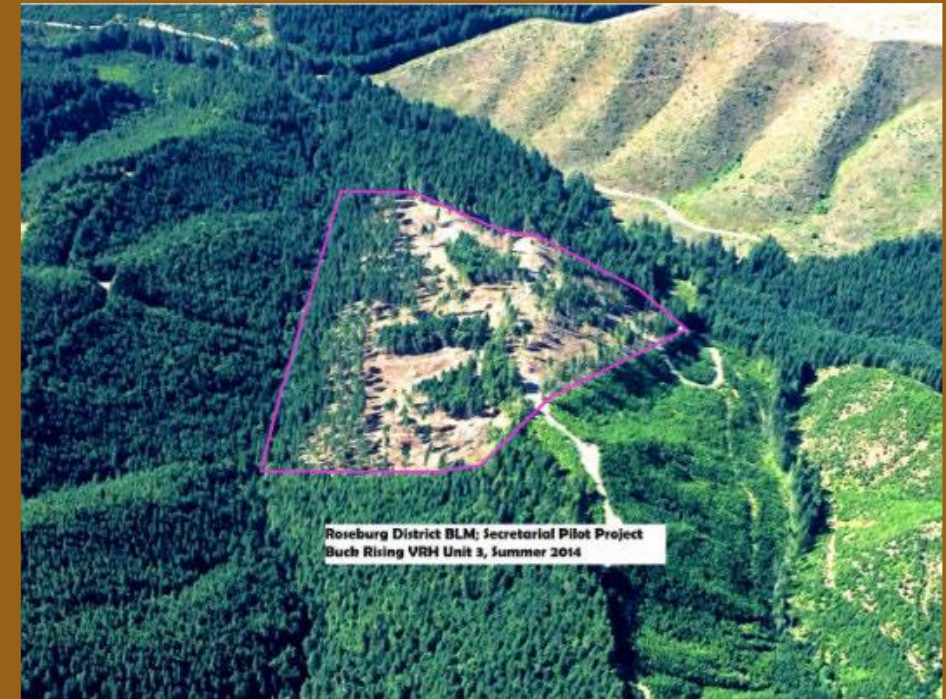
DNR Managed Lands ~60% operable (HCP driven)

Private Lands on OP ~75 % operable

Based on this information:

If DNR owns 1000 acres, ~600 acres for harvest

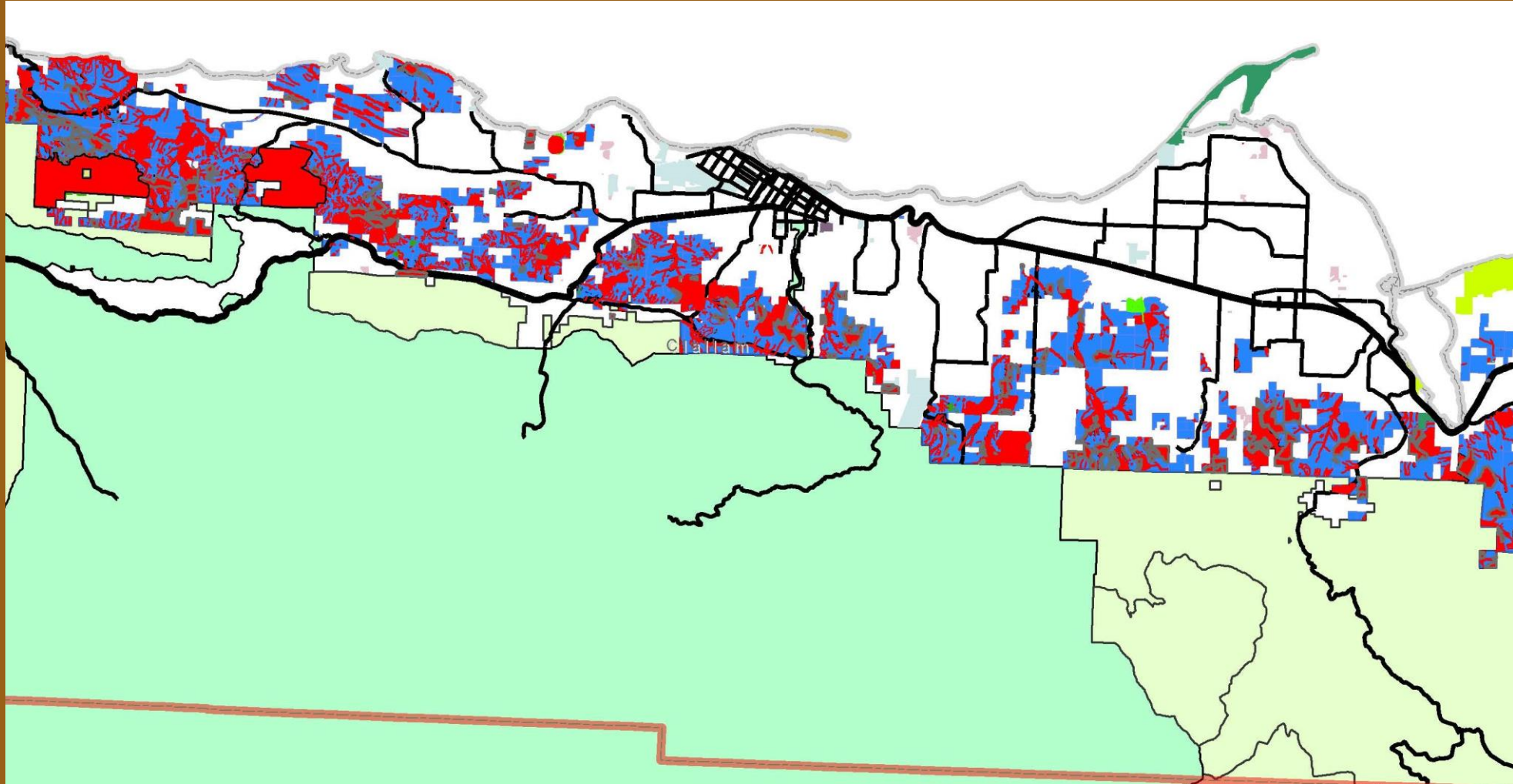
If Private owns 1000 acres, ~750 acres for harvest



WASHINGTON STATE DEPARTMENT OF
NATURAL RESOURCES

dnr.wa.gov

Straits District – Clallam County Overview



Distribution of DNR Timber Revenue to JR Tax Districts

Tree Well Timber Sale
210 acres, 6,337mbf
Located within the TLT

		Value	\$2,717,000.00
Trust 01	100%		\$2,717,000.00
		DNR FDA (25%)	\$ 679,250.00
1.00		County Distribution (75%)	\$2,037,750.00

Trust 01 - Clallam County - TCA 101 (29%)				
Code	Taxing District	Tax Rate	% of Sale	Total to Fund
Roads	Clallam County Roads	0.82123	0.100	\$ 59,199.52
SD 121 Enrichment	Port Angeles School District	1.05731	0.129	\$ 76,217.89
SD 121 CP/Bonds	Port Angeles School District	1.99341	0.243	\$ 143,698.69
Port	Medic One	0.1128	0.014	\$ 8,131.52
State 1		1.56169	0.191	\$ 112,577.52
State 2		0.83513	0.102	\$ 60,201.52
Cons Futures	Conservation Futures	0.01888	0.002	\$ 1,361.26
County	Clallam County	0.81265	0.099	\$ 58,581.11
Library	North Olympic Library	0.3095	0.038	\$ 22,310.57
HS 1 General	Hospital District #1	0.3345	0.041	\$ 24,112.93
WS Met Park		0.34063	0.042	\$ 24,554.96
	Totals:	8.19772		\$ 590,947.50
Trust 01 - Clallam County - TCA 102 (71%)				
Code	Taxing District	Tax Rate	% of Sale	Total to Fund
Roads	Clallam County Roads	0.82123	0.089	\$ 128,838.53
SD 121 Enrichment	Port Angeles School District	1.05731	0.115	\$ 165,876.36
SD 121 CP/Bonds	Port Angeles School District	1.99341	0.216	\$ 312,737.79
Port	Medic One	0.1128	0.012	\$ 17,697.00
State 1		1.56169	0.169	\$ 245,007.43
State 2		0.83513	0.091	\$ 131,019.23
Cons Futures	Conservation Futures	0.01888	0.002	\$ 2,962.57
County	Clallam County	0.81265	0.088	\$ 127,492.65
FD 2 General	Fire District #2	1.0243	0.111	\$ 160,697.40
Library	North Olympic Library	0.3095	0.034	\$ 48,555.48
HS 1 General	Hospital District #1	0.3345	0.036	\$ 52,478.03
WS Met Park		0.34063	0.037	\$ 53,440.04
	Totals:	9.22202		\$1,446,802.50



Current financial impacts to JR Taxing Districts

Totals below are minimum bid values of timber sales that were scheduled to be auctioned in FY22-FY24 but have been delayed

Clallam County Timber Sales = \$9,165,603

- **PA SD = \$1,930,834**
- **Fire District 2 = \$574,450**
- **Fire District 3 = \$481,464**
- **Sequim SD = \$435,297**
- **Library = \$295,092**
- **OMC = \$211,708**

Other JR impacts include to the Port, County Roads Department, County General Fund, William Shore Pool and others



Questions?



