



## **AGENDA**

### **CLALLAM COUNTY REVENUE ADVISORY COMMITTEE**

**223 East 4<sup>th</sup> Street, Room 160  
Port Angeles, Washington  
August 19, 2024 – 3 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://clallamcountywa.gov/meetings>

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

- I. CALL TO ORDER, ROLL CALL**
- II. REQUEST FOR MODIFICATIONS/APPROVAL OF AGENDA**
- III. APPROVAL OF MINUTES FOR THE MEETINGS ON: MAY 20, 2024**
- IV. PUBLIC COMMENT (total of 20 minutes)**
- V. BUSINESS ITEMS**
  - a. Timber Sale Update - DNR**
  - b. Discussion on Encumbered Lands Proviso and its potential revenue to Clallam County beneficiaries**
  - c. Update on Power Plant timber sale Letter from BOCC to DNR - Commissioner Johnson**
- VI. OLD BUSINESS**
- VII. NEW BUSINESS**
- VIII. FUTURES AGENDA ITEMS**
- IX. PUBLIC COMMENT (total of 20 minutes)**
- X. ADJOURNMENT**

# **Revenue Advisory Committee**

## **Draft Minutes**

**May 20, 2024**



## CLALLAM COUNTY REVENUE ADVISORY COMMITTEE MINUTES of May 20, 2024

### MEETING OF THE REVENUE ADVISORY COMMITTEE (RAC)

Chair Connie Beauvais called the meeting to order at 3 p.m., May 20, 2024. Also present were Commissioner Johnson, Marty Brewer, Diana Reaume, Regan Nickels, Noah Glaude, Dan Huff, Michael Mingee, Ben Pacheco, Gregory Bellamy, Scott Horton, Sandra Lyons, John Nutter, David Bingham, and Drew Rosanbalm. Janine Ledford and Steve Burke were absent.

### APPROVAL OF AGENDA

Beauvais requested to add an item: Set up a committee to oversee upcoming timber sales.

**ACTION TAKEN:** Johnson moved to adopt the agenda as modified, Pacheco seconded, mc

### APPROVAL OF MINUTES

- May 13, 2024

**ACTION TAKEN:** Johnson moved to approve, Nutter seconded, mc

### PUBLIC COMMENT (total of 20 minutes)

- Reed Wendel, Port Angeles, commented on trust lands timber sales, Power Plant sale
- Randy Bartelt, Port Angeles Hardwood, commented on City of Port Angeles application, mills
- Jim Stoffer, Sequim, commented on the letter regarding City of Port Angeles application

### BUSINESS ITEMS

#### a. Open Public Meetings Act and Public Records Act Training

Jesse Major, Public Records Office and Dee Boughton, Prosecuting Attorney's Office briefed the RAC Members on the Open Public Meetings Act and Public Records Act. RAC Members held discussion. Beauvais questioned if we need to notice a subcommittee meeting. Boughton stated he believes that these meeting would not need to be noticed since there is not a quorum.

#### b. Trust Land Transfer letter review

Beauvais briefed RAC regarding the draft letter. Bellamy and Pacheco thanked Beauvais for drafting the letter (see attached).

**ACTION TAKEN:** Nutter moved to adopt, Mingee seconded, mc, Commissioner Johnson and Rosanbalm abstained

#### c. Timber 101 presentation

David Hurn, Department of Natural Resources provided a presentation on Timber 101. RAC Members held discussion.

#### d. Subcommittee set-up discussion

Beauvais requested to set up a subcommittee to keep members informed of upcoming timber sales. Beauvais, Bellamy, Nickels and Noah Glaude offered to serve on the subcommittee

### PUBLIC COMMENT (total of 20 minutes)

- Ed Bowen, Clallam Bay, commented on Open Public Meetings Act, Public Records Act, subcommittee, timber sales, sustainable harvest calculation
- Ed Chadd, Port Angeles, commented on the Department of Natural Resources presentation, forests

**NEXT MEETING** - August 19, 2024 at 3 p.m.

**ADJOURNMENT** - The meeting concluded at 4:35 p.m.



## **Clallam County Revenue Advisory Committee**

**223 East 4<sup>th</sup> Street, Suite 4  
Port Angeles, WA 98362-3015  
360.417.2256 Fax: 360.417.2493  
Email: [loni.gores@clallamcountywa.gov](mailto:loni.gores@clallamcountywa.gov)**

May 20, 2024

Clallam County  
Board of Commissioners  
223 East 4<sup>th</sup> Street, Ste. 4  
Port Angeles, WA 98362

Re: City of Port Angeles Application to Department of Natural Resources (DNR) For Trust Land Transfer (TLT)

Board of Commissioners:

Members of the RAC appreciate the opportunity to review and make recommendation on the City of Port Angeles's TLT application to DNR for the transfer to the City of Port Angeles of 3,089 acres of DNR managed lands in the Elwha watershed.

Representatives from the City of Port Angeles and the DNR were invited to present to the RAC at a special meeting held on May 13, 2024.

The City of Port Angeles's premise for submitting the TLT application was to protect the City's water supply, and they believe it fits the parameters of the TLT program for that reason. They have not formulated a plan for management of the 3000+ acres. The City's application states that "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 replacement timber lands are acquired." The City has requested and received "pause" on units currently scheduled for harvest. They had requested a pause on the Aldwell sale; however, that harvest moved forward.

During DNR's presentation it was noted that the Port Angeles Water System Plan includes the following statement: "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's Habitat Conservation Plan (HCP) ensures that timber sales include appropriate habitat protection measures including water quality and instream flows for riparian species. All stream protection measures meet or exceed

forest practices regulations, and they all meet or exceed the requirements under the Clean Water Act. DNR draws upon a variety of staff, including foresters, engineers, geologists, biologists, hydrologists, soil scientists, economists, archeologists and others while management activities are planned. DNR staff noted that approximately 90% of the Elwha Watershed is protected by Federal ownership. The TLT proposal accounts for 1.5% of the watershed. Over the past 5 years DNR sold timber on 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. Current financial impacts to county and junior taxing districts on delayed timber sales for FY22-FY24 are:

|                              |             |
|------------------------------|-------------|
| Port Angeles School District | \$1,930,834 |
| Fire District 2              | \$ 574,450  |
| Fire District 3              | \$ 481,464  |
| Sequim School District       | \$ 435,297  |
| North Olympic Library System | \$ 295,092  |
| Olympic Medical Center       | \$ 211,708  |

Other taxing districts impacted include the Port of Port Angeles, County Roads Department, County General fund, and William Shore Pool.

DNR's Analyst Summary and Conclusion on the application's parcels states:

"This parcel has generated significant revenue for the 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 trust, 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."

Following questions from RAC members and answers from the City of PA and DNR and then discussion among RAC members, motion was made by Fire District 5, seconded by Fire District 4, and unanimously approved by roll call vote (with DNR abstaining)

"to ask the Clallam County Commissioners to move the position forward to DNR asking that the City of Port Angeles's application be denied on the basis that the application does not meet the parameters of the TLT program."

While the City's intentions are understood and acknowledged, the RAC does not feel the City is fully aware of the impacts of such a transfer, regardless of what kind of transfer, and is concerned about future fire risk to set aside lands. It was commented that the City did not use best science in putting their request together.

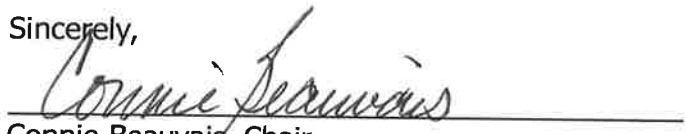
The RAC thanked DNR for its best management practices in its forestry program, as well as thanking them for their analysis of the presented application.

In summary, it is the DNR's analysis that the City of Port Angeles's application for Trust Land Transfer of 3,000+ acres in the Elwha watershed does not meet the parameters of the program.

The Clallam County Revenue Advisory Committee recommends that the County Commissioners send this letter to DNR requesting that the application not be moved forward to committee ranking because the included timber land is not nonperforming or underperforming, therefore not meeting the parameters of the TLT program. It is also requested that ALL parcels currently on hold or under consideration for transfer (including the restoration project for Power Plant) be placed back on the active harvest schedule, thereby continuing DNR's fiduciary responsibilities to the beneficiaries.

Thank you for your consideration.

Sincerely,



Connie Beauvais, Chair  
Clallam County Revenue Advisory Committee (RAC)

# **Revenue Advisory Committee**

## **Correspondences Received**

## Gores, Loni

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**From:** Connie Beauvais <connieb@portofpa.com>  
**Sent:** Saturday, May 18, 2024 5:07 PM  
**To:** Gores, Loni  
**Subject:** FW: Communications regarding Elwha  
**Attachments:** Elwha Correspondence.pdf

Good morning Loni.

Please forward this email, along with its attachments to the RAC members.

Thank you.

Connie Beauvais, Chair  
Clallam County Revenue Advisory Committee

**From:** Emmons, Duane (DNR) <Duane.Emmons@dnr.wa.gov>  
**Sent:** Friday, May 17, 2024 12:26 PM  
**To:** Connie Beauvais <connieb@portofpa.com>; WELLS, BILL (DNR) <WILLIAM.WELLS@dnr.wa.gov>  
**Subject:** Communications regarding Elwha

Connie,

You requested information regarding communications between DNR and the City of Port Angeles regarding timber sales and forest management within the Elwha watershed. Attached is a collection of the communications between DNR and the City of Port Angeles beginning in September 2022. The first page is a "timeline" the City provided to the Port of Port Angeles timber advisory committee meeting on March 8<sup>th</sup> 2024. I've highlighted the relevant documents.

There were other public meetings and interactions with individual city council members including:

May 15, 2023 – DNR presentation to the Board of County Commissioner's regarding Power Plant and TCB23

August 25, 2023 – Power Plant site visit with Senator Van De Wege, Representative Chapman, City of PA (Council member Carr), Elizabeth Dunne, and others

The city also sent a request to the Board of Natural Resources for a joint meeting between the Board of Natural Resources, City Council, Clallam County, and the Lower Elwha Klallam Tribal Council in October 2023 (email attached in the PDF). Three BNR members indicated that they would try to attend a meeting if it could be arranged and worked within their schedules, and Todd Welker, the Deputy Supervisor for Uplands and I would also attend. The Board's administrative assistant reached out multiple times but no meeting was ever scheduled.

Please don't hesitate to reach out to Bill Wells or myself if you have any other questions.

Duane Emmons  
Assistant Deputy Supervisor for State Uplands  
Washington State Department of Natural Resources (DNR)  
(360)902-1347  
[duane.emmons@dnr.wa.gov](mailto:duane.emmons@dnr.wa.gov)  
[www.dnr.wa.gov](http://www.dnr.wa.gov)



**CLALLAM COUNTY** Public Works/Road Department  
223 E. 4th St., Suite 6. Port Angeles, WA 98362 360-417-2319

**May 17, 2024**

**Anthony Scarsella, Esq.**  
**Scarsella Bros. Inc.**  
**PO Box 68697**  
**Seattle, WA 98168-0697**

**Subject: Bid Protest**  
**Lower Dungeness River Floodplain Restoration & Levee/Road**  
**Realignment Project Phase 3 – 2024 Construction**

**Dear Mr. Scarsella,**

Clallam County is in receipt of your bid protest letter dated May 14, 2024 for the subject project.

On May 7, 2024, four bids were received, opened, and read aloud by the Board of County Commissioners in public with Nordland Construction being the apparent low bidder. On May 8, 2024, a recommendation to award to Nordland Construction was submitted jointly by the County Engineer and the Director of Community Development to the Board as a part of their packet and posted on May 9, 2024, to the County website. By close of business on May 9, 2024, none of the bidders, including Scarsella, had requested copies of any of the bids received by the County. On May 14, 2024, at their regular meeting, the Board awarded the bid to Nordland Construction. The Board authorized the Chair of the Board to execute a contract with Nordland Construction. This is expected to happen within two weeks.

Your bid protest was submitted (via email) on May 14, 2024, after the Board awarded the bid to Nordland Construction.

RCW 39.04.105 defines the deadline for submission of bid protests. Section 1 states the following:

"Within two business days of the bid opening on a public works project that is the subject of competitive bids, the municipality must provide, if requested by a bidder, copies of the bids the municipality received for the project. The municipality shall then allow at least two full business days after providing bidders with copies of all bids before executing a contract for the project. Intermediate Saturdays, Sundays, and legal holidays are not counted."



CLALLAM COUNTY Public Works/Road Department  
223 E. 4th St., Suite 6. Port Angeles, WA 98362 360-417-2319

Pg 2 of 2  
May 17, 2024

The request by Scarsella on May 9, 2024, specifically inquired whether bidders 1 & 2 submitted their lists indicating their sub-contractors for installation of structural steel and rebar. This request was for specific information and was not a request for "copies of the bids...received for the project." Because Scarsella did not request copies of the bids within two business days following the bid opening, any bid protest needed to be submitted within two days of the bid opening, as required under RCW 39.04.105. Therefore, this bid protest is untimely and is hereby rejected as such.

Even if the bid protest was timely, the answer by the County (referenced in the bid protest) that "Nordland intends to self-perform the Rebar installation," and the fact that there is no Structural Steel, HVAC, Plumbing or Electrical work on the project, clarifies why no subcontractors were listed. The referenced RCW 39.30.060 that requires the Prime contractor to submit the names of such subcontractors, or to name itself, has been met by Nordland as evidenced by the quote "Rebar installation will be self-performed by Nordland Construction" in the bid protest under Item 2a. Additionally, the last sentence of the third paragraph of Section 1-02.6 of the Standard Specifications states: "If no subcontractor is listed, the Bidder acknowledges that it does not intend to use any subcontractor to perform those items of work."

Finally, the referenced Specification 1-02.13(e) states (in full) "The Bidder fails to submit or properly complete a subcontractor list (WSDOT Form 271-015), if applicable, as required by Section 1-02.6" (emphasis on if applicable). Since Nordland does not intend to utilize a subcontractor for rebar installation, has indicated they will be providing that installation themselves, and there is no structural steel, HVAC, Plumbing or Electrical work, the sub-contractor form is not applicable.

We trust this explains why Nordland did not include a subcontractor list and that their bid submittal was proper.

Clallam County appreciates the time and effort Scarsella Bros put into bidding and asking questions on this matter.

Sincerely,

A handwritten signature in blue ink that reads "Joe Donisi".

Joe Donisi, P.E.  
County Engineer  
360-417-2404

# City of Port Angeles- DNR Timeline

September 14, 2022-Stage II water shortage announced

September 20, 2022-Manager West updated Council of Stage II Water Shortage via CC memo

September 20, 2022-Council action:

The Mayor added *Letter to Request DNR to Delay Timber Auction to allow City to Review Impacts to Water, Climate Action Plan, and Carbon Offset* discussion to the agenda as Other Considerations item I-4.

**1. Letter to Request DNR to Delay Timber Auction to allow City to Review Impacts to Water, Climate Action Plan, and Carbon Offset.**

Manager West provided information and sent notice to DNR requesting a review of the Aldwell forest land and believes the harvest should be evaluated for impact to the City water supply. Manager West read into the record an email provided to Department of Natural Resources on the subject harvest. Council discussion followed.

**It was moved by Suggs and seconded by Schromen-Wawrin to:**

Submit a letter on behalf of City Council to DNR to delay the Aldwell timber harvest, and request that the forest be considered for the carbon offset program and to allow the City to review impacts to watershed and Climate Action Plan policies implemented.

**The Mayor asked if there was unanimous consent, hearing no opposition, the motion carried 7-0.**

**September 29, 2022-COPA(Dexter) letter to Hilary Franz – RE: Aldwell Timber Harvest Auction #102215**

October 4, 2022- City Council action taken to declare a Stage III Water Shortage

**October 12, 2022-DNR letter to Kate Dexter – RE: Aldwell Timber Sale**

February 16, 2023-Meeting with Department of Natural Resources in Olympia Dexter, Schromen-Warin, Suggs and West

**April 14, 2023-DNR (Griswold) letter to City Council – No title**

**April 18, 2023-COPA(West) letter to Hilary Franz – RE: TCB 23 and Power Plant Timber Sales**

April 18, 2023-City Manager verbal update to City Council – RE: TCB 23 and Power Plant Timber Sales

**June 1, 2023-COPA(Dexter) letter to Hilary Franz – RE: TCB 23 and Power Plant Timber Sales**

June 2, 2023-COPA(West) letter to BOCC – RE: TCB 23 and Power Plant Timber Sales

August 21, 2023-Stage II Water Shortage Implemented

September 5, 2023 City Council direction on additional letters and larger meeting

September 11, 2023 Stage III Water Shortage declared.

September 19, 2023 City Council direction to City Manager to submit TLT Application

September 26, 2023 Letter from Chapman to DNR Robin Hammill – *RE: City of Port Angeles' TLT Application – Elwha River Watershed*

September 29, 2023 Letter of Intent sent to DNR Robin Hammill from COPA – *RE: City of Port Angeles' TLT Application – Elwha River Watershed*

November 8, 2023 City Council direct City Manager to submit declaration in support of motion (Earth Law)

November 16, 2023 Stage III Water Shortage Ended

December 5, 2023 City Council discussion and approved motion to Table the meeting discussion until the City gets direction from the Department of Natural Resources on the Trust Land Transfer application. Carried 5-1 as Council excused Carr from a portion of the meeting.

February 6, 2024 COPA (Dexter and West) letter to BOCC – *RE: Power Plant Timber Sale*



PORT ANGELES  
WASHINGTON, U.S.

321 East Fifth Street  
Port Angeles, WA 98362

September 29, 2022

Hilary Franz, Commissioner of Public Lands  
[cpl@dnr.wa.gov](mailto:cpl@dnr.wa.gov)  
Office of the Commissioner of Public Lands  
MS47001  
Olympia, WA 98504-7001

RE: Aldwell Timber Harvest Auction #102215

Dear Commissioner Franz:

On behalf of the City Council of Port Angeles, I request that you delay the Aldwell timber harvest auction #102215, and further request that this important legacy forest be considered for the Carbon Offset Program. It is critically important that you allow the City and other stakeholders the time to review impacts to watershed and Climate Action Plan policies. City Council unanimously voted September 20, 2022 to voice their concerns via a letter regarding the timber auction.

On September 6, 2022, the Washington Board of Natural Resources approved the logging of timber in the Elwha River watershed, referred to as the Aldwell timber sale. If your office approves the sale of this legacy timber, the timber will go to auction. This action will be the demise of a valuable legacy forest on the Olympic Peninsula.

For a number of reasons, this sale has detrimental effects on the citizens of the Olympic Peninsula and the community of Port Angeles. Legacy forests store and sequester carbon and aid in reducing climate change. Timber and complex forest canopies provide major biodiversity to our area that we cannot stand to lose. The City has an obligation to our citizens to protect our local water supply and it is important to share that through interlocal agreements this water is purveyed beyond City boundaries. As a City we must have ample time to review the long-term impacts to our local water supply and the watershed that contributes to it. The forests are a valuable resource to local tribes, and these lands must be protected. The federal government spent millions on restoration work during dam removal and re-establishing the Elwha River Watershed and therefore we must be diligent with decision making in this area.

The City initially commented on this sale on May 26, 2022 and requested you consult with us prior to making a decision. In addition, we requested additional time for review. We again request that any decision be delayed on the Aldwell timber harvest auction until you have had time to directly consult with the City of Port Angeles and our neighboring Lower Elwha Klallam and Jamestown S'Klallam Tribes.

Sincerely,

  
Kate Dexter  
Mayor

CC: Senator Kevin Van De Wege  
Representative Steve Tharinger  
Representative Mike Chapman



**DEPARTMENT OF  
NATURAL RESOURCES**

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

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

October 12, 2022

Mayor Kate Dexter  
321 East Fifth Street  
Port Angeles, WA 98362

RE: Aldwell Timber Sale

Dear Mayor Dexter:

Thank you for writing with your concerns regarding the Aldwell timber sale and your request to pause auction of the sale until the city and other stakeholders have time to review impacts to the Elwha watershed and the city's Climate Action Plan policies. As you note in your letter, the Board of Natural Resources approved the auction of this sale during its September meeting.

The DNR has a unique mission when compared to other public agencies. DNR is required to manage state trust lands to generate revenues for specific trust beneficiaries, and we manage these lands as a true fiduciary under the constitutional, statutory, and common law duties of a trust manager. Beneficiaries of state trust lands include the statewide school construction account, state institutions, Washington State's public universities, and critical local services such as school districts, libraries, hospitals, and fire districts. The beneficiaries of the Aldwell timber sale are Clallam county and the junior taxing districts in the area where the sale is located. The revenue generated from the sale will directly benefit the local community and fund critical public services and infrastructure.

DNR manages state trust lands to provide revenue to beneficiaries while also balancing environmental and social values. We do that through a robust policy and management framework that includes our 1997 [Habitat Conservation Plan \(HCP\)](#), the 2006 [Policy for Sustainable Forests \(PSF\)](#), the 2019 [Sustainable Harvest Calculation \(SHC\)](#), the 2019 [Long Term Conservation Strategy for the Marbled Murrelet](#), and the Forest Practices Act and Rules (FP). The Sustainable Forestry Initiative [independently certifies](#) DNR's ongoing commitment to sustainable forestry. In addition, DNR has its own [Plan for Climate Resilience](#), which we published in February 2020.

The Aldwell timber sale, like every sale we put forward to the Board of Natural Resources for their approval, is thoroughly vetted by our team of professional foresters, geologists, archaeologists, ecologists, and biologists to comply with our internal rules and policies. Additionally, each sale is externally reviewed through the SEPA process and again by Forest Practices staff to ensure legal compliance. The Aldwell timber sale was carefully designed to exceed Forest Practices Rules, protect critical habitat for riparian and upland species, and minimize risk to human health and safety.

Across Washington, DNR has used its policy framework to conserve nearly 1 million acres of working forestland in the areas that will do the most good for rare, threatened, and endangered species. We

Mayor Kate Dexter  
October 12, 2022  
Page 2 of 3

manage the remaining forestland for timber production, which provides a local source of sustainable wood for a multitude of products that all of us use.

In these conservation areas, our primary goals are to encourage and protect biological diversity, with particular efforts focused on habitat for northern spotted owls, marbled murrelet, and riparian species such as salmon and bull trout. These habitat areas include forests of various origins and age classes growing naturally, although in some cases, DNR designs treatments to enhance stand diversification, leading to healthier and more diverse wildlife habitat.

The lands that remain available for timber management are managed to generate revenue for trust beneficiaries, as is the case with the Aldwell timber sale. DNR has conducted multiple detailed environmental impact statements, and we manage our ownership at a landscape level. Conserving more areas that are not set aside already by the HCP or PSF (for example, a stand that meets an arbitrary age threshold) is not compatible with DNR's policies, our legal framework, or our commitment to trust beneficiaries.

The UN's Intergovernmental Panel on Climate Change (IPCC) recognizes this approach to sustainable forest management. [Their Fourth Assessment Report of the Intergovernmental Panel on Climate Change](#) finds that:

"In the long term, a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual sustained yield of timber, fibre or energy from the forest, will generate the largest sustained mitigation benefit."

At the COP 26 meeting in Glasgow in 2021, world leaders reaffirmed their respective commitments to sustainable land use, and to the conservation, protection, sustainable management, and restoration of forests and other terrestrial ecosystems.

Finally, the state of Washington has recognized that public and private working forests are "an integral component of the state's contribution to the global climate response and efforts to mitigate carbon emissions." as codified in RCW [70A.45.090](#).

DNR conducted its own analysis of the impacts to climate and carbon in our 2019 Sustainable Harvest EIS. Under each alternative considered, more carbon was sequestered than emitted in both the 2015–2024 period and over a five-decade period.

"Compared to each other, differences in net amount of carbon sequestered across all alternatives is small. In the planning decade, the action alternatives all sequester more carbon than the no action alternative. Over 50 years, Alternative 5 sequesters 5.1 percent more carbon than the no action alternative, while alternatives 2, 3, 4, and 6 sequester 0.4, 2.2, 2.3, and 2.1 percent more carbon than the no action alternative, respectively. All alternatives result in more sequestered carbon relative to current conditions."

In your letter, you also expressed concern related to the long-term impacts to the local water supply and the watershed that contributes to it. We share your concern about clean water and the long-term impacts of timber harvest, which is one reason we developed the Habitat Conservation Plan. DNR's HCP ensures

Mayor Kate Dexter  
October 12, 2022  
Page 3 of 3

that our timber sales include appropriate habitat protection measures, including water quality and in-stream flows for riparian species. The riparian buffers included in the Aldwell timber sale come directly from our HCP. DNR's HCP buffer requirements for fish-bearing streams are 100 to 200 feet on each side of the stream. The design of these large riparian buffers is to maintain the riparian ecosystem processes that influence the quality of salmonid freshwater habitat. Water temperature, stream bank integrity, sediment load, detrital nutrient load, and the delivery of large woody debris were the principal considerations used for designing the riparian buffer widths in our Habitat Conservation Plan. All of our stream protection measures meet or exceed forest practices regulations, and they all meet or exceed the requirements under the Clean Water Act.

DNR is committed to managing state forests for environmental, social, and economic benefits. Forests are critical habitat for thousands of species, and healthy forests are a powerful tool in mitigating both the causes and effects of climate change. As Washington's population grows, we will continue to need locally sourced, locally processed building materials grown to some of the highest ecological standards anywhere in the world. Washington forests are enormously productive at both sequestering carbon and growing timber, which is why we manage our lands to capture both of those benefits. DNR-managed lands also support rural jobs (including jobs in mills, trucking, and harvesting), and, when forests are managed sustainably, we can provide a perpetual source of wood for products that all of us rely on, including lumber, furniture, shingles, utility poles, and wood pulp. DNR's unique approach to forestry produces these critical materials while protecting sensitive landscapes and generating non-tax revenue that supports local public infrastructure. We are proud of our work to balance these outcomes for the benefit of all people in Washington.

Thank you again for engaging in this important conversation about Washington's natural resources. For further information about the Aldwell timber sale or about our trust land management in Clallam County, please contact Mona Griswold, the Olympic Region Manager, at 360-374-2800.

Sincerely,



Duane Emmons  
Deputy Supervisor for State Uplands (Acting)

c: Board of Clallam County Commissioners  
Port Angeles City Council  
Senator Kevin Van De Wege  
Representative Mike Chapman  
Representative Steve Tharinger



**DEPARTMENT OF  
NATURAL RESOURCES**

**OLYMPIC REGION**  
411 TILlicum LANE  
FORKS WA 98331

**360.374.2800**  
OLYMPIC.REGION@DNR.WA.GOV  
WWW.DNR.WA.GOV

April 14, 2023

Dear Port Angeles City Council Members,

I am reaching out regarding a pair of upcoming Department of Natural Resources timber sales in Clallam County that you may have received some concerns from the public about.

The TCB 23 sale is designed in part to create habitat for the endangered Taylor's checkerspot butterfly. Our staff have worked with the Washington Department of Fish and Wildlife to design the harvest unit in a way that will allow DNR to create a large amount of short-term habitat for the butterfly for the next five to seven years. The TCB 23 sale will also allow us to maintain 7 acres of habitat in the long term that we will replant with plants the butterflies use. We will keep invasive species, trees and brush out of that 7-acre area to give the butterflies the best chance to flourish.

For the Power Plant timber sale, much of the footprint of the sale was harvested approximately two decades ago, shortly after DNR first adopted its Habitat Conservation Plan with the U.S. Fish and Wildlife Service and National Marine Fisheries Service. That harvest was designed in an experimental way, and the trees have not responded in the way that our foresters and scientists had expected. By harvesting this area now, it will allow DNR to improve the long-term health and function of these forests by restoring them to a more healthy state.

After the harvests, some areas will be left to grow and others will be replanted so that future generations will benefit from a healthy forest.

For both timber sales, the trails within the harvest areas will either be buffered from harvest activities or the purchaser of the timber sale will be required to rehabilitate any damage done to the trails. Revenue from both sales will benefit the junior taxing districts in Clallam County. It is important to remember that while recreation is an allowed use of State lands it must not interfere with land management activities.

The two sales are currently slated to be brought to the Board of Natural Resources for approval during its June 2023 meeting.

The state trust lands that DNR manages are different than other publicly managed lands. They come with a legal responsibility to generate revenue for their designated beneficiaries, including the counties, schools, hospitals, fire districts, and other critical local services.

As stewards of the state's lands and natural resources, DNR draws upon a variety of staff, including foresters, engineers, geologists, biologists, hydrologists, soil scientists, economists, archaeologists, and others while management activities are planned.

All of the forestlands DNR manages west of the Cascades, including those on the Olympic Peninsula, are managed under the Habitat Conservation Plan with the federal government. The policies in the plan ensure that all timber harvests comply with the Endangered Species Act and the Clean Water Act.

Approximately 50 percent of trust lands in the Olympic Region are currently set aside from harvest for habitat and resource protection.

All DNR-managed forested trust lands are certified under the Sustainable Forestry Initiative® (SFI). Certified forests are grown to an approved set of standards that demonstrate environmentally responsible, socially beneficial, and economically viable management practices. For more information, the SFI website is <https://forests.org/>

If you have any questions about the sales, please do not hesitate to reach out.

Sincerely,



Mona Griswold  
Olympic Region Manager  
360-374-2800



**PORT ANGELES**  
WASHINGTON, U.S.

321 East Fifth Street  
Port Angeles, WA 98362

April 18, 2023

Hilary Franz, Commissioner of Public Lands  
[cpl@dnr.wa.gov](mailto:cpl@dnr.wa.gov)  
Office of the Commissioner of Public Lands  
MS47001  
Olympia, WA 98504-7001

Re: TCB 23 and Power Plant Timber Sales

Dear Ms. Franz,

The City of Port Angeles is requesting that Department of Natural Resources (DNR) delay the planned harvest sales of TCB23 and Power Plant forests and further request that these important stands be evaluated relative to their contribution to the Elwha River Watershed and the protection of steep slopes located between these stands and the river.

Numerous emails from concerned residents have been received by the City related to both TCB 23 and Power Plant cuts; all of these communications have been in opposition of the timber sales for these two sites. We have previously conveyed the critical importance of the Elwha River Watershed to the City of Port Angeles, and it is imperative that DNR take this into consideration prior to proceeding with future sales.

We do appreciate that Olympic Regional Manager Griswold took the time to write to City Council to clarify the intentions of the harvests, however, a number of elements were missing from that letter and from the previously completed State Environmental Policy Act analysis. TCB23 and Power Plant forests are adjacent to the Elwha River and play an important part in watershed restoration. Logging these forests compromises efforts to restore endangered salmon habitat; threatens other endangered and recovering species; destroys essential carbon sinks; and threatens Port Angeles' sole drinking water source.

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. Delaying these timber sales can provide time to explore forward-thinking solutions compatible with larger-scale Elwha Watershed restoration efforts.

Please understand that the Elwha River is the water source which serves our entire population and over 25% of the county-wide drinking water. I look forward to future conversations on these specific harvests and to working with you on planning for the future of DNR properties within the Elwha River Watershed.

Sincerely,

Nathan A. West  
City Manager  
City of Port Angeles

CC: City Council  
Olympic Region Manager Griswold



**PORT ANGELES**  
WASHINGTON, U.S.

321 East Fifth Street  
Port Angeles, WA 98362

June 1, 2023

Hilary Franz, Commissioner of Public Lands  
cpl@dnr.wa.gov  
Office of the Commissioner of Public Lands  
MS47001  
Olympia, WA 98504-7001

Re: TCB 23 and Power Plant Timber Sales

Dear Ms. Franz,

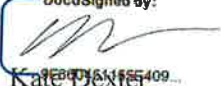
The City of Port Angeles is requesting a pause in the timber sales in the Elwha River watershed to allow time to consider management options that would maximize benefits for local revenue, good jobs, and ecosystem protection. The City will continue to oppose the State logging in the Elwha River Watershed, until such time that we can proactively and collectively discuss a long-term plan for harvests that protects the river.

The City continues to receive numerous emails from concerned residents related to both TCB 23 and Power Plant cuts. We have previously conveyed the critical importance of the Elwha River Watershed to the City of Port Angeles, and it is imperative that Department of Natural Resource take this into consideration prior to proceeding with future sales.

While we appreciate that Olympic Regional Manager Griswold took the time to write to City Council to clarify the intentions of the harvests, we feel there were missing elements from that letter and the previously completed State Environmental Policy Act analysis. TCB23 and Power Plant forests are adjacent to the Elwha River and play an important part in watershed restoration. Logging these forests compromises efforts to restore endangered salmon habitat; threatens other endangered and recovering species; destroys essential carbon sinks; and threatens Port Angeles' sole drinking water source.

Delaying these timber sales can provide time to explore forward-thinking solutions compatible with larger-scale Elwha Watershed restoration efforts. The Elwha River is the water source which serves our entire community and over 25% of the county-wide drinking water. I look forward to future conversations on these specific harvests and to working with you on planning for the future of Department of Natural Resource properties within the Elwha River Watershed.

Sincerely,  
DocuSigned by:



Kate Dexter

Mayor

CC: City Council  
Olympic Region Manager Griswold

September 4, 2023

Commissioner Hilary Franz  
Office of the Commissioner of Public Lands  
MS 47001 Olympia, WA 98504  
[hilary.franz@dnr.wa.gov](mailto:hilary.franz@dnr.wa.gov)

Dear Commissioner Franz:

We are writing to request that you pause or cancel the "Power Plant" timber sale as featured in the Seattle Times July 30, 2023, story "[126-acre state timber sale rankles conservationists, some leaders.](#)" Time is needed to explore alternatives. We appreciate that you have taken similar actions regarding other timber sales and ask that you do so for this critical stretch of forest, part of which borders a popular trail to the old lower dam site.

We are concerned about the proximity of this timber sale to the Elwha River. The iconic Elwha River is important to all Washingtonians. The City of Port Angeles, in [letters from City Manager Nathan West and Mayor Kate Dexter](#), with unanimous support by the City Council, has expressed concerns that logging of this forest 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 federal government has spent \$327 million in Elwha River restoration post-dam removal. We want to explore win-win solutions that will help the Department of Natural Resources (DNR) be able to do its part. We recognize that you and the DNR have the important task of managing forest lands to generate revenue for beneficiaries and appreciate that, for certain lands, you have started to explore revenue generation from means other than industrial logging.

We are not expressing opposition to all logging on state lands but believe that the unique location of this forest and the importance of the Elwha River Watershed warrants proactive discussion of a long-term plan for harvests that protects the river.

Thank you for your leadership and for your consideration of our request. We look forward to hearing from you.

Sincerely,

/s/ Mike Chapman

---

24th LD State Representative

/s/ Steve Tharinger

---

24th LD State Representative

/s/ Beth Doglio

---

22nd LD State Representative



Tarra Simmons

---

23rd LD State Representative

/s/ LaTrisha Suggs

---

City of Port Angeles Councilmember

Individual Capacity

/s/ Lindsey Schromen-Wawrin

---

City of Port Angeles Councilmember

Individual Capacity

/s/ Navarra Carr

---

City of Port Angeles Councilmember

Individual Capacity

/s/ Dave Upthegrove

---

King County Council Chair

Individual Capacity



Toshiko Hasegawa

---

Port of Seattle Commissioner  
Individual Capacity

cc: Board of Natural Resources, [bnr@dnr.wa.gov](mailto:bnr@dnr.wa.gov)



**DEPARTMENT OF  
NATURAL RESOURCES**

**OFFICE OF THE COMMISSIONER  
OF PUBLIC LANDS**

1111 WASHINGTON ST SE  
MS 47001  
OLYMPIA, WA 98504-7001

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

September 11, 2023

Dear legislators and other interested parties,

Thank you for writing to Commissioner Franz and the Board of Natural Resources to express your concerns with the Power Plant timber sale and the Department of Natural Resources' (DNR) management of state trust lands within the Elwha River watershed. Natural resource issues are complex and, like many issues that come before legislators, they are often contentious. With complex issues such as these, the greatest understanding can come after you see things on the ground, so I would like to invite you to meet with DNR's scientists and staff out on the sale site to see firsthand the care and consideration we put in to making management decisions. If that does not work out, we would be happy to meet with you either in Olympia or virtually.

I must first start by noting that the Power Plant sale was reviewed and approved by the Board of Natural Resources in June 2023 and was auctioned in July 2023 to Murphy Company. Rights to harvest the timber have been transferred under contract, and canceling the sale absent a judicial order would put the State at risk of breach of fiduciary duty claims from beneficiaries (see [Skamania v. State](#)) and breach of contract claims by the purchaser.

DNR began to plan the Power Plant sale in 2022. Field foresters, geologists, biologists, and forest hydrologists began to assess the sale area soon after. Forest Practices geologists and regulatory staff provided further review of the sale, issuing an approved Forest Practices Application. Staff submitted a State Environmental Policy Act (SEPA) checklist and held a 14-day public comment period. Proprietary staff responded to the SEPA comments received and the responsible official determined that all issues had been adequately addressed and no further mitigation was required. Staff discussed the proposed sale in detail at a Clallam County Board of Commissioners work session, and the sale has the full support of the commissioners.

The sale is currently being challenged in Clallam County Superior Court by the Earth Law Center, the Center for Whale Research, and the Keystone Species Alliance. In a ruling on a preliminary injunction to stop the auction of the sale, the judge ruled against the appellants, stating "...the record demonstrates the respondents followed their rules and procedures, engaged in a deliberative process, and specifically considered the unique aspects of the project." In denying the injunction, the judge ruled that, "the Appellants have not demonstrated that they have a clear legal right to relief, as the likelihood of them prevailing on the merits is low."

Power Plant Timber Sale  
September 11, 2023  
Page 2 of 4

I would like to note a few facts about the Power Plant sale to dispel some of the inaccuracies we have heard about the sale.

First, and most importantly, only 64 acres of the Power Plant sale is within the Elwha watershed, which is 206,864 acres in size. That is less than 0.03 percent of the watershed. Trust lands account for less than 10 percent of the entire watershed, while the vast majority is held in federal ownership. The science is clear that there would be no discernable change in summer low flows or peak flows with a 0.03 percent change in forest cover. Even a 10 percent change in forest cover would be likely not be detectable (Grant et al., 2008; Perry & Jones, 2016).

DNR's forest hydrologist, Dr. Jeff Keck, assessed the sale for any potential impacts to the Elwha river. It was determined that no mitigation outside our normal riparian protections were required. Dr. Keck is DNR's leading expert in geomorphology and forest hydrology and leads the Olympic Experimental State Forest hydrology monitoring program. He is also a licensed civil engineer and engineering geologist.

DNR's riparian buffer strategies to protect habitat and water quality have been approved by the National Marine Fisheries Service and U.S. Fish and Wildlife Service under our federal Habitat Conservation Plan to protect salmonids and other riparian-dependent species. These protections are the most conservative in the state and surpass the state Forest Practices Rules and the Clean Water Act rules required by the Washington State Department of Ecology.

We recognize the concerns expressed by the City of Port Angeles regarding its municipal water source and we are confident our management does not put that water source at risk. [RCW 79.10.070](#) requires DNR to consider our land management within watershed areas supplying water for cities or towns, stating:

“The department may alter its land management practices to provide water with qualities exceeding standards established for intrastate and interstate waters by the department of ecology.”

The Legislature also recognizes its fiduciary duty as the trustee of these lands, and by extension DNR's duty as the trust manager. RCW 79.10.070 goes on to state:

“However, if such alterations of management by the department reduce revenues from, increase costs of management of, or reduce the market value of public lands the city or town requesting such alterations shall fully compensate the department.”

Power Plant Timber Sale  
September 11, 2023  
Page 3 of 4

We feel our management within the Elwha protects these important resources under our current HCP and Policy for Sustainable Forests and further mitigation is not required. The City of Port Angeles would need to fund changes to department management of the lands as required in statute if they desire additional protections.

Concerns have also been raised regarding the recreation that occurs on the Olympic Adventure Trail and a trail to the old lower dam site. The Multiple Use Act ([RCW 79.10.100](#)) directs the department to adopt a multiple-use concept on lands we manage so long as those additional uses are compatible with “the financial obligations of trust management.” It further requires that, “If such additional uses are not compatible with the financial obligations in the management of trust land they may be permitted only if there is compensation from such uses satisfying the financial obligations.” To achieve this legislative intent, the forester who designed the Power Plant sale protected the Colville bike loop and other authorized recreation trails to minimize disruption. The unauthorized “old lower dam” trail is not an approved recreation trail.

The Clallam County commissioners made clear in their public work session when discussing the sale that they value the easements that they have acquired for the Olympic Discovery Trail, which crosses both state and private working forestlands, and that they do not intend to impede management of these working forests. They noted that any actions that caused DNR to alter its management based on recreation concerns would make it difficult for them to acquire easements over both DNR and private lands in the future.

Finally, I want to review the management history of Power Plant, and why claims that this is a “clearcut” that will impact carbon, climate, and the watershed are false.

The Power Plant sale is a shelterwood removal, the final stage in a decades-long thinning of the stand that “shelters” the understory seedlings as they mature.

The first harvest in the sale area occurred in 1995 and removed a small selection of high-quality logs for utility poles. A subsequent harvest, completed in 1999, removed all trees greater than 10 inches and less than 24 inches in diameter.

The winter following harvest, 3 percent of the remaining stand blew over in a windstorm, and those trees were sold in a small salvage sale. Following harvest, DNR replanted portions of the sale area that experienced more intensive harvest with Douglas fir and western hemlock at densities of 232 seedlings per acre. As part of the reforestation operation, sixth-graders from Dry Creek Elementary School planted two acres along the west side of Colville Road.

Power Plant Timber Sale  
September 11, 2023  
Page 4 of 4

Next, in 2004, DNR foresters surveyed the area for regeneration and determined that hardwood competition needed to be managed to promote conifer species. That treatment was completed later that year. Additional vegetation surveys completed in 2012 determined that the units were well-stocked with merchantable trees, but staff found that additional treatment of undesirable woody competition was needed. A second removal of excessive hardwood competition was completed in 2014.

After this final harvest, the forest will contain a mixture of large mature leave trees, a predominant cohort of 25-year-old trees, and areas of newly established seedlings. As the sale area matures, it will develop a multi-layered canopy with a diverse mix of species.

My staff and I would like to schedule a meeting at your earliest convenience to answer any questions you may have about the Power Plant sale and future management of DNR lands in the Elwha watershed.

Sincerely,



Todd Welker  
Deputy Supervisor for State Uplands

cc: Commissioner Franz  
Representative Chapman  
Representative Tharinger  
Representative Doglio  
Representative Simmons  
City of Port Angeles Councilmember Suggs  
City of Port Angeles Councilmember Schromen-Wawrin  
City of Port Angeles Councilmember Carr  
King County Council Chair Upthegrove  
Port of Seattle Commissioner Hasegawa  
Board of Natural Resources  
Brian Considine, Legislative Director

**REVENUE ADVISORY COMMITTEE PUBLIC COMMENT SIGN-UP SHEET  
(1<sup>ST</sup> SESSION)**

**General Public Comment – May 20, 2024 – 1<sup>st</sup> Session**

**I declare under penalty of perjury under the laws of the State of Washington that any testimony that I give is true and accurate. Please print name and address clearly.**

| No  | PRINTED NAME  | SIGNATURE     | ADDRESS                                                  |
|-----|---------------|---------------|----------------------------------------------------------|
| ✓ 1 | Reed Wendel   | Reed Wendel   | 3715 Canyon edge Dr<br>Port Angeles, WA 98362            |
| ✓ 2 | Randy Bartels | Randy Bartels | 333 ECLIPSE INDUSTRIAL PARKWAY<br>PORT ANGELES, WA 98363 |
| 3   | Andy Gasow    | Andy Gasow    | " "                                                      |
| 4   |               |               |                                                          |
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**REVENUE ADVISORY COMMITTEE PUBLIC COMMENT SIGN-UP SHEET  
(1<sup>ST</sup> SESSION)**

**General Public Comment – May 20, 2024 – 2<sup>nd</sup> Session**

**I declare under penalty of perjury under the laws of the State of Washington that any testimony that I give is true and accurate. Please print name and address clearly.**

| No | PRINTED NAME | SIGNATURE | ADDRESS       |
|----|--------------|-----------|---------------|
| 1  | Ed Bowen     | Ed Bowen  | Po Box 111 CB |
| 2  |              |           |               |
| 3  |              |           |               |
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# **Revenue Advisory Committee**

## **Business Item**

### **DNR Timber Sale Update**

# Timber Sale Discussion

- **Alley Cat, Tree Well, and Parched Timber Sales were deferred from auction due to the City of Port Angeles TLT Application**
- **Each of the tree timber sales have harvest areas within the 206,864 acre Elwha watershed:**
  - Alley Cat: 95 acres
  - Parched: 166 acres
  - Tree Well: 70 acres
- **The TLT application has since been declined**



# Alley Cat Timber Sale

- **Located 6 miles West of Port Angeles**
- **14-unit proposal with a cruised volume of 2,884 mbf**
  - 8 variable retention harvest (VRH) units
  - 5 right-of-way (ROW) units
  - 1 wetland management zone (WMZ) unit
- **Proposal includes 155 total acres of which:**
  - 41 acres are protected by Riparian Management Zones and Wetland Management Zones
  - 16 acres of newly designated Old Growth
  - 5 acres of Leave Tree Areas
  - Over 40% of the original proposal is permanently deferred from future harvest
- **100% Ground Based Logging**
- **Winter Restrictions for logging and hauling from November 1 – April 30**



# Alley Cat Appraisal

\*\*\*Information below is based on minimum bid appraised value.  
Average overbid in FY24 was 48%

Minimum Bid Appraised Value = \$1,440,000

Estimated Revenue to County = \$1,069,200

Estimated Excise Tax for County = \$60,480

|          |     |                           |                 |
|----------|-----|---------------------------|-----------------|
|          |     | Estimated Value           | \$ 1,440,000.00 |
| Trust 01 | 99% |                           | \$ 1,425,600.00 |
|          |     | DNR FDA (25%)             | \$ 356,400.00   |
| 0.99     |     | County Distribution (75%) | \$ 1,069,200.00 |
| Trust 03 | 1%  |                           | \$ 14,400.00    |
|          |     | DNR RMCA Account (31%)    | \$ 4,464.00     |
| 0.01     |     | Common School (69%)       | \$ 9,936.00     |

## Trust Breakdowns

### Trust 01 - Clallam County - TCA 102\*

| Taxing District              | Tax Rate | % of Sale | Total to Fund   |
|------------------------------|----------|-----------|-----------------|
| Clallam County Roads         | 0.77833  | 0.089     | \$ 95,631.12    |
| Port Angeles School District | 0.9662   | 0.111     | \$ 118,713.55   |
| Port Angeles School District | 1.84466  | 0.212     | \$ 226,647.00   |
| Port of Port Angeles         | 0.11051  | 0.013     | \$ 13,578.17    |
| State 1                      | 1.50828  | 0.173     | \$ 185,316.86   |
| State 2                      | 0.80913  | 0.093     | \$ 99,415.08    |
| Conservation Futures         | 0.01783  | 0.002     | \$ 2,190.47     |
| Clallam County               | 0.77097  | 0.089     | \$ 94,726.22    |
| Fire District #2             | 0.96276  | 0.111     | \$ 118,291.05   |
| North Olympic Library        | 0.29362  | 0.034     | \$ 36,076.40    |
| Hospital District #1         | 0.3177   | 0.037     | \$ 39,034.94    |
| William Shore Memorial Pool  | 0.32213  | 0.037     | \$ 39,579.15    |
| Totals:                      | 8.70213  |           | \$ 1,069,200.00 |



WASHINGTON STATE DEPARTMENT OF  
**NATURAL RESOURCES**

[dnr.wa.gov](http://dnr.wa.gov)

# Tree Well Timber Sale

- **Located 5 miles Southwest of Port Angeles**
- **3-unit proposal with a cruised volume of 6,149 mbf**
  - 3 variable retention harvest (VRH) units
- **Proposal includes 272 total acres of which:**
  - 55 acres are protected by Riparian Management Zones
  - 11 acres of newly designated Old Growth
  - Over 24% of the original proposal is permanently deferred from future harvest
- **100% Ground Based Logging**
- **Winter Restrictions for logging and hauling from November 1 – April 30**



# Tree Well Appraisal

\*\*\*Information below is based on minimum bid appraised value.  
Average overbid in FY24 was 48%

Minimum Bid Appraised Value = \$2,727,000

Estimated Revenue to County = \$2,037,750

Estimated Excise Tax for County = \$119,102

Estimated Paid Out Expenses to Contractors:

- Logging: \$570,240
- Transportation: \$601,622
- Road Construction: \$343,839

Total Estimated Value of Sale = \$4,516,200

|               |                           |                 |
|---------------|---------------------------|-----------------|
|               | Estimated 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%)* |          |           |               |
|--------------------------------------------|----------|-----------|---------------|
| Taxing District                            | Tax Rate | % of Sale | Total to Fund |
| Clallam County Roads                       | 0.77833  | 0.101     | \$ 59,430.48  |
| Port Angeles School District               | 0.9662   | 0.125     | \$ 73,775.18  |
| Port Angeles School District               | 1.84466  | 0.238     | \$ 140,851.00 |
| Port of Port Angeles                       | 0.11051  | 0.014     | \$ 8,438.23   |
| State 1                                    | 1.50828  | 0.195     | \$ 115,166.16 |
| State 2                                    | 0.80913  | 0.105     | \$ 61,782.04  |
| Conservation Futures                       | 0.01783  | 0.002     | \$ 1,361.28   |
| Clallam County                             | 0.77097  | 0.100     | \$ 58,868.12  |
| North Olympic Library                      | 0.29362  | 0.038     | \$ 22,419.87  |
| Hospital District #1                       | 0.3177   | 0.041     | \$ 24,258.47  |
| William Shore Memorial Pool                | 0.32213  | 0.042     | \$ 24,596.67  |
| Totals:                                    | 7.73936  |           | \$ 590,947.50 |

| Trust 01 - Clallam County - TCA 102 (71%)* |          |           |                 |
|--------------------------------------------|----------|-----------|-----------------|
| Taxing District                            | Tax Rate | % of Sale | Total to Fund   |
| Clallam County Roads                       | 0.77833  | 0.089     | \$ 129,404.55   |
| Port Angeles School District               | 0.9662   | 0.111     | \$ 160,638.85   |
| Port Angeles School District               | 1.84466  | 0.212     | \$ 306,690.47   |
| Port of Port Angeles                       | 0.11051  | 0.013     | \$ 18,373.48    |
| State 1                                    | 1.50828  | 0.173     | \$ 250,764.02   |
| State 2                                    | 0.80913  | 0.093     | \$ 134,524.87   |
| Conservation Futures                       | 0.01783  | 0.002     | \$ 2,964.07     |
| Clallam County                             | 0.77097  | 0.089     | \$ 128,180.07   |
| Fire District #2                           | 0.96276  | 0.111     | \$ 160,067.14   |
| North Olympic Library                      | 0.29362  | 0.034     | \$ 48,817.27    |
| Hospital District #1                       | 0.3177   | 0.037     | \$ 52,820.66    |
| William Shore Memorial Pool                | 0.32213  | 0.037     | \$ 53,557.06    |
| Totals:                                    | 8.70213  |           | \$ 1,446,802.50 |



WASHINGTON STATE DEPARTMENT OF  
**NATURAL RESOURCES**

dnr.wa.gov

# Parched Timber Sale

- **Located 2 miles Southwest of Port Angeles**
- **9-unit proposal with a cruised volume of 8,590 mbf**
  - 5 variable retention harvest (VRH) units
  - 4 right-of-way (ROW) units
- **Proposal includes 348 total acres of which:**
  - 63 acres are protected by Riparian Management Zones and Wetland Management Zones
  - 73 acres of newly designated Old Growth
    - 34-acre stand associated with Unit 1
    - 16-acre stand associated with Unit 3
    - 23-acre stand associated with Unit 3 and Unit 6
  - 10 acres of Leave Tree Areas
  - Over 42% of the original proposal is permanently deferred from future harvest
- **70% Ground Based Logging, with 30% Uphill Cable Logging**



# Parched Appraisal

**\*\*\*Information below is based on minimum bid appraised value.  
Average overbid in FY24 was 48%**

**Minimum Bid Appraised Value = \$3,698,000**

**Estimated Revenue to County = \$2,163,330**

**Estimated Excise Tax for County = \$162,149**

**Estimated Paid Out Expenses to Contractors:**

-Logging: \$1,148,913

-Transportation: \$783,963

-Road Construction: \$441,674

**Total Estimated Value of Sale = \$6,458,350**

|          |     |                           |                 |
|----------|-----|---------------------------|-----------------|
|          |     | Estimated Value           | \$ 3,698,000.00 |
| Trust 01 | 78% |                           | \$ 2,884,440.00 |
|          |     | DNR FDA (25%)             | \$ 721,110.00   |
| 0.78     |     | County Distribution (75%) | \$ 2,163,330.00 |
| Trust 03 | 22% |                           | \$ 813,560.00   |
|          |     | DNR RMCA Account (31%)    | \$ 252,203.60   |
| 0.22     |     | Common School (69%)       | \$ 561,356.40   |

## Trust Breakdowns

Trust 01 - Clallam County - TCA 102\*

| Taxing District              | Tax Rate | % of Sale | Total to Fund   |
|------------------------------|----------|-----------|-----------------|
| Clallam County Roads         | 0.77833  | 0.089     | \$ 193,492.03   |
| Port Angeles School District | 0.9662   | 0.111     | \$ 240,195.08   |
| Port Angeles School District | 1.84466  | 0.212     | \$ 458,578.61   |
| Port of Port Angeles         | 0.11051  | 0.013     | \$ 27,472.93    |
| State 1                      | 1.50828  | 0.173     | \$ 374,954.65   |
| State 2                      | 0.80913  | 0.093     | \$ 201,148.18   |
| Conservation Futures         | 0.01783  | 0.002     | \$ 4,432.02     |
| Clallam County               | 0.77097  | 0.089     | \$ 191,661.12   |
| Fire District #2             | 0.96276  | 0.111     | \$ 239,340.23   |
| North Olympic Library        | 0.29362  | 0.034     | \$ 72,993.97    |
| Hospital District #1         | 0.3177   | 0.037     | \$ 78,980.03    |
| William Shore Memorial Pool  | 0.32213  | 0.037     | \$ 80,081.14    |
| Totals:                      | 8.70213  |           | \$ 2,163,330.00 |



WASHINGTON STATE DEPARTMENT OF  
**NATURAL RESOURCES**

[dnr.wa.gov](http://dnr.wa.gov)

# **Revenue Advisory Committee**

## **Business Items**

### **Encumbered Lands Proviso**

# **Skamania County Timber Tour Agenda**

**Hosted by Rep. Kevin Waters  
Monday, August 12, 2024**

## Discussion: Timber Revenue

10 a.m. – 11:30 a.m. **TOUR** -Wilkins, Kaiser & Olsen, Inc. (WKO, Inc.) 2022 Wind River Hwy., Carson WA  
11:30 a.m. – 1:00 p.m. **LUNCH** – Backwoods Brewing, 1162 B Wind River Hwy., Carson WA

### Attendees:

Rep. Kevin Waters, 17<sup>th</sup> District  
Rep. Steve Tharinger, 24<sup>th</sup> District  
Rep. Peter Abbarno, 20<sup>th</sup> District  
Mike Engel, WKO President  
Mike Greenberg, WKO Vice President  
Garret Stump, WKO Controller  
Jon Paul Anderson, WKO Purchasing  
Tom Lannen, Skamania County Commissioner  
Tim Merlino, Superintendent at ESD District 112  
Melissa Gambosky, ESD District 112

1 p.m.-2 p.m. **CARSON ELEMENTARY SCHOOL TOUR** - 351 Hotsprings Ave., Carson WA

### Attendees:

Rep. Kevin Waters, 17<sup>th</sup> District  
Rep. Steve Tharinger, 24<sup>th</sup> District  
Rep. Peter Abbarno, 20<sup>th</sup> District  
Mike Engel, WKO President  
Mike Greenberg, WKO Vice President  
Garret Stump, WKO Controller  
Jon Paul Anderson, WKO Purchasing  
Tim Merlino, Superintendent at ESD District 112  
Melissa Gambosky, ESD District 112  
Ingrid Colvard, Superintendent of Stevenson-Carson Public Schools  
Cathy Lehmann, Superintendent Mt. Pleasant School  
Milt Dennison, Superintendent, Skamania Public School  
*Interim Superintendent/Principal, Mill A School District*

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2:15 p.m. – 3:30 p.m. **ROUND TABLE** Discussion - Port of Skamania 212 SW Cascade Ave., Stevenson WA

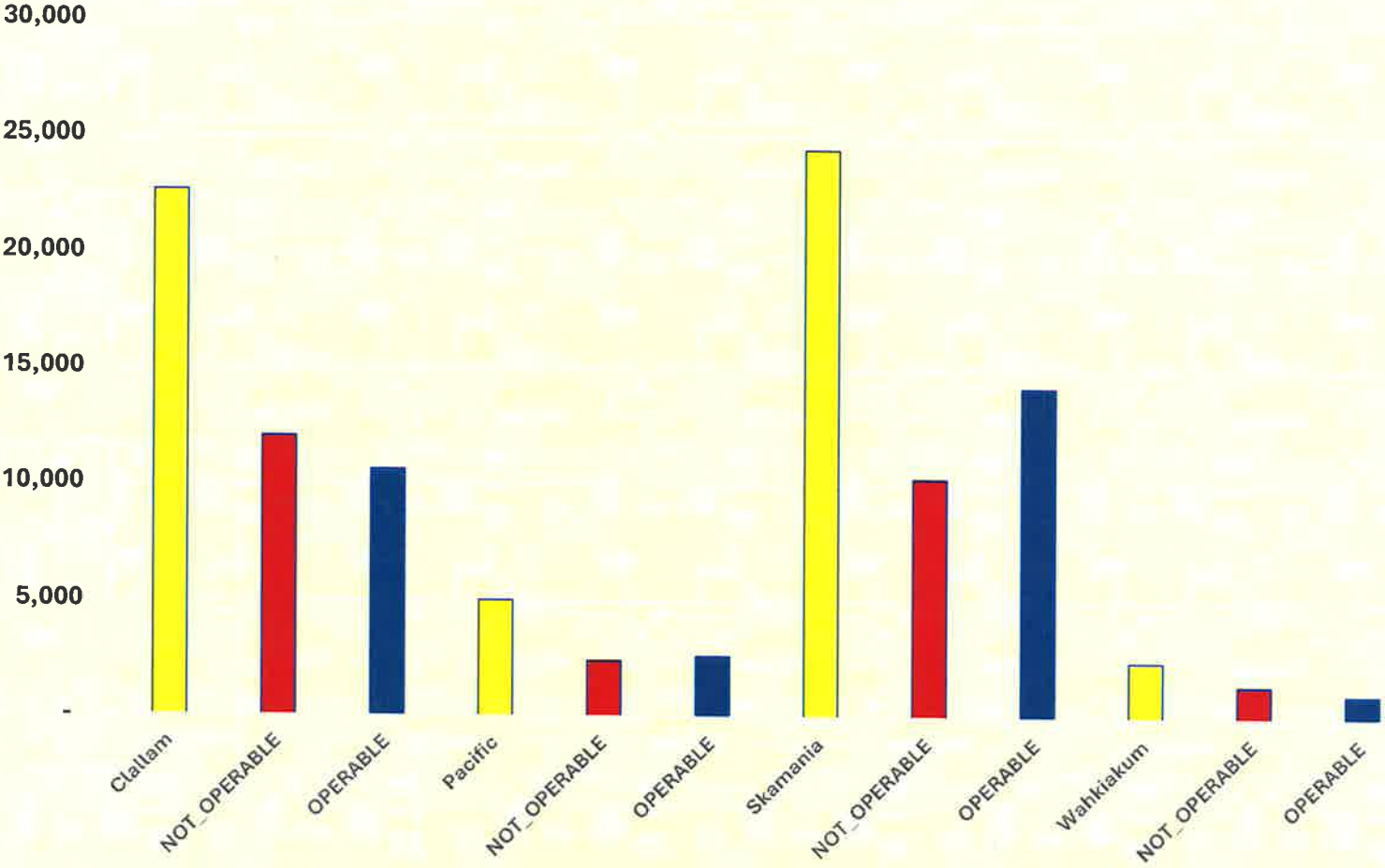
**Attendees:**

Rep. Kevin Waters, 17<sup>th</sup> District  
Rep. Steve Tharinger, 24<sup>th</sup> District  
Rep. Peter Abbarno, 20<sup>th</sup> District  
Mike Engel, President WKO, Inc.  
Mike Greenberg, Vice President WKO, Inc.  
Garret Stump, Controller WKO, Inc.  
Jon Paul Anderson, Purchasing WKO, Inc.  
Asa Lecke, Skamania County Commissioner  
Pat Albaugh, Port of Skamania County Executive Director  
Jason Spadaro, Executive Director WFPA  
Jason Callahan, Policy & Communications Officer Green Diamond Timber Company  
Mary Catherine McAleer, Government/Public Affairs Manager Weyerhaeuser Lumber Co.  
Kaola Swanson, Columbia Gorge Program Manager The Conservation Fund  
Heath Heikkila, Director Gov Affairs Am. Forest Resource Council (AFRC) Director Gov Affairs  
Tim Merlino, Superintendent at ESD District 112  
Melissa Gambosky, ESD District 112  
Ingrid Colvard, Superintendent of Stevenson-Carson Public Schools  
Cathy Lehmann, Superintendent Mt. Pleasant School  
Milt Dennison, Superintendent, Skamania Public School  
*Interim Superintendent/Principal, Milll A School District*

**Please RSVP to Wanda Scharfe at [wanda.scharfe@leg.wa.gov](mailto:wanda.scharfe@leg.wa.gov)**

Questions should be directed to Representative Kevin Waters at [kevin.waters@leg.wa.gov](mailto:kevin.waters@leg.wa.gov) or by calling 360-786-7994

# Encumbered Lands Acage Comparisons



# **Revenue Advisory Committee**

## **Business Items**

### **Power Plant timber sale**



**MIKE FRENCH, District 3, Chair**  
**RANDY JOHNSON, District 2**  
**MARK OZIAS, District 1**

## Board of Clallam County Commissioners

223 East 4<sup>th</sup> Street, Suite 4  
Port Angeles, WA 98362-3015  
360.417.2233 Fax: 360.417.2493  
Email: [commissioners@clallamcountywa.gov](mailto:commissioners@clallamcountywa.gov)

**TODD MIELKE, County Administrator**

August 13, 2024

Department of Natural Resources  
William Wells – Olympic Region Manager  
411 Tillicum Lane  
Forks, WA 98331

Re: Concurrence Letter regarding the Power Plant timber sale

Dear Mr. Wells,

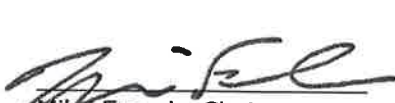
At your request, this letter will provide the Department of Natural Resources with concurrence from the Clallam County Commissioners for the replacement of the Power Plant timber sale. We are pleased that the replacement acres and harvest are in the same junior taxing district and will mostly replace the revenue shortfall that would have been received had the Power Plant sale proceeded. Therefore, we concur with the replacement acres identified by the DNR and approved by the Murphy Company.

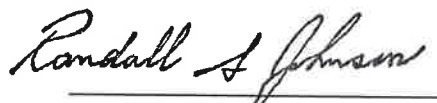
We want to thank the Department of Natural Resources for working with the County on this subject. As you are aware, our junior taxing districts depend on these revenues, and based on the current budgets of OMC, the Port Angeles School District, and others, this revenue greatly helps when facing budget shortfalls.

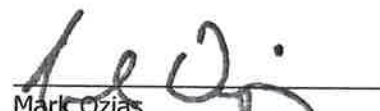
Finally, we would appreciate it if the Department of Natural Resources continued to work with Clallam County on issues of mutual concern. As an example, Clallam County currently has two exchange properties identified as having special benefits and that are set aside from active management. We would appreciate the DNR providing a timeline and updates to the Commissioners and the Revenue Advisory Committee for when the two timberland exchange properties will be exchanged and therefore provide revenue to our county's beneficiaries.

Again, thank you for collaborating with Clallam County on these issues of importance to all of us.  
Sincerely,

BOARD OF CLALLAM COUNTY COMMISSIONERS

  
Mike French, Chair

  
Randy Johnson

  
Mark Ozias