MEETING AGENDA

CLALLAM COUNTY
REVENUE ADVISORY COMMITTEE

223 East 4th Street, Room 160
Port Angeles, Washington
April 20, 2026 – 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: 836 9266 4344 and passcode: 12345 and use *9 to raise your hand.

If you would like to participate in the meeting via Zoom video conference, visit https://us06web.zoom.us/j/83692664344 and use meeting ID: 836 9266 4344 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

I. CALL TO ORDER, ROLL CALL

II. APPROVAL/MODIFICATIONS TO THE AGENDA

III. APPROVAL OF MINUTES FOR THE MEETINGS ON: March 16, 2026

IV. PUBLIC COMMENT (total of 20 minutes)

V. BUSINESS ITEMS
- **a. NP Buffer Rule – Cindy Mitchell-WFPA**
- **b. Bear Springs Direct Transfer/Sale – DNR**
- **c. Timber sales – current and future - DNR**
- **d. Encumbered Lands Investigation Request – Fire District 5**
- **e. Five Corners Letter Follow-up – Chair Beauvais**
- **f. Trust Land Transfer Response from CPL Upthegrove – Chair Beauvais**

VI. FUTURES AGENDA ITEMS

VII. PUBLIC COMMENT (total of 20 minutes)

VIII. NEXT MEETING DATE

IX. ADJOURNMENT

Revenue Advisory Committee

Draft minutes
March 16, 2026

CLALLAM COUNTY REVENUE ADVISORY COMMITTEE
MINUTES OF MARCH 16, 2026

MEETING OF THE REVENUE ADVISORY COMMITTEE (RAC)

Chair Connie Beauvais called the meeting to order at 12 p.m., March 16, 2026. Also present were Commissioner Johnson, Drew Rosanbalm, Ryan Amiot, Regan Nickels, Sandra Lyons, Scott Horton, Gregory Bellamy, Michael Mingee, Dan Huff, Lynne Kastner, Michelle Olsen, Diana Reaume, Noah Glaude and Ashley Petersen (Alternate). Janine Leford, David Bingham, Dave Gedlund, and Nerissa Davis were absent. Guest Dr. Stephanz for Olympic Medical Center.

APPROVAL/MODIFICATIONS OF AGENDA

ACTION TAKEN: Huff moved to approve, Bellamy seconded, mc

APPROVAL OF MINUTES

- February 9 and March 2, 2026

ACTION TAKEN: Horton moved to approve, Bellamy seconded, mc

PUBLIC COMMENT

- Ed Bowen, Clallam Bay, commented on the business items

BUSINESS ITEMS

- **Timber sales – current and future – DNR**

Rosanbalm provided an updated on current and future Department of Natural Resources timber sales. RAC Members held discussion.

Trust land transfer – applications and process

Rosanbalm provided an updated on current and future Department of Natural Resources timber sales. RAC Members held discussion.

TAKEN: Huff moved to accept the letter to Department of Resources, Kastner, seconded, mc (Johnson, Rosanbalm and Horton abstain) (Glaude no response)(9 voted in favor of) (see attached letter)

- **Fiduciary responsibilities and revenue issues discussion**

Item was tabled.

FUTURE AGENDA ITEMS

None.

PUBLIC COMMENT

- Jim Buck, Joyce, commented on the Department of Natural Resources trust land transfer presentation, Tribes
- Ed Bowen, Clallam Bay, commented on Cape Flattery School representative, school trust, public involvement on trust land applications, Clallam County trust land transfers
- Commissioner Johnson, commented on Board of Natural Resources meeting, timber sales

NEXT MEETING – April 20, 2026, at 2:30 p.m.

ADJOURNMENT - The meeting concluded at 4:54 p.m.

Clallam County
Revenue Advisory Committee

223 East 4th Street, Suite 4
Port Angeles, WA 98362-3015
360.417.2256 Fax: 360.417.2493
Email: loni.gores@clallamcountywa.gov

March 16, 2026

Washinton Department of Natural Resources
Davd Upthegrove, Commissioner of Public Lands
MS 47001
Olympia, WA 98504-7001

Subject: The Clallam County Revenue Advisory Committee Requests That No Clallam County Transfer Lands Be Included in Any Proposal for Trust Land Transfers or in Any Proposal to Remove Trust Lands from Sustainable Forest Management

The Clallam County Board of Commissioners formed the Revenue Advisory Committee (RAC) on February 20, 2024, under Resolution 15-2024. The purpose of the RAC is to:

"...confer with the County on issues related to state timber management, fiduciary responsibilities, trends, public engagement with state and federal forest management agencies, issues impacting timber management and revenues that benefit the community, and such other related matters as the Board of County Commissioners directs."

The RAC is comprised of elected commissioner representatives, or their designees, from each Clallam County taxing district, along with non-voting representatives from the Washington State Department of Natural Resources (DNR).

The RAC understands that DNR may be seeking proposals for lands to include in the Trust Land Transfer program. Additionally, the RAC is aware that DNR is evaluating whether to remove, either permanently or temporarily, an additional 77,000 acres of trust lands from sustainable forest management activities.

Accordingly, the RAC respectfully requests that no Clallam County transfer lands be included in any Trust Land Transfer proposal or in any proposal to remove trust lands from sustainable forest management activities.

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1. Clallam County Trust Beneficiaries and the Local Economy Have Already Been Harmed by Recent DNR Decisions

Removing additional lands from sustainable forest management would exacerbate an already unstable local wood products economy and further reduce revenues to Clallam County trust beneficiaries.

In 2025, DNR cancelled, modified, or delayed eight timber sales on lands that Clallam County deeded to the state in trust. These sales complied with the Washington Forest Practices Act, the State Habitat Conservation Plan, and DNR's own policies regarding old growth, riparian protection, and sustainable harvest levels. Each sale also underwent review under the State Environmental Policy Act (SEPA).

According to DNR data, these eight sales have a combined appraised value of **approximately $7.9 million**. Based on recent auction results, their market value could have reached **$12 million or more**. Revenues from these sales would have directly supported Clallam County and its junior taxing districts:
Crescent School District #313
Cape Flattery School District #401
Quillayute Valley School District #402
Port Angeles School District #121
Sequim School District #323
North Olympic Library System
Olympic Medical Center #2
Forks Community Hospital #1
Port of Port Angeles
Quillayute Valley Park & Recreation District
William Shore Memorial Pool District
Clallam Fire District #1
Clallam Fire District #2
Clallam Fire District #3
Clallam Fire District #4
Clallam Fire District #5
Clallam Fire District #6

Despite repeated assurances that these sales would be offered, no progress has occurred in bringing these sales to market. Failure to offer these sales has negatively impacted Clallam County's economy by reducing employment opportunities and threatening the viability of local wood products manufacturers. Importantly, the failure to offer these sales has significantly reduced funding available for vital public services.

Moreover, despite statutory requirements that arrearage harvest volumes be offered in subsequent decades, **tens of millions of board feet of arrearage volume have not been brought to market from Clallam County transfer lands**. The continued failure to offer this volume compounds the financial challenges facing Clallam County and its junior taxing districts as they work to provide essential education, public safety, hospital, and community services for residents and visitors.

Removing additional lands from sustainable forest management would only deepen this uncertainty and further destabilize an already turbulent local economy.

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2. Clallam County Transfer Lands Are Trust Assets and Should Not Be Treated as State-Owned Lands

In 1935, in response to counties acquiring large areas of forestland through tax foreclosures, the Washington Legislature enacted **Chapter 126, Session Laws of 1935**, authorizing the state to demand counties transfer those lands to the state to be managed in trust for the counties and their junior taxing districts. Under Section 3(b) of that law, counties could transfer these lands to the state to be managed **in trust for the benefit of the counties and their junior taxing districts**.

The state believed it was better equipped to reforest and manage these lands for sustained timber production and long-term public benefit. Over time, Clallam County transferred approximately 94,500 acres of forest land to the state to be managed under this trust arrangement.

Clallam County's intent to establish a trust relationship is explicitly documented in the deeds transferring these lands to the state. The deeds cite the governing provisions of the 1935 legislation and state:

> "The commissioners of Clallam County (the grantor settlors) herewith deed, free from encumbrances, to the State Forest Board (grantee, trustee), in accordance with the provisions of Section 3-b, Chapter 126, Session Laws of 1935, the following described lands acquired by Clallam County through foreclosure of tax liens. Such lands shall be held in trust and administered and protected under the provisions of

Chapter 154, Session Laws of 1923... Any monies derived from the lease of such lands or from the sale of forest products... shall be distributed as follows..."

Accordingly, Clallam County's Forest Board Lands are **not state-owned lands nor general public lands**. Rather, they are **trust lands devoted to a particular use by law**, as recognized in the Session Laws of 1927 (Chapters 255 and 288).

The distinction between state-owned forestlands and Clallam County transfer lands is fundamental.

State forestlands are:

- Owned entirely by the state and can be managed in any manner the state deems in its interests
- Used for multiple statewide purposes, including conservation and recreation
- Acquired through purchase, gift, or federal grants

In contrast, Clallam County's Forest Board Lands:

- Must be managed for the **financial benefit of the county and its junior taxing districts.**
- Generate revenues from sustainable forest management and leases that must be distributed to the beneficiaries.
- Were transferred **in trust**, not sold or granted outright to the state.
- Were transferred **without compensation**, confirming their purpose as trust assets rather than state property.

Washington courts have repeatedly affirmed that the state must honor its fiduciary obligations when managing trust lands. In ***Skamania County v. State of Washington (1984)***, the Washington Supreme Court held that the state has enforceable fiduciary duties to trust beneficiaries and must manage trust lands primarily for their benefit. More recently, in ***Conservation Northwest (CNW) v. Franz (2022)***, the Court reaffirmed the legal framework governing trust land management and the obligations owed to trust beneficiaries. The *CNW v. Franz* decision reiterates that these lands were conveyed to the state with the

> "...express understanding that the state is not to hold it as its own absolute property, but to hold and apply it for certain specified purposes".

Given the serious economic impacts already facing Clallam County trust beneficiaries and the local wood products industry, the RAC believes it is necessary to reaffirm the legal distinction between state-owned lands and county transfer trust lands.

Accordingly, as beneficiaries of Clallam County transfer lands, the RAC respectfully requests that no Clallam County transfer lands be considered for inclusion in any Trust Land Transfer proposal or in any proposal to remove trust lands from sustainable forest management.

Conclusion

The legal record is clear. Clallam County's Forest Board Lands were placed in trust, not transferred into state ownership. The deeds explicitly reference their trust status, and long-standing trust doctrine confirms the state's obligation to manage these lands for the benefit of Clallam County and its junior taxing districts.

The state has already withheld millions of dollars in timber revenue from Clallam County through delayed or cancelled timber sales and through the continued failure to bring arrearage harvest volumes to market. Removing additional land from sustainable forest management, whether through the Trust Land Transfer program or other mechanisms—would further intensify the economic disruption already being felt throughout the county.

For these reasons, the RAC respectfully requests that **no Clallam County transfer lands be included in any Trust Land Transfer proposal or in any proposal to remove trust lands from sustainable forest management activities.**

Respectfully,

Connie Beauvais

Connie Beauvais Chair on behalf of the
Clallam County Revenue Advisory Committee

cc: Board of Natural Resources

Revenue Advisory Committee

NP Buffer Rule –

Cindy Mitchell WFPA

Np Riparian Buffer Rule Lawsuit — One-Page Brief

Jason Spadaro and Cindy Mitchell, WFPA | jspadaro@wfpa.org | cmitchell@wfpa.org

Basics of the Case — What Happened

- On November 12, the Forest Practices Board adopted a new buffer rule for non-fish (Type Np) streams.
- Buffers expanded from largely intermittent 50' buffers to continuous 65–75' no-harvest buffers.
- Over 200,000 acres of private forestland removed from productive use ($1–1.8 billion value of trees).
- Rule driven by Ecology's requirement of "no measurable change" in temperature (+0.3°C), a misinterpretation of Tier II antidegradation policy (WAC 173-201A-320(3)).

Why WFPA / WFFA Are Petitioning Court (Precedent-Setting)

- No finding that existing Forests & Fish buffers were failing or impairing resource objectives.
- Board applied a new legal standard not required by law ("no measurable change").
- Science showing buffers were working was disregarded.
- Less-burdensome alternatives were excluded (including Minority proposal).
- Case will set precedent for future forest, agriculture, and land-use regulation.

Who Are the Defendants

- Forest Practices Board (FPB): adopted the buffer rule.
- Department of Ecology (DOE): imposed Tier II interpretation and directed outcome.
- Department of Natural Resources (DNR): responsible for rule implementation.

Who Has Intervened

- Environmental organizations supporting the expanded buffer rule plan to intervene (e.g., WCA and CNW).
- Additional parties may participate through intervention or amicus briefs.

Legal Lead — K&L Gates (WFPA / WFFA Counsel) endre.szalay@klgates.com

- K&L Gates is serving as lead counsel for WFPA and WFFA.
- They are coordinating litigation strategy and outside participation.
- Primary coordination occurs through WFPA and WFFA leadership.

Timeline — Amicus Briefs (Estimated)

- Amicus briefs should be ready by June 1, 2026.
- Court has set formal deadlines the hearing is August 21, 2026 – 10 days before Np rule takes effect.

How You Can Get Involved — Declarations and Amicus Briefs

- Individuals, organizations, and local governments can participate.
- Amicus briefs provide broader county, community, and downstream perspective (requires an attorney).
- Both support the court's analysis of real-world impacts.

Examples of Broader Impacts

- **Counties:** reduced timber harvest lowers county trust revenues; disproportionate impacts to rural and economically vulnerable counties; effects on roads, schools, hospitals, and local services.
- **Agriculture:** Tier II and nonpoint interpretations have impacts beyond forestry, shifting voluntary programs toward default buffers (215' west / 150' east); impacts to farmland, production, and food supply.
- **Builders / Developers / CAPR:** reduced buildable land, higher housing costs, longer permitting timelines, worsening housing affordability.
- **Energy & Utilities:** increased siting constraints, higher mitigation costs, delays to grid expansion, uncertainty.

Key Takeaway

- This case is about lawful process, science-based standards, and regulatory limits.
- Outcome will influence how Tier II and nonpoint rules are applied across sectors.
- Broad participation strengthens the record on real-world impacts.
- WFPA and WFFA are coordinating next steps and communications.

Np Litigation

Cindy Mitchell, WFPA
April 20, 2026

CLALLAM COUNTY
1854

WASHINGTON FOREST PROTECTION ASSOCIATION
WFPA

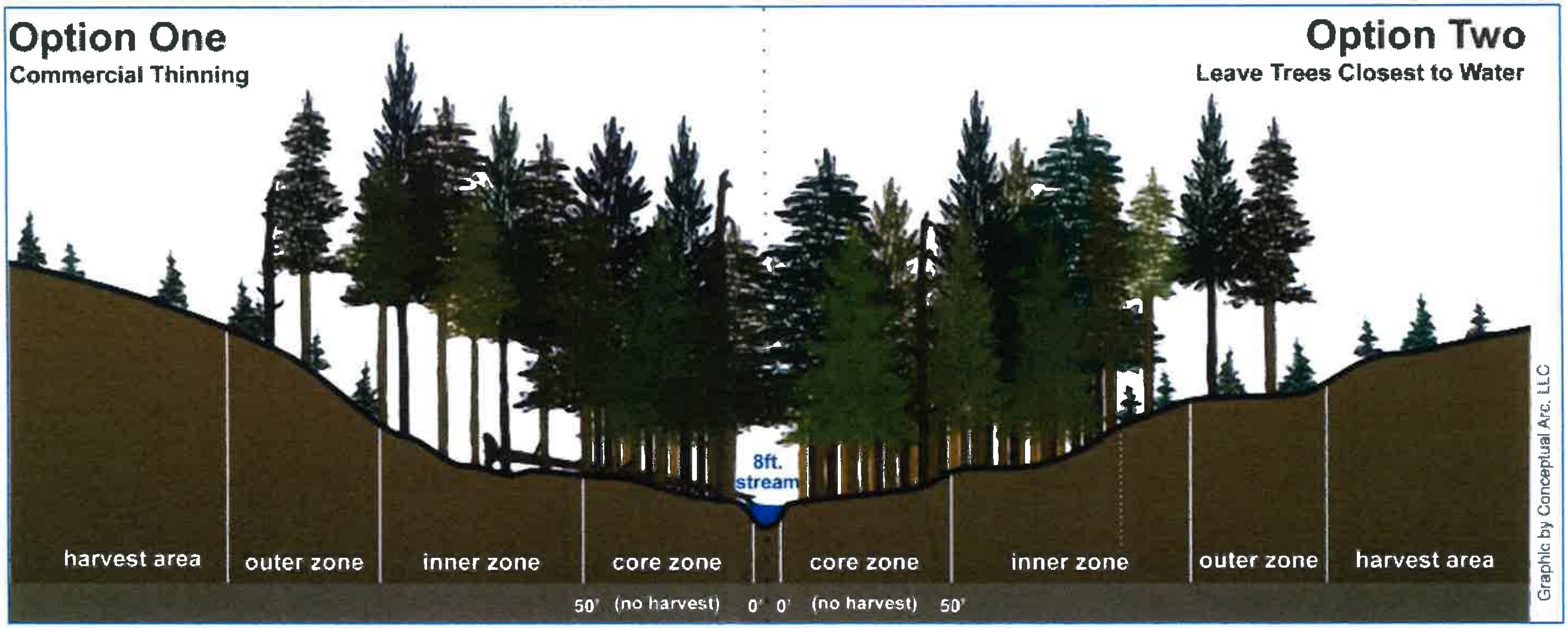
1908:

1958: "FOREST PROTECTION GOES BEYOND FIRE"

PROTECTION OF FOREST EQUITY FROM DECREASE

WASHINGTON FOREST PROTECTION ASSOCIATION

2001 Forests & Fish Rules

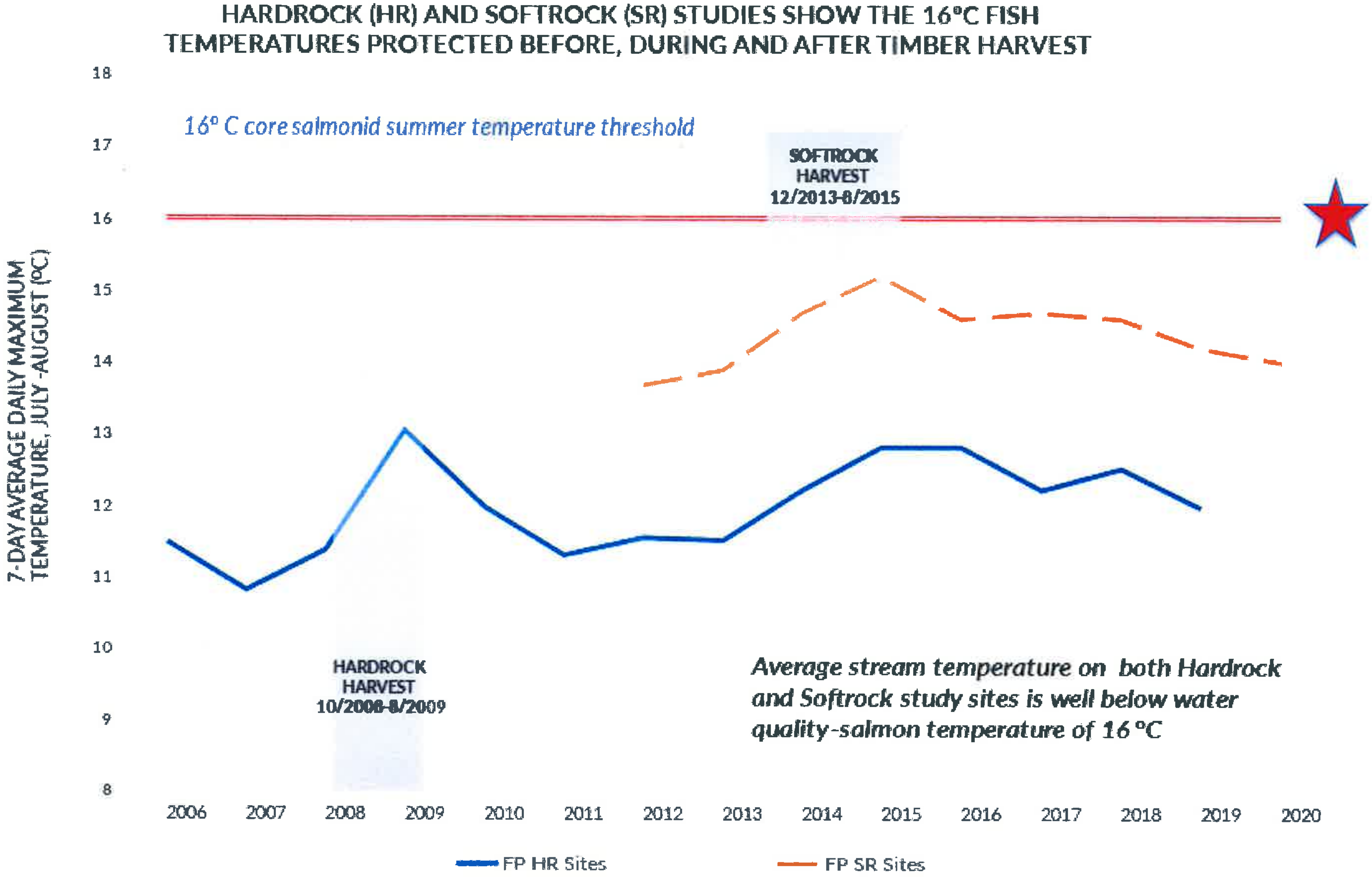


Forest Practices Rules (2001): Riparian buffers expanded to 50-foot no-harvest cores and up to 200 feet on fish streams, goal Desired Future Condition at 140 years.

Intermittent Non-fish buffers (Np): first 300-500' no harvest 50-foot buffer, patch buffers on sensitive sites, with a minimum of 50% of Np stream.

What 15-Years of AMP Science Shows

(no impairment of streams)



2025 What Happened?

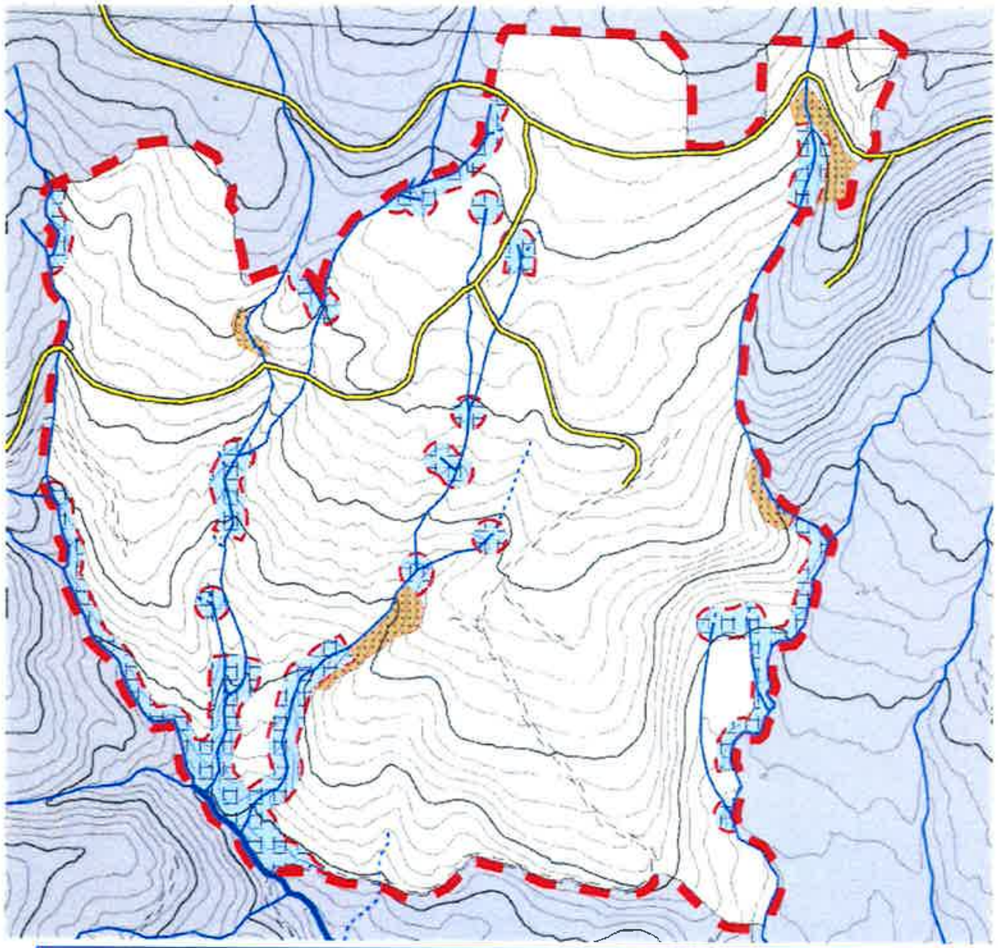
- Forests & Fish HCP **anticipated temporary,** minimal temperature increase post harvest
- Technical Np Workgroup's goal: **"minimize"** temperature change post harvest
- 2019-20, Ecology reinterprets and mandates goal of "**no measurable change**" temperature +0.3°C post harvest
- Forest Practices Board adopts continuous Np buffers, effective August 31, 2026. WFPA/WFFA challenge in court.

Total Np Buffer Rule Impacts

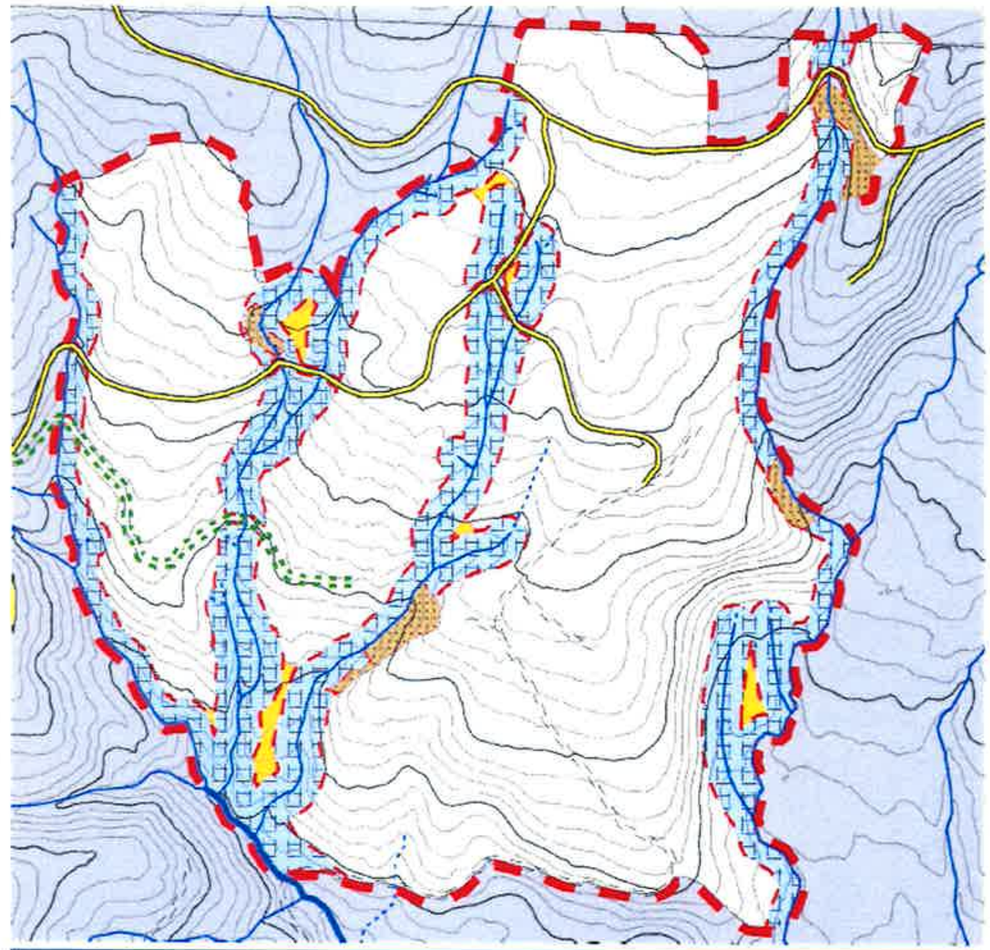
- Set-aside over **200,000 ac**. of private forestland.
- Removes **4–8%** of the 2023 private harvest—equal to 1–2 sawmills, **2,000 jobs**, and wood for up to **15,000 homes/year**.
- **$1-1.8 billion** foregone timber value
- **$5-8 billion** economic impact over 1 rotation
- **$90 million** lost county tax revenue (UW study)
- No fisheries related benefits.

At Risk: 50-Year Forest Practices Habitat Conservation Plan (HCP) 2006-2056

Old vs New Np Buffer Rule Example



First 300-500’ no harvest buffer = 50’
50% of Np stream = 50’ intermittent buffer
Plus patch buffers on sensitive sites
30’ continuous Equipment Limitation Zone



First 600’ no harvest buffer = 75’
100% of Np stream = 65’ no harvest buffer
OR 75’ no harvest buffer w 50% of 25’ mgd.
30’ continuous Equipment Limitation Zone

Unit Impact:
Old vs New Np Buffer Rule

Old:

Harvest unit:	129.5 ac
Harvestable	113.6 ac
RMZ buffer	12.0 ac

New:

Harvest unit:	129.5 ac
Harvestable	94.5 ac
RMZ buffer	32.2 ac
Inaccessible	0.8 ac

+New road construction

IMPACTS:

- 275% increase RMZ buffer/inaccessible
- 18% reduced harvest unit
- Increased road construction costs

Impact of Np Rule to Counties

County	Np rule Upland acres removed from production	County Excise Tax Impact calculated at 4%	Total Excise Tax Impact calculated at 5%
Lewis	(43,961)	$(14,846,806)	$(18,558,507)
Pacific	(32,136)	$(10,386,108)	$(12,982,635)
Cowlitz	(28,029)	$ (9,815,192)	$(12,268,990)
Grays Harbor	(24,123)	$ (8,641,365)	$(10,801,707)
Clallam	(9,726)	$ (3,220,655)	$ (4,025,819)
Skagit	(9,083)	$ (3,937,629)	$ (4,922,036)

Core Legal Questions

1. Did the Forest Practices Board **follow the law** and apply the correct legal standards when adopting the Np buffer rule? (arbitrary & capricious)

2. Is DOE correct in **interpreting antidegradation** as prohibiting any "measurable change?"

- (a) Temperature increase of 0.3°C or greater;
- (b) Dissolved oxygen decrease of 0.2 mg/L or greater;
- (c) Bacteria level increase of 2 cfu/100 mL or greater;
- (d) pH change of 0.1 units or greater;
- (e) Turbidity increase of 0.5 NTU or greater; or
- (f) Any detectable increase in the concentration of a toxic or radioactive substance.

WAC 173-201A-320:
Tier II—Protection of waters of higher quality than the standards.

How you can get involved – Amicus Brief

- **Amicus briefs** (friend of the court) provide broader county, community and downstream perspective: June 1, 2026
- **Hearing Date:** August 21, 2026
- **NP Rule effective date:** August 31, 2026
- Contact: Endre Szalay: endre.szalay@klgates.com
- Lisa Olsen Attorney Zach Edwards: izglaw@izglaw.com 360.533.2865


Thank You
Washington's Working Foresters
Cindy Mitchell, WFPA Sr. Director Public Affairs
cmitchell@wfpa.org
www.wfpa.org
www.workingforesters.org

Revenue Advisory Committee

Bear Springs

Bear Springs Direct Transfer/Sale

Agreement No: 02-104798
Seller: State of Washington, Department of Natural Resources
Buyer: Quileute Tribe of the Quileute Reservation
Sale Type: Land Transaction via Quitclaim Deed
Appraisal: $475,000

PROPERTY DETAILS

County: Clallam
Region: Olympic
District: Coast
Trust: 01–State Forest Transfer (100%)

Parcel No.	Legal	Acres
123028430000	Gov't Lot 1, Section 28, T. 30 N, R. 12 W., W.M.	
123033100000	Gov't Lots 1 and a portion of Gov't Lot 9, Section 33, T. 30 N, R. 12 W., W.M.	
123034210275	A portion of Gov't Lots 5 and 7, Section 34, T. 30 N, R. 12 W., W.M.	
	Total:	**53.2**

Property to be Sold: State shall sell and convey the Bear Springs Property to the Tribe, together with the following:

(a) easements and rights-of-way;
(b) Water rights;
(c) Oils, gases, and minerals;
(d) Any rights, title and interest of State in and to all improvements, if any, and other items located upon or within said real property; and,
(e) Other rights appurtenant to said real property.

Reservation. This sale is subject to an easement reservation for access and utilities to other State Forest Transfer parcels. The easement does not authorize public access.

TIMLELINE

2020: Quileute Tribe initiated discussions regarding the purchase of the Bear Springs rear facility.

2022: DNR initiates a Prospectus for Bear Springs Sale proposal for review and approval from DNR departments and staff.

January 2023: Olympic Region management met with County officials and JR taxing districts regarding the proposal.

September 2023: Olympic Region DNR and Quileute Tribal Council sign the Intergovernmental Agreement to facilitate the Direct Transfer of title of the property to the Tribe.

August 2024: Record of survey completed by the Tribe of the parcel is recorded with the County.

Photos

Entrance into subject property, directly north from Mary Clark Road
- photograph taken March 3, 2025

View of access road, into the cleared site, facing north
- photograph taken March 3, 2025

Low bank access into the Sol Duc River, along the western boundary of the subject property
- photograph taken March 3, 2025

View of access road, Bear Springs Hatchery Road, facing south
- photograph taken March 3, 2025

House & garage at the northern end of the subject property - **EXCLUDED FROM VALUATION**
- photograph taken March 3, 2025

Medium bank access into the Sol Duc River, along the northern boundary of the subject property
- photograph taken March 3, 2025

April 2025: DNR completes appraisal of the property. The appraisal is $475,000.

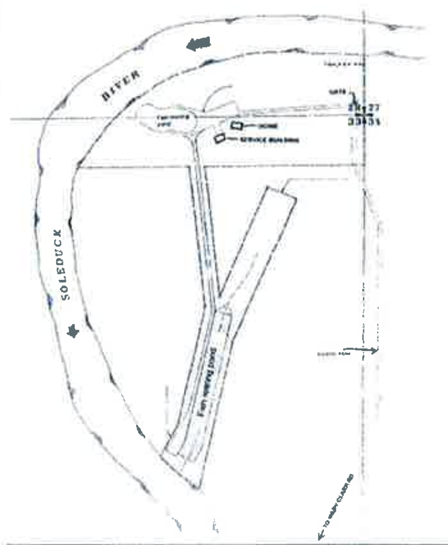
January 2026: The Purchase and Sale Agreement, which includes a draft of the Deed and the State's Easement Reservation, is submitted to the Tribe for review and feedback.

April 2026: Negotiations are ongoing.

MAPS

2023 Washington Orthophoto:

Exhibit Map taken from the current lease:



Revenue Advisory Committee

DNR – Sales

SALES CURRENTLY UNDER CONTRACT

SALE NAME	CONTRACT NO.	SALE TYPE	SALE DATE	EXP. DATE	Total Volume	TOTAL VALUE	% COUNTY	Total Value to County	TAX DIST.
POWER PLANT ADJUSTED	C3000104354	LUMP SUM	7/26/2023	10/31/2026	1217	$426,983	100%	$320,237	102-100%
BLOW DRY SALVAGE	C000103864	LUMP SUM	7/26/2023	10/31/2026	1048	$342,779	83%	$213,380	102-100%
PICTURE MORA	C300103765	LUMP SUM	10/25/2023	7/31/2026	5755	$1,717,586	100%	$1,288,189	502-65.4% 506- 34.6%
LIZARD BREATH	C3000103773	LUMP SUM	12/13/2023	10/31/2026	4930	$91,280	81%	$55,453	302-100%
LYRE LYRE	C3000104811	LUMP SUM	1/24/2024	10/31/2026	2167	$840,000	67%	$422,100	153-100%
GUNDER THUNDER	C3000105580	LUMP SUM	3/27/2024	9/30/2026	3444	$1,079,854	90%	$724,852	502-100%
RIDGE RUN	C3000103766	LUMP SUM	5/29/2024	10/31/2026	5629	$745,747	100%	$559,310	302-100%
DOC HOLLIDAY	C3000103767	LUMP SUM	8/28/2024	10/31/2026	2308	$623,700	100%	$467,775	153-100%
ELLENS ROCK	C3000104809	LUMP SUM	10/30/2024	10/31/2027	4040	$1,073,865	71%	$575,538	502- 73% 506- 27%
PARCHED	C3000102017	LUMP SUM	12/18/2024	10/31/2026	7391	$3,188,671	79%	$1,887,375	102-100%
TREE WELL	C3000104820	LUMP SUM	12/18/2024	10/31/2026	6150	$3,421,437	100%	$2,566,078	101- 100%
DUNGENESS AND DRAGONS	C3000105915	LUMP SUM	1/29/2025	CLOSED	1224	$155,129	72%	$83,770	202-100%
DRIFTWOOD DELIGHT	C3000106463	LUMP SUM	2/26/2025	10/31/2027	4699	$859,936	100%	$644,952	302-100%
DOCK PEPPER	C3000107510	LUMP SUM	2/26/2025	CLOSED	1696	$431,318	100%	$323,489	153-100%
BLUE VIEW	C3000103762	LUMP SUM	4/23/2025	10/31/2027	4090	$185,169	59%	$81,993	502-100%
BEAVER HILL	C3000104802	LUMP SUM	6/11/2025	10/31/2027	4734	$775,000	90%	$525,799	503-100%
PLACE STATION	C3000108970	LUMP SUM	10/29/2025	10/31/2026	1371	$465,000	100%	$348,750	152-100%
SOOEY	C3000107566	LUMP SUM	11/19/2025	10/31/2027	3344	$1,138,847	89%	$761,205	153- 100%
ROCKY ROAD	C3000107564	LUMP SUM	2/25/2026	10/31/2027	3057	$856,700	15%	$96,379	153- 100%
TIGER STRIPES	C3000106552	LUMP SUM	3/25/2026	10/31/2027	2962	$1,168,544	100%	$876,408	153-100%
				TOTALS	71,256	19,587,545		12,823,030	

SALES PROJECTED TO BE SOLD IN CALANDAR 2026 (ALL NUMBERS ARE ESTIMATES AND ARE SUBJECT TO CHANGE)

TYEE WEST	C3000107512	LUMP SUM	4/29/2026	10/31/2027	9898	$1,510,000	36%	$406,568	503-75%
KICK IN THE PANTS	C3000109752	LUMP SUM	5/20/2026	10/31/2028	5003	$528,000	81%	$322,106	502- 100%
RUBBLE	C3000109762	LUMP SUM	5/20/2026	10/31/2028	7826	$1,030,000	90%	$695,250	502-50% 503-50%
PEDERING OUT	C3000109557	LUMP SUM	6/17/2026	10/31/2028	2739	$664,000	67%	$334,656	176-7% 202-93%
ICEFIELD	C3000109298	LUMP SUM	6/17/2026	10/31/2028	7805	$940,600	70%	$491,840	502-100%
OH WELL	C3000109765	LUMP SUM	6/17/2026	10/31/2027	1318	$329,000	87%	$214,673	153-20.65% 102-79.35%
ELK MILL	C3000108475	LUMP SUM	7/29/2026	10/31/2028	10740	$2,024,000	5%	$80,909	503-100%
BAKERS DOZEN	C3000108474	LUMP SUM	8/26/2026	10/31/2028	1815	$1,043,760	100%	$782,820	101-15% 102-85%
BIG WOODS	C3000110145	LUMP SUM	10/28/2026	10/31/2028	1934	$503,750	100%	$377,813	203-100%
FISH HOOK	C3000101481	LUMP SUM	10/28/2026	10/31/2028	6424	$1,250,100	100%	$937,575	202-86% 203-14%
MILL TIME	TBD	LUMP SUM	12/16/2026	10/31/2028	2222	$509,040	81%	$309,242	20-100%
OASIS VDT	TBD	WEIGHT SCALE	12/16/2026	10/31/2028	3600	$144,000	55%	$59,400	176-60% 102-30% 151-10%
				TOTALS	132,580	30,063,795		17,835,881	

ALL NUMBERS ARE ESTIMATES AND ARE SUBJECT TO CHANGE

All revenue figures are for calendar years, and already have DNR management fees deducted.

Revenue Advisory Committee

Trust Land Transfer
Response from
Commissioner Upthegrove

Gores, Loni

From: Upthegrove, Dave (DNR) <Dave.Upthegrove@dnr.wa.gov>
Sent: Tuesday, April 7, 2026 11:04 AM
To: Gores, Loni
Subject: Clallam County TLTs - 3.16 letter response
Attachments: RAC Response Letter 4.7.26.pdf

You don't often get email from dave.upthegrove@dnr.wa.gov. Learn why this is important

Good morning,

Please see the attached letter regarding Trust Land Transfers (TLTs) within Clallam County.

Thank you,

Dave Upthegrove
Commissioner of Public Lands
WA Department of Natural Resources

DAVE UPTHEGROVE
COMMISSIONER OF PUBLIC LANDS

April 7, 2026

Via Email: loni.gores@clallamcountywa.gov
Clallam County Revenue Advisory Committee
223 East 4th Street, Suite 4
Port Angeles, WA 98362-3015

Dear Chair Beauvais and Honorable Members:

Thank you for your letter dated March 16th, in which you generally object to possible Trust Land Transfers (TLTs) within Clallam County.

I appreciate your taking the time to set forth both the background and legal context relating to your concerns. In particular, I noted the focus on fiduciary obligations and financial benefits to the beneficiaries, which are duties I take seriously. This is why I must express some surprise at your objections, because the entire point of the TLT program is to take assets (lands) which are underperforming for trust beneficiaries—generally, providing too little or no income—and exchange them for lands that will better perform, while compensating beneficiaries in the process. And, of course, these replacement lands—regardless of specific location—remain within the trust and are managed for the same beneficiaries. I think this is one of our more successful programs, a "win-win" for everyone involved. There is often more interest in the program than there is capacity or funding (which, ultimately, is provided by the Legislature).

Presently, there are only two active TLTs in-process in Clallam County:

1. **South Makah.** This is a parcel of about 15 acres of Common School Trust that would be transferred to the Makah Tribe; and

2. **Sequim Bay.** This is a parcel of about 198 acres of State Forest Transfer Trust that would be transferred to the Jamestown S'Klallam Tribe.

In both cases, these are lands the Department considers underperforming because they have no timber harvest availability, meaning their expected timber revenue—and, of course, resulting income for the beneficiaries—is zero.

In the case of the first parcel (South Makah), the acreage is essentially inaccessible: DNR has no legal access and no practicable way to obtain access. Simply put, this is a relatively small, isolated parcel and we have no physical path to harvest whatever timber might be available.

For the second parcel, there is no timber harvest available because of various limitations already placed on the land—that is, constraints that have nothing to do with my administration or choices I have made as Commissioner. The primary limitation on harvesting comes from approximately 140 acres that are occupied marbled murrelet nesting sites and buffers per the Habitat Conservation Plan. There are also significant riparian buffers, rendering it unmarketable and unavailable for harvest. Please keep in mind that these limitations run with the land, not the owner. This means that, should the Sequim Bay transfer be effected, the Tribe would likewise be unable to harvest timber from these lands.

As Commissioner, I face the very sort of financial and fiduciary choice you so carefully laid out: what is to be done with lands that do not and cannot produce timber revenue (at least not without significant changed circumstances that seem unlikely)? Does it make sense to hold on to these lands indefinitely, or is it better to essentially trade them for better-performing lands and obtain real-time income for the beneficiaries (e.g., the value of the timber, up to 100% of it at the County's request) in the bargain? Under the TLT process, there is no question of diminishing any trust, beneficiary share, or County interest. The ownership of lands as you laid out is unchanged. Similarly, there is no gifting of trust assets or land: the land is purchased and replaced at full value, including the timber value.

Of course, I do not make this choice alone—the Board of Natural Resources has the responsibility of evaluating and approving these transfers, subject to funding from the Legislature. And, of course, both the Board and I want input from you, at the county level, as well as the beneficiaries (junior taxing districts) you listed. I would welcome your input and analysis of the proposed transfers outlined, above, in light of the information I am providing. Specifically, if you think DNR has erred in assessing the current or expected revenue potential for these parcels, or if you think there are other factors that should be considered in the evaluation, I would be happy to review this information.

I look forward to continuing to work with you in good faith on this, and other, issues.

Sincerely,

Dave Upthegrove
Commissioner of Public Lands

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