



Board of Clallam County Commissioners

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TODD MIELKE, County Administrator

January 16, 2024

The Honorable Hilary S. Franz
Commissioner of Public Lands
Department of Natural Resources
1111 Washington Street SE
Mail Stop 47001
Olympia, WA 98504-7001

Dear Commissioner Franz,

Thank you for your letter dated December 18, 2023, indicating the identification of Units 3 and 4 of the "Power Plant" sale as candidates to be transferred out of trust status after replacement land has been identified. Our community appreciates being considered for the 2,000-acre set aside directed by the Legislature's Natural Climate Solutions proviso.

As you know we have been consistent advocates for the wide variety of junior taxing districts in our county. We understand the importance of predictable timber revenue to these districts and given the significant impact of previous habitat plans to taxing districts across this county, we are keen to avoid additional financial impacts.

Our key requirement for providing concurrence is that the revenue to be generated by the replacement land must be apportioned to the same suite of taxing districts, in the same proportions, as the original sale. Furthermore, we wish to underscore the importance of doing all that is possible to ensure that the revenue that is generated through the harvest of the other "Power Plant" units, plus whatever revenue may be generated by future sales on replacement land, flow to these junior taxing districts in a timely manner.

Additionally, since your letter is not clear about whether Units 1 and 2 are still under contract for harvest, we are seeking clarity regarding these other Units. We assume they continue to be contracted for harvest but would appreciate confirmation on the anticipated timing. We will want to fully understand how the Department is meeting its legal obligations under RCW 79.15.140; namely how the Department plans to "...substitute valuable materials from another site in exchange for any valuable materials which the department determines have become impracticable to remove under

the original contract. Any substituted valuable materials must belong to the identical trust involved in the original contract, and the substitute materials shall be determined by the department to have an appraised value that is not greater than the valuable materials remaining under the original contract.”

As additional background for the following comments, the Commissioners worked through a thorough examination of the Power Plant sale with your regional team. Given the conclusions drawn both by your own experts and by our Board upon review, this sale did NOT meet the high threshold to which we understood the program to aspire. We are struggling to understand which criteria you applied in making your decision and how these criteria were applied.

Equally important, we were deeply disappointed that the acreage which we identified for inclusion in this program was not chosen. Our Board worked for months to productively engage with the environmental advocacy community, timber interests, junior taxing districts and most importantly the regional DNR staff in order to identify what we collectively believed to be the best option for inclusion in this program, namely the “Shore Thing” sale. We understood the limited nature of this program – 2,000 acres are not many – and worked collaboratively to put forward the future sale that best met the goals of the program and that mitigated the impact to local junior taxing districts.

In fact, if meeting multiple co-benefits was the metric driving the decision-making process, then the Department’s own team and analysis indicate that the “Shore Thing” sale would be a better option. The Shore Thing sale is more remote, on steeper slopes, directly adjacent to already-protected forest with Marbled Murrelet habitat, supports local recreational uses and contains as beautiful and intact a legacy forest as exists on any DNR parcel in Clallam County. It is this sale that our community, through much conversation and hard work, identified as our top priority and it is difficult to understand why another option – much less a sale that is already under contract and that has already been approved by the Board of Natural Resources – was identified for this program. For these reasons, we would strongly request you reconsider your decision and instead support inclusion of the sale that our community identified as its top priority.

Lastly, we want to be very clear that we appreciate the recreational uses that DNR has allowed on a variety of parcels throughout our county. Our concurrence for inclusion of any sale should come with the understanding that we have no intent or interest in using recreational access that has been granted by the Department as a strategy or reason to take more working forest lands off-line. Our belief is that publicly managed working forest lands, on longer rotations, remain vital to the economic vitality of our county and to being a part of our larger strategy to mitigate climate change.

Thank you for your consideration of our requests and we look forward to participating in discussions about the future of managed forest lands in our county.

Sincerely,

BOARD OF CLALLAM COUNTY COMMISSIONERS

Mike French, Chair

Randy Johnson

Mark Ozias

CC: Add Junior Taxing Districts
Add Chapman, Tharinger and VandeWege