

September 6, 2022

Board of Natural Resources
MS 47000
Olympia, WA 98504-7000

Dear Board Members,

We are representatives of various trust land beneficiaries that depend on timberlands managed by the Department of Natural Resources (DNR) to fund critical public services in our communities, including counties, fire districts, school districts, and ports. We write today to applaud the Washington Supreme Court's decision in *Conservation Northwest v. Commissioner of Public Lands* and to urge the Board of Natural Resources (Board) to follow it. For decades, our communities have relied upon the trust relationship that requires the State to manage the trust lands to provide financial and economic benefits to our communities. Without this funding source, all our entities would be forced to cut services, and some of us would struggle to provide even a basic level of service.

The *Conservation Northwest* litigation was a direct challenge to this system of funding. While some have attempted to twist the ruling in that case to convince you to turn your backs on the beneficiaries, this Board should review the actual opinion to ascertain its obligations. The Supreme Court rejected every single one of Conservation Northwest's claims and eliminated any doubt about the existence of the underlying trust obligation. Similarly, the Supreme Court resolved any doubt that the State owes numerous fiduciary duties to the beneficiaries in managing the lands, including specifically the duty of undivided loyalty and "a general duty to use reasonable care and skill to make the trust property productive through leasing or managing it to generate income." We are very thankful for the Washington Supreme Court's wisdom in conclusively resolving this matter in favor of the beneficiaries and rural communities across Washington.

Today, we want to thank the Board for continuing to protect the beneficiaries' interests, but also ask each of you to continue to be mindful of your trust obligations. Anti-forestry activists continue to vocally advocate that this Board ignore its Supreme Court-confirmed fiduciary obligations and turn its back on the beneficiaries. It is unlikely that this pressure will dissipate anytime soon. We are aware of the difficult positions you are placed in at times because of your position on the Board, and also thankful for your ongoing commitment to the trust mandate and the health of our communities.

As we move forward, we urge each of you to consider how DNR can make the trust lands program more effective, transparent, and predictable. Managing forests is not an easy task; it requires closely monitoring the forest to ensure that forest productivity increases over the long term. DNR has committed approximately half of the trust land asset to conservation. Thus, many hundreds of thousands of acres that were once productive are now set aside to protect old growth, salmon, steelhead, spotted owls, and other threatened or endangered species. Conservation is important,

but so is ensuring that the remaining operable lands are managed to maximize their productivity over time. Indeed, the beneficiaries have repeatedly been told by DNR that these conservation commitments were made to allow for more productive management of the remaining lands.

As you are aware, the last sustainable harvest calculation was a significant reduction over past levels. Indeed, each sustainable harvest level since 1997 has been markedly less than the previous level. Beneficiaries have raised numerous concerns with how the most recent calculation was done. Many beneficiaries have filed legal challenges. We believe that now is the time to put full resources toward getting the 2025-2034 sustainable harvest calculation correct and provide transparency and accountability to the beneficiaries. DNR cannot simply rely on past practice or expect its beneficiaries to be satisfied with business as usual. We encourage each of you to support proposals to improve DNR's forest inventory, harvest planning, and transparency to ensure we get the upcoming sustainable harvest calculation right.

Now that the ruling in the *Conservation Northwest* case has strengthened the trust mandate, we look forward to many future decades of sustainable state trust land management, and the continued infusion of critical revenue and economic activity into our communities from the half of state trust lands that remain available for sustainable timber management.

Sincerely,

Randy Johnson, Commissioner
Clallam County

Nate Nehring, Councilman
Snohomish County

Mark Ozias, Commissioner
Clallam County

Sam Low, Councilman
Snohomish County

Arny Davis, Treasurer
Lewis County

Dan Cothren, Commissioner
Wahkiakum County

Bob Hamlin, Commissioner
Skamania County

Lisa Olsen, Commissioner
Pacific County

Tom Lannen, Commissioner
Skamania County

Tim Manly, Chief
Brinnon Fire Department

Robert Waymire, Auditor
Skamania County

Tim Fletcher, Mayor
City of Forks

Gabriel Spencer, Assessor
Skamania County

Connie Beauvais, Commissioner
Port of Port Angeles

Dan Chaplik, Superintendent
Sultan School District

Diana Reaume, Superintendent
Quillayute Valley School District

Becky Nissell, Chief Deputy Assessor
Pacific County

Nancy Morris, Superintendent
Willapa Valley School District

Lisa Nelson, Superintendent
Naselle-Grays River Valley School District

Shelly Fletmetis, Treasury/Investment Officer
Pacific County

Ruth Redding, Business Manager
Willapa Valley School District