

City of Forks Resolution No. 455

QVSD Resolution No. 02-16/17



Arrearage Options before the Washington State Board of Natural Resources

WHEREAS, the City of Forks and the Quillayute Valley School District (District) have a long, shared history advocating for the Washington State Department of Natural Resources (DNR) to meet the established harvest levels set by the Board of Natural Resources (BNR) since the BNR adopted a decadal sustainable harvest level (SHL);

WHEREAS, at the end of the decadal harvest period, state law requires the DNR and the BNR to assess whether an arrearage exists with arrearage being defined by statute as being the difference between the amount that the DNR planned to sell for harvest from each sustainable harvest units pursuant to the BNR adopted SHL and what was actually sold for harvestⁱ;

WHEREAS, the BNR has discussed and reviewed the SHL for the period of FY 2005-2014, as adjusted by the BNR in 2007, and has determined that an arrearage exists for the completed decadal SHL;

WHEREAS, the BNR is now deciding what the actual arrearage number will be in determining "the course of action regarding the arrearage which provides the greatest return to the trusts based upon economic conditions then existing and forecast"ⁱⁱ;

WHEREAS, the BNR is also selecting a viable solution to the arrearage which will have significant impacts upon the communities of the West End to include its citizens, its special purpose districts, and its businesses;

WHEREAS, the proceeds from the sale of the arrearage, represents harvest volume not sold and funds not received by the beneficiaries,

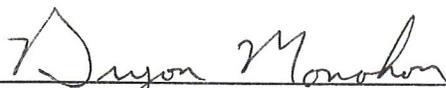
WHEREAS, a joint resolution from the two long-time advocating governments on this issue is timely and warranted;

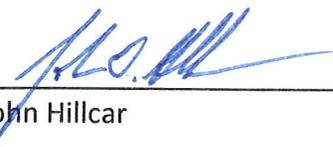
NOW, THEREFORE BE IT RESOLVED BY THE CITY OF FORKS AND THE QUILLAYUTE VALLEY SCHOOL DISTRICT, EACH HAVING MET, REVIEWED AND ADOPTED THIS RESOLUTION SEPARATELY IN A REGULARLY SCHEDULED MEETING OF EACH RESPECTED BODY;

1. That the BNR is strongly encouraged to adopt the 702 mmbf arrearage calculation that represents the unsold harvest volume from each of the individual harvest units as established by the Policy for Sustainable Forestry implementing RCW 79.10.330;
2. That the BNR clearly state and determine that it is in the greatest interests of the trust beneficiaries to offer the 702 mmbf arrearage for sale over the course of the next decade in a manner that ensures a fair and reasonable economic return to the said beneficiaries;
3. That the BNR specifically articulate in the adopted arrearage strategy that the arrearage contains 247 mmbf in arrears from the Olympic Experimental State Forest, and contains 92 mmbf in arrears from Clallam County State Forest Board Trust Lands (65 mmbf within the OESF and 27 mmbf in Eastern Clallam County)
4. That the BNR also clearly establish a means that the DNR and the various beneficiaries associated with the 702 mmbf arrearage can track the DNR's sales performance of this arrearage;
5. That the BNR and the DNR understand that it is the opinion of the City and the District that the BNR does not have the legal authority to adopt the lesser 462 mmbf arrearage number because:
 - a. Such a number would require the BNR to discount, or prorate, those harvest units that were in arrears at the end of the FY 2005-2014 decadal harvest period by those harvest units that were over sold;
 - b. That such a discounting process lacks a clearly articulated legal or policy basis to reduce the arrearage associated with the Clallam, King, Skamania, Wahkiakum, and Whatcom Counties' State Forest Board Lands by the over selling of State Forest Board Lands in Clark, Cowlitz, Lewis, Mason, Skagit and Snohomish Counties;
 - c. That if the BNR were to consider adopting the 462 mmbf, the City and District request and demand that the public be provided a detailed legal analysis, such as an attorney general's opinion, explaining how adopting the 462 mmbf complies with the DNR's:
 - i. Duty of Undivided Loyalty;
 - ii. Duty of Prudent Trust Management;
 - iii. Duty of Impartiality; and,
 - iv. Duty to Provide Information.
 - d. Further, that, the Department provide in the same public document the manner in which the Department will obtain from the counties those overpaid funds from over sold sales and ensure that those overages are properly dispersed to the prorated harvest units.

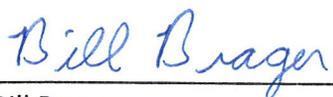
6. That the City and District appreciates the open, thorough and public process undertaken for the first time by Commissioner Goldmark, the BNR, and DNR staff in addressing the arrearage issue. The current effort clearly establishes a solid means of reviewing such issues now and into the future that did not exist or were not utilized in the past.

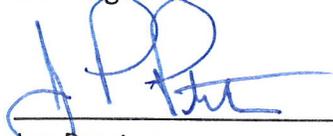
Adopted on the 24th of October 2016
By the Forks City Council


Bryon Monohon, Mayor


John Hillcar


Juanita Weissenfels


Bill Brager


Jon Preston


Ken Ayers

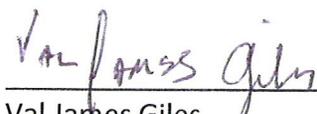
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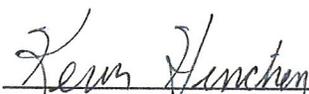

Audrey Grafstrom, Clerk/Treasurer


William R. Fleck, Attorney/Planner

Adopted on the 25th of October 2016
by the QVSD Board of Directors


Bill Rhode, Chair


Val James Giles


Kevin Hinchon


Mike Reaves


Ron Hurn

Authenticated and Attested to:


Diana Reaume, Superintendent

¹ See RCW 79.10.330; JLRC 96-5 at pg. 36; and, PSF at 29
² RCW 79.10.330