

Hold On Timber Sale

January 2026 Update

Prepared by David Galle

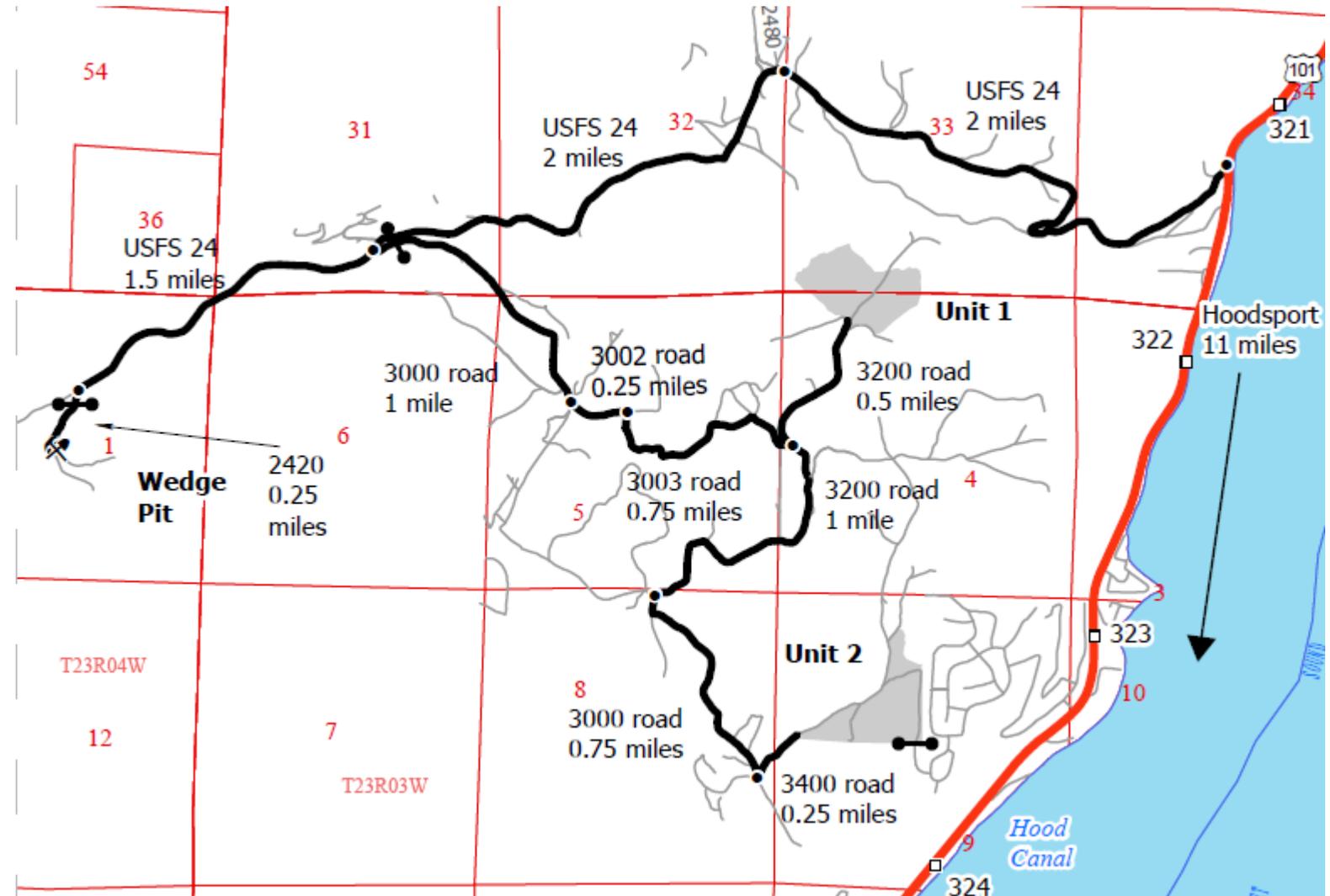
Happy New Year! January 1, 2026, 8:35pm - US 101 mp 319 (Eldon)



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Hold On Timber Sale Vicinity Map



What is WA DNR?

The Washington Department of Natural Resources was created in 1957, consolidating the functions of the Division of Forestry, the Department of Conservation and Development, and the Department of Land. At that time, the legislature also created a State Forest Board consisting of the Commissioner of Public Lands who chairs the Board, the governor (or representative), the State Superintendent of Public Instruction, the Dean of the University of Washington College of Forestry, and the Dean of Agricultural Sciences of Washington State University to set policy at DNR. Later a county commissioner representing the state's 19 timber counties became the 6th member of what is now the Board of Natural Resources (BNR).

(HB 2117 and SB 5838 in the 2026 Legislative session propose adding a 7th member to BNR from one of the 29 US recognized tribes in the state.)

What DNR is not

DNR is not the National Forest Service (US Department of Agriculture).

DNR roads

- *DNR has maintenance responsibility for some 14,000 miles of roads, more miles than WSDOT.*
- *Roads using the US Forest Service numbering system can cross DNR land, but they are DNR roads, and DNR is responsible for maintaining them. (DNR has its own numbering system for smaller roads on DNR land.)*
- *Following the Maple Fire (2018), DNR auctioned the Infrared Salvage Sale on part of their portion of the burned area. Hauling that timber on Forest Service roads required a Road Use Permit from the US Forest Service (ca \$6,000).*
- *Trivia: The Infrared Salvage Sale sold for \$1.8 million on about 180 acres of burned area, or \$10,000 per acre. The minimum bid for the 92 acre Hold On sale is \$323,000, or \$3,511 per acre.*

DNR regions



We are in the South Puget Sound region, headquarters in Enumclaw.

DNR's mission

To manage, sustain, and protect the health and productivity of Washington's lands and waters to meet the needs of present and future generations.

DNR has 1,900 employees, plus 900 seasonal employees (firefighters, etc).

DNR's domain

*Just prior to statehood in 1889, a cash-poor, land-rich federal government provided Washington Territory with more than 3 million acres of land to build schools and other vital public institutions. Free public **education** was seen then, as it is now, as essential to American freedom, prosperity and happiness. Two square miles of every 36-square "township" were given to the young state of Washington to generate revenue for education.*

State lands now total 5.6 million acres of forest, aquatic, range and agricultural lands, and commercial properties, including:

- 2.1 million acres of forestlands*
- 2.6 million acres of aquatic lands – tidelands, navigable lakes, rivers, etc.*
- 900,000 acres of other lands*

Working State Forests in western North America

- *WA – 2.1 million acres*
- *OR – 745,000 acres*
- *CA – 1.6 million acres*
- *ID – 1 million acres*
- *BC – 27 million hectares (63 million acres)**

**(Canada's provinces control their natural resources, not the federal government. British Columbia's provincial forests are divided into 37 Timber Supply Areas. The Sunshine Coast TSA alone is 1.7 million hectares (4.2 million acres), double the total acreage of all DNR-managed forests in WA.)*

DNR's mandate (a partial list)

- *To act in the best interests of the Trusts, and to protect the corpus of the Trusts for future generations.*
- *To generate income for the Trusts.*
- *To adopt forest practices that will ensure sustainable timber harvests and revenue in perpetuity.*
- *To maintain and improve forest and ecosystem health on all state lands.*
- *To preserve working forests at risk of development.*

What are the Trusts?

- **State Forest Transfer** and Purchase – *626,000 acres*
- Common Public Schools (K-12) – *1,758,000 acres*
- Washington State University – *154,000 acres*
- University of Washington – *87,000 acres*
- **Charitable, Educational, Penal and Reformatory Institutions (CEP&RI)**
(DSHS and Dept of Corrections) – *70,000 acres*
- Normal Schools (Western, Central, Eastern, Evergreen) – *64,000 acres*
- Capitol Campus Buildings – *109,000 acres*
- (and some smaller Trusts)

(Trusts included in the *Hold On* timber sale area in **bold**)

DNR Financial Results FY2016-2024

DNR Revenue 2016-2024 (dollars in thousands)										
		2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Revenue		\$324,007	\$331,014	\$390,360	\$393,809	\$362,770	\$373,543	\$381,463	\$474,312	\$475,643
Timber Sales		\$190,276	\$172,645	\$196,470	\$222,903	\$201,145	\$195,674	\$187,521	\$209,226	\$199,130

The increase in total revenue for 2023 and 2024 is largely due to the creation of the *Wildfire Response, Forest Restoration, and Community Resilience Account*, funded by the legislature in the amounts of \$74.6 million and \$52.2 million respectively, as timber sale revenue has remained relatively flat for the past decade.

(DNR records WRFRCRA funding as revenue, which will continue at \$125 million per biennium through FY2030.)

Revenue Sources for WA Trust Lands

- Timber sales – 2,100,000 acres of forests
- Commercial property – 1,000 acres (35 leases)
- Agricultural land – 200,000 acres (705 leases)
- Grazing leases – 600,000 acres
- Renewable energy (solar, wind, geothermal) (21 leases, 5 in pre-production)
- Communications sites (100 acres, 101 leased sites, 365 leases)
- Aquatic area leases
- Mining and minerals (5,800 acres, 21 leases)
- Right of way leases
- Specialized products, other resources, etc (530,000 acres)

Trust Revenue Distribution FY 2024

- Common Schools: 46.5%
- Capitol Campus Buildings: 7.9%
- Normal Schools: 4.8%
- CEP&RI: 3.9%
- WSU: 3.3%
- UW: 2.6%
- Total: 69% of revenue to Trusts
- (31% to RMCA as management fee)

Where will the Hold On timber sale revenue go?

- 1) 66% - CEP&RI Trust
(Beneficiaries - DSHS and Department of Corrections)
(31% to RMCA as management fee)
- 2) 34% - State Forest Transfer Trust
(Beneficiaries - Mason County's Junior Taxing Districts)
(25% to FDA as management fee)

(SFT land comprises 25% of the Hold On sale area (about 50% of the area of Unit 1), indicating higher value timber there.)

Resource Management Cost Account (RMCA)

*The Resource Management Cost Account funds DNR's Land Management activities on state grant lands. DNR deposits a portion of the revenue it generates from these lands into the account, and **the Legislature appropriates funds from the account to DNR for expenditures.** The RMCA can be used only for land management expenses (e.g., reforestation, preparing timber sales, or managing aquatic leases) that support federally granted state lands.*

Forest Development Account (FDA)

*By law, revenue from State Forest Lands (formerly known as Forest Board Lands) goes to the county in which the land is located, the state general fund for the support of Common Schools, and to the FDA to fund DNR's management of the lands. **Expenditures are appropriated by the Legislature** and are ongoing investments to keep the lands productive and to generate future revenue.*

Revenue to Counties from State Forest Transfer and Purchase Lands

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Mason County	\$3,621,960	\$2,810,189	\$6,970,807	\$4,512,364	\$2,476,195	\$6,375,460	\$2,986,765	\$1,153,030	\$2,239,895	\$2,999,589

The revenue from *Hold On* Unit 1 is about 67% State Forest Transfer Trust and 33% CEP&RI Trust. All revenue from Unit 2 is CEP&RI Trust.

Income from State Forest lands is distributed to the 19 timber counties in which the lands are located, the state General Fund for the support of common schools, and the Forest Development Account (FDA) for DNR's land management expenses on these lands. There are two categories of State Forest Lands: Transfer lands and Purchase lands.

Revenue to Counties from State Forest Transfer and Purchase Lands (continued)

***Transfer lands** (about 620,000 acres) were forfeited to the counties in which they were located when the private landowners failed to pay property taxes, primarily in the 1920s and 1930s. The counties turned the lands over to the state. **DNR now manages these lands and distributes at least 75 percent of the income to the counties and up to 25 percent of the income to the Forest Development Account [FDA].** (About 50% of Hold On Unit 1 is SFT land.)*

***Purchase lands** were given to the state or purchased by the state at low cost (as little as 50 cents/acre). State-issued bonds were used to acquire certain parcels from private owners. Typically, these forest lands had been severely logged and were in need of active management. **Allocation of revenue from these lands was determined when purchase was authorized, as follows: 26.5% to the county in which the property is located; 50% to DNR for management expenses [FDA]; and the remaining 23.5% to the State General Fund [to support education].** (No SFP land is in the Hold On sale.)*

Hold On Revenue Distribution from SFT Trust

Taxing District	Total to Fund
• State School Part 1 and 2	\$ 38,600
• County	\$ 12,100
• Road District	\$ 14,000
• Public Hospital District #1	\$ 3,500
• Timberland Library	\$ 3,700
• School District # 404 - Hood Canal	\$ 11,500
Total:	\$ 83,400 <i>(based on a \$323,000 minimum bid)</i>
FDA:	\$ 24,300 (“)
Revenue Distribution: FDA (up to 25%), Mason County (at least 75%)	

DNR RMCA and FDA fees cover:

- 1) Initial planning and layout of timber sales
- 2) Land surveying, securing easements and road use permits as necessary
- 3) Cruising (appraisal of timber value)
- 4) Geological analysis for possible unstable slopes and other hazards
- 5) Biological survey for possible presence of old growth and threatened/endangered species
- 6) Hydrologic analysis for presence of wetlands and related features
- 7) Survey for possible cultural resources
- 8) Planning and engineering of road work
- 9) Silviculturalist to prescribe ground prep, replanting, thinning, vegetation management
- 10) SEPA process and documentation
- 11) Conducting auctions, handling all related documentation and transfers of funds
- 12) Public outreach, etc

Hold On Vicinity Map

Harvest data:

2 Variable Retention Harvest units
(leaving at least 8 trees/acre)

Unit 1 – 47 acres, Unit 2 – 44 acres

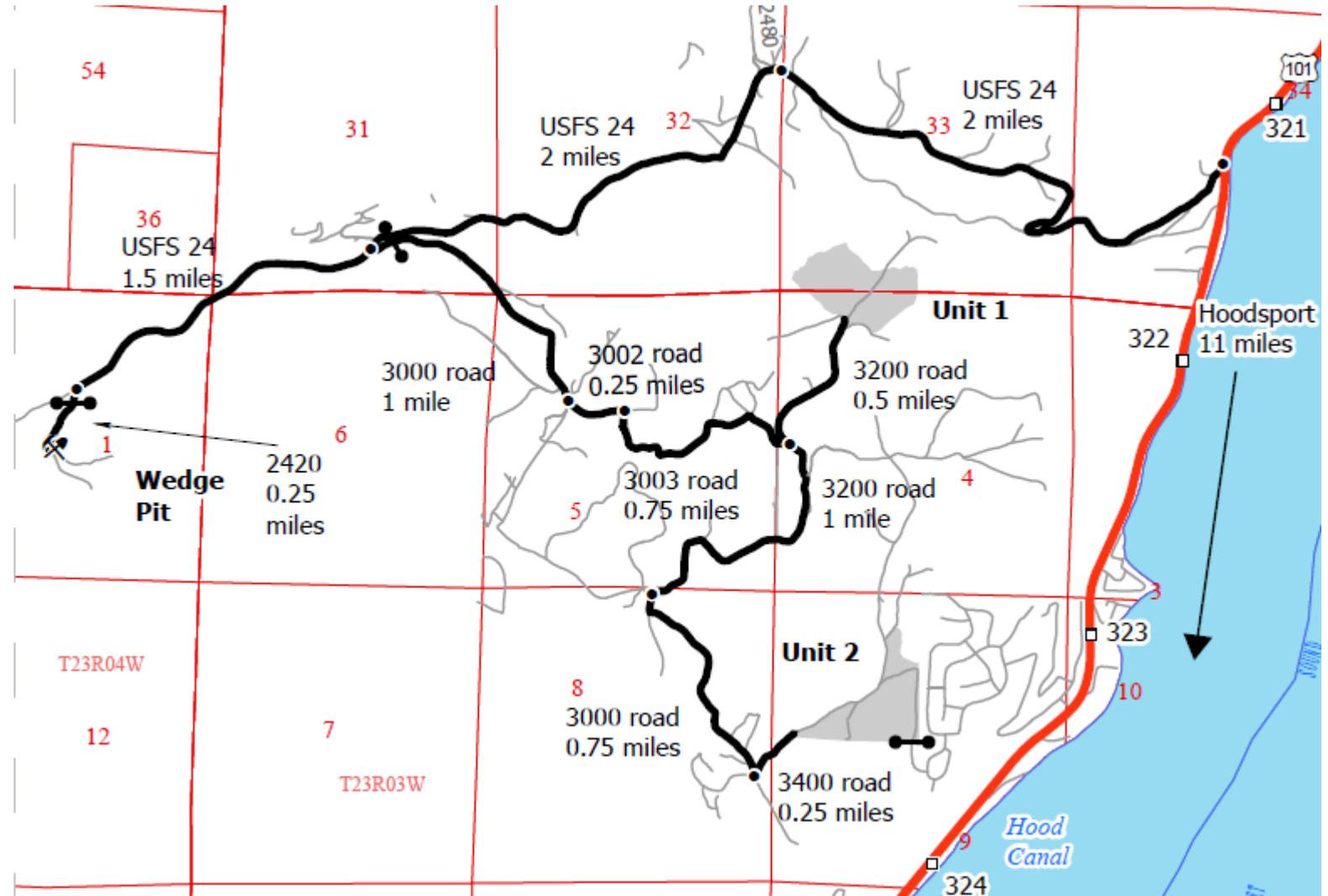
5 right-of-way units (1 acre (net))

Original planned area: 157 acres

Final harvest area: 92 acres

Conserved area: 61 acres

Percent conserved: 39%

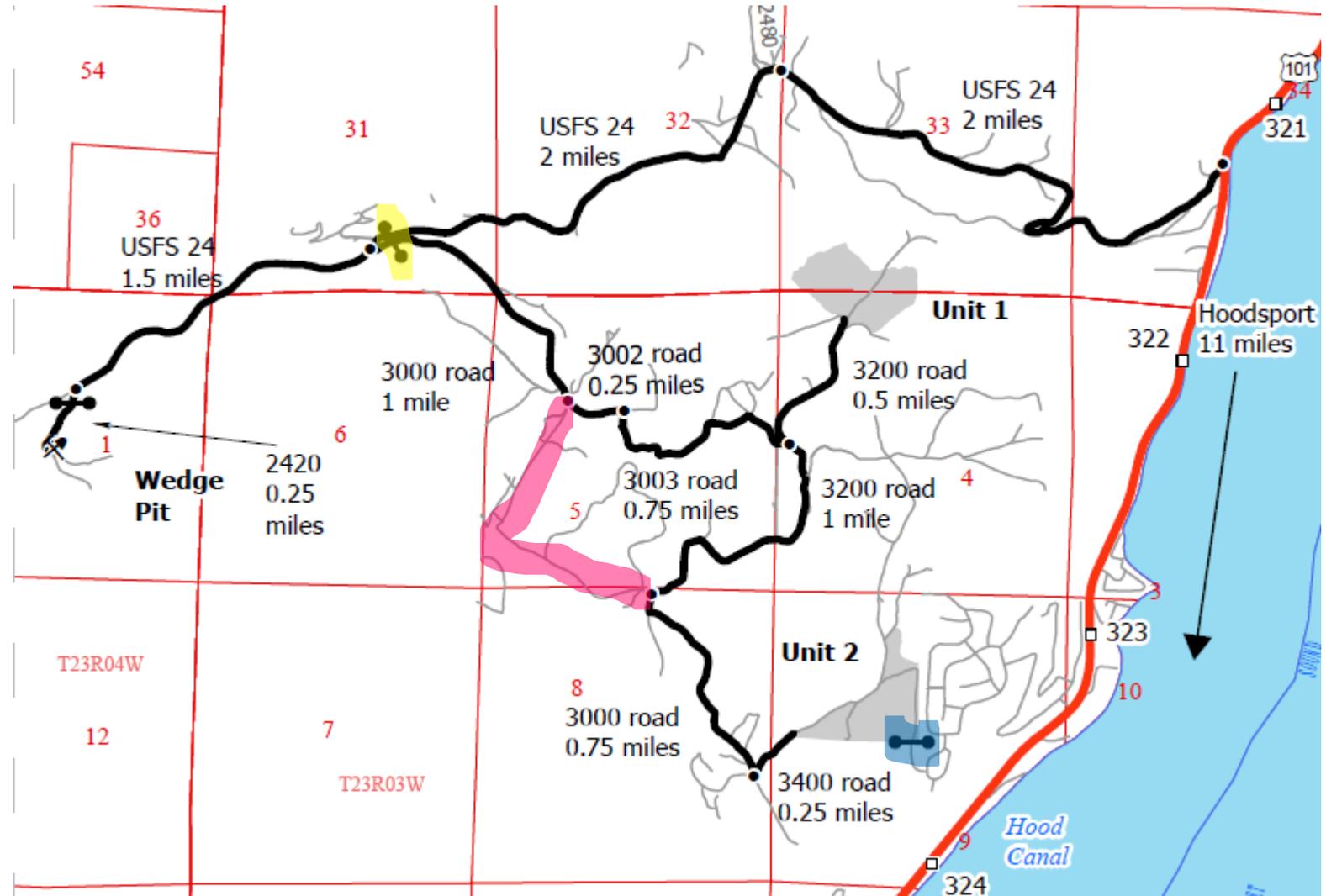


Hold On Vicinity Map – abandoned road segment

Heavy black line indicates timber haul route and wedge pit access

Gates indicated by yellow and blue bars

Red line indicates portion of current access route to be abandoned



Why is this route change happening?

- Abandons an existing road segment that crosses a wetland
- Allows removal of a culvert on the abandoned segment that could be a barrier to fish migration, in response to a court order that such culverts be removed

Impacts of access route change

- New route from the Colony Surf blue gate to the USFS 24 Road will be approx 1 mile longer (5 miles total distance vs the current 4 miles) and less direct.
- Approx 1 mile of the existing route crossing Hama Hama property will be abandoned.
- Approx 1/2 mile of the new route will cross Hama Hama property.

How will Unit 1 and Unit 2 be replanted?

- 270 Douglas-fir stems per acre



- 90 Western redcedar stems per acre

(360 total stems/acre, 121 sq ft/stem)

(12 foot diameter circles)



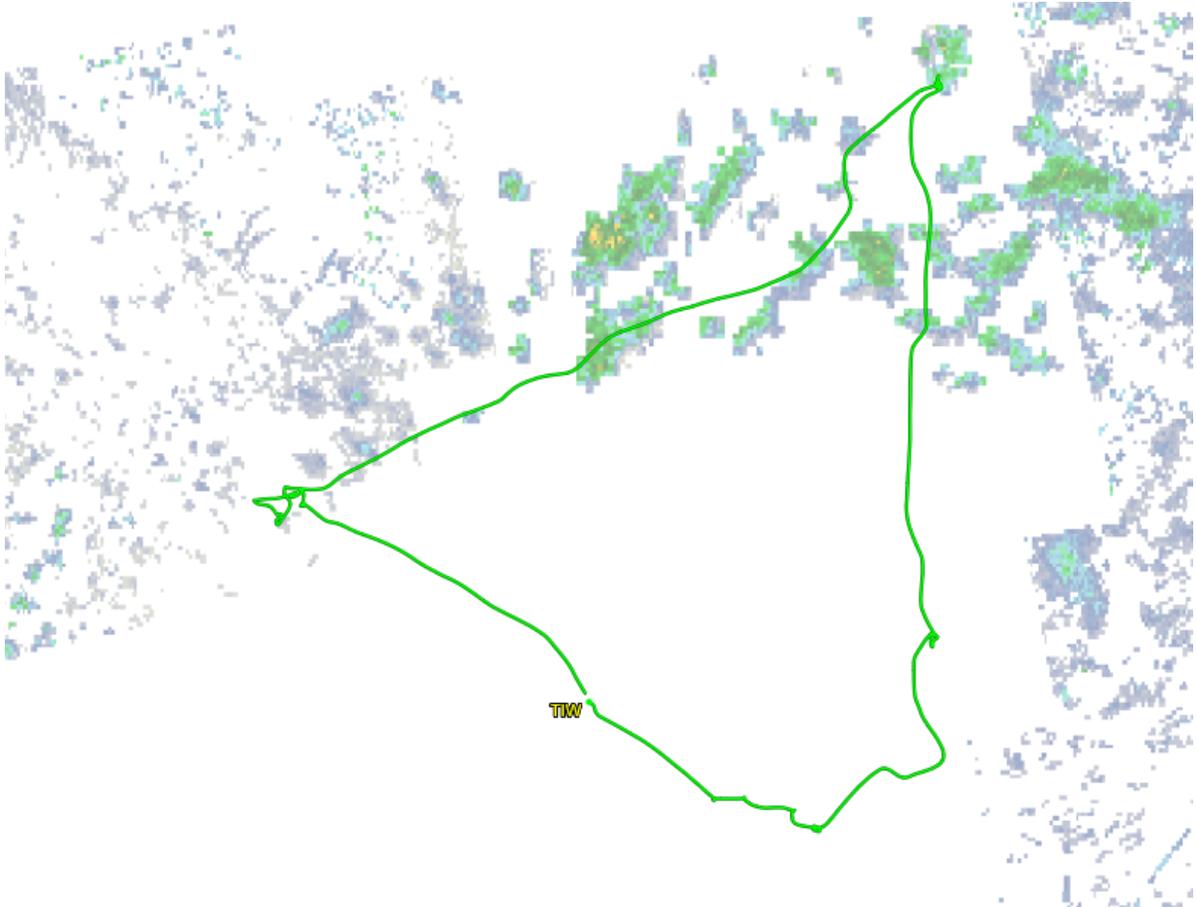
Recent Developments

- January 2025 – DNR paused 23 timber sales, including *Hold On* (previously scheduled to go to auction in April 2025), to reevaluate them for possible long-term deferral from harvest due to older trees being present. (Only Unit 1 of *Hold On* was reevaluated, since there are no older trees in Unit 2, though deferral of Unit 1 would have further delayed and possibly canceled the sale.)
- October 2025 – Reevaluation complete, *Hold On* released to go to auction.
- December 2025 – At the regular monthly BNR meeting, one member of the Board made a motion to remove *Hold On* from the January 2026 auction packet on the agenda, due to the older trees in Unit 1. The motion died for lack of a second. The entire auction packet was subsequently approved.

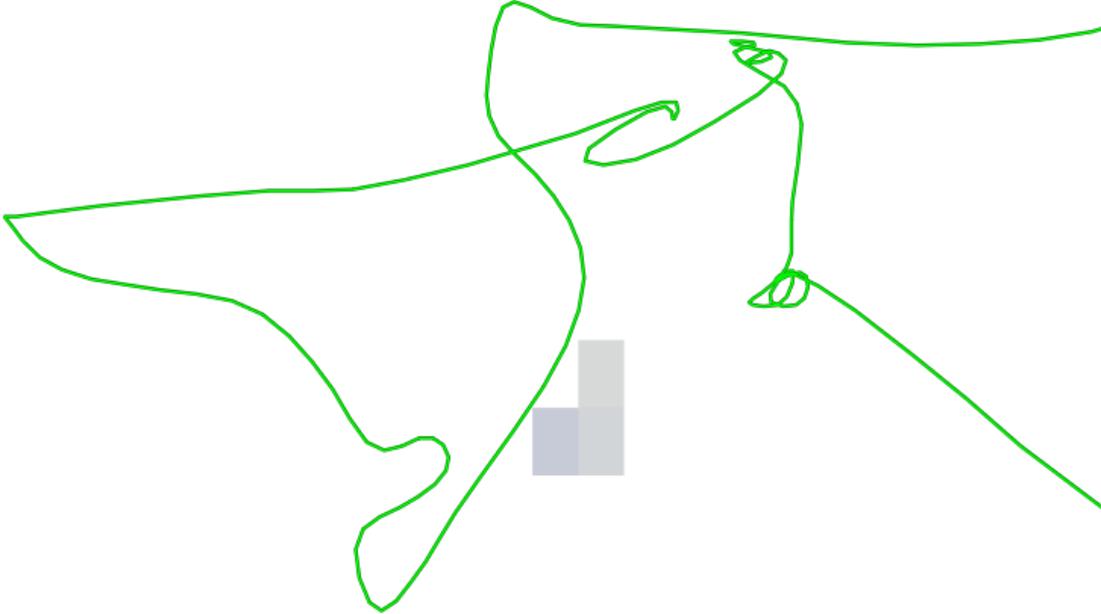
Next steps

- Auction scheduled for 10am January 27, 2026 in Enumclaw.
- No seasonal restrictions, so activity could start as early as February 2026.
- The successful bidder will probably start with road construction to access Unit 1, and then perform required (and possibly optional) pre-haul road maintenance necessary to haul timber from Unit 1.
- Unit 1 will probably be harvested before starting road work on the haul route to Unit 2, due to the lower timber value in Unit 2.
- Once the additional required (and possibly optional) road maintenance to Unit 2 is completed, Unit 2 will be harvested.
- All *Hold On* harvests must be completed by November 30, 2027.

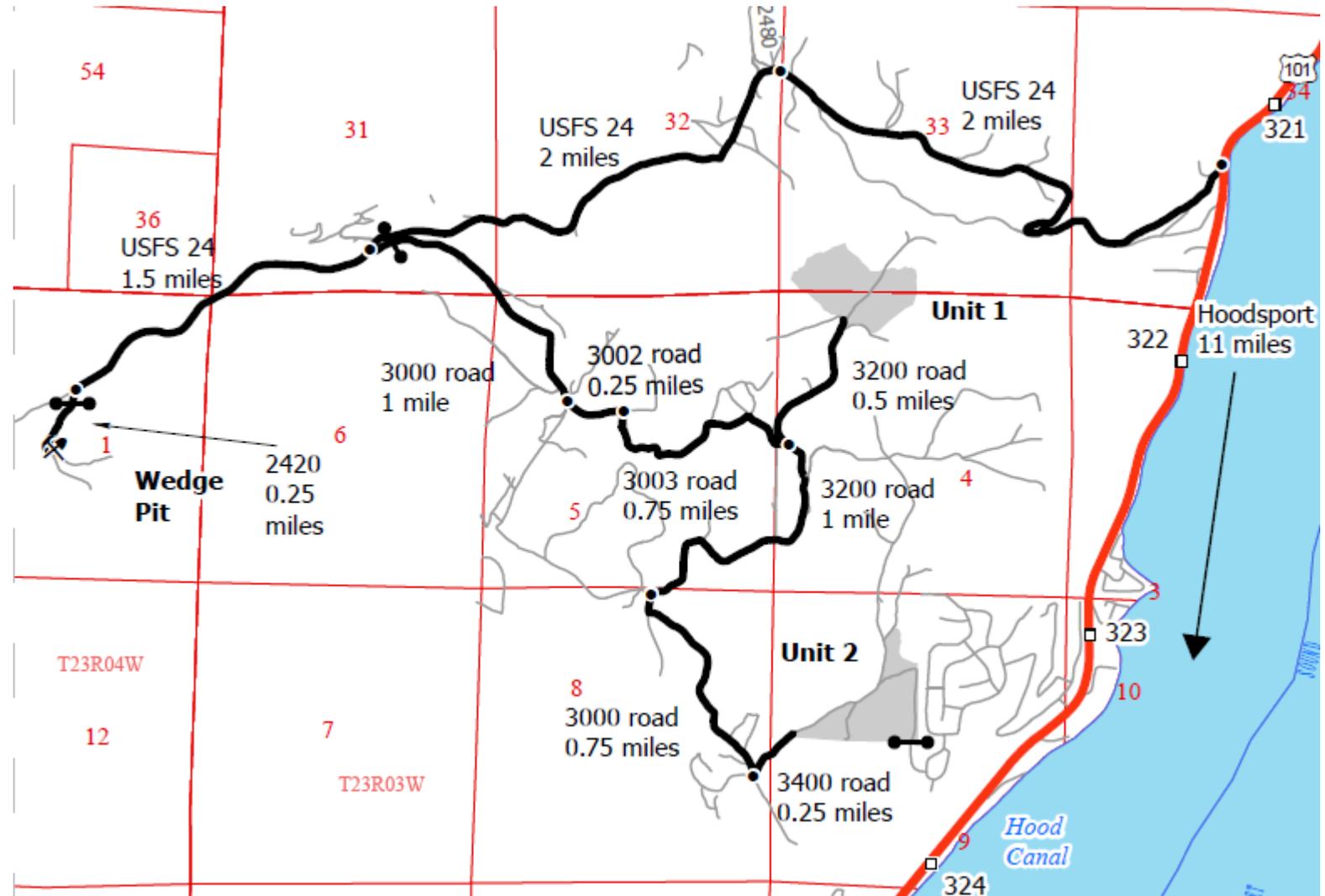
Erickson Logging Co 1-5-2026



Erickson Logging Co 1-5-2026 zoom



Hold On Timber Sale Vicinity Map



A final thought ...

December 2025 timber sales				
sale	harvest acres	minimum bid	value/acre	
rocky road	124	\$854,000	\$6,887	
copper head	99	\$1,218,000	\$12,303	
dendrophobia	38	\$867,000	\$22,816	
hold on	92	\$323,000	\$3,511	
tuckered out	54	\$1,027,000	\$19,019	
beets	72	\$770,000	\$10,694	
flea flicker	145	\$985,000	\$6,793	
hamski	106	\$655,000	\$6,179	
January 2026 timber sales				
spruce almighty	192	\$921,000	\$4,797 (includes thinning - tonnage)	
lost glove	155	\$842,000	\$5,432 (64% white woods)	
closer	177	\$2,348,000	\$13,266	
leggo my loggo	120	\$922,000	\$7,683	
hope fire salvage	126	\$640,000	\$5,079 (Stevens County - tonnage)	
ghost	142	\$2,482,000	\$17,479	

Questions?