

KRRC

Public Records Requests

Commissioner Brown's

File

In accordance with RCW 42.56.210 Personal Records Exemption (Personal addresses, phone numbers, email addresses, etc.) have been redacted from the attached record.



# KITSAP COUNTY BOARD OF COMMISSIONERS

*Efficient, accessible and effective county services*

March 18, 2009

Steve Bauer  
DISTRICT 1

Subject: March 18<sup>th</sup> DNR Public Hearing  
Proposed Land Exchange between DNR & Kitsap County

Charlotte Garrido  
DISTRICT 2

Josh Brown  
DISTRICT 3

Comments to be included in the public record:

In a letter to the Department of Natural Resources dated September 19<sup>th</sup>, 2003, the Kitsap County Board of Commissioners discussed their strong interest in pursuing a long-range strategy to establish a heritage park in Central Kitsap. These parcels are the subject of the public hearing this evening. I have attached this letter to be included in this public record.

Nancy Buonanno  
Grennan  
County Administrator

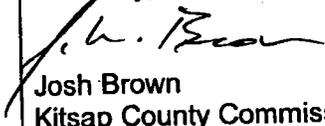
At the time of this letter, the Kitsap County Commissioners were briefed on a grant proposal submitted to the Interagency Committee for Outdoor Recreation (IAC) by the Kitsap Rifle & Revolver Club (KRRC). IAC had requested and was granted assurance by the Kitsap County Board of Commissioners that the Club and its improvements were not at odds with the County's long-term interest in the property, and would not jeopardize future planning efforts. This conclusion has not changed.

For over 80 years, the Kitsap Rifle & Revolver Club has provided a much needed amenity in Central Kitsap. The land swap currently being discussed provides both DNR and Kitsap County the opportunity to consolidate parcels for mutual benefits. This afternoon, I met with several members of the Kitsap Rifle & Revolver Club, including Executive Officer Marcus Carter. The KRRC presented me with a proposal that detailed Club concerns and sought to alleviate uncertainties surrounding this land exchange.

In the spirit of partnership, I committed to the Club members that I would recommend to the Kitsap County Board of Commissioners an extension of KRRC lease to a 15-year term between the Club and Kitsap County. This new lease would not possess a "Non-Default Termination" clause found in Section 4.03 of the current agreement. After the anticipated land exchange has been completed, Kitsap County would enter into a long-range public planning process for the Newberry Hill Heritage Park. I expect this planning process will recognize the lease and presence of the KRRC.

I will brief the County Commissioners at our next public meeting on my recommendations and look forward working with KRRC on this partnership.

Sincerely,



Josh Brown  
Kitsap County Commissioner



# KITSAP COUNTY BOARD OF COMMISSIONERS

Chris Endresen  
DISTRICT 1

September 19, 2003

Jan Angel  
DISTRICT 2

Patty Lent  
DISTRICT 3

Mr. Doug McClelland  
Department of Natural Resources  
950 Furman Avenue North  
Enumclaw, WA 98022

**RECEIVED**  
MAY 12 2005

KITSAP COUNTY DEPT OF  
COMMUNITY DEVELOPMENT

Malcolm Fleming  
County Administrator

Dear Doug,

As you know, Kitsap County has a strong interest in working with your agency on a long-range strategy for establishing a regional heritage park in Central Kitsap on DNR property that includes a 72-acre site currently being leased to the Kitsap Rifle and Revolver Club.

The Board of Commissioners was recently briefed on a grant proposal the Club has submitted to the Interagency Committee for Outdoor Recreation (IAC) to re-align their existing shooting facilities. We understand that IAC has requested assurance that the Club will be able to continue using the property for at least ten years after the grant-funded improvements have been completed.

After discussing the Club's proposal with staff, the Board is confident that the proposed improvements are not at odds with the County's long-term interest in the property, and will not jeopardize our future planning efforts. In addition, the Board and staff appreciate the Kitsap Rifle and Revolver Club's ongoing efforts to provide outdoor recreational opportunities for the residents of Kitsap County, and we look forward to working with Club representatives and other members of the community in developing future plans for a heritage park in Central Kitsap.

Sincerely,

Handwritten signature of Jan Angel in cursive.

Jan Angel, Chair

Handwritten signature of Chris Endresen in cursive.

Chris Endresen, Commissioner

Handwritten signature of Patty Lent in cursive.

Patty Lent, Commissioner

CC: Kitsap Rifle and Revolver Club

614 Division Street, MS-4 • Port Orchard, Washington 98366-4676 • (360) 337-7146 • FAX (360) 337-4632  
From: Olalla (253) 851-4147 • Bainbridge Island (206) 842-2061  
[www.kitsapgov.com](http://www.kitsapgov.com)



TO: KITSAP COUNTY COMMISSIONER JOSH BROWN  
KITSAP COUNTY PARKS AND RECREATION

FROM: The Executive Committee of the KITSAP RIFLE & REVOLVER CLUB

RE: URGENT TIME SENSITIVE PROPOSAL TO CONTRACT FOR LEASE/  
PURCHASE SITE/ACREAGE

DATE: March 18, 2009

### INTRODUCTION

Kitsap Rifle and Revolver Club (KRRC) operates a gun club and a series of firing ranges located at 4900 Seabeck Highway, Bremerton, Kitsap County, Washington, on land that is currently leased from the Department of Natural Resources of the State of Washington (DNR). Although the gun club has a long history of operating in its current location, it has never been able to purchase the property where it is located because of certain covenants relating to the fact that the property has been part of the School Trust Lands. Very recently, KRRC was informed that the DNR was in the process of conducting a land exchange with Kitsap County which involved the KRRC's leased property. When the land exchange is completed, it is understood that KRRC's leased lands will become the property of Kitsap County Parks and Recreation. When the leased land becomes Kitsap County land, no longer School Trust Land, sale of the land to KRRC becomes possible. For the reasons set forth below, it is in the best interests of the Kitsap County community that the sale of the land to KRRC be considered and approved.

### CURRENT FACILITY

The Kitsap Rifle and Revolver Club was formally organized on November 11, 1926 to provide a safe environment for the shooting. KRRC offers a wide variety of activities for the community. The Club is a 501 (c) 7 non-profit organization dedicated to advancing the shooting sports as well as the necessary knowledge to safely and proficiently handle firearms in times of personal, community, state and national defense.

Our ranges currently sit on 72 acres of land leased from the Washington State Department of Natural Resources (DNR). It features lighted, covered pistol lines and rifle lines, and a number of 180, 270, and 360 degree shooting bays which can be configured for a variety of purposes.

As currently configured, the facility currently serves many segments of the Kitsap County community, including: (a) annually 1200 active members; (b) over 10,000

individual guests and visitors. KRRC also supports training for the U.S. Military, Homeland Security, Kitsap County Sheriff's Office, and local police departments. Group trainings for governmental groups are a significant part of KRRC activities. Many of our members, officers and instructors are veterans of the Army, Marines, Navy, Air Force and Coast Guard. KRRC maintains certification as a military small-arms training range. Homeland Security starts at home and Kitsap County, being a naval town, has a long, rich heritage of supporting all aspects of Navy life from firearms training for family members to supplemental qualification training. Equally important are our group classes, a portion of which include: Personal Protection I & II, Hunter Education, and Range Officer Training, and individual training. Safety and responsibility are the primary themes of all of our classes.

The Kitsap Rifle and Revolver Club features a variety of competitive events on a weekly, monthly and annual basis. Some of the regular events we host include: (a) USPSA (United States Practical Shooting Association) pistol shooting tournaments; (b) Fun Steel (entry level handgun matches); (c) Bullseye (one-handed test of pistol marksmanship); Annual Courage Classic Charity Match (two-day, 3 gun match with law enforcement, civilian and military teams); (d) GSSF (Glock Shooting Sports Foundation), Northwestern Regional competition; (e) High Power Service Rifle; (f) Junior Small Bore (Olympic style and NCAA college-level style shooting), to just name a few.

KRRC is supported in the local community. The vast majority of KRRC's neighbors (adjacent property owners) even if they are not actual members of the club do support the club. For example, one of our neighbors recently called to tell us that he was very upset when someone representing themselves as being with the KC Parks told him that "the gun club is going to be shutdown." He called to warn us about the threat to our lease. Neighbors support the club because it is responsibly operated: (a) KRRC has reasonable hours that minimize the impact of noise in the community; (b) KRRC has an effective noise control system and is constantly striving to improve sound abatement; (c) KRRC has an active recycling and environmental stewardship program; (d) Safety is always of the highest priority at the Kitsap Rifle and Revolver Club. Each member must attend a five-hour club orientation and range safety briefing before being given access to the gate and the ability to shoot at the range self-supervised. Members of the public are given a fundamental safety briefing and are supervised by trained Range Officers when shooting at the Range.

KRRC has prepared a business plan with an eye to the future. The future business plan focuses on meeting the increased needs of the Kitsap County community to provide training opportunities for organizations that have requested additional services. For example, KRRC has been experiencing a marked increase in the number of public and private entities inquiring about range time. In addition, KRRC plans to develop a facility that will attract people from outside of the county, bringing dollars to be spent in Kitsap County. For example, one of the activities KRRC currently engages in has been looking for a facility to permanently host a national championship match. This one event will draw at least 500 competitors, many with families in tow; and with a contract from the Outdoor Life Network to televise these matches, Kitsap County would be televised

throughout North America. These folks would fill hotel and motel rooms, restaurant seats, for nearly a week--and this is just one event! This is a realistic plan for KRRC and a number of our members have achieved national and international recognition for event support and participation.

### **THREATS TO THE CURRENT LEASE**

Information that has recently come to the attention of KRRC which implies that its current lease is threatened. KRRC has been informed of illegal acts committed by other groups which appear to have been utilized to cast a bad light on KRRC. One group posted "no horseback riding" signs illegally on DNR land near KRRC leased land; this act may have had the effect of creating the impression that KRRC was not friendly to horseback riding. Most recently, a member of another group participated in an illegal trail construction on DNR land and KRRC leased land; that person represented themselves to representing Kitsap County Parks stated to KRRC members that KRRC "needs to move." KRRC believes that these other groups, because of their own self-interests, have painted a one-sided picture of KRRC. KRRC has not been given a fair opportunity to respond in order to correct and complete the record.

The threats made to the current KRRC lease only exacerbate existing concerns:

- (a) although shooting sports have a place on the national and international scene based on various types of shooting competitions(as shooting sports are in the Olympics), more recently the Parks and Recreation department of Kitsap County has failed to recognize the shooting sports as legitimate forms of recreation;
- (b) changes in personnel at the County and State level will change how KRRC is viewed (one administration may support KRRC while another might not even be aware of our existence);
- (c) Kitsap County Parks has refused to recognize KRRC's issues in any meaningful manner, despite the fact that there are more than a dozen specific shooting sports currently pursued in Kitsap County, with the most popular activity being general target practice;
- (d) No public park facility has made any current or future provisions for adequate facilities for sport shooting, even though a significant number of people in the county own guns of various types and need a place to practice;
- (e) The building of new or additional shooting ranges in nearby counties are losing battles, creating a greater need for this type of facility in the region;
- (f) If there is no safe place available for the general public to practice shooting, KRRC believes that people will resort to less safe alternatives such as any open field, which is obviously undesirable.

### **GOALS AND BENEFITS OF THIS PROPOSAL**

A sale of the leased acreage to KRRC is a "win-win" for all parties:

- (a) For KRRC, the purchase eliminates the threat to permanence, which will motivate KRRC to complete its plans for a world-class recreational and training facility (without permanence assured, KRRC cannot justify the cost of permanent buildings or other large monetary investments to improve the property);
- (b) KRRC will contribute private funds to Kitsap County by purchasing the property, and keep the property on the tax roles, which funds can be utilized to develop other areas in the community;
- (c) KRRC will privately fund a world-class training facility that will attract visitors as a source of income to Kitsap and provide the Kitsap County Sheriff's Office with the opportunity for the first time to have a home without the expenses associated with construction and maintenance;
- (d) KRRC will privately support all our military and law enforcement agencies by providing convenient training facilities;
- (e) Kitsap County will receive the benefit that necessary buffer acreage will contribute to the County's rural plan;
- (f) A significant sporting activity for Kitsap County residents will have a reasonable share of the resources in Kitsap;
- (g) Safety considerations regarding firearms will be professionally handled;
- (h) KRRC will take on the responsibility for maintaining the land in rural condition;
- (i) KRRC will relieve Kitsap County of liability for these lands.

### **PROPOSAL**

In order to achieve the goals and ensure the support of our members and supporters for the land transfer, Kitsap County (Parks) and KRRC must enter into a written agreement where Kitsap County will extend to KRRC a 15-year lease based principally upon the terms of the current KRRC lease with DNR, and specifically excluding the higher and better use termination clause, with KRRC having at anytime during the lease period the sole and exclusive option to purchase 130 acres of land at our current location at the cost of \$2,000 per acre. All monies paid under the lease agreement is to be applied to the purchase price of the property. This agreement must be executed by the parties by April 1, 2009.

This proposal is the best option because it provides the means to achieve all goals stated above with the added benefit to the County of providing additional private funds to supplement the exchange and/or to develop the lands to be received.

### **CONCLUSION**

KRRC expects to get community support for this proposal because of the important functions this facility serves. Our members, guests, family and friends are prepared to vocally support this win-win proposal for all involved. KRRC respectfully encourages Kitsap County to strongly consider and finalize this proposal by the end of March 2009 in order to garner enthusiastic support from our base and supporters. Short of a signed agreement, the KRRC Executive Committee cannot recommend support for the land transfer.

Sincerely and on behalf of the members of Kitsap Rifle & Revolver Club  
The Executive Committee,

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Brad Smith – President

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Travis Foreman – Vice President

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Sharon Carter – Treasurer

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April Borbon – Secretary

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Marcus Carter – Executive Officer

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Ken Roberts – Trustee

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Andrew Casella – Trustee

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John Davidson - Trustee

## MEMO

From: Chip Faver, Kitsap County Parks & Recreation Director  
To: Kaleen Cottingham, Recreation and Conservation Office (RCO) Director  
Re: Conversion Request advice for Central Kitsap Greenway, RCO #04-1457A  
June 22, 2008

This memo is being written to try to describe a long and complicated set of issues on properties which involve RCO. The critical question for which the County needs a response from RCO is in the final paragraph of this treatise. We need an answer to that question in order to determine how to proceed with what I am sure you will agree is an exciting project - one which will result in the protection of a key large property which will provide critical wildlife habitat and contribute to creating a clear boundary to urban growth in Central Kitsap County.

### **Background**

In 2004 Port Blakely Tree Farms placed two large properties they owned in West Central Kitsap County up for sale through a closed bid auction. One of the Port Blakely Tree Farm properties, known as Port Blakely Tree Farm Kitsap County, Tract 1 (CK Greenway), is a 623 acre property lying east of Wildcat Lake. It extends from the northeastern slopes of Green Mountain on the South to Department of Natural Resources managed Newberry Hill property on the north. Chico Creek, Kitsap County's most productive salmon stream, traverses the property. The property is also a key link in a north-south terrestrial wildlife corridor identified in WDFW studies of the County.

A number of public and non-profit entities, including Kitsap County, the Washington State Department of Natural Resources (DNR), the Washington State Department of Fish and Wildlife (WDFW), the Great Peninsula Conservancy and the Mountaineers Foundation had been cooperating over a number of years to identify and preserve key open space lands in West Central Kitsap County. The CK Greenway property was viewed by those agencies and organizations as a regionally critical parcel for habitat and open space preservation purposes. As none of the parties had sufficient funds to acquire the entire property, they deemed the property important enough to work cooperatively to acquire.

Kitsap County submitted a bid for the property after coming to agreement on a strategy which involved financial participation by several of the parties listed above. The Mountaineers and the Great Peninsula Conservancy agreed to contribute cash toward the acquisition. It was agreed that the County would apply to the Washington State Recreation and Conservation Office (RCO) for a Washington Recreation and Wildlife Program (WWRP) for a grant to help reimburse a portion of the acquisition costs for part of the property, so the County requested and received a waiver of retroactivity, enabling future grant applications. It was also agreed that the DNR and the County would exchange the southern portion of the CK Greenway property, which lay on Green

Mountain and is surrounded by DNR lands for 500 acres at Newberry Hill, which are contiguous to and north of the CK Greenway property.

### **Newberry Hill Land Exchange**

Kitsap County has long identified these Newberry Hill DNR lands as the site for a regional "Heritage" park to serve Central Kitsap County. Originally, Newberry Hill was approximately 1,000 acres of lands managed by DNR. Approximately 500 acres of that land is School Trust land (Trust lands), managed by DNR for the Common Schools of the State. The remaining approximately 500 acres of State managed lands at Newberry Hill was State Forest Board-Transfer Land (Forest Board lands). These are lands which were deeded by the County to the State many years ago, and which the State manages in the interest of various taxing authorities within the County. State law provides a mechanism wherein the County can request that those lands be reconveyed by DNR to Kitsap County for use for recreational purposes. Kitsap County had identified the DNR Newberry Hill property as a regional park site in officially adopted Kitsap County Park, Recreation and Open Space Plans since at least 1994. In the early 1990's 255 acres of the Forest Board-Reserve lands were reconveyed to Kitsap County. When the Port Blakely land became available, the agreement between the DNR and County was that the County would trade that portion of the CK Greenway property on Green Mountain to DNR for the Trust land portion of the Newberry Hill lands, and that DNR would simultaneously reconvey the remaining approximately 250 acres of Forest Board lands to Kitsap County. This is consistent with DNR management plans, in that they are attempting to consolidate their ownership into larger, more easily managed blocks of land. Green Mountain is one of those blocks in Kitsap County and, at 1,000 acres, the Newberry Hill property is relatively small.

When considering the trade, it was recognized that the Trust lands at Newberry Hill would likely have a lower per acre value than the CK Greenway lands, as a significant percentage of those Trust lands were wetlands with lower market and timber production values, so only a portion of the CK Greenway property would be traded. Another property owned by Kitsap County and located on Green Mountain was identified as potential property to be included in the trade for the Newberry Hill DNR School Trust lands. The grant application was submitted based upon the assumption that that additional land would be included in the trade for the DNR Newberry Hill land, and the area of the property to be included in the grant was estimated accordingly. It was subsequently determined that the additional property was not available for trade to the DNR, as it is an active rock quarry, used by the County for road projects.

The trade with DNR is currently on hold until Kitsap County can identify lands to be included in that trade which are likely equal in value to the DNR Newberry Hill Trust lands. This project is a priority for DNR. Staff has been assigned, and they are ready to proceed with the property exchange and reconveyance processes as soon as Kitsap County has lands identified for the exchange which meet DNR's needs and which have estimated value equal to the 500 acre Newberry Hill Trust land property's estimated value.

## **RCO Grant Status**

In 2004 Kitsap County applied for and secured a WWRP Urban Wildlife Habitat Grant as reimbursement for the acquisition of the northern 340 acres of the CK Greenway lands (RCO #04-1457A). Appraisals were done of that 340 acre portion of the larger 623 acre property. Those appraisals showed a greater value than was estimated when the grant was submitted. Based on the newly determined appraised value, the County requested that the grant contract be amended to reduce the land acquired through the grant from 340 acres down to 304 acres, as that land area value matches the dollar amount of the grant. The reason for this was to maximize the land the County would have to trade for the DNR Newberry Hill Trust lands, which are north of and contiguous to the CK Greenway lands. The County land outside the grant-encumbered property (and available for trade with DNR) will total approximately 319 acres with the grant amendment. That grant amendment was approved by RCO.

Prior to the grant amendment request, Kitsap County had completed, filed and sent to RCO a deed of right in favor of RCO for the original 340 grant area, meeting the final requirement to complete the RCO grant requirements. While RCO staff believed that legal description in the deed of right incorrectly described the entire 623 acre CK Greenway property, the legal has been double checked by Kitsap County staff, and has been determined to be the accurate description for the 340 acres included in the original grant application. The grant application is currently outstanding, as a new deed of right, reflecting the reduced 304 acre area needs to be submitted to RCO. Kitsap County has had a boundary line adjustment prepared to define the boundary of the 304 acre grant area. In order to complete the grant requirements, the County must: (1) adopt and file the boundary line adjustment; (2) prepare, adopt, record and submit to RCO a deed of right reflecting the amended 304 acre grant area. This process will likely take a month to complete.

## **Conversion Request**

The solution which seems most appropriate to the County at this time requires the approval of RCO and probably the Recreation and Conservation Funding Board (RCFB). It involves the conversion of a portion of the CK Greenway lands for which the WWRP grant has helped fund – enough of that land to meet the acreage required to match the value of the 500 acre Newberry Hill Trust land parcel. The exact acreage would be determined by appraisals of both the DNR's Newberry Hill Trust lands and the CK Greenway lands. Preliminary discussions have been held with Kammie Bunes about this possibility, and Kammie suggested sending this description of the issues and request for direction from RCO.

## **Alternatives Considered**

Kitsap County looked at a number of alternatives to requesting a conversion of a portion of the lands partially funded with WWRP grant

monies for lands of equivalent value and equal or greater function as wildlife habitat at Newberry Hill. Among those alternatives were:

- Other County-owned lands were evaluated as potential exchange properties. None were found which met DNR's needs, and which were not needed for essential County functions.
- A number of third party trade possibilities were considered. The possibilities for this were limited by the lands which would be acceptable to DNR and County lands which would be available and attractive to the third party. The City of Bremerton and two timberland owners of managed forest lands on Green Mountain were approached. No deals were able to be made.

#### **Justification of Habitat Value of Newberry Hill lands**

The DNR lands on Newberry Hill which would be exchanged for the CK Greenway lands being converted include the headwaters of Chico Creek. There are extensive wetlands, including a number of open water ponds. The CK Greenway property being converted would not include Chico Creek's major tributaries. The conversion would maintain the wildlife corridor, as it would enable the exchange land on Green Mountain for a large block of contiguous land to the north of CK Greenway.

#### **Appraised Values**

Appraisals will be done of both the DNR and Kitsap County lands, and the exchange will be of lands of equal value, as determined by both an appraiser and a review appraiser. The appraisal process will follow DNR's standard procedures for land exchanges, with some notable exceptions. The County and the State will agree on a list of appraisers who will be asked to bid on the job. Kitsap County will pay for the appraisals, and both the County and DNR will rely on the values established by the shared appraisers.

#### **Request for RCO Clarification**

Kitsap County is clear in its intent to acquire the Newberry Hill land now managed by DNR. The County will use that portion of the lands it acquired from Port Blakely Tree Farms unencumbered by RCO deeds of right as a portion of the lands it exchanges. If RCO staff is willing to support a conversion request for additional contiguous lands secured through grant RCO #04-1457A to be used for the exchange for DNR Newberry Hill lands, Kitsap County and RCO can close that grant and proceed with the appraisals, conversion and exchange. If RCO believes the conversion is unlikely to be approved, then the County will prepare a new deed of right, excluding the additional 36 acres, per the contract amendment, and close the grant. The County needs that land to use for the exchange. We will continue our search for a way to complete the exchange. Direction from RCO on this point will enable Kitsap County to proceed with this exciting project.

# LAND TRANSACTION PROSPECTUS

**Project name:**  
**Kitsap County Parks and Recreation Exchange**

**Initiator:** Brad Pruitt, South Puget Sound Region  
**Date:** 09-24-07

**Phone:** (360) 584-5037

This prospectus describes a proposed land transaction. By signing below you acknowledge that 1) you understand the intent of the proposal, 2) you consent to committing staff time and financial resources as needed to investigate the proposal's feasibility, and 3) if the proposal is determined to be feasible, you support bringing the transaction to completion. (note: e-mails stating agreement are acceptable in lieu of signing this form)

## 1. Acknowledged by South Puget Sound Region:

State Lands Asst: Doug McClelland

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Region Manager: Randy Acker

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Comments:

## 2. Acknowledged by Product Sales and Leasing Division:

Asst Div Mgr.: Paul Penhallegon

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

PSL Div. Mgr.: Jed Herman (2-1370)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Comments:

## 3. Acknowledged by Asset Management and Protection Division:

Asst Div Mgr.: Steven Saunders (2-1488)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

AMP Div. Mgr.: Kit Metlen (2-1611)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Comments:

**Distribution:** Executive Director  
Steward

**Region**  
**PSL Division**

**Project Purpose/objective:** SPS Region is proposing an equal value exchange, involving 440+ acres of productive forest resource land owned by Kitsap County, in exchange for 525 acres of Common School trust lands managed by DNR. More Kitsap acreage will need to be brought into the exchange before the transaction will balance. These DNR lands at Newberry Hill, Kitsap County, are considered transition lands being isolated from DNR's long term management

## LAND TRANSACTION PROSPECTUS

blocks, surrounded by rural development, and dominated by wetlands (~250 acres), making them more difficult to manage than lands within DNR's long term management blocks.

**In addition to the land exchange**, Kitsap County has requested re-conveyance (per RCW 79.22.110) of a separate 315 acres that abut the land exchange, and are managed by DNR as Forest Board Transfer trust.

In summary, Kitsap County is interested in acquiring a total of 830 acres from DNR, made up of both Forest Board Transfer and Common School trust lands. The county wants the property to manage as a regional park with ball fields, open space, hiking, habitat, and open space use. The DNR lands will add to the 300 acres of land the county already manages at Newberry Hill, creating a continuous 1,130 acre county park landscape.

- **Parties Involved:** DNR and Kitsap County Facilities, Parks and Recreation Department.  
**Supporting Stakeholders:** Central Kitsap Community Council, Cascade Land Conservancy, Hood Canal Alliance, and Kitsap County. Stakeholder planning is currently underway.
- **County/ description:** All parcels are located in Kitsap County. See attached Map.
- **Size/acres:** - Land Exchange: DNR 525 acres vs. Kitsap Co. 440 acres  
(Parcel list is not complete. Kitsap Co. to provide more parcels for flexibility in balancing the Exchange)  
- Re-conveyance: to Kitsap Co. 315 acres
- **Trusts:** - State Forest Board Transfer, Common School

**How does this transaction further state and region asset strategies?** DNR lands proposed in this transaction are isolated and provide marginal revenue to the trusts. These lands are increasingly difficult to manage for forest resource production and leasing. SPS recommends re-positioning assets into the Green Mt. Block, and remaining consistent with commitments to proceeding with the re-conveyance. Re-conveyance of additional Forest Board lands should be discouraged. When this transaction was first begun in 2006, the department agreed in concept to proceed with the requested county re-conveyance as part of the transaction. The re-conveyance lands are transition lands, costly and difficult to manage, have been targeted by Kitsap County for park use, and because the county is not concerned with lost reduced revenue resulting from a re-conveyance of Forest Board lands, it is probably in DNR's best interest to transfer these lands to the county for public use. Useable acreage for revenue production on lands to be exchanged is greatly reduced by the presence of riparian habitat (250 acres), rural residential development, and a historically troubled gun club lease. Extensive unauthorized public use of all the property is prevalent and is costly for the department. Once acquired by Kitsap County the properties will be managed to meet conservation and public use needs of the area.

**Is this a proposed low-value acquisition?** \_\_\_ Yes **X NO**. **If yes, please explain how it meets the low-value acquisition criteria.** The proposal does not meet the criteria for low-value acquisition and must go to the Board of Natural Resources for approval.

**Benefits:** *(key reasons for moving ahead with this transaction)*

- **Economic (including trust revenue, SHC & RMAP implementation):** Nearby rural development and Kitsap County's Heritage Park site provides increasing pressure to manage the trust lands for other than commercial forest purpose. Buffers for HCP compliance and visual aesthetics account for buffers on not only riparian areas but on boundary lines as well. These pressures will increase and put more lands out of production for commercial harvest in the future. RMAP compliance is being evaluated on both sides, and some work has been identified. But at this point costs should come close to balancing, and no extreme problems exist on initial review. The lands Kitsap

## LAND TRANSACTION PROSPECTUS

County is offering in the exchange will generate more revenue for the trust than the lands DNR gives up. Kitsap and DNR properties are mostly Site Class II and operable for timber harvest, but key to the exchange is a potential net increase in operable acres. The Common School Section 36 parcel is dominated by wetlands, and although Kitsap's exchange parcels contain type 3 streams the overall acreage should calculate more operable. High mass wasting, in the Kitsap County parcels, is mostly confined to Type 3 stream buffer areas. The exchange will eliminate approximately 3 miles of boundary against rural residential use. Since DNR's is blocking up it's ownership in the transaction, the need for aesthetic leave tree areas is eliminated. Kitsap's operable acreage is made up of mostly younger aged stands (between 6 and 15 years of age), with about 30% of the acreage being of commercial age (30 -60 years old). DNR operable School trust lands contain approximately 17% commercial aged stands (30 - 80 years), the remainder are non-commercial (6-15 years of age). Proposed Forest Board re-conveyance lands contain approximately 10% aged between 100 and 150 years and 70% aged between 20 and 50 years of age, with the remaining stands non-commercial age. A contentious rifle shooting range lease is located in the southeastern corner of the Common School property. Current Kitsap County officials support the gun club use, and should facilitate transfer of the lease to the county. Annual revenue from the 72 acre lease is \$7,200. Local neighbors have complained about the gun club use, and the lessee has been less than cooperative with county code enforcement and has had trouble communicating improvements on and off the lease area with DNR. DNR will potentially spend considerable resources resolving ongoing issues, or even be pressured to re-locate the club on other DNR lands if the property is not exchanged to Kitsap County.

- **Social (including public use/recreation opportunities):** This project helps Kitsap County meet objectives to further develop the Heritage Park in support of sporting facilities, ball fields, open space, conservation lands, and parklands. This proposal will help the county support the need for parks, recreation, conservation, and education in this part of the county.
- **Ecological (including forest health, conservation opportunities):** The current DNR managed lands contain extensive habitat and riparian areas that make approximately 30 percent of the area. Kitsap County intends to conserve these lands to support habitat objectives in the region. Blocking up lands at Green Mt. Helps DNR provide a more contiguous landscape for fish and wildlife.

### **Issues: (potential negative effects on trust, department, other interested parties)**

- **Economic.** Delay in revenue production as a result of the transaction needs to be further evaluated, especially if the Forest Board lands are re-conveyed. Most accessible timber has been removed from DNR Common School lands by the department, but small pocket of accessible volume exist. RMAPS cost balance is in review.
- **Social (including potential cultural heritage, public use, neighbors, local entities, and tribal concerns):** Stakeholder and public support for the project is positive. Kitsap County, DNR, and stakeholders will conduct a joint public information process and public hearings as the proposal proceeds. SPS Region is also working with stakeholders to identify strategies for disposition of DNR's other isolated transition lands north of Green Mountain

## LAND TRANSACTION PROSPECTUS

- Ecological (*including potential ESA, conservation, and land trusts concern*): The land exchange and potential re-conveyance, meets county and stakeholder conservation objectives to support a balance of recreation, conservation, open space, and educational land uses.

Are there potential HCP impacts? \_\_\_ Yes  NO. If yes, please explain.

Will trust value considerations likely be required to balance this transaction?

Yes \_\_\_ NO. If yes, please explain and identify the assumptions likely to be used. The land exchange component will need to balance economically and as close as possible on an acre for acre basis.

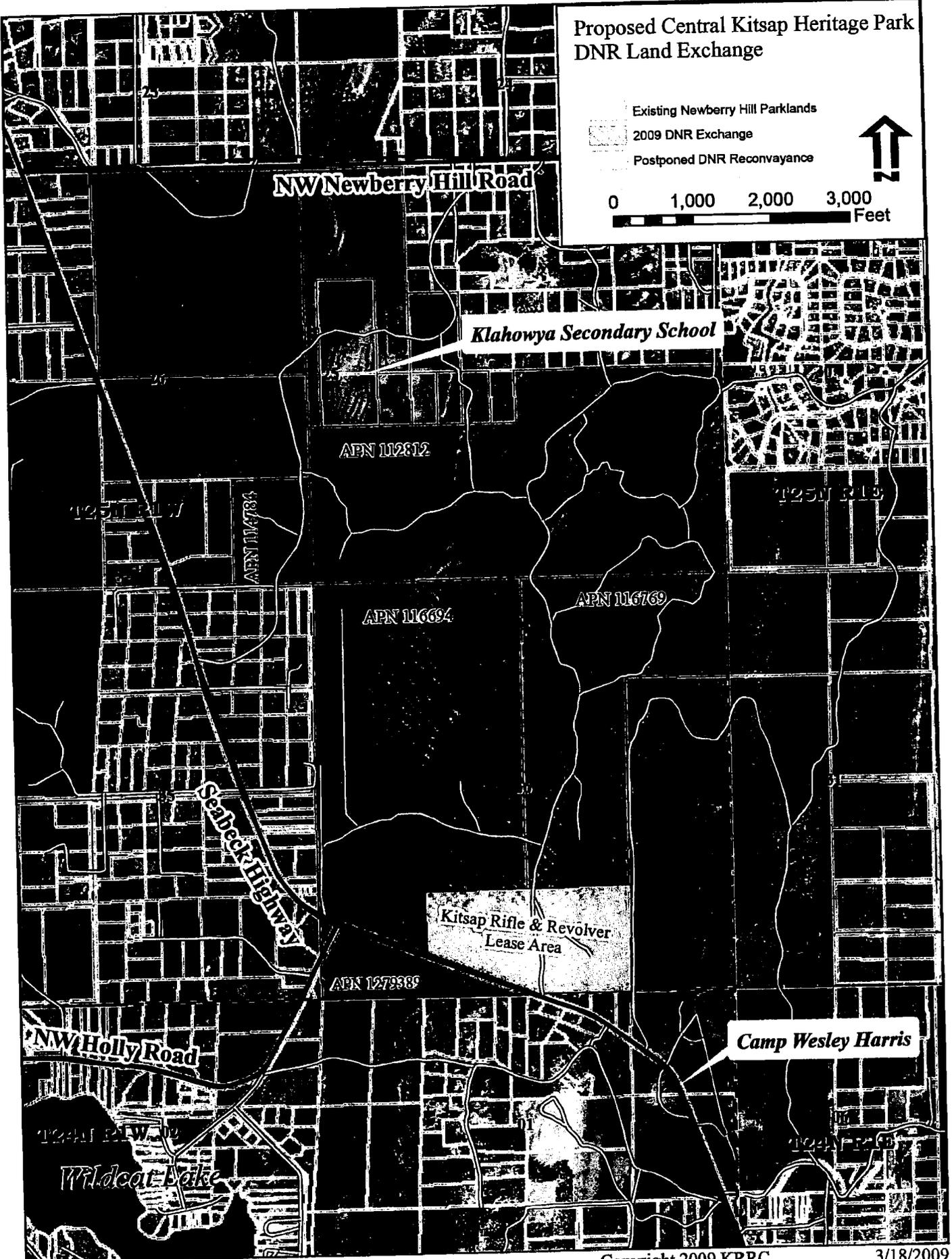
Other comments/Information, if applicable:

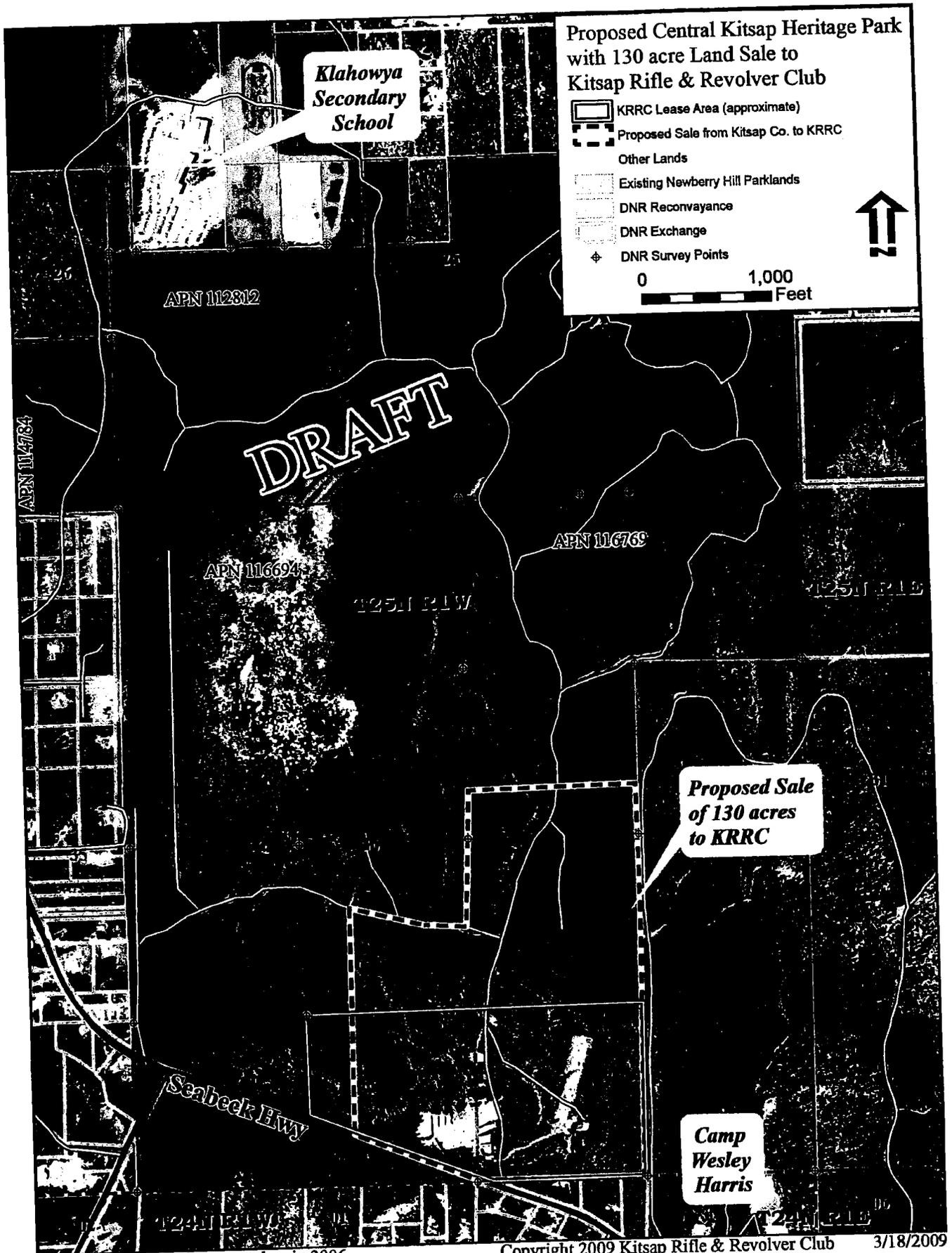
# Proposed Central Kitsap Heritage Park DNR Land Exchange

- Existing Newberry Hill Parklands
- 2009 DNR Exchange
- Postponed DNR Reconveyance



0 1,000 2,000 3,000  
Feet





## **Public and Private Gun Clubs in Kitsap County**

### **Bainbridge –**

Bainbridge Island Sportsmans Club, 8203 Sportsmans Rd NE, Bainbridge Island, WA 98110  
Facilities include trap and rifle ranges, archery range. Has a fly fishing group as well as other sports. Offers safety training and other classes.

Open in 2008 about 120 days for shooting sports, 1,836 shooter days in 2008

Web Site: <http://www.bainbridgesportsmensclub.org/>

Email: [crso@bainbridgesportsmensclub.org](mailto:crso@bainbridgesportsmensclub.org)

### **Bremerton –**

Kitsap Rifle and Revolver Club, 4900 Seabeck Hwy., Bremerton, WA 98312.

Phone: 360-373-1007

Facilities include: Outdoor Pistol (50 yds), Outdoor Rifle (200 yds), Rifle Silhouette, Pistol Silhouette. Offers safety training, hunter education, and other classes. Hosts local, regional and national shooting events. Used by the Armed Forces and law enforcement for training on a regular basis.

About 1,200 members in 2008, estimated over 12,000 club member shooter days in 2008 and an additional 7,000 to 10,000 visits by non-members for a total of 19,000 to 22,000 visits.

Range Access: Public, open 7 days per week for members, Tuesdays through Sundays for the public.

Web Site: <http://www.gunsafety.org>

Email: [info@gunsafety.org](mailto:info@gunsafety.org)

### **Port Orchard –**

Bremerton Trap & Skeet Club, 4956 State Hwy 3 SW, Port Orchard, WA 98367.

Phone: 360-674-2438

Facilities include: Trap, Skeet, Sporting Clays

Hours of Operation: Sun 10a-4p Wed 7-10p Open only 3 days per week

Membership unknown

Range Access: Private

Web Site: [www.bremertontrapandskeet.com](http://www.bremertontrapandskeet.com)

Email: [btsnews@hotmail.com](mailto:btsnews@hotmail.com)

### **Poulsbo –**

Poulsbo Sportsman Club, 16990 Clearcreek Road NW, Poulsbo, WA 98370.

Phone: 360-697-6646

Facilities include: Outdoor Pistol (25, 50 yds), Outdoor Rifle (50, 100, 200 yds), Pistol Silhouette, Muzzleloading, Trap, Archery. Offers safety training, hunter education and other classes. Hosts local and regional shooting events.

Over 500 members in 2008. Estimated more than 7,000 to 10,000 shooter days in 2008

Range Access: Public, open 7 days per week

Web Site: [www.pscnet.net](http://www.pscnet.net)

Email: [alzadaslim@home.com](mailto:alzadaslim@home.com)

### **Kitsap County Totals**

**Shooting Club Membership for all four clubs is estimated at between 1,700 and 2,000 members in 2008.**

**Number of visits at all four ranges was between than 28,000 and 31,000 visits in 2008.**

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES  
DOUG SUTHERLAND, Commissioner of Public Lands**

**SPECIAL USE LEASE**

**Lease No. 60-B068979**

BY THIS LEASE (hereinafter "Agreement"), the STATE OF WASHINGTON, Department of Natural Resources, (hereinafter "State") leases to KITSAP RIFLE AND REVOLVER CLUB (hereinafter "Lessee") the premises in Kitsap County, Washington, the legal description of which is set forth in Exhibit 1A, upon the terms and conditions and for the consideration enumerated herein. Said premises and rights leased hereby are hereinafter referred to as the "Premises".

**SECTION 1 OCCUPANCY**

**1.01 Lease Term.** This Agreement shall commence on March 1, 2003 ("Commencement Date") and expire on February 27, 2018.

**1.02 No Warranty of Quiet Enjoyment.** State makes no warranty of quiet enjoyment of the Premises.

**1.03 Condition of Premises.** Lessee has had an opportunity to inspect Premises and enters into this Agreement solely in reliance on Lessee's own examination and not by reason of any representation by State. Premises are accepted in its present condition "AS IS WHERE IS". No reliance shall be placed on any opinion, material, or information provided by or through State, and Lessee does so at its own risk, cost and expense.

**SECTION 2 USE OF PREMISES**

**2.01 Permitted Use.** For this Agreement, the following uses and no other uses are permitted:

Intensive use and occupancy containing Lessee's improvements, roads, parking areas, open shooting range, targets, and associated infrastructure.	8 Acres
Timberlands, wetlands and similar resource-oriented lands passively utilized by Lessee to provide buffer and safety zones for Lessee's shooting range.	64.41 Acres

In the event the Lessee desires a change in acreage or use, authorization must be obtained in advance and in writing from the State. Approval may be conditioned upon adjustment of the payment in accordance with changes in acreage or use.

## SECTION 3 PAYMENT

Payments made hereunder will be applied first to interest, then to outstanding or delinquent rent, leasehold tax and other charges owed, then to current rent, leasehold tax, and charges.

**3.01 Rent.** The Lessee shall pay to the State, at Olympia, Washington 98504, in advance, the required rent of \$7,200.00 for the period of March 1, 2003 to February 27, 2004 and annually thereafter subject to adjustment under Subsection 3.06.

**3.02 Leasehold Tax.** Lessee shall pay to State, the leasehold tax as set forth in RCW Chapter 82.29A - Leasehold Excise Tax as may be amended. The tax shall be due and payable at the same time the rental charged herein is due and payable.

**3.03 No Counterclaim, Setoff, or Abatement of Rent.** Rent and all other sums payable by Lessee hereunder shall be paid without the requirement of prior notice or demand by State, and shall not be subject to any counterclaim, setoff, deduction or defense and without abatement. The obligations and liabilities of Lessee hereunder shall in no way be released, discharged or otherwise affected, except as expressly provided in Subsection 13.06 (Condemnation).

**3.04 Interest Charged for Past-Due Rent and Other Sums Owed.** Lessee shall pay interest at the rate of one percent (1%) per month (or at such higher rate as may be authorized by statute after the Commencement Date hereof), until paid, on rent or other sums owing under the terms of this Agreement commencing the date such rent or other sum is due and payable. In the event State pays any sum or incurs any expense which Lessee is obligated to satisfy or pay under this Agreement, or which is made on behalf of Lessee, State shall be entitled to receive reimbursement thereof from Lessee upon demand, together with interest thereon from the date of expenditure at the rate stated above.

**3.05 Late Charge for Failure to Pay.** In the event the Lessee fails to make any payment of rent due hereunder upon the date due, the State shall be entitled to collect from the Lessee a late charge equal to six percent (6%) of the amount of the delinquent payment. Any failure to pay rent or any amount specified in this Section 3, or any other amount to be paid by the Lessee under terms of this Agreement within thirty (30) days of the date due, shall be a material default hereunder by the Lessee and such default shall entitle the State to pursue all remedies specified in this Agreement, including the right to terminate this Agreement, though failure to exercise such right shall not be construed as a waiver of the right and thereafter pursue any remedies available at law or equity, including those contained in Chapter 59.12 RCW.

**3.06 Adjustment of Rent.** Beginning on the fifth anniversary of the Commencement Date, and at intervals of five (5) years thereafter (the "Adjustment Date"), a new annual rental will be established. In no event will the adjusted annual rental be less than the previous annual rental. Adjusted rental values established after the designated Adjustment Date shall be due retroactive to such Adjustment Date. The method for such adjustment shall be selected solely by the State from the following options:

(a) Increase of the current annual rent by the percentage increase in the United States Department of Labor, Bureau of Labor Statistics, "All Items" Consumer Price Index for All Urban Consumers ("CPI"), US City Average (1982-84=100), between the date five (5) years previous to the Adjustment Date and the Adjustment Date, i.e., adjusted rental amount equals current annual rent times CPI as of current Adjustment Date divided by CPI as of date five (5) years previous. In the event the CPI ceases to be published, the State may substitute such other comparable cost of living index as then may be in publication by a comparable governmental agency.

(b) Determination of fair market value of the Premises within six (6) months before or after the Adjustment Date through evaluation of pertinent market evidence by State lease administrator and/or other appropriate State personnel.

(c) Determination of fair market value of the Premises within six (6) months before or after the Adjustment Date through formal appraisal by State's appraiser, certified general appraiser under contract with the State, or such other appraiser as may be agreed to by State. Such appraisal must be performed in accordance with the Uniform Standards of Professional Appraisal Practices (USPAP) as promulgated by the Appraisal Institute.

The market value will be determined exclusive of Lessee's improvements and as though ownership were in fee simple, not encumbered by lease.

Under (b) and (c) above, the new annual rental above shall be computed by multiplying the market value of the Premises by the then current Prime Rate as of the Adjustment Date plus 200 basis points (Prime Rate + 2.0%). The term "Prime Rate" shall mean the Prime Rate as published in The Wall Street Journal from time to time (or the average Prime Rate if more than one is published), any change in such Prime Rate to effect a change in the rate charged hereunder on the date of each such change. If The Wall Street Journal ceases to be published or ceases to publish a Prime Rate, then State shall designate another nationally recognized business publication which publishes such a rate or such rates which does, in the reasonable opinion of State, represent the "Prime Rate" as defined herein.

**3.07 Failure to Adjust Not Waiver.** Failure of State to adjust rent pursuant to Subsection 3.06 above at the end of any five (5) year period, shall not be a waiver by State of the right to adjust rent at the end of any subsequent five (5) year period. State shall retain the right, for so long as this Agreement remains in effect, to adjust rent as of the end of any five (5) year period, as though all prior adjustments had been made in accordance with the above provisions.

## SECTION 4 RESERVATIONS

**4.01 Compliance.** The State shall have access to the Premises at all reasonable times to determine and secure compliance with this Agreement. Failure to inspect or enforce compliance shall not be construed as a waiver of the State's right to declare a breach, nor relieve Lessee of any liability to the State for any breach of the terms, conditions, or requirements of this Agreement.

**4.02 Compatible Uses.** State reserves for itself, its successors and assigns, the right at all times for any purpose to cross and re-cross the Premises at any place or grade, to grant easements/licenses over or leases to the Premises, to sell, or otherwise dispose of minerals, coal, oil, timber, gas, or other valuable materials from the Premises insofar as the State's activities on the Premises and any grant of rights the State makes to any person or entity shall not unreasonably interfere with the activities permitted hereunder.

**4.03 Non-Default Termination.** State reserves the right to terminate this Agreement upon sixty (60) days' written notice in the event the State includes the Premises in a plan for higher and better use, land exchange or sale.

## **SECTION 5 SPECIAL RESTRICTONS**

### **5.01 Permits and Conformance With Laws.**

(a) Lessee shall obtain all building permits and other required permits, licenses, permissions, consents, and approvals from governmental agencies or third parties in connection with this Agreement and Lessee's permitted use including construction of any improvements, changes, alterations, additions, repairs, maintenance to or replacement of the Premises, or for the conduct of any business upon the Premises at the sole cost and expense of Lessee. Copies of such permits, licenses, permissions, consents, and approvals shall be supplied to State on request.

(b) Lessee shall conform to all applicable laws, regulations, permits, orders, or requirements of any public authority affecting the Premises and the use thereof, and shall correct at the Lessee's own cost and expense any failure of compliance created through the Lessee's fault or by reason of the Lessee's use. In no event shall Lessee undertake or suffer any activity to be conducted upon the Premises which constitutes a nuisance or which is a threat to the health or welfare of the general public.

(c) Lessee shall cause all work on the Premises and all business conducted thereon during the term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

### **5.02 Other Restrictions on Use.**

(a) Lessee shall cut no State timber or remove State-owned valuable material, without prior written consent of the State. Prior to State's authorization for the cutting of timber, or removal of valuable material, the Lessee must pay to the State the fair market value of the timber or valuable material, as determined by the State.

(b) Lessee shall take all reasonable precautions to protect the land and improvements on the Premises from fire, make every reasonable effort to report and suppress such fires as may affect the Premises, and shall be subject to applicable fire laws affecting the Premises.

(c) Lessee shall prevent accumulation of equipment parts or "bone yards" on the Premises.

(d) This Agreement does not convey rights to media uses, communication sites, or any use on the Premises other than those expressly stated in this Agreement.

**5.03 Habitat Conservation Plan.** The Premises are located within an area that is subject to State's Habitat Conservation Plan adopted in connection with Incidental Take Permit No. PRT-812521 (ITP) as supplemented by Permit No. 1168 (Collectively "ITP"). As long as the Habitat Conservation Plan remains in effect, Lessee and all persons acting under Lessee shall comply with the terms and conditions set forth in Exhibit 5A while operating on the Premises. State shall have the right to modify these terms and conditions from time to time to comply with the Habitat Conservation Plan, the ITP, the Endangered Species Act, the implementing regulations, and amendments thereto, or the requirements of the federal agencies administering these laws.

## SECTION 6 UTILITIES, TAXES, LIENS

**6.01 Utilities and Maintenance.** During the term of this Agreement, Lessee shall pay all expenses incurred by Lessee in the use, enjoyment, and operation of the Premises, including, but not limited to, utility charges and all costs of maintaining and repairing the Premises and all improvements thereon whether now existing or hereafter installed. Lessee shall indemnify and hold the State harmless against any loss, liability, or expense resulting from any failure of Lessee to pay all such charges when due.

### 6.02 Taxes and Assessments.

(a) Lessee shall pay during the term of this Agreement all taxes and other governmental charges of any kind applicable or attributable to the installation of Lessee owned improvements on the Premises, Lessee's leasehold interest therein, and Lessee's use and enjoyment thereof.

(b) Lessee shall pay its prorated share of all assessments that are legally required to be paid now or may be charged during the Agreement term to the Premises or Lessee owned improvements thereon. Lessee shall not cause or suffer the imposition of any assessment upon the Premises without the prior written consent of State. In the event any new assessment is proposed which affects the Premises, Lessee shall immediately notify State of such proposal after Lessee has knowledge or receives notice thereof. Any assessment upon the Premises shall be made in compliance with all applicable statutes, including, but not limited to, Chapter 79.44 RCW.

**6.03 Lessee Liens.** Lessee shall not suffer or permit any lien to be filed against the State's interest in the Premises, or improvements thereon by reason of work, labor, or services performed thereon or materials supplied to, by or through the Lessee. If any such lien is filed, Lessee shall cause the same to be discharged of record within thirty (30) days after the date of filing or creation of such lien unless other arrangements are authorized in

writing by the State in advance. Lessee shall indemnify the State for any costs, damages or expenses (including attorneys' fees and courts' costs) incurred as a result of such liens or in obtaining their discharge whether such costs, damages or expenses were incurred prior or subsequent to termination or cancellation of this Agreement.

## **SECTION 7 LESSEES INDEMNITY; INSURANCE REQUIREMENTS**

**7.01 Indemnity.** Lessee releases and shall indemnify and defend (with counsel acceptable to State) State, its employees, officers, and agents from and against any and all claims arising out of the use, occupation or control of the Premises by Lessee, its agents, and employees. A "claim" as used in this subsection means any claim of any nature whatsoever for penalties, financial loss, damages (including but not limited to bodily injury, sickness, disease or death, or injury to or destruction of property, land and other natural resources including the loss of use thereof), costs or expenses (including but not limited to attorney's fees), whether or not resulting in a suit or action or reduced to judgment. This release and the obligation to indemnify shall not be eliminated or reduced by the concurrent negligence of the State, its officials, employees, or agents, except as provided in this subsection. To the extent that RCW 4.24.115 applies, Lessee shall not be required to indemnify State from State's sole or concurrent negligence. Lessee waives its immunity under Title 51 to the extent it is required to indemnify the State herein.

**7.02 Insurance Requirements.** Lessee shall, at all times during the term of this contract at its cost and expense, buy and maintain insurance of the types and amounts listed below. Failure to buy and maintain the required insurance may result in the termination of the contract at State's option.

All insurance and surety bonds should be issued by companies admitted to do business within the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by the department's risk manager before the contract is accepted. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

State shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications:

1. Insurers subject to Chapter 48.18 RCW (admitted and regulated by the Insurance Commissioner): The insurer shall give the State 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.
2. Insurers subject to Chapter 48.15 RCW (surplus lines): The State shall be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.

Before starting work, Lessee shall furnish with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements

specified in the contract and, if requested, copies of policies to State. The certificate of insurance shall reference the State of Washington, Department of Natural Resources, and the lease number.

Lessee shall include all subcontractors as insured under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each subcontractor. Subcontractor(s) must comply fully with all insurance requirements stated herein. Failure of subcontractor(s) to comply with insurance requirements does not limit Lessee's liability or responsibility.

The State, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, excess, umbrella, and property insurance policies.

All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by State.

Lessee waives all rights against State for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this contract. All insurance policies must expressly waive any right of subrogation by the insurance company against the State and the State's officials, employees, and agents.

If Lessee is self-insured, evidence of its status as a self-insured entity shall be provided to State. If requested by State, Lessee must describe its financial condition and the self-insured funding mechanism.

By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect Lessee, and such coverage and limits shall not limit Lessee's liability under the indemnities and reimbursements granted to State in this contract.

The limits of insurance, which may be increased by State, as deemed necessary, shall not be less than as follows:

**Commercial General Liability (CGL) Insurance.** Lessee shall maintain general liability (CGL) insurance covering claims for bodily injury, personal injury, or property damage arising on the property and/or out of Lessee's operations and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 per each occurrence. If such CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit.

CGL insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another party assumed in a business contract), and contain separation of insured (cross liability) condition.

**Employer's Liability ("Stop Gap") Insurance.** Lessee shall buy employers liability insurance, and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

**Workers' Compensation Coverage.** Lessee shall comply with all State of Washington workers' compensation statutes and regulations. Workers' compensation coverage shall be provided for all employees of Lessee and employees of any subcontractor or sub-subcontractor. Coverage shall include bodily injury (including death) by accident or disease, which exists out of or in connection with the performance of this contract. Except as prohibited by law, Lessee waives all rights of subrogation against State for recovery of damages to the extent they are covered by workers' compensation, employer's liability, commercial general liability, or commercial umbrella liability insurance.

If Lessee, subcontractor or sub-subcontractor fails to comply with all State of Washington workers' compensation statutes and regulations and State incurs fines or is required by law to provide benefits to or obtain coverage for such employees, Lessee shall indemnify State. Indemnity shall include all fines, payment of benefits to Lessee or subcontractor or sub-subcontractor employees, or their heirs or legal representatives, and the cost of effecting coverage on behalf of such employees.

**Business Auto Policy (BAP).** Lessee shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto." Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later editions of CA 00 01. Lessee waives all rights against State for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

**Builders Risk Insurance.** If applicable, Lessee shall buy and maintain in force builders risk insurance on the entire work during the period construction is in progress and until completion of the project and acceptance by State. Such insurance shall be written on a completed form and in an amount equal to the value of the completed building, subject to subsequent modifications to the sum. The insurance shall be written on a replacement cost basis. The insurance shall name as insureds State, Lessee, and all subcontractors and sub-subcontractors in the work.

Insurance described above shall be written to cover all risks of physical loss except those specifically excluded in the policy, including loss or damage caused by collapse. Insurance described above shall cover the entire work at the site including reasonable compensation for architect's services and expenses made necessary by an insured loss. Insured property shall include portions of the work located away from the site but intended for use at the site, and shall also cover portions of the work in transit. The policy shall include as insured property scaffolding, falsework, and temporary buildings located at the site. The policy shall cover the

cost of removing debris, including demolition as made legally necessary by the operation of any law, ordinance or regulation.

Any deductible applicable to the insurance bought in compliance with the policy described above shall be identified in the contract documents and the responsibility for paying the part of any loss not covered because of application of deductible(s) shall be the responsibility of the Lessee. If any part of any loss is not covered because of the application of a deductible amount not identified in the contract documents, Lessee will pay such loss. Lessee shall buy and maintain boiler and machinery insurance required by contract documents or by law, covering insured objects during installation and until final acceptance by State. If testing is being performed, such insurance shall cover such operations. This insurance shall name as insureds State, Lessee, and all subcontractors and sub-subcontractors in the work.

## **SECTION 8 WEEDS, HARMFUL SUBSTANCES**

**8.01 Weed Control.** Lessee shall control all weeds on the Premises. Lessee shall be responsible for, or shall immediately reimburse State for, any all weed control cost incurred, as a result of Lessee's failure to control all weeds on said Premises.

Lessee shall prevent weed infestations by applying management practices which discourage their establishment or spread. The Lessee shall detect and control the invasion of new weeds. Weeds will be controlled using appropriate mechanical, biological and chemical treatments that meet the requirements of Washington State and Federal law.

Lessee shall use Integrated Pest Management (IPM) to control weeds. This means using a coordinated decision-making and action process that considers all weed management methods and strategies, and applies them in an environmentally and economically sound manner to meet weed management objectives. The elements of integrated pest management for weeds include:

- a. Preventing weed problems;
- b. Monitoring for the presence of weed species;
- c. Establishing the density of the weed population (which may be zero) that can be tolerated;
- d. Treating weed problems to reduce their populations below the tolerable threshold, using strategies that may include biological, cultural, mechanical, and chemical control methods, and that consider human health, ecological impact, feasibility and cost-effectiveness; and
- e. Evaluating the effects and efficacy of weed control treatments.

**8.02 Hazardous, Toxic, or Harmful Substances.**

(a) Deleterious Material. Lessee shall not make, or suffer to be made, any filling in of the Premises or any deposit of rock, earth, ballast, refuse, garbage, waste matter, chemical, biological or other wastes, hydrocarbons, any other pollutants, or other matter within or upon the Premises, except as approved in writing by the State, or unless permitted by Subsection 2.01 (Permitted Use). If the Lessee fails to remove all nonapproved fill material, refuse, garbage, wastes or any other of the above materials from the Premises, the Lessee agrees that the State may, but is not obligated to, remove such materials and charge the Lessee for the cost of removal and disposal.

(b) Hazardous, Toxic, or Harmful Substances.

(1) Lessee shall not keep on or about the Premises, any substances now or hereinafter designated as or containing components now or hereinafter designated as hazardous, toxic, dangerous, or harmful, and/or which are subject to regulation as hazardous, toxic, dangerous, or harmful by any federal, state or local law, regulation, statute or ordinance (hereinafter collectively referred to as "Hazardous Substances") unless such are necessary to carry out Lessee's permitted use under Subsection 2.01 (Permitted Use) and unless Lessee fully complies with all federal, state and local laws, regulations, statutes, and ordinances, now in existence or as subsequently enacted or amended. Lessee shall:

(i) Immediately notify the State of: all spills or releases of any Hazardous Substance affecting the Premises; all failures to comply with any federal, state, or local law, regulation or ordinance, as now enacted or as subsequently enacted or amended; all inspections of the Premises by, or any correspondence, orders, citations, or notifications from any regulatory entity concerning Hazardous Substances affecting the Premises; and all regulatory orders or fines or all response or interim cleanup actions taken by or proposed to be taken by any government entity or private party concerning the Premises; and

(ii) On request, provide copies to the State of any and all correspondence, pleadings, and/or reports received by or required of Lessee or issued or written by Lessee or on Lessee's behalf with respect to the use, presence, transportation or generation of Hazardous Substances related to the Premises.

(2) Lessee shall be fully and completely liable to the State, and shall indemnify, defend, and save harmless State and its agencies, employees, officers, and agents with respect to any and all damages, costs, fees (including attorneys' fees and costs), penalties (civil and criminal), and cleanup costs assessed against or imposed as a result of Lessee's use, disposal, transportation, generation and/or sale of Hazardous Substances or that of Lessee's employees, agents, assigns, sublessees, contractors, subcontractors, licensees or invitees, and for any breach of this subsection.

## SECTION 9 ASSIGNMENTS

**Assignment.** Lessee shall not hypothecate, mortgage, assign, sublease, transfer, or otherwise alienate this Agreement ("Assignment"), or any interest therein, without the prior written consent of State, which consent shall not be unreasonably withheld. In granting any such consent under this clause State shall be entitled to consider, among other items, the proposed assignee's, sublessee's or transferee's financial condition, business reputation, business, and such other factors as may reasonably bear upon the suitability of the assignee, sublessee, or transferee as lessee of the Premises. If Lessee is a corporation, partnership, or other association, (1) the transfer of more than fifty percent (50%) of the ownership interest in such entity, or (2) the sale of all or substantially all of the assets of Lessee shall be deemed to constitute an "assignment" of this Agreement which requires consent of State. The consent of State to any one assignment shall not constitute a waiver of State's right to consent to subsequent assignments, nor shall consent of State to any one assignment relieve any party previously liable as Lessee from any obligations under this Agreement, who shall remain joint and severally liable as primary obligor and not as surety. The acceptance by State of the payment of rent following an assignment shall not constitute consent to any assignment and State's consent shall be evidenced only in writing. The State may require reimbursement for any additional administrative costs resulting from the assignment.

## SECTION 10 IMPROVEMENTS

**10.01 Authorized Improvements.** No improvement shall be placed on the Premises without the prior written consent of the State. Consent may be granted through this Agreement resulting in the State's approval of the authorized improvements listed herein as Exhibit 10A, or by written Letter of Authorization issued by the State.

**10.02 Plan Approval.** The plans or specifications for the construction of the authorized improvements listed on Exhibit 10A or authorized by Letter of Authorization issued by State, and for such changes or alterations, including amendments of such plans or specifications, shall be submitted to State for its approval.

**10.03 Ownership of Improvements.** During the Term of this Agreement, the improvements constructed by Lessee, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be the property of Lessee. At the expiration or earlier termination of this Lease, all improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein shall become the property of State, unless State requires their removal pursuant to Section 10.04 below. Throughout the term of this Agreement, Lessee shall not permit any claim of lien made by any mechanic, materialman, laborer, or other similar liens to stand against the Premises for work or labor done, services performed, or materials used or furnished to be used in or about the Premises for or in connection with any construction, improvements or maintenance or repair thereon made or permitted to be made by Lessee, its agents, or sublessees. Any liens, encumbrances or claims of third parties with respect to any of the foregoing, shall be expressly subordinate and subject to the rights of State under this Agreement.

**10.04 Condition at End of Lease.** Upon vacating the Premises on the termination date, Lessee shall leave the Premises and all improvements thereon in the state of repair and cleanliness required to be maintained by Lessee during the Term of this Agreement and shall peaceably surrender the same to State. At the option of State, Lessee shall at its sole expense remove all improvements constructed by Lessee upon the Premises and return the Premises to grade level free of all debris.

**10.05 Surety Bond.** A surety bond, certificate of deposit assignment, or letter of credit may be required by State to assure completion of construction or development of any improvements costing in excess of \$2,500.

**10.06 Hold Harmless.** Lessee shall indemnify, defend and hold harmless State and the Premises from and against all claims and liabilities arising by virtue of or relating to construction of the authorized improvements or repairs made at any time to the authorized improvements (including repairs, restoration and rebuilding). Lessee shall regularly and timely pay any and all amounts properly payable to third parties with respect to such work and will maintain its books and records in the State of Washington, with respect to all aspects of such work and materials therefore, and will make them available for inspection by State or its representatives as requested.

**10.07 Permits; Compliance with Codes.** Lessee shall cause all work on the Premises during the Term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction. Lessee is responsible, at Lessee's sole cost and expense, to cause the authorized improvements and the Premises to comply with all applicable governmental laws, statutes, rules, regulations and/or ordinances that apply to the Premises during the Agreement Term, whether now in effect, or hereinafter adopted or enacted.

**10.08 State's Repairs.** State shall not be required or obligated to make any changes, alterations, additions, improvements, or repairs in, on, or about the Premises, or any part thereof, during the term of this Agreement.

**10.09 Lessee's Repairs, Alteration, and Maintenance.** Lessee shall, at its sole cost and expense, keep and maintain the Premises and all improvements thereon and all facilities appurtenant thereto (regardless of ownership) in good order and repair and safe condition for the safe conduct of any activities or enterprises conducted on the Premises pursuant to this Agreement, and keep and maintain the whole of the premise, including all improvements in a clean, sanitary and attractive condition.

## **SECTION 11 ROADS (NOT APPLICABLE)**

## **SECTION 12 DEFAULT AND REMEDIES**

**12.01 Default.** In the event of any material breach of any provision of this Agreement by Lessee, the breach, after expiration of any grace period as provided in this subsection, shall be

deemed a default entitling State to cancel this Agreement and seek any other remedies set forth in this Agreement or otherwise available at law or equity. State shall deliver to Lessee notice of the breach and a demand that the same be remedied immediately. Lessee shall not be in default if the breach pertains to the payment of money and Lessee cures the breach within thirty (30) days of receipt of the notice, or if the breach pertains to a matter other than the payment of any monies due under this agreement, Lessee shall after receipt of the notice promptly commence to cure the breach and shall cure the breach within forty-five (45) days after receipt of the notice. If such breach is non-monetary in nature, and, as determined by State, is not reasonably susceptible of being cured in said forty-five (45) days (provided that the lack of funds, or the failure or refusal to spend funds, shall not be an excuse for a failure to cure), Lessee shall commence to cure such breach within said period and diligently pursue such action with continuity to completion. If Lessee fails to cure a default, all Lessee owned improvements shall at the option of State, be removed by Lessee, be removed by State at the cost to Lessee, or become the property of State.

**12.02 Reentry.** In the event of any default by Lessee, State shall have the right, with or without canceling the Agreement, to reenter the Premises and remove all persons and property from Premises and take whatever actions may be necessary or advisable to relet, protect or preserve the Premises. Any property so removed may be stored in a public warehouse or other suitable place or otherwise disposed of in State's discretion at the expense and for the account of Lessee. State shall not be responsible for any damages or losses suffered by Lessee as a result of such reentry, removal, storage or other disposition, and no such action shall be construed as an election to terminate this Agreement unless a written notice of termination is given to Lessee.

**12.03 Termination of Agreements.** Whether or not State elects to terminate this Agreement on account of any default by Lessee and subject to any non-disturbance and attornment agreements, if any, State shall have a right to terminate any and all subleases, licenses, concessions or other arrangement for possession affecting Premises. Alternatively, State, in its sole discretion, may succeed to Lessee's interest in such sublease, license, concession or arrangement, and Lessee shall have no further right to or interest in the rent or other consideration receivable thereunder.

**12.04 Survival.** All obligations of Lessee to be performed prior to the expiration or earlier termination shall not cease upon the termination or expiration of this Agreement and shall continue as obligations until fully performed. All clauses of this Agreement that require performance beyond the termination or expiration date shall survive the termination or expiration date of this Agreement. Upon expiration or earlier termination of this Agreement, the rights of Lessee and of all persons, firms, corporations, and entities claiming under Lessee in and to the Premises and all improvements hereon, unless specified otherwise in this Agreement, shall cease.

**12.05 State's Right to Cure Defaults.** If Lessee fails to perform and is in default of any undertaking or promise contained herein, the State shall have the option, but is not obligated, to make such performance after giving ten (10) days written notice to the Lessee. The State's costs and expense to correct Lessee's failure to perform shall be reimbursed by Lessee and shall be immediately due and payable, together with interest accruing from the date such cost or expense is incurred.

**12.06 Remedies Cumulative.** The specified remedies to which the State may resort under the terms of this Agreement are cumulative and are not intended to be exclusive of any other remedies or means of redress to which State may lawfully be entitled in case of any breach or threatened breach by Lessee of any provision of this Agreement.

**12.07 Nonwaiver.** Waiver by the State of strict performance of any provision of this Agreement shall not be a waiver of nor prejudice the State's right to require strict performance of the same provision in the future or of any other provision. The acceptance of performance, rent, or any other sum owing, by State following a breach by the Lessee of any provision of this Agreement shall not constitute a waiver of any right of the State with respect to such breach and State shall be deemed to have waived any right hereunder only if State shall expressly do so in writing.

**12.08 Force Majeure.** The Lessee's failure to comply with any of the obligations under this Agreement shall be excused only if due to causes beyond Lessee's control and without the fault or negligence of the Lessee, including acts of God, acts of the public enemy, acts of any government, fires, floods, epidemics and strikes.

**12.09 Insolvency of Lessee.** If the Lessee becomes insolvent, a receiver is appointed, or Lessee's interest is transferred by operation of law by reason of insolvency, the State may terminate this Agreement at its option. Insolvency as used herein will mean the inability of the Lessee to meet its monetary obligations under this Agreement as they come due.

### **SECTION 13 GENERAL PROVISIONS**

**13.01 Governing Law.** This Agreement shall be construed, interpreted and enforced pursuant to the laws of the State of Washington. Venue shall be in Thurston County. The terms of this Agreement shall be given their ordinary meaning and shall not be presumed construed in favor of or against either party hereto.

**13.02 No Partnership.** The State is not a partner nor a joint venturer with the Lessee in connection with the activities conducted and business carried on under this Agreement, and the State shall have no obligation with respect to the Lessee's debts or other liabilities.

**13.03 Lessee's Authority.** Persons executing this Agreement on behalf of Lessee represent that they are authorized to do so and represent and warrant that this Agreement is a legal, valid, and binding obligation on behalf of Lessee, and is enforceable in accordance with its terms.

**13.04 State's Authority.** This Agreement is entered into by State pursuant to the authority granted by statute and the Constitution of the State of Washington. The terms and conditions hereof are subject to such statutory and constitutional provisions as may be now in effect and such provisions which do not impair the contractual rights of Lessee under this Agreement which may lawfully be enacted subsequent to the date of this Agreement.

**13.05 Preservation of Markers.** Lessee shall not destroy any land survey corner monuments and reference points (including but not limited to corner markers, witness objects, or line markers) without prior written approval from the State, which shall not be unreasonably withheld. Monuments or reference points that must necessarily be disturbed or destroyed during construction or operations must be adequately referenced and replaced, at the Lessee's cost, under the direction of a State of Washington Professional Land Surveyor, in accordance with all applicable laws of the State of Washington, including but not limited to RCW 58.24, and all relevant Department of natural Resources regulations.

**13.06 Condemnation.** If all of the Premises are taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this Agreement, this Agreement terminates as of the date the condemner takes possession. If part of the Premises is taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this Agreement, the State or Lessee may choose to terminate this Agreement as of the date the condemner takes possession. If either the State or Lessee elects to terminate this Agreement, the rents or other charges to be paid by Lessee will be apportioned by the State and paid by the Lessee to the date of taking. If neither the State nor Lessee elects to terminate this Agreement, the rent will be reduced in the same proportion that the value of the portions of the site to be taken bears to the value of the entire site as of the date condemner takes possession.

If the taking is for a period which will end on or extend beyond the expiration of the term of this Agreement, Lessee will have no claim or interest in or to any award of damages for the whole or partial taking of the site, except that the Lessee will be entitled to an amount equal to the fair market value of any improvements as of the date of taking (except trade fixtures) considered by this Agreement to be owned by the Lessee taken by the condemner.

If temporary use of all or part of the site is taken by any lawful authority under the power of eminent domain for a period ending before the expiration of the term, this Agreement will continue in full force and Lessee will be entitled to receive any award from the condemner for the use of all or part of the Premises.

The State and Lessee will give to the other immediate written notice of any proceedings with respect to a condemnation and of any intentions of any authority to exercise the power of eminent domain.

**13.07 Interpretation and Numbering.** This lease has been submitted to the scrutiny of all parties hereto and their counsel if desired, and shall be given a fair and reasonable interpretation in accordance with the words hereof, without consideration or weight given to it being drafted by any party hereto or their counsel. Section and subsection numbers, headings, or titles are for convenience only and are not to be construed to limit or to extend the meaning of any part of this lease.

Section and subsection numbers may be omitted or out of sequence because of inclusion or exclusion of sections or subsections in this lease at the option of the State. Cross references to sections or subsections that are not included in this lease should not be construed as material references.

**13.08 Time of Essence.** Time is expressly declared to be of the essence of this Agreement and each and every covenant of Lessee and the State hereunder.

**13.09 Amendments.** Any amendments, revisions, supplements, or additions to this Agreement or the attached exhibits shall be made in writing executed by the parties hereto, and neither State nor Lessee shall be bound by verbal or implied agreements. Such changes may be made by re-execution of the signature page and the deletion and addition of the appropriate new effective pages or exhibits governing the change, if any.

**13.10 Entire Agreement.** This written Agreement or its successor or replacement contains the entire agreement of the parties hereto with respect to the matters covered hereby, and no other agreement, statement or promise made by any party hereto, or to any employee, officer or agent of any party hereto, which is not contained herein, shall be binding or valid.

**13.11 Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent prove to be invalid, unenforceable, void, or illegal, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall be not affected thereby, and each term and provision of this Agreement shall be valid and be enforced as written to the fullest extent permitted by law.

**13.12 Attorney Fees.** If either party brings suit or submits to an alternative dispute process to interpret or enforce any provision of the agreement, the prevailing party shall be entitled to reasonable attorney fees, paralegal fees, accountant and other expert witness fees and all other fees, costs and expenses actually incurred in connection therewith, including those incurred on appeal, in addition to all other amounts provided by law, regardless of whether the matter proceeds to judgment or is resolved by the defaulting party curing the default.

**13.13 Notices and Submittals.** Any notice or submittal given under this Agreement shall be deemed as received when delivered by hand or five (5) days after deposit in the United States mail with first-class postage affixed, addressed as noted. Changes of address may be given in accordance with this section. Any notice or submittal given under this Agreement shall be:

To the State:

Where Agreement provisions require submittal to State office:

Department of Natural Resources  
Product Sales and Leasing Division  
P.O. Box 47061  
Olympia, WA 98504-7061

Where Agreement provisions require submittal to the State at its Region office:

Department of Natural Resources  
South Puget Sound Region  
950 Farman Avenue North  
Enumclaw, WA 98022

To the Lessee at the address affixed with signature or Lessee's last known address.

**13.14 Exhibits.** This agreement is subject to the terms and conditions of exhibits referenced herein, which are attached hereto and by this reference made a part hereof.

Exhibits: 1A - Legal Description and Encumbrances, 5A - HCP Requirements, 10A - Authorized Improvements

KITSAP RIFLE AND REVOLVER CLUB

Dated: \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
BRAD SMITH, PRESIDENT

Address: 4900 Seabeck Hwy NW  
Bremerton, WA 98312

Phone: (360) 373-1007

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

Dated: \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
ART TASKER,  
South Puget Sound Region Manager

Approved as to form this  
27 day of February, 2003  
Jim Schwartz, Assistant Attorney General

**NOTARIAL CERTIFICATE  
ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY**

STATE OF WASHINGTON        )  
  ) ss.  
COUNTY OF KITSAP         )

I certify that I know or have satisfactory evidence that Brad Smith is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he authorized to execute the instrument, and acknowledged it as the president of Kitsap Rifle and Revolver Club to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: \_\_\_\_\_

(Seal or Stamp)

\_\_\_\_\_  
NOTARY PUBLIC in and for the  
State of \_\_\_\_\_  
My appointment



**EXHIBIT 1A**

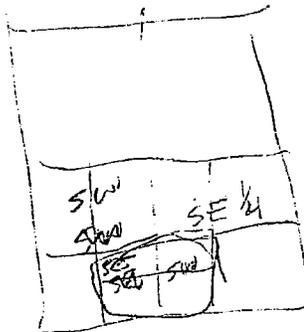
**Legal Description of Premises & Reservations**

Part of the Southwest quarter of the Southeast quarter and part of the Southeast quarter of the Southwest quarter of Section 36, Township 25 North, Range 1 West, W.M., lying northerly of the North lines of an easement for right of way for road granted to Kitsap County on December 7, 1929, under Application No. 1320, said road being as shown on the regulation plat thereof on file in the office of the Commissioner of Public lands at Olympia, Washington, the above described lands having an area of 72.41 acres, more or less.

**RESERVATIONS / SUBJECT TO:**

Easement #50-CR1320: Road granted to Kitsap County on 12/07/1927 for an indefinite term.

Easement #50-047116: Road granted to E. F. Howerton on 05/09/1985 for an indefinite term.



**EXHIBIT 10A**  
**Authorized Improvements**

- (1) One 12 foot X 120 foot covered rifle position shooting building.
- (2) One 12 foot X 105 foot covered pistol position shooting building.
- (3) One 12 foot X 20 foot storage shed.
- (4) One 8 foot X 12 foot target shed.
- (5) Electrical meter service panel and power poles.

**EXHIBIT 5A**  
**HCP REQUIREMENTS**

1. The Lessee shall immediately notify the State of new locations of Permit species covered in the Incidental Take permit (ITP) that are discovered within the leased Premises covered by the Habitat Conservation Plan (HCP), including, but not limited to: locations of occupied murrelet habitat; spotted owl nest sites; wolves; grizzly bears; nests, communal roosts, or feeding concentrations of bald eagles; peregrine falcon nests; Columbian white-tailed deer; Aleutian Canada geese; and Oregon silverspot butterflies. In all circumstances notification must occur within a 24 hour time period.
2. Upon locating any live, dead, injured, or sick specimens of any listed species covered by the ITP within the leased Premises the Lessee shall immediately notify the State. In all circumstances notification must occur within a 24 hour time period. Lessee may be required to take certain actions to help the State safeguard the well being of any live, injured or sick specimens of any listed species discovered, until the proper disposition of such specimens can be determined by the State.
3. Lessee shall refer to ITP number PRT-812521 (a copy of the ITP is located for reference in the region office) in all correspondence and reports concerning Permit activities.
4. All applicable provisions of the ITP and this schedule must be presented and clearly explained by Lessee to all authorized officers, employees, contractors, or agents of Lessee conducting authorized activities on the Property. Any questions Lessee may have about the ITP should be directed to the State.
5. At this time, the following sensitive areas, conditions or species have been identified on the Premises. Contact the State for more information on the identified areas.

**Riparian Management Zones**

Bodies of water, including but not limited to those streams, rivers and lakes and other lakes and wetlands have been identified and/or may be located on the Premises. All activities within the Riparian Management Zone, as defined in the HCP and including that portion of the inner riparian ecosystem between the aquatic zone and the direct influence zone (uplands) and including the outer wind buffer, must comply with the current HCP Procedures. Activities in a Riparian Management Zone, including but not limited to cutting or removing any tree and/or timber (including hardwood, merchantable and unmerchantable timber, downed timber, windthrow and snags), and road, trench and/or trail use, and/or maintenance, may be restricted or not permitted during specific times. All activities must provide for no overall net loss of naturally occurring wetland acreage and function.



# KITSAP COUNTY BOARD OF COMMISSIONERS

Chris Endresen  
DISTRICT 1

Jan Angel  
DISTRICT 2

Patty Lent  
DISTRICT 3

Malcolm Fleming  
County Administrator

September 19, 2003

Mr. Doug McClelland  
Department of Natural Resources  
950 Furman Avenue North  
Enumclaw, WA 98022

**RECEIVED**  
MAY 12 2005

KITSAP COUNTY DEPT OF  
COMMUNITY DEVELOPMENT

Dear Doug,

As you know, Kitsap County has a strong interest in working with your agency on a long-range strategy for establishing a regional heritage park in Central Kitsap on DNR property that includes a 72-acre site currently being leased to the Kitsap Rifle and Revolver Club.

The Board of Commissioners was recently briefed on a grant proposal the Club has submitted to the Interagency Committee for Outdoor Recreation (IAC) to re-align their existing shooting facilities. We understand that IAC has requested assurance that the Club will be able to continue using the property for at least ten years after the grant-funded improvements have been completed.

After discussing the Club's proposal with staff, the Board is confident that the proposed improvements are not at odds with the County's long-term interest in the property, and will not jeopardize our future planning efforts. In addition, the Board and staff appreciate the Kitsap Rifle and Revolver Club's ongoing efforts to provide outdoor recreational opportunities for the residents of Kitsap County, and we look forward to working with Club representatives and other members of the community in developing future plans for a heritage park in Central Kitsap.

Sincerely,

Jan Angel, Chair

Chris Endresen, Commissioner

Patty Lent, Commissioner

CC: Kitsap Rifle and Revolver Club

614 Division Street, MS-4 • Port Orchard, Washington 98366-4676 • (360) 337-7146 • FAX (360) 337-4632  
From: Olalla (253) 851-4147 • Bainbridge Island (206) 842-2061  
[www.kitsapgov.com](http://www.kitsapgov.com)



September 23, 2003

Kammie Bunes  
Interagency Committee for Outdoor Recreation  
PO Box 40917  
Olympia, WA 98504

Subject: Kitsap Rifle and Revolver Club

Dear Ms. Bunes:

The purpose of this letter is to inform the Interagency Committee for Outdoor Recreation (IAC) that the Department of Natural Resources (DNR) is currently in good faith lease negotiations with the Kitsap Rifle and Revolver Club for property located in Section 36, Township 25 North, and Range 1 West. The DNR intends to negotiate a 10 to 15 year lease with the Kitsap Rifle and Revolver Club.

If you have any further questions regarding this matter. Please don't hesitate to contact me at (360) 802-7039 with any questions.

Sincerely,

*Lori Price*

Lori Price  
Land Manager

cc: ✓ Kitsap Rifle and Revolver Club  
Region File

**RECEIVED**

MAY 12 2005

KITSAP COUNTY DEPT OF  
COMMUNITY DEVELOPMENT

# Section 36 Boundry



Section 36 Boundry

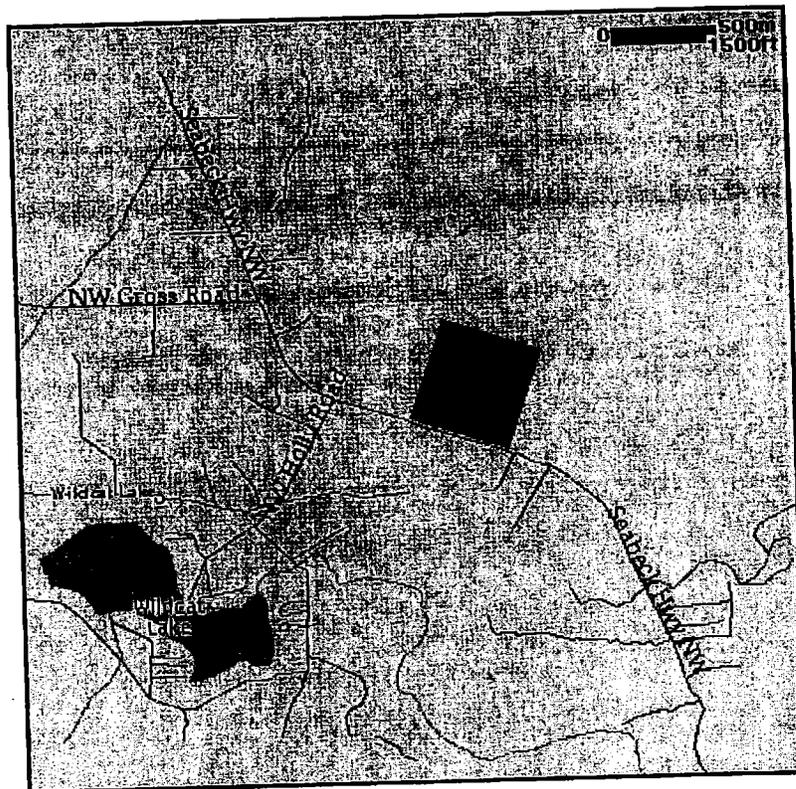


Web Site Index and Navigation Center

### Kitsap Rifle & Revolver Club Range Schedule

Kitsap Rifle & Revolver Club  
P.O. Box 134  
Bremerton, Washington 98337-0001 USA  
(360) 373-1007

Shooting range is located in Central Kitsap County (Southwest of Silverdale) on Seabeck Hwy approximately a half mile south of the intersection with Holly Rd.



**Quick & easy driving instructions to KRRC shooting range:**

1. Take the Newberry Hill Road exit, just south of Silverdale, off State Highway 3.
2. Turn west (up the hill) onto Newberry Hill Road.
3. Continue on Newberry Hill Road until it dead ends at the "T" intersection with Seabeck Highway.
4. Turn south (left) onto Seabeck Highway.
5. The shooting range is approximately 1/2 mile south of the

	<p>intersection with Holly Road (past the flashing yellow light), on the left side of the highway. (Look for the large blue and yellow sign.)</p> <p>6. If you pass Calamity Lane (right side of highway) you've gone too far.</p>
---	--

**General Rules:**

- No shooting before 7 AM, and no shooting after 10 PM
- Ear and eye protection required on both firing lines while the lines are hot.
- NO targets on top of the intermediate berms on the rifle line.
- NO handling of firearms while members are downrange.
- Pick up your garbage.

Shooting range calendar: <http://www.gunsafety.org/Calendar.htm>

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***Delivering you informative multimedia essays about the "battlefield problem-solving" tactical aspects of armed self-defense.***

Web Site Index and Navigation Center

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tactical employment of firearms against deadly criminal thr

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#### Attention Members of the News Media

If you need technical information assistance about firearms and ammunition to report to your news audience, please contact us by e-mail at [director@firearmstactical.com](mailto:director@firearmstactical.com) or by telephone at (360) 731-3390.

We're prepared to assist you by providing valid and verifiable facts and information about firearms and ammunition. We have no hidden political agenda. We'll assist you with any firearms related story or project, even if it's a pro-gun control editorial. Our intent is to help you report accurate information. If we're unable to answer your questions, we'll refer to you others who can.

We've already provided technical information assistance to television news, major newspapers and news radio. Topics we can help you with include, but are not limited to, law enforcement shootings, criminal misuse of firearms & ammunition, assault weapons, body armor & armor-piercing handgun ammunition, military small arms, and the wounding effects of handgun & rifle bullets.

In addition, we have laboratory grade capabilities to examine the terminal ballistics

performance of most handgun and rifle bullets, as well as body armor. These services are available to your news organization upon request.

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### Four Rules of Firearms Safety

1. Regard any firearm as though it is always loaded, at all times, until you personally ensure it is indeed unloaded.
  2. Always keep your finger off the trigger and out of the trigger guard until you have made the decision to shoot.
  3. Always point the muzzle in a safe direction.
  4. Always be sure of your target and what is beyond.
- 

### Five Rules for Concealed Carry

1. Your concealed handgun is for protection of life only.

Draw it solely in preparation to protect yourself or an innocent third party from the wrongful and life-threatening criminal actions of another.

2. Know exactly when you can use your gun.

A criminal adversary must have, or reasonably appear to have:

- I. the ability to inflict serious bodily injury (he is armed or reasonably appears to be armed with a deadly weapon),
- II. the opportunity to inflict serious bodily harm (he is physically positioned to harm you with his weapon), and
- III. his intent (hostile actions or words) indicates that he means to place you in jeopardy -- to do you serious or fatal physical harm.

When all three of these "attack potential" elements are in place simultaneously, then you are facing a reasonably perceived deadly threat that can justify an emergency deadly force response.

3. If you can run away -- RUN!

Just because you're armed doesn't necessarily mean you must confront a bad guy at gunpoint. Develop your "situation awareness" skills so you can be alert to detect and avoid trouble altogether. Keep in mind that if you successfully evade a potential confrontation, the single negative consequence involved might be your bruised ego, which should heal with mature rationalization. But if you force a confrontation you risk the possibility of you or a family member being killed or suffering lifelong crippling/disfiguring physical injury, criminal liability and/or financial ruin from civil lawsuit. Flee if you can, fight only as a last resort.

4. Display your gun, go to jail.

You should expect to be arrested by police at gunpoint, and be charged with a crime *anytime* your concealed handgun is seen by another citizen in public, regardless of how unintentional or innocent or justified the situation might seem. Choose a method of carry that reliably keeps your gun hidden from public view at all times.

You have no control over how a stranger will react to seeing (or learning about) your concealed handgun. He or she might become alarmed and report you to police as a "man or woman with a gun." Depending on his or her feelings about firearms, this person might be willing to maliciously embellish his or her story in attempt to have your gun seized by police or to get you arrested. An alarmed citizen who reports a "man with a gun" is going to be more credible to police than you when you're stopped because you match the suspect's description, and you're found to have a concealed handgun in your possession.

Before you deliberately expose your gun in public, ask yourself: "Is this worth going to jail for?" The only time this question should warrant a "yes" response is when an adversary has at least, *both* ability and intent, and is actively seeking the opportunity to do you great harm.

5. Don't let your emotions get the best of you.

If, despite your best efforts to the contrary, you do get into some kind of heated dispute with another person while you're armed, never mention, imply or exhibit your gun for the purpose of intimidation or one-upmanship. You'll simply make a bad situation worse -- for yourself (see rule #4).

---

## Contact Info

### Web Site Content

Questions or concerns regarding the content of this web site should be directed to:  
director@firearmstactical.com

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*Delivering you informative multimedia essays about the  
"battlefield problem-solving" tactical aspects of armed self-  
defense.*

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OFFICE OF  
STEVE BOYER

**KITSAP COUNTY SHERIFF**  
614 DIVISION ST. MS-37 • PORT ORCHARD, WASHINGTON 98366 • (360) 337-7101 • FAX 337-4923

April 25, 2003

Eric Jull, Vice President  
Kitsap Rifle and Revolver Club  
PO Box 134  
Bremerton, WA 98337

**RECEIVED**

MAY 12 2005

KITSAP COUNTY DEPT OF  
COMMUNITY DEVELOPMENT

Dear Eric:

Please accept my appreciation for the generous offer of a partnership between the Kitsap County Sheriff's Office and the Kitsap Rifle and Revolver Club. It is my understanding that the recent meetings and communications with your organization have been positive and results oriented.

Collaboration between public and private entities has proven itself valuable. I encourage and support these actions and am pleased when progress is made. Your personal efforts have been instrumental in achieving the progress to date and you certainly are an excellent representative for the Kitsap Rifle and Revolver Club.

We look forward to working with you in the future.

Sincerely,

Stephen A. Boyer  
Kitsap County Sheriff



**Kitsap Rifle and Revolver Club PDR**

**Newberry Hill Heritage Park/DNR Property  
Exchange**

**Email: Commissioner Brown, District 3**



Mail Message

**From:** Don Burger  
**To :** John Miller ;  
**CC :** Chip Faver ; Charlotte Garrido ; Carolyn Siems ; Deanna Erstad ; Josh Brown ;  
Kevin Howell ; Matt Keough ; Nancy Grennan ; R'Lene Orr ;  
Rebecca Pirtle ; Steve Bauer  
**Date** Friday, March 06, 2009 2:36:40 PM  
**Received:**  
**Subject:** PDR - Newberry Hill Heritage Park

John - We have received a Public Disclosure Request from the Kitsap Rifle and Revolver Club for any and all correspondence (to or from) by the Board of Commissioners, Chip Faver and/or Matt Keough that discusses the "Newberry Hill Land Transfer" or "Newberry Hill Heritage Park" from March 1, 2008 thru today's date (March 6, 2009).

The search parameters should include:

Commissioner Brown  
Commissioner Bauer  
Commissioner Garrido  
Commissioner Angel  
Chip Faver  
Matt Keough

We should look for the key words noted above in either the subject line or body of the email.

If you could give me a ball park time frame to locate these emails, I will send off the 5-day letter.

I will get together with the BOCC staff to coordinate a review of any "hard copy" letters, memos, etc.

Thanks - Don

Don Burger  
Kitsap County  
Records Coordinator  
(360) 307-4261  
(360)337-7052 (FAX)  
[www.kitsapgov.com](http://www.kitsapgov.com)



Mail Message

**From:** Roger Zabinski <[REDACTED]>  
**To :** Natalie Bryson ; Carol Smiley ; Mary Earl ; Gary Lindsey ; Greg Hunt ; Stephen Cook ; Hank Mann Sikes ; Jon Pearson ; Kay Wilson ; Laura Fedorko ; Michael Simpkins ; Tex Lewis ; Bob Moyer ; Sue Foxx ; Richard Shattuck ; Jerry Van Fossen  
**CC :** Carolyn Siems ; Josh Brown ;  
**Date** Wednesday, March 04, 2009 1:23:47 PM  
**Received:**  
**Subject:** CKCC exec meeting tonight March 4, 6:30pm

Hi to all,

Just a reminder that our March executive meeting is tonight Wednesday March 4th at 6:30 at the CKCC office in the A-frames of the Silverdale Community Center, Silverdale Way.

Will be discussing agenda items for our regular March 18 meeting. Bob is out of town so Gary will be leading the meeting.

Possible topics that we will discuss include Health District update, Public Works projects and Chico Creek Restoration. The meeting is open to the public and any CKCC member is welcome to attend. Thank you.

Roger

---

---

March 4 executive Meeting 6:30PM CKCC office, Silverdale Community Center

---

---

March 18 Regular Meeting 7:00PM Water and Fire District Community Room  
5300 N.W. Newberry Hill Road



Mail Message

**From:** Matt Keough  
**To :** Josh Brown  
**CC :** Chip Faver ; Carolyn Siems ;  
**Date** Wednesday, February 18, 2009 10:34:37 AM  
**Received:**  
**Subject:** Re: Newberry Hill Land Exchange Public Outreach  
 [NHillContacts.doc](#)  
[NHlandexchangeDNRStakeholders.pdf](#)  
[NHIILLANDXLabels021809.pdf](#)  
[Final LOI Newberry Hill 020909.pdf](#)

Josh,

The process is moving quickly now with a tight timeline for DNR action, to include the public meeting referenced below on 3/11 (or possibly 3/18) in Port Orchard.

I met with the State RCO office last week and they again approved the course of action, outlined in the Letter of Intent for the process ahead, to include land the required recording of a new deed for acreage associated with the state grant by the end of June. I will attach the LOI here for you. Again, I'd be happy to meet and brief you on the details.

Also, I attach the latest list of stakeholders and individuals for notice. This can still be refined if you have names to add to it.

Thanks for inquiring and any input on process or the notice list.

MFK

Matthew F. Keough  
Parks Planning Project Manager  
Kitsap County Parks and Recreation  
614 Division Street, MS-1  
Port Orchard, WA 98366

(360) 337-5357  
mkeough@co.kitsap.wa.us

>>> Josh Brown 2/17/2009 9:54 PM >>>

How are thing going? Best, Josh

-----Original Message-----

From: Matt Keough  
Cc: Faver, Chip <CFaver@co.kitsap.wa.us >  
Cc: Siems, Carolyn <Csiems@co.kitsap.wa.us >  
To: Brown, Josh <JWbrown@co.kitsap.wa.us >

Sent: 2/6/2009 4:20:51 PM

Subject: Newberry Hill Land Exchange Public Outreach

Josh,

Will be following up with a briefing for you on the process details and the timeline which promises to have the transaction done in early June - if problems do not arise.

At the moment, there is some urgency for DNR to provide notice to concerned parties and to invite their participation. We are asked to help them develop a stakeholders's and I want to be sure to include any parties of concern to you. Attached is DNR's starting point for your refenece. I will be sure to augment this list to include input from Park Board members such as Mark Fisher. We will also plan to do notification of private property owners within 300 feet of the proposed lands, to include Tribes, Mountaineers, and Stewardship Groups. The first DNR meeting is shaping up to be Wednesday evening, 3/11, in the Commissioner's Chambers.

Thank you,  
MFK

Matthew F. Keough  
Parks Planning Project Manager  
Kitsap County Parks and Recreation  
614 Division Street, MS-1  
Port Orchard, WA 98366

(360) 337-5357  
mkeough@co.kitsap.wa.us



Mail Message

**From:** Roger Zabinski <[REDACTED]>  
**To :** Natalie Bryson ; CarolSmiley ; Mary Earl ; Gary Lindsey ; Greg Hunt ; Stephen Cook ; Hank Mann Sikes ; Jon Pearson ; Kay Wilson ; lauraafedorko@wavecable.com ; osldo@yahoo.com ; Tex Lewis ; Bob Moyer ; Sue Foxx ; Richard Shattuck ; Jerry Van Fossen  
**CC :** Carolyn Siems ; Josh Brown ;  
**Date** Tuesday, February 17, 2009 4:18:31 PM  
**Received:**  
**Subject:** CKCC February meeting agenda, January '09 minutes and 2009 meeting calendar  
 CKCC\_Agenda\_20090218.doc  
CKCC\_Minutes\_20090121.doc  
CKCC\_Calendar\_2009.doc

To all,

The proposed agenda for the CKCC meeting for tomorrow February 18, 2009 is attached as a Word file. Also enclosed are the draft minutes from January's meeting and the proposed CKCC meeting calendar for 2009. Please let me know if you have any questions or comments. The CKCC meeting will be at our usual location:  
Wednesday February 18, 2009  
7:00 - 9:00 PM  
Water & Fire District Community Room, 5300 NW Newberry Hill Road, Silverdale, WA

I look forward to tomorrow's meeting.

Roger Zabinski  
CKCC, Secretary

# CENTRAL KITSAP COMMUNITY COUNCIL MEETING

Wednesday February 18, 2009  
7:00 PM – 9:00 PM  
Water & Fire District Community Room  
5300 N.W. Newberry Hill Road  
Silverdale, WA

## AGENDA

- 7:00 PM      1.      Call to Order:  
Pledge of Allegiance  
A.      Introduction of Council Members  
B.      Adoption of Agenda  
C.      Presentation of meeting minutes for January 2009  
D.      Correspondence/Announcements  
E.      Opportunity for public comment (comments limited to 3 minutes)
- 7:20 PM      2.      Business Meeting:  
A.      Presentation on the Central Kitsap Food Bank (Hoyt Burrows) (10 minutes)  
B.      Presentation on the Central Kitsap Fire and Rescue – new fire engines and status of merger (Chief Ken Burdette) (15 minutes)  
C.      Presentation on the Kitsap County Transportation Advisory Committee (Gary Lindsey) (15 minutes)  
D.      Update on the Waaga Way connector roads and Town Center Design Standards (Eric Baker) (25 minutes)  
E.      Discussion on Council Retreat Goals (Bob Moyer) (10 minutes)  
F.      Committee assignments (Bob Moyer) (5 minutes)
- 8:40 PM      3.      Opportunity for public comment (comments will be limited to three minutes)
- 9:00 PM      4.      Adjournment

### UPCOMING MEETINGS/EVENTS:

EXECUTIVE COMMITTEE – March 4, 2009  
CENTRAL KITSAP COMMUNITY COUNCIL MEETING – March 18, 2009,  
Water & Fire District Community Room, 5300 NW Newberry Hill Road, Silverdale, WA

# **CENTRAL KITSAP COMMUNITY COUNCIL**

## **Meeting Minutes**

January 21, 2009

### **I. Call to order**

President Jon Pearson called to order the regular meeting of the Central Kitsap Community Council at 7:06 PM on January 21, 2009 in the Water and Fire District Community Room, 5300 N.W. Newberry Hill Road, Silverdale, Washington.

### **II. Roll call**

Council members introduced themselves. The following members were present: Natalie Bryson, Steven Cook, Mary Earl, Laura Fedorko, Greg Hunt, Gary Lindsey, Tex Lewis, Jon Pearson, Richard Shattuck, Michael Simpkins, Carol Smiley, Jerry Van Fossen and Roger Zabinski. Commissioner Josh Brown attended, also. Sue Fox joined the meeting in session.

### **III. Approval of minutes from last meeting and adoption of agenda**

The Agenda was adopted as presented. Minutes from the meeting of December 10, 2008 were adopted as corrected.

### **IV. Correspondence/Announcements**

A. **Mary Earl** noted that the Council had received a Christmas card from Lynette George of the Blue Star Banner women, which was shared with the Council. She noted that the Council had sponsored two banners last year, which are now flying on Kitsap Mall Boulevard.

### **V. Recognition of Service**

A. **Jon Pearson** presented plaques to **Carl Johnson** and **David Peterson**, which recognized their years of service on the Council. Both served three terms (nine years) on the Council; Mr. Johnson from 2000-2008 and Mr. Peterson from 1999-2007. **Tex Lewis** noted that Carl has been very active in the community, most recently as President of the Central Kitsap School Board. **Natalie Bryson** noted that Dave was a charter member and first president of the Council, was very active in Kiwanis and serves as the County Clerk.

### **VI. Business Meeting**

A. **The Doctors Clinic: Dr. Brian Wicks** introduced the clinic by noting that it was a multispecialty medical group, owned and operated by doctors, that was started in 1949 by four doctors from Bremerton. It currently has 75 physicians

at eight sites, with a ninth, the Cavalon Center in Silverdale slated to open in March. The new center will offer oncology, cardiology, facial plastic surgery and dermatology services. Overall, the Doctors Clinic has 345 full-time and 140 part-time employees, with revenues of about \$85 million. It is now implementing electronic health records, which, combined with email and digital imaging, will allow full access to patient records by any doctor at any group location. Future plans include doubling the size of its Bainbridge Island site and eventually adding some type of urgent care facility there, opening an urgent care practice at its Poulsbo site, and expanding its Silverdale Ridgetop site by up to 32,00 square feet.

**Greg Hunt** asked if the clinic would have occupational medicine capability. **Dr. Wicks** responded that they had just added a doctor for that service. **Roger Zabinski** asked if there were any plans to expand towards the Belfair/Shelton area. **Dr. Wicks** replied that that was not yet financially viable for the clinic. **Natalie Bryson** asked if there were any plans to provide pediatric services. **Dr. Wicks** said, "no, not right now." **Michael Simpkins** wondered if there might be any future alliance with the military. **Dr. Wicks** replied that Tricare reimbursements were so low that Tricare patients were not viable for the clinic. **Greg Lynch** note that Tricare covered military retirees, too, and that, within Kitsap County, about 40% of the people in primary care and 50% of the people in hospital at any one time were military-related.

B. **Kitsap Economic Development Alliance:** **Bill Stewart** began by noting that The Doctors Clinic was the sixth-largest private employer in the County. The unemployment rate in the county at the end of the year was 6.1%, up from 5.8% at the end of 2007. This is about 1 percentage point less than the Washington State rate. Building permits are at 50-60% of the level one year ago. Retail sales in unincorporated Kitsap County were down 16% in November from a year ago. Interestingly, new business license applications are up significantly everywhere. KEDA is a private, non-profit organization with a budget of about \$350K/yr. The Board of Directors numbers 40, equally split between private and non-profit organizations. They are working with KRCC to obtain better statistics for Kitsap (Kitsap vitals), which KEDA intends to use to benchmark against other, similar areas in the U.S. They need more support for the Kitsap 20/20 vision. KEDA is following very carefully how Federal dollars will come down for economic incentives. Washington should get about 2% of the total funds.

**Roger Zabinski** asked about the prospects for a venture capital forum in Kitsap. **Mr. Stewart** responded by noting that most VC firms are very independent and they specialize in certain narrow areas. West Sound Tech tried to do an "angel" investor event a few years ago – but there were not enough sign-ups to make it happen. **Tex Lewis** asked about the County's assets and liabilities. **Mr. Stewart** replied that the work force is a big asset. Our biggest liability is something that we can't do anything about locally –

compared to Oregon, this state taxes materials and construction labor, which is a significant cost handicap for new investment.

- C. **The Illahee Subarea Plan Update:** **Jim Aho** said that the community had received the final boundaries for its Plan, as decided by the County Commissioners, who voted to adopt the Plan with the boundary changes. The primary change was the removal of the commercial strip along State Route 303. **Jim Sommerhauser** noted that the Illahee community was exceptional in backing up its views with studies and data that they at least partially paid for.
- D. **Election of Officers:** **Carol Smiley** gave the report of the nominating committee. It proposed the following slate: President – Robert Moyer; Vice-President – Gary Lindsey; Secretary – Roger Zabinski; Immediate Past President – Jon Pearson; Members-at-Large – Richard Shattuck and Sue Fox (see attachment). **Jon Pearson** called for nominations from the floor. There were none. Following a motion to elect and a second, the slate was elected by unanimous vote.

## VII. Committee Reports

- A. **Parks:** **Roger Zabinski** noted that next Wednesday there would be an Echo Summit that would focus on the Puget Sound Partnership objectives. **Gary Lindsey** commented about recent developments on the Markwick property, including a meeting with Commissioner Bauer to discuss certain property issues. **Mary Earl** and **Tex Lewis** noted that there would be Clear Creek Trail work parties on January 23 and 31, “Salmon in the Classroom” in March and Earth Day coming in April. **Laura Fedorko** added information about the Anderson Hill Road overpass project. Painting is tentatively scheduled to begin in April; it’s weather-dependent. A contractor is being considered to apply the upper portion of the mural.
- B. **Economic Development and Land Use:** **Roger Zabinski** remarked that the Committee was looking for ways to support the Kitsap Regional Library. The next meeting of the Library board will be on Tuesday at 4:30 PM at the Sylvan Way branch.
- C. **Government Relations:** **Natalie Bryson** reported that she and several other members of the Council had attended a meeting today about the YMCA project on the Community Campus. BCRA has been contracted to do the master site planning and to design the “Y”. They will do specific site planning to locate the major activities planned for the site, including the “Y”, a new KRL branch and other community-oriented activities.

### **VIII. By-Laws Amendments**

Proposed amendments to Articles V and XVI of the By-Laws were read for the second time (see attachment). Upon a motion made and seconded, the changes were adopted unanimously.

### **IX. Council Retreat**

After discussion, it was agreed to hold the Council's annual retreat on February 7 from 9:00 AM to 1:00 PM at the Clear Creek Trail barn. **Mary Earl** volunteered to coordinate the session.

### **X. Public Comment**

**Jim Sommerhauser** stated that the Council needed to find a way to stay more closely in touch with what is going on in the County that affects the Central Kitsap area – and to get information earlier in the cycle. For example, regarding walkable communities, the phase 2 requirements have significant changes. Also, concerning the Waaga Way Extension service roads, a decision is likely from the Commissioners in the next few weeks. Until this is decided, the area is under a development moratorium.

### **XI. Adjournment**

**Jon Pearson** adjourned the meeting at 9:10 PM.

Minutes submitted by Robert Moyer, Secretary

**CENTRAL KITSAP COMMUNITY COUNCIL**  
**Calendar of Events – 2009 (Preliminary)**

February 18	Regular Meeting	Water and Fire District Community Room 5300 N.W. Newberry Hill Road
March 18	Regular Meeting	Water and Fire District Community Room 5300 N.W. Newberry Hill Road
April 15	Regular Meeting	Water and Fire District Community Room 5300 N.W. Newberry Hill Road
May 20	Town Hall Mtg. (Legislative debrief)	Silverdale Community Center Evergreen Room
June 17	Regular Meeting	Water and Fire District Community Room 5300 N.W. Newberry Hill Road
July 15	Regular Meeting	Water and Fire District Community Room 5300 N.W. Newberry Hill Road
August 26-30	County Fair Booth	Kitsap County Fairgrounds Pavilion
September 16	Regular Meeting	Water and Fire District Community Room 5300 N.W. Newberry Hill Road
October 21	Town Hall Mtg.	Silverdale Community Center Evergreen Room
November 18	Regular Meeting (Legis. Priorities)	Water and Fire District Community Room 5300 N.W. Newberry Hill Road
December 16 <sup>#</sup>	Regular Meeting (Committee Appreciation)	Water and Fire District Community Room 5300 N.W. Newberry Hill Road

<sup>#</sup> Committee Reports & Appreciation:  
 Committee members (CKCC and community members) - social event with  
 public recognition.

Oct 21 Town Hall: Kitsap County Commissioners – give dissertation of what they are  
 doing and how it affects in the CK area



Mail Message

**From:** Chip Faver  
**To :** Josh Brown ; stevem@watermark-llc.com  
**CC :** Carolyn Siems ;  
**Date** Sunday, February 15, 2009 6:27:39 PM  
**Received:**  
**Subject:** Re: Newberry Heritage Park

Josh,

I have answered several e-mails on this topic and yes the exchange includes honoring the lease. The transfer should be transparent to KRRC. We discussed the lease transfer with DNR two weeks ago and project this transfer to be transparent to them. We are scheduled to meet with DNR and KRRC together in the next week. DNR's Brad Pruitt is setting up the meet as his agency is the landlord

H. F. "Chip" Faver  
Director, Kitsap County  
Parks and Recreation  
>>> Josh Brown 02/15/09 3:53 PM >>>  
Steve,

Nice to hear from you. For several years, Kitsap County has worked on a land swap with DNR to complete the acquisition of the Newberry Hill Heritage Park. When the acquisition is complete, Kitsap County will then work with the community to develop master plan that will determine appropriate uses.

I don't know the exact deal terms of the lease between DNR and the Kitsap Gun and Revolver Club, but I would expect Kitsap County to assume and honor any leases that would come as part of the exchange.

Trails that have been developed to date would be under the approval of DNR, not Kitsap County.

Warm regards,

Josh Brown  
Kitsap County Commissioner, District #3  
614 Division Street, MS - #4  
Port Orchard, WA 98366-4676  
P: (360) 337-7146  
F: (360) 337-4632  
jwbrown@co.kitsap.wa.us  
www.kitsapgov.com

>>> Steve Martz <stevem@watermark-llc.com> 2/10/2009 3:25 PM >>>  
Dear Commissioner Brown,

I am trying to find out more information about Newberry Heritage Park. I live adjacent to the current DNR land and have heard rumors of a land swap between Kitsap County and DNR. How would this affect the current Kitsap Gun and Revolver Club? What is the long-term plan for this park. I also understand that the Kitsap Mountain Bike Club are building trails on this land. If you could shed some light on this proposed park, I would appreciate it greatly. Thank you.

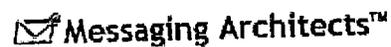
Steve Martz  
Estate Manager

Watermark Estate Management Services  
301 E. Wallace Kneeland Blvd., Ste 224  
Box 106  
Shelton, WA 98584

(425) 468-2988 Office/cell

(360) 898-6627 Fax

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Mail Message

**From:** Chip Faver  
**To :** Josh Brown  
**Date** Thursday, January 15, 2009 12:58:54 PM  
**Received:**  
**Subject:** Newberry Hill Land Exchange Bullet Points Coming

Josh,

Chip has asked me to get you details rather quickly regarding the Newberry Hill Land Exchange with the DNR. Allow me to send you bulleted points, all key players and timelines.

I will get that to you momentarily.

MFK  
for Chip

H. F. "Chip" Faver  
Director, Kitsap County  
Parks and Recreation



## Mail Message

**From:** Matt Keough  
**To :** Josh Brown  
**CC :** Chip Faver ;  
**Date** Tuesday, December 09, 2008 1:15:01 PM  
**Received:**  
**Subject:** Newberry Hill Exchange Email Briefing

This email is intended to summarize the status of the Central Kitsap Greenway/Newberry Hill project:

The Central Kitsap Greenway Urban Wildlife Habitat Grant (RCO #04-1457A) is not yet closed. That grant helped acquire 305 yet-to-be specified acres within the larger Central Greenway.

Kitsap County wishes to include a portion of the Central Kitsap Greenway as part of a trade with DNR for a 500 acre DNR School Trust land adjacent to Newberry Hill Heritage Park. Additional conversion-ready DNR acreage, contiguous to this parcel, would more likely come to the County through this effort.

Land values established through appraisals of the properties involved in the trade will determine if any and how much of the grant funded lands will be needed to equal the value of the DNR's Newberry Hill School Trust Lands. RCO is willing to work with us to enable the proposed exchange, within certain parameters, without going through the arduous and uncertain conversion process. Most significantly, RCO staff now supports our preferred option to wait for the land exchange before setting the required deed restriction for 305 acres.

While RCO is supportive of our preferred option, the Central Kitsap Greenway Grant needs to be finalized and closed soon. Our grant manager has asked the County to finalize the exchange and file an amended deed of right, with the new legal description reflecting the 305 acres, as determined by the exchange appraisals, by spring of 2009.

Brad Pruitt at the Department of Natural Resources (DNR) will brief his superiors at DNR, and seek their direction to begin the exchange which must be done through their protocols through their appraisal process. At our request, Brad will prepare a timeline for the exchange to be done to evaluate the practicality of meeting this goal. We have communicated our interest to him as well as Mark Mauren of DNR for action at DNR board meeting of March 2009. Mark's contact: mark.mauren@dnr.wa.gov

Please let me or Chip Faver know if you have questions or require a broader or more direct report.

-MFK

Matthew F. Keough  
 Parks Planning Project Manager  
 Kitsap County Parks and Recreation  
 (360) 337-5357  
 mkeough@co.kitsap.wa.us



Mail Message

**From:** mary earl <[redacted]>  
**To :** [redacted]; Roger Zabinski ;  
**CC :** Natalie Bryson ; Carol Smiley ; Carl Johnson ; Gary Lindsey ; Greg Hunt ; Stephen  
 Cook ; Hank Mann Sikes ; Jon Pearson ; Josh Brown ; Kay Wilson ; Tex Lewis ;  
 Bob Moyer ; Sue Foxx ; Richard Shattuck ; Jerry Van Fossen ; Zoe  
**Date** Monday, December 08, 2008 8:16:59 AM  
**Received:**  
**Subject:** Re: CKCC Town hall setup and refreshments

The Clear Creek Task Force has a plethora of unmatched cups and napkins we will donate to the cause. How many would you like to have on hand?

Grape Expectations Wine Shop  
 in Old Town Silverdale since 1985  
 3594 NW Byron, #102  
 698.0522

--- On Sun, 12/7/08, Roger Zabinski <[redacted]> wrote:

**From:** Roger Zabinski <[redacted]>  
**Subject:** CKCC Town hall setup and refreshments  
**To:** "Jon Pearson" <[redacted]>, "Zoe" <[redacted]>, "Kay Wilson"  
 <[redacted]>, "Jerry Van Fossen" <[redacted]>, "Mary Earl"  
 <[redacted]>, "Hank Mann Sikes" <[redacted]>, "Stephen Cook"  
 <[redacted]>, "Tex Lewis" <[redacted]>, "Carl Johnson"  
 <[redacted]>, "Richard Shattuck" <[redacted]>, "Sue Foxx"  
 <[redacted]>, "Greg Hunt" <[redacted]>, "Bob Moyer"  
 <[redacted]>, "Carol Smiley" <[redacted]>, "Gary Lindsey"  
 <[redacted]>, "Natalie Bryson" <[redacted]>, "Roger Zabinski"  
 <[redacted]>  
**Cc:** "Josh Brown" <jwbrown@co.kitsap.wa.us>  
**Date:** Sunday, December 7, 2008, 10:04 PM

```
#yiv2007642810 .hmmmessage P
{
margin:0px;padding:0px;}
#yiv2007642810 {
font-size:10pt;font-family:Verdana;}
```

I have some updates regarding the refreshments and for the set up crew for the Wednesday night meeting.

I have purchased water and juice. We have table covers in the office. I have placed an order for some cookies.

We need cups and napkins. If anyone wants to pick them up, let me know.

I do have a question for Jon or Carl or anyone who is familiar with the Gym room of the Jenne-Wright building. We are anticipating having a table for refreshments - water, juice, cookies. Is that ok? There aren't any rule that forbid having food/beverage in that room are there? Are there tables and chairs readily available? If you think setup will be quite a job, let me know.

If setup is simple, as I expect, then Jerry, myself and any others who want to help with set up: Please arrive between 6:15 - 6:30pm on Wednesday night at the Gym of the Jenne-Wright building. We are anticipating some posters for the community campus, Newberry Hill Heritage Park and possibly for the Harrison Hospital development that need to be put up. We will anticipate having some easel stands for the posters. There may be some setup to do with chairs and tables.

I will check with Josh about the posters etc.

If there's anything else, please let me know. Thanks.

Roger  
\\





Mail Message



**From:** Dana Daniels  
**To :** Josh Brown  
**Date** Thursday, October 09, 2008 4:58:55 PM  
**Received:**  
**Subject:** Newberry Hill Update

Josh,  
Matt Keough called to give you an update on Newberry Hill. He is back in Baltimore for a conference but will be accessible by email if you need more information. He said they got word from the RCO office that they are tentatively in support of the land conversion so that was great news - they do need more details - but it's good news and they said it can be done administratively. He said they only need now to get DNR's approval.  
Dana

Mail Message

 Messaging Architects™

**From:** "mark fisher" <[REDACTED]>  
**To :** Lori Raymaker ;  
**CC :** Brian Hauschel ; Dori Leckner ; Frank Stowell ; Josh Brown ; Matt Keough  
**Date :** Tuesday, September 23, 2008 5:26:58 PM  
**Received:**  
**Subject:** Re: Newberry Hill Property meeting

The only work done out there for a long time has been by the bikers. Knowing the area well along with contact with, that is factual. Like Banner also. No conflicts other than some complaining, the June ema horse signs on mountain biker built trails, not on county lands. (I had a discussion with Chip on this 3 v detail.) If they want their own trails, put them in. Find out what it takes to put in trail in the NW. Horse: motorized regarding impact, and worse on soft soils. No one wishes to put up with horse crap on the tra have asked the locals to clean up after their stock, and that has worked fine.

Segregation of trails is the only system that works when it comes to impact. You can confirm that with recreation lead. We build trails for walk/run/bike.

As a long time builder, and user of trails, I am all pay to play. As in your physical presence out there w trails, etc. Saying you pay taxes means nothing. We all do that. I am glad lands are available for recreat the time to work on them knowing well the county has no money for creation and maintenance of these Imagine what Banner would look like without the mountain bikers keeping the trails clear. Few users t work on systems that are available to them. Those that do garner position over the others.

----- Original Message -----

**From:** Lori Raymaker<mailto:lraymake@co.kitsap.wa.us>  
**To:** mark fisher<mailto:[REDACTED]>  
**Cc:** Frank Stowell<mailto:[REDACTED]> ; Brian Hauschel<mailto:BHausche@co.kitsap.wa.us> ; I Leckner<mailto:DLeckner@co.kitsap.wa.us> ; Josh Brown<mailto:JWbrown@co.kitsap.wa.us> ; Matt Keough<mailto:MKeough@co.kitsap.wa.us>  
**Sent:** Tuesday, September 23, 2008 4:32 PM  
**Subject:** Re: Newberry Hill Property meeting

Mark,

I'm not sure that I understand your questions or email, but I will answer to what I think you are asking. let me know and we'll try again. If you are asking for the time for this Thursday's meeting, it is 10:00 at School. Check in at the office and they will direct you to our meeting area. I am not sure what room we vice-principal has arranged this for us.

As for who came up with this meeting, it was the staff. There are a number of different reasons. As you fair, we had quit a few people ask about the property. I know that you have a group that builds/maintair there, and I've been told of others who are working out there. So, from a volunteer stand point, I needec who is there and what they are doing. I also understand that some of our user groups, in particular bikes: are having some conflicts. So, in order to get everyone, including staff, on the same page, we decided t meeting. It is my hope that with this meeting, we will all better understand our own roles and each othe that, we should all be able to work toward the common goal of bettering the property for everyone invo

Please let me know if you have other questions or concerns.

Lori

>>> "mark fisher" <mailto:mark.fisher@dnr.wa.gov> <mailto: [redacted]>> 9/23/2008 3:38 PM >>>  
Advise on the time and I'll change my schedule to meet. The only current county owned property in the chunk is on the NW corner. Still, who did this get planned and conceived for a need of this type of mee know this goes back to the BS email of June from people I have had no contact, putting out a threatenir

----- Original Message -----

From: Lori Raymaker <mailto:lraymake@co.kitsap.wa.us<mailto:lraymake@co.kitsap.wa.us>>> ; Tom Coleman <mailto: [redacted]>> ; Brian Hauschel <mailto:BHausche@co.kitsap.wa.us<mailto:BHausche@co.kitsap.wa.us>>> ; Dori Leckner <mailto:DLeckner@co.kitsap.wa.us<mailto:DLeckner@co.kitsap.wa.us>>> ; Josh Brown <mailto:JWbrown@co.kitsap.wa.us<mailto:JWbrown@co.kitsap.wa.us>>> ; Matt Keough <mailto:MKeough@co.kitsap.wa.us<mailto:MKeough@co.kitsap.wa.us>>> ; Teresa Brooks <mailto: [redacted]>> ; jesse.sims <mailto:jesse.sims@dnr.wa.gov<mailto:jesse.sims@dnr.wa.gov>>> ; Sam Jarrett <mailto:sam.jarrett@dnr.wa.gov<mailto:sam.jarrett@dnr.wa.gov>>> ; mark fisher <mailto: [redacted]>> ; Bruce Anderson <mailto: [redacted]>> ; Steve Butler <mailto: [redacted]>> ; Mike DeCoy <mailto: [redacted]>> ; Mike Wellborn <mailto: [redacted]>>  
Sent: Tuesday, September 23, 2008 9:26 AM  
Subject: Re: Newberry Hill Property meeting

Mark,

I apologize for the late notice on this meeting. It is my fault.

Let me assure you that this meeting is not a master planning meeting for the property. It is a meeting to county property boundaries, determine the current user groups that we have out at the property, and to users on the progress of the land transfer between DNR and the County. As a board member, you are pr date on most of this information. It is also a meeting to determine the work that is being done by volunt any, on the county property. As you know, if we have volunteers working on county property, we need that they are registered as volunteers, their volunteer hours are properly recorded, and they are trained c equipment that they are using. Also, if any work is being done on County property, that work needs to l the County because it is the County who accepts the liability for the property.

I know that Tom Coleman, Klahowya teacher and avid mountain bike rider, will be attending the meeti worked with your group. So, if he is comfortable representing the mountain bike riders, that would be g someone else who you would like to invite to the meeting to attend in your place, that would be fine to know. Also, I will keep you informed on what was discussed at the meeting.

I realize that your group is a large volunteer group and has done some great work on both county and E The County would like to continue to work with your group. When you get back to town, please contac can discuss any work being done on county property and make sure that we are following the appropri night time meeting with your group at Klahowya would be a great idea so that I can introduce myself a about any work or trails that they would like to develop on the County property.

Thank you,

Lori Raymaker  
Park Stewardship Coordinator  
Kitsap County Parks & Recreation  
1200 NW Fairgrounds Rd.  
Bremerton, WA 98311  
(360) 337-5372

>>> "mark fisher" <[redacted]> <mailto:[redacted]> <mailto:[redacted]>  
3Cmailto:[redacted]> >>> 9/22/2008 7:48 PM >>>

I gotta laugh, This is not planning here. Most people involved work, especially teachers at the school.  
3 days notice is a total lack of forethought. I am out of the state now.

Who brought this up out of the blue? Everyone knows I am the go to for what is going on out there also  
established contacts. Including the DNR.

The gnomes are well organized, have plenty of money, include engineers and construction project man:  
of other county lands well, and have the interested parties rallied including an evening meeting any tim  
using the auditorium at Klahowya. The ground work has been done for the trailhead, parking, interpreti  
layout. We are well connected with the DNR on area lands, put in more work hours on county/DNR the  
user group involved with the county. Have our own website also.

For the county, first: get the land transfer done. Then plan accordingly.

Advise.

----- Original Message -----

From: Lori

Raymaker <mailto:lraymake@co.kitsap.wa.us> <mailto:lraymake@co.kitsap.wa.us> <mailto:lraymake@cc  
3Cmailto:lraymake@co.kitsap.wa.us>>>

To: Frank Stowell <mailto:[redacted]> <mailto:[redacted]> <mailto:[redacted]>  
3Cmailto:[redacted]>>> ; Dori

Leckner <mailto:DLeckner@co.kitsap.wa.us> <mailto:DLeckner@co.kitsap.wa.us> <mailto:DLeckner@cc  
3Cmailto:DLeckner@co.kitsap.wa.us>>>

Sent: Monday, September 22, 2008 1:39 PM

Subject: Newberry Hill Property meeting

Kitsap County Parks would like to meet with interested parties concerning the Newberry Hill Property.  
on Thursday, Sept 25, at 10:00 am at Klahowya School. We will discuss current uses and plans for the  
possibly tour some of the property. Please let us know if you are available to attend this meeting.  
Thank you,

Lori Raymaker  
Park Stewardship Coordinator  
Kitsap County Parks & Recreation  
1200 NW Fairgrounds Rd.  
Bremerton, WA 98311  
(360) 337-5372



Mail Message

**From:** "kcbutler" <[REDACTED]>  
**To :** Bruce Anderson ; Brian Hauschel ; Dori Leckner ; Frank Stowell ; mark fisher ; jesse.sims ; Josh Brown ; Mike Wellborn ; Lori Raymaker ; Sam Jarrett ; Steve DeCoy ; Teresa Brooks ; Tom Coleman  
**Date** Tuesday, September 23, 2008 8:09:25 AM  
**Received:**  
**Subject:** Re: Newberry Hill Property meeting

Ditto for myself. I am also unavailable on such short notice. While I'm able to adjust my schedule for day meetings, at least a week notice would be helpful. I think the message your are getting is that a lot of people are interested and passionate about this property, and want to be involved.  
K.C.

----- Original Message -----

**From:** mark fisher  
**To:** Lori Raymaker ; Frank Stowell ; Dori Leckner ; Brian Hauschel ; Josh Brown ; KC Butler ; Mike Wellborn ; Bruce Anderson ; Sam Jarrett ; Tom Coleman ; Teresa Brooks ; Steve DeCoy ; jesse.sims  
**Sent:** Monday, September 22, 2008 7:48 PM  
**Subject:** Re: Newberry Hill Property meeting

I gotta laugh, This is not planning here. Most people involved work, especially teachers at the school.  
3 days notice is a total lack of forethought. I am out of the state now.

Who brought this up out of the blue? Everyone knows I am the go to for what is going on out there along with the established contacts. Including the DNR.

The gnomes are well organized, have plenty of money, include engineers and construction project managers, take care of other county lands well, and have the interested parties rallied including an evening meeting any time we want using the auditorium at Klahowya. The ground work has been done for the trailhead, parking, interpretive stuff, use layout. We are well connected with the DNR on area lands, put in more work hours on county/DNR then any other user group involved with the county. Have our own website also.

For the county, first: get the land transfer done. Then plan accordingly.

Advise.

----- Original Message -----

**From:** Lori Raymaker  
**To:** Frank Stowell ; Dori Leckner  
**Sent:** Monday, September 22, 2008 1:39 PM  
**Subject:** Newberry Hill Property meeting

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current uses and plans for the property and possibly tour some of the property. Please let us know if you are available to attend this meeting.

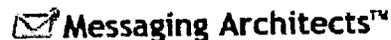
Thank you,

Lori Raymaker  
Park Stewardship Coordinator  
Kitsap County Parks & Recreation  
1200 NW Fairgrounds Rd.  
Bremerton, WA 98311  
(360) 337-5372

---

No virus found in this incoming message.  
Checked by AVG.  
Version: 7.5.524 / Virus Database: 270.7.0/1685 - Release Date: 9/22/08 4:08 PM

## Mail Message



**From:** Matt Keough  
**To :** Josh Brown  
**CC :** Chip Faver ; Dana Daniels ;  
**Date** Thursday, September 04, 2008 12:18:56 PM  
**Received:**  
**Subject:** Park Project, Requested Update

Josh,

I hope you all is well with you. Before proceeding with the requested update on several park projects, I want to thank you for meeting with Aaron Lambert this week on Seabeck. He really appreciated the time with you and the direction you provided.

**Gordon Field:**

We are conducting required site analysis and feasibility studies at this time; we "paused" in May/June in part to get a handle on the funding, learn more about turf options, and to evaluate PFD's interest and current experience on Bainbridge. Post-Fair (access and use of the field is partially compromised through late August), Alki Consultants now has the notice to proceed with soil testing as part of their geotechnical review. (A working drainage system is fundamental to turf fields.) The planning staff lead is Martha Droge - at x5361. She has coordinated well with the PFD and interested groups; she'll release an implementation schedule once the preliminary site information is in and analyzed against budget realities. Internally, we hope to see the new turf (as well as adjacent bathrooms renovated) complete by summer 2009.

**Newberry Hill:**

As you know, the land exchange with DNR has been through several rounds of discussions with various proposals and contingencies. To have an feasible exchange (equal value), we now know that we will have to convert some of the CK Greenway acreage out of its conservation easement (State funds required this). The conversion process will requires like-for-like property exchanges as agreed upon by the state's Recreation and Conservation Office. We are working with the RCO staff so that they might recommend it through their board. There is some delay in that the RCO staff is fully occupied with grant application/award processes. Rick was correct to warn us that we have numerous processes to engage - if the RCO does approve conversion, we must then get appraisals done and present the total land exchange to DNR... for their board to review. Early 2009 remains an internal goal with the DNR first quarter meeting of 2009.

**Illahee Reserve Parking Lot:**

The more significant permits are in hand - to the credit of DCD who helped fast track it. Construction/bid documents have been prepared by Map Limited (our hired consultant) so that the contract bidding process can get underway. We will soon be noticing the bid process and selecting a contractor to do the work. Strategically, we will amend the contract as we go - per the conditions of the final Forest Practice and storm control permits. Project Coordinator Martha Droge has the plans for the parking lot (including grading) if you are interested in further detail.

**West Central Little League:**

Chip has made this an immediate priority and I have called the CKSD for a meeting regarding our field usage at Klahowya. It is tied to our ILA(s) with the CKSD. Recently, we focused on

maintenance issues within that ILA and did not want to confuse the issues but can now engage on field useage. I'll keep you appraised of the issues, especially if there is an impasse or a meeting where your offices would assist.

Sincerely,  
MFK

Matthew F. Keough  
Parks Planning Project Manager  
Kitsap County Parks and Recreation  
(360) 337-5357  
mkeough@co.kitsap.wa.us



Mail Message

**From:** <[REDACTED]>  
**To :** Faver, Chip ; Keough, Matt  
**CC :** Pruitt, Brad ; Brown, Josh ;  
**Date** Sunday, July 06, 2008 11:33:55 PM  
**Received:**  
**Subject:** Newberry Hill onversion request  
 Conversion Rationale 6.18.08.doc  
Central Kitsap Greenway.doc  
ChicoCreekProperty[2].pdf

Hi, Chip and Matt

Attached are a draft memo to send to RCO on County letterhead by Chip, requesting the conversion of Central Kitsap Greenway grant lands to enable the Newberry Hill exchange. It is a tome, but I believe the detail is necessary to provide the details RCO will need to make their decision. I recommend sending the memo by email to Kayleen, as well as to Marguerite Austin, Kammie Bunes and Sarah Thirtyacre at RCO, as all those people will be involved in their decision-making on this request.

Also attached is a brief description of those pros & cons for the conversion, as they came to my mind, and a very skeletal description of the process for completing the exchange, with and without the conversion approval from RCO.

Finally, there is a map showing the grant lands. There is a second map which I am working with Paul Andrews at GIS to have cleaned up, which shows the properties involved in the exchange. I will have that map to you asap, so it can go out with the memo.

Rick

## MEMO

From: Chip Faver, Kitsap County Parks & Recreation Director  
To: Kaleen Cottingham, Recreation and Conservation Office (RCO) Director  
Re: Conversion Request advice for Central Kitsap Greenway, RCO #04-1457A  
June 22, 2008

This memo is being written to try to describe a long and complicated set of issues on properties which involve RCO. The critical question for which the County needs a response from RCO is in the final paragraph of this treatise. We need an answer to that question in order to determine how to proceed with what I am sure you will agree is an exciting project - one which will result in the protection of a key large property which will provide critical wildlife habitat and contribute to creating a clear boundary to urban growth in Central Kitsap County.

### **Background**

In 2004 Port Blakely Tree Farms placed two large properties they owned in West Central Kitsap County up for sale through a closed bid auction. One of the Port Blakely Tree Farm properties, known as Port Blakely Tree Farm Kitsap County, Tract 1 (CK Greenway), is a 623 acre property lying east of Wildcat Lake. It extends from the northeastern slopes of Green Mountain on the South to Department of Natural Resources managed Newberry Hill property on the north. Chico Creek, Kitsap County's most productive salmon stream, traverses the property. The property is also a key link in a north-south terrestrial wildlife corridor identified in WDFW studies of the County.

A number of public and non-profit entities, including Kitsap County, the Washington State Department of Natural Resources (DNR), the Washington State Department of Fish and Wildlife (WDFW), the Great Peninsula Conservancy and the Mountaineers Foundation had been cooperating over a number of years to identify and preserve key open space lands in West Central Kitsap County. The CK Greenway property was viewed by those agencies and organizations as a regionally critical parcel for habitat and open space preservation purposes. As none of the parties had sufficient funds to acquire the entire property, they deemed the property important enough to work cooperatively to acquire.

Kitsap County submitted a bid for the property after coming to agreement on a strategy which involved financial participation by several of the parties listed above. The Mountaineers and the Great Peninsula Conservancy agreed to contribute cash toward the acquisition. It was agreed that the County would apply to the Washington State Recreation and Conservation Office (RCO) for a Washington Recreation and Wildlife Program (WWRP) for a grant to help reimburse a portion of the acquisition costs for part of the property, so the County requested and received a waiver of retroactivity, enabling future grant applications. It was also agreed that the DNR and the County would exchange the southern portion of the CK Greenway property, which lay on Green

Mountain and is surrounded by DNR lands for 500 acres at Newberry Hill, which are contiguous to and north of the CK Greenway property.

### **Newberry Hill Land Exchange**

Kitsap County has long identified these Newberry Hill DNR lands as the site for a regional "Heritage" park to serve Central Kitsap County. Originally, Newberry Hill was approximately 1,000 acres of lands managed by DNR. Approximately 500 acres of that land is School Trust land (Trust lands), managed by DNR for the Common Schools of the State. The remaining approximately 500 acres of State managed lands at Newberry Hill was State Forest Board-Transfer Land (Forest Board lands). These are lands which were deeded by the County to the State many years ago, and which the State manages in the interest of various taxing authorities within the County. State law provides a mechanism wherein the County can request that those lands be reconveyed by DNR to Kitsap County for use for recreational purposes. Kitsap County had identified the DNR Newberry Hill property as a regional park site in officially adopted Kitsap County Park, Recreation and Open Space Plans since at least 1994. In the early 1990's 255 acres of the Forest Board-Reserve lands were reconveyed to Kitsap County. When the Port Blakely land became available, the agreement between the DNR and County was that the County would trade that portion of the CK Greenway property on Green Mountain to DNR for the Trust land portion of the Newberry Hill lands, and that DNR would simultaneously reconvey the remaining approximately 250 acres of Forest Board lands to Kitsap County. This is consistent with DNR management plans, in that they are attempting to consolidate their ownership into larger, more easily managed blocks of land. Green Mountain is one of those blocks in Kitsap County and, at 1,000 acres, the Newberry Hill property is relatively small.

When considering the trade, it was recognized that the Trust lands at Newberry Hill would likely have a lower per acre value than the CK Greenway lands, as a significant percentage of those Trust lands were wetlands with lower market and timber production values, so only a portion of the CK Greenway property would be traded. Another property owned by Kitsap County and located on Green Mountain was identified as potential property to be included in the trade for the Newberry Hill DNR School Trust lands. The grant application was submitted based upon the assumption that that additional land would be included in the trade for the DNR Newberry Hill land, and the area of the property to be included in the grant was estimated accordingly. It was subsequently determined that the additional property was not available for trade to the DNR, as it is an active rock quarry, used by the County for road projects.

The trade with DNR is currently on hold until Kitsap County can identify lands to be included in that trade which are likely equal in value to the DNR Newberry Hill Trust lands. This project is a priority for DNR. Staff has been assigned, and they are ready to proceed with the property exchange and reconveyance processes as soon as Kitsap County has lands identified for the exchange which meet DNR's needs and which have estimated value equal to the 500 acre Newberry Hill Trust land property's estimated value.

## **RCO Grant Status**

In 2004 Kitsap County applied for and secured a WWRP Urban Wildlife Habitat Grant as reimbursement for the acquisition of the northern 340 acres of the CK Greenway lands (RCO #04-1457A). Appraisals were done of that 340 acre portion of the larger 623 acre property. Those appraisals showed a greater value than was estimated when the grant was submitted. Based on the newly determined appraised value, the County requested that the grant contract be amended to reduce the land acquired through the grant from 340 acres down to 304 acres, as that land area value matches the dollar amount of the grant. The reason for this was to maximize the land the County would have to trade for the DNR Newberry Hill Trust lands, which are north of and contiguous to the CK Greenway lands. The County land outside the grant-encumbered property (and available for trade with DNR) will total approximately 319 acres with the grant amendment. That grant amendment was approved by RCO.

Prior to the grant amendment request, Kitsap County had completed, filed and sent to RCO a deed of right in favor of RCO for the original 340 grant area, meeting the final requirement to complete the RCO grant requirements. While RCO staff believed that legal description in the deed of right incorrectly described the entire 623 acre CK Greenway property, the legal has been double checked by Kitsap County staff, and has been determined to be the accurate description for the 340 acres included in the original grant application. The grant application is currently outstanding, as a new deed of right, reflecting the reduced 304 acre area needs to be submitted to RCO. Kitsap County has had a boundary line adjustment prepared to define the boundary of the 304 acre grant area. In order to complete the grant requirements, the County must: (1) adopt and file the boundary line adjustment; (2) prepare, adopt, record and submit to RCO a deed of right reflecting the amended 304 acre grant area. This process will likely take a month to complete.

## **Conversion Request**

The solution which seems most appropriate to the County at this time requires the approval of RCO and probably the Recreation and Conservation Funding Board (RCFB). It involves the conversion of a portion of the CK Greenway lands for which the WWRP grant has helped fund – enough of that land to meet the acreage required to match the value of the 500 acre Newberry Hill Trust land parcel. The exact acreage would be determined by appraisals of both the DNR's Newberry Hill Trust lands and the CK Greenway lands. Preliminary discussions have been held with Kammie Bunes about this possibility, and Kammie suggested sending this description of the issues and request for direction from RCO.

## **Alternatives Considered**

Kitsap County looked at a number of alternatives to requesting a conversion of a portion of the lands partially funded with WWRP grant

monies for lands of equivalent value and equal or greater function as wildlife habitat at Newberry Hill. Among those alternatives were:

- Other County-owned lands were evaluated as potential exchange properties. None were found which met DNR's needs, and which were not needed for essential County functions.
- A number of third party trade possibilities were considered. The possibilities for this were limited by the lands which would be acceptable to DNR and County lands which would be available and attractive to the third party. The City of Bremerton and two timberland owners of managed forest lands on Green Mountain were approached. No deals were able to be made.

#### **Justification of Habitat Value of Newberry Hill lands**

The DNR lands on Newberry Hill which would be exchanged for the CK Greenway lands being converted include the headwaters of Chico Creek. There are extensive wetlands, including a number of open water ponds. The CK Greenway property being converted would not include Chico Creek's major tributaries. The conversion would maintain the wildlife corridor, as it would enable the exchange land on Green Mountain for a large block of contiguous land to the north of CK Greenway.

#### **Appraised Values**

Appraisals will be done of both the DNR and Kitsap County lands, and the exchange will be of lands of equal value, as determined by both an appraiser and a review appraiser. The appraisal process will follow DNR's standard procedures for land exchanges, with some notable exceptions. The County and the State will agree on a list of appraisers who will be asked to bid on the job. Kitsap County will pay for the appraisals, and both the County and DNR will rely on the values established by the shared appraisers.

#### **Request for RCO Clarification**

Kitsap County is clear in its intent to acquire the Newberry Hill land now managed by DNR. The County will use that portion of the lands it acquired from Port Blakely Tree Farms unencumbered by RCO deeds of right as a portion of the lands it exchanges. If RCO staff is willing to support a conversion request for additional contiguous lands secured through grant RCO #04-1457A to be used for the exchange for DNR Newberry Hill lands, Kitsap County and RCO can close that grant and proceed with the appraisals, conversion and exchange. If RCO believes the conversion is unlikely to be approved, then the County will prepare a new deed of right, excluding the additional 36 acres, per the contract amendment, and close the grant. The County needs that land to use for the exchange. We will continue our search for a way to complete the exchange. Direction from RCO on this point will enable Kitsap County to proceed with this exciting project.

## **Central Kitsap Greenway/Newberry Hill Conversion Pros and Cons**

### **Department of Natural Resources**

**Pros:** Land exchange process can begin.

Will receive lands which they desire on Green Mountain, and which meet their management goals.

Will dispose of lands which are less consistent with their long term management plans.

**Cons:** Reconveyance to accompany exchange will insignificantly reduce DNR revenues.

### **Kitsap County**

**Pros:** Land exchange process can begin.

Will maintain contiguity of the green Mountain-Central Kitsap Greenway-Newberry Hill corridor.

Will enable creation of a 1,300 acre Heritage Park in Central Kitsap County.

Will help solidify a western boundary for the Bremerton/Silverdale/Central Kitsap Urban Growth Area.

**Cons:** Reconveyance to accompany exchange will insignificantly reduce revenues.

Conversion is an uncertain and lengthy process.

### **Recreation and Conservation Office**

**Pros:** Will gain a deed of right over much of the Newberry Hill Heritage Park lands, with high habitat value.

**Cons:** Conversions are not generally desirable.

Newberry Hill Conversion/Exchange Process

Kitsap County submits conversion request to RCO

Either

RCO recommends approval of conversion

Or

RCO recommends denial of conversion

Then

DNR begins exchange process,  
Appraisal process begins  
Memorandum of understanding (?)  
Public process  
Approval process

Then

Id & secure other properties for exchange  
Id County potential three way trade lands  
Talk to Ueland, Pope, Bremerton  
Id properties w/ DNR, others

DNR begins exchange process,  
Appraisal process begins  
Memorandum of understanding (?)  
Public process  
Approval process





## Mail Message

**From:** Chip Faver  
**To :** [REDACTED]  
**CC :** Stowell, Frank ; Brown, Josh ; Grennan, Nancy  
**Date** Monday, June 23, 2008 9:12:20 AM  
**Received:**  
**Subject:** Re: Kitsap County Public Land Use

Sir,

Thank you for your e-mail. Unfortunately, I cannot address actions taken on DNR property. I can however, assure you that neither the Parks Department, the Praks Board or the County in general have any agendas to exclude appropriate equestrian use of our park system trails. I will forward this reply to our Parks Board President so that he can be aware that there is an issue affecting DNR property that could be adjacent to our own. I would ask that any trail activity that does take place on County owned property (Parks) be reviewed with us in advance. Thank you for your support for the parks.

H. F. "Chip" Faver  
 Director, Kitsap County  
 Parks and Recreation

>>> <[REDACTED]> 6/22/2008 2:13 PM >>>

st1\:\*{behavior:url(#ieooui) } I have several concerns regarding usage of public lands in Kitsap County. My concerns specifically relate to the area east of Seabeck Highway between Newberry Hill Road and Holly Road. I reside on Dishman Road across from this area and have lived here for more than twenty years. I have owned horses ever since moving to Washington state with my wife and three daughters. Many of the trails we use with our horses are located on the various parcels of land in the aforementioned area. The majority of these trails were carved out and maintained by the equestrian community of Kitsap County. Over the past several months, access to these trails has been cut-off through the use of steel cables or downed trees. These access points have also been posted with signs stating the areas are closed to motorized use. The signs are identified to the Washington State Department of Natural Resources and reference Revised Code of Washington (RCW) 43.12 (Penalties) and Washington Administrative Code (WAC) 332.52 (Land Use). While the intent may have been to restrict motorized use, the actions taken have also restricted equestrian use which is the very community that made these trails possible. According to the Kitsap County government website, the trails we use traverse lands owned by Kitsap County, Central Kitsap School District, State School Lands, Forest Board and State Department of Natural Resources (DNR). Whether state or county owned, these lands are public lands as my tax dollars go to support them. According to WAC 332-52-030 general rules: It is the policy of the department of natural resources to encourage public use of all roads and trails, land and water under its jurisdiction consistent with its trust responsibilities, conservation of soil and water, timber and grass and the natural environment, while maintaining a reasonable balance between the proper needs of conflicting user groups. Therefore, the following rules shall pertain to all lands under the jurisdiction of the department of natural resources and to all access roads across private lands

through which the department has obtained the right of public use. Rules and regulations bearing upon recreational access to department managed lands and roads may be waived (in writing) by the department for special situations provided that the events are consistent with the above department policy. While these general rules are specific to DNR property, they would appear to be applicable to all public lands. I am addressing this e-mail to the Parks Advisory Board because it is my understanding that one of your board members, Mark Fisher, is largely responsible for the current actions being taken on these public lands. Mr. Fisher is an avid bicyclist and intends on restricting these trails to mountain bikes. It is not clear how the county (or state) could restrict these trails from equestrian use. I would like an explanation as to the plans for these various parcels of public lands. I would also like to know the specific authority under which the county can restrict horses from these trails. The equestrian and mountain bike communities have coexisted for years in Kitsap County. There is no reason to create an adversarial relationship now because of an outsider with an agenda. The county and Mr. Fisher are underestimating the strength of those who own and ride horses in Kitsap County. A few downed trees will not keep horses off of these trails. For each trail that is blocked to horses, there will be two or three new trails that will be blazed into this area. The horse community will rally together and do whatever is necessary (legal action, etc.) to keep these trails accessible.



Mail Message

**From:** Matt Keough  
**To :** Brown, Josh  
**Date** Thursday, May 15, 2008 4:24:11 PM  
**Received:**  
**Subject:** Parks Update/Contact Information

Commissioner Brown,

Chip Faver asked me to contact you as resource for the work ahead on parks projects. I look forward to serving the county and hope I can assist you with questions on projects such as Gordon Field, Newberry Hill, and Nick's Lagoon as it relates to Seabeck/community interest. To be candid, I am only just cracking the files - with a focus on the grant acquisition cycle that is now underway. That will prevent a full briefing here but, please, feel free to raise specific questions and call on me anytime.

I'll look forward to visiting with you in person as well. I enjoyed talking with you during your campaign and suspect we will pick up where we left off given shared interest in land use planning and responsible government... many challenges ahead!

Sincerely,  
MFK

Matthew F. Keough  
Parks Planning Project Manager  
Kitsap County Parks and Recreation  
(360) 337-5357  
mkeough@co.kitsap.wa.us



Mail Message

**From:** Josh Brown  
**To :** Brown, Josh  
**Date** Wednesday, April 23, 2008 3:55:37 PM  
**Received:**  
**Subject:** Fwd: Newberry Hill Heritage Park/Klahowya Secondary School Partnership

>>> "Coleman, Tom - KSS" <Tomc@cksd.wednet.edu> 4/22/2008 2:57:02 PM >>>  
Mr. Brown,

First, thank you and congratulations on your work to acquire the land adjacent to our school as a heritage park. Klahowya utilizes the property often, and with all the ideas for improvement I've heard, our use of it could burgeon incredibly. I think we can easily partner with the county and other community groups who have shown interest in the area.

Below is an email I sent to Mark Fisher, representative of the Kitsap Mountain Bike Club. It outlines some of the interest teachers have expressed. This morning, after I emailed Mark's reply, several more staff members indicated an eagerness to involve their classes, clubs, groups, or sports teams, as well.

I foresee a partnership similar to the CKHS students who work on the Clear Creek Trail, but ours will be much more intimate and ongoing, given that we are literally surrounded by the property. For instance, our Environmental Science class can perform field studies there. Or our shop students can build picnic tables for rest areas. The possibilities are endless, and the enthusiasm at Klahowya is great.

Besides activities on the property, we could use our building through the Community Schools program in order to host larger events that would require indoor facilities or an auditorium.

If a task force is created to envision and guide the future of this site, I'd gladly volunteer to serve as a liaison to Klahowya. The property is incredibly beautiful and diverse, and it is my hope that more members of our community will grow to enjoy it as much as I have over the years.

Tom Coleman

Klahowya Secondary School

7607 Newberry Hill Rd.

Silverdale, WA 98383

Phone:(360)662-4056

Fax:(360)662-4001

<http://klss.cksd.wednet.edu/teachers/coleman/tomc.html>

---

From: Coleman, Tom - KSS  
Sent: Tuesday, April 22, 2008 8:30 AM  
To: 'mark fisher'  
Cc: Lindberg, Jon - KLSS; 'adelf@cksd.wednet.edu'; Stevens, Ryan - KSS  
Subject: Newberry Hill Heritage Park

Mark,

So did the county officially trade with DNR for the property? Last I heard in January, it was still in the works.

Klahowya used to have an ASB mountain bike club. I'd take students on a ride after school once a week from October-March. I stopped about four years ago because I took on too many other jobs at KSS. I haven't ridden back there for more than a year, so I'm anxious to see what you folks have been up to.

If there's enough interest, maybe I could resurrect the mountain bike club and enlist the members in some trail maintenance. We used to go out two or three times a year with saws, axes, and other implements of destruction on our bikes and cut back the worst of the stuff. I know all of the trails, but I'm curious to see any new ones you've built.

Besides mountain biking, I've been talking with our wood shop teacher, Jon Lindberg, about ways to get our students out into the woods. It's such an incredible resource that it's just a waste to not use. Jon would like to buy a portable sawmill and get his advanced shop kids into making their own lumber. Then they could use it to build pieces of trails, fences, outbuildings, or whatever...the epitome of real-life experience! Logging is part of our students' heritage, and many of their parents are either still logging or descendants of woodsmen, so I think parents would like to get involved, too.

And I teach Washington State History, so I've thought about creating a pioneer logging exhibit or maybe a fur trapping exhibit along a trail.

I've collected some old tools, and I've actually done a one day unit where I let kids use a two-man saw, bark spud, shake froe, and some of the other old-timey hand tools their great-grandparents used. They loved it!

Another group here that uses the forest is the cross-country team. You may have noticed the trails on the west side were better groomed than the others. X-country runners and their parents have been working on those over the last ten years.

I also talked to a Adele Fernandez, a classroom assistant here, who lives adjacent to the property. She said that land owners nearby have talked about wishing there were an association similar to the Illahee Trust group. I'd be willing to open up a classroom at Klahowya and facilitate a meeting of the minds to try to establish one if your club wanted to collaborate. I think if we had your mountain bikers, the school, the county, and the community all working together, we could make this already beautiful place something special that a lot more people could enjoy.

Let me now what you think.

Thanks,

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Mail Message

**From:** "Coleman, Tom - KLSS" <Tomc@cksd.wednet.edu>  
**To :** Brown, Josh ;  
**CC :** Lindberg, Jon ; Stevens, Ryan - KSS  
**Date** Friday, March 21, 2008 2:18:21 PM  
**Received:**  
**Subject:** Klahowya Heritage Park  
 [image002.jpg](#)  
[image003.jpg](#)  
[image006.jpg](#)

Dear Mr. Brown,

I am a Washington State History teacher at Klahowya Secondary School and am writing to you in regards to the proposed heritage park adjacent to our property. I am excited about the plan and would volunteer to lend any assistance I can to bringing it to fruition. I was the advisor of the Mountain Bike club here for seven years and know every existing trail well.

I believe that Klahowya students could play a vital role in trail maintenance and construction, much like Central Kitsap High School students work on the Clear Creek Trail. We could run a group as an ASB club and generate a lot of interest, I'm sure. Our cross country team already uses some of the paths, with parents and coaches doing trail maintenance.

In addition, Jon Lindberg, our shop teacher, has expressed interest in collaborating with me on a pioneer logging exhibit built by students in our classes. I teach a unit in my Washington State History course in which I give students a hands-on lesson in the way early settlers used our forests to build cabins, fences, and other objects (see pictures below). As part of our work, we could build shelters, bridges, railings, or other needed trail improvements. Cost would be low because much of the materials would come from the surrounding trees, and each class that worked on the park could add a new element.

I look forward to hearing from you. Thank you for your consideration in this matter.

Tom Coleman

Klahowya Secondary School

7607 Newberry Hill Rd.

Silverdale, WA 98383

Phone:(360)662-4056

Fax:(360)662-4001

<http://klss.cksd.wednet.edu/teachers/coleman/tomc.html>



Mail Message

**From:** Josh Brown  
**To :** Brown, Josh  
**Date** Wednesday, April 23, 2008 3:55:37 PM  
**Received:**  
**Subject:** Fwd: Newberry Hill Heritage Park/Klahowya Secondary School Partnership

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Mail Message

**From:** Josh Brown  
**To :** Steve Martz  
**CC :** Chip Faver ; Carolyn Siems ;  
**Date** Sunday, February 15, 2009 3:53:52 PM  
**Received:**  
**Subject:** Re: Newberry Heritage Park

Steve,

Nice to hear from you. For several years, Kitsap County has worked on a land swap with DNR to complete the acquisition of the Newberry Hill Heritage Park. When the acquisition is complete, Kitsap County will then work with the community to develop master plan that will determine appropriate uses.

I don't know the exact deal terms of the lease between DNR and the Kitsap Gun and Revolver Club, but I would expect Kitsap County to assume and honor any leases that would come as part of the exchange.

Trails that have been developed to date would be under the approval of DNR, not Kitsap County.

Warm regards,

Josh Brown  
Kitsap County Commissioner, District #3  
614 Division Street, MS - #4  
Port Orchard, WA 98366-4676  
P: (360) 337-7146  
F: (360) 337-4632  
jwbrown@co.kitsap.wa.us  
www.kitsapgov.com

>>> Steve Martz <[REDACTED]> 2/10/2009 3:25 PM >>>  
Dear Commissioner Brown,

I am trying to find out more information about Newberry Heritage Park. I live adjacent to the current DNR land and have heard rumors of a land swap between Kitsap County and DNR. How would this affect the current Kitsap Gun and Revolver Club? What is the long-term plan for this park. I also understand that the Kitsap Mountain Bike Club are building trails on this land. If you could shed some light on this proposed park, I would appreciate it greatly. Thank you.

Steve Martz  
Estate Manager

Watermark Estate Management Services  
301 E. Wallace Kneeland Blvd., Ste 224  
Box 106

Shelton, WA 98584

(425) 468-2988 Office/cell

(360) 898-6627 Fax

**CONFIDENTIALITY NOTICE:** The information in this email may be confidential and/or privileged. This email is intended to be reviewed by only the individual or organization named above. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system.



Mail Message

**From:** Josh Brown  
**To :** fred.finn@leg.wa.gov ;  
**CC :** Chip Faver ; Carolyn Siems ; Matt Keough  
**Date** Thursday, January 15, 2009 2:21:17 PM  
**Received:**  
**Subject:** Newberry Hill Heritage Park...

Fred,

Thanks for your time today. I have copied our Parks Director Chip Faver (360-337-5355) and Parks Planner Matt Keogh (360-689-7791) on this email. They are key contacts for the County on this land exchange and are available to meet with you in Olympia at your convenience.

As I mentioned, this project is critical to complete our 1,000 acre Newberry Hill Heritage Park which will serve as an open space buffer between urban Silverdale and rural Seabeck/Hood Canal. Doug McClennan (360 825-1631) is the Area Manager who has worked with Kitsap County since 2004 to acquire the Central Kitsap Greenway through an RCO grant, with the strategy to exchange land within that grant for DNR land. He is the original proponent of this deal. The County is now in a timeline crunch now faced by the fact that the State must close that grant by June.

Brad Pruitt, works for Doug in our region, assigned this land exchange. He oversees the process of getting appraisals and staff work done - doesn't see a way to get it done before June.

Steve Saunders, Division Manager, also at DNR, in charge of land exchange items going to the DNR Board this Spring.

360 902-1649; his assistant Sara is at 902-1349. Promised Kitsap County last week to look into all means to expedite the land exchange now that RCO is ok with it but needed it to close. Seemed open to County working some of the required process steps, to include hiring Steve Shapiro to conduct the appraisal work - this next and most pressing step so to document acreage and equivalent values.

Chip and Matt can fill you in with additional details.

Best, Josh Brown  
360 271 9628 (cell)



Mail Message

**From:** Josh Brown  
**To :** Robert McGinley  
**Date** Thursday, November 20, 2008 12:17:17 PM  
**Received:**  
**Subject:** Re: Commissioner District #3 - Petition for the Sale of Tax Title Land - Shew

We can discuss at work study. Many thanks Rob. Best, Josh  
-----Original Message-----

**From:** Robert McGinley  
**To:** Brown, Josh <JWbrown@co.kitsap.wa.us>  
**Cc:** Grennan, Nancy <NBGrenn@co.kitsap.wa.us>  
**Cc:** Brand, Jon <Jbrand@co.kitsap.wa.us>  
**Cc:** Allen, Lori <LAllen@co.kitsap.wa.us>  
**Cc:** Casteel, Randy <Rcasteel@co.kitsap.wa.us>

**Sent:** 11/19/2008 4:16:32 PM  
**Subject:** Commissioner District #3 - Petition for the Sale of Tax Title Land - Shew

Hello Commissioner Brown,

Kitsap County Public Works, Right of Way Division has received a Petition for the Sale of Tax Title Land located to the west of the intersection of Seabeck Highway and Newberry Hill Road in Central Kitsap County, Commissioner District # 3. The petitioner, Mr. Craig Shew, owns the property situated to the north of the Tax Title Land with tax account number 232501-3-019-1004.

Various County departments and agencies have reviewed the petition to determine if the Tax Title Land would be useful for vehicular, pedestrian or park/greenway purposes in the foreseeable future. The Transportation and Construction Divisions have requested the County retain the easterly 30 feet of the Tax Title Land for future road improvements. The remaining portion of Tax Title Land is being made available for purchase following the approval of the Order of Sale by the Board. he

The documents have been sent for review to the appropriate county departments and other agencies. I am planning to submit the document for the November 26 ,Work Study Meeting and the December 8, Regular Business Meeting. I surmise that this may be a consent item.

If I can be of further assistance please call me at extension 3924, or e-mail me.

Thank you

Robert McGinley  
Kitsap County Public Works  
Right-of-Way Department  
614 Division St. MS-26  
Port Orchard, WA 98366  
(360) 337-5777 Ext.3924

FAX (360) 337-4867  
E-mail: [rmcginle@co.kitsap.wa.us](mailto:rmcginle@co.kitsap.wa.us)



Mail Message

**From:** Josh Brown  
**To :** Faver, Chip ;  
**CC :** Daniels, Dana ; Grennan, Nancy  
**Date** Wednesday, June 11, 2008 2:01:21 PM  
**Received:**  
**Subject:** Other items...

Chip,

I want a written brief on the following items:

- 1) A budget for the costs and contributions to turf Gordon Field. I would like a letter/email confirming the amount and terms of the PFD's contribution. I would also like a time line that includes when major project milestones (ILA with PFD, contract with soccer clubs, permit/construction info). I would like Jim Van Antwerp and Field's "Today, Fit Tomorrow" to be included in this update.
- 2) I need an update on exactly where we are with the land transfer of the Newberry Hill Heritage Park. I want to know County responsibilities, Fackler's duties and a time line of when this will be complete.
- 3) Thunderbird Rodeo has similar issues to the Bob Merriman Run in terms of a lack of continuity with the County on operating agreement terms. I would like our Parks Dept to negotiate a three-five year agreement with TR to operate their event. They are willing to pick up a greater burden, we just need to recognize we can't move the goal posts ever year, as they budget their events well in advance.

JB



Mail Message

**From:** Josh Brown  
**To :** Keough, Matt  
**CC :** Daniels, Dana ;  
**Date** Monday, June 09, 2008 12:06:05 AM  
**Received:**  
**Subject:** Re: Parks Update/Contact Information

Matt,

Follow up with Dana to set up a date to meet. Welcome aboard! Best, Josh

-----Original Message-----

**From:** Matt Keough  
**To:** Brown, Josh <JWbrown@co.kitsap.wa.us>

**Sent:** 5/15/2008 4:24:11 PM  
**Subject:** Parks Update/Contact Information

Commissioner Brown,

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Sincerely,  
MFK

Matthew F. Keough  
Parks Planning Project Manager  
Kitsap County Parks and Recreation  
(360) 337-5357  
mkeough@co.kitsap.wa.us

**From:** "mark fisher" <[REDACTED]>  
**To:** "Josh Brown" <jwbrown@co.kitsap.wa.us>  
**Date:** 2/19/2009 2:14 PM  
**Subject:** Fw: Kitsap R & R lease  
**Attachments:** scan.pdf; scan.pdf

Kitsap R & R lease Following our conversation Tuesday, here are some thoughts involving the gun club. Here are some sections you should review.

Chip advises the county will be taking over the DNR lease. Fine if that speeds the process for the land exchange, and keeps them from making a play on owning the land.

I feel the club is in violation of many of the aspects of the lease. Big one is the frequency of shots making it out of their area into the forest. That is totally against the law which should shut them down. The entire park will be down range of their activities, including the school. Noise and their inability to control where the shots are going continue to upset the homeowners in the area. I hear them from 2.5 miles down Holly road and they are not pointing toward me. Recent automatic weapon use in there has been heard by two teachers at Klahowya and reported. Another law breaking activity. I feel the county will get stuck for remediation of the site eventually. Cost for that will be large. The lease has no parameters for operation of the place.

Attachment contains the lease.

I hope a plan is in place for a suitable location for this club. Again, at the industrial park. A open space park with the roar of gunfire always present does not work.

- 1.01 term
- 1.02 sound
- 4.03 Lease termination
- 5.03 conservation
- 8.02 Hazardous substances
- 8.02(2) cleanup costs - big one
- 10.04 cleanup to return lands to previous state

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES  
DOUG SUTHERLAND, Commissioner of Public Lands**

**SPECIAL USE LEASE**

Lease No. 60-B068979

BY THIS LEASE (hereinafter "Agreement"), the STATE OF WASHINGTON, Department of Natural Resources, (hereinafter "State") leases to KITSAP RIFLE AND REVOLVER CLUB (hereinafter "Lessee") the premises in Kitsap County, Washington, the legal description of which is set forth in Exhibit 1A, upon the terms and conditions and for the consideration enumerated herein. Said premises and rights leased hereby are hereinafter referred to as the "Premises".

**SECTION 1 OCCUPANCY**

**1.01 Lease Term.** This Agreement shall commence on March 1, 2003 ("Commencement Date") and expire on February 27, 2018.

**1.02 No Warranty of Quiet Enjoyment.** State makes no warranty of quiet enjoyment of the Premises.

**1.03 Condition of Premises.** Lessee has had an opportunity to inspect Premises and enters into this Agreement solely in reliance on Lessee's own examination and not by reason of any representation by State. Premises are accepted in its present condition "AS IS WHERE IS". No reliance shall be placed on any opinion, material, or information provided by or through State, and Lessee does so at its own risk, cost and expense.

**SECTION 2 USE OF PREMISES**

**2.01 Permitted Use.** For this Agreement, the following uses and no other uses are permitted:

Intensive use and occupancy containing Lessee's improvements, roads, parking areas, open shooting range, targets, and associated infrastructure.	8 Acres
Timberlands, wetlands and similar resource-oriented lands passively utilized by Lessee to provide buffer and safety zones for Lessee's shooting range.	64.41 Acres

In the event the Lessee desires a change in acreage or use, authorization must be obtained in advance and in writing from the State. Approval may be conditioned upon adjustment of the payment in accordance with changes in acreage or use.

### SECTION 3 PAYMENT

Payments made hereunder will be applied first to interest, then to outstanding or delinquent rent, leasehold tax and other charges owed, then to current rent, leasehold tax, and charges.

**3.01 Rent.** The Lessee shall pay to the State, at Olympia, Washington 98504, in advance, the required rent of \$7,200.00 for the period of March 1, 2003 to February 27, 2004 and annually thereafter subject to adjustment under Subsection 3.06.

*8,124.47  
w/24%*  
**3.02 Leasehold Tax.** Lessee shall pay to State, the leasehold tax as set forth in RCW Chapter 82.29A - Leasehold Excise Tax as may be amended. The tax shall be due and payable at the same time the rental charged herein is due and payable.

**3.03 No Counterclaim, Setoff, or Abatement of Rent.** Rent and all other sums payable by Lessee hereunder shall be paid without the requirement of prior notice or demand by State, and shall not be subject to any counterclaim, setoff, deduction or defense and without abatement. The obligations and liabilities of Lessee hereunder shall in no way be released, discharged or otherwise affected, except as expressly provided in Subsection 13.06 (Condemnation).

**3.04 Interest Charged for Past-Due Rent and Other Sums Owed.** Lessee shall pay interest at the rate of one percent (1%) per month (or at such higher rate as may be authorized by statute after the Commencement Date hereof), until paid, on rent or other sums owing under the terms of this Agreement commencing the date such rent or other sum is due and payable. In the event State pays any sum or incurs any expense which Lessee is obligated to satisfy or pay under this Agreement, or which is made on behalf of Lessee, State shall be entitled to receive reimbursement thereof from Lessee upon demand, together with interest thereon from the date of expenditure at the rate stated above.

**3.05 Late Charge for Failure to Pay.** In the event the Lessee fails to make any payment of rent due hereunder upon the date due, the State shall be entitled to collect from the Lessee a late charge equal to six percent (6%) of the amount of the delinquent payment. Any failure to pay rent or any amount specified in this Section 3, or any other amount to be paid by the Lessee under terms of this Agreement within thirty (30) days of the date due, shall be a material default hereunder by the Lessee and such default shall entitle the State to pursue all remedies specified in this Agreement, including the right to terminate this Agreement, though failure to exercise such right shall not be construed as a waiver of the right and thereafter pursue any remedies available at law or equity, including those contained in Chapter 59.12 RCW.

**3.06 Adjustment of Rent.** Beginning on the fifth anniversary of the Commencement Date, and at intervals of five (5) years thereafter (the "Adjustment Date"), a new annual rental will be established. In no event will the adjusted annual rental be less than the previous annual rental. Adjusted rental values established after the designated Adjustment Date shall be due retroactive to such Adjustment Date. The method for such adjustment shall be selected solely by the State from the following options:

(a) Increase of the current annual rent by the percentage increase in the United States Department of Labor, Bureau of Labor Statistics, "All Items" Consumer Price Index for All Urban Consumers ("CPI"), US City Average (1982-84=100), between the date five (5) years previous to the Adjustment Date and the Adjustment Date, i.e., adjusted rental amount equals current annual rent times CPI as of current Adjustment Date divided by CPI as of date five (5) years previous. In the event the CPI ceases to be published, the State may substitute such other comparable cost of living index as then may be in publication by a comparable governmental agency.

(b) Determination of fair market value of the Premises within six (6) months before or after the Adjustment Date through evaluation of pertinent market evidence by State lease administrator and/or other appropriate State personnel.

(c) Determination of fair market value of the Premises within six (6) months before or after the Adjustment Date through formal appraisal by State's appraiser, certified general appraiser under contract with the State, or such other appraiser as may be agreed to by State. Such appraisal must be performed in accordance with the Uniform Standards of Professional Appraisal Practices (USPAP) as promulgated by the Appraisal Institute.

The market value will be determined exclusive of Lessee's improvements and as though ownership were in fee simple, not encumbered by lease.

Under (b) and (c) above, the new annual rental above shall be computed by multiplying the market value of the Premises by the then current Prime Rate as of the Adjustment Date plus 200 basis points (Prime Rate + 2.0%). The term "Prime Rate" shall mean the Prime Rate as published in The Wall Street Journal from time to time (or the average Prime Rate if more than one is published), any change in such Prime Rate to effect a change in the rate charged hereunder on the date of each such change. If The Wall Street Journal ceases to be published or ceases to publish a Prime Rate, then State shall designate another nationally recognized business publication which publishes such a rate or such rates which does, in the reasonable opinion of State, represent the "Prime Rate" as defined herein.

**3.07 Failure to Adjust Not Waiver.** Failure of State to adjust rent pursuant to Subsection 3.06 above at the end of any five (5) year period, shall not be a waiver by State of the right to adjust rent at the end of any subsequent five (5) year period. State shall retain the right, for so long as this Agreement remains in effect, to adjust rent as of the end of any five (5) year period, as though all prior adjustments had been made in accordance with the above provisions.

#### SECTION 4 RESERVATIONS

**4.01 Compliance.** The State shall have access to the Premises at all reasonable times to determine and secure compliance with this Agreement. Failure to inspect or enforce compliance shall not be construed as a waiver of the State's right to declare a breach, nor relieve Lessee of any liability to the State for any breach of the terms, conditions, or requirements of this Agreement.

**4.02 Compatible Uses.** State reserves for itself, its successors and assigns, the right at all times for any purpose to cross and re-cross the Premises at any place or grade, to grant easements/licenses over or leases to the Premises, to sell, or otherwise dispose of minerals, coal, oil, timber, gas, or other valuable materials from the Premises insofar as the State's activities on the Premises and any grant of rights the State makes to any person or entity shall not unreasonably interfere with the activities permitted hereunder.

**4.03 Non-Default Termination.** State reserves the right to terminate this Agreement upon sixty (60) days' written notice in the event the State includes the Premises in a plan for higher and better use, land exchange or sale.

## SECTION 5 SPECIAL RESTRICTIONS

### 5.01 Permits and Conformance With Laws.

(a) Lessee shall obtain all building permits and other required permits, licenses, permissions, consents, and approvals from governmental agencies or third parties in connection with this Agreement and Lessee's permitted use including construction of any improvements, changes, alterations, additions, repairs, maintenance to or replacement of the Premises, or for the conduct of any business upon the Premises at the sole cost and expense of Lessee. Copies of such permits, licenses, permissions, consents, and approvals shall be supplied to State on request.

(b) Lessee shall conform to all applicable laws, regulations, permits, orders, or requirements of any public authority affecting the Premises and the use thereof, and shall correct at the Lessee's own cost and expense any failure of compliance created through the Lessee's fault or by reason of the Lessee's use. In no event shall Lessee undertake or suffer any activity to be conducted upon the Premises which constitutes a nuisance or which is a threat to the health or welfare of the general public.

(c) Lessee shall cause all work on the Premises and all business conducted thereon during the term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

### 5.02 Other Restrictions on Use.

(a) Lessee shall cut no State timber or remove State-owned valuable material, without prior written consent of the State. Prior to State's authorization for the cutting of timber, or removal of valuable material, the Lessee must pay to the State the fair market value of the timber or valuable material, as determined by the State.

(b) Lessee shall take all reasonable precautions to protect the land and improvements on the Premises from fire, make every reasonable effort to report and suppress such fires as may affect the Premises, and shall be subject to applicable fire laws affecting the Premises.

(c) Lessee shall prevent accumulation of equipment parts or "bone yards" on the Premises.

(d) This Agreement does not convey rights to media uses, communication sites, or any use on the Premises other than those expressly stated in this Agreement.

**5.03 Habitat Conservation Plan.** The Premises are located within an area that is subject to State's Habitat Conservation Plan adopted in connection with Incidental Take Permit No. PRT-812521 (ITP) as supplemented by Permit No. 1168 (Collectively "ITP"). As long as the Habitat Conservation Plan remains in effect, Lessee and all persons acting under Lessee shall comply with the terms and conditions set forth in Exhibit 5A while operating on the Premises. State shall have the right to modify these terms and conditions from time to time to comply with the Habitat Conservation Plan, the ITP, the Endangered Species Act, the implementing regulations, and amendments thereto, or the requirements of the federal agencies administering these laws.

#### SECTION 6 UTILITIES, TAXES, LIENS

**6.01 Utilities and Maintenance.** During the term of this Agreement, Lessee shall pay all expenses incurred by Lessee in the use, enjoyment, and operation of the Premises, including, but not limited to, utility charges and all costs of maintaining and repairing the Premises and all improvements thereon whether now existing or hereafter installed. Lessee shall indemnify and hold the State harmless against any loss, liability, or expense resulting from any failure of Lessee to pay all such charges when due.

#### 6.02 Taxes and Assessments.

(a) Lessee shall pay during the term of this Agreement all taxes and other governmental charges of any kind applicable or attributable to the installation of Lessee owned improvements on the Premises, Lessee's leasehold interest therein, and Lessee's use and enjoyment thereof.

(b) Lessee shall pay its prorated share of all assessments that are legally required to be paid now or may be charged during the Agreement term to the Premises or Lessee owned improvements thereon. Lessee shall not cause or suffer the imposition of any assessment upon the Premises without the prior written consent of State. In the event any new assessment is proposed which affects the Premises, Lessee shall immediately notify State of such proposal after Lessee has knowledge or receives notice thereof. Any assessment upon the Premises shall be made in compliance with all applicable statutes, including, but not limited to, Chapter 79.44 RCW.

**6.03 Lessee Liens.** Lessee shall not suffer or permit any lien to be filed against the State's interest in the Premises, or improvements thereon by reason of work, labor, or services performed thereon or materials supplied to, by or through the Lessee. If any such lien is filed, Lessee shall cause the same to be discharged of record within thirty (30) days after the date of filing or creation of such lien unless other arrangements are authorized in

writing by the State in advance. Lessee shall indemnify the State for any costs, damages or expenses (including attorneys' fees and courts' costs) incurred as a result of such liens or in obtaining their discharge whether such costs, damages or expenses were incurred prior or subsequent to termination or cancellation of this Agreement.

#### **SECTION 7 LESSEES INDEMNITY; INSURANCE REQUIREMENTS**

**7.01 Indemnity.** Lessee releases and shall indemnify and defend (with counsel acceptable to State) State, its employees, officers, and agents from and against any and all claims arising out of the use, occupation or control of the Premises by Lessee, its agents, and employees. A "claim" as used in this subsection means any claim of any nature whatsoever for penalties, financial loss, damages (including but not limited to bodily injury, sickness, disease or death, or injury to or destruction of property, land and other natural resources including the loss of use thereof), costs or expenses (including but not limited to attorney's fees), whether or not resulting in a suit or action or reduced to judgment. This release and the obligation to indemnify shall not be eliminated or reduced by the concurrent negligence of the State, its officials, employees, or agents, except as provided in this subsection. To the extent that RCW 4.24.115 applies, Lessee shall not be required to indemnify State from State's sole or concurrent negligence. Lessee waives its immunity under Title 51 to the extent it is required to indemnify the State herein.

**7.02 Insurance Requirements.** Lessee shall, at all times during the term of this contract at its cost and expense, buy and maintain insurance of the types and amounts listed below. Failure to buy and maintain the required insurance may result in the termination of the contract at State's option.

All insurance and surety bonds should be issued by companies admitted to do business within the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by the department's risk manager before the contract is accepted. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

State shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications:

1. Insurers subject to Chapter 48.18 RCW (admitted and regulated by the Insurance Commissioner): The insurer shall give the State 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.
2. Insurers subject to Chapter 48.15 RCW (surplus lines): The State shall be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.

Before starting work, Lessee shall furnish with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements

specified in the contract and, if requested, copies of policies to State. The certificate of insurance shall reference the State of Washington, Department of Natural Resources, and the lease number.

Lessee shall include all subcontractors as insured under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each subcontractor. Subcontractor(s) must comply fully with all insurance requirements stated herein. Failure of subcontractor(s) to comply with insurance requirements does not limit Lessee's liability or responsibility.

The State, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, excess, umbrella, and property insurance policies.

All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by State.

Lessee waives all rights against State for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this contract. All insurance policies must expressly waive any right of subrogation by the insurance company against the State and the State's officials, employees, and agents.

If Lessee is self-insured, evidence of its status as a self-insured entity shall be provided to State. If requested by State, Lessee must describe its financial condition and the self-insured funding mechanism.

By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect Lessee, and such coverage and limits shall not limit Lessee's liability under the indemnities and reimbursements granted to State in this contract.

The limits of insurance, which may be increased by State, as deemed necessary, shall not be less than as follows:

**Commercial General Liability (CGL) Insurance.** Lessee shall maintain general liability (CGL) insurance covering claims for bodily injury, personal injury, or property damage arising on the property and/or out of Lessee's operations and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 per each occurrence. If such CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit.

CGL insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another party assumed in a business contract), and contain separation of insured (cross liability) condition.

**Employer's Liability ("Stop Gap") Insurance.** Lessee shall buy employers liability insurance, and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

**Workers' Compensation Coverage.** Lessee shall comply with all State of Washington workers' compensation statutes and regulations. Workers' compensation coverage shall be provided for all employees of Lessee and employees of any subcontractor or sub-subcontractor. Coverage shall include bodily injury (including death) by accident or disease, which exists out of or in connection with the performance of this contract. Except as prohibited by law, Lessee waives all rights of subrogation against State for recovery of damages to the extent they are covered by workers' compensation, employer's liability, commercial general liability, or commercial umbrella liability insurance.

If Lessee, subcontractor or sub-subcontractor fails to comply with all State of Washington workers' compensation statutes and regulations and State incurs fines or is required by law to provide benefits to or obtain coverage for such employees, Lessee shall indemnify State. Indemnity shall include all fines, payment of benefits to Lessee or subcontractor or sub-subcontractor employees, or their heirs or legal representatives, and the cost of effecting coverage on behalf of such employees.

**Business Auto Policy (BAP).** Lessee shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto." Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later editions of CA 00 01. Lessee waives all rights against State for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

**Builders Risk Insurance.** If applicable, Lessee shall buy and maintain in force builders risk insurance on the entire work during the period construction is in progress and until completion of the project and acceptance by State. Such insurance shall be written on a completed form and in an amount equal to the value of the completed building, subject to subsequent modifications to the sum. The insurance shall be written on a replacement cost basis. The insurance shall name as insureds State, Lessee, and all subcontractors and sub-subcontractors in the work.

Insurance described above shall be written to cover all risks of physical loss except those specifically excluded in the policy, including loss or damage caused by collapse. Insurance described above shall cover the entire work at the site including reasonable compensation for architect's services and expenses made necessary by an insured loss. Insured property shall include portions of the work located away from the site but intended for use at the site, and shall also cover portions of the work in transit. The policy shall include as insured property scaffolding, falsework, and temporary buildings located at the site. The policy shall cover the

cost of removing debris, including demolition as made legally necessary by the operation of any law, ordinance or regulation.

Any deductible applicable to the insurance bought in compliance with the policy described above shall be identified in the contract documents and the responsibility for paying the part of any loss not covered because of application of deductible(s) shall be the responsibility of the Lessee. If any part of any loss is not covered because of the application of a deductible amount not identified in the contract documents, Lessee will pay such loss. Lessee shall buy and maintain boiler and machinery insurance required by contract documents or by law, covering insured objects during installation and until final acceptance by State. If testing is being performed, such insurance shall cover such operations. This insurance shall name as insureds State, Lessee, and all subcontractors and sub-subcontractors in the work.

#### SECTION 8 WEEDS, HARMFUL SUBSTANCES

**8.01 Weed Control.** Lessee shall control all weeds on the Premises. Lessee shall be responsible for, or shall immediately reimburse State for, any all weed control cost incurred, as a result of Lessee's failure to control all weeds on said Premises.

Lessee shall prevent weed infestations by applying management practices which discourage their establishment or spread. The Lessee shall detect and control the invasion of new weeds. Weeds will be controlled using appropriate mechanical, biological and chemical treatments that meet the requirements of Washington State and Federal law.

Lessee shall use Integrated Pest Management (IPM) to control weeds. This means using a coordinated decision-making and action process that considers all weed management methods and strategies, and applies them in an environmentally and economically sound manner to meet weed management objectives. The elements of integrated pest management for weeds include:

- a. Preventing weed problems;
- b. Monitoring for the presence of weed species;
- c. Establishing the density of the weed population (which may be zero) that can be tolerated;
- d. Treating weed problems to reduce their populations below the tolerable threshold, using strategies that may include biological, cultural, mechanical, and chemical control methods, and that consider human health, ecological impact, feasibility and cost-effectiveness; and
- e. Evaluating the effects and efficacy of weed control treatments.

**8.02 Hazardous, Toxic, or Harmful Substances.**

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(a) Deleterious Material. Lessee shall not make, or suffer to be made, any filling in of the Premises or any deposit of rock, earth, ballast, refuse, garbage, waste matter, chemical, biological or other wastes, hydrocarbons, any other pollutants, or other matter within or upon the Premises, except as approved in writing by the State, or unless permitted by Subsection 2.01 (Permitted Use). If the Lessee fails to remove all nonapproved fill material, refuse, garbage, wastes or any other of the above materials from the Premises, the Lessee agrees that the State may, but is not obligated to, remove such materials and charge the Lessee for the cost of removal and disposal.

(b) Hazardous, Toxic, or Harmful Substances.

(1) Lessee shall not keep on or about the Premises, any substances now or hereinafter designated as or containing components now or hereinafter designated as hazardous, toxic, dangerous, or harmful, and/or which are subject to regulation as hazardous, toxic, dangerous, or harmful by any federal, state or local law, regulation, statute or ordinance (hereinafter collectively referred to as "Hazardous Substances") unless such are necessary to carry out Lessee's permitted use under Subsection 2.01 (Permitted Use) and unless Lessee fully complies with all federal, state and local laws, regulations, statutes, and ordinances, now in existence or as subsequently enacted or amended. Lessee shall:

(i) Immediately notify the State of: all spills or releases of any Hazardous Substance affecting the Premises; all failures to comply with any federal, state, or local law, regulation or ordinance, as now enacted or as subsequently enacted or amended; all inspections of the Premises by, or any correspondence, orders, citations, or notifications from any regulatory entity concerning Hazardous Substances affecting the Premises; and all regulatory orders or fines or all response or interim cleanup actions taken by or proposed to be taken by any government entity or private party concerning the Premises; and

(ii) On request, provide copies to the State of any and all correspondence, pleadings, and/or reports received by or required of Lessee or issued or written by Lessee or on Lessee's behalf with respect to the use, presence, transportation or generation of Hazardous Substances related to the Premises.

(2) Lessee shall be fully and completely liable to the State, and shall indemnify, defend, and save harmless State and its agencies, employees, officers, and agents with respect to any and all damages, costs, fees (including attorneys' fees and costs), penalties (civil and criminal), and cleanup costs assessed against or imposed as a result of Lessee's use, disposal, transportation, generation and/or sale of Hazardous Substances or that of Lessee's employees, agents, assigns, sublessees, contractors, subcontractors, licensees or invitees, and for any breach of this subsection.

## SECTION 9 ASSIGNMENTS

**Assignment.** Lessee shall not hypothecate, mortgage, assign, sublease, transfer, or otherwise alienate this Agreement ("Assignment"), or any interest therein, without the prior written consent of State, which consent shall not be unreasonably withheld. In granting any such consent under this clause State shall be entitled to consider, among other items, the proposed assignee's, sublessee's or transferee's financial condition, business reputation, business, and such other factors as may reasonably bear upon the suitability of the assignee, sublessee, or transferee as lessee of the Premises. If Lessee is a corporation, partnership, or other association, (1) the transfer of more than fifty percent (50%) of the ownership interest in such entity, or (2) the sale of all or substantially all of the assets of Lessee shall be deemed to constitute an "assignment" of this Agreement which requires consent of State. The consent of State to any one assignment shall not constitute a waiver of State's right to consent to subsequent assignments, nor shall consent of State to any one assignment relieve any party previously liable as Lessee from any obligations under this Agreement, who shall remain joint and severally liable as primary obligor and not as surety. The acceptance by State of the payment of rent following an assignment shall not constitute consent to any assignment and State's consent shall be evidenced only in writing. The State may require reimbursement for any additional administrative costs resulting from the assignment.

## SECTION 10 IMPROVEMENTS

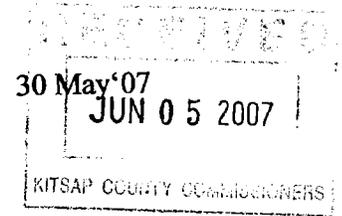
**10.01 Authorized Improvements.** No improvement shall be placed on the Premises without the prior written consent of the State. Consent may be granted through this Agreement resulting in the State's approval of the authorized improvements listed herein as Exhibit 10A, or by written Letter of Authorization issued by the State.

**10.02 Plan Approval.** The plans or specifications for the construction of the authorized improvements listed on Exhibit 10A or authorized by Letter of Authorization issued by State, and for such changes or alterations, including amendments of such plans or specifications, shall be submitted to State for its approval.

**10.03 Ownership of Improvements.** During the Term of this Agreement, the improvements constructed by Lessee, including without limitation all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein, shall be the property of Lessee. At the expiration or earlier termination of this Lease, all improvements and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein shall become the property of State, unless State requires their removal pursuant to Section 10.04 below. Throughout the term of this Agreement, Lessee shall not permit any claim of lien made by any mechanic, materialman, laborer, or other similar liens to stand against the Premises for work or labor done, services performed, or materials used or furnished to be used in or about the Premises for or in connection with any construction, improvements or maintenance or repair thereon made or permitted to be made by Lessee, its agents, or sublessees. Any liens, encumbrances or claims of third parties with respect to any of the foregoing, shall be expressly subordinate and subject to the rights of State under this Agreement.

Terry Allison  
[REDACTED]  
[REDACTED]

COPIES INDIVIDUALLY  
ADDRESSED TO ALL  
THREE [REDACTED]



Commissioner Brown

This letter is to follow up on our phone conversation of 23 April '07, and get on record my request for assistance in alleviating the hazardous conditions that exist at my home resulting from the continuing expansion/modification of the Kitsap Rifle and Revolver Club (KRRC) facility located on public trust lands at 4900 Seabeck Hwy. No permits have been issued by the County for any of the work done at the range. I contacted you because I have the distinct impression that the county's failure to enforce applicable provisions of county code at the range over the past two years is based on considerations other than technical and legal merit.

To refresh your memory, here is a short history and summary of my concerns:

- We've lived next door to the range for 19 years. For about the first 15 years, we had no problems with the activity at the range
- About five years ago, outdoor lighting was installed on the range, extending shooting times from daylight hours only to their current published hours of 6 a.m. to 10 p.m. Shooting often occurs well after 10 p.m.
- At about the same time, the character of the club changed from supporting the hunters/sportsmen/recreational group to concentrating on competitive shooting. KRRC developed plans to expand and modify the existing range facilities to better support competitive shooting and to "better serve the community".
- In early 2005, KRRC submitted the plans to the Kitsap County Department of Community Development (DCD) for review and pre-application comments. DCD provided comments and identified the applicable county code requirements in pre-application #05 25867, dated August 18, 2005. After one or more meetings between KRRC, DCD, and others, KRRC rejected the specified conditions and requirements for a permit, and started work clearing, ditching, draining, and

grading several acres outside the established range area for a new range. An on-site visit by DCD and Department of Natural Resources (DNR) personnel resulted in a stop work order being issued by DCD, and DNR requiring KRRC to at least partially restore and re-plant the newly cleared area.

- KRRC has since shifted their work closer to pre-existing range areas. They have significantly altered/re-aligned/expanded/re-oriented/added to the range, all without permit, review, evaluation, or approval. Since our phone discussion of 23 April, the pace of work has accelerated. At the present rate of progress, I would estimate that most of the expansion goals identified by KRRC in their pre-application will be accomplished this summer. I understand that KRRC has refused county inspectors access to the range since sometime in late 2005.

My concerns are:

- The recent additions and modifications to firing line/range areas appears from aerial photos to place my home and a neighbor's home in the potentially very dangerous down-range bullet impact area (I was denied access to the range by a range officer to use GPS to more accurately map the area).
- Recent construction/modification/re-alignment/re-structuring of the range has significantly altered the acoustics of the range. Noise levels at my home have increased from being noticeable and only occasionally annoying to intolerable levels.
- KRRC's continuing expansion/modification/re-alignment/re-structuring of the range without obtaining the required permits/analysis/reports/inspections are potentially detrimental to the health and safety of existing and future residents in the neighborhood.

I request that the County fulfill its legal obligation by enforcing the provisions and requirements of existing county code as it applies to KRRC. Specifically:

1. Take immediate action, due to the potential hazards to the safety, health, and quality of life to my family, to require KRRC to discontinue use of all expanded/modified/re-structured/re-aligned portions of the range until conformance and compliance to county code requirements are met. This should at a minimum apply to all areas of the range that have been

modified since January 2005, and, if the letter of the law is followed, since 1992 when the range as it then existed was granted grandfathered status.

2. Take action to require KRRC to mitigate noise levels external to the range property, and to change shooting hours back to the original daylight hours only (exceptions for sanctioned competition matches are certainly acceptable).
3. Take action, including but not limited to enforcement of the open, active stop work order issued by the DCD in the spring of '05, to require KRRC to comply with existing county code, ordinances, and regulations for current and future range modifications.

I have no objections to KRRC continuing operation of the traditional and historically used portions of the range at traditional and historic levels of activity and hours of operation, assuming noise mitigation occurs.

I request to be informed of any actions taken by the County to address these concerns and to enforce the provisions of existing county codes applicable to KRRC.

Respectfully



Terry Allison

Ph. [REDACTED]

e-mail [REDACTED]

cc

Commissioner Angel

Commissioner Endresen

Mr. Larry Keaton, Director, DCD

Mr. Steve Mount, Code Enforcement, DCD

Mr. Pat Hennessy, Wa. State Dept. of Natural Resources

Josh Brown - Fwd: Kitsap R &amp; R Lease

**From:** Joyce Figueroa  
**To:** Josh Brown  
**Date:** 4/20/2007 3:57:54 PM  
**Subject:** Fwd: Kitsap R & R Lease

Josh,

In addition to what Steve Mount just forwarded along to me, I have also scheduled a briefing with you, Steve Mount and possibly Larry Keeton regarding the current status of the Kitsap Rifle & Revolver Club. I am sending you the POC information that you gave me for the Kitsap Rifle & Revolver Club:

Marcus Center  
 (360) 373-1007 (home)  
 (360) 373-1007 (work)

Please let me know if there is any thing else that you need.

Thanks!

Joyce

Joyce E. S. Figueroa de Raschke  
 Administrative Specialist for Commissioner Josh W. Brown  
 614 Division Street, MS-#4  
 Port Orchard, WA 98366  
 (360) 337-4667  
 (360) 337-4632 FAX

figuero@mail1.co.kitsap.wa.us

>>> Steve Mount 4/20/2007 3:47 PM >>>  
 Here is a copy of the e-mail. SM

>>> "HENNESSY, PAT" <PATRICK.HENNESSY@dnr.wa.gov> 4/13/2007 12:26:42 PM >>>  
 To: Marcus Carter Kitsap Rifle and Revolver

Marcus,

Sorry we've missed each other on the phone. I wished to visit with you about the following four (4) items:

1. Thank you for the report on site rehab. When complete, I will inspect as promised.
2. Please remember that proposed Leasehold Improvements require a written request and written DNR approval.
3. Kitsap County contacted me regarding: heavy equipment on site and concern that a permit may be required; a County employee not welcomed at the gate to the lease area; a requirement for the County to close file for the rehab area; and, a request that I escort County for an site inspection when I inspect the rehab site.
4. Lease compliance. Subsection 5.01 (below) of your lease requires

compliance with all law and permits. As the land manager, I refuse to impact my working relationships with either the County or my lessee by escorting an inspector. Rather I request that you contact Steve Mount at 360.337-4605 immediately to address the open file on the rehab area, plus code compliance process for current and future Leasehold Improvements. Please report progress.

Thank you,  
Patrick Hennessy  
[REDACTED]

Copy: Steve Mount, Kitsap County  
DNR staff: Mr. Davies and Mr. Thibo

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Lease Subsection 5.01:

5.01 Permits and Conformance With Laws.

(a) Lessee shall obtain all building permits and other required permits, licenses, permissions, consents, and approvals from governmental agencies or third parties in connection with this Agreement and Lessee's permitted use including construction of any improvements, changes, alterations, additions, repairs, maintenance to or replacement of the Premises, or for the conduct of any business upon the Premises at the sole cost and expense of Lessee. Copies of such permits, licenses, permissions, consents, and approvals shall be supplied to State on request.

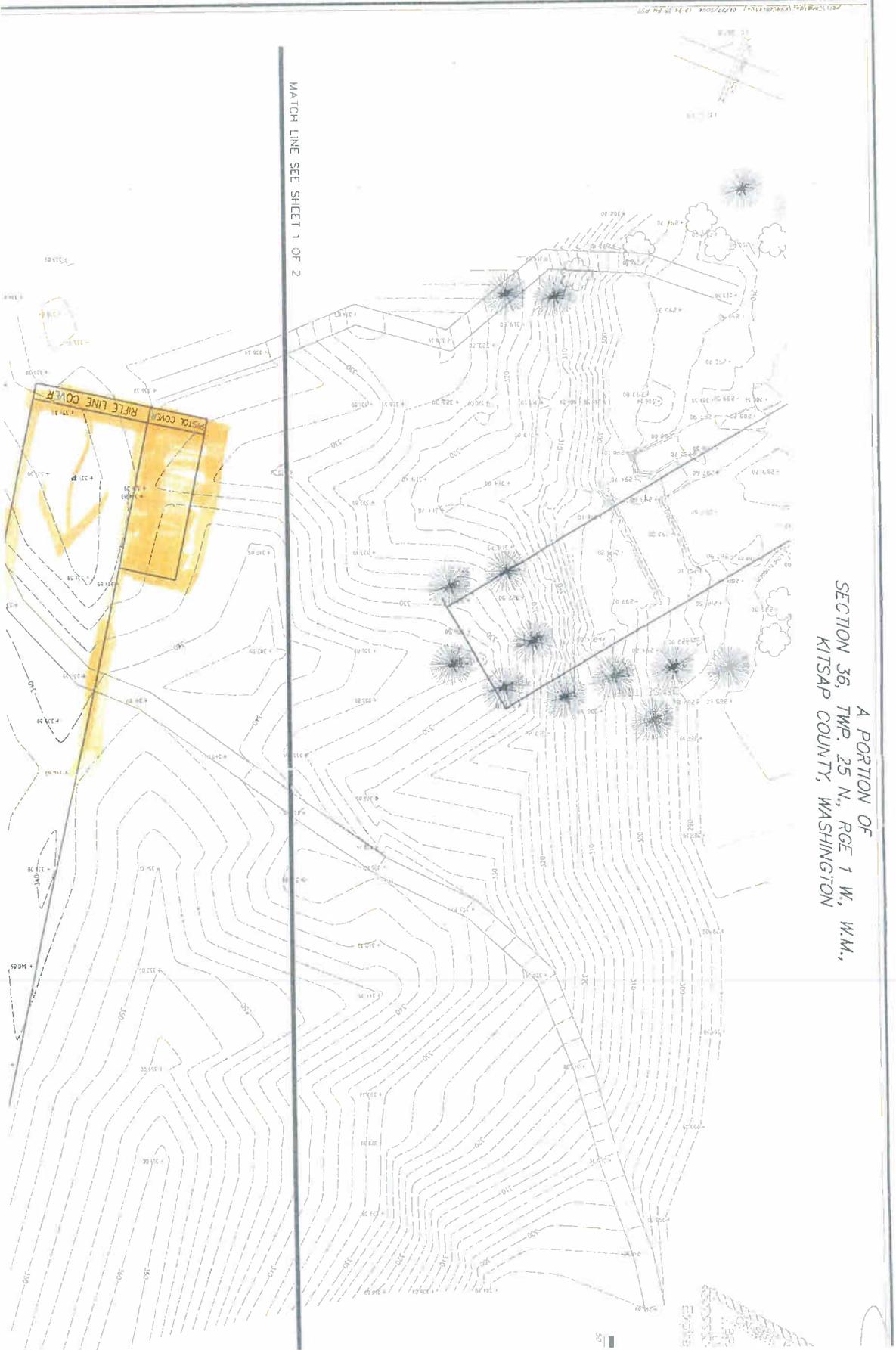
(b) Lessee shall conform to all applicable laws, regulations, permits, orders, or requirements of any public authority affecting the Premises and the use thereof, and shall correct at the Lessee's own cost and expense any failure of compliance created through the Lessee's fault or by reason of the Lessee's use. In no event shall Lessee undertake or suffer any activity to be conducted upon the Premises which constitutes a nuisance or which is a threat to the health or welfare of the general public.

(c) Lessee shall cause all work on the Premises and all business conducted thereon during the term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.



A PORTION OF  
 SECTION 36, TWP. 25 N., RGE 1 W., W.M.,  
 KITSAP COUNTY, WASHINGTON

A PORTION OF  
SECTION 36, TWP. 25 N., RGE 1 W., W.M.,  
KITSAP COUNTY, WASHINGTON





KITSAP COUNTY BOARD OF COMMISSIONERS

Chris Endresen  
DISTRICT 1

September 19, 2003

Jan Angel  
DISTRICT 2

Patty Lent  
DISTRICT 3

Mr. Doug McClelland  
Department of Natural Resources  
950 Furman Avenue North  
Enumclaw, WA 98022

**RECEIVED**  
MAY 12 2005

KITSAP COUNTY DEPT OF  
COMMUNITY DEVELOPMENT

Malcolm Fleming  
County Administrator

Dear Doug,

As you know, Kitsap County has a strong interest in working with your agency on a long-range strategy for establishing a regional heritage park in Central Kitsap on DNR property that includes a 72-acre site currently being leased to the Kitsap Rifle and Revolver Club.

The Board of Commissioners was recently briefed on a grant proposal the Club has submitted to the Interagency Committee for Outdoor Recreation (IAC) to re-align their existing shooting facilities. We understand that IAC has requested assurance that the Club will be able to continue using the property for at least ten years after the grant-funded improvements have been completed.

After discussing the Club's proposal with staff, the Board is confident that the proposed improvements are not at odds with the County's long-term interest in the property, and will not jeopardize our future planning efforts. In addition, the Board and staff appreciate the Kitsap Rifle and Revolver Club's ongoing efforts to provide outdoor recreational opportunities for the residents of Kitsap County, and we look forward to working with Club representatives and other members of the community in developing future plans for a heritage park in Central Kitsap.

Sincerely,

*Jan Angel*  
Jan Angel, Chair

*Chris Endresen*  
Chris Endresen, Commissioner

*Patty Lent*  
Patty Lent, Commissioner

CC: Kitsap Rifle and Revolver Club

614 Division Street, MS-4 • Port Orchard, Washington 98366-4676 • (360) 337-7146 • FAX (360) 337-4632  
From: Olalla (253) 851-4147 • Bainbridge Island (206) 842-2061  
[www.kitsapgov.com](http://www.kitsapgov.com)



# KITSAP COUNTY BOARD OF COMMISSIONERS

*Efficient, accessible and effective county services*

March 18, 2009

Steve Bauer  
DISTRICT 1

Charlotte Garrido  
DISTRICT 2

Josh Brown  
DISTRICT 3

Nancy Buonanno  
Grennan  
County Administrator

Subject: March 18<sup>th</sup> DNR Public Hearing  
Proposed Land Exchange between DNR & Kitsap County

Comments to be included in the public record:

In a letter to the Department of Natural Resources dated September 19<sup>th</sup>, 2003, the Kitsap County Board of Commissioners discussed their strong interest in pursuing a long-range strategy to establish a heritage park in Central Kitsap. These parcels are the subject of the public hearing this evening. I have attached this letter to be included in this public record.

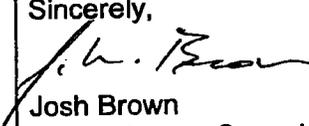
At the time of this letter, the Kitsap County Commissioners were briefed on a grant proposal submitted to the Interagency Committee for Outdoor Recreation (IAC) by the Kitsap Rifle & Revolver Club (KRRC). IAC had requested and was granted assurance by the Kitsap County Board of Commissioners that the Club and its improvements were not at odds with the County's long-term interest in the property, and would not jeopardize future planning efforts. This conclusion has not changed.

For over 80 years, the Kitsap Rifle & Revolver Club has provided a much needed amenity in Central Kitsap. The land swap currently being discussed provides both DNR and Kitsap County the opportunity to consolidate parcels for mutual benefits. This afternoon, I met with several members of the Kitsap Rifle & Revolver Club, including Executive Officer Marcus Carter. The KRRC presented me with a proposal that detailed Club concerns and sought to alleviate uncertainties surrounding this land exchange.

In the spirit of partnership, I committed to the Club members that I would recommend to the Kitsap County Board of Commissioners an extension of KRRC lease to a 15-year term between the Club and Kitsap County. This new lease would not possess a "Non-Default Termination" clause found in Section 4.03 of the current agreement. After the anticipated land exchange has been completed, Kitsap County would enter into a long-range public planning process for the Newberry Hill Heritage Park. I expect this planning process will recognize the lease and presence of the KRRC.

I will brief the County Commissioners at our next public meeting on my recommendations and look forward working with KRRC on this partnership.

Sincerely,

  
Josh Brown  
Kitsap County Commissioner

CKSD

**- Board of Directors -**

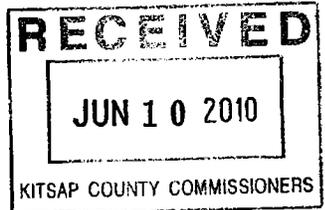
CHRISTY B. CATHCART      BRUCE J. RICHARDS  
MARK A. GAINES          CHRISTOPHER A. STOKKE  
ERIC K. GREENE



**Central Kitsap School District**

GREGORY J. LYNCH  
SUPERINTENDENT

9210 SILVERDALE WAY N.W.  
MAILING ADDRESS: P.O. BOX 8  
SILVERDALE, WASHINGTON 98383-0008  
360 / 662-1610 • FAX 360 / 662-1611  
www.cksd.wednet.edu



June 8, 2010

Commissioner Josh Brown  
Commissioners' Office, MS-4  
614 Division Street  
Port Orchard, WA 98366

Dear Commissioner Brown:

The purpose of this letter is to seek your assistance and confirm if there are any safety related issues involving the Kitsap Rifle and Revolver Club that could impact student, staff, and community member safety at Klahowya Secondary School. During our School Board meeting on May 26, 2010, a number of community members shared their concern about how the Rifle and Revolver Club located at 4900 Seabeck Highway could impact student safety at Klahowya Secondary School.

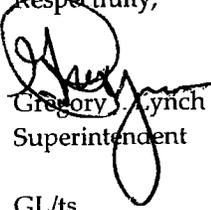
The specific safety related allegation is that the licensure (or permissions granted) of the club has changed to allow for more powerful weapons to be discharged on the premises, creating the fear that the trajectory of rifle/revolver rounds could reach the school or harm someone and damage property located in the land between the Rifle and Revolver Club and Klahowya Secondary School.

As a result of the safety related concerns raised during our School Board Meeting, I am asking your assistance in answering the questions below. I understand that the County is already involved in matters pertaining to safety at the Kitsap Rifle and Revolver Club.

- Are there any legitimate safety concerns relating to the Kitsap Rifle and Revolver Club?
- With respect to the trajectory of rounds originating from the Kitsap Rifle and Revolver Club, can the County verify the safety of our students, staff and community members at Klahowya Secondary School is not in jeopardy?
- What actions has the County taken or will the County take to ensure there are no safety related issues involving the Kitsap Rifle and Revolver Club?

I am unaware of any previous concerns or incidents involving the Rifle and Revolver Club and also know that public safety remains the top priority for our County. At Central Kitsap School District, the safety of our students, staff and parents also remains our number one priority. As such, I along with our School Board, seek immediate answers to the above questions. If there are any unanswered questions or concerns relating to the Kitsap Rifle and Revolver Club and public safety, we would expect that until those questions are answered, all operations involving weapons firing at the Club would be suspended.

Thank you in advance for your prompt assistance in this matter. If you have any additional questions, please contact me immediately and directly.

Respectfully,  
  
Gregory J. Lynch  
Superintendent

GL/ts



Josh

We request the County take immediate and decisive action to enforce County Code, land use, and critical areas ordinances at Kitsap Rifle and Revolver Club (KRRC), located at 4900 Seabeck Highway, Bremerton, Kitsap County, Washington. Research and review by concerned citizens validates the position that the expansion ( 14 new firing lanes ) and realignment (North to Northeast) of KRRC presents a clear and immediate hazard to public and environmental health and safety.

We request KRRC be immediately restricted or “rolled back” to the configuration of the one pistol and one rifle line that existed when the range was “grandfathered” into the County's comprehensive use plan in September 1993. We request that the immediate restrictions be in place until all investigations and evaluations of KRRC by all responsible agencies are completed and all corrective actions identified by these inspections are implemented.

Communities and public use areas around KRRC have grown and evolved in accordance with, and in compliance to the laws of the County and State. Since KRRC's expansion and construction have not complied with County, State, or Federal land use laws, we strongly urge the County to make the “grandfathered,” historic range configuration used by KRRC for almost their entire existence permanent.

We urge the County to require KRRC to restore all range areas, except the original one pistol and one rifle line active use area back to the land's natural state and condition as it existed in September 1993 when grandfathered. Restoration will significantly reduce the impact of range operations and activities on the health and safety of surrounding wetlands, the environment, and the public.

Since publicly available correspondence between the County, KRRC, and several state agencies indicates expansion and realignment of KRRC was done deliberately and with full prior knowledge of code requirements by club officials, we also request the County impose the maximum penalties, sanctions, and fines specified in County Code to confirmed violations.

We request to be informed of County actions on this request as authorized by the public disclosure laws. Points of contact are Terry Allison, P.O. Box 4088, Bremerton, Wa. 98312; Skip Junis, 5624 NW Iskra Blvd., Silverdale, Wa. 98312.

Sincerely,

Terry Allison	John Blair	Ron Ballesteros	Paula Ballesteros
Sandy Beattie	Nina Beheim	Andrea Bastien	Andy Bloom
Kenzie Bly	Nicholas Chang	Wendell Crim	Eva Crim
Cassie Cantu	Ed Deloach	Marsha Deloach	Bill Dowell
Peggy Dowell	Gary Fisher	Dawn Fisher	Dan Frum
Tom Flores	Aldona Flores	Marian Fuller	Kevin Gross
Gail Gross	Michelle Grejon	Cathy Hall	Jeff Hall
Victoria Hoisington	Greg Hoisington	Mary Jo Huff	Bruce Huff
Craig Hughes	Pamela Hughes	Skip Junis	Doris Junis
A. Kershaw	Lisa Kliens	Robert Kermath	Peggy Kermath
Wade Larson	Mike Livick	Kevin Magnuson	Tom McArthur
Anne Plummer	Mike Plummer	Karen Purdin	Charles Purdin
Jeff Pearson	Teresa Pearson	Jon Pearson	Celeste Rahal
Randy Trott	Joe Velasquez	Judy Velasquez	Dave Schwab
Ruth Greb	Tecla Legge	Mike Legge	Brenda O'Neil
Danielle Clothier	Cindy Allison		

Note: this is not a complete list of persons who have signed the petition.



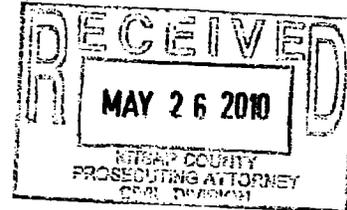
**B. REGINA TAYLOR, ATTORNEY AT LAW, PC**

9353 Central Valley Rd. NW, Suite 2, Bremerton, Washington 98311  
Telephone: (360) 698-5522; FAX: (360) 698-2584  
cell phone: (360) 340-4710, e-mail: bregina.taylor@comcast.net

May 25, 2010

**HAND DELIVERY**

Neil R. Wachter  
Deputy Prosecuting Attorney  
Kitsap County Prosecutor's Office  
Civil Division  
614 Division Street, MS-35-A  
Port Orchard, WA 98366-4681



**RE: Kitsap Rifle & Revolver Club**

Dear Mr. Wachter:

After consulting with my client, the Kitsap Rifle and Revolver Club (KRRC), I offer you the following response. KRRC entered into the covenants set forth in the Bargain and Sale Deed in good faith. KRRC believed that Kitsap County had also entered into the agreement in good faith because it believed and understood that not only was the transfer to KRRC necessary for risk management purposes, but that KRRC serves an important function within the Kitsap Community.

Your letter is disturbing because it would appear that your offices have been misled by individuals we believe to have a hidden agenda. Starting with paragraph 2, your letter is replete with the type of allegations and presumptions that call into question the good faith upon which the KRRC previously presumed the County had based its agreement. The tone and nature of your letter makes it difficult to respond as graciously as I would have preferred. You appear to have reached conclusions about KRRC without being specific about how you reached such conclusions.

Unfounded Accusations

You state that the County has become "aware" of (a) construction activities; (b) land-clearing; and (c) filling of wetland areas believed to have occurred on the Club's premises, "all done without applying for permits as required by law." Please specify exactly what was done and what permits you believe were required. When you have specified what specific acts were done that are of concern, I will be in a better position to discuss each particular activity. As far as KRRC is aware, they complied in good faith with all laws applicable to any and all of their activities, as contemplated by the Restrictive Covenants of the Bargain and Sale Deed.

Neil R. Wachter  
Deputy Prosecuting Attorney  
Kitsap County Prosecutor's Office, Civil Division  
May 25, 2010  
Page 2

You state that the County has become "aware" of (a) increased hours of operation; (b) use of automatic firearms and (c) "dramatically" increased sound levels coming from the Club's premises, "all occurring without going through a conditional use permit review process." On what do you base your conclusion that there has been an increase in the hours of operation? As far as KRRC is aware, there has been no change in the club's historically stated hours of use.

Regarding automatic "weapons", KRRC has a history of use of all variety of firearms, including automatic and semi-automatic firearms based on the policies it has had since its inception. Military training and law enforcement with automatic firearms has long been an accepted and ongoing activity on the property. How does your current awareness of "use of automatic weapons" (especially in context of military training) create any need for a "conditional use permit review process"? As far as KRRC is aware, the use of automatic firearms on the premises is a continuing historical use and would not require a "conditional use permit process."

On what do you base your conclusion that there are "dramatically increased sound levels coming from the Club's premises"? As far as KRRC is aware, there has been no "dramatic increase" in the sound levels coming from the club.

You seem to assume that a "conditional use permit process" is required. On what do you base this assumption? What statutory or regulatory basis subjects KRRC to a conditional use permit process at this time?

#### Requests for Access

Your assertion that "KRRC has deferred each request indefinitely resulting in no inspections taking place" is false. Kitsap County Health District (KCHD) had inspected prior to your letter and Department of Fish and Wildlife recently inspected.

Significantly, DCD and the Suquamish Tribe have never directly requested access to inspect KRRC's premises. Some agencies have requested access for particular reasons that have been explained to KRRC and those individual agencies have been granted access. We declined any requests for a joint site visit for several reasons. First, we were not presented with any legal basis for such a request indicating the authority of any single agency's authority to represent the other agencies in such a request. In fact, we were informed by a number of agencies that they could not formally request a joint visit for the other agencies. Second, KRRC felt that it would be unwieldy for our representatives to have to deal with a large group. Our experienced experts counseled our executive committee that a joint visit would not be the best way to address the individual needs of each agency. Third, we wanted to be sure to have the proper personnel and information available. In fact, because of the logistics, a joint visit would be more disruptive to operations than a series of individual agency visits. Finally, as each agency has a specific relationship to KRRC, we do not wish to create the impression that KRRC is allowing each agency to go beyond its normal scope of allowed disclosure.

KRRC responded courteously to each request and requested information from each agency so that adequate personnel and information could be on hand to address the individual agency's needs. For some of them, we are still working out the logistics. You mention several agencies in your letter. Below, I will summarize the contacts and outcome of each agency mentioned:

1. DCD. No specific visit was requested. No specific purpose for a visit was identified. No specific personnel intended to attend were identified to KRRC.
2. Department of Fish and Wildlife. An initial request was made on March 22, 2010. KRRC made inquiry as to what was needed. Arrangements were made for the visit. On May 12, 2010, an individual agency visit was conducted. KRRC was verbally informed that there were no concerns. We are awaiting a written confirmation. As part of our inquiry, KRRC was informed that there were no documented violations activity on the range.
3. Kitsap County Health District. An initial request was made for an individual agency visit as early as June, 2009. KRRC was informed that the KCHD report would be forwarded to the Department of Ecology. After the first visit, KRRC was told to keep on doing what it was doing. A follow-up visit was conducted 6 months later, in early 2010. He met with our expert, Dan Daniels, Chair of KRRC's Environmental Stewardship Committee. **Attachments 1 and 2** are copies reports KRRC has received regarding those visits. At that time, there were no issues of concern to KCHD or the Department of Ecology.

Additional visits were requested. The most recent request by KCHD was granted, but the scheduled visit was canceled due to illness on the part of Grant Holdcroft. It is my understanding that Grant Holdcroft was going to meet with our Environmental Stewardship Committee Chair to discuss the protocol for water samples. However, KCHD has not called to reschedule. Recently, our Environmental Stewardship chair was himself unavailable due to illness and only recently has become available.

4. Department of Ecology. It is my understanding that the follow-up visits for KCHD described in paragraph 3 above were also for the Department of Ecology. As you may know, our new well was permitted by the Department of Ecology in February, 2010. (KRRC records indicate the fee was paid on February 15, 2010). Work was performed by Gresham Drilling and inspected by the Kitsap County Health District. It is my understanding that Grant Holdcroft and John Kiess were present during the drilling and provided valuable information on the care and maintenance of the well. Due to the DOE's expressed concerns on listed work party activities, KRRC has made it a policy to stay away from any areas of any possible concern pending consultation and if discovered to be necessary, permits are obtained.

5. U.S. Army Corp of Engineers. A first request was made on March 30, 2010. Clarification of the purpose of the visit was requested. This agency was told that an individual visit would be scheduled when the necessary personnel and information were prepared. The arrangements and clarifications are ongoing. Due to meetings with the other agencies and other activities that our volunteer members were conducting regarding our ongoing projects under permit (primarily the new Well), the arrangements for this visit are in the process of being completed.
6. Department of Labor and Industries. As stated above, the Department of Ecology approved the Well permit. Department of Labor and Industries visited KRRC on two occasions to inspect the new well that was constructed on the premises. As far as KRRC is aware, all necessary permits were obtained through their licensed contractor. Approval for the electrical permit should be on file with the Department of Labor and Industries.
7. Suquamish Tribe. No one from the Suquamish Tribe has requested a visit. KRRC would entertain a request for a visit by them. After an appropriate exchange of information detailing the specifics of such a visit, KRRC will be able to make a decision regarding such a visit. Historically, the Suquamish Tribe has never requested a visit in the past and KRRC is not sure how a visit by the Tribe will be helpful to the Tribe. Once KRRC is made aware of the Tribe's needs, KRRC will do its best to accommodate those needs.

As KRRC is professionally set up to provide maximum safety for all users, visitors, and the community, it is not necessary to suspend operations during an inspection. The shooting bays are set up in such a way that a site visit can occur without the need to close down the range. Since a number of agencies have already visited the range, and since KRRC has been advised by its experts that a joint visit would not be the most efficient manner to address specific needs of each agency, KRRC must respectfully decline your request for a joint visit by all of the agencies. KRRC will grant individual requests on a case by case basis. Upon clarification of the purpose of each visit, KRRC will be able to have appropriate, knowledgeable personnel on hand to aid in the visit.

Therefore, in specific response to the agency that you represent, if DCD is interested in scheduling a visit, please have DCD answer the questions on **Attachment 3** and have it returned to KRRC's executive officer, Marcus Carter. There may be follow-up questions. Once KRRC has sufficient information to provide assistance and personnel for the visit, the visit can be granted and the agency will then be notified of available dates and times.

Neil R. Wachter  
Deputy Prosecuting Attorney  
Kitsap County Prosecutor's Office, Civil Division  
May 25, 2010  
Page 5

Submission of Applications

Regarding the County's request that KRRC "submit all necessary applications for its various building and land moving operations," as far as KRRC is aware, KRRC has submitted all necessary applications to required agencies in the appropriate timeframes. As far as KRRC is aware, KRRC has done nothing that requires the submission of an application for a conditional use permit at this time. KRRC is a private landowner that is complying in good faith with all of the restrictive covenants applicable to its premises.

I appreciate your stated courtesy to KRRC in your letter. However, the "historic" uses of KRRC, i.e. those uses that were in place at the time of the land was deeded to KRRC and before, have not changed. Therefore, it is KRRC's position that there are no land use requirements that were not being followed and a conditional use permit is not required at this time.

Your concluding paragraph seems to imply that the activities of KRRC are deemed a "nuisance" or "detract from the quality of life in our community." These comments are not well received because they imply after the fact that the very reasons why KRRC were granted the land are not valid; your comments are unnecessarily threatening. The gun range is recognized as a important asset to the community. KRRC has not violated any of the covenants in the Bargain and Sale Deed. If your offices are specifically accusing KRRC of a violation of any of the covenants, I would appreciate a specific reference to the specific covenant and the specific act that is alleged to have violated that covenant. I would be especially interested in specific evidence you have that may be of concern and any statutory or regulatory basis for such concern. Upon receipt of this additional information, I will be in a better position to respond and provide appropriate documentation.

Club Deserves Protection

KRRC, its thousands of members (past and present), and thousands of visitors are also part of Kitsap County. As such, they also deserve to be protected by their Prosecutor from false allegations and obvious attempts to abuse the process.

I look forward to your detailed response to this letter.

Very truly yours,



B. REGINA TAYLOR

Enclosures (Attachments 1-3)



SCOTT W. LINDQUIST, MD, MPH, DIRECTOR  
345 6<sup>TH</sup> STREET, SUITE 300  
BREMERTON, WA 98337-1866  
(360) 337-5235

---

**DATE:** June 24, 2009

**TO:** Jan Brower  
Kitsap Rifle & Revolver Club Initial Investigation File

**Attachment 1**

**FROM:** Grant Holdcroft

**RE: INITIAL INVESTIGATION SITE VISIT KITSAP RIFLE & REVOLVER CLUB; ERTS  
# 613497**

---

On June 24, 2009, I visited the Kitsap Rifle & Revolver Club (KRRC) to conduct an Initial Investigation inspection. I had made an appointment. I arrived on site at 10 am and met with Marcus Carter, Brad Smith, Dan ?? and two other gentlemen that were officers of the club. I explained that I had received a complaint from Ecology on lead contamination at the range and I was investigating that concern. I also explained that the EPA BMP Guidance for ranges discusses range contamination issues. I asked if they were familiar with the document and they said Yes. Dan stated that he had a copy. I asked about lead recovery programs. I was told that KRRC has been doing lead recovery for at least 16 years (1993) . I asked about documentation. They said that they were starting to document as they just got title to the property but, that they could show that they have had lead recovery working parties through the club newsletter for many years.

We walked across all of the ranges. In general the areas of the property that we walked over were clean and well maintained. There is one large rifle range (200 yards), one large pistol range (50 yards), and about 10 small pistol ranges for competition shooting. All of the small ranges are backed by 8' to 10' high berms. Some trap and skeet shooting takes place on the rifle range. No shooting is allowed above the berms (except for some trap and skeet). Any rifle or pistol shooting above the berms immediately disqualifies the shooter. The impact zones of the ranges are all 95% or more sand. The pistol range is backed by a 10' to 12' high berm that has wetlands on the other side. There were no or little sign of rounds going over the berms on any of the ranges.

We spoke further after the walkthrough. I told the group that what I had seen of the KRRC looked good. I also said that the key points that I had gotten out of the EPA guidance manual was that the lead on the site must be kept within the boundaries of the ranges, a lead recovery program must be in place, and that they must document the lead recovery. Based on what I saw and learned while talking to them the first two items were taken care of appropriately. The documentation of the lead recovery needs to be active and ongoing. I told them that I believed that the complaint was without merit, but that I would make a note in my calendar to check back with them in 6 months to look at their documentation.

We discussed MTCA and the II process. We also talked about sampling. Whether or not I would be tasked by Ecology to sample, what I would sample for, what they could sample for, etc. Dan indicated that the club would be looking at sampling portions of the club for their own information. I left the site about 11 am.



SCOTT W. LINDQUIST, MD, MPH, DIRECTOR  
345 6<sup>TH</sup> STREET, SUITE 300  
BREMERTON, WA 98337-1866  
(360) 337-5235

---

DATE: February 19, 2010

TO: Keith Grellner  
Jan Brower  
Project file

Attachment 2

FROM: Grant Holdcroft

RE: KITSAP RIFLE AND REVOLVER CLUB INSPECTION REPORT

---

I met with the representatives of the Kitsap Rifle and Revolver Club (KRRC) yesterday. We had arranged an appointment for 2 pm. I arrived on site at about 1:50 pm and met Dan Daniels (Environmental Stewardship Chairman), Marcus Carter (Executive Director), and Brad Smith (President).

We met in an office onsite where Mr. Daniels showed me his procedure for pH testing of the soil at KRRC. Mr. Daniels was using a pH meter and logging results in a lab notebook. The method used was thorough and included quality control measures. Calibration solutions, a soil baking oven, and de-ionized water were all onsite. I asked Mr. Daniels to write up the procedure so that others could check soil pH should he not be available. I told them that the pH testing methods they were using were above and beyond what was needed for the KRRC.

We spoke of the Lead Recovery Program and what the KRRC had accomplished. They have established a log book for lead recovery. Apparently individual members of the KRRC regularly dig in the ranges for lead. The log book is used to note who, the weight, purpose, where from, and date of the recovery. Also some lead will be recovered during work parties on the weekends. The data from that recovery will be recorded in the log book also. I checked the book and noted about 10 entries for individuals with recovery amounts ranging from 5 lbs to 45 lbs. There is a scale in the office for weighing the lead. The dates range back to September (?) of 2009. In most cases reloading ammunition was to be the use of the recovered lead.

Mr. Carter noted that they had been in contact with several firms that do whole range lead removal and are discussing having one of these firms come out to the KCCR and do the entire site. I asked the KRRC to write out a procedure for the lead recovery program. I reminded them that there was a sample program in the back of the EPA BMP manual.

I recommended that the KRRC consider soil testing for lead. I stated that as far as I knew there was no requirement for it but that if they knew what was going on with their soil they would be better off. We discussed where samples would be taken. We talked about several in the ranges at about 2 feet deep and of the sediment at the inflow and outflow areas for stormwater at the property.

We discussed lead toxicity and what steps the KRRC was taking to educate club members. Hand washing after shooting or handling lead, discussions of lead toxicity during trainings, etc. was among the steps that have been taken.

Kitsap Rifle and Revolver Club  
February 19, 2010  
Page 2

Mr. Smith asked about the rules that the club had to comply with and I told him about the local and state solid waste rules, the Model Toxics Control Act (WAC 173-340), and the EPA BMP Manual for Gun Ranges. Mr. Daniels mention the federal rule called the Resource Conservation and Recovery Act (RCRA). We discussed how the EPA BMP Manual was the guidance that the Health District would be following based on the recommendation of Washington State Department of Ecology.

We did a quick walk around of the site. The site looked good with minimal litter, the berms in decent shape, and little brass on the ground. Mr. Carter noted that a work party this weekend was going to be doing some cleanup after the winter weather. I took several photos during the walk around.

We agreed that the Health District would visit the KRRC again in August of 2010 to check on the written lead recovery and the pH testing programs. I left the site at approximately 3:40 pm.

### **ATTACHMENT 3**

#### **INFORMATION TO BE PROVIDED WITH A REQUEST FOR A SITE VISIT**

1. What is the purpose of the requested site visit?
2. How much time do you wish to devote to this site visit?
3. What information will be helpful to your review?
4. What specific areas of the property do you wish to visit?
5. For each area to be visited, please specify what concerns about that area are known.
6. Who will be present at the site visit?
7. If your visit is in relation to a complaint filed by an individual or group, will you provide us with a copy of the complaint(s) that initiated your investigation and current request for a site visit?
8. Will you please provide us with copies of any reports and/or communications, preliminary or otherwise, generated or received by you and your agency concerning this matter to date?
9. If you are aware of any regulatory or statutory basis for your request, please provide specific citation to the applicable regulation, code or statute.

Answers to these questions should be forwarded to KRRC, c/o Executive Officer Marcus Carter, by email at [info@gunsafety.org](mailto:info@gunsafety.org) or fax to (360) 373-1082, mail to 4900 Seabeck Highway, Bremerton, WA 98312.

Upon review of the information provided, the Executive Committee of KRRC will respond to the request. Follow-up questions and other logistical details may be required before a visit can be granted.

**FILED FOR RECORD AT REQUEST OF:**  
Kevin M. Howell  
Kitsap County Prosecuting Attorney's Office  
614 Division Street, MS-35A  
Port Orchard WA 98366

**BARGAIN AND SALE DEED  
WITH RESTRICTIVE COVENANTS**

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**GRANTOR:** Kitsap County

**GRANTEE:** Kitsap Rifle and Revolver Club, a Washington Non-Profit Corporation

**LEGAL DESCRIPTION:** A Portion of 36251W Bldg Value (Land Value Carried Under Acct. No. 362501-2-001-1001)

**ASSESSOR'S TAX PARCEL NO:** 362501-2-002-1000

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For and in consideration of \$10.00 and other good and valuable consideration, Kitsap County, as Grantor, bargains, sells and conveys all of its right, title and interest in and to the real property described on Exhibit A hereto to the Kitsap Rifle and Revolver Club, a Washington Non-Profit Corporation, as Grantee.

This conveyance is made subject to the following covenants and conditions, the benefits of which shall inure to the benefit of the public and the burdens of which shall bind the Grantee and the heirs, successors and assigns of the Grantee in perpetuity.

1. Grantee for and on behalf of itself, its heirs, successors and assigns, and each subsequent owner of the property described in Exhibit A hereto, hereby releases and agrees to hold harmless, indemnify and defend Kitsap County, its elected officials, employees and agents from and against any liabilities, penalties, fines, charges, costs, losses, damages, expenses, causes of actions, claims, demands, orders, judgments, or administrative actions, including, without limitation, reasonable attorneys' fees, arising from or in anyway connected with (1) injury to or

the death of any person or the physical damage to any property, resulting from any act, activity, omission, condition or other matter related to or occurring on or about the property, regardless of cause, unless due solely to the gross negligence of any of the indemnified parties; (2) the violation or alleged violation of, or other failure or alleged failure to comply with, any state, federal, or local law, regulation or requirement, including, without limitation, Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 USC Sec. 9601, et seq. and Model Toxics Control Act (MTCA), RCW 70.105 D, by any indemnified person or entity in anyway effecting, involving, or relating to the property; (3) the presence or release in, on, from, or about the property, at any time, past or present, of any substance now or hereafter defined, listed, or otherwise classified pursuant to any federal, state or local law regulation, or requirement as hazardous, toxic, polluting, or otherwise contaminating to the air, water, or soil, or anyway harmful or threatening to human health or the environment.

2. Grantee shall maintain commercial general liability insurance coverage for bodily injury, personal injury and property damage, subject to a limit of not less than \$2 million dollars per occurrence. The grantee will provide commercial general liability coverage that does not exclude any activity to be performed in fulfillment of grantees activities as a shooting range. Specialized forms specific to the industry of the Grantee will be deemed equivalent, provided coverage is no more restrictive that would be provided under a standard commercial general liability policy, including contractual liability coverage.

3. Grantee shall confine its active shooting range facilities on the property consistent with its historical use of approximately eight (8) acres of active shooting ranges with the balance of the property serving as safety and noise buffer zones; provided that Grantee may upgrade or improve the property and/or facilities within the historical approximately eight (8) acres in a manner consistent with "modernizing" the facilities consistent with management practices for a modern shooting range. "Modernizing" the facilities may include, but not be limited to: (a) construction of a permanent building or buildings for range office, shop, warehouse, storage, caretaker facilities, indoor shooting facilities, and/or classrooms; (b) enlargement of parking facilities; (c) sanitary bathroom facilities; (d) re-orientation of the direction of individual shooting bays or ranges; (e) increasing distances for the rifle shooting range. Also, Grantee may also apply to Kitsap County for expansion beyond the historical eight (8) acres, for "supporting" facilities for the shooting ranges or additional shooting facilities, provided that said expansion is consistent with public safety, and conforms with the terms and conditions contained in paragraphs 4, 5, 6, 7 and 8 of this Bargain and Sale Deed and the rules and regulations of Kitsap County for development of private land. It is the intent of the parties that the activities of Grantee shall conform to the rules and regulations of the Firearms Range Account, administered by the State Recreation and Conservation Office. This account is established by the legislature upon the following finding: "Firearms are collected, used for hunting; recreational shooting, and self-defense, and firearm owners as well as bow users need safe, accessible areas in which to shoot their equipment. Approved

shooting ranges provide that opportunity, while at the same time, promote public safety. Interest in all shooting sports has increased while safe locations to shoot have been lost to the pressures of urban growth.” (Wash. Laws 1990 ch. 195 Section 1.)

4. Grantee’s activities shall also conform to the Firearms and Archery Range (FARR) Program as found in Chapter 79A.25 RCW. The primary goals of this program are to assist with acquisition, development, and renovation of firearm and archery range facilities to provide for increased general public access to ranges. This includes access by a) law enforcement personnel; b) members of the general public with concealed pistol or hunting licenses; and c) those enrolled in firearm or hunter safety education classes. Access by the public to Grantee’s property shall be offered at reasonable prices and on a nondiscriminatory basis.

5. Grantee agrees to operate the shooting range at all times in a safe and prudent manner and conform its activities to accepted industry standards and practices.

6. Mineral Reservations, held by the State of Washington, that run with the land.

7. Existing Habitat Conservation Plan (HCP), as detailed below:

The site has been publicly identified for conservation provisions applying to, but not limited to: murrelet habitat; spotted owl nest sites; wolves; grizzly bears; nests, communal roosts, or feeding concentrations of bald eagles; peregrine falcon nests; Columbian white-tailed deer; Aleutian Canada geese; and Oregon silverspot butterflies. The existing Habitat Conservation Plan is to remain in effect, regardless of parcel segregation or aggregation or potential sale or land transfer.

8. Riparian Management Zones, as detailed below:

Bodies of water, including but not limited to those streams, rivers and lakes and other lakes and wetlands have been identified and/or may be located on the Premises. All activities within the Riparian Management Zone, as defined in the existing and publicly-filed Habitat Conservation Plan (HCP) and including that portion of the inner riparian ecosystem between the aquatic zone and the direct influence zone (uplands) and including the outer wind buffer, must comply with and remain in compliance with the current HCP Procedures. Activities in a Riparian Management Zone, including but not limited to cutting or removing any tree and/or timber (including hardwood, merchantable and unmerchantable timber, downed timber, windthrow and snags), and road, trench and/or trail use, and/or maintenance, may be restricted or not permitted during specific times. All activities must provide for no overall net loss of naturally occurring wetland function. These protective measures are to run with the land, regardless of parcel segregation or aggregation or potential sale or land transfer.

DATED this 13<sup>th</sup> day of May, 2009.

**BOARD OF COUNTY COMMISSIONERS  
KITSAP COUNTY, WASHINGTON**

\_\_\_\_\_  
**CHARLOTTE GARRIDO, Chair**

\_\_\_\_\_  
**STEVE BAUER, Commissioner**

\_\_\_\_\_  
**JOSH BROWN, Commissioner**

ATTEST:

\_\_\_\_\_  
Opal Robertson, Clerk of the Board

**ACCEPTANCE OF BARGAIN AND SALE DEED  
WITH RESTRICTIVE COVENANTS**

By signature affixed below, the Kitsap Rifle and Revolver Club by and through \_\_\_\_\_, its President/Executive Officer hereby and with full authority of the Board of Directors of said corporation, hereby accept the terms and conditions of the Deed with Restrictive Covenants above dated this 13<sup>th</sup> day of May, 2009.

\_\_\_\_\_  
**BRAD SMITH, President - KRRC**

\_\_\_\_\_  
**MARCUS CARTER, Executive Officer - KRRC**

STATE OF WASHINGTON )  
 ) ss:  
COUNTY OF KITSAP )

I certify that I know or have satisfactory evidence that Brad Smith is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the President of the Kitsap Rifle and Revolver Club, to be the free and voluntary act of the KRRC for the uses and purposes mentioned in the instrument.

Dated this \_\_\_\_ day of May, 2009.

\_\_\_\_\_  
PRINT NAME:  
\_\_\_\_\_  
Notary Public in and for the State of Washington,  
residing at: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

STATE OF WASHINGTON )  
 ) ss:  
COUNTY OF KITSAP )

I certify that I know or have satisfactory evidence that Marcus Carter is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Executive Director of the Kitsap Rifle and Revolver Club, to be the free and voluntary act of the KRRC for the uses and purposes mentioned in the instrument.

Dated this \_\_\_\_ day of May, 2009.

\_\_\_\_\_  
PRINT NAME:  
\_\_\_\_\_  
Notary Public in and for the State of Washington,  
residing at: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

## **EXHIBIT A**

### **Legal Description of Premises & Reservations**

Part of the Southwest quarter of the Southeast quarter and part of the Southeast quarter of the Southwest quarter of Section 36, Township 25 North, Range 1 West, W.M., lying northerly of the North lines of an easement for right of way for road granted to Kitsap County on December 7, 1929, under Application No. 1320, said road being as shown on the regulation plat thereof on file in the office of the Commissioner of Public Lands at Olympia, Washington, the above described lands having an area of 72.41 acres, more or less.

#### **RESERVATIONS/SUBJECT TO:**

Easement #50-CR1320: Road granted to Kitsap County on 12/07/1927 for an indefinite term.

Easement #50-047116: Road granted to E.F. Howerton on 05/09/1985 for an indefinite term.

# RE•SOLVE

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**GIBBONS & RIELY PLLC**  
**Real Estate Appraisal, Counseling & Mediation**  
261 Madison Avenue South, Suite 102  
Bainbridge, Washington 98110-2579  
206-842-4887  
TeleFax: 206-842-5082

Stephen Shapiro, MAI  
Direct Dial 206 855-1090  
Email: sshapiro@realestatesolve.com

May 5, 2009

Chip Faver, Director  
Kitsap County Parks and Recreation  
614 Division Street, MS-1  
Port Orchard, WA 98366

RE: Kitsap County Rifle and Revolver Club Portion of Tax Parcel # 362501-2-001-1001

Dear Mr. Faver:

At your request, I have prepared this valuation/counseling letter with regard to the above referenced property. This letter meets the standards of a *restricted* appraisal report. The document recognizes your familiarity with the subject property and issue at hand, and thus is intended only for your use, or those you deem sufficiently knowledgeable to fully understand the contents of this evaluation. As directed, I have estimated the fee simple interest in the subject recognizing the restricted conditions of use described in the specialized appraisal instructions discussed in this report. This appraisal will be used by you for purposes of potential disposition of the property.

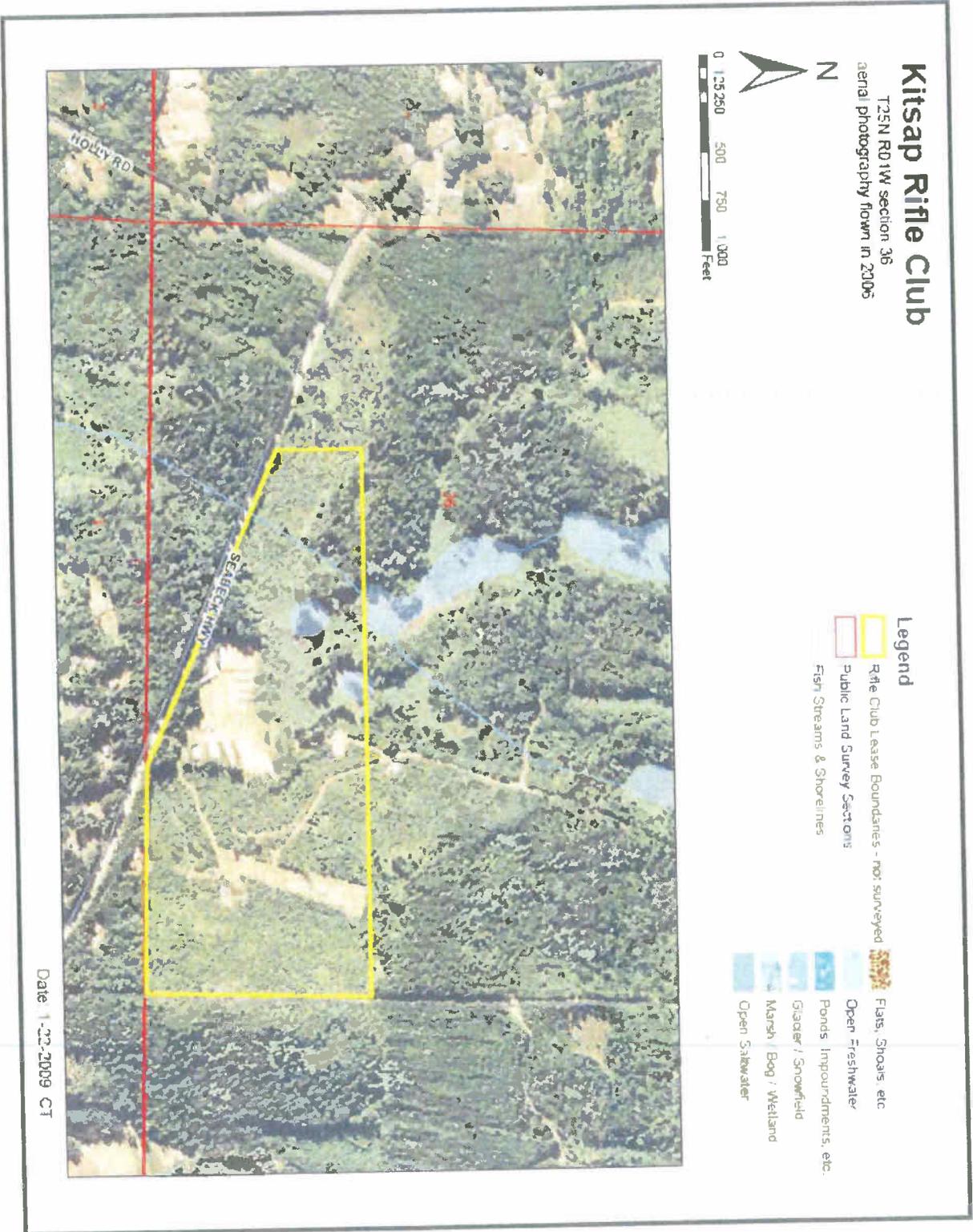
## **Identity/Location of Property**

The subject is comprised of land and improvements operating as the Kitsap Rifle and Revolver Club. This includes 8 acres containing roads, parking areas, open shooting range, targets and associated infrastructure. An additional 64.41 acres of timberlands, wetlands and resource lands are passively used to provide buffer and safety zones for lessee's shooting range. The following legal description of the subject was provided by the client. The area is depicted on the photograph on the following page.

*Part of the Southwest quarter of the Southeast quarter and part of the Southeast quarter of the Southwest quarter of Section 36, Township 25 North, Range 1 West, W.M., lying northerly of the North lines of an easement for right of way for road granted to Kitsap County on December 7, 1929, under Application No. 1320, said road being as shown on the regulation plat thereof on file in the office of the Commissioner of Public lands at Olympia, Washington, the above described lands having an area of 72.41 acres, more or less.*

# KITSAP RIFLE GUN CLUB

RE•SOLVE



Date | -22-2009 CT

### **Purpose of Valuation and Counseling Letter**

The Washington State Department of Natural Resources presently owns approximately 522 acres that includes the subject area, which is leased to the Kitsap Rifle and Revolver Club. The Kitsap County Department of Parks and Recreation has an interest in acquiring the DNR property and disposing of the 72.41 acres encompassed by the gun club. The purpose of this counseling letter is to provide a market based valuation analysis of the subject gun club area in its "as is" condition and recognizing the stipulated Specialized Appraisal Instructions discussed below.

The term "market value" is defined as:

*"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date, and the passing of title from seller to the buyer under conditions whereby:*

- a. the buyer and seller are typically motivated;*
- b. both parties are well informed or well advised, and acting in what they consider their own best interests;*
- c. a reasonable time is allowed for exposure in the open market;*
- d. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- e. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."*

Source: Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f].

### **Specialized Appraisal Instructions**

The client has provided specific instructions to provide a fee simple market value for the subject recognizing any existing reservations as well as the following instructions. These instructions constitute limiting conditions that have a direct impact upon the value conclusions derived.

1. Appraise the property in an "As Is" condition.
2. Assess and state environmental liabilities associated with this land, and its historic use as a shooting range, without any indemnification provided by the seller.
3. The subject property will continue to be utilized exclusively as a short arm shooting range consistent with its historic use. Enlargement, material improvement of the activities will require land use compliance and permitting through Kitsap County Department of Community Development.

4. Require purchaser to be a non-profit organization, enabled to: maintain existing public (state) funds and (2) apply for public funds to support the historic use of the property for outdoor recreation.
5. Require purchaser and future owners to provide public access to the property for recreational use on a non-profit basis.
6. Assume liability associated with operating existing recreation facilities, specifically a shooting range.
7. The subject property is associated with an adjacent, listed Superfund site with the EPA. The Washington State Department of Ecology ranks the adjacent property a "2" on its scale of hazardous materials contamination. Site clean up work was performed in the late 1970's but more recent analysis indicates that further hazardous clean up work is needed to address lead, chromium and other contamination.

#### **Intended Use/User**

This report will be used as an aid in the potential disposition of the subject property after it is acquired by Kitsap County. The client is Chip Faver, director of the Kitsap County Department of Parks and Recreation, as well as his authorized agents, associates and employees.

#### **Scope of Assignment**

The scope of work of this assignment is to provide consultation pertaining to the potential disposition of the subject. The Uniform Standards of Professional Appraisal Practice defines "Appraisal Consulting" as follows:

*The act or process of developing an analysis, recommendation, or opinion to solve a problem, where an opinion of value is a component of the analysis leading to the assignment results.*

*An appraisal consulting assignment involves an opinion of value but does not have an appraisal or an appraisal review as its primary purpose.*

The scope of work in this assignment is associated with consultation rather than an appraisal owing to the unusual circumstance of the subject being a special use property that is heavily contaminated, which does not readily lend itself to the typical valuation methodologies. This issue is discussed in greater depth in the highest and best use section of this report.

This analysis is presented in a reporting format that meets the requirements for a restricted report under USPAP guidelines. Discussions and analysis are abbreviated in this document, with supporting data retained in my files for reference.

### **Subject Sales History**

The subject property has been under the ownership of the Washington State Department of Natural Resources for many years and there is a lease over the entire property between the State of Washington as lessor and the Kitsap Rifle and Revolver Club as lessee. This includes 8 acres containing the lessee's improvements, roads, parking areas, open shooting range, targets and associated infrastructure. An additional 64.41 acres of timberlands, wetlands and resource lands are passively used by the lessee to provide buffer and safety zones for lessee's shooting range.

The lease commenced in March of 2003 and has a termination date of February 27, 2018. This is a net lease with a current rate of \$7,200 per year, although there is a scheduled increase that has not been applied. It should be noted that section 4.03 of the lease stipulates the following caveat:

*State reserves the right to terminate this agreement upon sixty (60) days written notice in the event the State includes the premises in a plan for higher and better use, land exchange or sale.*

This clause would allow Kitsap County to acquire the subject from Washington State unencumbered by the lease. Additionally, section 8.02(a) of the lease requires the lessee to remove all "deleterious material" at the termination of the lease or the State will do so at the lessee's expense. This effectively requires the lessee to clean the site of any material impacts that would undermine the highest and best use of the property resulting from its use as a firing range. However, it is the mutual intention of DNR and Kitsap County to transfer ownership of the subject to the latter party with the existing gun club use intact. Further, there is no requirement to clean the site of hazardous materials upon a change in ownership.

### **Title Report/Easements/Conditions/Restrictions**

Although I have not been provided a title report for the specific subject I have been given a title report for the larger area of which the subject is a part. I am not aware of any easements, conditions, covenants or restrictions that would constrain the highest and best use of the subject, and this is an underlying assumption of this report.

### **Date of Appraisal**

The date of this appraisal is March 19<sup>th</sup>, 2009, the most date of the subject property inspection. This report was prepared in April and May of 2009.

### **Property Characteristics**

#### *Location and Access*

The subject property is located in central Kitsap County on the Seabeck Highway near its intersection with Holly Road. While the area immediately surrounding the subject is rural, the property is located only about 10 miles west of Bremerton, the most populous city in Kitsap County and about a dozen miles

from Port Orchard, which is the county seat. About seven miles to the northeast is Silverdale, which has the greatest concentration of retail shops and malls in the county.

### *Zoning*

The subject's 522 acres are comprised of 2 parcels plus a portion of a third parcel adjoining to the north. These are all designated Rural Wooded (RW) in the Kitsap County zoning code. General specifications associated with this zone are as follows:

#### Rural Wooded Zone (RW)

Minimum Lot Size	20 Acres
Setbacks	50' Front, 20' Side/Rear
Building Height	35'
Primary Permitted Uses	Preservation of forest use while allowing for some rural residential use

The Kitsap County Zoning Ordinance describes the purpose of this zone as follows:

*This zone is intended encourage the preservation of forest uses, retain an area's rural character and conserve the natural resources while providing for some rural residential use. This zone is further intended to discourage activities and facilities that can be considered detrimental to the maintenance of timber production.*

The primary permitted uses in the RW zone include forestland management, agriculture, parks and open space, wholesale nurseries, kennels, and residential use at a very low density. Conditional uses are limited but do include certain recreational uses. While a shooting range is not explicitly noted as an allowable use, it is assumed that the current use of the subject is a permitted conditional legal use of the property.

### *Land Description*

The subject is an irregularly shaped 72.41 acre land area that is a portion of Kitsap County tax parcel number 362501-2-001-1001. The property has generally rolling topography with no steep areas. The property is cleared in the 8 acre shooting range area and has timber cover in the 72 acre buffer area. I am unaware of any critical areas on the subject. I have been provided a timber valuation of the entire DNR property by the firm of S. A. Newman , Forest Engineers, indicating that are is \$1,258,00 of merchantable timber value over the entire 522 acre tax parcel. This amounts to about \$2,410/acre. I have not been provided any timber valuation for the subject portion of the total property. However, applying the average timber value per acre suggests there is approximately \$175,000 of merchantable timber value on the subject.

### *Utilities*

All utilities are presently available to the subject including electricity and phone. Water is provided by an on-site well and waste is handled by a septic system.

### *Subject Improvements*

The subject is improved as a shooting range that has been operated as the Kitsap Rifle and Revolver Club since 1926. It is minimally improved with infrastructure associated with the shooting range. This includes several portable buildings and covered shooting platforms.

### **Hazardous Materials**

It is well known that the approximately 8 acres of the subject that has been used as a shooting range for the past 83 years is contaminated with lead from spent ammunition lodged in the soil. To my knowledge there has never been any hazardous conditions assessment of the subject property or any estimate of the cost to clean it up. Clearly, the potential cost and risk of liability associated with the cleanup of the subject would be a significant value consideration in the mind of any prospective buyer of the property. In support of this I have provided the following documentation pertaining to evidence of hazardous material associated with shooting ranges as well as clean up costs.

Metallic lead shot is the most common ammunition used in shooting ranges owing to its low cost, ease of reloading and good firing characteristics. Lead is a known pollutant that has been closely monitored by the Environmental Protection Agency for many years as a hazardous trace material in paint, gasoline, plumbing pipes and other consumer products including food. In its solid form as lead shot at a firing range it can enter the environment as dust particles and dissolved in ground water. Thus, it is associated with grasses and plants ingested by animals as well as surface drinking water used by animals and groundwater that may be used by people. In its dissolved state lead pollution can infiltrate areas well outside the local firing range through surface run off and ground water percolation.

Research indicates that lead is the most prevalent contaminant found at federal Superfund sites across the country. Recognition of its significant environmental and health threats have resulted in enacting federal and state laws requiring clean up under most circumstances. Interestingly, private firing ranges remain exempt from federal law owing to an interpretation by the EPA that the act of firing bullets does not qualify as "discarding" them. However, state law pertaining to the clean of lead material from firing ranges may apply.

According to Donna Musa of the Washington State Department of Ecology Toxic Cleanup Program, suspected contamination on a particular site does not constitute a requirement to investigate hazardous conditions or clean up any such materials. Typically, investigation into hazardous conditions is triggered by someone concerned about being subjected to such contamination or when contamination has been found to migrate from its source to neighboring property. In these instances Washington State requires an assessment to rank a potentially hazardous site, but only requires clean up of those designated as falling in the top tier of potential environmental threats.

Since firing ranges tend to be in relatively remote areas and are often frequented by local inhabitants, they are not usually the subject of such complaints. Ms. Musa noted that a change of ownership would not trigger a clean up requirement. Further, Washington State law does not stipulate that a change of use would necessarily trigger a clean up requirement. However, if the use of a property was changed in such a manner that the hazardous material posed an obvious threat under, it almost certainly would require consideration of cleanup. This would likely pertain to most, if not all, alternate uses of the subject firing range allowable under the existing zone such as residential, agricultural, plant nursery and kennels.

The fact that the subject is not presently a candidate for an assessment of toxic materials does not mean that this may not occur some time in the future. Although I am not a legal expert and cannot opine as to who might bear responsibility for clean up of the subject, I have been provided a specific instruction by the client that no indemnification of such responsibility would be provided by the seller to any potential buyer. Thus, there is clearly some element of risk associated with acquisition of this contaminated site.

The cost of cleanup for shooting ranges can be significant. A local example is Camp Wesley Harris, which lies adjacent to the subject's eastern boundary. This 387 acre Naval shooting range has operated rifle and hand gun ranges since around 1930. Around 1980 the U.S. Navy initiated an assessment of the toxic materials and the Washington State Department of Ecology performed a hazardous waste examination of this site that resulted in approximately \$3 million of clean up during 1987 and 1988. The primary contaminants were lead and chromium lodged in the soils and diluted in shallow groundwater. According to John Kiess with the Kitsap County Health District, who participated in this assessment, the cleanup area on Camp Wesley Harris was fairly similar in size and use as the Kitsap Rifle and Revolver Club.

Two other examples of the cost to clean up shooting ranges pertain to the Sharp Park Rifle Range that was owned and operated by the City of San Francisco and the gun range at Huntington Central Park in Huntington Beach, CA. The former was a 6 acre site that operated as a firing range from 1952-1988. In 2007 the City of San Francisco commissioned a study to determine clean up costs. The report determined that it would cost between \$2.5-\$4.5 million to excavate and remove all toxic materials. The Huntington Beach site covered about 5 acres and the estimated cost of cleanup is currently \$1.5-\$3 million according to city officials.

With respect valuation of the Kitsap Rifle and Revolver Club I have not been provided any cost estimate regarding the potential cleanup of the property. However, given the likely extent of contamination and the need for an "as is, where is" appraisal, it is necessary to estimate the potential liability that would result from a clean up requirement. Based upon the information discussed above, I have concluded that cleanup of the subject site would very likely have a present day cost of at least \$2 million and a high probability that the cost would be on the order of \$3 million.

### **Highest and Best Use**

"Highest & Best Use" is defined by The Appraisal Institute as:

*"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible and that results in the highest*

*value. The four criteria the highest and best use must meet are: legal permissibility, physical possibility, financial feasibility and maximum profitability."*

Source: The Dictionary of Real Estate Appraisal, Third Edition, Copyright 1993, published by the Appraisal Institute.

The highest and best use analysis provides the foundation for a value conclusion by identifying the specific market position of a subject and thereby specifying appropriate market comparisons for it, as well as the relevant approaches to value. It is governed by consideration of the property's legal, physical and economic potential. If the property is improved, the process requires separate analysis of the land as though vacant and the land as improved. This provides the basis for a conclusion as to whether the improvements adequately contribute to overall value as to continue to be the preferred use, or whether an alternate use would better support the land value. In this instance, the subject property is improved as a small arms firing range and the instructions to the appraiser specify that it is to be valued in its "as is" condition. Thus, a highest and best use analysis of the subject as if vacant is not appropriate and has not been provided.

#### *Highest & Best Use "As Is"*

The highest and best use of the subject is governed first by what is legally feasible. As previously discussed the subject's RW zone would allow for single family residential development at a density of one dwelling unit per 20 acres. This would nominally allow for three development rights. However, the Specialized Appraisal Instructions provided by the client effectively limit the use of the property to a short arms shooting range that must be open to the public and operated on a non-profit basis by an owner who is qualified to accept public funds.

With respect to physical possibility the subject has historically been used as a firing range for more than 80 years. It has ample room to support a firing range with a large buffer safety area from surrounding uses. The property is located in a rural area of Kitsap County with very low residential development potential but is also situated on a paved highway within a short distance of Bremerton, Port Orchard and Silverdale. These factors suggest that the property would provide good access to a large number of people in its current use while at the same time creating a relatively small noise nuisance impact.

Based upon the foregoing factors the highest and best use of the subject is concluded to be continued operation of the property as improved for use as a firing range that is open to the public and operated on a non-profit basis.

Meanwhile, circumstances resulting from the presence of hazardous waste and the special instruction stipulating that a buyer of the property would not be indemnified from any responsibility of cleaning up toxic contamination make it necessary to look beyond the presumed highest and best use as if in a benign condition to an examination in its "as is" condition. Such consideration specifically revolves around the possibility that at some future time it would be necessary to pay for clean up of toxic material on the property.

In light of the discussion above, it appears that the salient question regarding highest and best use is whether a gun club operating on a non-profit basis would contribute sufficient economic value to supersede the risk associated with the possible cost to cure the contamination at some time in the future? Obviously, the meaning of "risk" assumes that there is no conclusive answer. However, there are some indications in this regard that are pertinent to a valuation based on risk assessment. These include a probable current cost to cure the subject's contamination from \$2- \$3 million. While it is not possible to predict the exact duration required for cleanup, given that the nature of the contamination pervades into the soil and aquifer it may take years to remediate and it is possible that the costs may escalate beyond present day projections. Finally, there is no certainty that any previous owners of the property would share responsibility for cleanup.

Assessing the impact of contamination on the site is obviously complicated by the fact that it is unknown when and if such cleanup will be required. Further, the cost of hazardous waste cleanup as well as the extent of liability among parties who may have held title to the property at one time or another is notorious for its lack of predictability. For that reason, projecting how these may impact the subject's ultimate value becomes a matter of risk analysis. Where good sales comparison data exists, the appraiser can make direct market comparisons to derive the value of a given property in its existing condition. Not surprisingly, however, I did not find sales of contaminated firing ranges in the subject's market area. The difficulty of finding suitable sales comparisons has resulted in reliance upon the income capitalization approach as the primary means to valuation in this instance. This approach implicitly recognizes the risk associated with achieving a market return on investment in a given property through application of an appropriate capitalization rate. In this instance the rate of return should reflect the following issues:

- The possibility that the ultimate cost of cleanup may be higher than the present day estimate.
- The difficulty in placing a specific time period upon remediation of contamination.
- The level of confidence that cleanup technology and procedures exist that can result in a complete cleanup that will require no further action.
- The possibility that market stigma will be attached to the property even if cleanup does not impair present day operations and liability does not extend beyond the present owner.

The analysis that follows first considers the value of the subject through the income capitalization approach under use as a non-profit firing range that utilizes state funding. The second step in the analysis considers an appropriate discount to that value based upon the risk that a prospective buyer would be required to clean up the contamination on the property at some time in the future.

#### **Land Valuation Analysis**

Land valuation analyses are typically based upon the precepts of "market value" as this implicitly considers what the most likely potential buyer of a property would pay in order to generate the highest economic return. However, in this instance the Specialized Appraisal Instructions limit the use of the property to a firing range, and even that utilization of the property is further constrained by requirements that it be operated on a non-profit basis by a party accepting state funds. *The Appraisal of Real Estate*

(12<sup>th</sup> Edition), which is a comprehensive text published by the Appraisal Institute, provides the following guidance pertaining to valuing such properties:

*When appraising a type of property that is not commonly exchanged or rent, it may be difficult to determine whether an opinion of market value can be reasonably supported. Such limited-market properties can cause special problems for appraisers. A limited-market property is a property that has relatively few potential buyers at a particular time. Many limited-market properties include structures with unique designs, special construction material, or layouts that restrict their utility to the use for which they were originally built. These properties have limited conversion potential and, consequently, are often called special-purpose or special-design properties. Examples of such properties include houses of worship, museums, schools, public buildings and clubhouses.*

*Limited-market properties may be appraised based on their current use or the mostly likely alternative use. Due to the relatively small markets and lengthy market exposure needed to sell such properties, there may be little evidence to support an opinion of market value based on their current use. The distinction between market properties and limited-market properties is subject to the availability of relevant market data. If a market exists for a limited-market property, the appraiser must search diligently for whatever evidence of market value is available.*

*If a property's current use is so specialized that there is no demonstrable market for it but the use is viable and likely to continue, the appraiser may render an opinion of use value if the assignment reasonably permits a type of value other than market value. If no market can be demonstrated or if the data is not available, the appraiser cannot develop an opinion of market value and should state so in the appraisal report. It is sometimes necessary to render an opinion of market value in these situations for legal purposes, however. In these cases, the appraiser must comply with the legal requirement, relying on personal judgment and whatever direct market evidence is available. Note that the type of value developed is not dictated by the property type, the size or viability of the market, or the ease with which that value can be developed; rather, the intended use of the appraisal determines the type of value to be developed. If the client needs a market value opinion, the appraiser must develop an opinion of market value, not use value.*

In this instance the client has provided very specific instructions limiting the use to a single application but has also directed the appraiser to provide an opinion of market value. Thus, in keeping with the direction provided above, I had relied upon personal judgment as well as whatever market evidence is available in deriving a value conclusion for the subject.

The direct income capitalization methodology is an approach that equates the net operating income of a property over one year of operation to total property value through the application of a market based capitalization rate that implicitly accounts for the risk associated with continuing to generate stabilized income over the life of the investment. In this instance, the subject is appraised as a non-profit operation. Discussion with Kevin Howell of the Kitsap County Prosecutor's Office and Matthew Keough of the

Kitsap County Department of Parks and Recreation suggest that the non-profit status eliminates the ability to generate any net operating income because fees can only be charged that are commensurate with the costs of maintenance and operation. This would effectively reduce the net operating income to zero for a passive investor in the property who does not intend to have a management role.

However, a non-profit organization can pay salaries to its employees. Thus, if the property was purchased by a prospective owner who intended to operate the firing range himself, the salary generated could be construed as income. This latter scenario suggests that even given the strict limitations on the use of the property, there may be prospective buyers willing to pay a lump sum purchase price for the opportunity to generate a salary over their term of ownership.

The amount that such a prospective buyer might pay is a function of the risk associated with the security of the income stream. For purposes of this analysis I have relied upon personal conjecture as well as market evidence to first derive an estimate of the subject's market value *without any consideration of contamination impact*. The impact of toxic waste upon value is then considered in a separate step of the analysis.

The analysis begins with an assumption of a reasonable salary that a potential buyer of the subject could anticipate generating through operation of a firing range. I have put this at \$100,000 annually. Since all other funds generating would necessarily go to the operation and maintenance of the firing range (including any other salaries that might be paid) the owner's salary effectively represents the annual net operating income. According to the Korpacz Real Estate Investor Survey (a division of Price Waterhouse Coopers), capitalization rates for investment grade real estate in the Pacific Northwest ranged from 6.5%-11% in the first quarter of 2009. Assuming that the security of this investment entails more or less average risk I have applied a 9% rate of return to the income noted above which results in a total value indication for the subject of around \$1,100,000.

While a prospective buyer of the subject might be willing to pay on the order of \$1,100,000 to generate an annual income stream of \$100,000 assuming typical market risk, consideration of the subject's contamination adds significant uncertainty to the security of that income stream. As discussed above, the current cost to cure all of the contamination on the subject is expected to be around \$2-\$3 million. Since it is a specific instruction of this appraisal that no indemnity would be granted to a buyer of the property, that person would be expected to absorb most, if not all, of the remediation costs. The next questions are if and when such a liability would be exacted.

As previously discussed the subject is not presently on the Washington State Department of Ecology's list of contaminated sites slated for cleanup, and to my knowledge there has never been any assessment of toxic materials on the subject. However, given its use as a firing range for nearly a century it is common knowledge that the site is heavily contaminated. Further, the adjoining Camp Wesley Harris site, which has a very similar history of use as the subject, has been placed upon the State's list of toxic sites and has already undergone some cleanup at considerable expense. It would be very logical to conclude that at some point the subject would also become a viable candidate for cleanup, and thus it would seem that the issue is much more a matter of "when" than "if."

With regard to the timing impact of any potential requirement to clean up the subject the following analysis is germane. At a price of \$1,100,000 and an annual income of \$100,000 it would nominally require 11 years to recoup the capital investment. However, adding the cost of cleanup at \$2 million (which is the low end of the estimate) would add additional 20 years. Obviously, this is a highly simplistic analysis that ignores additional inputs such as inflation, a potential increase in annual income and a potential increase in the cost of cleanup over time. However, it very clearly illustrates that the looming liability of curing the subject's contamination would undermine much, if not all, of the economic benefit to be derived from the subject. While it is difficult to project when the DOE might require cleanup of the subject, it is not unreasonable to presume that changes in land use in this area over the next 20 years will very likely include increased residential development density with a reliance upon ground sources of drinking water that would promulgate such action. Ultimately, this raises a very strong question as to why a prospective buyer would pay \$1,000,000 to secure such a risky income stream when that money could be put to other far less risky income producing real estate ventures.

Based upon the foregoing analysis it is my conclusion that the market value of the subject is effectively zero. This does not necessarily suggest that there is not a prospective buyer willing to pay some amount of cash for the subject. However, that buyer would not be acting to obtain the maximal return on investment that is essential to the concept of market value. Rather, such a purchase would be predicated upon "use value" that considers the value of a particular property in a particular use irrespective of any value that might be derived from alternate uses of that property or an investment in another property that would reap a positive economic return.

**Subject Market Value As Is & Recognizing Specialized Appraisal Instructions** **\$0**

**Effective Date of Value**

March 19, 2009.

**Closing**

If you have any further questions or concerns, please do not hesitate to call.

Sincerely,



Stephen Shapiro, MAI

Ref: 9111



# RE•SOLVE

*Real Estate Appraisal, Counseling & Mediation*

STEPHEN L. SHAPIRO, MAI

Stephen Shapiro graduated in June 1986 from the University of Washington in Seattle, Washington. He was awarded an Honors Degree as Bachelor of the Arts in Communications with a major in Journalism and a minor in Economics. Since that time he has worked as a writer, editor and research consultant specializing in land and marine resource issues. Mr. Shapiro was asked to join the firm of **Wronsky, Gibbons & Riely** in March of 1999 by Anthony Gibbons. In July of 1999 Mr. Gibbons formed Anthony Philip Gibbons PLLC, doing business under the new company name of **RE•SOLVE** – a company providing Real Estate Appraisal, Counseling and Mediation services. Mr. Shapiro joined Mr. Gibbons in his company at that time.

In his capacity as an appraiser for **Wronsky, Gibbons & Riely** and **RE•SOLVE**, Mr. Shapiro has developed a broad range of experience over a wide variety of property types. Appraisals have been performed on office and industrial buildings; commercial and industrial land; residential subdivision property; natural resource and habitat land, including timberland and wetland property; and high-end estate homes. In addition, he has provided mediation and expert witness services for legal purposes.

Mr. Shapiro is licensed as a certified general real estate appraiser by the State of Washington (license no. 1101561) and is listed on the Washington State Department of Transportation's Approved List of Appraisers and Reviewers. He was awarded the highly regarded MAI designation of the Appraisal Institute in June 2006 (member no. 12394). He has successfully completed the following Appraisal Institute courses, as well as numerous additional professional seminars:

- Appraisal Principles
- Appraisal Procedures
- Standards of Professional Appraisal Practice, Parts A and B
- Highest and Best Use and Market Analysis
- Basic Income Capitalization
- General Applications
- Advanced Sales Comparison and Cost Approaches
- Report Writing and Valuation Analysis
- Advanced Applications
- Advanced Income Capitalization
- Uniform Appraisal Standards for Federal Land Acquisitions
- Condemnation Appraising: Advanced Topics and Applications

Mr. Shapiro has performed appraisal services for a wide variety of clients, and a brief client list follows.

RE•SOLVE

- City of Bainbridge Island
- WA State Dept. of Natural Resources
- Bainbridge Island Parks and Recreation
- Group Health Cooperative of Puget Sound
- Port of Seattle
  - Cascade Land Conservancy
- U.S. Forest Service
- NC Power Systems Co.
- City University
- Trust For Public Land
- Bainbridge Island Land Trust
- The Mark A. Robinson Trusts
- Commerce Bank
- First American Title Insurance Co.
- Tulalip Tribes
- Tousley Brain Stephens PLLC
- Ryan, Swanson and Cleveland, PLLC
- Pope Resources, Inc.
- Hockett & Olsen Brothers, Inc.
- Great Peninsula Conservancy
- Central Kitsap School District
- Riddell Williams P.S.
- Whidbey Camano Land Trust
- Michael A. Goldfarb Law Office
- Lawler Burroughs & Baker, P.C.
- Harnish Group, Inc
- Development Services of America
- Preston Gates & Ellis LLP
- Pacific Investment Co.
- Column Financial
- GVA Kidder Mathews
- American Marine Bank
- Batavia Holdings LLC
- Kinzer Real Estate Services
- Knowles/Turner Real Estate Group
- Warren G. Harding Temple Board Assoc.
- GEM1 LLC
- Kitsap County Dept. of Public Works
- Washington State Parks Commission
- Livengood, Fitzgerald & Alskog PLLC
- American Eagle Communities
- McGavick Graves Attorneys at Law
- Wal-Mart
- Black Equities Group LTD
- Transnation Title Insurance Co.
- The Ketcham Family
- City of Burien
- Open Space Resources
- Kitsap Conservation District
- Lawyers Title Insurance Corp.
- Kitsap County Dept. Parks and Recreation
- McCormick Land Company
- Trammell Crow Co.
- Pike Place Market PDA
- City of Edmonds Parks and Recreation
- WA State Department of Transportation
- MacMillan-Piper, Inc.
- Port of Allyn
- Pacific Medical Center and Clinics
- Commonwealth Land Title Insurance
- Port Gamble S'Klallam Tribe
- Madison Ave Real Estate, LLC
- Kitsap County Dept. of Admin. Services
- Olympic Property Group
- Prosperity Treatment Center
- Old Republic Title Co.
- Cullen Law Office LLP
- Port of Olympia
- Washington First International Bank
- Rogers Deutsch & Turner
- Frontier Bank
- Credit Suisse First Boston
- The Mountaineers
- Bainbridge Public Library
- GMAC Commercial Mortgage
- Farm Bureau Life Insurance Co.
- Starbucks
- Seattle Automotive Dist., Inc.
- Pacific Northwest Title Insurance Co.
- WA State Office of the Attorney General
- Aoki Sakamoto and Grant LLP
- AnMarCo
- King Count Dept. Natural Resources & Parks
- Montgomery Purdue Blankinship & Austin PLLC
- Ogden Murphy Wallace PLLC
- Puget Sound Energy
- Kenyon P. Kellogg, Attorney at Law
- Mundt MacGregor PLLC