



Rayonier Forest Resources, L.P.
1 Rayonier Way
Wildlight, Florida 32097

March 26, 2021

VIA EMAIL

peter@nwwatershed.org

Peter Bahls, Executive Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368
360-385-6786
www.nwwatershed.org

Dear Mr. Bahls,

Rayonier Forest Resources, L.P. ("Rayonier") understands that Northwest Watershed Institute ("NWI") is seeking funding to purchase fee simple interest in the Jefferson County tax parcel 701151002.

Rayonier is a willing seller of fee simple interest in the above parcel to NWI, pending agreement on terms and value. These above parcels are also shown on the attached map. This is a non-binding letter and neither Rayonier nor NWI shall incur any liability or legal obligation to the other as a result of this letter. The legal rights and obligations of each party shall then be only those which are set forth in a signed purchase and sale agreement.

Sincerely,

A handwritten signature in black ink that reads "Martin E. Harris". The signature is written in a cursive, slightly slanted style.

Martin E. Harris
Senior Manager, Real Estate Operations
936-213-5448
marty.harris@rayonier.com

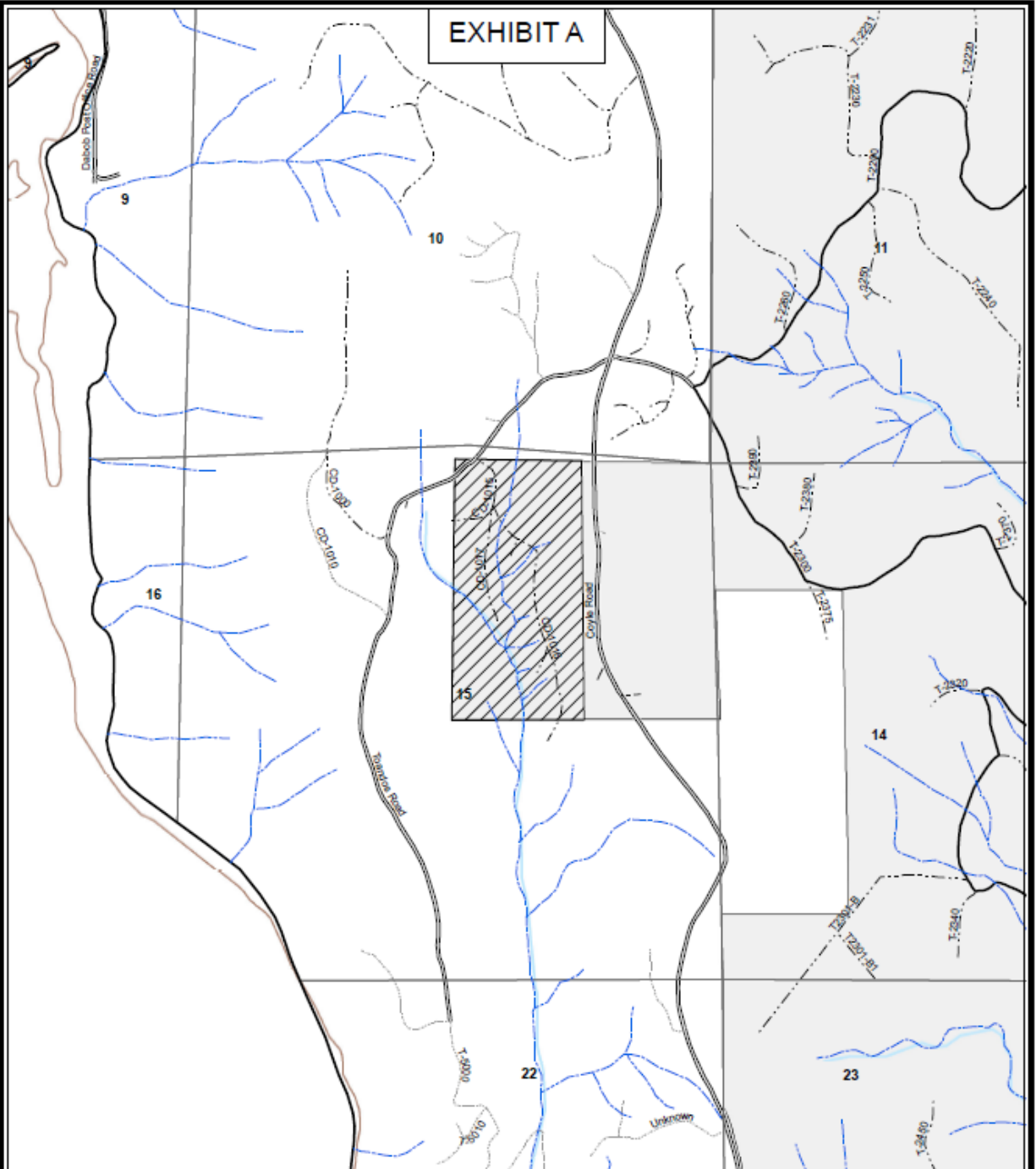


EXHIBIT A

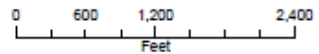
Compartment #'s
27N01W

Tract Name: WA Jefferson Upper Camp Discovery

Sale Area 
Other Rayonier Lands 

Parcel #: 1
Jefferson County, WA
LSS Acres: 80.60

No warranty or guaranty, either expressed or implied, concerning the property depicted on this map is made by the seller. The information contained on this map is believed to be accurate, but is being furnished for informational purposes only and is not to be relied on by others and should be verified.



03/05/2021

Northwest Watershed Institute

BOARD OF DIRECTORS 2021

Board Members and Officers	Affiliation and Term on the Board of Directors
<p>Peter Bahls President, Vice-President, Treasurer</p> <p>3407 Eddy Street Port Townsend, WA 98368 360-385-6786</p>	<p>Peter Bahls is currently full time Executive Director and Conservation Biologist for Northwest Watershed Institute.</p> <p>Term – 2020-2022</p>
<p>Gene Jones Board Member</p> <p>5860 NE Totten Road Poulsbo, WA 98370 360-535-3826</p>	<p>Gene Jones is a member of the Port Gamble S’Klallam Tribe and spiritual leader for four Tribes in the Olympic Peninsula region.</p> <p>Term – 2020-2022</p>
<p>Janis Henry Secretary</p> <p>14445 SE 55th Street Bellevue, WA 98006</p>	<p>Janis Henry is a retired biotech patent attorney and chemist with over 30 years of experience in the bioinstrumentation and biotechnical industry. She is a life long nature enthusiast and embraces adventure travel. Janis lives in Quilcene and Bellevue.</p> <p>Term – 2020-2022</p>
<p>Keith Lazelle Board Member</p> <p>PO Box 192 Quilcene, WA 98376 360-765-3697</p>	<p>Keith Lazelle is an award-winning nature photographer who lives on Dabob Bay. His work has been used by many environmental organizations including Audubon, Hoh River Trust, The Nature Conservancy, and NWI.</p> <p>Term – 2019-2021</p>
<p>Jean Ball Board Member</p> <p>10221 Center Road, Quilcene, WA 98368 360-301-4415</p>	<p>Jean Ball is a farmer and naturalist in Quilcene, Washington.</p> <p>Term – 2019-2021</p>
<p>Liz Hoenig Kanieski</p> <p>1005 Lawrence Street Port Townsend, WA 98368</p>	<p>Liz Hoenig Kanieski has over 25 years of experience as a field biologist, environmental educator, and environmental planner. Much of her work has focused on watershed protection, citizen engagement and water resources.</p> <p>Term – 2019-2021</p>

Northwest Watershed Institute

STAFF ROSTER 2021

Staff member	Positions
Peter Bahls	Executive Director and Conservation Biologist
Judith Rubin	Director of Stewardship and Public Outreach, and Botanist
Suzanne Barnes	Office Manager and Bookkeeper
Wesley Meyers	Field Crew Leader
Kimo Ellison	Seasonal Field Crew
Natalie Urbian	Seasonal Field Crew
Daisy Janes	Seasonal Field Crew
Luca Geslinger	Seasonal Field Crew

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: ~~NOV 24 2006~~

NORTHWEST WATERSHED INSTITUTE
3407 EDDY STREET
PORT TOWNSEND, WA 98368-0000

Employer Identification Number:
93-1325820
DLN:
17053259778026
Contact Person: CLINTON L FORTNER ID# 31163
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated JANUARY 2002, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

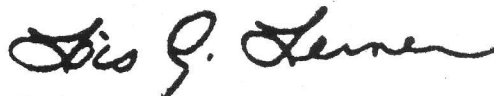
Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)



3407 Eddy Street | Port Townsend, Washington 98368
voice 360.385.6786 fax 360.385.2839
email peter@nwwatershed.org | www.nwwatershed.org

Memo

To: Tarboo Creek Conservation Project File

From: Peter Bahls, Executive Director

CC:

Date: March 26, 2021

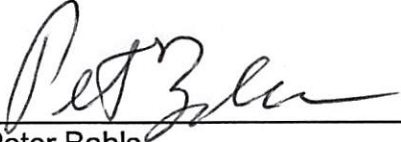
Re: Executive Committee Resolution to Submit Jefferson County Conservation Futures 2020 Application for *Camp Discovery Creek Acquisition Project*

At its Annual Board Meeting of May 8, 2020, the Board of Directors of Northwest Watershed Institute unanimously approved the following resolution –

An executive committee comprised of Peter Bahls and Janis Henry shall serve as an executive committee to have the power to make on-going decisions between Board meetings per the existing by-laws.

On March 26, 2021 the executive committee approved the following resolution –

DECIDED – Northwest Watershed Institute shall sponsor and submit a grant application for Jefferson County Conservation Futures 2020 Program for the *Camp Discovery Creek Acquisition Project*.



Peter Bahls
President



Janis Henry
Board Member

Northwest Watershed Institute
Profit & Loss
 January 2020 through February 2021

	Jan '20 - Feb 21
Ordinary Income/Expense	
Income	
7000 · Timber Sale Proceeds	61,357.60
Miscellaneous items	1,000.00
Grant Revenue	
4005 · County/Local Funds	100,000.00
4010 · Federal Funds	247,236.15
4030 · State Funds	53,200.41
Grant Revenue - Other	398.79
Total Grant Revenue	400,835.35
Rental/Lease Income	
4155 · Rental income - Lincoln	3,771.00
4165 · Olson tideland lease	4,000.00
4175 · Rental Income Reinertsen Rental	18,200.00
4182 · Rental Income - Yarr Caretaker	3,650.00
Total Rental/Lease Income	29,621.00
Consulting/Miscellaneous	
4210 · Consulting Fees	22,376.50
4220 · Miscellaneous Income	1,045.72
Total Consulting/Miscellaneous	23,422.22
Contributed Income	
4310 · Restricted	182,271.10
4320 · Unrestricted	66,437.63
Contributed Income - Other	100.00
Total Contributed Income	248,808.73
Total Income	765,044.90
Gross Profit	765,044.90
Expense	
6041 · Paypal Fees	220.30
66900 · Reconciliation Discrepancies	-0.01
6010 · Advertising	74.50
6030 · Automobile Expense	6,808.38
6040 · Bank Service Charges	146.80
6080 · Education	0.00
Insurance	
6091 · Auto	4,039.50
6092 · Health benefits	
6094 · HSA Contribution	8,200.00
6092 · Health benefits - Other	31,634.10
Total 6092 · Health benefits	39,834.10
6093 · Liability Insurance	3,967.00
Total Insurance	47,840.60
Interest Expense	
6120 · Loan Interest	2,892.00
Total Interest Expense	2,892.00
Land Acquisition	
6170 · Closing Expenses	960.25
6150 · Land	330,000.00
Total Land Acquisition	330,960.25
Loan payoff	0.00

Northwest Watershed Institute
Profit & Loss
 January 2020 through February 2021

	Jan '20 - Feb 21
Payroll Expenses	
Gross wages	
6231 · Director	81,666.75
6232 · Stewardship Director	20,822.00
6233 · Project Assistant	1,760.00
6234 · Field Crew	50,234.75
	154,483.50
Total Gross wages	
Payroll Taxes	
6246 · Paid Family and Medical Leave	113.14
6240 · Medicare	2,240.02
6241 · Social Security	9,577.96
6243 · Workers Comp	5,996.35
6245 · WA State Unemployment	562.07
	18,489.54
Total Payroll Taxes	
Payroll Expenses - Other	27.87
	173,000.91
Total Payroll Expenses	
6250 · Postage and Delivery	712.25
6260 · Printing and Reproduction	1,168.43
Professional Fees	
6271 · Accounting	1,695.00
	1,695.00
Total Professional Fees	
Program Expense	
6282 · Fees	3,363.85
6283 · Project subcontractors	30,815.00
6286 · Overrun	1,812.47
	35,991.32
Total Program Expense	
6290 · Rent	18,000.00
Repairs and Maintenance	
6310 · Building Repairs	675.80
6320 · Computer Repairs	826.78
	1,502.58
Total Repairs and Maintenance	
Supplies	
6420 · Field Supplies	7,621.32
6440 · Office Supplies	1,976.68
	9,598.00
Total Supplies	
Taxes	
6530 · Forest Excise Tax	3,097.00
6510 · Property Taxes	4,887.32
6520 · Tax - State Excise	1,865.47
	9,849.79
Total Taxes	
Telephone/Communications	
6650 · Mobile phone	1,443.60
6620 · Telephone - Local	1,924.38
6630 · Telephone - Long Distance	148.76
	3,516.74
Total Telephone/Communications	
Travel & Ent	
6720 · Meals	72.75
	72.75
Total Travel & Ent	

Northwest Watershed Institute

Profit & Loss

January 2020 through February 2021

	<u>Jan '20 - Feb 21</u>
Utilities	
6810 · Gas and Electric	9.25
Utilities - Other	<u>13.21</u>
Total Utilities	22.46
Total Expense	<u>644,073.05</u>
Net Ordinary Income	<u>120,971.85</u>
Net Income	<u><u>120,971.85</u></u>

Balance Sheet

As of February 28, 2021

	<u>Feb 28, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
1020 · Checking - Kitsap	135,725.86
Total Checking/Savings	135,725.86
Accounts Receivable	
1200 · Accounts Receivable	-2,100.00
Total Accounts Receivable	-2,100.00
Other Current Assets	
1250 · Prepaid Insurance	2,963.00
1300 · Employee advance	79.96
Total Other Current Assets	3,042.96
Total Current Assets	136,668.82
Fixed Assets	
1554 · Trailers	4,000.00
1512 · Vehicle - Ford pickup	4,150.00
1530 · Kubota Tractor	16,709.10
1510 · Office equipment	7,666.35
1520 · Vehicle - Toyota pickup	3,007.00
Property	
1555 · Capital Improvements	3,035.20
1551 · Land	652,923.33
1552 · Earnest money	3,750.00
Total Property	659,708.53
1590 · Accumulated Depreciation	-33,214.00
Total Fixed Assets	662,026.98
Other Assets	
1605 · Jeffco DCD - Bond Reinertsen	4,388.40
Total Other Assets	4,388.40
TOTAL ASSETS	<u>803,084.20</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	3,864.98
Total Accounts Payable	3,864.98
Other Current Liabilities	
2320 · SBA EIDC Loan	7,000.00
2100 · Payroll Liabilities	
2105 · Fica, Medicare, FWH Payable	4,417.46
2109 · WA - Paid Fam Med Leave Emp.	177.58
2120 · Workers Comp Payable	2,339.88
2130 · SUTA & EAF Payable	176.70
2100 · Payroll Liabilities - Other	27.87
Total 2100 · Payroll Liabilities	7,139.49
2250 · Rental Security Deposit	2,300.00
Total Other Current Liabilities	16,439.49
Total Current Liabilities	20,304.47
Total Liabilities	20,304.47

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03/26/21

Accrual Basis

Northwest Watershed Institute

Balance Sheet

As of February 28, 2021

	<u>Feb 28, 21</u>
Equity	
1110 - Retained Earnings	690,579.04
Net Income	<u>92,200.69</u>
Total Equity	<u>782,779.73</u>
TOTAL LIABILITIES & EQUITY	<u><u>803,084.20</u></u>

12:06 PM

03/26/21

Northwest Watershed Institute
A/R Aging Summary
As of March 26, 2021

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
ADMIN-001	0.00	0.00	0.00	0.00	0.00	0.00
PEAR-001	0.00	0.00	0.00	-2,100.00	0.00	-2,100.00
TOTAL	0.00	0.00	0.00	-2,100.00	0.00	-2,100.00

Northwest Watershed Institute
Profit & Loss Budget Overview
 July 2020 through June 2021

	Jul '20 - Jun 21
Ordinary Income/Expense	
Income	
7000 · Timber Sale Proceeds	61,357.00
Miscellaneous items	1,000.00
Grant Revenue	
4005 · County/Local Funds	110,000.00
4010 · Federal Funds	250,000.00
4020 · Foundation	10,000.00
4030 · State Funds	120,682.80
Grant Revenue - Other	0.00
Total Grant Revenue	490,682.80
Rental/Lease Income	
4165 · Olson tideland lease	4,000.00
4175 · Rental Income Reinertsen Rental	15,600.00
4182 · Rental Income - Yarr Caretaker	3,600.00
Total Rental/Lease Income	23,200.00
Consulting/Miscellaneous	
4210 · Consulting Fees	25,000.00
4220 · Miscellaneous Income	0.00
Total Consulting/Miscellaneous	25,000.00
Contributed Income	
4310 · Restricted	190,000.00
4320 · Unrestricted	70,000.00
Total Contributed Income	260,000.00
Total Income	861,239.80
Gross Profit	861,239.80
Expense	
6041 · Paypal Fees	300.00
66900 · Reconciliation Discrepancies	0.00
6010 · Advertising	100.00
6030 · Automobile Expense	7,000.00
6040 · Bank Service Charges	2,000.00
6050 · Contributions	0.00
6080 · Education	0.00
Insurance	
6091 · Auto	1,335.50
6092 · Health benefits	28,933.29
6093 · Liability Insurance	3,673.00
Total Insurance	33,941.79
Interest Expense	
6120 · Loan Interest	9,492.00
Total Interest Expense	9,492.00
Land Acquisition	
6170 · Closing Expenses	1,200.00
6150 · Land	375,000.00
Total Land Acquisition	376,200.00
Loan payoff	0.00

Northwest Watershed Institute
Profit & Loss Budget Overview
 July 2020 through June 2021

	Jul '20 - Jun 21
Payroll Expenses	
Gross wages	
6231 · Director	70,000.07
6232 · Stewardship Director	14,273.00
6233 · Project Assistant	3,007.50
6234 · Field Crew	39,961.00
Gross wages - Other	0.00
Total Gross wages	127,241.57
Payroll Taxes	
6246 · Paid Family and Medical Leave	240.36
6240 · Medicare	1,845.01
6241 · Social Security	7,888.98
6243 · Workers Comp	5,012.32
6245 · WA State Unemployment	490.53
Total Payroll Taxes	15,477.20
Payroll Expenses - Other	0.00
Total Payroll Expenses	142,718.77
6250 · Postage and Delivery	800.00
6260 · Printing and Reproduction	2,000.00
Professional Fees	
6271 · Accounting	1,695.00
6273 · Land Appraisal	0.00
Total Professional Fees	1,695.00
Program Expense	
6282 · Fees	1,577.61
6283 · Project subcontractors	150,000.00
6286 · Overrun	2,000.00
Total Program Expense	153,577.61
6290 · Rent	8,400.00
Repairs and Maintenance	
6310 · Building Repairs	1,000.00
6320 · Computer Repairs	1,000.00
Total Repairs and Maintenance	2,000.00
Supplies	
6420 · Field Supplies	15,000.00
6440 · Office Supplies	2,500.00
Total Supplies	17,500.00
Taxes	
6510 · Property Taxes	5,000.00
6520 · Tax - State Excise	2,000.00
Total Taxes	7,000.00
Telephone/Communications	
6650 · Mobile phone	1,500.00
6620 · Telephone - Local	2,000.00
6630 · Telephone - Long Distance	200.00
Total Telephone/Communications	3,700.00
Travel & Ent	
6720 · Meals	100.00
6740 · Travel	0.00
Total Travel & Ent	100.00

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2020 through June 2021

	<u>Jul '20 - Jun 21</u>
Utilities	
6810 · Gas and Electric	0.00
Utilities - Other	<u>0.00</u>
Total Utilities	0.00
Total Expense	<u>768,525.17</u>
Net Ordinary Income	92,714.63
Other Income/Expense	
Other Income	
Gain (Loss) On Sale of Land	<u>0.00</u>
Total Other Income	<u>0.00</u>
Net Other Income	<u>0.00</u>
Net Income	<u><u>92,714.63</u></u>