22-2-03398-34 ORGSJ Order Granting Summary Judgment



SUPERIOR COURT THURSTON COUNTY, WA

2023 MAY 12 AM 11: 36

Linda Myhre Enlow Thurston County Clerk

Hearing Date: May 12, 2023 Hearing Time: 9:00 a.m.

Judge/Calendar: Hon. Indu Thomas/Dispositive

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STATE OF WASHINGTON THURSTON COUNTY SUPERIOR COURT

COOKE AQUACULTURE PACIFIC, LLC. a Washington limited liability company,

Plaintiff.

WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES, and HILARY FRANZ, the Washington Commissioner of Public Lands.

Defendants.

NO. 22-2-03398-34

ORDER GRANTING PARTIAL SUMMARY JUDGMENT

THIS MATTER came before the Court on Defendants Washington Commissioner of Public Lands Hilary Franz and the Washington State Department of Natural Resources' (collectively, DNR) Motion for Partial Summary Judgment. Defendants were represented by ROBERT W. FERGUSON, Attorney General, appearing through JENNIFER A. CLEMENTS and APRIL D. HARE, Assistant Attorneys General. Plaintiff Cooke Aquaculture Pacific, LLC (Cooke) was represented by attorneys DOUGLAS J. STEDING and GREG A. HIBBARD.

The Court heard the oral argument of counsel for both parties. The Court considered the pleadings filed in this action, as well as the following documents and evidence:

1. Defendants' Motion for Partial Summary Judgment and Memorandum in Support;

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- 2. Declaration of Sean Carlson in Support of Defendants' Motion for Partial Summary Judgment with attached exhibits;
- 3. Declaration of Thomas Gorman in Support of Defendants' Motion for Partial Summary Judgment with attached exhibits;
- 4. Declaration of April D. Hare in Support of Defendants' Motion for Partial Summary Judgment with attached exhibits;
  - 5. Plaintiff's Response to Defendants' Motion for Partial Summary Judgment;
- 6. Affidavit of Kevin Bright in Support of Plaintiff's Response to Defendants' Motion for Partial Summary Judgment;
- 7. Declaration of Douglas J. Steding In Support of Plaintiff's Response to Defendants' Motion for Partial Summary Judgment; and
  - 8. Defendants' Reply in Support of Partial Summary Judgment.

Based on the argument of counsel and the evidence presented, the Court finds that there are no genuine issues of material fact in dispute in this case with respect to the First, Third, Fourth, and Fifth Causes of Action listed in the Notice of Appeal Under RCW 79.02.030 and Complaint for Breach of the Duty of Good Faith and Fair Dealing, Violation of Due Process, and for Injunctive Relief. Therefore, Defendants are entitled to judgment as a matter of law.

The Court having found that there are no genuine issues of material fact in dispute in this case, concludes the following as a matter of law:

- 1. Under CR 56, a moving party may be granted summary judgment when there are no genuine issues of material fact in dispute and that party demonstrates that they are entitled to judgment as a matter of law. DNR have met this burden.
- 2. First Cause of Action: The lease agreements terminated following the end of their 15-year term, at which time the tenancies became month-to-month. Per the explicit terms of the agreements, the month-to-month tenancies could be terminated by DNR upon 30 days' notice, after which Cooke was required to surrender the leased aquatic lands. The leases did not grant

ORDER GRANTING PARTIAL SUMMARY JUDGMENT [PROPOSED]

Cooke any right to renewal or reauthorization beyond the 15-year term. DNR acted in accordance with the terms of the lease agreements. Cooke's claim would require imposition of new terms and obligations on DNR in contradiction to the express terms of the lease agreements. Therefore, Cooke's breach of duty of good faith and fair dealing claim fails as a matter of law. *Badgett v. Sec. State Bank*, 116 Wn.2d 563, 570, 807 P.2d 356 (1991); *Rekhter v. Dep't of Soc. & Health Servs.*, 180 Wn.2d 102, 112, 323 P.3d 1036 (2014).

- 3. Third and Fourth Causes of Action: The Department of Natural Resources, a state agency, and Washington Commissioner of Public Lands Hilary Franz are not "persons" subject to suit under 42 U.S.C. § 1983. Will v. Mich. Dep't of State Police, 491 U.S. 58, 70-71, 109 S. Ct. 2304, 105 L. Ed. 2d 45 (1989); Hontz v. State, 105 Wn.2d 302, 309, 714 P.2d 1176 (1986); Edgar v. State, 92 Wn.2d 217, 222, 595 P.2d 534 (1979). Additionally, Cooke has not been deprived of a property or fundamental interest, which is a threshold requirement for procedural and substantive due process claims. Bd. of Regents v. Roth, 408 U.S. 564, 569, 92 S. Ct. 2701, 2705, 33 L. Ed. 2d 548 (1972); Swanson Hay Co. v. State Emp. Sec. Dep't, 1 Wn. App. 2d 174, 223, 404 P.3d 517 (2017). Procedural due process was also satisfied because adequate post-deprivation remedies in the way of a breach of contract suit and administrative review pursuant to RCW 79.02.030 were available to Cooke. Parratt v. Taylor, 451 U.S. 527, 543-44, 101 S. Ct. 1908, 1916, 68 L. Ed. 2d 420 (1981), overruled on other grounds by Daniels v. Williams, 474 U.S. 327, 106 S. Ct. 662, 88 L. Ed. 2d 662 (1986). Therefore, Cooke's constitutional due process claims fail as a matter of law.
- 4. Fifth Cause of Action: A party seeking temporary or permanent injunctive relief must show (1) that it has a clear legal or equitable right, (2) that it has a well-grounded fear of immediate invasion of that right, and (3) that the act(s) complained of will result in actual and substantial injury. *Port of Seattle v. Int'l Longshoremen's & Warehousemen's Union*, 52 Wn.2d 317, 319, 324 P.2d 1099 (1958). Cooke has no more remaining rights under the expired leases.

1	Also, Cooke will not suffer an irreparable injury. Therefore, Cook's claim for permanent
2	injunctive relief fails as a matter of law.
3	5. Cooke is not entitled to its requested relief under its First, Third, Fourth, and Fifth
4	Causes of Action, and therefore its request for such relief is denied; and
5	6. Defendants are entitled to summary judgment as a matter of law on the First,
6	Third, Fourth, and Fifth Causes of Action listed in the Notice of Appeal Under RCW 79.02.030
7	and Complaint for Breach of the Duty of Good Faith and Fair Dealing, Violation of Due Process,
8	and for Injunctive Relief.
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17	ORDER
18	IT IS HEREBY ORDERED that summary judgment in favor of DNR on the First, Third,
19	Fourth, and Fifth Causes of Action listed in the Notice of Appeal Under RCW 79.02.030 and
20	Complaint for Breach of the Duty of Good Faith and Fair Dealing, Violation of Due Process,
21	and for Injunctive Relief is <b>GRANTED</b> , and the First, Third, Fourth, and Fifth Causes of Action
22	are hereby DISMISSED WITH PREJUDICE.
23	SO ORDERED this / day of2023.
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25	JUDGE INDU THOMAS
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1	Presented by:
2	ROBERT W. FERGUSON Attorney General
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4	<u>s/ April D. Hare</u> JENNIFER A. CLEMENTS, WSBA #50408
5	APRIL D. HARE, WSBA# 42924 Assistant Attorney General
6	Public Lands and Conservation Division  Attorneys for Defendants Washington State
7 8	Department of Natural Resources and Hilary Franz, Washington Commissioner of Public Lands
9	Approved as to form:
10	NORTHWEST RESOURCE LAW PLLC
11	Participated of From Aprivedas
12	GREG A. HIBBARD, WSBA #60526
13	Attorneys for Plaintiff Cooke Aquaculture Pacific, LLC
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