

**TIMBER NOTICE OF SALE**

**SALE NAME:** CLEVELAND FIRE SALVAGE SORTS

**AGREEMENT NO:** 30-93531 - 30-93538

**AUCTION:** March 22, 2016 starting at 10:00 a.m.  
Northeast Region Office, Colville, WA

**COUNTY:** Stevens

**SALE LOCATION:** Sale located approximately 24 miles southwest of Colville, WA

**PRODUCTS SOLD  
AND SALE AREA:**

All green and burned timber, except for leave trees banded with purple paint and as described in Schedule A, in Units 1, 2, 3 and 5 bounded by white timber sale boundary tags meeting the specifications described below. All green and burned timber, except for leave trees banded with purple paint, in Unit 4 bounded by white timber sale boundary tags meeting the specifications described below; on parts of Sections 8, and 16 all in Township 29 North, Range 37 East, Section 16 in Township 30 North, Range 38 East, Section 22 in Township 31 North, Range 38 East W.M., containing 653 acres, more or less.

**MINIMUM BID AND ESTIMATED LOG VOLUMES:**

Agreement #	Sort #	Species and Sort Specifications	Average Log Length	Estimated Volume		Tons Per MBF	Minimum Bid Delivered Prices		Total Appraised Value	Bid Deposit
				Mbf	Tons		\$/mbf	\$/Ton		
30-093531	01	DF/WL 11"+ dib	N/A	660	3300	5		\$67.00	\$221,100.00	\$22,110.00
30-093532	02	DF/WL 7-10" dib	N/A	716	4296	6		\$57.00	\$244,872.00	\$24,487.20
30-093533	03	DF/WL/GF/ES/AF 5-6" dib	N/A	574	3674	6.4		\$42.00	\$154,308.00	\$15,430.80
30-093534	04	PP 11"+ dib	N/A	288	1584	5.5		\$43.60	\$69,062.40	\$6,906.24
30-093535	05	PP 7-10" dib	N/A	177	1328	7.5		\$30.70	\$40,769.60	\$4,076.96
30-093537	07	GF/AF/ and non-chuckable DF/WL 11"+ dib	N/A	366	1940	5.3		\$55.00	\$106,700.00	\$10,670.00
30-093538	08	GF/AF and non-chuckable DF/WL 7-10" dib	N/A	184	1141	6.2		\$50.00	\$57,050.00	\$5,705.00

**Totals:** **2965 17263** **\$893,862.00**

**CERTIFICATION:** This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: BV-SFIS-US09000572)

**BID METHOD:** Sealed Bids **UNIT OF MEASURE:** Tonnage Scale

**EXPIRATION DATE:** November 30, 2016 **ALLOCATION:** Export Restricted

**PAYMENT SECURITY:** To be determined by the State as described in Clause P-045.2 of the Purchaser's Contract.

**BIDDING PROCEDURES:** A separate sealed bid and envelope must be submitted for each log sort. Prospective Purchasers may bid on any or all log sorts. On the day of sale the Purchaser must bring their bid deposit up to 10% of their total bid price. Complete bidding procedures and

## TIMBER NOTICE OF SALE

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auction information may be obtained from the Northeast Region Office in Colville WA.  
Phone number (509)684-7474.

### **TIMBER EXCISE TAX:**

Purchaser must pay the forest excise taxes associated with the log sorts delivered to them. The tax rate for this sale is 4.2 %. Taxable Stumpage = Total Delivered Value – (Harvest Cost + Estimated Haul Cost + ARRF). For more information contact the Department of Revenue, Forest Tax Section at 1-800-548-8829.

Use the following rates for estimating taxable stumpage:

Harvest Cost = \$28.00 per Ton for sorts 01, 02, 03, 04, 05, 07 and 08.

Hauling Services Payment Rate per Ton  
= (Base Rate + Mileage Rate) x (Contractor's hauling bid factor)

Base Rate = \$2.35 per ton

Mileage Rate = ((\$.16 x C miles) + (\$.11 x A miles)) x Fuel Index Factor

ARRF does not apply.

Note: To calculate AARF rates per ton use the tons\mbf conversion factor in the table above.

**CONFIRMATION:** Each sort is subject to confirmation following auction. Sorts will not be confirmed until at least 10 days after auction. Final contract award is contingent upon the State's haul cost analysis. Actual haul route may vary and is subject to change at the State's discretion.

**SPECIAL REMARKS:** The successful Purchaser(s) will be required to purchase logs from the sale area upon delivery to their location specified in the bid submitted. Logs will be delivered to the Purchaser's delivery location by the State's contract harvester. Purchaser is responsible for weighing and scaling costs. All tonnage loads will be weighed and all mbf loads will be scaled at State approved locations. The State reserves the right to determine where logs are authorized to be scaled and weighed.

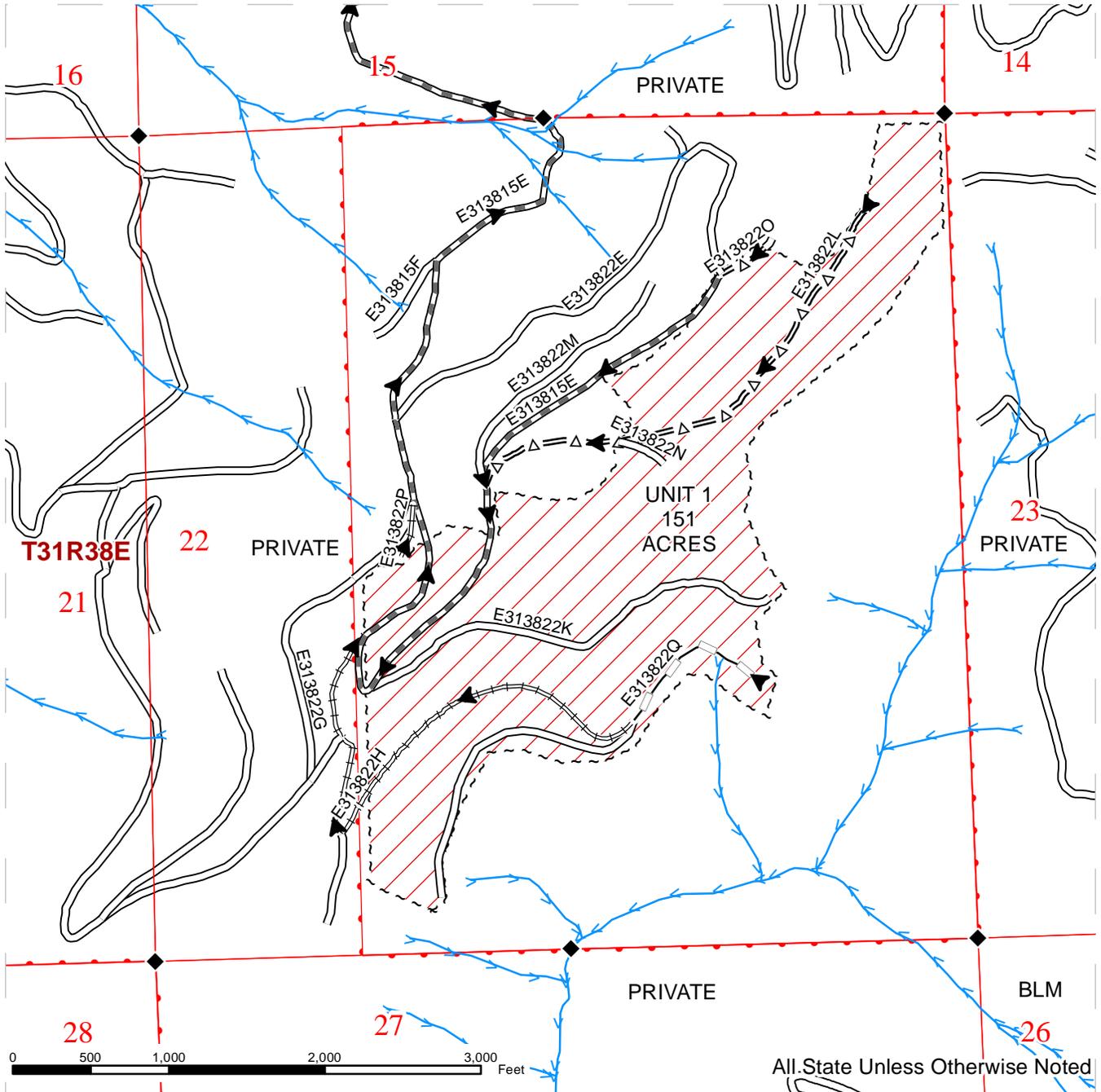
Fire scars burned through the bark and into the wood fiber will be bucked from the logs prior to delivery. Locked gate restricts access to Unit 4. Contact the Northeast Region Office at (509) 684-7474 for access.

For more information regarding this log sort sale visit our web site:  
<http://www.dnr.wa.gov/programs-and-services/product-sales-and-leasing/timber-sales/timber-auction-packets>. If you have questions call Chris Hosch at the Northeast Region Office at (509)684-7474 or Steve Teitzel at the Product Sales and Leasing Division Office in Olympia at (360)902-1741.

# TIMBER SALE MAP

**SALE NAME:** CLEVELAND FIRE SALVAGE SORTS  
**AGREEMENT#:** 30-093484  
**TOWNSHIP(S):** T31R38E, T30R38E, T29R37E  
**TRUST(S):** Common School and Indemnity(3), Charitable/Educational/Penal & Reformatory Instit.(6)

**REGION:** Northeast Region  
**COUNTY(S):** STEVENS  
**ELEVATION RGE:** 2394-5341



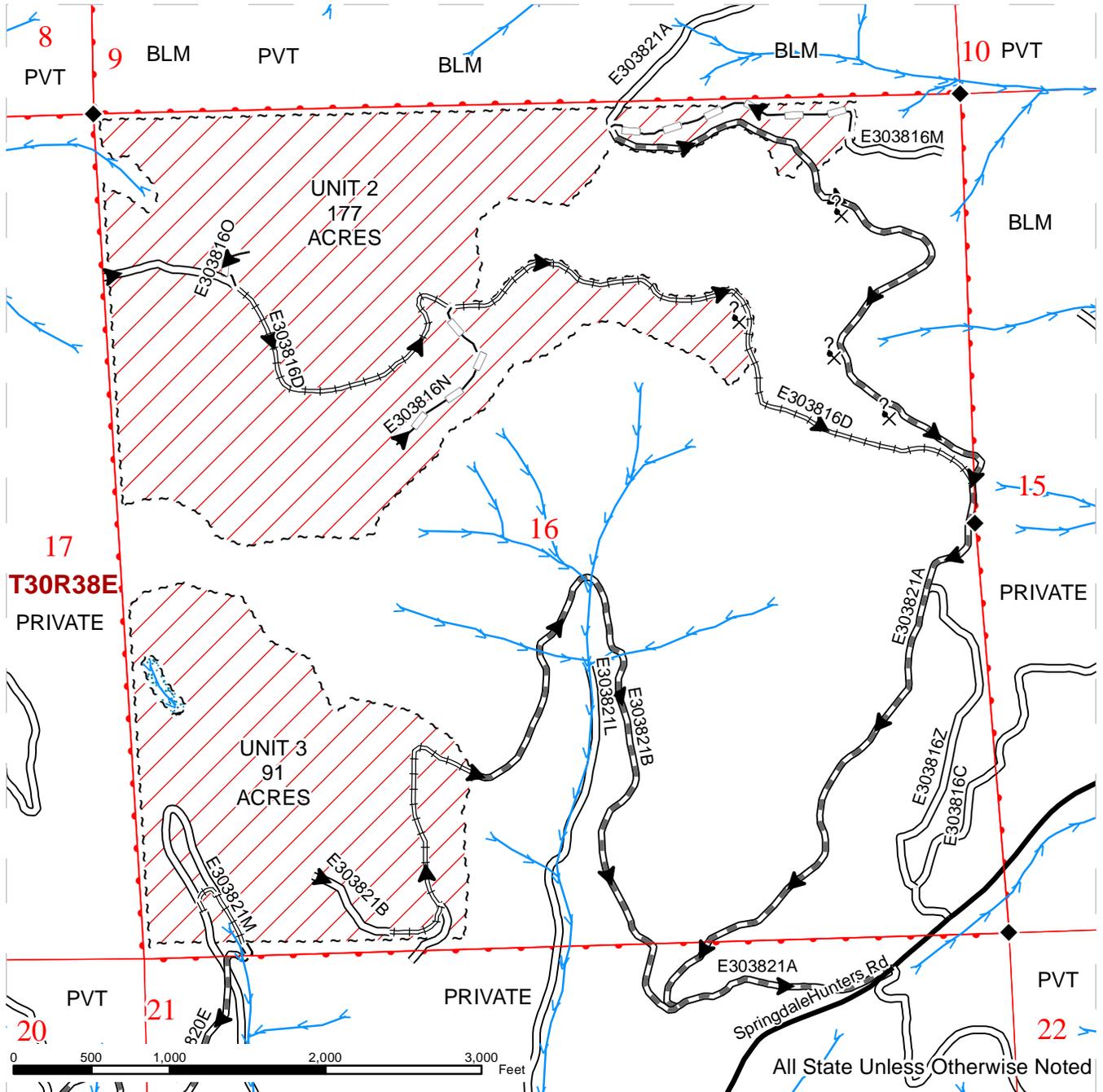
All State Unless Otherwise Noted

--- Sale Boundary Tags	— Existing Road	▶ Haul Route
▨ Ground Skidding	=== Required Construction	● Gate
⊗ Extreme Hazard Abatement	≡≡≡ Required Reconstruction	? Potential Rock Source
⊗ Riparian Management Zone	— Optional Reconstruction	◆ Monumented Corners
	▬ Required PreHaul Maintenance	→ Streams
	=Δ= Optional PreHaul Maintenance	
	— County Road	

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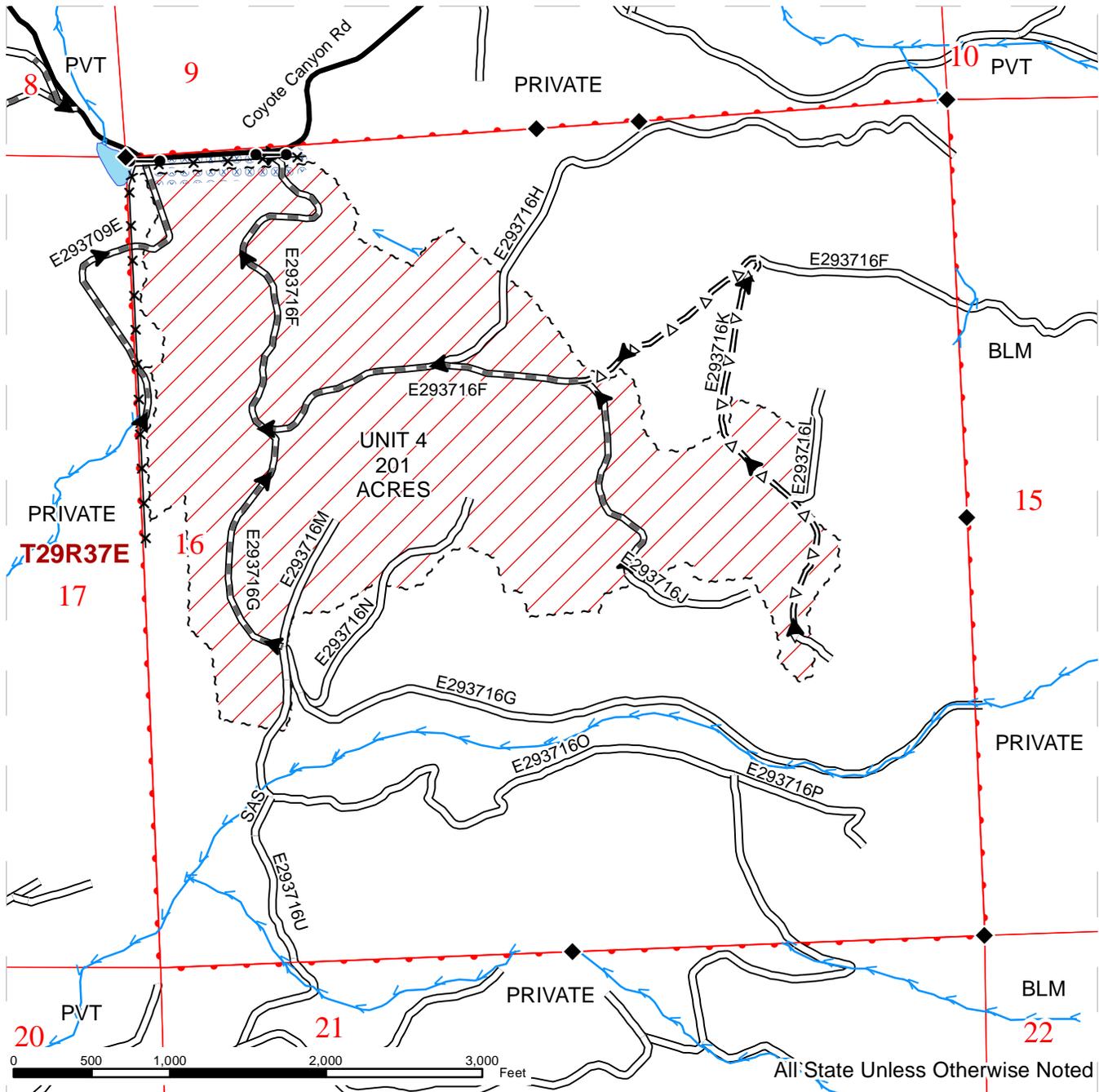
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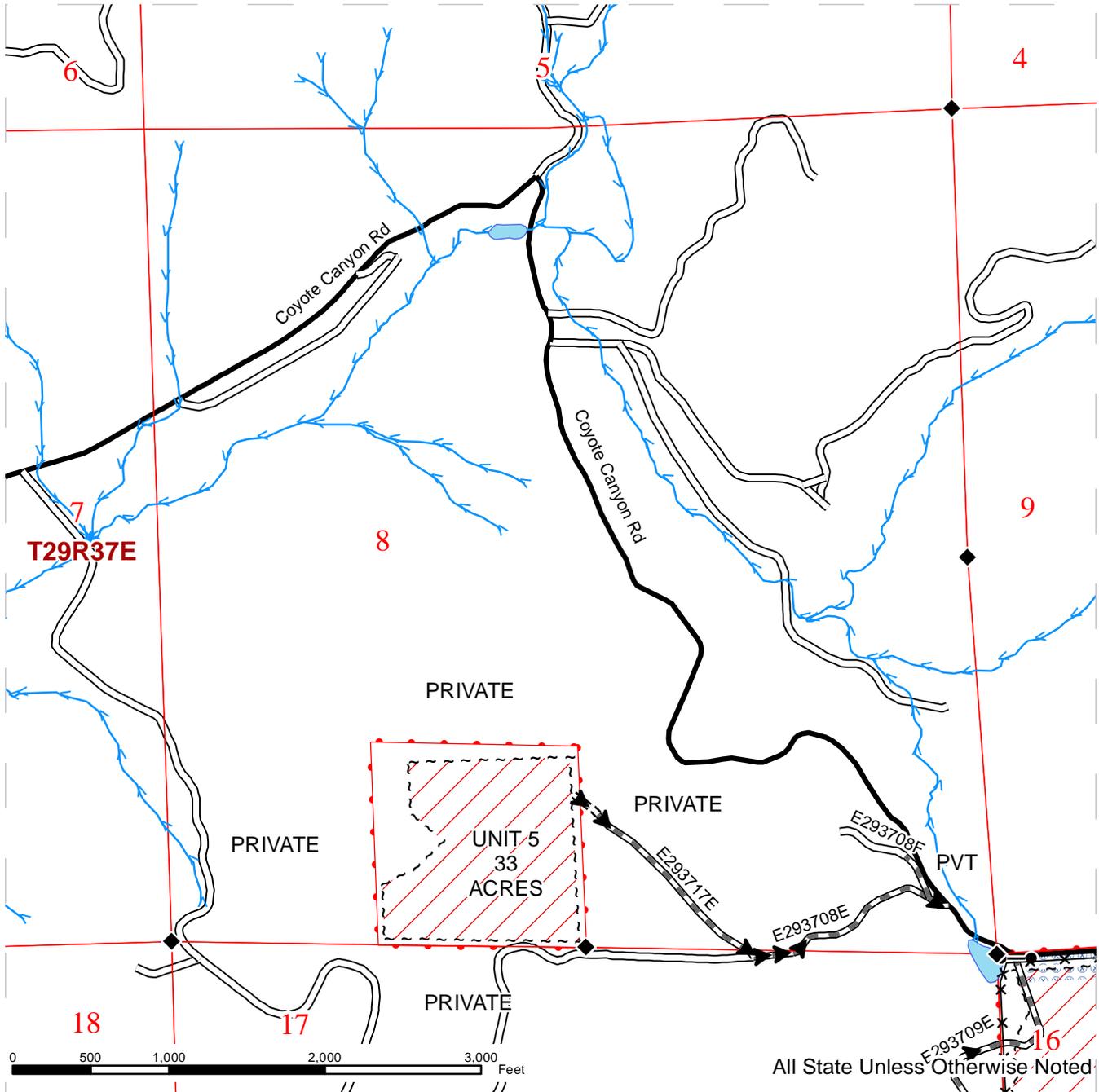
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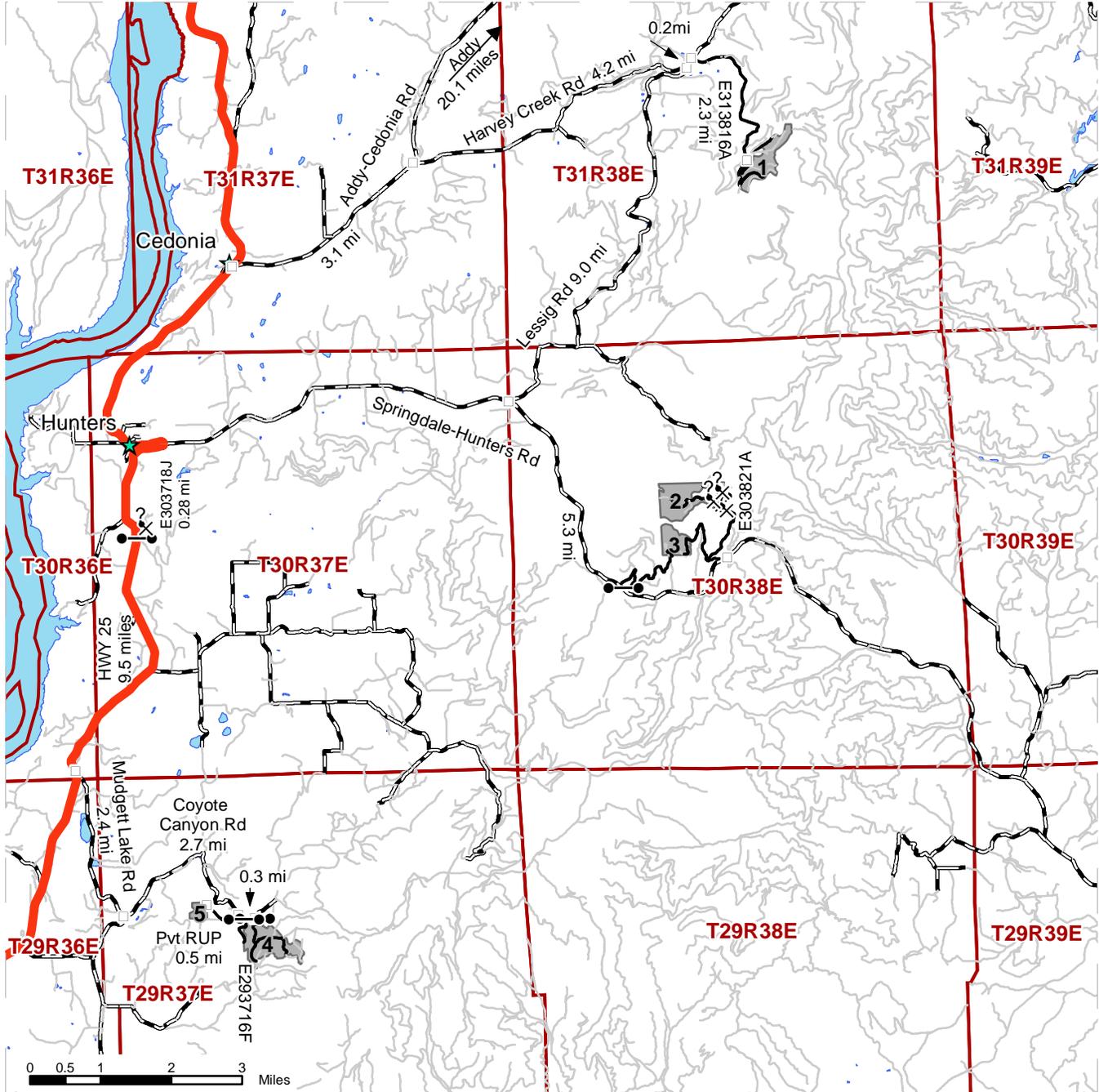
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# DRIVING MAP

SALE NAME: CLEVELAND FIRE SALVAGE SORTS  
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REGION: Northeast Region  
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 ELEVATION RGE: 2394-5341



- Timber Sale Unit
- Haul Route
- Other Route
- County Road
- Highways
- Gate
- Potential Rock Source
- Milepost Markers

**DRIVING DIRECTIONS:**

From the south round-about in Colville, Washington travel 13 miles south on Hwy. 395 to Addy. Turn right on Addy-Cedonia Rd. and travel 20.1 miles to Harvey Creek Rd. Turn left on Harvey Creek Rd and travel 4.2 miles to Lessig Rd and turn left and travel 0.2 miles and turn right onto the E313816A Road. Travel 2.3 miles on the E313816A Road to enter Unit 1.

To Unit 2 and Unit 3 continue by taking a right on Lessig Road and travel approximately 9.0 miles south to the Springdale-Hunters Road. Take a left on the Springdale-Hunters Road and travel approximately 5.3 miles. Take a left onto the E303821A Road and follow signs to Unit 2 and Unit 3.

To Unit 4 and Unit 5 continue from the Harvey Creek Rd and Addy-Cedonia Rd intersection and travel an additional 3.1 miles to Highway 25. Take a left onto Highway 25 and travel 9.5 miles to the Mudgett Lake Road and turn left. Take the Mudgett Lake Road for 2.4 miles and then take a left onto the Coyote Canyon Rd. Travel 2.7 miles and take a right onto the private RUP road and go 0.5 miles to Unit 5. Staying on the Coyote Canyon Road, travel an additional 0.3 miles to the E293716F Rd to enter Unit 4.



**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**LOG SALE AND PURCHASE CONTRACT**

**AGREEMENT NO. 30-093531**

**SALE NAME: CLEVELAND FIRE SALVAGE SORT 01**

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL  
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY  
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

**Section G: General Terms**

**G-001.2 Definitions**

The following definitions apply throughout this contract;

**Contract Administrator:** Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

**Contractor:** State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

**Delivery:** Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

**Forest Product:** Any material derived from the forest for commercial use.

**Harvesting:** A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State’s purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

**G-010.2 Products Sold and Sale Area**

Purchaser was the successful bidder on March 22, 2016 and sale was confirmed on \_\_\_\_\_. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the CLEVELAND FIRE SALVAGE SORTS Timber Sale described as parts of Sections 8, and 16 all in Township 29 North, Range 37 East, Section 22 in Township 31 North, Range 38 East W.M., in Stevens County.

**G-022.2 Sorting Specifications**

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

<b>Agreement No.</b>	<b>Sort #</b>	<b>Description</b>	<b>Destination</b>
93531	1	DF/WL 11"+ dib	

Unless otherwise specified, no blue stain is allowed in Ponderosa pine.

**G-024.2 Manufacturing Standards**

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

<b>Agreement No.</b>	<b>Sort #</b>	<b>Scaling Rule</b>
93531	01	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.
- d. Surface characteristics for a high quality (HQ) "A" log sort will have sound tight knots and not to exceed 1 ½ inch in diameter, numbering not more than an average of one per foot of log length. May include logs with not more than two larger knots. Knots ½ inch and smaller in diameter shall not be a determining factor. Logs will have a growth ring count of 6 or more rings per inch in the outer third top end of the log.

#### **G-026.2 Log Delivery Destination**

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

#### **G-027.2 Log Delivery Schedule and Conditions**

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least

between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.

- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 20 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
  - 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
  - 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates the number of truck deliveries on any day will exceed the number listed above.
- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

**G-030.2 Contract Term and Expiration Date**

Purchaser agrees to accept and pay for forest products delivered through the period ending November 30, 2016.

**G-054.2 Early Contract Termination**

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

**G-056.2 Force Majeure**

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

**G-060.2 Exclusion of Warranties**

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.

d. Items contained in any other documents prepared for or by the State.

**G-065 Regulatory Disclaimer**

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

**G-070.2 Limitation on Damage**

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

**G-112.2 Title**

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

**G-116.2 Sustainable Forestry Initiative® (SFI) Certification**

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: BV-SFIS-US09000572.

**G-160.2 Agents**

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

**G-180 Modifications**

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

**G-190 Contract Complete**

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

**G-200.2 Notice**

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's post office address, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

**G-210.2 Violation of Contract**

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

**G-240.2 Dispute Resolution**

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.

- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

**G-252.2 Forest Excise Tax**

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

**G-253.2 Harvesting Cost Information**

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

**G-260 Venue**

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

**G-330.2 Contract Review**

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

**Section P: Payments and Securities****P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

**P-028.2 Payment for Forest Products Delivered**

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

**P-036.2 Missorts and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet the sorting specifications in G-022.2 where species are incorrect, are scaled over 1” outside the listed diameter specifications, or ponderosa pine with blue stain are considered mis-sorts.

However, when mis-sorted Forest Products amount to more than DATA MISSING% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State’s delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor

0.3 for mis-sort except for blue stain

0.4 for mis-sort related to blue stain

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser’s exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

**P-037.2 Mismatch and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting minimum log quality specifications as described in the G-024.2 clause are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than DATA MISSING% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

### **P-039.2 Tonnage Sort Payment Reduction Requirements**

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

#### **P-040.2 Weighing and Scaling Costs**

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

#### **P-045.2 Guarantee of Payment**

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

#### **P-050.2 Billing and Payment Procedure for Forest Products Delivered**

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

#### **P-080 Payment Account Refund**

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report

of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

## **Section L: Log Definitions and Accountability**

### **L-010.2 Forest Products Conveyed**

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clauses G-022.2 and G-024.2 of this contract

### **L-014.2 Sorts Delivered to Incorrect Destination**

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

### **L-071.2 Log and Load Reporting Service**

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

### **L-090 Scaling Rules**

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

### **L-110 State Approval of Log Scaling and Weighing Locations**

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are

currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

## **Section D: Damages**

### **D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

#### **D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance**

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.
- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

#### **D-027.2 Failure to Accept Forest Products Sold**

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to

assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

- LD = Liquidated Damages  
 V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.  
 I = Initial Deposit  
 C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.  
 A = Administrative fee = \$2,500.00  
 P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times LD \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

### **D-030.2 Inadequate Log Accountability**

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Loren D. Torgerson  
Northeast Region Manager

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

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

Address:

CORPORATE ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_

\_\_\_\_\_ to me known to be the \_\_\_\_\_ of the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of

\_\_\_\_\_  
My appointment expires \_\_\_\_\_

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**LOG SALE AND PURCHASE CONTRACT**

**AGREEMENT NO. 30-093532**

**SALE NAME: CLEVELAND FIRE SALVAGE SORT 02**

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL  
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY  
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

**Section G: General Terms**

**G-001.2 Definitions**

The following definitions apply throughout this contract;

**Contract Administrator:** Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

**Contractor:** State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

**Delivery:** Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

**Forest Product:** Any material derived from the forest for commercial use.

**Harvesting:** A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

#### **G-010.2 Products Sold and Sale Area**

Purchaser was the successful bidder on March 22, 2016 and sale was confirmed on \_\_\_\_\_. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the CLEVELAND FIRE SALVAGE SORTS Timber Sale described as parts of Sections 8, and 16 all in Township 29 North, Range 37 East, Section 22 in Township 31 North, Range 38 East W.M., in Stevens County.

#### **G-022.2 Sorting Specifications**

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

<b>Agreement No.</b>	<b>Sort #</b>	<b>Description</b>	<b>Destination</b>
93532	2	DF/WL 7-10" dib	

Unless otherwise specified, no blue stain is allowed in Ponderosa pine.

#### **G-024.2 Manufacturing Standards**

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

<b>Agreement No.</b>	<b>Sort #</b>	<b>Scaling Rule</b>
93532	02	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.
- d. Surface characteristics for a high quality (HQ) "A" log sort will have sound tight knots and not to exceed 1 ½ inch in diameter, numbering not more than an average of one per foot of log length. May include logs with not more than two larger knots. Knots ½ inch and smaller in diameter shall not be a determining factor. Logs will have a growth ring count of 6 or more rings per inch in the outer third top end of the log.

#### **G-026.2 Log Delivery Destination**

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

#### **G-027.2 Log Delivery Schedule and Conditions**

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least

between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.

- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 20 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
  - 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
  - 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates the number of truck deliveries on any day will exceed the number listed above.
- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

**G-030.2 Contract Term and Expiration Date**

Purchaser agrees to accept and pay for forest products delivered through the period ending November 30, 2016.

**G-050.2 Contract Term Extension**

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

**G-054.2 Early Contract Termination**

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

**G-056.2 Force Majeure**

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

**G-060.2 Exclusion of Warranties**

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."

- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

**G-065 Regulatory Disclaimer**

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

**G-070.2 Limitation on Damage**

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

**G-112.2 Title**

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

**G-116.2 Sustainable Forestry Initiative® (SFI) Certification**

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: BV-SFIS-US09000572.

**G-160.2 Agents**

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

**G-180 Modifications**

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

**G-190 Contract Complete**

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

**G-200.2 Notice**

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's post office address, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

**G-210.2 Violation of Contract**

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

**G-240.2 Dispute Resolution**

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.

- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

#### **G-252.2 Forest Excise Tax**

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

#### **G-253.2 Harvesting Cost Information**

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

#### **G-260 Venue**

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

#### **G-330.2 Contract Review**

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

### **Section P: Payments and Securities**

#### **P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

#### **P-028.2 Payment for Forest Products Delivered**

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

**P-036.2 Missorts and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet the sorting specifications in G-022.2 where species are incorrect, are scaled over 1” outside the listed diameter specifications, or ponderosa pine with blue stain are considered mis-sorts.

However, when mis-sorted Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State’s delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor

0.3 for mis-sort except for blue stain

0.4 for mis-sort related to blue stain

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser’s exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

**P-037.2 Mismatch and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting minimum log quality specifications as described in the G-024.2 clause are

considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

### **P-039.2 Tonnage Sort Payment Reduction Requirements**

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

#### **P-040.2 Weighing and Scaling Costs**

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

#### **P-045.2 Guarantee of Payment**

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

#### **P-050.2 Billing and Payment Procedure for Forest Products Delivered**

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

**P-080 Payment Account Refund**

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

**Section L: Log Definitions and Accountability****L-010.2 Forest Products Conveyed**

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clauses G-022.2 and G-024.2 of this contract

**L-014.2 Sorts Delivered to Incorrect Destination**

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

**L-071.2 Log and Load Reporting Service**

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

**L-090 Scaling Rules**

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

**L-110 State Approval of Log Scaling and Weighing Locations**

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

## **Section D: Damages**

### **D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

#### **D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance**

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.
- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

#### **D-027.2 Failure to Accept Forest Products Sold**

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.

- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

LD = Liquidated Damages

V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.

I = Initial Deposit

C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.

A = Administrative fee = \$2,500.00

P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times LD \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

#### **D-030.2 Inadequate Log Accountability**

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

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For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Loren D. Torgerson  
Northeast Region Manager

Date: \_\_\_\_\_  
Address:

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

CORPORATE ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_

\_\_\_\_\_ to me known to be the \_\_\_\_\_ of the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of

\_\_\_\_\_  
My appointment expires \_\_\_\_\_

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**LOG SALE AND PURCHASE CONTRACT**

**AGREEMENT NO. 30-093533**

**SALE NAME: CLEVELAND FIRE SALVAGE SORT 03**

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL  
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY  
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

**Section G: General Terms**

**G-001.2 Definitions**

The following definitions apply throughout this contract;

**Contract Administrator:** Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

**Contractor:** State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

**Delivery:** Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

**Forest Product:** Any material derived from the forest for commercial use.

**Harvesting:** A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State’s purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

**G-010.2 Products Sold and Sale Area**

Purchaser was the successful bidder on March 22, 2016 and sale was confirmed on \_\_\_\_\_. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the CLEVELAND FIRE SALVAGE SORTS Timber Sale described as parts of Sections 8, and 16 all in Township 29 North, Range 37 East, Section 22 in Township 31 North, Range 38 East W.M., in Stevens County.

**G-022.2 Sorting Specifications**

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

<b>Agreement No.</b>	<b>Sort #</b>	<b>Description</b>	<b>Destination</b>
93533	3	DF/WL/GF/ES/AF 5-6" dib	

Unless otherwise specified, no blue stain is allowed in Ponderosa pine.

**G-024.2 Manufacturing Standards**

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

<b>Agreement No.</b>	<b>Sort #</b>	<b>Scaling Rule</b>
93533	03	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.
- d. Surface characteristics for a high quality (HQ) "A" log sort will have sound tight knots and not to exceed 1 ½ inch in diameter, numbering not more than an average of one per foot of log length. May include logs with not more than two larger knots. Knots ½ inch and smaller in diameter shall not be a determining factor. Logs will have a growth ring count of 6 or more rings per inch in the outer third top end of the log.

#### **G-026.2 Log Delivery Destination**

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

#### **G-027.2 Log Delivery Schedule and Conditions**

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least

between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.

- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 20 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
  - 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
  - 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates the number of truck deliveries on any day will exceed the number listed above.
- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

**G-030.2 Contract Term and Expiration Date**

Purchaser agrees to accept and pay for forest products delivered through the period ending November 30, 2016.

**G-050.2 Contract Term Extension**

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

**G-054.2 Early Contract Termination**

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

**G-056.2 Force Majeure**

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

**G-060.2 Exclusion of Warranties**

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."

- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

**G-065 Regulatory Disclaimer**

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

**G-070.2 Limitation on Damage**

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

**G-112.2 Title**

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

**G-116.2 Sustainable Forestry Initiative® (SFI) Certification**

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: BV-SFIS-US09000572.

**G-160.2 Agents**

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

**G-180 Modifications**

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

**G-190 Contract Complete**

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

**G-200.2 Notice**

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's post office address, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

**G-210.2 Violation of Contract**

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

**G-240.2 Dispute Resolution**

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.

- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

#### **G-252.2 Forest Excise Tax**

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

#### **G-253.2 Harvesting Cost Information**

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

#### **G-260 Venue**

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

#### **G-330.2 Contract Review**

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

### **Section P: Payments and Securities**

#### **P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

#### **P-028.2 Payment for Forest Products Delivered**

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

**P-036.2 Missorts and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet the sorting specifications in G-022.2 where species are incorrect, are scaled over 1” outside the listed diameter specifications, or ponderosa pine with blue stain are considered mis-sorts.

However, when mis-sorted Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State’s delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor

0.3 for mis-sort except for blue stain

0.4 for mis-sort related to blue stain

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser’s exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

**P-037.2 Mismatch and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting minimum log quality specifications as described in the G-024.2 clause are

considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

### **P-039.2 Tonnage Sort Payment Reduction Requirements**

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

#### **P-040.2 Weighing and Scaling Costs**

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

#### **P-045.2 Guarantee of Payment**

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

#### **P-050.2 Billing and Payment Procedure for Forest Products Delivered**

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

**P-080 Payment Account Refund**

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

**Section L: Log Definitions and Accountability****L-010.2 Forest Products Conveyed**

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clauses G-022.2 and G-024.2 of this contract

**L-014.2 Sorts Delivered to Incorrect Destination**

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

**L-071.2 Log and Load Reporting Service**

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

**L-090 Scaling Rules**

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

**L-110 State Approval of Log Scaling and Weighing Locations**

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

## **Section D: Damages**

### **D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

#### **D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance**

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.
- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

#### **D-027.2 Failure to Accept Forest Products Sold**

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.

- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

LD = Liquidated Damages

V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.

I = Initial Deposit

C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.

A = Administrative fee = \$2,500.00

P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times LD \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

#### **D-030.2 Inadequate Log Accountability**

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

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For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Loren D. Torgerson  
Northeast Region Manager

Date: \_\_\_\_\_  
Address:

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

CORPORATE ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_

\_\_\_\_\_ to me known to be the \_\_\_\_\_ of the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of

\_\_\_\_\_  
My appointment expires \_\_\_\_\_

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**LOG SALE AND PURCHASE CONTRACT**

**AGREEMENT NO. 30-093534**

**SALE NAME: CLEVELAND FIRE SALVAGE SORT 04**

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL  
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY  
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

**Section G: General Terms**

**G-001.2 Definitions**

The following definitions apply throughout this contract;

**Contract Administrator:** Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

**Contractor:** State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

**Delivery:** Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

**Forest Product:** Any material derived from the forest for commercial use.

**Harvesting:** A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State’s purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

**G-010.2 Products Sold and Sale Area**

Purchaser was the successful bidder on March 22, 2016 and sale was confirmed on \_\_\_\_\_. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the CLEVELAND FIRE SALVAGE SORTS Timber Sale described as parts of Sections 8, and 16 all in Township 29 North, Range 37 East, Section 22 in Township 31 North, Range 38 East W.M., in Stevens County.

**G-022.2 Sorting Specifications**

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

<b>Agreement No.</b>	<b>Sort #</b>	<b>Description</b>	<b>Destination</b>
93534	4	PP 11"+ dib	

Unless otherwise specified, no blue stain is allowed in Ponderosa pine.

**G-024.2 Manufacturing Standards**

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

<b>Agreement No.</b>	<b>Sort #</b>	<b>Scaling Rule</b>
93534	04	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.
- d. Surface characteristics for a high quality (HQ) "A" log sort will have sound tight knots and not to exceed 1 ½ inch in diameter, numbering not more than an average of one per foot of log length. May include logs with not more than two larger knots. Knots ½ inch and smaller in diameter shall not be a determining factor. Logs will have a growth ring count of 6 or more rings per inch in the outer third top end of the log.

#### **G-026.2 Log Delivery Destination**

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

#### **G-027.2 Log Delivery Schedule and Conditions**

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least

between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.

- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 20 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
  - 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
  - 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates the number of truck deliveries on any day will exceed the number listed above.
- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

**G-030.2 Contract Term and Expiration Date**

Purchaser agrees to accept and pay for forest products delivered through the period ending November 30, 2016.

**G-050.2 Contract Term Extension**

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

**G-054.2 Early Contract Termination**

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

**G-056.2 Force Majeure**

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

**G-060.2 Exclusion of Warranties**

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."

- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

**G-065 Regulatory Disclaimer**

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

**G-070.2 Limitation on Damage**

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

**G-112.2 Title**

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

**G-116.2 Sustainable Forestry Initiative® (SFI) Certification**

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: BV-SFIS-US09000572.

**G-160.2 Agents**

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

**G-180 Modifications**

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

**G-190 Contract Complete**

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

**G-200.2 Notice**

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's post office address, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

**G-210.2 Violation of Contract**

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

**G-240.2 Dispute Resolution**

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.

- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

#### **G-252.2 Forest Excise Tax**

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

#### **G-253.2 Harvesting Cost Information**

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

#### **G-260 Venue**

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

#### **G-330.2 Contract Review**

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

### **Section P: Payments and Securities**

#### **P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

#### **P-028.2 Payment for Forest Products Delivered**

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

**P-036.2 Missorts and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet the sorting specifications in G-022.2 where species are incorrect, are scaled over 1” outside the listed diameter specifications, or ponderosa pine with blue stain are considered mis-sorts.

However, when mis-sorted Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State’s delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor

0.3 for mis-sort except for blue stain

0.4 for mis-sort related to blue stain

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser’s exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

**P-037.2 Mismatch and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting minimum log quality specifications as described in the G-024.2 clause are

considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

### **P-039.2 Tonnage Sort Payment Reduction Requirements**

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

#### **P-040.2 Weighing and Scaling Costs**

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

#### **P-045.2 Guarantee of Payment**

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

#### **P-050.2 Billing and Payment Procedure for Forest Products Delivered**

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

**P-080 Payment Account Refund**

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

**Section L: Log Definitions and Accountability****L-010.2 Forest Products Conveyed**

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clauses G-022.2 and G-024.2 of this contract

**L-014.2 Sorts Delivered to Incorrect Destination**

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

**L-071.2 Log and Load Reporting Service**

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

**L-090 Scaling Rules**

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

**L-110 State Approval of Log Scaling and Weighing Locations**

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

## **Section D: Damages**

### **D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

#### **D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance**

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.
- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

#### **D-027.2 Failure to Accept Forest Products Sold**

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.

- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

LD = Liquidated Damages

V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.

I = Initial Deposit

C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.

A = Administrative fee = \$2,500.00

P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times LD \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

### **D-030.2 Inadequate Log Accountability**

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

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For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Loren D. Torgerson  
Northeast Region Manager

Date: \_\_\_\_\_  
Address:

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

CORPORATE ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_

\_\_\_\_\_ to me known to be the \_\_\_\_\_ of the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of

\_\_\_\_\_  
My appointment expires \_\_\_\_\_

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**LOG SALE AND PURCHASE CONTRACT**

**AGREEMENT NO. 30-093535**

**SALE NAME: CLEVELAND FIRE SALVAGE SORT 05**

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL  
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY  
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

**Section G: General Terms**

**G-001.2 Definitions**

The following definitions apply throughout this contract;

**Contract Administrator:** Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

**Contractor:** State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

**Delivery:** Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

**Forest Product:** Any material derived from the forest for commercial use.

**Harvesting:** A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

#### **G-010.2 Products Sold and Sale Area**

Purchaser was the successful bidder on March 22, 2016 and sale was confirmed on \_\_\_\_\_. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the CLEVELAND FIRE SALVAGE SORTS Timber Sale described as parts of Sections 8, and 16 all in Township 29 North, Range 37 East, Section 22 in Township 31 North, Range 38 East W.M., in Stevens County.

#### **G-022.2 Sorting Specifications**

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

<b>Agreement No.</b>	<b>Sort #</b>	<b>Description</b>	<b>Destination</b>
93535	5	PP 7-10" dib	

Unless otherwise specified, no blue stain is allowed in Ponderosa pine.

#### **G-024.2 Manufacturing Standards**

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

<b>Agreement No.</b>	<b>Sort #</b>	<b>Scaling Rule</b>
93535	05	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.
- d. Surface characteristics for a high quality (HQ) "A" log sort will have sound tight knots and not to exceed 1 ½ inch in diameter, numbering not more than an average of one per foot of log length. May include logs with not more than two larger knots. Knots ½ inch and smaller in diameter shall not be a determining factor. Logs will have a growth ring count of 6 or more rings per inch in the outer third top end of the log.

#### **G-026.2 Log Delivery Destination**

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

#### **G-027.2 Log Delivery Schedule and Conditions**

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least

between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.

- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 20 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
  - 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
  - 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates the number of truck deliveries on any day will exceed the number listed above.
- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

**G-030.2 Contract Term and Expiration Date**

Purchaser agrees to accept and pay for forest products delivered through the period ending November 30, 2016.

**G-050.2 Contract Term Extension**

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

**G-054.2 Early Contract Termination**

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

**G-056.2 Force Majeure**

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

**G-060.2 Exclusion of Warranties**

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."

- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

**G-065 Regulatory Disclaimer**

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

**G-070.2 Limitation on Damage**

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

**G-112.2 Title**

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

**G-116.2 Sustainable Forestry Initiative® (SFI) Certification**

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: BV-SFIS-US09000572.

**G-160.2 Agents**

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

**G-180 Modifications**

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

**G-190 Contract Complete**

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

**G-200.2 Notice**

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's post office address, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

**G-210.2 Violation of Contract**

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

**G-240.2 Dispute Resolution**

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.

- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

#### **G-252.2 Forest Excise Tax**

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

#### **G-253.2 Harvesting Cost Information**

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

#### **G-260 Venue**

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

#### **G-330.2 Contract Review**

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

### **Section P: Payments and Securities**

#### **P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

#### **P-028.2 Payment for Forest Products Delivered**

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

**P-036.2 Missorts and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet the sorting specifications in G-022.2 where species are incorrect, are scaled over 1” outside the listed diameter specifications, or ponderosa pine with blue stain are considered mis-sorts.

However, when mis-sorted Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State’s delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor

0.3 for mis-sort except for blue stain

0.4 for mis-sort related to blue stain

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser’s exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

**P-037.2 Mismatch and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting minimum log quality specifications as described in the G-024.2 clause are

considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

### **P-039.2 Tonnage Sort Payment Reduction Requirements**

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

#### **P-040.2 Weighing and Scaling Costs**

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

#### **P-045.2 Guarantee of Payment**

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

#### **P-050.2 Billing and Payment Procedure for Forest Products Delivered**

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

**P-080 Payment Account Refund**

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

**Section L: Log Definitions and Accountability****L-010.2 Forest Products Conveyed**

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clauses G-022.2 and G-024.2 of this contract

**L-014.2 Sorts Delivered to Incorrect Destination**

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

**L-071.2 Log and Load Reporting Service**

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

**L-090 Scaling Rules**

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

**L-110 State Approval of Log Scaling and Weighing Locations**

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

## **Section D: Damages**

### **D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

#### **D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance**

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.
- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

#### **D-027.2 Failure to Accept Forest Products Sold**

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.

- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

LD = Liquidated Damages

V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.

I = Initial Deposit

C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.

A = Administrative fee = \$2,500.00

P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times LD \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

### **D-030.2 Inadequate Log Accountability**

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

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For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Loren D. Torgerson  
Northeast Region Manager

Date: \_\_\_\_\_  
Address:

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

CORPORATE ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )

\_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_

\_\_\_\_\_ to me known to be the \_\_\_\_\_ of the corporation

that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of

\_\_\_\_\_

My appointment expires \_\_\_\_\_

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**LOG SALE AND PURCHASE CONTRACT**

**AGREEMENT NO. 30-093537**

**SALE NAME: CLEVELAND FIRE SALVAGE SORT 07**

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL  
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY  
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

**Section G: General Terms**

**G-001.2 Definitions**

The following definitions apply throughout this contract;

**Contract Administrator:** Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

**Contractor:** State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

**Delivery:** Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

**Forest Product:** Any material derived from the forest for commercial use.

**Harvesting:** A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State’s purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

**G-010.2 Products Sold and Sale Area**

Purchaser was the successful bidder on March 22, 2016 and sale was confirmed on \_\_\_\_\_. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the CLEVELAND FIRE SALVAGE SORTS Timber Sale described as parts of Sections 8, and 16 all in Township 29 North, Range 37 East, Section 22 in Township 31 North, Range 38 East W.M., in Stevens County.

**G-022.2 Sorting Specifications**

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
93537	7	ES/GF/AF/ and non-chuckable DF/WL 11"+ dib	

Unless otherwise specified, no blue stain is allowed in Ponderosa pine.

**G-024.2 Manufacturing Standards**

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
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93537	07	ES
-------	----	----

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.
- d. Surface characteristics for a high quality (HQ) "A" log sort will have sound tight knots and not to exceed 1 ½ inch in diameter, numbering not more than an average of one per foot of log length. May include logs with not more than two larger knots. Knots ½ inch and smaller in diameter shall not be a determining factor. Logs will have a growth ring count of 6 or more rings per inch in the outer third top end of the log.

#### **G-026.2 Log Delivery Destination**

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

**G-027.2 Log Delivery Schedule and Conditions**

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 20 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
  1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
  2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates the number of truck deliveries on any day will exceed the number listed above.
- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as

the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

#### **G-030.2 Contract Term and Expiration Date**

Purchaser agrees to accept and pay for forest products delivered through the period ending November 30, 2016.

#### **G-050.2 Contract Term Extension**

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

#### **G-054.2 Early Contract Termination**

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

#### **G-056.2 Force Majeure**

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

#### **G-060.2 Exclusion of Warranties**

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.

- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

**G-065 Regulatory Disclaimer**

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

**G-070.2 Limitation on Damage**

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

**G-112.2 Title**

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

**G-116.2 Sustainable Forestry Initiative® (SFI) Certification**

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: BV-SFIS-US09000572.

**G-160.2 Agents**

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

**G-180 Modifications**

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

**G-190 Contract Complete**

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

**G-200.2 Notice**

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's post office address, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

**G-210.2 Violation of Contract**

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

**G-240.2 Dispute Resolution**

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

#### **G-252.2 Forest Excise Tax**

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

#### **G-253.2 Harvesting Cost Information**

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

#### **G-260 Venue**

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

#### **G-330.2 Contract Review**

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

### **Section P: Payments and Securities**

#### **P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

**P-028.2 Payment for Forest Products Delivered**

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

**P-036.2 Missorts and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet the sorting specifications in G-022.2 where species are incorrect, are scaled over 1" outside the listed diameter specifications, or ponderosa pine with blue stain are considered mis-sorts.

However, when mis-sorted Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor

0.3 for mis-sort except for blue stain

0.4 for mis-sort related to blue stain

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

**P-037.2 Mismatch and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting minimum log quality specifications as described in the G-024.2 clause are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

**P-039.2 Tonnage Sort Payment Reduction Requirements**

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

#### **P-040.2 Weighing and Scaling Costs**

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

#### **P-045.2 Guarantee of Payment**

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

#### **P-050.2 Billing and Payment Procedure for Forest Products Delivered**

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

#### **P-080 Payment Account Refund**

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

### **Section L: Log Definitions and Accountability**

#### **L-010.2 Forest Products Conveyed**

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clauses G-022.2 and G-024.2 of this contract

#### **L-014.2 Sorts Delivered to Incorrect Destination**

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

#### **L-071.2 Log and Load Reporting Service**

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

#### **L-090 Scaling Rules**

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

**L-110 State Approval of Log Scaling and Weighing Locations**

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

**Section D: Damages****D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

**D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance**

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.
- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

**D-027.2 Failure to Accept Forest Products Sold**

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

- LD = Liquidated Damages  
V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.  
I = Initial Deposit  
C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.  
A = Administrative fee = \$2,500.00  
P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times LD \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

**D-030.2 Inadequate Log Accountability**

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Loren D. Torgerson  
Northeast Region Manager

Date: \_\_\_\_\_  
Address: \_\_\_\_\_

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

CORPORATE ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_

\_\_\_\_\_ to me known to be the \_\_\_\_\_ of the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of

\_\_\_\_\_  
My appointment expires \_\_\_\_\_

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**LOG SALE AND PURCHASE CONTRACT**

**AGREEMENT NO. 30-093538**

**SALE NAME: CLEVELAND FIRE SALVAGE SORT 08**

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL  
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY  
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

**Section G: General Terms**

**G-001.2 Definitions**

The following definitions apply throughout this contract;

**Contract Administrator:** Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

**Contractor:** State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

**Delivery:** Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

**Forest Product:** Any material derived from the forest for commercial use.

**Harvesting:** A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

#### **G-010.2 Products Sold and Sale Area**

Purchaser was the successful bidder on March 22, 2016 and sale was confirmed on \_\_\_\_\_. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the CLEVELAND FIRE SALVAGE SORTS Timber Sale described as parts of Sections 8, and 16 all in Township 29 North, Range 37 East, Section 22 in Township 31 North, Range 38 East W.M., in Stevens County.

#### **G-022.2 Sorting Specifications**

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

<b>Agreement No.</b>	<b>Sort #</b>	<b>Description</b>	<b>Destination</b>
93538	8	ES/GF/SAF and non-chuckable DF/WL 7-10" dib	

Unless otherwise specified, no blue stain is allowed in Ponderosa pine.

#### **G-024.2 Manufacturing Standards**

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

<b>Agreement No.</b>	<b>Sort #</b>	<b>Scaling Rule</b>

93538	08	ES
-------	----	----

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.
- d. Surface characteristics for a high quality (HQ) "A" log sort will have sound tight knots and not to exceed 1 ½ inch in diameter, numbering not more than an average of one per foot of log length. May include logs with not more than two larger knots. Knots ½ inch and smaller in diameter shall not be a determining factor. Logs will have a growth ring count of 6 or more rings per inch in the outer third top end of the log.

#### **G-026.2 Log Delivery Destination**

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

**G-027.2 Log Delivery Schedule and Conditions**

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 20 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
  1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
  2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates the number of truck deliveries on any day will exceed the number listed above.
- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as

the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

#### **G-030.2 Contract Term and Expiration Date**

Purchaser agrees to accept and pay for forest products delivered through the period ending November 30, 2016.

#### **G-050.2 Contract Term Extension**

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

#### **G-054.2 Early Contract Termination**

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

#### **G-056.2 Force Majeure**

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

#### **G-060.2 Exclusion of Warranties**

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.

- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

**G-065 Regulatory Disclaimer**

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

**G-070.2 Limitation on Damage**

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

**G-112.2 Title**

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

**G-116.2 Sustainable Forestry Initiative® (SFI) Certification**

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: BV-SFIS-US09000572.

**G-160.2 Agents**

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

**G-180 Modifications**

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

**G-190 Contract Complete**

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

**G-200.2 Notice**

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's post office address, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

**G-210.2 Violation of Contract**

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

**G-240.2 Dispute Resolution**

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

#### **G-252.2 Forest Excise Tax**

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

#### **G-253.2 Harvesting Cost Information**

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

#### **G-260 Venue**

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

#### **G-330.2 Contract Review**

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

### **Section P: Payments and Securities**

#### **P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

**P-028.2 Payment for Forest Products Delivered**

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

**P-036.2 Missorts and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet the sorting specifications in G-022.2 where species are incorrect, are scaled over 1" outside the listed diameter specifications, or ponderosa pine with blue stain are considered mis-sorts.

However, when mis-sorted Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor

0.3 for mis-sort except for blue stain

0.4 for mis-sort related to blue stain

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

**P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products**

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting minimum log quality specifications as described in the G-024.2 clause are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 3% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

**P-039.2 Tonnage Sort Payment Reduction Requirements**

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

#### **P-040.2 Weighing and Scaling Costs**

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

#### **P-045.2 Guarantee of Payment**

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

#### **P-050.2 Billing and Payment Procedure for Forest Products Delivered**

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

**P-080 Payment Account Refund**

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

**Section L: Log Definitions and Accountability**

**L-010.2 Forest Products Conveyed**

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clauses G-022.2 and G-024.2 of this contract

**L-014.2 Sorts Delivered to Incorrect Destination**

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

**L-071.2 Log and Load Reporting Service**

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

**L-090 Scaling Rules**

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

**L-110 State Approval of Log Scaling and Weighing Locations**

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

**Section D: Damages****D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

**D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance**

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.
- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

**D-027.2 Failure to Accept Forest Products Sold**

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

- LD = Liquidated Damages  
V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.  
I = Initial Deposit  
C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.  
A = Administrative fee = \$2,500.00  
P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times LD \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

**D-030.2 Inadequate Log Accountability**

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Loren D. Torgerson  
Northeast Region Manager

Date: \_\_\_\_\_  
Address: \_\_\_\_\_

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

CORPORATE ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_

\_\_\_\_\_ to me known to be the \_\_\_\_\_ of the corporation

that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of

\_\_\_\_\_  
My appointment expires \_\_\_\_\_



## WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES

### FOREST EXCISE TAX ROAD SUMMARY SHEET

**Region:** Northeast

**Timber Sale Name:** Cleveland Fire Salvage Sorts

**Application Number:** 30- 93484

#### EXCISE TAX APPLICABLE ACTIVITIES

**Construction:** 350 linear feet  
*Road to be constructed (optional and required) but not abandoned*

**Reconstruction:** 17,510 linear feet  
*Road to be reconstructed (optional and required) but not abandoned*

**Abandonment:** 0 linear feet  
*Abandonment of existing roads not reconstructed under the contract*

**Decommission:** 4,395 linear feet  
*Road to be made undriveable but not officially abandoned.*

**Pre-Haul Maintenance:** 63,091 linear feet  
*Existing road to receive maintenance work (specifically required by the contract) prior to haul*

#### EXCISE TAX EXEMPT ACTIVITIES

**Temporary Optional Construction:** 0 linear feet  
*Optional roads to be constructed and then abandoned*

**Temporary Optional Reconstruction:** 0 linear feet  
*Optional roads to be reconstructed and then abandoned*

**New Abandonment:** 0 linear feet  
*Abandonment of roads constructed or reconstructed under the contract*

All parties must make their own assessment of the taxable or non-taxable status of any work performed under the timber sale contract. The Department of Revenue bears responsibility for determining forest road excise taxes. The Department of Natural Resources developed this form to help estimate the impact of forest excise taxes. However, the information provided may not precisely calculate the actual amount of taxes due. The Department of Revenue is available for consultation by calling 1.800.548.8829.

(Revised 4/09)

# Cruise Narrative

<b>Sale Name:</b> Cleveland Fire Salvage FIT	<b>Region:</b> Northeast
<b>Agreement Number:</b> 30-093484	<b>District:</b> North Columbia
<b>Lead Cruiser:</b> Jim Putnam	<b>Completion Date:</b> 1/21/2016
<b>Other Cruisers on sale:</b> Nathan Simpkins, Joe Hoagland, Randy Burke, Pete Malninak, Dan Griggs	<b>Legal:</b> Section 22, T31N, R38E WM; Section 16, T30N, R38E WM; Sections 8 and 16, T29N, R37E WM.

Unit Acreage Specifications:							
Unit #	Gross Acres	Net Acres	Total Deletions	RMZ/WMZ Acres	Leave Tree Acres	Existing Road Acres	Other
1	152.64	150.67	1.97			1.97	
2	178.79	176.61	2.18			2.18	
3	92.33	91.18	1.15			1.15	
4	205.03	200.89	4.14			4.14	
5	33.50	33.41	0.09			0.09	
<b>Total</b>	<b>662.29</b>	<b>652.76</b>	<b>9.53</b>	<b>0.00</b>	<b>0.00</b>	<b>9.53</b>	<b>0.00</b>

## Cruise Sample Design:

This timber sale was cruised using the **variable plot** sampling method. The double basal area system was employed; a small BAF to determine Basal Area (count trees) and a large BAF to determine the Volume-Basal Area Ratio (cruise trees). Each plot was a full plot. Plot locations were created using a computer generated grid, and found using a hand held GPS unit.

Unit #	Small BAF (count)	Large BAF (cruise)	Sighting height	Grid size (plot spacing in feet)	% Cruise to count Target	% Cruise to count Actual	Total number of Plots
1	27.78	111.11	D4H	450 x 450	25%	23.7%	31
2	27.78	111.11	D4H	450 x 450	25%	27.3%	40
3	33.61	134.44	D4H	450 x 450	25%	26.7%	20
4	27.78	111.11	D4H	450 x 450	25%	38.9%	39
5	33.61	33.61	D4H	450 x 450	100%	100.0%	9
<b>Total</b>						<b>31.7%</b>	<b>139</b>

**Cruise Specifications:**

Minor species cruise intensity:	We grade the first tree of all minor species encountered with the smaller BAF; then followed through with the small BAF to large BAF ratio.
Minimum top dib:	<p><b>Ponderosa pine:</b> Trees less than 17.5" DBH have a minimum top of 5.6" dib. Trees 17.6" and greater DBH have a minimum top dib of 40% of DOB at 16' or a 6" top whichever is greater.</p> <p><b>All other species:</b> Trees less than 17.5" DBH have a minimum top of 4.6" dib. Trees 17.6" and greater DBH have a minimum top dib of 40% of DOB at 16' or a 6" top whichever is greater.</p>
Minimum dbh:	Ponderosa pine: 8.0 inches DBH All other species: 7.0 inches DBH
Log lengths:	Saw logs: 32 feet where possible, minimum of 12 feet
Take / Leave tree description:	<p>Harvest all conifers that meet the guidelines of the prescription and the minimum cruise specifications and are not banded with purple paint.</p> <p>Target leave tree spacing guidelines are as follows if healthy leave trees are available.</p> <ol style="list-style-type: none"> <li>Unit #4 leave all trees marked with purple paint.</li> <li>Units #1, #2, #3, and #5 leave all ponderosa pine with at least 30% live crown free of mistletoe and disease.</li> <li>Units #1, #2, #3 and #5 leave a 20 foot spacing with other conifer species that have at least a 50% live crown free of mistletoe and disease.</li> <li>Areas void of green trees will have an average spacing of 85 feet with voids no greater than 400 feet.</li> </ol> <p>See Schedule A for a complete description of leave trees.</p> <p><b>Leave trees are marked with a "L" in the status column.</b></p>
Commercial species observed in sale area, but not in cruise:	
Utility wood:	None
Status codes used:	L – leave tree
Sort codes used	D – saw log
Species table used:	NE 2 inch
Grade table used:	Eastgrad
Other tables used (cruise adjustment):	

**Field Observations:**

Location:	35 miles south of Colville, WA in Stevens County.
Aspect:	North, East, South and West
Elevation:	2400 to 5320
Slope:	Unit 1 – 0% to 65%, Average 50% Unit 2 – 0% to 65%, Average 35% Unit 3 – 0% to 65%, Average 35% Unit 4 – 0% to 55%, Average 25% Unit 5 – 0% to 50%, Average 25%
Harvest Methods:	100% Ground base yarding with the longest skidding of 2200 feet.
Stand Composition:	The stands are fire damaged second growth Douglas-fir, ponderosa pine and western larch with larger residual trees. There is a minor component of grand fir, alpine fir and engelmann spruce.
Stand Health:	The trees in this sale were killed by the Carpenter Road Fire which burned in August, 2015. Bark beetles are active and the woodpeckers are working on those trees
Timber Quality:	This sale is a mix of poor quality Douglas-fir (52%), ponderosa pine (22%), grand fir (17%), western larch (5%), alpine fir (3.5%), and engelmann spruce (0.5%).
Non-board Foot Volume:	None cruised
Other Considerations:	This sale will be sold on the tons of logs removed from the sale area.

**Trust and Counties:**

Based on Volume

Based on Acres

Unit #	Trust 03 Vol.	Trust 06 Vol.	Total Vol. MBF	Stevens Co.	Spokane Co
1	477		477	150.67	
2	1551		1551	176.61	
3	355		355	91.18	
4	555		555	200.89	
5		114	114	33.41	
Total	2938	114	3052	652.76	0
% of Total	96.26%	3.74%	100.00%	100.00%	0.00%

**Prepared by:** Jim Putnam**Title:** Timber Cruiser and Small Sales Forester**CC:** Timber Sales Document Center & File #30-093484

TC PSPCSTGR		Species, Sort Grade - Board Foot Volumes (Project)																				
T29N R37E S08 Ty00U5 THRU T31N R38E S22 Ty00U1			Project: CLEVELFS Acres 652.76											Page 1 Date 1/22/2016 Time 8:09:11AM								
S Spp	So T	Gr rt ad	% Net BdFt	Bd. Ft. per Acre			Total Net MBF	Percent of Net Board Foot Volume								Average Log				Logs Per /Acre		
				Def%	Gross	Net		Log Scale Dia.				Log Length				Ln Ft	Dia In	Bd Ft	CF/ Lf			
								4-5	6-11	12-16	17+	12-20	21-32	33-55	56-99							
DF	D	2	29	3.3	775	749	489			41	59			100			32	16	384	2.13	1.9	
DF	D	3	51	2.1	1,336	1,308	854			89	11			100			32	8	103	0.83	12.7	
DF	D	4	20	5.0	526	500	326	44	56				23	77			24	6	29	0.38	17.4	
<b>DF Totals</b>			35	3.0	2,637	2,557	1,669	9	57	18	17		4	96			27	7	80	0.71	32.0	
DF	L	D 2	32	4.1	472	453	296			33	67			100			32	15	326	2.04	1.4	
DF	L	D 3	49	3.4	698	674	440			87	13			100			32	10	132	0.94	5.1	
DF	L	D 4	19	8.1	278	256	167	30	70				14	86			24	6	34	0.43	7.5	
<b>DF Totals</b>			19	4.5	1,448	1,383	903	6	55	17	22		3	97			28	8	99	0.83	14.0	
PP	D	4	31	4.3	350	335	219			81	19			100			32	14	283	1.57	1.2	
PP	D	5	69	4.8	774	737	481			100			5	95			26	7	60	0.55	12.3	
<b>PP Totals</b>			15	4.7	1,125	1,072	700			69	25	6		3	97			26	8	79	0.66	13.5
PP	L	D 4	34	4.0	269	258	169			44	56			100			32	15	307	2.08	.8	
PP	L	D 5	66	14.0	574	494	322			27	19	54		1	99			30	12	220	1.44	2.2
<b>PP Totals</b>			10	10.8	843	752	491			18	28	54		1	99			31	13	244	1.62	3.1
GF	D	2	43	1.9	379	372	243			32	68			100			32	16	393	2.05	.9	
GF	D	3	49	2.6	431	420	274			81	19			100			32	8	90	0.62	4.7	
GF	D	4	8		63	63	41	91	9				24	76			23	5	28	0.32	2.3	
<b>GF Totals</b>			12	2.1	874	855	558	7	40	23	30		2	98			29	8	108	0.74	7.9	
WL	L	D 3	87		291	291	190			100				100			32	8	87	0.66	3.4	
WL	L	D 4	13		43	43	28	100						100			28	5	30	0.26	1.4	
<b>WL Totals</b>			5		334	334	218	13	87					100			31	7	70	0.55	4.8	
WL	D	3	75		169	169	110			100				100			32	7	60	0.41	2.8	
WL	D	4	25	.0	56	56	37	100					100				16	5	20	0.20	2.8	
<b>WL Totals</b>			3	.0	225	225	147	25	75				25	75			24	6	40	0.34	5.6	
ES	D	4	100		22	22	15	100						100			32	5	50	0.29	.4	
<b>ES Totals</b>			0		22	22	15	100						100			32	5	50	0.29	.4	
AF	D	3	67	9.5	128	116	75			60	40			100			32	11	169	1.10	.7	
AF	D	4	33		57	57	37	92	8				8	92			29	5	34	0.28	1.7	
<b>AF Totals</b>			2	6.6	185	172	113	30	43	27			3	97			30	7	74	0.53	2.3	
<b>Totals</b>				4.2	7,693	7,373	4,813	7	54	19	20		4	96			28	8	88	0.72	83.8	

TC PSTATS		PROJECT STATISTICS							PAGE	1	
		PROJECT			CLEVELFS				DATE	1/22/2016	
TWP	RGE	SC	TRACT	TYPE		ACRES	PLOTS	TREES	CuFt	BdFt	
29N 31N	37E 38E	08 22	CLEVELAND F CLEVELAND F	00U5 00U1	THR	652.76	139	306	S	E	
			PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL			139	306	2.2						
CRUISE			66	97	1.5	35,182	.3				
DBH COUNT											
REFOREST											
COUNT			47	93	2.0						
BLANKS			26								
100 %											
STAND SUMMARY											
		SAMPLE TREES	TREES /ACRE	AVG DBH	BOLE LEN	REL DEN	BASAL AREA	GROSS BF/AC	NET BF/AC	GROSS CF/AC	NET CF/AC
DOUG FIR		31	22.0	13.7	59	6.1	22.7	2,637	2,557	627	626
DOUG FIR-L		14	8.0	15.8	66	2.7	10.8	1,448	1,383	323	323
P PINE		24	9.5	13.7	49	2.6	9.7	1,125	1,072	238	234
P PINE-L		9	1.4	25.2	74	1.0	4.9	843	752	153	153
GR FIR		11	5.7	13.4	63	1.5	5.5	874	855	171	171
W LARCH		1	2.8	10.5	74	0.5	1.7	225	225	46	46
W LARCH-L		3	2.4	14.1	86	0.7	2.6	334	334	82	82
ALP FIR		3	1.7	11.6	63	0.4	1.2	185	172	37	37
E SPRUCE		1	.4	8.8	50	0.1	.2	22	22	4	4
<b>TOTAL</b>		97	53.9	14.2	61	15.8	59.4	7,693	7,373	1,682	1,677
CONFIDENCE LIMITS OF THE SAMPLE											
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR											
CL	68.1	COEFF		SAMPLE TREES - BF			# OF TREES REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10		
DOUG FIR		134.7	25.0	204	272	340					
DOUG FIR-L		122.4	33.9	232	351	470					
P PINE		98.9	20.6	144	182	219					
P PINE-L		44.5	15.7	382	453	525					
GR FIR		107.1	33.9	211	319	427					
W LARCH											
W LARCH-L		29.6	20.5	109	137	165					
ALP FIR		101.6	70.4	67	227	386					
E SPRUCE											
<b>TOTAL</b>		115.0	11.7	241	273	306	529	270	132		
CL	68.1	COEFF		TREES/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10		
DOUG FIR		151.7	12.9	19	22	25					
DOUG FIR-L		210.5	17.9	7	8	9					
P PINE		182.0	15.4	8	9	11					
P PINE-L		277.3	23.5	1	1	2					
GR FIR		280.0	23.7	4	6	7					
W LARCH		463.3	39.3	2	3	4					
W LARCH-L		365.4	31.0	2	2	3					
ALP FIR		753.7	63.9	1	2	3					
E SPRUCE		1179.0	100.0	0	0	1					
<b>TOTAL</b>		59.3	5.0	51	54	57	140	72	35		
CL	68.1	COEFF		BASAL AREA/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10		
DOUG FIR		140.6	11.9	20	23	25					
DOUG FIR-L		193.6	16.4	9	11	13					
P PINE		175.4	14.9	8	10	11					

TC PSTATS		PROJECT STATISTICS							PAGE	2
		PROJECT			CLEVELFS				DATE	1/22/2016
TWP	RGE	SC	TRACT	TYPE		ACRES	PLOTS	TREES	CuFt	BdFt
29N 31N	37E 38E	08 22	CLEVELAND F CLEVELAND F	00U5 00U1	THR	652.76	139	306	S	E
CL	68.1	COEFF		BASAL AREA/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.00	VAR.	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE-L		251.0	21.3	4	5	6				
GR FIR		259.6	22.0	4	6	7				
W LARCH		463.3	39.3	1	2	2				
W LARCH-L		369.6	31.4	2	3	3				
ALP FIR		623.9	52.9	1	1	2				
E SPRUCE		1179.0	100.0	0	0	0				
<b>TOTAL</b>		<b>47.7</b>	<b>4.0</b>	<b>57</b>	<b>59</b>	<b>62</b>	<b>91</b>	<b>46</b>	<b>23</b>	
CL	68.1	COEFF		NET BF/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR		160.5	13.6	2,209	2,557	2,905				
DOUG FIR-L		192.4	16.3	1,157	1,383	1,609				
P PINE		208.8	17.7	882	1,072	1,262				
P PINE-L		242.4	20.6	597	752	906				
GR FIR		269.7	22.9	660	855	1,051				
W LARCH		463.3	39.3	137	225	313				
W LARCH-L		365.0	31.0	231	334	438				
ALP FIR		586.9	49.8	87	172	258				
E SPRUCE		1179.0	100.0	0	22	44				
<b>TOTAL</b>		<b>60.7</b>	<b>5.2</b>	<b>6,993</b>	<b>7,373</b>	<b>7,753</b>	<b>148</b>	<b>75</b>	<b>37</b>	
CL	68.1	COEFF		V BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR				97	113	128				
DOUG FIR-L		29.3	2.5	107	128	149				
P PINE		122.4	10.4	91	110	130				
P PINE-L		100.7	8.5	121	152	183				
GR FIR		149.3	12.7	119	155	190				
W LARCH		84.9	7.2	81	133	185				
W LARCH-L		127.7	10.8	89	129	170				
ALP FIR		408.9	34.7	72	143	215				
E SPRUCE		1179.0	100.0	0	118	237				
<b>TOTAL</b>		<b>62.8</b>	<b>5.3</b>	<b>118</b>	<b>124</b>	<b>131</b>	<b>158</b>	<b>80</b>	<b>39</b>	

T31N R38E S22 T00U1		T31N R38E S22 T00U1
Twp Rge Sec Tract Type Acres Plots Sample Trees CuFt		BdFt
31N 38E 22 CLEVELAND F 00U1 150.67 31 76 S		E

Spp	S	So	Gr	% Net BdFt	Bd. Ft. per Acre Def% Gross Net			Total Net MBF	Percent Net Board Foot Volume								Average Log				Logs Per /Acre
									Log Scale Dia.				Log Length				Ln Ft	Dia In	Bd Ft	CF/ Lf	
									4-5	6-11	12-16	17+	12-20	21-32	33-55	56-99					
DF	D		3	82	2.5	2,164	2,110	318	71	29			100				32	8	103	0.87	20.6
DF	D		4	18	.0	458	458	69	31	69			18	82			23	6	34	0.58	13.6
<b>DF</b>	<b>Totals</b>			36	2.1	2,623	2,568	387	5	71	23		3	97			28	7	75	0.78	34.1
DF	L	D	3	81	3.8	1,950	1,876	283	82	18			100				32	10	134	0.94	14.0
DF	L	D	4	19	18.5	526	429	65	17	83			17	83			23	6	36	0.54	12.0
<b>DF</b>	<b>L</b>	<b>Totals</b>		32	6.9	2,475	2,304	347	3	82	15		3	97			28	8	88	0.79	26.1
PP	L	D	5	100	13.5	1,812	1,567	236		27	73		100				32	17	415	2.35	3.8
<b>PP</b>	<b>L</b>	<b>Totals</b>		22	13.5	1,812	1,567	236		27	73		100				32	17	415	2.35	3.8
PP		D	5	100	38.3	205	127	19		100			62	38			18	6	12	0.35	10.2
<b>PP</b>	<b>Totals</b>			2	38.3	205	127	19		100			62	38			18	6	12	0.35	10.2
AF		D	3	45	14.3	222	190	29		100			100				32	10	120	0.89	1.6
AF		D	4	55	.0	226	226	34	100				100				30	5	35	0.27	6.5
<b>AF</b>	<b>Totals</b>			6	7.1	448	416	63	54	46			100				31	6	52	0.39	8.1
GF		D	3	83	11.8	169	149	22		100			100				32	11	150	1.42	1.0
GF		D	4	17		30	30	4	100				100				28	5	30	0.40	1.0
<b>GF</b>	<b>Totals</b>			2	10.0	198	179	27	17	83			100				30	8	90	0.94	2.0
<b>Type</b>	<b>Totals</b>				7.8	7,762	7,160	1,079	7	58	19	16	3	97			27	8	85	0.79	84.2

**T30N R38E S16 T00U2** **T30N R38E S16 T00U2**  
 Twp Rge Sec Tract Type Acres Plots Sample Trees CuFt BdFt  
 30N 38E 16 CLEVELAND F 00U2 176.61 40 132 S E

Spp	S	So	Gr	%	Bd. Ft. per Acre			Total	Percent Net Board Foot Volume								Average Log			Logs Per /Acre						
									Net BdFt	Def%	Gross	Net	Net MBF	Log Scale Dia.				Log Length				Ln Ft	Dia In	Bd Ft	CF/Lf	
														4-5	6-11	12-16	17+	12-20	21-32		33-55					56-99
DF		D	2	53	2.3	2,578	2,518	445			36	64		100		32	17	419	2.24	6.0						
DF		D	3	38	2.2	1,852	1,812	320		100				100		32	9	128	0.88	14.1						
DF		D	4	9	6.7	426	397	70	70	30			58	42	20	5	21	0.33	19.0							
<b>DF</b>	<b>Totals</b>			38	2.7	4,856	4,727	835	6	41	19	34	5	95	26	9	121	0.93	39.2							
DF	L	D	2	62	4.6	1,552	1,480	261			38	62		100		32	15	305	1.98	4.9						
DF	L	D	3	26	3.6	661	637	112		100				100		32	10	132	0.95	4.8						
DF	L	D	4	12		268	268	47	82	18			24	76	22	5	26	0.39	10.3							
<b>DF</b>	<b>L</b>	<b>Totals</b>		19	3.9	2,480	2,385	421	9	29	23	39	3	97	27	9	119	1.01	20.0							
GF		D	2	48	1.9	1,400	1,374	243			32	68		100		32	16	393	2.05	3.5						
GF		D	3	44	.8	1,287	1,277	226		77	23			100		32	7	85	0.57	15.1						
GF		D	4	8	.0	209	209	37	90	10			27	73	23	5	28	0.31	7.6							
<b>GF</b>	<b>Totals</b>			23	1.3	2,897	2,860	505	7	35	26	33	2	98	29	8	109	0.73	26.1							
WL	L	D	3	90		853	853	151		100				100		32	8	84	0.62	10.2						
WL	L	D	4	10		92	92	16	100					100		28	5	30	0.24	3.1						
<b>WL</b>	<b>L</b>	<b>Totals</b>		8		945	945	167	10	90				100		31	7	71	0.54	13.2						
WL		D	3	75		624	624	110		100				100		32	7	60	0.41	10.4						
WL		D	4	25	.0	208	208	37	100				100		16	5	20	0.20	10.4							
<b>WL</b>	<b>Totals</b>			7	.0	832	832	147	25	75			25	75	24	6	40	0.34	20.8							
PP	L	D	4	28	10.5	85	76	13		100				100		32	12	170	2.10	.4						
PP	L	D	5	72	4.4	205	196	35		100				100		31	8	96	0.72	2.0						
<b>PP</b>	<b>L</b>	<b>Totals</b>		2	6.2	291	273	48		72	28			100		31	9	110	0.97	2.5						
AF		D	3	93	6.3	283	265	47		36	64			100		32	13	225	1.35	1.2						
AF		D	4	7		18	18	3		100			100		16	7	30	0.41	.6							
<b>AF</b>	<b>Totals</b>			2	5.9	300	283	50		40	60		6	94	27	11	160	1.16	1.8							
ES		D	4	100		82	82	15	100					100		32	5	50	0.29	1.6						
<b>ES</b>	<b>Totals</b>			1		82	82	15	100					100		32	5	50	0.29	1.6						
<b>Type</b>	<b>Totals</b>				2.3	12,683	12,386	2,187	9	44	20	28	5	95	27	8	99	0.76	125.2							

<b>T30N R38E S16 T00U3</b>										<b>T30N R38E S16 T00U3</b>			
<b>Twp</b>	<b>Rge</b>	<b>Sec</b>	<b>Tract</b>	<b>Type</b>	<b>Acres</b>	<b>Plots</b>	<b>Sample Trees</b>	<b>CuFt</b>	<b>BdFt</b>				
<b>30N</b>	<b>38E</b>	<b>16</b>	<b>CLEVELAND F</b>	<b>00U3</b>	<b>91.18</b>	<b>20</b>	<b>45</b>	<b>S</b>	<b>E</b>				

Spp	S	So	Gr	% Net BdFt	Bd. Ft. per Acre			Total Net MBF	Percent Net Board Foot Volume								Average Log			Logs Per /Acre				
									Log Scale Dia.				Log Length				Ln	Dia	Bd		CF/			
									4-5	6-11	12-16	17+	12-20	21-32	33-55	56-99	Ft	In	Ft		Lf			
DF	D		3	52	1,894	1,894	173	100				100				32	7	79	0.77	24.0				
DF	D		4	48	1,711	1,711	156	27	73	11				89	25	6	35	0.38	48.8					
<b>DF</b>	<b>Totals</b>			55	3,605	3,605	329	13	87	5				95	28	6	50	0.53	72.8					
DF	L	D	3	41	.0	429	429	39	100				100				32	9	110	0.92	3.9			
DF	L	D	4	59		598	598	55	100				100				30	6	44	0.36	13.5			
<b>DF</b>	<b>L</b>	<b>Totals</b>		16		1,027	1,027	94	100				100				30	7	59	0.49	17.4			
PP	L	D	4	79		868	868	79	100				100				32	17	420	2.78	2.1			
PP	L	D	5	21	35.3	351	227	21	100				100				32	10	110	1.06	2.1			
<b>PP</b>	<b>L</b>	<b>Totals</b>		17	10.2	1,220	1,096	100	21	79				100				32	14	265	1.92	4.1		
WL	L	D	3	76		434	434	40	100				100				32	9	100	0.83	4.3			
WL	L	D	4	24		130	130	12	100				100				28	5	30	0.29	4.3			
<b>WL</b>	<b>L</b>	<b>Totals</b>		9		564	564	51	23	77				100				30	7	65	0.58	8.7		
GF		D	3	100	8.7	315	288	26	100				100				32	9	105	0.69	2.7			
<b>GF</b>	<b>Totals</b>			4	8.7	315	288	26	100				100				32	9	105	0.69	2.7			
<b>Type Totals</b>					2.2	6,730	6,579	600	9	78	13				3				97	29	7	62	0.59	105.7

<b>T29N R37E S16 T00U4</b>										<b>T29N R37E S16 T00U4</b>			
<b>Twp</b>	<b>Rge</b>	<b>Sec</b>	<b>Tract</b>	<b>Type</b>	<b>Acres</b>	<b>Plots</b>	<b>Sample Trees</b>	<b>CuFt</b>	<b>BdFt</b>				
<b>29N</b>	<b>37E</b>	<b>16</b>	<b>CLEVELAND F</b>	<b>00U4</b>	<b>200.89</b>	<b>39</b>	<b>14</b>	<b>S</b>	<b>E</b>				

Spp	Sp	So	Gr	%	Bd. Ft. per Acre			Total	Percent Net Board Foot Volume								Average Log			Logs Per /Acre						
									Net BdFt	Def%	Gross	Net	Net MBF	Log Scale Dia.				Log Length				Ln Ft	Dia In	Bd Ft	CF/Lf	
														4-5	6-11	12-16	17+	12-20	21-32		33-55					56-99
PP		D	4	31	1.7	922	906	182				77	23		100			32	14	292	1.56	3.1				
PP		D	5	69	1.5	2,021	1,990	400			100				1	99		28	7	75	0.58	26.4				
<b>PP</b>	<b>Totals</b>			87	1.6	2,943	2,896	582			69	24	7		1	99		29	8	98	0.70	29.5				
DF		D	2	50	12.5	252	221	44				100			100			32	13	210	1.55	1.1				
DF		D	3	22		95	95	19			100				100			32	7	90	0.59	1.1				
DF		D	4	28	33.3	179	119	24			100				100			28	5	20	0.24	6.0				
<b>DF</b>	<b>Totals</b>			13	17.3	526	435	87			27	22	51		100			29	6	54	0.48	8.1				
<b>Type</b>	<b>Totals</b>				4.0	3,470	3,331	669			4	63	28	6	1	99		29	8	89	0.65	37.6				

<b>T29N R37E S08 T00U5</b>		<b>T29N R37E S08 T00U5</b>
<b>Twp Rge Sec Tract Type Acres Plots Sample Trees CuFt</b>		<b>BdFt</b>
<b>29N 37E 08 CLEVELAND F 00U5 33.41 9 17 S</b>		<b>E</b>

Spp	S	So	Gr	% Net BdFt	Bd. Ft. per Acre			Total Net MBF	Percent Net Board Foot Volume								Average Log			Logs Per /Acre	
									Log Scale Dia.				Log Length				Ln Ft	Dia In	Bd Ft		CF/ Lf
									4-5	6-11	12-16	17+	12-20	21-32	33-55	56-99					
PP	L	D	4	71	6.7	2,437	2,273	76		81	19		100				32	14	270	1.61	8.4
PP	L	D	5	29	8.0	997	917	31	100				9	91			25	9	88	0.72	10.4
<b>PP</b>	<b>L</b>	<b>Totals</b>		38	7.1	3,434	3,190	107	29	58	14		3	97			28	11	169	1.17	18.8
PP		D	4	37	15.2	1,300	1,102	37		100				100			32	14	243	1.61	4.5
PP		D	5	63	9.2	2,050	1,861	62	100				12	88			25	7	52	0.58	35.8
<b>PP</b>	<b>Totals</b>			36	11.6	3,350	2,962	99	63	37			8	92			26	8	73	0.73	40.4
DF	L	D	2	83		1,022	1,022	34		100				100			32	21	690	3.16	1.5
DF	L	D	3	15		178	178	6		100				100			32	12	240	1.38	.7
DF	L	D	4	2		22	22	1	100				100				12	9	30	0.61	.7
<b>DF</b>	<b>L</b>	<b>Totals</b>		15		1,222	1,222	41	2	15	84		2	98			27	16	413	2.35	3.0
DF		D	3	76	11.1	811	721	24		100				100			32	8	80	0.59	9.0
DF		D	4	24		217	217	7	100				49	51			18	5	24	0.24	9.0
<b>DF</b>	<b>Totals</b>			11	8.8	1,028	938	31	23	77			11	89			25	7	52	0.46	18.0
<b>Type Totals</b>					8.0	9,034	8,312	278	3	42	38	18	5	95			26	9	104	0.84	80.2

**Species Summary - Trees, Logs, Tons, CCF, MBF**

T29N R37E S08 Ty00U5	33.4
T29N R37E S16 Ty00U4	200.8
T31N R38E S22 Ty00U	150.6

**Project CLEVELFS**  
**Acres 652.76**

**Page No 1**  
**Date: 1/22/2016**  
**Time 8:09:12AM**

Species	S T	Total	Total	Total	Net Cubic Ft/		CF/	Total CCF		Total MBF	
		Trees	Logs	Tons	Tree	Log	LF	Gross	Net	Gross	Net
DOUG FIR		14,389	20,921	11,661	28.41	19.54	0.71	4,092	4,087	1,722	1,669
DOUG FIR	L	5,203	9,145	6,007	40.53	23.06	0.84	2,108	2,109	945	903
P PINE		6,172	8,812	3,736	24.79	17.37	0.67	1,557	1,530	734	700
GR FIR		3,715	5,164	3,204	30.11	21.66	0.74	1,118	1,118	570	558
P PINE	L	935	2,015	2,404	107.20	49.72	1.63	1,002	1,002	550	491
W LARCH	L	1,564	3,128	1,278	34.05	17.03	0.55	533	533	218	218
W LARCH		1,836	3,672	715	16.23	8.12	0.34	298	298	147	147
ALP FIR		1,079	1,526	610	22.62	15.99	0.53	244	244	120	113
E SPRUCE		290	290	70	9.25	9.25	0.29	27	27	15	15
<b>Totals</b>		35,182	54,672	29,686	31.12	20.03	0.73	10,978	10,948	5,022	4,813

Wood Type Species	Total	Total	Total	Net Cubic Ft/		CF/	Total CCF		Total MBF	
	Trees	Logs	Tons	Tree	Log	LF	Gross	Net	Gross	Net
C	35,182	54,672	29,686	31.12	20.03	0.73	10,978	10,948	5,022	4,813
<b>Totals</b>	35,182	54,672	29,686	31.12	20.03	0.73	10,978	10,948	5,022	4,813

**Log Stock Table - MBF**

T29N R37E S08 Ty00U5  
THRU  
T31N R38E S22 Ty00U1

**Project: CLEVELFS**  
**Acres 652.76**

**Page 1**  
**Date 1/22/2016**  
**Time 8:09:10AM**

Spp	S T	So rt	Gr de	Log Len	Gross MBF	Def %	Net MBF	% Spc	Net Volume by Scaling Diameter in Inches										
									2-4	5-6	7-10	11-12	13-14	15-16	17-18	19-20	21-23	24-29	30-39
DF		D	2	32	506	3.3	489	29.3				23	123	56	115	47	124		
DF		D	3	30	11		11	.6			11								
DF		D	3	32	861	2.1	843	50.5		129	542	81	91						
DF		D	4	12	12		12	.7		10	2								
DF		D	4	14	13		13	.8		13									
DF		D	4	16	15		15	.9		15									
DF		D	4	18	35	14.5	30	1.8		25	5								
DF		D	4	20	5		5	.3		5									
DF		D	4	22	25		25	1.5		25									
DF		D	4	24	19		19	1.1		19									
DF		D	4	28	47	25.6	35	2.1		35									
DF		D	4	30	42		42	2.5		42									
DF		D	4	32	131		131	7.9		84	47								
DF		Totals			1,722	3.0	1,669	34.7		403	606	104	214	56	115	47	124		
DF	L	D	2	32	308	4.1	296	32.7			98			90	86	21			
DF	L	D	3	32	456	3.4	440	48.7		249	140	51							
DF	L	D	4	12	3		3	.4		3	1								
DF	L	D	4	14	14		14	1.5		14									
DF	L	D	4	16	6		6	.6		6									
DF	L	D	4	24	36		36	3.9		19	16								
DF	L	D	4	28	27		27	3.0		27									
DF	L	D	4	30	20		20	2.2		20									
DF	L	D	4	32	76	19.2	61	6.8		44	18								
DF		Totals			945	4.5	903	18.8		132	284	238	51	90	86	21			
PP		D	4	32	229	4.3	219	31.3			8	88	82	41					
PP		D	5	12	9	77.7	2	.3			2								
PP		D	5	14	6		6	.8		5	1								
PP		D	5	18	5		5	.7		5									
PP		D	5	20	12		12	1.7		12									
PP		D	5	22	22	3.8	22	3.1		22									
PP		D	5	24	24		24	3.4		24									
PP		D	5	26	16		16	2.3		16									
PP		D	5	30	57	10.4	51	7.3		51									
PP		D	5	32	354	3.0	343	49.1		14	261	68							

**Log Stock Table - MBF**

T29N R37E S08 Ty00U5  
THRU  
T31N R38E S22 Ty00U1

**Project: CLEVELFS**  
**Acres 652.76**

**Page 2**  
**Date 1/22/2016**  
**Time 8:09:10AM**

Spp	S T	So rt	Gr de	Log Len	Gross MBF	Def %	Net MBF	% Spc	Net Volume by Scaling Diameter in Inches									
									2-4	5-6	7-10	11-12	13-14	15-16	17-18	19-20	21-23	24-29
PP				Totals	734	4.7	700	14.5		149	264	76	88	82	41			
PP	L	D	4	32	176	4.0	169	34.4				21	27	27	94			
PP	L	D	5	12	2		2	.4			2							
PP	L	D	5	14	1		1	.2			1							
PP	L	D	5	24	2		2	.5			2							
PP	L	D	5	28	4	40.0	2	.5		2								
PP	L	D	5	32	366	13.9	315	64.1		8	46	24	63			174		
PP				Totals	550	10.8	491	10.2		11	51	45	89	27	94	174		
GF		D	2	32	247	1.9	243	43.5					43	35	104	60		
GF		D	3	22	6		6	1.1			6							
GF		D	3	32	276	2.6	268	48.1		48	127	94						
GF		D	4	16	6		6	1.1		6								
GF		D	4	18	4		4	.6			4							
GF		D	4	26	27		27	4.8		27								
GF		D	4	28	4		4	.8		4								
GF				Totals	570	2.1	558	11.6		85	136	94	43	35	104	60		
WL	L	D	3	32	190		190	87.1		31	159							
WL	L	D	4	28	28		28	12.9		28								
WL				Totals	218		218	4.5		59	159							
WL		D	3	32	110		110	75.0			110							
WL		D	4	16	37		37	25.0		37								
WL				Totals	147		147	3.1		37	110							
ES		D	4	32	15		15	100.0		15								
ES				Totals	15		15	.3		15								
AF		D	3	32	83	9.5	75	67.0			45		30					
AF		D	4	16	3		3	2.8			3							
AF		D	4	30	22		22	19.6		22								
AF		D	4	32	12		12	10.6		12								
AF				Totals	120	6.6	113	2.3		34	48		30					
Total				All Species	5,022	4.2	4,813	100.0		925	1659	557	434	281	445	194	318	





**Project Log Stock Table - TONS(SED)**

T29N R37E S08 Ty00U5  
 THRU  
 T31N R38E S22 Ty00U1

**Project: CLEVELFS**  
**Acres 652.76**

**Page 3**  
**Date 1/22/2016**  
**Time 8:09:11AM**

Spp	S T	So rt	Gr de	Log Len	SED	TONS	Tons by Scaling Diameter in Inches										
							2-4	5-6	7-10	11-12	13-14	15-16	17-18	19-20	21-23	24-29	30-39
AF		D	4	30	5.0	134		134									
AF		D	4	32	5.0	65		65									
Graded						610		199	260		151						
AF		Totals			6.8	610		199	260		151						
Total		All Species				29,686		7312	10848	3344	2482	1308	2145	985	1261		

TC TSTATS		STATISTICS					PAGE	1		
		PROJECT CLEVELFS					DATE	1/22/2016		
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
31N	38E	22	CLEVELAND F	00U1	150.67	31	76	S	E	
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL	31	76	2.5							
CRUISE	13	18	1.4	8,296			.2			
DBH COUNT										
REFOREST										
COUNT	15	31	2.1							
BLANKS	3									
100 %										
STAND SUMMARY										
	SAMPLE TREES	TREES /ACRE	AVG DBH	BOLE LEN	REL DEN	BASAL AREA	GROSS BF/AC	NET BF/AC	GROSS CF/AC	NET CF/AC
DOUG FIR	5	22.5	15.3	60	7.3	28.7	2,623	2,568	753	753
DOUG FIR-L	6	13.0	16.3	72	4.7	18.8	2,475	2,304	565	566
P PINE	3	10.2	10.6	24	1.9	6.3	205	127	81	64
P PINE-L	1	1.9	29.5	74	1.6	9.0	1,812	1,567	285	285
ALP FIR	2	6.5	10.1	61	1.1	3.6	448	416	98	98
GR FIR	1	1.0	18.2	60	0.4	1.8	198	179	56	56
<b>TOTAL</b>	<i>18</i>	<i>55.1</i>	<i>15.1</i>	<i>57</i>	<i>17.6</i>	<i>68.1</i>	<i>7,762</i>	<i>7,160</i>	<i>1,838</i>	<i>1,821</i>
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF			# OF TREES REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR	76.2	37.9		83	134	185				
DOUG FIR-L	66.1	29.5		147	208	270				
P PINE	91.7	63.5		6	17	27				
P PINE-L										
ALP FIR	99.0	92.8		7	100	193				
GR FIR										
<b>TOTAL</b>	<i>113.0</i>	<i>27.4</i>		<i>128</i>	<i>177</i>	<i>225</i>	<i>541</i>	<i>276</i>	<i>135</i>	
CL:	68.1 %	COEFF	TREES/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR	101.7	18.3		18	23	27				
DOUG FIR-L	140.4	25.2		10	13	16				
P PINE	195.6	35.1		7	10	14				
P PINE-L	147.3	26.5		1	2	2				
ALP FIR	387.1	69.5		2	6	11				
GR FIR	387.1	69.5		0	1	2				
<b>TOTAL</b>	<i>31.1</i>	<i>5.6</i>		<i>52</i>	<i>55</i>	<i>58</i>	<i>39</i>	<i>20</i>	<i>10</i>	
CL:	68.1 %	COEFF	BASAL AREA/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR	101.6	18.2		23	29	34				
DOUG FIR-L	134.1	24.1		14	19	23				
P PINE	188.2	33.8		4	6	8				
P PINE-L	147.3	26.5		7	9	11				
ALP FIR	387.1	69.5		1	4	6				
GR FIR	387.1	69.5		1	2	3				
<b>TOTAL</b>				<i>68</i>	<i>68</i>	<i>68</i>				
CL:	68.1 %	COEFF	NET BF/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR	105.3	18.9		2,082	2,568	3,053				
DOUG FIR-L	135.3	24.3		1,744	2,304	2,864				
P PINE	216.5	38.9		77	127	176				
P PINE-L	147.3	26.5		1,152	1,567	1,982				
ALP FIR	387.1	69.5		127	416	705				

TC TSTATS				STATISTICS			PAGE	2		
				PROJECT	CLEVELFS		DATE	1/22/2016		
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
31N	38E	22	CLEVELAND F	00U1	150.67	31	76	S	E	
CL:	68.1 %	COEFF		NET BF/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	7	10	
GR FIR		387.1	69.5	54	179	303				
<b>TOTAL</b>		22.1	4.0	6,876	7,160	7,445	20	10	5	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR				73	90	106				
DOUG FIR-L				93	122	152				
P PINE	143.9	25.8		12	20	28				
P PINE-L				129	175	221				
ALP FIR	264.1	47.4		35	116	197				
GR FIR	264.1	47.4		30	100	169				
<b>TOTAL</b>	464.1	83.4		101	105	109	8,616	4,396	2,154	

TC TSTATS		STATISTICS							PAGE	1
		PROJECT		CLEVELFS			DATE		1/22/2016	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
30N	38E	16	CLEVELAND F	00U2	176.61	40	132	S	E	
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL		40	132	3.3						
CRUISE		23	36	1.6	13,073	.3				
DBH COUNT										
REFOREST										
COUNT		14	35	2.5						
BLANKS		3								
100 %										
STAND SUMMARY										
	SAMPLE TREES	TREES /ACRE	AVG DBH	BOLE LEN	REL DEN	BASAL AREA	GROSS BF/AC	NET BF/AC	GROSS CF/AC	NET CF/AC
DOUG FIR	15	22.8	15.7	56	7.7	30.6	4,856	4,727	953	952
DOUG FIR-L	5	11.2	17.2	59	4.4	18.1	2,480	2,385	542	542
GR FIR	9	19.5	13.0	62	5.0	18.1	2,897	2,860	554	554
W LARCH	1	10.4	10.5	74	1.9	6.3	832	832	169	169
W LARCH-L	2	6.6	13.9	86	1.9	6.9	945	945	224	224
P PINE-L	2	1.2	20.2	68	0.6	2.8	291	273	76	76
ALP FIR	1	.6	20.8	82	0.3	1.4	300	283	55	55
E SPRUCE	1	1.6	8.8	50	0.2	.7	82	82	15	15
<b>TOTAL</b>	<b>36</b>	<b>74.0</b>	<b>14.5</b>	<b>64</b>	<b>22.3</b>	<b>84.7</b>	<b>12,683</b>	<b>12,386</b>	<b>2,588</b>	<b>2,587</b>
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF			# OF TREES REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR		109.0	29.2	304	429	554				
DOUG FIR-L		82.0	40.8	216	364	512				
GR FIR		108.4	38.3	214	347	479				
W LARCH										
W LARCH-L		40.4	37.9	87	140	193				
P PINE-L		9.9	9.2	195	215	235				
ALP FIR										
E SPRUCE										
<b>TOTAL</b>		<b>106.7</b>	<b>17.8</b>	<b>290</b>	<b>353</b>	<b>416</b>	<b>455</b>	<b>232</b>	<b>114</b>	
CL:	68.1 %	COEFF	TREES/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR		139.0	22.0	18	23	28				
DOUG FIR-L		157.8	24.9	8	11	14				
GR FIR		138.0	21.8	15	19	24				
W LARCH		235.8	37.3	7	10	14				
W LARCH-L		197.5	31.2	5	7	9				
P PINE-L		441.4	69.8	0	1	2				
ALP FIR		441.4	69.8	0	1	1				
E SPRUCE		632.5	100.0	0	2	3				
<b>TOTAL</b>		<b>32.3</b>	<b>5.1</b>	<b>70</b>	<b>74</b>	<b>78</b>	<b>42</b>	<b>21</b>	<b>10</b>	
CL:	68.1 %	COEFF	BASAL AREA/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR		129.9	20.5	24	31	37				
DOUG FIR-L		146.0	23.1	14	18	22				
GR FIR		128.2	20.3	14	18	22				
W LARCH		235.8	37.3	4	6	9				
W LARCH-L		197.4	31.2	5	7	9				
P PINE-L		441.4	69.8	1	3	5				
ALP FIR		441.4	69.8	0	1	2				
E SPRUCE		632.5	100.0	0	1	1				
<b>TOTAL</b>		<b>30.6</b>	<b>4.8</b>	<b>81</b>	<b>85</b>	<b>89</b>	<b>37</b>	<b>19</b>	<b>9</b>	

TC TSTATS				STATISTICS			PAGE	2		
				PROJECT	CLEVELFS		DATE	1/22/2016		
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
30N	38E	16	CLEVELAND F	00U2	176.61	40	132	S	E	
CL:	68.1 %	COEFF		NET BF/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	7	10	
CL:	68.1 %	COEFF		NET BF/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR		137.4	21.7	3,700	4,727	5,754				
DOUG FIR-L		140.9	22.3	1,853	2,385	2,916				
GR FIR		133.0	21.0	2,258	2,860	3,461				
W LARCH		235.8	37.3	522	832	1,142				
W LARCH-L		200.0	31.6	646	945	1,244				
P PINE-L		441.4	69.8	82	273	463				
ALP FIR		441.4	69.8	85	283	480				
E SPRUCE		632.5	100.0	0	82	164				
<b>TOTAL</b>		<i>37.0</i>	<i>5.9</i>	<i>11,661</i>	<i>12,386</i>	<i>13,110</i>	<i>55</i>	<i>28</i>	<i>14</i>	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR				121	155	188				
DOUG FIR-L				103	132	161				
GR FIR		9.6	1.5	125	158	192				
W LARCH				83	133	183				
W LARCH-L				93	136	179				
P PINE-L		303.8	48.0	30	98	167				
ALP FIR		303.8	48.0	61	203	345				
E SPRUCE		632.5	100.0	0	118	237				
<b>TOTAL</b>		<i>346.3</i>	<i>54.8</i>	<i>138</i>	<i>146</i>	<i>155</i>	<i>4,797</i>	<i>2,447</i>	<i>1,199</i>	

TC TSTATS		STATISTICS					PAGE	1		
		PROJECT CLEVELFS					DATE	1/22/2016		
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
30N	38E	16	CLEVELAND F	00U3	91.18	20	45	S	E	
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL		20	45	2.3						
CRUISE		9	12	1.3	7,192	.2				
DBH COUNT										
REFOREST										
COUNT		8	12	1.5						
BLANKS		3								
100 %										
STAND SUMMARY										
	SAMPLE TREES	TREES /ACRE	AVG DBH	BOLE LEN	REL DEN	BASAL AREA	GROSS BF/AC	NET BF/AC	GROSS CF/AC	NET CF/AC
DOUG FIR	7	57.6	11.8	60	12.7	43.7	3,605	3,605	1,071	1,068
DOUG FIR-L	2	13.5	11.7	67	2.9	10.1	1,027	1,027	259	259
P PINE-L	1	2.1	27.3	75	1.6	8.4	1,220	1,096	254	254
W LARCH-L	1	4.3	14.6	83	1.3	5.0	564	564	151	151
GR FIR	1	1.4	15.0	89	0.4	1.7	315	288	60	60
<b>TOTAL</b>	<b>12</b>	<b>78.9</b>	<b>12.7</b>	<b>63</b>	<b>19.4</b>	<b>68.9</b>	<b>6,730</b>	<b>6,579</b>	<b>1,794</b>	<b>1,792</b>
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF			# OF TREES REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR		15.0	6.7	82	88	94				
DOUG FIR-L		67.0	62.8	35	95	155				
P PINE-L										
W LARCH-L										
GR FIR										
<b>TOTAL</b>		<b>93.3</b>	<b>29.5</b>	<b>102</b>	<b>145</b>	<b>187</b>	<b>383</b>	<b>195</b>	<b>96</b>	
CL:	68.1 %	COEFF	TREES/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR		79.7	18.3	47	58	68				
DOUG FIR-L		195.8	44.9	7	14	20				
P PINE-L		220.0	50.5	1	2	3				
W LARCH-L		326.2	74.9	1	4	8				
GR FIR		447.2	102.6		1	3				
<b>TOTAL</b>		<b>49.9</b>	<b>11.5</b>	<b>70</b>	<b>79</b>	<b>88</b>	<b>105</b>	<b>54</b>	<b>26</b>	
CL:	68.1 %	COEFF	BASAL AREA/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR		79.3	18.2	36	44	52				
DOUG FIR-L		190.4	43.7	6	10	14				
P PINE-L		220.0	50.5	4	8	13				
W LARCH-L		326.2	74.9	1	5	9				
GR FIR		447.2	102.6		2	3				
<b>TOTAL</b>		<b>24.9</b>	<b>5.7</b>	<b>65</b>	<b>69</b>	<b>73</b>	<b>26</b>	<b>13</b>	<b>7</b>	
CL:	68.1 %	COEFF	NET BF/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR		79.9	18.3	2,945	3,605	4,266				
DOUG FIR-L		190.5	43.7	578	1,027	1,476				
P PINE-L		220.0	50.5	542	1,096	1,649				
W LARCH-L		326.2	74.9	142	564	986				
GR FIR		447.2	102.6		288	583				
<b>TOTAL</b>		<b>23.8</b>	<b>5.5</b>	<b>6,220</b>	<b>6,579</b>	<b>6,938</b>	<b>24</b>	<b>12</b>	<b>6</b>	
CL:	68.1 %	COEFF	V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR				67	83	98				

TC TSTATS				<b>STATISTICS</b>				PAGE	2	
				PROJECT		CLEVELFS		DATE	1/22/2016	
<b>TWP</b>	<b>RGE</b>	<b>SECT</b>	<b>TRACT</b>	<b>TYPE</b>	<b>ACRES</b>	<b>PLOTS</b>	<b>TREES</b>	<b>CuFt</b>	<b>BdFt</b>	
<b>30N</b>	<b>38E</b>	<b>16</b>	<b>CLEVELAND F</b>	<b>00U3</b>	91.18	20	45	S	E	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR-L		34.9	8.0	57	102	146				
P PINE-L				65	130	196				
W LARCH-L		113.4	26.0	28	112	196				
GR FIR		447.2	102.6		171	347				
<b>TOTAL</b>		<b>329.5</b>	<b>75.6</b>	<b>90</b>	<b>95</b>	<b>101</b>	<b>4,574</b>	<b>2,334</b>	<b>1,143</b>	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	CLEVELFS			DATE	1/22/2016	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
29N	37E	16	CLEVELAND F	00U4	200.89	39	36	S	E	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL	39	36	.9							
CRUISE	12	14	1.2	5,029	.3					
DBH COUNT										
REFOREST										
COUNT	10	15	1.5							
BLANKS	17									
100 %										
<b>STAND SUMMARY</b>										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
P PINE	12	18.0	14.8	61	5.6	21.4	2,943	2,896	589	589
DOUG FIR	2	7.0	10.6	58	1.3	4.3	526	435	113	113
<b>TOTAL</b>	<b>14</b>	<b>25.0</b>	<b>13.7</b>	<b>60</b>	<b>6.9</b>	<b>25.6</b>	<b>3,470</b>	<b>3,331</b>	<b>702</b>	<b>702</b>
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	<b>SAMPLE TREES - BF</b>				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE	77.7	23.4		183	238	294				
DOUG FIR	123.7	116.0			160	346				
<b>TOTAL</b>	<b>79.8</b>	<b>22.1</b>		<b>177</b>	<b>227</b>	<b>277</b>	<b>274</b>	<b>140</b>	<b>68</b>	
CL:	68.1 %	COEFF	<b>TREES/ACRE</b>				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE	91.6	14.7		15	18	21				
DOUG FIR	366.2	58.6		3	7	11				
<b>TOTAL</b>	<b>104.4</b>	<b>16.7</b>		<b>21</b>	<b>25</b>	<b>29</b>	<b>436</b>	<b>222</b>	<b>109</b>	
CL:	68.1 %	COEFF	<b>BASAL AREA/ACRE</b>				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE	86.8	13.9		18	21	24				
DOUG FIR	350.9	56.2		2	4	7				
<b>TOTAL</b>	<b>80.1</b>	<b>12.8</b>		<b>22</b>	<b>26</b>	<b>29</b>	<b>257</b>	<b>131</b>	<b>64</b>	
CL:	68.1 %	COEFF	<b>NET BF/ACRE</b>				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE	97.6	15.6		2,444	2,896	3,349				
DOUG FIR	357.3	57.2		186	435	684				
<b>TOTAL</b>	<b>88.9</b>	<b>14.2</b>		<b>2,857</b>	<b>3,331</b>	<b>3,805</b>	<b>316</b>	<b>161</b>	<b>79</b>	
CL:	68.1 %	COEFF	<b>V-BAR/ACRE</b>				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE				114	136	157				
DOUG FIR	128.4	20.6		44	102	160				
<b>TOTAL</b>	<b>329.1</b>	<b>52.7</b>		<b>111</b>	<b>130</b>	<b>148</b>	<b>4,333</b>	<b>2,211</b>	<b>1,083</b>	

TC TSTATS		STATISTICS							PAGE	1
		PROJECT CLEVELFS					DATE	1/22/2016		
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
29N	37E	08	CLEVELAND F	00U5	33.41	9	17	S	E	
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL		9	17	1.9						
CRUISE		9	17	1.9	1,591	1.1				
DBH COUNT										
REFOREST										
COUNT										
BLANKS										
100 %										
STAND SUMMARY										
	SAMPLE TREES	TREES /ACRE	AVG DBH	BOLE LEN	REL DEN	BASAL AREA	GROSS BF/AC	NET BF/AC	GROSS CF/AC	NET CF/AC
P PINE	9	30.6	14.2	42	8.9	33.6	3,350	2,962	749	750
P PINE-L	5	7.2	21.7	80	4.0	18.7	3,434	3,190	623	623
DOUG FIR	2	9.0	12.3	69	2.1	7.5	1,028	938	210	210
DOUG FIR-L	1	.7	30.4	108	0.7	3.7	1,222	1,222	188	188
<b>TOTAL</b>	<b>17</b>	<b>47.6</b>	<b>15.6</b>	<b>54</b>	<b>16.1</b>	<b>63.5</b>	<b>9,034</b>	<b>8,312</b>	<b>1,769</b>	<b>1,770</b>
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE	107.7	38.0		100	161	222				
P PINE-L	27.7	13.8		395	458	521				
DOUG FIR	6.7	6.3		98	105	112				
DOUG FIR-L										
<b>TOTAL</b>	<b>119.7</b>	<b>29.9</b>		<b>231</b>	<b>329</b>	<b>428</b>	<b>609</b>	<b>311</b>	<b>152</b>	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE	95.2	33.6		20	31	41				
P PINE-L	98.1	34.7		5	7	10				
DOUG FIR	203.0	71.7		3	9	15				
DOUG FIR-L	300.0	106.0			1	2				
<b>TOTAL</b>	<b>47.5</b>	<b>16.8</b>		<b>40</b>	<b>48</b>	<b>56</b>	<b>101</b>	<b>52</b>	<b>25</b>	
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE	86.6	30.6		23	34	44				
P PINE-L	94.9	33.5		12	19	25				
DOUG FIR	198.4	70.1		2	7	13				
DOUG FIR-L	300.0	106.0			4	8				
<b>TOTAL</b>	<b>49.1</b>	<b>17.4</b>		<b>52</b>	<b>63</b>	<b>75</b>	<b>108</b>	<b>55</b>	<b>27</b>	
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE	95.6	33.8		1,962	2,962	3,963				
P PINE-L	96.7	34.2		2,100	3,190	4,280				
DOUG FIR	201.1	71.0		272	938	1,603				
DOUG FIR-L	300.0	106.0			1,222	2,518				
<b>TOTAL</b>	<b>80.7</b>	<b>28.5</b>		<b>5,942</b>	<b>8,312</b>	<b>10,683</b>	<b>293</b>	<b>149</b>	<b>73</b>	
CL:	68.1 %	COEFF	V-BAR/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
P PINE	95.6	33.8		58	88	118				
P PINE-L	96.7	34.2		112	171	229				
DOUG FIR	201.1	71.0		36	126	215				

TC TSTATS				<b>STATISTICS</b>				PAGE	2	
				PROJECT		CLEVELFS		DATE	1/22/2016	
<b>TWP</b>	<b>RGE</b>	<b>SECT</b>	<b>TRACT</b>	<b>TYPE</b>	<b>ACRES</b>	<b>PLOTS</b>	<b>TREES</b>	<b>CuFt</b>	<b>BdFt</b>	
<b>29N</b>	<b>37E</b>	<b>08</b>	<b>CLEVELAND F</b>	<b>00U5</b>	33.41	9	17	S	E	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR-L		300.0	106.0		327	674				
<b>TOTAL</b>		80.7	28.5	94	131	168	293	149	73	



Stand Table Summary															
TC TSTNDSUM															
Project CLEVELFS															
T31N R38E S22 T00U1										T31N R38E S22 T00U1					
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	Page:	2						
31N	38E	22	CLEVELAND F	00U1	150.67	31	76	Date:	1/22/2010						
								Time:	7:12:55AM						
S Spc	T	Av			Average Log			Net		Net		Totals			
		Sample DBH	FF Trees	Ht 16' Tot	Trees/ Acre	BA/ Acre	Logs Acre	Net Cu.Ft.	Net Cu.Ft.	Tons/ Acre	Net Bd.Ft. Acre	Tons	Cunits	MBF	
PP	Totals	7	80	27	9.544	6.27	4.35	6.3	12.5	0.84	27	54	126	41	8
AF	8	1	88	17	2.444	.90									
AF	10	1	89	17	1.611	.90									
AF	11	1	89	17	1.383	.90									
AF	14	1	89	17	.792	.90									
AF	Totals	4	89	17	6.229	3.58									
Totals		76	83	24	74.911	68.11	18.51	19.6	73.5	10.28	363	1,360	1,549	547	205

Take trees per acre - 52.097

Leave trees per acre - 22.814



TC		Stand Table Summary														
TSTNDSUM		Project CLEVELFS														
T30N R38E S16 T00U2											T30N R38E S16 T00U2					
Twp	Rge	Sec	Tract		Type	Acres	Plots	Sample Trees			Page:					
30N	38E	16	CLEVELAND F		00U2	176.61	40	132			2					
											Date:	1/22/2010				
											Time:	7:12:55AM				
Spc	T	Sample		Av		Trees/ Acre	BA/ Acre	Logs Acre	Average Log		Net Tons/ Acre	Net Cu.Ft. Acre	Net Bd.Ft. Acre	Totals		
		DBH	Trees	FF 16'	Ht Tot				Net Cu.Ft.	Net Bd.Ft.				Tons	Cunits	MBF
WL	L	13	1	90	92	.709	.69	1.42	17.7	90.0	.60	25	128	106	44	23
WL	L	14	3	83	38	1.851	2.08	1.23	16.0	50.0	.47	20	61	83	35	11
WL	L	18	1	87	17	.389	.69									
WL	L	20	1	86	17	.306	.69									
WL		Totals	10	86	28	8.502	6.95	2.65	16.9	71.4	1.07	45	189	190	79	33
AF		13	1	89	17	.709	.69									
AF		21	1	87	103	.294	.69	.88	31.0	160.0	.68	27	141	121	48	25
AF		Totals	2	88	42	1.003	1.39	.88	31.0	160.0	0.68	27	141	121	48	25
PP	L	18	2	85	53	.799	1.39	.79	24.7	115.0	.47	20	91	83	35	16
PP	L	20	1	86	17	.312	.69									
PP	L	24	1	70	79	.225	.69	.45	40.4	100.0	.44	18	45	77	32	8
PP		Totals	4	83	49	1.336	2.78	1.24	30.4	109.6	0.91	38	136	160	67	24
WL		11	1	84	74	1.155	.69	2.31	8.1	40.0	.45	19	92	79	33	16
WL		12	1	87	17	.914	.69									
WL		13	2	87	17	1.535	1.39									
WL		17	1	86	17	.451	.69									
WL		18	3	87	17	1.243	2.08									
WL		19	1	86	17	.364	.69									
WL		Totals	9	86	29	5.662	6.25	2.31	8.1	40.0	0.45	19	92	79	33	16
ES		9	1	89	50	1.644	.69	1.64	9.3	50.0	.40	15	82	70	27	15
ES		Totals	1	89	50	1.644	.69	1.64	9.3	50.0	0.40	15	82	70	27	15
GF	L	10	1	86	17	1.326	.69									
GF	L	15	1	85	17	.589	.69									
GF	L	17	1	86	17	.425	.69									
GF	L	18	2	86	17	.808	1.39									
GF	L	27	2	86	17	.346	1.39									
GF		Totals	7	86	17	3.494	4.86									
PP		16	2	85	17	1.007	1.39									
PP		17	1	86	17	.468	.69									
PP		Totals	3	85	17	1.475	2.08									
Totals			132	84	29	87.362	91.67	34.97	21.9	105.8	21.24	765	3,701	3,751	1,351	654

Take trees per acre - 63.111

Leave trees per acre - 24.251

TC		Stand Table Summary														
TSTNDSUM		Project CLEVELFS														
T30N R38E S16 T00U3										T30N R38E S16 T00U3						
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees			Page:	1					
30N	38E	16	CLEVELAND F	00U3	91.18	20	45			Date:	1/22/2010					
										Time:	7:12:55AM					
S Spc	T	Sample		Av	Trees/ Acre	BA/ Acre	Logs Acre	Average Log		Net Tons/ Acre	Net Cu.Ft. Acre	Net Bd.Ft. Acre	Totals			
		DBH	Trees	FF 16'				Ht Tot	Net Cu.Ft.				Net Bd.Ft.	Tons	Cunits	MBF
DF		7	1	83	17	5.782	1.68									
DF		8	2	83	17	9.055	3.36									
DF		9	4	81	28	15.439	6.72	4.17	8.7	30.0	1.03	36	125	94	33	11
DF		10	4	82	26	12.360	6.72	2.90	11.9	50.0	.98	34	145	90	31	13
DF		11	1	79	59	2.371	1.68	2.37	15.7	50.0	1.06	37	119	97	34	11
DF		12	1	83	17	2.213	1.68									
DF		13	6	81	25	11.391	10.08	1.97	21.4	70.0	1.20	42	138	110	38	13
DF		14	1	82	17	1.572	1.68									
DF		15	3	76	48	4.376	5.04	5.86	15.5	50.0	2.61	91	293	238	83	27
DF		16	2	76	43	2.363	3.36	2.32	20.2	65.0	1.34	47	151	122	43	14
DF		18	1	83	17	1.006	1.68									
DF		Totals	26	81	27	67.929	43.69	19.59	14.7	49.5	8.22	288	971	749	262	89
DF	L	10	2	79	41	6.170	3.36	3.21	11.9	50.0	1.09	38	160	99	35	15
DF	L	12	1	82	17	2.140	1.68									
DF	L	13	1	83	17	1.823	1.68									
DF	L	15	1	76	78	1.299	1.68	2.60	18.5	70.0	1.37	48	182	125	44	17
DF	L	18	1	83	17	.951	1.68									
DF		Totals	6	80	35	12.383	10.08	5.81	14.9	58.9	2.46	86	342	224	79	31
PP	L	7	1	86	17	6.288	1.68									
PP	L	14	1	86	17	1.486	1.68									
PP	L	24	1	85	17	.535	1.68									
PP	L	26	1	86	17	.456	1.68									
PP	L	27	1	81	94	.413	1.68	.83	61.4	265.0	1.22	51	219	111	46	20
PP		Totals	5	86	20	9.178	8.40	.83	61.4	265.0	1.22	51	219	111	46	20
WL	L	15	1	79	83	1.445	1.68	2.89	17.4	65.0	1.21	50	188	110	46	17
WL	L	20	1	86	17	.770	1.68									
WL	L	21	1	87	17	.699	1.68									
WL		Totals	3	83	50	2.914	5.04	2.89	17.4	65.0	1.21	50	188	110	46	17
GF		15	1	85	17	1.369	1.68									
GF		Totals	1	85	17	1.369	1.68									
GF	L	19	1	85	17	.854	1.68									
GF		Totals	1	85	17	.854	1.68									
PP		7	1	86	17	6.288	1.68									
PP		12	1	85	17	2.140	1.68									
PP		30	1	86	17	.345	1.68									
PP		Totals	3	86	17	8.772	5.04									
Totals			45	82	27	103.399	75.62	29.12	16.3	59.1	13.10	475	1,720	1,195	433	157

Take trees per acre - 78.07  
Leave trees per acre - 25.329

Stand Table Summary																
TC TSTNDSUM																
Project CLEVELFS																
T29N R37E S16 T00U4										T29N R37E S16 T00U4						
Twp Rge Sec Tract Type Acres Plots Sample Trees										Page: 1						
29N 37E 16 CLEVELAND F 00U4 200.89 39 14										Date: 1/22/2010						
										Time: 7:12:55AM						
S Spc	T	Av			Trees/ BA/ Logs			Average Log		Net		Net		Totals		
		Sample DBH	FF Trees	Ht 16'	FF Tot	Trees/ Acre	BA/ Acre	Logs Acre	Net Cu.Ft.	Net Bd.Ft.	Tons/ Acre	Cu.Ft. Acre	Bd.Ft. Acre	Tons	Cunits	MBF
PP		10	1	80	53	3.138	1.78	3.14	8.9	30.0	.67	28	94	135	56	19
PP		11	1	82	65	2.961	1.78	2.96	11.1	50.0	.79	33	148	159	66	30
PP		12	1	66	45	2.194	1.78	2.19	12.3	30.0	.65	27	66	130	54	13
PP		14	1	90	84	1.575	1.78	3.15	16.6	85.0	1.25	52	268	251	105	54
PP		15	1	85	107	1.553	1.78	3.11	19.4	95.0	1.45	60	295	291	121	59
PP		17	3	85	78	3.487	5.34	6.97	19.2	88.2	3.22	134	615	647	270	124
PP		18	1	89	127	.986	1.78	2.96	24.9	143.3	1.76	74	424	354	148	85
PP		20	2	91	103	1.625	3.56	4.07	31.7	176.0	3.10	129	717	623	260	144
PP		26	1	86	84	.491	1.78	.98	53.1	275.0	1.25	52	270	251	105	54
PP		Totals	12	83	76	18.008	21.37	29.53	20.0	98.1	14.15	589	2,896	2,842	1,184	582
DF		8	1	84	56	5.972	2.14	5.97	6.8	20.0	1.16	41	119	232	82	24
DF		19	1	83	84	1.052	2.14	2.10	34.3	150.0	2.06	72	316	414	145	63
DF		Totals	2	84	60	7.023	4.27	8.08	14.0	53.9	3.22	113	435	646	227	87
Totals			14	83	71	25.032	25.64	37.61	18.7	88.6	17.36	702	3,331	3,488	1,411	669

6 leave trees per acre are banded with purple paint.

TC		TSTNDSUM													Stand Table Summary			
Project															CLEVELFS			
T29N R37E S08 T00U5												T29N R37E S08 T00U5						
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	Page:	1		Date:	1/22/2010		Time:	7:12:55AM			
29N	37E	08	CLEVELAND F	00U5	33.41	9	17											
Spc	T	DBH	Sample Trees	FF	Av Ht	16'	Tot	Trees/Acre	BA/Acre	Logs/Acre	Average Log		Net Tons/Acre	Net Cu.Ft./Acre	Net Bd.Ft./Acre	Totals		
											Net Cu.Ft.	Net Bd.Ft.				Tons	Cunits	MBF
PP	L	20	2	85	110			3.476	7.47	8.72	27.8	139.9	5.81	242	1,220	194	81	41
PP	L	22	1	91	104			1.428	3.73	4.28	29.6	143.3	3.04	127	614	101	42	21
PP	L	24	2	88	105			2.338	7.47	5.85	43.5	232.0	6.10	254	1,356	204	85	45
PP		Totals	5	87	107			7.242	18.67	18.84	33.1	169.3	14.94	623	3,190	499	208	107
PP		10	1	78	33			7.129	3.73	7.13	5.7	20.0	.98	41	143	33	14	5
PP		12	2	81	52			10.095	7.47	10.09	12.5	49.5	3.03	126	500	101	42	17
PP		14	1	63	59			3.348	3.73	3.35	23.9	40.0	1.92	80	134	64	27	4
PP		15	1	85	79			3.003	3.73	6.01	14.6	60.0	2.08	88	360	70	29	12
PP		17	1	85	76			2.515	3.73	5.03	18.3	60.0	2.20	92	302	74	31	10
PP		20	1	85	64			1.712	3.73	1.71	44.1	140.0	1.81	75	240	60	25	8
PP		22	2	88	99			2.831	7.47	7.04	35.2	182.5	5.94	248	1,285	199	83	43
PP		Totals	9	80	58			30.633	33.61	40.36	18.6	73.4	17.97	750	2,962	600	250	99
DF	L	30	1	89	136			.741	3.73	2.96	63.5	412.5	5.36	188	1,222	179	63	41
DF		Totals	1	89	136			.741	3.73	2.96	63.5	412.5	5.36	188	1,222	179	63	41
DF		11	1	90	66			5.362	3.73	10.72	10.0	50.0	3.06	107	536	102	36	18
DF		14	1	80	73			3.648	3.73	7.30	14.0	55.0	2.91	102	401	97	34	13
DF		Totals	2	86	69			9.010	7.47	18.02	11.6	52.0	5.97	210	938	200	70	31
Totals			17	82	69			47.626	63.49	80.19	22.1	103.7	44.25	1770	8,312	1,478	591	278

Take trees per acre - 39.685

Leave trees per acre - 7.941



WASHINGTON STATE DEPARTMENT OF  
**Natural Resources**  
 Peter Goldmark - Commissioner of Public Lands

**Forest Practices Application/Notification  
 Notice of Decision**

FPA/N No: 3020662  
 Effective Date: 01/06/16  
 Expiration Date: 01/06/19  
 Shut Down Zone: 686 ; 687  
 EARR Tax Credit:  Eligible [ ] Non-eligible  
 Reference: DNR/CLEVELAND FIRE SALV.  
 21-31-38,16-30-38,8,16-29-37

**Decision**

- Notification Operations shall not begin before the effective date.
- Approved This Forest Practices Application is subject to the conditions listed below.
- Disapproved This Forest Practices Application is disapproved for the reasons listed below.
- Closed Applicant has withdrawn FPA/N.

**FPA/N Classification**

Class II  Class III  Class IVG  Class IVS

**Number of Years Granted on Multi-Year Request**

4 years  5 years

**Conditions on Approval / Reasons for Disapproval**

Conditions:

1. Water courses and wetland management areas may have been identified within this permit. If changes occur to water courses or wetlands during the timeframe of this permit, notify the forest practice forester immediately for correct protection measures.
2. Where harvesting operations occur on slopes or near draws that have the potential to deliver sediment to a public resource, it is required that measures be taken to minimize that potential. These would include: progressive water-barring of skid trails, slash placement or grass seeding. Falling and leaving small trees or logs that are perpendicular to the slope can also be helpful in minimizing erosion to slopes and delivery of sediment to a public resource.

Issued By: BERNIE JONES

Region: Northeast

Title: Forest Practices Forester

Date: 01/06/2016

Copies to:  Landowner, Timber Owner and Operator.

Issued in person:  Landowner  Timber Owner  Operator By: NONDIS TAYLOR