





TIMBER NOTICE OF SALE

SALE NAME: CHUPACABRA SORTS

AGREEMENT NO: 30-99682 - 30-99692

AUCTION: February 27, 2020 starting at 10:00 a.m. Pacific Cascade Region Office, Castle Rock, WA

COUNTY: Cowlitz

SALE LOCATION: Sale located approximately 24 miles east of Woodland

PRODUCTS SOLD AND SALE AREA:

All delivered timber described below, except for leave trees bounded by yellow "Leave Tree Area" tags and pink flagging and individual trees marked with blue paint, all down timber greater than 36 inches in diameter bounded by; white "Timber Sale Boundary" tags with pink flagging, and the N-6600 Road in Unit 1; white "Timber Sale Boundary" tags with pink flagging and private property lines identified with pink flagging in Units 2 and 6; white "Timber Sale Boundary" tags with pink flagging, private property with pink flagging and reprod marked with pink flagging in Unit 3, white "Timber Sale Boundary" tags with pink flagging, private property with pink flagging and the N-6659A, N-6659A1, and N-6659B2 roads in Unit 4; white "Timber Sale Boundary" tags with pink flagging and the N-6650 road in Unit 5; orange "Right-of-Way Boundary" tags and orange flagging in Unit 7 meeting the specifications described below; on parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., containing 112 acres, more or less.

MINIMUM BID AND ESTIMATED LOG VOLUMES:

Table with 10 columns: Agreement #, Sort #, Species and Sort Specifications, Average Log Length, Estimated Volume (Mbf, Tons), Tons Per MBF, Minimum Bid Delivered Prices (\$/mbf, \$/Ton), Total Appraised Value, Bid Deposit. Rows 99682-99692.

Totals: 5720 35083 \$3,078,080.00

CERTIFICATION: This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: PwC-SFIFM-513)

BID METHOD: Sealed Bids UNIT OF MEASURE: MBF Scale/Tonnage Scale

EXPIRATION DATE: October 31, 2020 ALLOCATION: Export Restricted

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



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### **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 auction information may be obtained from the Pacific Cascade Region Office in Castle Rock WA. Phone number (360)577-2025.

### **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 = \$0.00 per MBF for sorts 1, 2, 3, 4, 5, 6, 7, 8 and 9 and \$12.00 per Ton for sorts 10 and 11.

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

Base Rate = \$2.35 per ton

Mileage Rate =  $(\$0.16 \times C \text{ miles}) + (\$0.11 \times A \text{ miles}) \times \text{Fuel Index Factor}$

ARRF = \$0.00 per MBF for sorts 10 and 11 and \$26.00 per MBF for sorts 1, 2, 3, 4, 5, 6, 7, 8 and 9.

Note: To calculate ARRF 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.

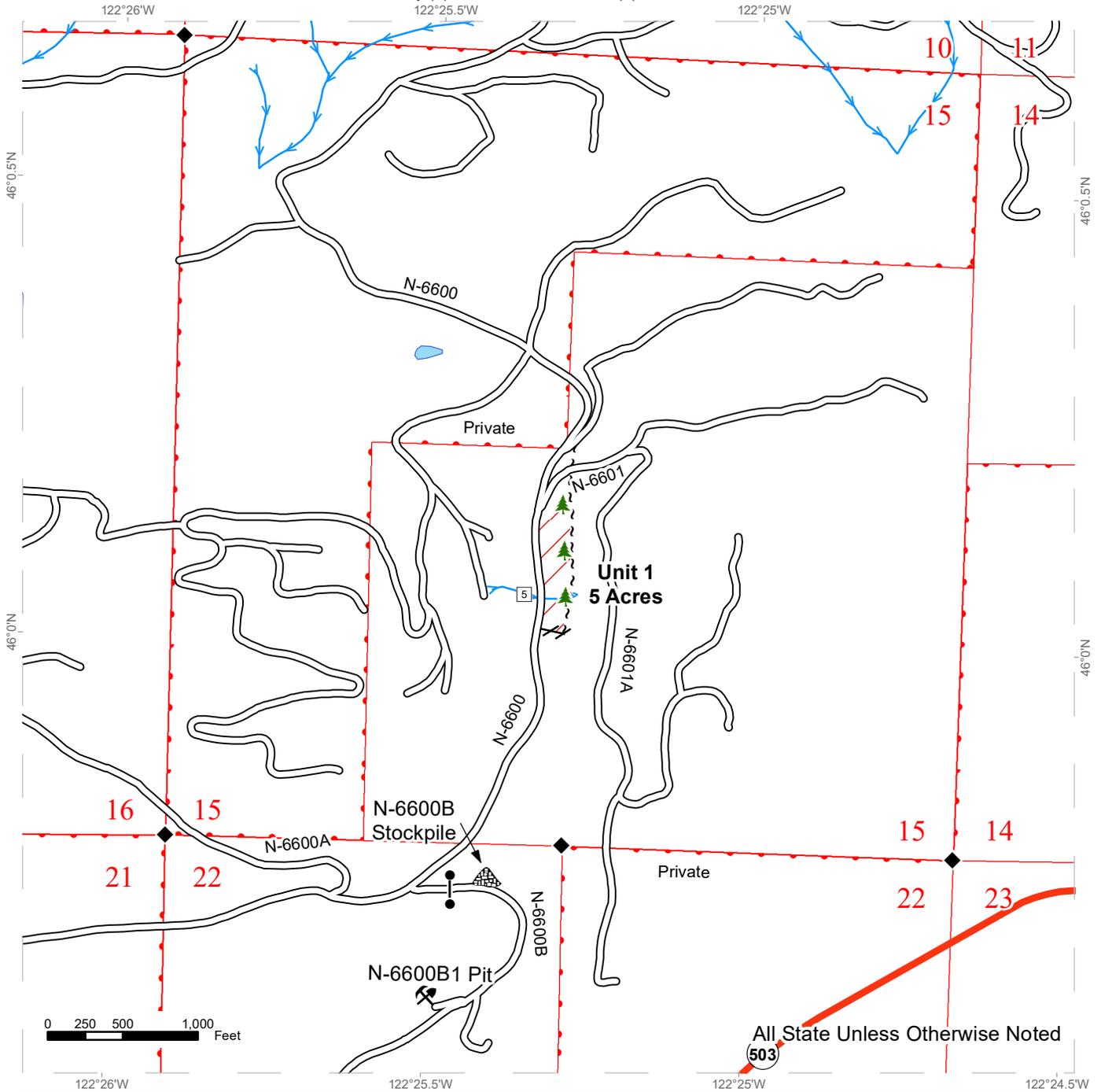
Anticipated log delivery date of March 16, 2020 to October 15, 2020.

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 Jon Olson at the Pacific Cascade Region Office at (360)577-2025 or Steve Tietzel at the Product Sales and Leasing Division Office in Olympia at (360)902-1741.

# TIMBER SALE MAP

**SALE NAME:** CHUPACABRA SORTS  
**AGREEMENT #:** 30-099681  
**TOWNSHIP(S):** T6R3E  
**TRUST(S):** Common School and Indemnity (3), State Forest Transfer (1)

**REGION:** Pacific Cascade Region  
**COUNTY(S):** Cowlitz  
**ELEVATION RGE:** 2138-2825



All State Unless Otherwise Noted



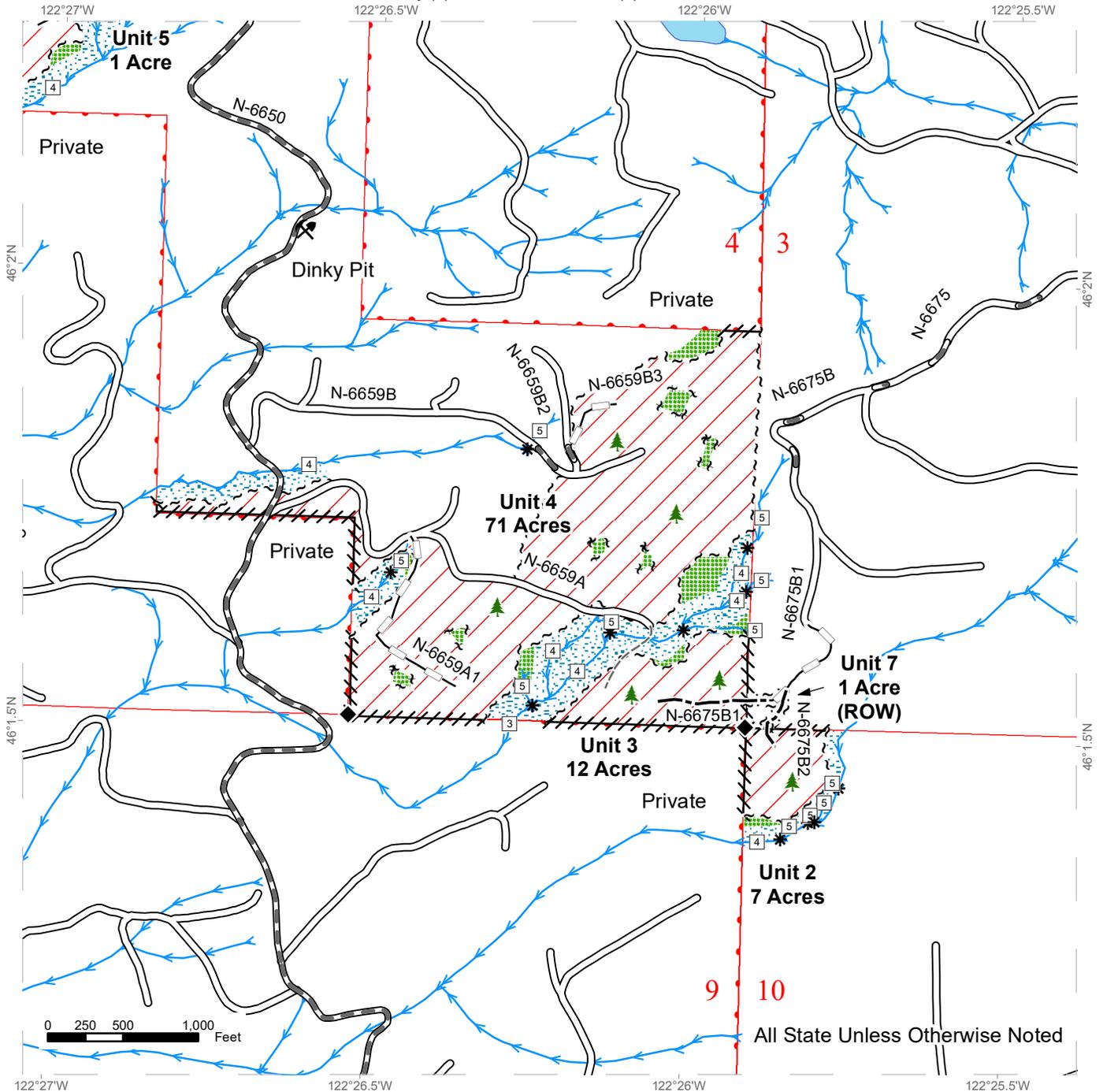
Variable Retention Harvest	Stream Type
Gate (PCP1-1)	Stream Type Break
Leave Tree Area <1/4-acre	Survey Monument
Rock Pit	Sale Boundary Tags
Stockpile	Flag Line
Existing Roads	
Streams	



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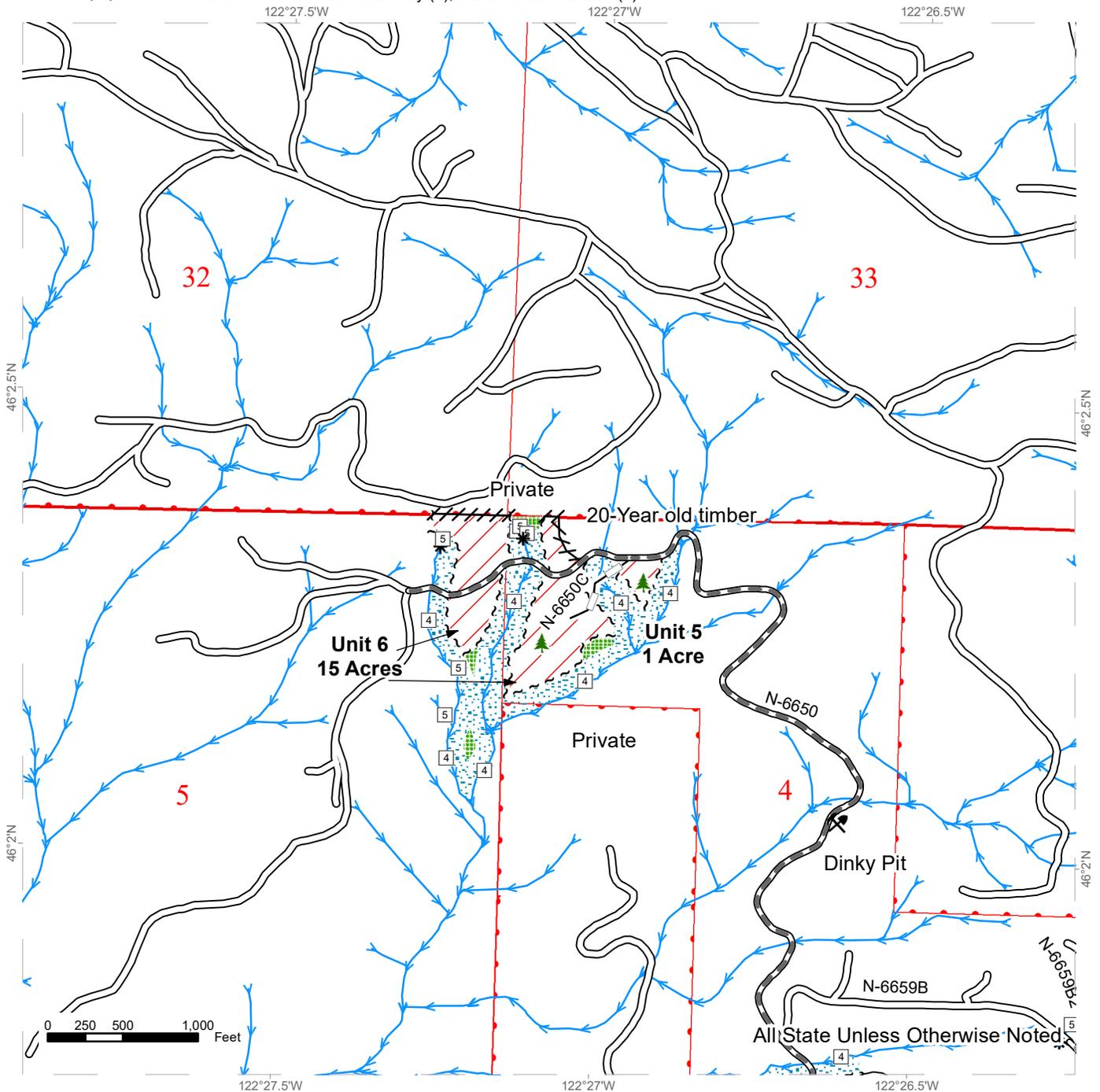
Variable Retention Harvest	Optional Construction	Sale Boundary Tags
Leave Tree Area	Optional Reconstruction	Leave Tree Tags
Riparian Mgt Zone	Old Grades/Trails	Right of Way Tags
Leave Tree Area <1/4-acre	Streams	Flag Line
Rock Pit	Stream Type	
Existing Roads	Stream Type Break	
Required Pre-Haul Maintenance	Survey Monument	



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Variable Retention Harvest	Optional Reconstruction
Leave Tree Area	Streams
Riparian Mgt Zone	Stream Type
Leave Tree Area <1/4-acre	Stream Type Break
Rock Pit	Sale Boundary Tags
Existing Roads	Flag Line
Required Pre-Haul Maintenance	



# DRIVING MAP

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	Timber Sale Unit
	Highway
	Haul Route
	Other Road
	Milepost Markers
	Distance Indicator
	Rock Pit
	Stockpile

**Driving Directions**

See Attachment



## Chupacabra Sorts Driving Directions

### **Unit 1, N-6600B Stockpile, & N-6600B1 Pit:**

From State Route 503, turn left (north) onto the N-6600. To the N-6600B Stockpile and N-6600B1 Pit follow the N-6600 for 1.4 miles, then turn right (south) onto the N-6600B. The N-6600B Stockpile is on the left side of the road. Continue for 0.3 miles to the N-6600B1 pit. To Unit 1 From the N-6600/6600B junction continue on the N-6600 for 0.5 miles.

### **Units 2, 3, & 7:**

Stay on the N-6600 for 1.4 mi to the intersection with the N-6650. Stay right and continue on the N-6600 for 1.9 mi. to the intersection with the N-6690. Stay left and continue on the N-6600 for another 1.0 mi, then veer left onto the N-6675. Stay on the N-6675 for 0.5 mi. Stay right onto the N-6675B for 0.3 mi. Stay right onto the N-6675B1 for 0.3 mi. to arrive at Unit 2, 3, & 7.

### **Units 4-6:**

At the intersection of the N-6600 and the N-6650 veer to the left onto the N-6650. Continue onto the N-6650 for 2.2 miles. Turn right onto the N-6659A until the end of the road to access the unit. On the N-6650 continue 0.1 mi and turn right on the N-6659B until the end of the road to access to north half of the unit. For Unit 5 continue on the N-6650 past Dinky Pit for 1.5 mi. Continue an additional 0.1 mi to arrive at Unit 6.

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**LOG SALE AND PURCHASE CONTRACT**

**AGREEMENT NO. 30-099682**

**SALE NAME: CHUPACABRA SORT 1**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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
99682	1	DF 5"-11" dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

**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
99682	1	WS

Average Log Length	Preferred Log Lengths
28'	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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/MBF

\$250.00/MBF for incorrect species delivery\*

\$20/mbf for Utility logs (Adjusted Gross).

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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-038.2 Average Log Length and Payment Reduction**

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

#### **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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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:

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

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

\_\_\_\_\_  
Eric Wisch

\_\_\_\_\_  
Print Name

Pacific Cascade Region Manager

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

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

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

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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. 30-099683**

**SALE NAME: CHUPACABRA SORT 2**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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>
99683	2	DF-12"+ dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

#### **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
99683	2	WS

Average Log Length	Preferred Log Lengths
28'	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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/MBF

DATA MISSING/MBF for incorrect species delivery\*

\$20/mbf for Utility logs (Adjusted Gross).

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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-038.2 Average Log Length and Payment Reduction**

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

#### **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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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:

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

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

\_\_\_\_\_  
Eric Wisch

\_\_\_\_\_  
Print Name

Pacific Cascade Region Manager

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

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

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

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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. 30-099684**

**SALE NAME: CHUPACABRA SORT 3**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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>
99684	3	DF HQ 12"+ dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

#### **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
99684	3	WS

Average Log Length	Preferred Log Lengths
28'	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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/MBF

DATA MISSING/MBF for incorrect species delivery\*

\$20/mbf for Utility logs (Adjusted Gross).

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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-038.2 Average Log Length and Payment Reduction**

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

#### **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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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:

Interest = r x LD x 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

\_\_\_\_\_  
Eric Wisch

\_\_\_\_\_  
Print Name

Pacific Cascade Region Manager

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

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

Address:

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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. 30-099685**

**SALE NAME: CHUPACABRA SORT 4**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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>
99685	4	DF Poles 40'+	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

#### **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
99685	4	WS

Average Log Length	Preferred Log Lengths
NA	

"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.

#### **G-025 Schedules**

The following attached schedules are hereby incorporated by reference:

Schedule	Title
P	POLE SPECIFICATIONS

#### **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 10 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 October 31, 2020.

#### **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 Castle Rock, 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 address of record, 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/MBF

DATA MISSING/MBF for incorrect species delivery\*

\$20/mbf for Utility logs (Adjusted Gross).

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **P-035.2 Missorts and Payment Reduction for Delivered Poles**

Poles delivered that do not meet the sorting specifications in G-022.2 and poles not meeting ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract may be considered missorts. The purchaser must immediately notify the Contract Administrator upon receiving potential missorts and set aside the missort poles for DNR inspection unless otherwise directed by the Contract Administrator in writing.

Purchaser is required to pay the State for missorted poles at the Purchaser's bid price listed in clause P-028.2 'Payment for Logs Delivered' of this contract. However, the Purchaser may become eligible for missort pole payment reduction by notifying the State in writing prior to contract expiration. Final determination of eligibility for payment reduction of Purchaser identified missorted poles is subject to DNR approval.

Delivered poles approved as missort(s) by DNR shall be rescaled at purchaser's expense by a third party scaling organization unless the original third party scaling documentation is applicable and available.

Purchaser agrees to pay the State for delivered poles eligible for missort payment reduction at the following rate:

DATA MISSING / mbf

Payment reductions approved by DNR shall be applied at the end of deliveries.

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

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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-038.2 Average Log Length and Payment Reduction**

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

#### **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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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

\_\_\_\_\_  
Eric Wisch

\_\_\_\_\_  
Print Name

Pacific Cascade Region Manager

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

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

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

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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 \_\_\_\_\_

**Schedule P**  
**POLE SPECIFICATIONS**

Poles produced under this contract shall meet the following specifications:

**MINIMUM SAPWOOD:** Required both butt and top; 1-inch on Douglas-fir and none on western redcedar.

**BUTTS:** Shall be cut above the swell and hook.

**SWEEP:** Poles shall be line straight. That is, a straight line from the center of the butt to the center of the top will not pass outside the body of the pole.

**KNOTS:** Maximum diameter of a single knot shall not exceed 3 inches. The sum of the diameters of all knots (1/2 inch and larger) in any 1-foot section shall not exceed 8 inches on 45-foot and shorter and 10 inches on 50-foot and longer poles.

**TRIM:** Poles shall have a minimum of 12 inches of trim.

**MAXIMUM DIAMETER AT GROUND LINE:** Shall not be more than 7 inches or 20% larger than the specified minimum, whichever is greater.

**CLASSIFICATION:** The diameter (D.O.B.) at ground line (6 feet up from the butt) will determine the true class of the pole, provided that its top is large enough. Otherwise, the diameter (D.I.B.) at the top will determine the true class.

**PROHIBITED DEFECTS:** Poles shall be free of sucker knots, knot clusters, rotten knots, short crooks, splits, shake, scars or catfaces, deadwood streaks, snowbreak, cross break, decay, and worm or insect damage.

**REFERENCE:** American National  
**STANDARDS INSTITUTE:** A.N.S.I. 05.1-2008 or later

**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**LOG SALE AND PURCHASE CONTRACT**

**AGREEMENT NO. 30-099686**

**SALE NAME: CHUPACABRA SORT 5**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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>
99686	5	WW 5"-11" dib	

#### **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>

99686	5	WS
-------	---	----

Average Log Length	Preferred Log Lengths
28'	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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/MBF

DATA MISSING/MBF for incorrect species delivery\*

\$20/mbf for Utility logs (Adjusted Gross).

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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-038.2 Average Log Length and Payment Reduction**

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

#### **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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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:

Interest = r x LD x 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

\_\_\_\_\_  
Eric Wisch

\_\_\_\_\_  
Print Name

Pacific Cascade Region Manager

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

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

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

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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. 30-099687**

**SALE NAME: CHUPACABRA SORT 6**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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
99687	6	WW 12"+ dib	

**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
---------------	--------	--------------

99687	6	WS
-------	---	----

Average Log Length	Preferred Log Lengths
28'	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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/MBF

DATA MISSING/MBF for incorrect species delivery\*

\$20/mbf for Utility logs (Adjusted Gross).

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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-038.2 Average Log Length and Payment Reduction**

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

#### **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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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:

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

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

\_\_\_\_\_  
Eric Wisch

\_\_\_\_\_  
Print Name

Pacific Cascade Region Manager

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

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

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

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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. 30-099688**

**SALE NAME: CHUPACABRA SORT 7**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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
99688	7	RA 8"+dib	

**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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99688	7	WS
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Average Log Length	Preferred Log Lengths
28'	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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/MBF

DATA MISSING/MBF for incorrect species delivery\*

\$20/mbf for Utility logs (Adjusted Gross).

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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-038.2 Average Log Length and Payment Reduction**

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

#### **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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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:

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

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

\_\_\_\_\_  
Eric Wisch

\_\_\_\_\_  
Print Name

Pacific Cascade Region Manager

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

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

Address:

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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. 30-099689**

**SALE NAME: CHUPACABRA SORT 8**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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>
99689	8	MA 8"+ dib	

#### **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>

99689	8	WS
-------	---	----

Average Log Length	Preferred Log Lengths
28'	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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/MBF

DATA MISSING/MBF for incorrect species delivery\*

\$20/mbf for Utility logs (Adjusted Gross).

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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-038.2 Average Log Length and Payment Reduction**

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

#### **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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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:

Interest = r x LD x 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

\_\_\_\_\_  
Eric Wisch

\_\_\_\_\_  
Print Name

Pacific Cascade Region Manager

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

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

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

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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. 30-099690**

**SALE NAME: CHUPACABRA SORT 9**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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
99690	9	RC 5"+ dib	

**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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99690	9	WS
-------	---	----

Average Log Length	Preferred Log Lengths
28'	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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/MBF

DATA MISSING/MBF for incorrect species delivery\*

\$20/mbf for Utility logs (Adjusted Gross).

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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-038.2 Average Log Length and Payment Reduction**

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

#### **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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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:

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

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

\_\_\_\_\_  
Eric Wisch

\_\_\_\_\_  
Print Name

Pacific Cascade Region Manager

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

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

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

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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. 30-099691**

**SALE NAME: CHUPACABRA SORT 10**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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
99691	10	Conifer Pulp 2"+ dib	

**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
---------------	--------	--------------

99691	10	WS
-------	----	----

Average Log Length	Preferred Log Lengths
NA	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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

DATA MISSING/MBF for incorrect species delivery\*

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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

\_\_\_\_\_  
Eric Wisch  
Pacific Cascade Region Manager

\_\_\_\_\_  
Print Name

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

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

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

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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. 30-099692**

**SALE NAME: CHUPACABRA SORT 11**

**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 into 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 February 27, 2020 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 CHUPACABRA SORTS Timber Sale described as parts of Sections 3, 4, 5, 10, and 15 all in Township 6 North, Range 3 East W.M., in Cowlitz 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
99692	11	hardwood Pulp 2"+ dib	

**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

99692	11	WS
-------	----	----

Average Log Length	Preferred Log Lengths
NA	

"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.

#### **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 10 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 October 31, 2020.

**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 Castle Rock, 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 address of record, 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

DATA MISSING/MBF for incorrect species delivery\*

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.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

\*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

### **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 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% 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\*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

\*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

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, sample scaling, 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 manufacturing standards as described in clause G-024.2 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 8% 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, sample scaling, 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 clause G-022.2 and manufacturing standards defined by clause 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 1 business day 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-080 Scaling Rules**

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading 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

\_\_\_\_\_  
Eric Wisch  
Pacific Cascade Region Manager

\_\_\_\_\_  
Print Name

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

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

Address:

CORPORATE ACKNOWLEDGEMENT  
(Required for both LLC and Inc. Entities)

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:**

**Timber Sale Name:**

**Application Number:**

#### EXCISE TAX APPLICABLE ACTIVITIES

**Construction:** **linear feet**  
*Road to be constructed (optional and required) but not abandoned*

**Reconstruction:** **linear feet**  
*Road to be reconstructed (optional and required) but not abandoned*

**Abandonment:** **linear feet**  
*Abandonment of existing roads not reconstructed under the contract*

**Decommission:** **linear feet**  
*Road to be made undriveable but not officially abandoned.*

**Pre-Haul Maintenance:** **linear feet**  
*Existing road to receive maintenance work (optional and required) prior to haul*

#### EXCISE TAX EXEMPT ACTIVITIES

**Temporary Construction:** **linear feet**  
*Roads to be constructed (optional and required) and then abandoned*

**Temporary Reconstruction:** **linear feet**  
*Roads to be reconstructed (optional and required) and then abandoned*

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 9/18)

## PRE-CRUISE NARRATIVE

Sale Name: <b>Chupacabra Sorts (HXP)</b>	Region: <b>Pacific Cascade</b>
Agreement #: <b>30-099681</b>	District: <b>Yacolt</b>
Contact Forester: <b>Ben Jeske</b> Phone / Location: <b>360-480-2412</b>	County(s): <b>Cowlitz,</b>
Alternate Contact: <b>Scott Hancock</b> Phone / Location: <b>360-608-9294</b>	Other information:

Type of Sale: <b>Log Sort (Contract harvest)</b>	
Harvest System: <b>Ground based</b>	100%
Harvest System: <b>Select harvest system</b>	

### UNIT ACREAGES AND METHOD OF DETERMINATION:

Unit # Harvest R/W or RMZ WMZ	Legal Description (Enter only one legal for each unit) Sec/Twp/Rng	Grant or Trust	Gross Proposal Acres	Deductions from Gross Acres (No harvest acres)				Net Harvest Acres	Acreage Determinatio n  (List method and error of closure if applicable)
				RMZ/ WMZ Acres	Leave Tree Acres	Existing Road Acres	Other Acres (describe)		
1	Sec 15/ T06N / R03E	1	6	0	0	1		5	GPS (Trimble)
2	Sec 10/ T06N / R03E	1	11	3	1	0		7	GPS (Trimble)
3	Sec 4/ T06N / R03E	1	20	6	1	0		12	GPS (Trimble)
4	Sec 4/ T06N / R03E	1, 3	96	14	5	4		71	GPS (Trimble)
5	Sec 4/ T06N / R03E	3	4	3	0	0		1	GPS (Trimble)
6	Sec 4 & 5 / T06N / R03E	3	37	18	1	1		15	GPS (Trimble)
7 (ROW)	Sec 3/ T06N/ R03E	3	1	0	0	0		1	GPS (Trimble)
<b>TOTAL ACRES</b>			175	44	8	6		112	

### HARVEST PLAN AND SPECIAL CONDITIONS:

Unit #	Harvest Prescription: (Leave, take, paint color, tags, flagging etc.)	Special Management areas:	Other conditions (# leave trees, etc.)
1	Unit 1 is bounded by white "Timber Sale Boundary" tags, pink flagging and the N-6600	VRH	Leave Tree Total=39. 39 Painted blue.

2	Unit 2 is bounded by white "Timber Sale Boundary" tags, pink flagging and reprod.	VRH	Leave Tree Total=58. 25 Painted blue.
3	Unit 3 is bounded by white "Timber Sale Boundary" tags, pink flagging and reprod.	VRH	Leave Tree Total=106. 83 Painted blue.
4	Unit 4 is bounded by white "Timber Sale Boundary" tags, pink flagging, reprod and the N-6659B2.	VRH	Leave Tree Total=629. 26 Painted blue.
5	Unit 5 is bounded by white "Timber Sale Boundary" tags, pink flagging and the N-6650.	VRH	Leave Tree Total=10. 10 Painted blue.
6	Unit 6 is bounded by white "Timber Sale Boundary" tags, pink flagging, reprod and the N-6650.	VRH	Leave Tree Total=145. 2 Painted blue.
7	Unit 7 is bounded by orange "Right-of-Way" tags and orange flagging.	ROW	

**OTHER PRE-CRUISE INFORMATION:**

Unit #	Primary,secondary Species / Estimated Volume (MBF)	Access information (Gates, locks, etc.)	Photos, traverse maps required
1	159 MBF	Unit 1 is accessed via the N-6600. No gate.	1" = 400'
2	198 MBF	Unit 2 is accessed via the N-6600 to the N-6675. No gate.	1" = 400'
3	3,125 MBF	Unit 3 is accessed via the N-6600 to the N-6675. No gate.	1" = 400'
4	295 MBF	Unit 4 is accessed via the N-6600 to the N-6650. No gate.	1" = 400'
5	30 MBF	Unit 5 is accessed via the N-6600 to the N-6650. No gate.	1" = 400'
6	588 MBF	Unit 6 is accessed via the N-6600 to the N-6650. No gate.	1" = 400'
7	25 MBF	Unit 7 is accessed via the N-6600 to the N-6675B1. No gate.	1" = 400'
TOTAL MBF	4,264 MBF		

**REMARKS:**

Prepared By: Ben Jeske Date: 2/26/2018			Title: Forester 2	CC:
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# Cruise Narrative

<b>Sale Name:</b> Chupacabra Sorts	<b>Region:</b> Pacific Cascade
<b>App. #:</b> 30-099681	<b>District:</b> Yaoclt
<b>Lead Cruiser:</b> DPClark	<b>Completion date:</b> 8-6-19
<b>Other Cruisers:</b> PKirner	

**Unit acreage specifications:**

Unit #	Cruised acres	Cruised acres agree with sale acres? Yes/No	If acres do not agree explain why.
1	5	YES	
2	7	YES	
3	12	YES	
4	71	No	Dropped 2 interior acres of non-merch reprod
5	1	YES	
6	15	YES	
7ROW	.3	No	
Total	111.3	YES	

**Unit cruise specifications:**

Unit #	Sample type (VP, FP, ITS,100%)	Expansion factor (BAF, full/half)	Sighting height (4.5 ft, 16 ft.)	Grid size (Plot spacing or % of area)	Plot ratio (Cru./Tally)	Total number of plots
1	VP	27.78/40	16'	150'	7:3	10
2	VP	40	16'	175'	5:3	8
3	VP	40	16'	175'	1:1	19
4	VP	27.78/40	16'	208'	1:1	71
5	VP	40	16'	100'	AllCruise	5
6	VP	27.78/40	16'	175'	1:1	22
7	ITS	NA	4'	NA	NA	NA

**Sale/Cruise Description:**

<b>Minor species cruise intensity:</b>	Cruised on appropriate plots.
<b>Minimum cruise spec:</b>	40% Of Form- Factor at 16 feet D.O.B or 5 inch Top, and merchantable top.
<b>Avg. ring count by sp:</b>	<b>DF =</b> 6 <b>WH =</b> 6 <b>SS =</b> NA
<b>Leave/take tree description:</b>	
<b>Sort Description:</b>	<p><b>HA</b>– Logs meeting the following criteria: Surface characteristics for a high quality A sort will have sound tight knots not to exceed 1 ½" 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 and knot indicators ½" in diameter and smaller 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. (min dia 8".)</p> <p><b>HB</b> – Logs meeting the following criteria: Surface characteristics for a B sort will have sound tight knots not to exceed 1 ½" in diameter. May include logs</p>

	<p>with not more than two larger knots up to 2 ½" in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third to end of the log. (min dia 8".)</p> <p><b>R</b> – Logs meeting the following criteria: Gross diameter of 12 inches or greater, excessive knots greater than 2 ½ inches with recovery less than 65% of the net scale.</p> <p><b>D</b> - Domestic</p>
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**Field observations:**

Chupacabra Sorts is a timber sale featuring high quality logs and poles. The sale is located 18 highway miles and 3.5 logging road miles east of Woodland and is on gently sloped tractor ground. The sale is comprised of 6 sub units and one small ROW.

Unit 1: This unit is a small, roadside, 5 acre patch of large DF and modest RA at 1500' elevation. This unit has a high volume of Domestic quality DF. No stem conks were observed. Little to no storm damage and low defect in the DF. RA has good saw log quality but this is the only sub unit in the sale with hardwoods and volume of this sort is modest. There is also a small amount of BM saw logs.

Unit 2, 3, and 4: These 3 units are all part of a large 100 year old even aged stand of mixed conifers located at 2300' elevation and totaling 90 acres. Stocking is approximately half DF and half WW. No hardwoods are present. The stand was commercially thinned approximately 25 years ago and has not only released, but held together remarkably well. Spacing is uniform and the canopy has reclosed. Stocking is continuous and comprised of DF poles, Special Mill, and High B saw logs. WH and SF are also clean and straight with limited defect. A small amount of small RC saw logs and a trace amount of NF are also present. Very little storm damage or blowdown has occurred in this stand. A few frost cracks degrade the SF to Utility. Occasional Schwienittzi and Tomentosus mushrooms are present, indicating butt rot in some trees. There were no stem conks or other indications of decay in most boles. This, along with old logging damage, puts most of the defect in the butt. Overall, this stand is clean, straight, and well stocked.

Units 5 and 6: These 2 units are both part of a 75 year old mixed conifer stand at 2400' elevation and totaling 18 acres. Stocking is dominated by DF, seconded by mixed WW, has a pinch of RC, and no hardwoods. About half of this stand was commercially thinned approximately 25 years ago but has sustained very little storm damage or blowdown. Thinned areas have some logging damage as well as butt rot from Schwienittzii and Tomentosus. The DF has good quality Special Mill, and High B. The WH and SF Domestic is mostly clean and straight. Some frost cracks in the SF. No stem conks observed.

ROW7: This small right of way is in young mixed conifer saw timber and is the smallest sort on the sale.

Cruised Volume: 5,477,000MBF Sawlogs and Utility + 243,000MBF Poles = 5,720,000MBF. The pole cruise was calculated separately from the saw logs and is attached at the back of the cruise report.

Grants: 1,3

Prepared by: DPClark

Title: Timber Cruiser

TC		PSPCSTGR		Species, Sort Grade - Board Foot Volumes (Project)																	
T06N R03E S15 Ty00U1 THRU T06N R03E S15 Ty0ROW				Project: <b>CHUPACA</b>											Page <b>1</b>						
				Acres <b>111.30</b>											Date <b>9/9/2019</b>						
															Time <b>9:30:40AM</b>						
Spp	S T	So rt	Gr 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	
									5-7	8-11	12-15	16+	12-20	21-30	31-35	36-40					
RA	CU	CU			100.0	13											15	8		0.00	.8
RA	D	UT		14		40	40	4	34		37	29	74	11	15		24	8	62	0.69	.6
RA	D	1S		12		33	33	4				100			100		32	22	670	4.11	.0
RA	D	2S		40	5.0	114	108	12			100		24		76		36	13	226	1.59	.5
RA	D	3S		28	5.5	81	76	8			100		44		56		33	11	124	1.07	.6
RA	D	4S		1		3	3	0			100				100		25	9	60	1.01	.0
RA	D	4S		5	8.3	12	11	1	100						36	64	37	7	55	0.62	.2
<b>RA Totals</b>				1	8.2	296	272	30	9	29	45	17	11	24	14	51	27	10	96	0.95	2.8
BM	CU	CU			100.0	56											16	7		0.00	2.7
BM	D	UT		42		81	81	9		50	50		12	88		26	9	74	0.75	1.1	
BM	D	2S		24	5.0	48	46	5			100				100		40	12	190	1.38	.2
BM	D	3S		34	4.1	68	65	7		100			48	52		24	10	89	0.96	.7	
<b>BM Totals</b>				0	24.2	252	191	21	55	45		21	55	24			21	9	40	0.52	4.7
DF	CU	CU			100.0	120											4	11		0.00	10.8
DF	HA	SM		17	1.6	4,333	4,263	475			100		4		96		39	19	551	2.80	7.7
DF	HB	2S		41	2.2	9,909	9,695	1,079			52	48	4	14	82		37	15	305	1.74	31.8
DF	HB	3S		8	1.1	1,938	1,916	213		100			6	56	38		35	10	132	0.87	14.6
DF	D	2S		19	3.1	4,681	4,537	505			37	63	1	2	32	65	35	16	393	2.35	11.6
DF	D	3S		7	1.7	1,727	1,698	189	24	76			1	24	45	29	32	8	79	0.73	21.6
DF	D	4S		5	.6	985	979	109	83	17			33	49	5	13	23	6	32	0.41	31.0
DF	D	UT		1		223	223	25	5	4	13	78	14	4	82		25	11	187	1.48	1.2
DF	RO	3S		2		473	473	53			100				100		39	23	958	4.12	.5
<b>DF Totals</b>				48	2.5	24,389	23,784	2,647	5	14	28	52	2	7	21	71	30	11	182	1.34	130.7
WH	CU	CU			100.0	514											13	14		0.00	9.6
WH	HA	SM		3		701	701	78			100				24	76	38	18	533	2.84	1.3
WH	D	CU			100.0	30											40	5		0.00	.7
WH	D	2S		76	2.4	16,388	15,999	1,781			36	64		1	59	40	35	16	330	2.00	48.5
WH	D	3S		15	2.2	3,141	3,072	342	10	90			0	10	32	57	35	9	110	0.92	27.8
WH	D	4S		4		874	874	97	84	16			28	53	14	5	23	6	33	0.47	26.8
WH	D	UT		2		288	288	32	83	17			51	49			21	6	29	0.34	10.1
<b>WH Totals</b>				43	4.6	21,935	20,933	2,330	6	14	28	52	2	5	51	42	30	11	168	1.29	124.8
SF	CU	CU															3	13		0.00	.9
SF	HA	SM		5	6.1	185	174	19			100				100		38	17	439	2.39	.4
SF	D	2S		62	1.5	2,200	2,166	241			57	43		1	38	61	36	15	315	1.79	6.9
SF	D	3S		20	2.0	683	670	75	10	90				7	44	49	36	9	103	0.74	6.5
SF	D	4S		5		198	198	22	87	13			9	83		8	24	6	31	0.40	6.5
SF	D	UT		8		248	248	28			21	79		79		21	30	16	301	1.98	.8
<b>SF Totals</b>				7	1.7	3,515	3,456	385	7	18	37	38	1	13	32	55	31	11	157	1.12	22.0
NF	CU	CU															5			0.00	.2
NF	HA	SM		26		41	41	5			100				100		40	17	460	2.23	.1
NF	D	2S		44		67	67	7			32	68			100		40	18	560	2.66	.1
NF	D	3S		16		25	25	3		100				36	64		30	9	97	0.89	.3
NF	D	4S		14		20	20	2	100				19	14	8	60	31	5	35	0.40	.6

TC PSPCSTGR		Species, Sort Grade - Board Foot Volumes (Project)																			
T06N R03E S15 Ty00U1 THRU T06N R03E S15 Ty0ROW			Project:		CHUPACA				Page		2										
			Acres		111.30				Date		9/9/2019										
								Time		9:30:40AM											
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		
								5-7	8-11	12-15	16+	12-20	21-30	31-35	36-40						
<b>NF Totals</b>			0	153	153	17	13	16	14	57	2	8	1	89	28	8	127	1.02	1.2		
RC	CU	CU		100.0	3										6	14		0.00	1.0		
RC	D	3S	83	14.4	411	351	39	3	29	44	24		11	45	43	34	11	142	1.46	2.5	
RC	D	4S	17		72	72	8	100					77	8	15	28	5	31	0.43	2.3	
<b>RC Totals</b>			1	12.9	485	423	47	19	24	37	20		23	39	38	27	9	74	0.98	5.7	
<b>Totals</b>				3.6	51,026	49,213	5,477	6	15	29	50		2	7	34	57	30	11	169	1.28	292.0

5,477MBF + 243MBF Poles = 5,720MBF total volume

TC PSTATS										PROJECT STATISTICS		PAGE	1
PROJECT										CHUPACA		DATE	9/9/2019
TWP	RGE	SC	TRACT	TYPE		ACRES	PLOTS	TREES	CuFt	BdFt			
06N	03E	15	BRA	00U1	THR	111.30	136	727	S	W			
06N	03E	15	BRA	0ROW									
			PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES						
TOTAL			136	727	5.3								
CRUISE			69	344	5.0	12,344	2.8						
DBH COUNT													
REFOREST													
COUNT			65	364	5.6								
BLANKS			2										
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		153	45.2	22.4	91	26.2	124.0	24,389	23,784	5,235	5,214		
WHEMLOCK		119	50.8	20.9	78	26.5	121.0	21,935	20,933	4,867	4,764		
NOBLE F		11	.6	16.3	72	0.2	.9	153	153	35	35		
PS FIR		34	8.6	19.8	83	4.1	18.4	3,515	3,456	759	759		
BL MAPLE		5	1.8	15.8	58	0.6	2.5	252	191	66	51		
R ALDER		9	1.1	19.3	69	0.5	2.3	296	272	77	72		
WR CEDAR		13	2.7	18.4	62	1.2	5.0	485	423	152	151		
<b>TOTAL</b>		<b>344</b>	<b>110.9</b>	<b>21.3</b>	<b>83</b>	<b>59.4</b>	<b>274.0</b>	<b>51,026</b>	<b>49,213</b>	<b>11,193</b>	<b>11,046</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		84.1	7.0	790	850	910							
WHEMLOCK		36.4	3.5	587	609	630							
NOBLE F		181.0	57.2	88	206	324							
PS FIR		39.2	6.9	499	536	573							
BL MAPLE		56.2	27.9	86	120	154							
R ALDER		87.5	30.9	207	299	391							
WR CEDAR		91.7	26.4	176	239	302							
<b>TOTAL</b>		<b>82.0</b>	<b>4.6</b>	<b>634</b>	<b>664</b>	<b>695</b>	<b>268</b>	<b>137</b>			<b>67</b>		
CL	68.1	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.				
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7			10		
DOUG FIR		68.4	5.7	166	176	186							
WHEMLOCK		30.0	2.9	131	135	139							
NOBLE F		151.7	47.9	25	48	70							
PS FIR		31.3	5.5	110	116	123							
BL MAPLE		62.2	30.9	22	32	42							
R ALDER		67.4	23.8	58	76	94							
WR CEDAR		82.0	23.6	65	85	105							
<b>TOTAL</b>		<b>65.7</b>	<b>3.7</b>	<b>138</b>	<b>143</b>	<b>148</b>	<b>172</b>	<b>88</b>			<b>43</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		88.5	7.6	42	45	49							
WHEMLOCK		101.4	8.7	46	51	55							
NOBLE F		911.8	78.1	0	1	1							
PS FIR		240.0	20.6	7	9	10							
BL MAPLE		621.8	53.3	1	2	3							
R ALDER		659.4	56.5	0	1	2							
WR CEDAR		595.9	51.1	1	3	4							
<b>TOTAL</b>		<b>46.5</b>	<b>4.0</b>	<b>106</b>	<b>111</b>	<b>115</b>	<b>86</b>	<b>44</b>			<b>22</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		

**PROJECT STATISTICS****PROJECT CHUPACA**

TWP	RGE	SC	TRACT	TYPE		ACRES		PLOTS	TREES	CuFt	BdFt
06N 06N	03E 03E	15 15	BRA BRA	00U1 OROW	THR	111.30		136	727	S	W
DOUG FIR			81.8	7.0	115	124	133				
WHEMLOCK			89.9	7.7	112	121	130				
NOBLE F			671.7	57.5	0	1	1				
PS FIR			223.6	19.2	15	18	22				
BL MAPLE			625.2	53.6	1	2	4				
R ALDER			639.7	54.8	1	2	4				
WR CEDAR			561.1	48.1	3	5	7				
<b>TOTAL</b>			<b>42.1</b>	<b>3.6</b>	<b>264</b>	<b>274</b>	<b>284</b>		<b>71</b>	<b>36</b>	<b>18</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			86.1	7.4	22,030	23,784	25,539				
WHEMLOCK			88.9	7.6	19,338	20,933	22,528				
NOBLE F			721.4	61.8	58	153	247				
PS FIR			230.5	19.7	2,774	3,456	4,139				
BL MAPLE			635.3	54.4	87	191	295				
R ALDER			604.9	51.8	131	272	413				
WR CEDAR			597.5	51.2	206	423	639				
<b>TOTAL</b>			<b>45.0</b>	<b>3.9</b>	<b>47,316</b>	<b>49,213</b>	<b>51,109</b>		<b>81</b>	<b>41</b>	<b>20</b>
CL	68.1		COEFF	NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.		
SD:	1.0		VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR			83.9	7.2	4,839	5,214	5,588				
WHEMLOCK			89.1	7.6	4,400	4,764	5,128				
NOBLE F			684.4	58.6	14	35	55				
PS FIR			227.0	19.4	612	759	907				
BL MAPLE			636.9	54.6	23	51	79				
R ALDER			612.2	52.5	34	72	110				
WR CEDAR			569.0	48.7	77	151	224				
<b>TOTAL</b>			<b>43.6</b>	<b>3.7</b>	<b>10,634</b>	<b>11,046</b>	<b>11,458</b>		<b>76</b>	<b>39</b>	<b>19</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					178	192	206				
WHEMLOCK					160	173	186				
NOBLE F			830.3	71.1	63	165	268				
PS FIR			185.4	15.9	151	188	225				
BL MAPLE			348.3	29.8	35	78	120				
R ALDER			482.5	41.3	57	118	179				
WR CEDAR			605.7	51.9	41	84	128				
<b>TOTAL</b>			<b>43.9</b>	<b>3.8</b>	<b>173</b>	<b>180</b>	<b>187</b>		<b>77</b>	<b>39</b>	<b>19</b>

T TSPCSTGR	Species, Sort Grade - Board Foot Volumes (Type)										Page 1									
	Project: CHUPACA										Date 9/9/2019									
											Time 9:30:41AM									
T06N R03E S15 T00U1										T06N R03E S15 T00U1										
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt											
06N	03E	15	BRA	00U1	5.00	10	35	S	W											
S Spp	So T	Gr rt ad	% Net BdFt	Bd. Ft. per Acre			Total Net MBF	Percent Net Board Foot Volume								Average Log				Logs Per /Acre
				Def%	Gross	Net		Log Scale Dia.				Log Length				Ln	Dia	Bd	CF/ Lf	
								5-7	8-11	12-15	16+	12-20	21-30	31-35	36-40	Ft	In	Ft		
DF	HB	2S	25	13,767	13,767	69			8	92					100	39	19	637	2.95	21.6
DF	HB	3S	2	866	866	4		100							100	40	8	90	0.64	9.6
DF	DM	2S	49	26,193	26,193	131			16	84		2	1		97	36	19	608	3.11	43.1
DF	DM	3S	4	2,159	2,159	11	15	85				20	33		48	26	9	81	0.86	26.8
DF	DM	4S	2	1,184	1,184	6	93	7				100				17	5	21	0.23	57.2
DF	RO	3S	18	9,462	9,462	47				100					100	39	23	987	4.19	9.6
<b>DF</b>	<b>Totals</b>		82	53,631	53,631	268	3	5	10	82		4	2		94	29	12	320	2.07	167.9
BM	CU	CU		100.0	1,246											16	7		0.00	59.5
BM	DM	UT	42	1,802	1,802	9		50	50			12	88			26	9	74	0.75	24.3
BM	DM	2S	24	5.0	1,068	1,015	5		100					100		40	12	190	1.38	5.3
BM	DM	3S	34	4.1	1,504	1,442	7		100			48	52			24	10	89	0.96	16.1
<b>BM</b>	<b>Totals</b>		7	24.2	5,620	4,259	21	55	45			21	55		24	21	9	40	0.52	105.3
RA	CU	CU		100.0	290											15	8		0.00	17.6
RA	DM	UT	14	884	884	4	34		37	29		74	11		15	24	8	62	0.69	14.4
RA	DM	1S	12	745	745	4				100				100		32	22	670	4.11	1.1
RA	DM	2S	40	5.0	2,532	2,406	12		100				24		76	36	13	226	1.59	10.7
RA	DM	3S	28	5.5	1,798	1,699	8		100				44		56	33	11	124	1.07	13.7
RA	DM	4S	1		67	67	0		100				100			25	9	60	1.01	1.1
RA	DM	4S	5	8.3	277	254	1	100						36	64	37	7	55	0.62	4.6
<b>RA</b>	<b>Totals</b>		9	8.2	6,592	6,054	30	9	29	45	17	11	24	14	51	27	10	96	0.95	63.1
WH	DM	2S	94	2.0	1,515	1,484	7			100				100		32	19	485	2.90	3.1
WH	DM	3S	6		92	92	0		100				100			25	9	60	0.92	1.5
<b>WH</b>	<b>Totals</b>		2	1.9	1,607	1,576	8		6	94			6	94		30	16	343	2.34	4.6
<b>Type Totals</b>				2.9	67,450	65,520	328	3	11	15	71	6	8	4	83	26	11	192	1.47	340.8





T	TSPCSTGR	Species, Sort Grade - Board Foot Volumes (Type)										Page	1								
												Date		9/9/2019							
												Time		9:30:41AM							
T06N R03E S15 T00U4												T06N R03E S15 T00U4									
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt												
06N	03E	15	BRA	00U4	71.00	71	146	S	W												
Spp	S T	So rt	Gr ad	% Net BdFt	Bd. Ft. per Acre			Total Net MBF	Percent Net Board Foot Volume								Average Log			Logs Per /Acre	
					Def%	Gross	Net		Log Scale Dia.				Log Length				Ln	Dia	Bd		CF/ Lf
									5-7	8-11	12-15	16+	12-20	21-30	31-35	36-40	Ft	In	Ft		
WH	CU	CU			100.0	362											8	15		0.00	7.5
WH	HA	SM	4			1,099	1,099	78					100		24	76	38	18	533	2.84	2.1
WH	DM	CU			100.0	46											40	5		0.00	1.2
WH	DM	2S	77		2.5	17,514	17,078	1,213			36	64			65	35	34	16	333	2.02	51.3
WH	DM	3S	14		1.9	3,229	3,167	225	13	87			1	11	36	52	35	9	105	0.90	30.2
WH	DM	4S	4			854	854	61	82	18			25	60	10	5	23	7	33	0.49	25.5
WH	DM	UT	1			131	131	9	100					100			28	5	30	0.34	4.4
<b>WH</b>	<b>Totals</b>			49	3.9	23,236	22,329	1,585	6	13	28	54	1	4	56	38	30	12	183	1.36	122.1
DF	CU	CU			100.0	58											4	11		0.00	10.9
DF	HA	SM	20		1.0	3,992	3,951	281				100			100		39	18	558	2.81	7.1
DF	HB	2S	43		2.4	8,817	8,603	611			57	43		4	20	76	37	14	285	1.67	30.1
DF	HB	3S	7		.7	1,453	1,442	102		100				11	74	15	33	10	132	0.91	11.0
DF	DM	2S	18		5.2	3,609	3,421	243			52	48	1	3	52	44	34	16	326	2.11	10.5
DF	DM	3S	6			1,249	1,249	89	37	63				26	56	18	32	8	71	0.70	17.6
DF	DM	4S	4			793	793	56	80	20			31	46	6	17	24	6	33	0.46	23.7
DF	DM	UT	2			272	272	19				100			100		32	20	560	3.23	.5
<b>DF</b>	<b>Totals</b>			43	2.5	20,243	19,730	1,401	6	12	34	49	1	7	28	64	30	11	177	1.34	111.4
SF	CU	CU															5	18		0.00	.9
SF	HA	SM	4		11.9	148	131	9				100			100		36	17	370	2.11	.4
SF	DM	2S	73		.9	2,177	2,157	153			39	61		2	48	50	35	15	333	1.90	6.5
SF	DM	3S	13		3.2	412	399	28	12	88				16	31	52	35	8	88	0.70	4.5
SF	DM	4S	6			163	163	12	82	18			16	84			23	6	28	0.40	5.8
SF	DM	UT	4			110	110	8				100		100			24	18	320	2.59	.3
<b>SF</b>	<b>Totals</b>			6	1.7	3,010	2,960	210	6	13	28	53	1	12	39	48	30	11	162	1.18	18.3
RC	CU	CU			100.0	5											7	16		0.00	1.2
RC	DM	3S	88		14.7	607	518	37	3	31	41	25		12	48	39	34	11	138	1.41	3.7
RC	DM	4S	12			66	66	5	100					87	13		26	5	28	0.35	2.4
<b>RC</b>	<b>Totals</b>			1	13.9	679	585	42	14	28	36	23		21	44	35	27	10	80	1.02	7.3
<b>Type Totals</b>					3.3	47,167	45,603	3,238	6	13	30	51	1	6	43	50	30	11	176	1.33	259.1

<b>T06N R03E S15 T00U5</b>		<b>T06N R03E S15 T00U5</b>
<b>Twp Rge Sec Tract Type Acres Plots Sample Trees CuFt</b>		<b>BdFt</b>
<b>06N 03E 15 BRA 00U5 1.00 5 18 S</b>		<b>W</b>

Spp	S T	So rt	Gr ad	% 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/ Lf		
									5-7	8-11	12-15	16+	12-20	21-30	31-35	36-40	Ft	In	Ft	Lf		
DF		CU	CU		100.0	906												8	19		0.00	7.5
DF		HB	2S	16		4,887	4,887	5			48	52				100		40	17	481	2.51	10.2
DF		HB	3S	7		1,805	1,805	2		100						100		40	11	180	1.21	10.0
DF		DM	2S	60	3.4	18,121	17,511	18			36	64				35	65	36	15	344	2.12	51.0
DF		DM	3S	7		2,210	2,210	2		100					16	39	44	32	10	113	0.90	19.5
DF		DM	4S	6		1,581	1,581	2	68	32				38	12	49		27	6	36	0.47	44.3
DF		DM	UT	4		1,034	1,034	1	100							100		31	5	30	0.40	34.5
<b>DF</b>	<b>Totals</b>			68	5.0	30,544	29,029	29	7	16	30	47		2	2	27	69	32	10	164	1.24	177.0
WH		DM	2S	82		5,884	5,884	6			33	67				100		32	15	290	1.89	20.3
WH		DM	3S	2		148	148	0		100						100		23	9	60	0.83	2.5
WH		DM	4S	4		307	307	0	100							100		23	7	40	0.53	7.7
WH		DM	UT	12		835	835	1	100							100		25	5	30	0.46	27.8
<b>WH</b>	<b>Totals</b>			17		7,174	7,174	7	16	2	27	55			18	82		27	9	123	1.07	58.3
SF		CU	CU																		0.00	15.5
SF		DM	2S	37	9.4	2,749	2,491	2			100					100		36	15	290	1.81	8.6
SF		DM	3S	51		3,441	3,441	3		100						32	68	38	10	143	0.94	24.1
SF		DM	4S	12		792	792	1	100				22			78		32	5	33	0.35	24.1
<b>SF</b>	<b>Totals</b>			16	3.7	6,981	6,723	7	12	51	37			3		17	81	27	8	93	0.85	72.3
<b>Type Totals</b>					4.0	44,700	42,926	43	9	19	30	41		2	4	35	59	30	10	140	1.13	307.5

T TSPCSTGR		Species, Sort Grade - Board Foot Volumes (Type)										Page 1										
Project: CHUPACA												Date 9/9/2019										
												Time 9:30:41AM										
T06N R03E S15 T00U6										T06N R03E S15 T00U6												
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt													
06N	03E	15	BRA	00U6	15.00	22	61	S	W													
Spp	S T	So rt	Gr ad	% Net BdFt	Bd. Ft. per Acre		Total Net MBF	Percent Net Board Foot Volume							Average Log			Logs Per /Acre				
					Def%	Gross		Net	Log Scale Dia.				Log Length			Ln	Dia		Bd	CF/ Lf		
								5-7	8-11	12-15	16+	12-20	21-30	31-35	36-40	Ft	In	Ft				
DF		CU	CU		100.0	556										5	13		0.00	18.1		
DF		HA	SM	17	3.5	5,731	5,529								100	40	19	596	3.03	9.3		
DF		HB	2S	38	1.7	12,757	12,540			48	52		6	15	78	37	15	332	1.90	37.8		
DF		HB	3S	10	1.1	3,205	3,170			100			4	34	62	37	10	143	0.91	22.1		
DF		DM	2S	21	2.0	6,871	6,732			31	69		1	31	68	36	16	419	2.47	16.1		
DF		DM	3S	7	2.8	2,517	2,448			100			24	41	35	33	9	85	0.80	28.7		
DF		DM	4S	5		1,463	1,463		80	20			17	64	10	24	6	33	0.40	43.9		
DF		DM	UT			286	286			25	75		75	25		20	12	90	0.92	3.2		
DF		RO	3S	2		359	359				100				100	40	21	760	3.66	.5		
<b>DF</b>	<b>Totals</b>			57	3.6	33,744	32,526		4	18	26	52	1	8	19	71	30	11	181	1.36	179.5	
WH		CU	CU		100.0	1,227										10	16		0.00	16.4		
WH		DM	2S	75	2.5	16,521	16,116			31	69				41	59	36	15	337	2.02	47.9	
WH		DM	3S	17	3.1	3,662	3,548		4	96				13	13	74	36	9	111	0.99	32.0	
WH		DM	4S	4		920	920		14	95	5		33	27	40	24	6	29	0.43	31.2		
WH		DM	UT	4		688	688		10	100			100			17	5	20	0.24	34.4		
<b>WH</b>	<b>Totals</b>			37	7.6	23,018	21,271		8	16	24	52	5	3	35	57	27	10	131	1.17	161.9	
SF		DM	2S	60	3.2	1,768	1,711			61	39			39	61	38	15	319	1.93	5.4		
SF		DM	3S	9		265	265		4	61	39		16	52	32	34	7	57	0.65	4.7		
SF		DM	4S	3		78	78		1	100				100		38	5	40	0.46	1.9		
SF		DM	UT	28		780	780		12		50	50	50	50		35	14	264	1.56	2.9		
<b>SF</b>	<b>Totals</b>			5	2.0	2,890	2,833		43	8	4	51	37	15	28	56	36	11	190	1.28	14.9	
RC		CU	CU													6			0.00	1.3		
RC		DM	3S	41	10.3	172	154		2		100				100	40	14	260	2.67	.6		
RC		DM	4S	59		217	217		3	100			64	36		32	5	38	0.55	5.7		
<b>RC</b>	<b>Totals</b>			1	4.6	389	371		6	58	42		37	63		27	6	49	0.80	7.6		
<b>Type Totals</b>					5.1	60,042	57,002		855	6	17	26	51	3	7	26	65	29	11	157	1.26	364.0



TC TSTATS				STATISTICS				PAGE	1	
				PROJECT CHUPACA				DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	00U1	5.00	10	66	S	W	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL		10	66	6.6						
CRUISE		7	35	5.0	766		4.6			
DBH COUNT										
REFOREST										
COUNT		3	23	7.7						
BLANKS										
100 %										
STAND SUMMARY										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
DOUG FIR	19	85.9	20.8	75	44.5	203.2	53,631	53,631	9,949	9,949
BL MAPLE	5	40.4	15.8	58	13.8	54.7	5,620	4,259	1,480	1,137
R ALDER	9	25.3	19.3	69	11.7	51.4	6,592	6,054	1,723	1,608
WHEMLOCK	2	1.5	30.0	92	1.4	7.5	1,607	1,576	319	319
<b>TOTAL</b>	<b>35</b>	<b>153.2</b>	<b>19.5</b>	<b>70</b>	<b>71.8</b>	<b>316.8</b>	<b>67,450</b>	<b>65,520</b>	<b>13,470</b>	<b>13,013</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	36.9	9.9		2,223	2,466	2,709				
BL MAPLE	56.2	27.9		86	120	154				
R ALDER	87.5	30.9		207	299	391				
WHEMLOCK										
<b>TOTAL</b>	<b>89.8</b>	<b>16.7</b>		<b>1,176</b>	<b>1,411</b>	<b>1,647</b>	<b>334</b>	<b>170</b>	<b>83</b>	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR	27.3	7.3		412	444	477				
BL MAPLE	62.2	30.9		22	32	42				
R ALDER	67.4	23.8		58	76	94				
WHEMLOCK										
<b>TOTAL</b>	<b>78.3</b>	<b>14.5</b>		<b>226</b>	<b>264</b>	<b>302</b>	<b>254</b>	<b>129</b>	<b>63</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	103.4	34.4		56	86	115				
BL MAPLE	145.1	48.3		21	40	60				
R ALDER	158.0	52.6		12	25	39				
WHEMLOCK	316.2	105.2		2	3					
<b>TOTAL</b>	<b>47.6</b>	<b>15.8</b>		<b>129</b>	<b>153</b>	<b>177</b>	<b>100</b>	<b>51</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	
DOUG FIR	81.3	27.1		148	203	258				
BL MAPLE	146.3	48.7		28	55	81				
R ALDER	151.3	50.3		26	51	77				
WHEMLOCK	316.2	105.2		8	15					
<b>TOTAL</b>	<b>25.7</b>	<b>8.6</b>		<b>290</b>	<b>317</b>	<b>344</b>	<b>29</b>	<b>15</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	85.9	28.6		38,293	53,631	68,968				
BL MAPLE	149.8	49.9		2,136	4,259	6,382				
R ALDER	139.2	46.3		3,249	6,054	8,859				
WHEMLOCK	316.2	105.2		1,576	3,235					
<b>TOTAL</b>	<b>55.3</b>	<b>18.4</b>		<b>53,461</b>	<b>65,520</b>	<b>77,579</b>	<b>135</b>	<b>69</b>	<b>34</b>	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	00U1	5.00	10	66	S	W	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E. %	LOW	AVG	HIGH	5	7	10	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR. %	S.E. %	LOW	AVG	HIGH	5	7	10	
DOUG FIR		84.1	28.0	7,164	9,949	12,734				
BL MAPLE		150.3	50.0	568	1,137	1,707				
R ALDER		141.8	47.2	849	1,608	2,366				
WHEMLOCK		316.2	105.2		319	654				
<b>TOTAL</b>		<i>44.6</i>	<i>14.8</i>	<i>11,083</i>	<i>13,013</i>	<i>14,943</i>	88	45	22	
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				188	264	339				
BL MAPLE				39	78	117				
R ALDER		92.7	30.8	63	118	172				
WHEMLOCK		316.2	105.2		210	431				
<b>TOTAL</b>		<i>185.3</i>	<i>61.7</i>	<i>169</i>	<i>207</i>	<i>245</i>	1,522	776	380	

TC TSTATS				STATISTICS				PAGE	1		
				PROJECT	CHUPACA			DATE	9/9/2019		
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt		
06N	03E	15	BRA	00U2	7.00	8	38	S	W		
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES					
TOTAL		8	38	4.8							
CRUISE		5	23	4.6	788	2.9					
DBH COUNT											
REFOREST											
COUNT		2	15	7.5							
BLANKS		1									
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	12	77.1	19.5	100	36.3	160.2	33,928	32,947	7,124	7,124	
WHEMLOCK	8	23.4	23.0	92	14.1	67.7	13,353	13,103	2,855	2,855	
PS FIR	3	12.0	16.8	100	4.5	18.5	3,955	3,867	826	826	
<b>TOTAL</b>	<b>23</b>	<b>112.6</b>	<b>20.0</b>	<b>99</b>	<b>55.0</b>	<b>246.4</b>	<b>51,236</b>	<b>49,917</b>	<b>10,806</b>	<b>10,806</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		20.0	6.6	597	640	683					
WHEMLOCK				872	872	872					
PS FIR		39.7	27.5	254	350	446					
<b>TOTAL</b>				<b>667</b>	<b>667</b>	<b>667</b>					
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10		
DOUG FIR				137	137	137					
WHEMLOCK				185	185	185					
PS FIR		35.4	24.5	56	74	92					
<b>TOTAL</b>				<b>142</b>	<b>142</b>	<b>142</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		100.7	38.0	48	77	106					
WHEMLOCK		93.9	35.4	15	23	32					
PS FIR		222.0	83.7	2	12	22					
<b>TOTAL</b>		<b>66.4</b>	<b>25.0</b>	<b>84</b>	<b>113</b>	<b>141</b>	<b>200</b>	<b>102</b>	<b>50</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		106.2	40.0	96	160	224					
WHEMLOCK		110.9	41.8	39	68	96					
PS FIR		198.4	74.8	5	19	32					
<b>TOTAL</b>		<b>66.8</b>	<b>25.2</b>	<b>184</b>	<b>246</b>	<b>308</b>	<b>203</b>	<b>104</b>	<b>51</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		108.6	40.9	19,461	32,947	46,433					
WHEMLOCK		114.5	43.2	7,447	13,103	18,760					
PS FIR		197.6	74.5	986	3,867	6,748					
<b>TOTAL</b>		<b>67.7</b>	<b>25.5</b>	<b>37,179</b>	<b>49,917</b>	<b>62,655</b>	<b>208</b>	<b>106</b>	<b>52</b>		
CL:	68.1 %	COEFF	NET CUFT FT/ACRE				# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10		
DOUG FIR		108.2	40.8	4,219	7,124	10,029					
WHEMLOCK		107.8	40.7	1,694	2,855	4,016					
PS FIR		199.8	75.3	204	826	1,449					
<b>TOTAL</b>		<b>66.7</b>	<b>25.2</b>	<b>8,088</b>	<b>10,806</b>	<b>13,524</b>	<b>202</b>	<b>103</b>	<b>51</b>		

TC TSTATS				<b>STATISTICS</b>				PAGE	2	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
<b>06N</b>	<b>03E</b>	<b>15</b>	<b>BRA</b>	<b>00U2</b>	7.00	8	38	S	W	
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	
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	
DOUG FIR				121	206	290				
WHEMLOCK		97.3	36.7	110	194	277				
PS FIR		197.6	74.5	53	209	364				
<b>TOTAL</b>		<b>180.9</b>	<b>68.2</b>	<b>151</b>	<b>203</b>	<b>254</b>	<b>1,489</b>	<b>760</b>	<b>372</b>	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	00U3	12.00	19	102	S	W	
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL		19	102	5.4						
CRUISE		8	45	5.6	1,415	3.2				
DBH COUNT										
REFOREST										
COUNT		11	57	5.2						
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
WHEMLOCK	18	67.7	19.7	87	32.3	143.5	28,116	26,532	6,102	5,910
DOUG FIR	18	32.2	23.2	99	19.7	94.8	19,457	19,101	4,202	4,202
PS FIR	7	16.6	20.9	95	8.7	39.8	8,289	8,186	1,747	1,747
NOBLE F	2	1.4	26.6	103	1.0	5.3	1,208	1,208	246	246
<b>TOTAL</b>	<b>45</b>	<b>117.9</b>	<b>21.0</b>	<b>92</b>	<b>61.8</b>	<b>283.3</b>	<b>57,070</b>	<b>55,027</b>	<b>12,296</b>	<b>12,105</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	
WHEMLOCK	37.6	9.1		471	518	565				
DOUG FIR	45.4	11.3		668	753	838				
PS FIR	29.7	12.1		455	517	580				
NOBLE F	39.0	36.5		587	925	1,263				
<b>TOTAL</b>	<b>45.7</b>	<b>6.9</b>		<b>584</b>	<b>627</b>	<b>670</b>	<b>83</b>	<b>43</b>	<b>21</b>	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
WHEMLOCK	34.0	8.2		105	114	124				
DOUG FIR	39.1	9.8		146	162	178				
PS FIR	29.4	12.0		97	111	124				
NOBLE F	34.3	32.1		127	187	247				
<b>TOTAL</b>	<b>40.7</b>	<b>6.1</b>		<b>127</b>	<b>135</b>	<b>144</b>	<b>66</b>	<b>34</b>	<b>17</b>	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
WHEMLOCK	75.8	17.9		56	68	80				
DOUG FIR	71.9	16.9		27	32	38				
PS FIR	133.0	31.3		11	17	22				
NOBLE F	306.0	72.1		0	1	2				
<b>TOTAL</b>	<b>36.8</b>	<b>8.7</b>		<b>108</b>	<b>118</b>	<b>128</b>	<b>57</b>	<b>29</b>	<b>14</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	
WHEMLOCK	71.4	16.8		119	143	168				
DOUG FIR	73.6	17.3		78	95	111				
PS FIR	130.2	30.7		28	40	52				
NOBLE F	299.6	70.6		2	5	9				
<b>TOTAL</b>	<b>30.7</b>	<b>7.2</b>		<b>263</b>	<b>283</b>	<b>304</b>	<b>40</b>	<b>20</b>	<b>10</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	
WHEMLOCK	75.3	17.8		21,822	26,532	31,242				
DOUG FIR	76.1	17.9		15,675	19,101	22,527				
PS FIR	130.5	30.7		5,670	8,186	10,703				
NOBLE F	300.7	70.8		352	1,208	2,063				
<b>TOTAL</b>	<b>34.8</b>	<b>8.2</b>		<b>50,522</b>	<b>55,027</b>	<b>59,533</b>	<b>51</b>	<b>26</b>	<b>13</b>	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	00U3	12.00	19	102	S	W	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	7	10	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
WHEMLOCK		74.6	17.6	4,871	5,910	6,949				
DOUG FIR		74.6	17.6	3,463	4,202	4,941				
PS FIR		130.4	30.7	1,210	1,747	2,283				
NOBLE F		299.9	70.7	72	246	420				
<b>TOTAL</b>		<b>33.9</b>	<b>8.0</b>	<b>11,137</b>	<b>12,105</b>	<b>13,073</b>	<b>49</b>	<b>25</b>	<b>12</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	
WHEMLOCK				152	185	218				
DOUG FIR				165	202	238				
PS FIR		33.3	7.9	143	206	269				
NOBLE F		300.1	70.7	66	227	388				
<b>TOTAL</b>		<b>221.2</b>	<b>52.1</b>	<b>178</b>	<b>194</b>	<b>210</b>	<b>2,064</b>	<b>1,053</b>	<b>516</b>	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	00U4	71.00	71	344	S	W	
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL		71	344	4.8						
CRUISE		32	146	4.6	6,806	2.1				
DBH COUNT										
REFOREST										
COUNT		39	198	5.1						
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
WHEMLOCK	67	47.6	22.1	81	27.0	127.1	23,236	22,329	5,142	5,059
DOUG FIR	54	37.5	23.0	91	22.6	108.5	20,243	19,730	4,438	4,428
PS FIR	15	7.7	19.5	75	3.6	16.0	3,010	2,960	644	644
WR CEDAR	10	3.1	19.8	68	1.5	6.5	679	585	204	202
<b>TOTAL</b>	<b>146</b>	<b>95.9</b>	<b>22.2</b>	<b>84</b>	<b>54.8</b>	<b>258.2</b>	<b>47,167</b>	<b>45,603</b>	<b>10,428</b>	<b>10,333</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	
WHEMLOCK	33.4	4.2		607	634	661				
DOUG FIR	51.1	7.0		604	649	695				
PS FIR	44.7	11.9		505	574	643				
WR CEDAR	85.5	28.4		195	272	349				
<b>TOTAL</b>	<b>46.6</b>	<b>3.9</b>		<b>584</b>	<b>608</b>	<b>631</b>	<b>87</b>	<b>44</b>	<b>22</b>	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
WHEMLOCK	26.5	3.4		136	141	146				
DOUG FIR	44.0	6.0		134	142	151				
PS FIR	40.2	10.7		108	121	134				
WR CEDAR	78.8	26.2		69	93	117				
<b>TOTAL</b>	<b>39.3</b>	<b>3.3</b>		<b>132</b>	<b>136</b>	<b>141</b>	<b>62</b>	<b>31</b>	<b>15</b>	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
WHEMLOCK	86.7	10.3		43	48	52				
DOUG FIR	76.2	9.0		34	38	41				
PS FIR	253.7	30.1		5	8	10				
WR CEDAR	553.8	65.7		1	3	5				
<b>TOTAL</b>	<b>40.2</b>	<b>4.8</b>		<b>91</b>	<b>96</b>	<b>100</b>	<b>65</b>	<b>33</b>	<b>16</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	
WHEMLOCK	73.0	8.7		116	127	138				
DOUG FIR	74.4	8.8		99	109	118				
PS FIR	238.7	28.3		11	16	21				
WR CEDAR	477.4	56.6		3	7	10				
<b>TOTAL</b>	<b>31.8</b>	<b>3.8</b>		<b>248</b>	<b>258</b>	<b>268</b>	<b>40</b>	<b>21</b>	<b>10</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	
WHEMLOCK	70.3	8.3		20,466	22,329	24,191				
DOUG FIR	75.9	9.0		17,955	19,730	21,506				
PS FIR	251.6	29.8		2,077	2,960	3,843				
WR CEDAR	483.0	57.3		250	585	919				
<b>TOTAL</b>	<b>33.8</b>	<b>4.0</b>		<b>43,774</b>	<b>45,603</b>	<b>47,432</b>	<b>46</b>	<b>23</b>	<b>11</b>	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES		PLOTS	TREES	CuFt	BdFt
06N	03E	15	BRA	00U4	71.00		71	344	S	W
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E. %	LOW	AVG	HIGH	5	7	10	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR. %	S.E. %	LOW	AVG	HIGH	5	7	10	
WHEMLOCK		71.1	8.4	4,633	5,059	5,486				
DOUG FIR		75.2	8.9	4,034	4,428	4,823				
PS FIR		246.8	29.3	455	644	832				
WR CEDAR		472.5	56.0	89	202	315				
<b>TOTAL</b>		<b>32.4</b>	<b>3.8</b>	<b>9,936</b>	<b>10,333</b>	<b>10,731</b>	<b>42</b>	<b>21</b>	<b>11</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	
WHEMLOCK				161	176	190				
DOUG FIR				165	182	198				
PS FIR		212.5	25.2	130	185	240				
WR CEDAR		488.9	58.0	38	90	141				
<b>TOTAL</b>		<b>234.6</b>	<b>27.8</b>	<b>170</b>	<b>177</b>	<b>184</b>	<b>2,197</b>	<b>1,121</b>	<b>549</b>	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	00U5	1.00	5	24	S	W	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL		5	24	4.8						
CRUISE		3	18	6.0	148		12.2			
DBH COUNT										
REFOREST										
COUNT		1	6	6.0						
BLANKS		1								
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
DOUG FIR	10	86.0	19.7	70	41.1	182.7	30,544	29,029	7,111	6,986
WHEMLOCK	4	38.0	15.8	48	13.0	51.8	7,174	7,174	1,688	1,688
PS FIR	4	24.1	17.9	86	10.0	42.3	6,981	6,723	1,688	1,684
<b>TOTAL</b>	<i>18</i>	<i>148.0</i>	<i>18.5</i>	<i>67</i>	<i>64.3</i>	<i>276.8</i>	<i>44,700</i>	<i>42,926</i>	<i>10,486</i>	<i>10,358</i>
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	
DOUG FIR	46.8	16.5		556	666	775				
WHEMLOCK	30.4	21.1		531	673	815				
PS FIR				630	630	630				
<b>TOTAL</b>	<i>30.4</i>	<i>8.4</i>		<i>606</i>	<i>662</i>	<i>718</i>	<i>40</i>	<i>20</i>	<i>10</i>	
CL:	68.1 %	COEFF	<b>SAMPLE TREES - CF</b>				# OF TREES REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR	38.0	13.4		131	151	171				
WHEMLOCK	15.1	10.4		130	146	161				
PS FIR				154	154	154				
<b>TOTAL</b>	<i>14.4</i>	<i>4.0</i>		<i>144</i>	<i>150</i>	<i>156</i>	<i>9</i>	<i>5</i>	<i>2</i>	
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	
DOUG FIR	90.6	45.0		47	86	125				
WHEMLOCK	172.7	85.8		5	38	71				
PS FIR	223.6	111.1			24	51				
<b>TOTAL</b>	<i>58.3</i>	<i>29.0</i>		<i>105</i>	<i>148</i>	<i>191</i>	<i>168</i>	<i>86</i>	<i>42</i>	
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	
DOUG FIR	72.1	35.8		117	183	248				
WHEMLOCK	139.3	69.2		16	52	88				
PS FIR	223.6	111.1			42	89				
<b>TOTAL</b>	<i>61.0</i>	<i>30.3</i>		<i>193</i>	<i>277</i>	<i>361</i>	<i>184</i>	<i>94</i>	<i>46</i>	
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	
DOUG FIR	70.4	35.0		18,880	29,029	39,178				
WHEMLOCK	138.4	68.8		2,241	7,174	12,107				
PS FIR	223.6	111.1			6,723	14,194				
<b>TOTAL</b>	<i>68.2</i>	<i>33.9</i>		<i>28,379</i>	<i>42,926</i>	<i>57,474</i>	<i>230</i>	<i>117</i>	<i>57</i>	
CL:	68.1 %	COEFF	<b>NET CUFT FT/ACRE</b>				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR	71.2	35.4		4,514	6,986	9,457				
WHEMLOCK	137.2	68.2		537	1,688	2,838				
PS FIR	223.6	111.1			1,684	3,556				
<b>TOTAL</b>	<i>64.9</i>	<i>32.3</i>		<i>7,016</i>	<i>10,358</i>	<i>13,700</i>	<i>208</i>	<i>106</i>	<i>52</i>	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT CHUPACA				DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	00U5	1.00	5	24	S	W	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	7	10	
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				103	159	214				
WHEMLOCK		140.4	69.8	43	138	234				
PS FIR		223.6	111.1		159	336				
<b>TOTAL</b>		<i>136.8</i>	<i>68.0</i>	<i>103</i>	<i>155</i>	<i>208</i>	<i>924</i>	<i>471</i>	<i>231</i>	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	00U6	15.00	22	136	S	W	
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL		22	136	6.2						
CRUISE		13	60	4.6	2,315	2.6				
DBH COUNT										
REFOREST										
COUNT		9	65	7.2						
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
DOUG FIR	35	59.2	23.2	93	36.1	174.0	33,744	32,526	7,328	7,220
WHEMLOCK	17	82.8	17.8	60	34.0	143.6	23,018	21,271	5,339	5,117
PS FIR	5	6.6	21.8	84	3.7	17.2	2,890	2,833	691	691
WR CEDAR	3	5.7	14.3	44	1.7	6.3	389	371	164	164
<b>TOTAL</b>	<b>60</b>	<b>154.3</b>	<b>20.1</b>	<b>73</b>	<b>76.0</b>	<b>341.1</b>	<b>60,042</b>	<b>57,002</b>	<b>13,523</b>	<b>13,193</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	62.0	10.5		655	732	809				
WHEMLOCK	45.7	11.8		459	521	582				
PS FIR	64.7	32.1		354	522	690				
WR CEDAR	113.8	78.8		28	130	232				
<b>TOTAL</b>	<b>65.4</b>	<b>8.5</b>		<b>573</b>	<b>626</b>	<b>680</b>	<b>171</b>	<b>87</b>	<b>43</b>	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
DOUG FIR	55.4	9.4		144	159	174				
WHEMLOCK	38.9	10.0		110	122	134				
PS FIR	46.7	23.2		92	120	148				
WR CEDAR	102.3	70.8		17	58	99				
<b>TOTAL</b>	<b>55.9</b>	<b>7.3</b>		<b>130</b>	<b>141</b>	<b>151</b>	<b>125</b>	<b>64</b>	<b>31</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	71.8	15.7		50	59	69				
WHEMLOCK	97.8	21.3		65	83	100				
PS FIR	249.1	54.3		3	7	10				
WR CEDAR	326.2	71.1		2	6	10				
<b>TOTAL</b>	<b>45.1</b>	<b>9.8</b>		<b>139</b>	<b>154</b>	<b>169</b>	<b>85</b>	<b>43</b>	<b>21</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	68.4	14.9		148	174	200				
WHEMLOCK	86.6	18.9		116	144	171				
PS FIR	245.5	53.5		8	17	26				
WR CEDAR	257.7	56.2		3	6	10				
<b>TOTAL</b>	<b>40.2</b>	<b>8.8</b>		<b>311</b>	<b>341</b>	<b>371</b>	<b>68</b>	<b>34</b>	<b>17</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	71.5	15.6		27,454	32,526	37,599				
WHEMLOCK	87.7	19.1		17,205	21,271	25,337				
PS FIR	243.0	53.0		1,333	2,833	4,334				
WR CEDAR	273.4	59.6		150	371	592				
<b>TOTAL</b>	<b>44.3</b>	<b>9.6</b>		<b>51,502</b>	<b>57,002</b>	<b>62,501</b>	<b>82</b>	<b>42</b>	<b>20</b>	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	00U6	15.00	22	136	S	W	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E. %	LOW	AVG	HIGH	5	7	10	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR. %	S.E. %	LOW	AVG	HIGH	5	7	10	
DOUG FIR		70.6	15.4	6,110	7,220	8,331				
WHEMLOCK		87.9	19.2	4,136	5,117	6,097				
PS FIR		244.9	53.4	322	691	1,060				
WR CEDAR		267.6	58.3	68	164	260				
<b>TOTAL</b>		<b>42.2</b>	<b>9.2</b>	<b>11,978</b>	<b>13,193</b>	<b>14,407</b>	<b>75</b>	<b>38</b>	<b>19</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				158	187	216				
WHEMLOCK				120	148	176				
PS FIR		200.0	43.6	78	165	253				
WR CEDAR		271.2	59.1	24	59	93				
<b>TOTAL</b>		<b>231.3</b>	<b>50.4</b>	<b>151</b>	<b>167</b>	<b>183</b>	<b>2,238</b>	<b>1,142</b>	<b>559</b>	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	CHUPACA			DATE	9/9/2019	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
06N	03E	15	BRA	OROW	0.30	1	17	S	W	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL		1	17	17.0						
CRUISE		1	17	17.0	106		16.0			
DBH COUNT										
REFOREST										
COUNT										
BLANKS										
100 %										
STAND SUMMARY										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
NOBLE F	9	180.0	11.5	63	38.4	130.2	8,400	8,400	2,982	2,982
DOUG FIR	5	133.3	11.0	58	26.5	88.0	4,800	4,800	1,817	1,817
WHEMLOCK	3	40.0	8.4	53	5.3	15.3	933	933	261	261
<b>TOTAL</b>	<i>17</i>	<i>353.3</i>	<i>11.0</i>	<i>60</i>	<i>70.4</i>	<i>233.6</i>	<i>14,133</i>	<i>14,133</i>	<i>5,060</i>	<i>5,060</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	
NOBLE F	33.9	12.0		41	47	52				
DOUG FIR	60.9	30.2		25	36	47				
WHEMLOCK	49.5	34.2		15	23	31				
<b>TOTAL</b>	<i>47.0</i>	<i>11.7</i>		<i>35</i>	<i>39</i>	<i>44</i>	<i>94</i>	<i>48</i>	<i>23</i>	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	7	10	
NOBLE F	41.5	14.7		14	17	19				
DOUG FIR	75.2	37.4		9	14	19				
WHEMLOCK	49.1	34.0		4	7	9				
<b>TOTAL</b>	<i>58.1</i>	<i>14.5</i>		<i>12</i>	<i>14</i>	<i>16</i>	<i>143</i>	<i>73</i>	<i>36</i>	

**Species Summary - Trees, Logs, Tons, CCF, MBF**

T06N R03E S15 Ty00U1	5.0
T06N R03E S15 Ty00U2	7.0
T06N R03E S15 Ty0RO	.3

**Project CHUPACA**  
**Acres 111.30**

**Page No 1**  
**Date: 9/9/2019**  
**Time 9:30:43AM**

Species	Total	Total	Total	Net Cubic Ft/		CF/	Total CCF		Total MBF	
	Trees	Logs	Tons	Tree	Log	LF	Gross	Net	Gross	Net
DOUG FIR	5,035	13,347	16,607	115.24	43.47	1.34	5,827	5,803	2,715	2,647
WHEMLOCK	5,653	12,741	17,335	93.80	41.62	1.32	5,417	5,302	2,441	2,330
PS FIR	954	2,343	2,421	88.60	36.07	1.11	845	845	391	385
WR CEDAR	302	528	398	55.57	31.83	1.04	169	168	54	47
R ALDER	127	228	237	63.42	35.33	1.10	86	80	33	30
BL MAPLE	202	229	196	28.14	24.85	0.92	74	57	28	21
NOBLE F	71	116		54.52	33.25	1.03	38	38	17	17
<b>Totals</b>	12,344	29,531	37,195	99.60	41.63	1.30	12,457	12,294	5,679	5,477

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	12,015	29,075	36,762	101.18	41.81	1.31	12,297	12,157	5,618	5,426
H	329	456	433	41.74	30.07	1.02	160	137	61	52
<b>Totals</b>	12,344	29,531	37,195	99.60	41.63	1.30	12,457	12,294	5,679	5,477

**Log Stock Table - MBF**  
**Project: CHUPACA**

T06N R03E S15 T00U1

T06N R03E S15 T00U1

**Twp** Rge **Sec** **Tract** **Type** **Acres** **Plots** **Sample Trees** **Page** **1**  
**06N** **03E** **15** **BRA** **00U1** **5.00** **10** **35** **Date** **9/9/2019**  
**Time** **9:30:43AM**

SPP	S	So	Gr	Log	Gross	% Def	Net	% Spc	Net Volume by Scaling Diameter in Inches												
									MBF	MBF	2-3	4-5	6-7	8-9	10-11	12-13	14-15	16-19	20-23	24-29	30-39
DF	HB	2S	36		21		21	7.9							5	16					
DF	HB	2S	40		48		48	17.8					6		7	16	19				
DF	HB	3S	40		4		4	1.6			4										
DF	D	2S	18		1		1	.5						1	1						
DF	D	2S	20		1		1	.5					1								
DF	D	2S	30		2		2	.6					2								
DF	D	2S	36		56		56	20.9					4		7	3	16		25		
DF	D	2S	40		71		71	26.3					3	9	10	22	27				
DF	D	3S	20		2		2	.8				0	2								
DF	D	3S	21		2		2	.8				1		1							
DF	D	3S	22		1		1	.2													
DF	D	3S	29		1		1	.3				1									
DF	D	3S	37		2		2	.9					2								
DF	D	3S	40		3		3	1.0				1	1								
DF	D	4S	15		1		1	.4													
DF	D	4S	17		5		5	1.7				5									
DF	D	4S	18		0		0	.1													
DF	RO	3S	36		20		20	7.5										6	14		
DF	RO	3S	40		27		27	10.1							14			13			
DF	Totals				268		268	81.9		6	2	7	7	17	9	44	57	81	39		
BM	CU	CU	2																		
BM	CU	CU	6																		
BM	CU	CU	10		0	100.0															
BM	CU	CU	11		0	100.0															
BM	CU	CU	20		1	100.0															
BM	CU	CU	24		3	100.0															
BM	CU	CU	27		1	100.0															
BM	D	UT	20		1		1	5.0				1									
BM	D	UT	24		5		5	21.2						5							
BM	D	UT	30		3		3	16.1				3									
BM	D	2S	40		5	5.0	5	23.8						5							
BM	D	3S	20		3		3	16.3					3								
BM	D	3S	30		4	7.7	4	17.6					4								
BM	Totals				28	24.2	21	6.5			4	7	10								
RA	CU	CU																			
RA	CU	CU	2																		
RA	CU	CU	4																		
RA	CU	CU	24		0	100.0															
RA	CU	CU	27		1	100.0															
RA	CU	CU	28		0	100.0															
RA	D	UT	14		2		2	5.4						2							
RA	D	UT	18		0		0	1.1			0										
RA	D	UT	20		1		1	4.2								1					
RA	D	UT	27		1		1	1.7			1										
RA	D	UT	40		1		1	2.2			1										
RA	D	1S	32		4		4	12.3									4				



**Log Stock Table - MBF**  
**Project: CHUPACA**

T06N R03E S15 T00U2

T06N R03E S15 T00U2

**Twp** Rge **Sec** **Tract** **Type** **Acres** **Plots** **Sample Trees** **Page** **1**  
**06N** **03E** **15** **BRA** **00U2** **7.00** **8** **23** **Date** **9/9/2019**  
**Time** **9:30:43AM**

SPP	S	So	Gr	Log	Gross	%	Net	%	Net Volume by Scaling Diameter in Inches															
									T	rt	de	Len	MBF	Def	MBF	Spc	2-3	4-5	6-7	8-9	10-11	12-13	14-15	16-19
DF	CU	CU	2																					
DF	CU	CU	4																					
DF	HA	SM	26		11		11	4.8									11							
DF	HA	SM	40		56	2.3	54	23.6									39	15						
DF	HB	2S	36		32	4.7	31	13.4						20	11									
DF	HB	2S	40		62	2.6	60	26.2						28	8	25								
DF	HB	3S	34		25	3.5	24	10.3				8	16											
DF	HB	3S	40		12		12	5.1					12											
DF	D	3S	24		8	11.1	7	3.0					7											
DF	D	3S	31		2		2	.7				2												
DF	D	3S	32		4		4	1.6			4													
DF	D	3S	34		11		11	4.9			5	6												
DF	D	3S	39		2		2	1.0			2													
DF	D	4S	17		2		2	1.0		2														
DF	D	4S	22		1	25.0	1	.5			1													
DF	D	4S	23		3		3	1.1			3													
DF	D	4S	24		3		3	1.1			3													
DF	D	4S	25		3		3	1.1			3													
DF	D	4S	29		2	20.0	1	.6			1													
DF	Totals				237	2.9	231	66.0		8	16	16	34	48	19	75	15							
WH	CU	CU	4																					
WH	D	2S	32		44	1.3	44	47.6					6		22	15								
WH	D	2S	40		26	4.6	25	26.7							25									
WH	D	3S	28		2		2	2.1			2													
WH	D	3S	40		17		17	18.2					17											
WH	D	4S	17		1		1	1.3			1													
WH	D	4S	18		1		1	.6			1													
WH	D	4S	19		1		1	1.4				1												
WH	D	4S	38		2		2	2.0		2														
WH	Totals				93	1.9	92	26.3		2	2	3	17	6	47	15								
SF	D	2S	36		6		6	21.2						6										
SF	D	3S	34		7		7	27.1			5	3												
SF	D	3S	40		12	5.2	11	41.7					11											
SF	D	4S	24		3		3	10.0		2	1													
SF	Totals				28	2.2	27	7.7		2	1	5	14	6										
Total All Species					359	2.6	349	100.0		11	19	24	65	54	25	121	31							



**Log Stock Table - MBF**  
**Project: CHUPACA**

T06N R03E S15 T00U3

T06N R03E S15 T00U3

**Twp** Rge **Sec** **Tract** **Type** **Acres** **Plots** **Sample Trees** **Page** **2**  
**06N** **03E** **15** **BRA** **00U3** **12.00** **19** **45** **Date** **9/9/2019**  
**Time** **9:30:43AM**

SPP	T	S	So	Gr	Log	Gross MBF	% Def	Net MBF	% Spc	Net Volume by Scaling Diameter in Inches									
										2-3	4-5	6-7	8-9	10-11	12-13	14-15	16-19	20-23	24-29
SF		D	2S	36		22	3.1	21	21.5				4	17					
SF		D	2S	40		26	2.2	25	25.5				6	19					
SF		D	3S	34		13		13	13.5				13						
SF		D	3S	40		7		7	7.1		2		5						
SF		D	4S	21		2		2	1.8		1	1							
SF		D	4S	22		1		1	1.1		1								
SF		D	4S	23		1		1	1.0		1								
SF		D	4S	24		1		1	1.0		1								
SF		D	4S	27		1		1	.9		1								
SF		D	UT	26		8		8	8.3						8				
SF		Totals				99	1.2	98	14.9		7	1	18	10	44	18			
NF		HA	SM	40		5		5	31.5						5				
NF		D	2S	40		7		7	51.4					2		5			
NF		D	3S	24		0		0	2.8		0								
NF		D	3S	40		2		2	12.3			2							
NF		D	4S	17		0		0	2.1		0								
NF		Totals				14		14	2.2		0	0	2		2	5	5		
Total All Species						685	3.6	660	100.0		4	35	20	99	73	161	204	44	20

**Log Stock Table - MBF**  
**Project: CHUPACA**

T06N R03E S15 T00U4

T06N R03E S15 T00U4

**Twp** Rge **Sec** **Tract** **Type** **Acres** **Plots** **Sample Trees** **Page** **1**  
**06N** **03E** **15** **BRA** **00U4** **71.00** **71** **146** **Date** **9/9/2019**  
**Time** **9:30:43AM**

S Spp	So T	Gr rt	Log de Len	Gross MBF	% Def	Net MBF	% Spc	Net Volume by Scaling Diameter in Inches										
								2-3	4-5	6-7	8-9	10-11	12-13	14-15	16-19	20-23	24-29	30-39
WH	CU	CU																
WH	CU	CU	4															
WH	CU	CU	6															
WH	CU	CU	8	7	100.0													
WH	CU	CU	16	18	100.0													
WH	HA	SM	32	19		19	1.2								19			
WH	HA	SM	40	59		59	3.7						59					
WH	D	CU	40	3	100.0													
WH	D	2S	32	806	2.8	784	49.4					104	172	371	120	16		
WH	D	2S	36	100	2.1	98	6.2						28	70				
WH	D	2S	40	337	1.9	331	20.9					59	76	137	60			
WH	D	3S	20	2		2	.1				2							
WH	D	3S	23	3		3	.2				2							
WH	D	3S	25	3		3	.2				3							
WH	D	3S	27	5		5	.3				5							
WH	D	3S	28	6		6	.3				6							
WH	D	3S	29	2		2	.1				2							
WH	D	3S	30	4		4	.2				4							
WH	D	3S	32	8	8.3	7	.4				7							
WH	D	3S	34	76	1.7	74	4.7				6	68						
WH	D	3S	36	3		3	.2			3								
WH	D	3S	37	3		3	.2				3							
WH	D	3S	38	23		23	1.4			14	9							
WH	D	3S	40	92	2.7	89	5.6			14	12	64						
WH	D	4S	16	1		1	.1			1								
WH	D	4S	17	3		3	.2				3							
WH	D	4S	18	2		2	.2			2								
WH	D	4S	19	5		5	.3			5								
WH	D	4S	20	3		3	.2			3								
WH	D	4S	21	3		3	.2			2	2							
WH	D	4S	22	6		6	.4			6								
WH	D	4S	23	17		17	1.1			13	4							
WH	D	4S	24	4		4	.2			4								
WH	D	4S	26	2		2	.1				2							
WH	D	4S	28	2		2	.1			2								
WH	D	4S	29	3		3	.2		3									
WH	D	4S	34	3		3	.2		3									
WH	D	4S	35	3		3	.2		3									
WH	D	4S	38	3		3	.2		3									
WH	D	UT	28	9		9	.6		9									
WH	Totals			1,650	3.9	1,585	49.0		21	68	65	141	162	276	637	199	16	
DF	CU	CU																
DF	CU	CU	2															
DF	CU	CU	4															
DF	CU	CU	10	4	100.0													
DF	HA	SM	36	37		37	2.7							37				
DF	HA	SM	40	246	1.2	243	17.4						136	107				
DF	HB	2S	26	23		23	1.7					9	14					

**Log Stock Table - MBF**  
**Project: CHUPACA**

T06N R03E S15 T00U4

T06N R03E S15 T00U4

Twp Rge Sec Tract Type Acres Plots Sample Trees Page  
 06N 03E 15 BRA 00U4 71.00 71 146 Date 9/9/2019  
 Time 9:30:43AM

Spp	T	S	So	Gr	Log	Len	Gross MBF	% Def	Net MBF	% Spc	Net Volume by Scaling Diameter in Inches										
											2-3	4-5	6-7	8-9	10-11	12-13	14-15	16-19	20-23	24-29	30-39
DF		HB	2S	32			125	1.7	123	8.8				14	25	65	19				
DF		HB	2S	36			155	4.6	148	10.5				46	33	68					
DF		HB	2S	40			323	1.9	317	22.6				126	92	55	44				
DF		HB	3S	26			12		12	.8			12								
DF		HB	3S	34			76	1.0	75	5.4			14	62							
DF		HB	3S	40			15		15	1.1			15								
DF		D	2S	16			1		1	.1				1							
DF		D	2S	28			15	48.6	8	.6						8					
DF		D	2S	32			127	.8	126	9.0				14	50	9	53				
DF		D	2S	36			16	5.6	15	1.1						15					
DF		D	2S	40			96	4.2	92	6.6				8	52	9		23			
DF		D	3S	21			2		2	.1											
DF		D	3S	22			5		5	.4				2							
DF		D	3S	23			2		2	.1											
DF		D	3S	24			2		2	.1											
DF		D	3S	25			7		7	.5											
DF		D	3S	27			6		6	.4											
DF		D	3S	32			18		18	1.3				5		12					
DF		D	3S	33			5		5	.4				5							
DF		D	3S	34			27		27	1.9				6	6	14					
DF		D	3S	40			16		16	1.1				16							
DF		D	4S	16			3		3	.2											
DF		D	4S	17			5		5	.4			2								
DF		D	4S	18			3		3	.2											
DF		D	4S	19			5		5	.3											
DF		D	4S	20			1		1	.1											
DF		D	4S	21			3		3	.2											
DF		D	4S	22			5		5	.4											
DF		D	4S	23			9		9	.6											
DF		D	4S	24			4		4	.3											
DF		D	4S	25			2		2	.1											
DF		D	4S	26			3		3	.2											
DF		D	4S	35			3		3	.2				3							
DF		D	4S	37			3		3	.2				3							
DF		D	4S	40			6		6	.5				6							
DF		D	UT	32			19		19	1.4							19				
DF		Totals						1,437	2.5	1,401	43.3		17	60	53	117	211	262	416	242	23
SF		CU	CU	4																	
SF		CU	CU	6																	
SF		HA	SM	36			11	11.9	9	4.4							9				
SF		D	2S	26			3	6.2	3	1.5				3							
SF		D	2S	32			60		60	28.7					20	30	10				
SF		D	2S	34			13	1.5	13	6.3				7	6						
SF		D	2S	36			19	3.0	19	8.9					9	10					
SF		D	2S	40			58	.7	58	27.4				5	9	43					
SF		D	3S	28			3		3	1.6											
SF		D	3S	30			1		1	.6											
SF		D	3S	34			9		9	4.2				9							

**Log Stock Table - MBF**  
**Project: CHUPACA**

**T06N R03E S15 T00U4**

**T06N R03E S15 T00U4**

**Twp Rge Sec Tract Type Acres Plots Sample Trees**  
**06N 03E 15 BRA 00U4 71.00 71 146**

**Page 3**  
**Date 9/9/2019**  
**Time 9:30:43AM**

SPP	S	So	Gr	Log	Gross	% Def	Net	% Spc	Net Volume by Scaling Diameter in Inches									
									MBF	MBF	2-3	4-5	6-7	8-9	10-11	12-13	14-15	16-19
SF	D	3S	36		3		3	1.6			3							
SF	D	3S	40		12	7.4	11	5.5				7	4					
SF	D	4S	14		0		0	.2				0						
SF	D	4S	15		1		1	.3			1							
SF	D	4S	19		1		1	.4			1							
SF	D	4S	21		2		2	.9			1	1						
SF	D	4S	22		4		4	1.8		2	1	1						
SF	D	4S	29		4		4	2.0		4								
SF	D	UT	24		8		8	3.7						8				
SF	Totals				214	1.7	210	6.5		6	7	14	13	16	44	101	10	
RC	CU	CU	4															
RC	CU	CU	19		0	100.0												
RC	D	3S	24		5	16.1	4	10.8				1		3				
RC	D	3S	34		20	13.1	18	42.8			6	2	10					
RC	D	3S	38		1		1	2.5			1							
RC	D	3S	40		16	17.1	14	32.6				1	1	2	5	5		
RC	D	4S	21		1		1	1.5		1								
RC	D	4S	24		1		1	1.5		1								
RC	D	4S	26		1		1	2.1		1								
RC	D	4S	27		2		2	4.8		1	1							
RC	D	4S	32		1		1	1.5		1								
RC	Totals				48	13.9	42	1.3		4	2	7	4	10	5	5	5	
Total All Species					3,349	3.3	3,238	100.0		48	137	139	275	399	587	1159	455	39

**Log Stock Table - MBF**  
**Project: CHUPACA**

T06N R03E S15 T00U5

T06N R03E S15 T00U5

Twp Rge Sec Tract Type Acres Plots Sample Trees Page  
 06N 03E 15 BRA 00U5 1.00 5 18 Date 9/9/2019  
 Time 9:30:43AM

SPP	S T	So Gr	Log	Len	Gross MBF	% Def	Net MBF	% Spc	Net Volume by Scaling Diameter in Inches													
									2-3	4-5	6-7	8-9	10-11	12-13	14-15	16-19	20-23	24-29	30-39	40+		
DF		CU	CU	8	1	100.0																
DF		HB	2S	40	5		5	16.8					2			3						
DF		HB	3S	40	2		2	6.2				2										
DF		D	2S	32	6	4.2	6	20.9				2			4							
DF		D	2S	40	12	2.9	11	39.4				2	2			8						
DF		D	3S	22	0		0	1.2				0										
DF		D	3S	34	1		1	3.0				1										
DF		D	3S	40	1		1	3.4				1										
DF		D	4S	15	0		0	.5				0										
DF		D	4S	17	0		0	1.6				0	0									
DF		D	4S	21	0		0	.7				0										
DF		D	4S	40	1		1	2.7			1											
DF		D	UT	31	1		1	3.6			1											
DF		Totals			31	5.0	29	67.6		2	0	1	4	4	4	4	10					
WH		D	2S	32	6		6	82.0					1	1	2	2						
WH		D	3S	23	0		0	2.1				0										
WH		D	4S	23	0		0	4.3				0										
WH		D	UT	25	1		1	11.6			1											
WH		Totals			7		7	16.7		1	0	0		1	1	2	2					
SF		CU	CU																			
SF		D	2S	36	3	9.4	2	37.1						2								
SF		D	3S	34	1		1	16.6					1									
SF		D	3S	40	2		2	34.6					2									
SF		D	4S	17	0		0	2.6				0										
SF		D	4S	40	1		1	9.2			1											
SF		Totals			7	3.7	7	15.7		1	0		3		2							
Total All Species					45	4.0	43	100.0		3	1	1	7	5	8	6	12					



**Log Stock Table - MBF**  
**Project: CHUPACA**

T06N R03E S15 T00U6

T06N R03E S15 T00U6

**Twp** Rge **Sec** **Tract** **Type** **Acres** **Plots** **Sample Trees** **Page** **2**  
**06N** **03E** **15** **BRA** **00U6** **15.00** **22** **61** **Date** **9/9/2019**  
**Time** **9:30:43AM**

SPP	S	So	Gr	Log	Gross	% Def	Net	% Spc	Net Volume by Scaling Diameter in Inches											
									MBF	MBF	2-3	4-5	6-7	8-9	10-11	12-13	14-15	16-19	20-23	24-29
WH	CU	CU	23		5	100.0														
WH	CU	CU	24		1	100.0														
WH	D	2S	32		105	4.7	100	31.3				7	22	56	16					
WH	D	2S	36		16	7.1	15	4.6						15						
WH	D	2S	40		127		127	39.8				34	13	63	17					
WH	D	3S	23		2		2	.5												
WH	D	3S	25		3		3	1.0												
WH	D	3S	30		2		2	.7			2									
WH	D	3S	34		7		7	2.2				7								
WH	D	3S	40		41	4.2	39	12.3				17	22							
WH	D	4S	15		1		1	.2				1								
WH	D	4S	17		1		1	.4			1									
WH	D	4S	19		3		3	.9			1	1								
WH	D	4S	21		2		2	.6			2									
WH	D	4S	25		2		2	.5			2									
WH	D	4S	35		6		6	1.7			6									
WH	D	UT	17		10		10	3.2			10									
WH	Totals				345	7.6	319	37.3			19	6	23	29	41	35	133	32		
SF	D	2S	32		10	4.0	10	23.5							3	7				
SF	D	2S	40		16	2.7	16	36.9				6	10							
SF	D	3S	23		1		1	1.5												
SF	D	3S	31		1		1	2.1												
SF	D	3S	34		1		1	2.7			1									
SF	D	3S	40		1		1	3.0			1									
SF	D	4S	38		1		1	2.7			1									
SF	D	UT	26		6		6	13.8							6					
SF	D	UT	40		6		6	13.7				6								
SF	Totals				43	2.0	43	5.0			1	2	2	11	10	9	7			
RC	CU	CU																		
RC	D	3S	40		3	10.3	2	41.5						2						
RC	D	4S	26		0		0	6.4			0									
RC	D	4S	30		2		2	30.8			2									
RC	D	4S	40		1		1	21.3			1									
RC	Totals				6	4.6	6	.7			2	2		2						
Total All Species					901	5.1	855	100.0			30	20	56	86	102	123	329	76	20	12



## Pole Sort Summary Page

Sale Name: Chuparcabra Sorts                      Date: 9-2-19  
 Region: P.C.                      District: Yacolt                      Sec. 15                      Twp. 4N                      Rng. 6W  
 Grant: 1,3                      County: Cowlitz                      Region Contact: DPClark

### Sale Description

	Acres	D.F. Poles	Vol	R.C. Poles	Vol	R.W. Vol	Prep. Method	Expansion Factor	Sample D.O.B.
Unit# <u>2</u>	<u>7</u>	<u>53</u>	<u>28</u>				<u>1/10<sup>th</sup></u>	<u>8.75</u>	<u>19.7"</u>
Unit# <u>3</u>	<u>12</u>	<u>51</u>	<u>23</u>				<u>1/10<sup>th</sup></u>	<u>6.32</u>	<u>19.2"</u>
Unit# <u>4</u>	<u>71</u>	<u>410</u>	<u>192</u>				<u>1/10<sup>th</sup></u>	<u>10.0</u>	<u>19.8"</u>
Unit# _____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit# _____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sub Total:	<u>90</u>	<u>513</u>	<u>243</u>	_____	_____	_____	_____	_____	_____

	POLES	VOLUME
<b>TOTAL:</b>	<b><u>513</u></b>	<b><u>243 MBF</u></b>

1. Haul cost appraised to: Bell Timber                      At: Longview
2. Recommended Logging Method: Ground based
3. Apparent Logging Season: All seasons subject to winter variation.

4. Recommended Contract Term: 4 to 6 months

5. Recommended Method of Sale: Sort Contract Harvest

6. Notes: Poles average 19.7" by 85 feet and range from 12' to 24" and 45 feet to 105  
Feet.

7. Prepared By: DPClark Title: Timber Cruiser

<b>Sale Name:</b>	Chupacabra
<b>Sale Type:</b>	Contract harvest
<b>Agreement Number:</b>	30-0
<b>Region:</b>	Pacific Cascade
<b>District:</b>	Yacolt
<b>County:</b>	Cowlitz
<b>Grant:</b>	01,03
<b>Cruise Date:</b>	8/7/19
<b>Cruised By:</b>	D.P.Clark
<b>Auction Date:</b>	TBD

Unit #	Acres	Total plots	Sample type	Sample ratio	Expansion	Sampled Acres
2	7	8	Fixed	0.1	8.75	0.8
3	12	19	Fixed	0.1	6.32	1.9
4	71	71	Fixed	0.1	10.00	7.1
				0.1	0.00	0
					0.00	0
					0.00	0
					0.00	0
					0.00	0
					0.00	0
					0.00	0
					0.00	0
					0.00	0
					0.00	0
<b>Totals</b>	<b>90</b>	<b>98</b>				



<b>Sale Name:</b>	Chupacabra	<b>Grant:</b>	01,03
<b>Sale Type:</b>	Contract harvest	<b>County:</b>	Cowlitz
<b>Agreement Number:</b>	30-0	<b>Cruise Date:</b>	8/7/2019
<b>Region:</b>	Pacific Cascade	<b>Cruised By:</b>	D.P.Clark
<b>District:</b>	Yacolt	<b>Auction Date:</b>	TBD

**Douglas-fir**

Unit #	Sample Acres	BF/acre	BF/pole	Length/pole	\$/Ft. length
2	0.8	3,975	530	87	\$ 5.98
3	1.9	1,942	461	78	\$ 5.72
4	7.1	2,700	468	79	\$ 5.62
		-	-	#REF!	#REF!
		-	-		
		-	-		
		-	-		
		-	-		
		-	-		
		-	-		
		-	-		
<b>Totals</b>	<b>9.8</b>	<b>2698.1</b>	<b>473</b>	<b>79</b>	<b>\$ 5.67</b>

Unit #	BF/load	Number loads	Del. \$/load	Poles/load	#2 Saw MBF	#3 Saw MBF	#4 Saw MBF
2	5,500	5	\$ 5,376	10	22	6	-
3	5,500	4	\$ 5,287	12	18	5	-
4	5,500	35	\$ 5,203	12	136	56	-
	5,500		\$ -	-	#REF!	#REF!	#REF!
	5,500		\$ -	-			
	5,500		\$ -	-			
	5,500		\$ -	-			
	5,500		\$ -	-			
	5,500		\$ -	-			
	5,500		\$ -	-			
	5,500		\$ -	-			
	5,500		\$ -	-			
<b>Totals</b>		<b>44</b>	<b>\$ 5,231</b>	<b>12</b>	<b>176</b>	<b>67</b>	<b>-</b>

**Poles by species and GL DOB**

<b>Unit</b>	<b>(Multiple Items)</b>
<b>Sp/GL Class</b>	<b>Number of poles</b>
<b>DF</b>	
12	10
14	26
16	101
18	111
20	139
22	69
24	56
<b>Grand Total</b>	<b>513</b>

Washington Dept. of Natural Resources  
Pole Cruise and Appraisal Summary

**Pole Averages**

<b>Unit</b>	(All)
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<b>Sp/GL DOB</b>	<b>Values</b>		
	<b>BF Volume per Pole</b>	<b>\$/MBF per Pole</b>	<b>Average of \$ Pole</b>
<b>DF</b>			
12	120	\$777	\$93
14	143	\$795	\$114
16	235	\$865	\$205
18	427	\$872	\$379
20	528	\$967	\$513
22	684	\$1,004	\$689
24	775	\$1,001	\$776
<b>Grand Total</b>	<b>465</b>	<b>\$921</b>	<b>\$443</b>

Washington Dept. of Natural Resources  
Pole Cruise and Appraisal Summary

**Pole Values by Unit**

Unit #	Values					
	Avg. GL DOB	Total # Poles	Delivered Value	Avg Length (ft)	Sum of \$/lin ft	
<b>DF</b>	<b>19.7</b>	<b>513</b>	<b>\$230,935</b>	<b>79</b>	<b>\$5.67</b>	
2	19.7	53	\$27,196	87	\$5.98	
3	19.2	51	\$22,403	78	\$5.72	
4	19.8	410	\$181,336	79	\$5.62	
<b>Grand Total</b>	<b>19.7</b>	<b>513</b>	<b>\$230,935</b>	<b>79</b>	<b>\$5.67</b>	

Washington Dept. of Natural Resources  
Pole Cruise and Appraisal Summary

**Pole volume by grade**

Unit/Sp/Lng (ft.)	Values			
	#2 Saw	#3 Saw	#4 Saw	Total MBF
<b>DF</b>				
2	22	6	-	28
3	18	5	-	23
4	136	56	-	192
<b>Grand Total</b>	<b>176</b>	<b>67</b>	<b>-</b>	<b>243</b>

Total MBF Unit/Sp/Lng (ft)	Class					Grand Total
	1	2	4	H1	H3	
<b>2</b>	<b>10.0</b>	<b>11.8</b>		<b>6.0</b>		<b>27.8</b>
<b>DF</b>						
65		2.3				2.3
85	10.0					10.0
90				6.0		6.0
95		4.7				4.7
100		4.8				4.8
<b>3</b>	<b>13.8</b>	<b>3.1</b>	<b>0.9</b>		<b>5.5</b>	<b>23.3</b>
<b>DF</b>						
50			0.9			0.9
60		1.4				1.4
70		1.7				1.7
80	2.8					2.8
85	3.6					3.6
90	7.5					7.5
95					5.5	5.5
<b>4</b>	<b>47.9</b>	<b>66.5</b>	<b>2.6</b>	<b>58.3</b>	<b>16.4</b>	<b>191.7</b>
<b>DF</b>						
45		1.5	1.2			2.7
50		1.6	1.4			3.0
55		3.6				3.6
60		6.6				6.6
70		2.7		4.0		6.7
75		11.6				11.6
80	4.4	14.4		16.2		35.0
85		24.5				24.5
90	17.7			6.9	16.4	41.0
95	19.2			15.0		34.2
100	6.6			7.6		14.2
105				8.6		8.6
<b>Grand Total</b>	<b>71.7</b>	<b>81.4</b>	<b>3.5</b>	<b>64.3</b>	<b>21.9</b>	<b>242.8</b>

<b>Unit</b>	<b>(Multiple Items)</b>
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<b>Unit/Sp/Lng(ft)</b>	<b>No. Poles by length</b>
<b>DF</b>	
45	20
50	26
55	20
60	36
65	9
70	26
75	40
80	76
85	74
90	81
95	65
100	29
105	10
<b>Grand Total</b>	<b>513</b>

No. Poles by GL Unit/Sp/GL(in.)	Class					Grand Total
	1	2	4	H1	H3	
<b>2</b>	<b>18</b>	<b>26</b>		<b>9</b>		<b>53</b>
<b>DF</b>						
17.1		9				9
18.6	9					9
20.1	9	9				18
20.4		9				9
22.1				9		9
<b>3</b>	<b>25</b>	<b>13</b>	<b>6</b>		<b>6</b>	<b>51</b>
<b>DF</b>						
14.2			6			6
16.7		6				6
17.6		6				6
18.5	6					6
19.7	6					6
20.9	6					6
21.5	6					6
24.6					6	6
<b>4</b>	<b>80</b>	<b>200</b>	<b>20</b>	<b>90</b>	<b>20</b>	<b>410</b>
<b>DF</b>						
13.4			10			10
14.2			10			10
15.6		10				10
16		10				10
16.1		10				10
16.5		10				10
16.6		10				10
16.7		10				10
16.9		10				10
17.6		10				10
17.9		10				10
18		20				20
18.7		10				10
18.8		10				10
19		10				10
19.1		10				10
19.3		10				10
19.5	10	10				20
20		20		10		30
20.7	10					10
21	10			10		20
21.1	10					10
21.2				10		10
21.3	10			10		20
22.5	20	10				30
23				30		30
24				10		10
24.3					20	20
24.9	10					10
25.1				10		10
<b>Grand Total</b>	<b>123</b>	<b>239</b>	<b>26</b>	<b>99</b>	<b>26</b>	<b>513</b>

Unit	(All)
Sp/Lng (ft)	Total \$ Delivered
<b>DF</b>	
45	\$2,105
50	\$3,124
55	\$2,988
60	\$6,816
65	\$1,993
70	\$7,576
75	\$10,671
80	\$32,242
85	\$36,637
90	\$53,786
95	\$44,610
100	\$19,425
105	\$8,962
<b>Grand Total</b>	<b>\$230,935</b>

**Unit** (Multiple Items)

Unit/Sp/Lng	Values	
	Total \$ Delivered	Sum of Total No. poles
<b>DF</b>		
12	\$932	10
14	\$3,005	26
16	\$20,676	101
18	\$45,039	111
20	\$70,601	139
22	\$47,378	69
24	\$43,304	56
<b>Grand Total</b>	<b>\$230,935</b>	<b>513</b>



Forest Practices Application/Notification  
**Notice of Decision**

FPA/N No: 2937005  
Effective Date: 11/04/2019  
Expiration Date: 11/04/2022  
Shut Down Zone: 660  
EARR Tax Credit:  Eligible  Non-eligible  
Reference: Chupacabra Sorts TBS  
30-099681

**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**

**Number of Years Granted on Multi-Year Request**

Class II  Class III  Class IVG  Class IVS  4 years  5 years

**Conditions on Approval / Reasons for Disapproval**

No additional conditions.

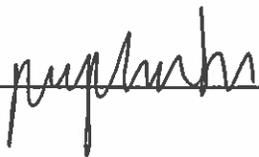
Issued By: Geoff Crosby

Region: Pacific Cascade

Title: Forest Practices Forester

Date: 11/04/2019

Copies to:  Landowner, Timber Owner and Operator.

Issued in person:  Landowner  Timber Owner  Operator By: 

**Appeal Information**

You have thirty (30) days to appeal this Decision and any related State Environmental Policy Act determinations to the Pollution Control Hearings Board in writing at the following addresses:

**Physical address: 1111 Israel Rd. SW, Ste 301, Tumwater, WA 98501**

**Mailing address: P.O. BOX 40903, OLYMPIA, WA 98504-0903**

Information regarding the Pollution Control Hearings Board can be found at: <http://www.eluho.wa.gov/>

At the same time you file an appeal with the Pollution Control Hearings Board, also send a copy of the appeal to the Department of Natural Resources' region office and the Office of the Attorney General at the following addresses:

Office of the Attorney General  
Natural Resources Division  
1125 Washington Street SE  
PO Box 40100  
Olympia, WA 98504-0100

And

Department Of Natural Resources  
Pacific Cascade Region  
PO Box 280  
Castle Rock WA 98611

**Other Applicable Laws**

Operating as described in this application/notification does not ensure compliance with the Endangered Species Act, or other federal, state, or local laws.

**Transfer of Forest Practices Application/Notification (WAC 222-20-010)**

Use the "Notice of Transfer of Approved Forest Practices Application/Notification" form. This form is available at region offices and on the Forest Practices website: <http://www.dnr.wa.gov/businesspermits/forestpractices>. Notify DNR of new Operators within 48 hours.

**Continuing Forest Land Obligations (RCW 76.09.060, RCW 76.09.070, RCW 76.09.390, and WAC 222-20-055)**

Obligations include reforestation, road maintenance and abandonment plans, conversions of forest land to non-forestry use and/or harvest strategies on perennial non-fish habitat (Type Np) waters in Eastern Washington.

Before the sale or transfer of land or perpetual timber rights subject to continuing forest land obligations, the seller must notify the buyer of such an obligation on a form titled "Notice of Continuing Forest Land Obligation". The seller and buyer must both sign the "Notice of Continuing Forest Land Obligation" form and send it to the DNR Region Office for retention. This form is available at DNR region offices.

If the seller fails to notify the buyer about the continuing forest land obligation, the seller must pay the buyer's costs related to continuing forest land obligations, including all legal costs and reasonable attorneys' fees incurred by the buyer in enforcing the continuing forest land obligation against the seller.

Failure by the seller to send the required notice to the DNR at the time of sale will be prima facie evidence in an action by the buyer against the seller for costs related to the continuing forest land obligation prior to sale.

**DNR affidavit of mailing:**

On this day _____,	I placed in the United States mail at _____	Castle Rock	_____	WA,
(date)		(post office location)		
postage paid, a true and accurate copy of this document. Notice of Decision FPA # _____				
_____	_____			
(Printed name)	(Signature)			