TIMBER NOTICE OF SALE

SALE NAME: THIRD CHANCE  AGREEMENT NO: 30-102324

AUCTION: January 25, 2022 starting at 10:00 a.m.,  COUNTY:  Mason
South Puget Sound Region Office, Enumclaw, WA

SALE LOCATION: Sale located approximately 4 miles west of Belfair.

PRODUCTS SOLD AND SALE AREA: All timber, except trees bounded out by yellow leave tree area tags, and down timber existing more than 5 years from the day of sale, bounded by the following: white timber sale boundary tags, private property marked with white Carsonite posts, and the F-1000 Road in Unit #1;

All forest products above located on part(s) of Sections 2 all in Township 22 North, Range 2 West, Sections 35 all in Township 23 North, Range 2 West, W.M., containing 5 acres, more or less.

CERTIFICATION: This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: PwC-SFIFM-513) and FSC 100% raw materials under the Forest Stewardship Council® Standard (cert no: BV-FM/COC-080501).

ESTIMATED SALE VOLUMES AND QUALITY:

<table>
<thead>
<tr>
<th>Species</th>
<th>Avg DBH</th>
<th>Ring Count</th>
<th>Total MBF</th>
<th>MBF by Grade</th>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1P</td>
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<tr>
<td>Douglas fir</td>
<td>13.2</td>
<td>91</td>
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<td>18</td>
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<tr>
<td>Hemlock</td>
<td>13.6</td>
<td>4</td>
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<tr>
<td>Sale Total</td>
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<td>95</td>
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</table>

MINIMUM BID: $37,000.00  BID METHOD: Sealed Bids

PERFORMANCE SECURITY: $100,000.00  SALE TYPE: Lump Sum

EXPIRATION DATE: October 31, 2022  ALLOCATION: Export Restricted

BID DEPOSIT: $5,000.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

HARVEST METHOD: Harvest activities are estimated to be 100 percent ground based harvest. Yarding may be restricted during wet weather if rutting becomes excessive, per clause H-017.

Falling, yarding, and hauling of forest products will not be permitted weekdays from 7:00 pm to 7:00 am, nor on weekends or State recognized holidays, unless approved in writing by the Contract Administrator.


Operation of road construction equipment will not be permitted on weekdays from 7:00 pm to 7:00 am, nor on weekends or State recognized holidays, unless authority to do so is granted, in writing, by the Contract Administrator.
ACREAGE DETERMINATION

CRUISE METHOD: Unit acreage was determined by traversing boundaries by GPS. GPS data files are available at DNR's website for timber sale auction packets. See cruise narrative for cruise method.

FEES: $1,615.00 is due on day of sale. $9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: Timber falling will occur within a tree length and a half of structures adjacent to the harvest unit.

Purchaser must provide a written Extreme Hazard Abatement Plan, which meets the requirements of contract clause S-020. Hazard Abatement is required within 200 feet of structures adjacent to the harvest unit.

Depending on road condition during haul, dust abatement may be required on the F-1000 Road when determined by the Contract Administrator.

For the safety of the public, please remove all string from string boxes from roads used during appraising or cruising this sale.

See map for gate locations. Gate keys may be obtained by contacting the South Puget Sound Region Office at 360-825-1631 or by contacting Allyn Cole at 360-280-3314.
From Belfair travel west on WA-300 for 3.3 miles. Continue onto the North Shore Rd. for 0.1 miles. Turn right onto NE Belfair Tahuya Rd. for 0.6 miles gate 110 is on the left hand side. Unit 1 starts just inside the gate on the left hand side.**
STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES  

BILL OF SALE AND CONTRACT FOR 
FOREST PRODUCTS  

Export Restricted Lump Sum AGREEMENT NO. 30-0102324  

SALE NAME: THIRD CHANCE  

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 Definitions  
The following definitions apply throughout this contract;  

Bill of Sale and Contract for Forest Products: Contract between the Purchaser and the State, which sets forth the procedures and obligations of the Purchaser in exchange for the right to remove forest products from the sale area. The Bill of Sale and Contract for Forest Products may include a Road Plan for any road construction or reconstruction, where applicable.  

Contract Administrator: Region Manager’s designee responsible for assuring that the contractual obligations of the Purchaser are met.  

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

Purchaser: The company or individual that has entered into a Bill of Sale and Contract for Forest Products with the State for the right to harvest and remove forest products from the timber sale area.
Road Construction: Includes building new and maintaining existing forest roads and associated work that may be optional or required as described in the Road Plan.

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.

Subcontractor: Individual or company employed by the Purchaser to perform a portion or all of the services required by The Bill of Sale and Contract for Forest Products. The Purchaser is responsible for independently negotiating, procuring and paying for all subcontracted services rendered.

G-011 Right to Remove Forest Products and Contract Area

Purchaser was the successful bidder on January 25, 2022 and the sale was confirmed on ______________________. The State, as owner, agrees to sell to Purchaser, and Purchaser agrees to purchase as much of the following forest products as can be cut and removed during the term of this contract: All timber, except trees bounded out by yellow leave tree area tags, and down timber existing more than 5 years from the day of sale, bounded by the following: white timber sale boundary tags, private property marked with white Carsonite posts, and the F-1000 Road in Unit #1;

All forest products above located on approximately 5 acres on part(s) of Section 2 in Township 22 North, Range 2 West, Section 35 in Township 23 North, Range 2 West W.M. in Mason County(s) as designated on the sale area and as shown on the attached timber sale map.

All forest products described above from the bole of the tree that meet or exceed 2 inches diameter inside bark on the small end are eligible for removal. Above ground components of a tree that remain as by-products after the manufacture of logs, including but not limited to tree tops, branches, limbs, needles, leaves, stumps, are not eligible for removal under the terms of this contract.

Forest products purchased under a contract that is designated as export restricted shall not be exported until processed. Forest products purchased under a contract that is designated as exportable may be exported prior to processing.

G-020 Inspection By Purchaser

Purchaser hereby warrants to the State that they have had an opportunity to fully inspect the sale area and the forest products being sold. Purchaser further warrants to the State that they enter this contract based solely upon their own judgment of the value of the forest products, formed after their own examination and inspection of both the timber sale area and the forest products being sold. Purchaser also warrants to the State that they enter this contract without any reliance upon the volume estimates, acreage estimates, appraisals, pre-bid documentation, or any other representations by the State Department of Natural Resources.
G-031 Contract Term
Purchaser shall complete all work required by this contract prior to October 31, 2022.

G-040 Contract Term Adjustment - No Payment
Purchaser may request an adjustment in the contract term. A claim must be submitted in writing and received by the State within 30 days after the start of interruption or delay. The claim must also indicate the actual or anticipated length of interruption or delay. The State may grant an adjustment without charge only if the cause for contract term adjustment is beyond Purchaser's control. The cause must be one of the following and the adjustment may be granted only if operations or planned operations under this contract are actually interrupted or delayed:

a. Road and bridge failures which deny access.

b. Access road closures imposed by road owner.

c. Excessive suspensions as provided in clause G-220.

d. Regulatory actions not arising from Purchaser's failure to comply with this contract which will prevent timber harvest for a period less than 6 months.

G-051 Contract Term Extension - Payment
Extensions of this contract term may be granted only if, in the judgment of the State, Purchaser is acting in good faith and is endeavoring to remove the forest products conveyed. The term of this contract may be extended for a reasonable time by the State if all of the following conditions are satisfied:

a. A written request for extension of the contract term must be received prior to the expiration date of the contract.

b. Completion of all required roads and compliance with all contract and regulatory requirements.

c. For the first extension, not to exceed 1 year, payment of at least 25 percent of the total contract price.

For the second extension, not to exceed 1 year, payment of at least 90 percent of the total contract price.

The payments shall not include the initial deposit which shall be held according to the provisions of RCW 79.15.100.

d. Payment of an amount based on 12 percent interest per annum on the unpaid portion of the total contract price.
All payments, except the initial deposit, will be deducted from the total contract price to determine the unpaid portion of the contract.

e. Payment of $845.00 per acre per annum for the acres on which an operating release has not been issued within the harvest area.

f. In no event will the extension charge be less than $200.00.

g. Extension payments are non-refundable.

G-053 Surveys - Sensitive, Threatened, Endangered Species

Whenever the State determines that a survey for sensitive, threatened, or endangered species is prudent, or when Purchaser determines a survey is prudent and the State agrees, Purchaser shall perform such surveys at Purchaser's expense and to the standards required by the State. The survey information shall be supplied to the State.

G-060 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 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 ACREAGE contained within any sale area. Any acreage descriptions appearing in the timber notice of sale, timber sale contract, or other documents are estimates only, provided solely for administrative and identification purposes.

d. The VOLUME, QUALITY, OR GRADE of the forest products. The State neither warrants nor limits the amount of timber to be harvested. The descriptions of the forest products to be conveyed are estimates only, made solely for administrative and identification purposes.

e. The CORRECTNESS OF ANY SOIL OR SURFACE CONDITIONS, PRE-SALE CONSTRUCTION APPRAISALS, INVESTIGATIONS, AND ALL OTHER PRE-BID DOCUMENTS PREPARED BY OR FOR THE STATE. These documents have been prepared for the State's appraisal purposes only.

f. THAT THE SALE AREA IS FREE FROM THREATENED OR ENDANGERED SPECIES or their habitat. The State is not responsible for any interference with forestry operations that result from the presence of any
threatened or endangered species, or the presence of their habitat, within the
sale area.

g. THAT THE FORESTRY OPERATIONS to be performed under this contract
WILL BE FREE FROM REGULATORY ACTIONS by governmental
agencies. The State is not responsible for actions to enforce regulatory laws,
such as the Washington Forest Practices Act (chapter 76.09 RCW), taken by
the Department of Natural Resources or any other agency that may affect the
operability of this timber sale.

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

G-062 Habitat Conservation Plan

The State has entered into a Habitat Conservation Plan (HCP) with the U.S. Fish and
Wildlife Service and the National Marine Fisheries Service (the Services) to address
state trust land management issues relating to compliance with the Federal Endangered
Species Act. The activities to be carried out under this contract are located within the
State’s HCP area and are subject to the terms and conditions of the HCP, and the
Services’ Incidental Take Permit Nos. TE812521-1 and 1168 (collectively referred to
as ITP), or as amended hereafter by the Services. The ITP authorizes the incidental
take of certain federally listed threatened and endangered species, as specified in the
ITP conditions. All HCP materials, including the ITP, are available for review at the
State’s Regional Offices and the administrative headquarters in Olympia, Washington.

By signing this contract, Purchaser agrees to comply with the terms and conditions of
the ITP, and the HCP, which shall become terms of this contract. The State agrees to
authorize the lawful activities of the Purchaser carried out pursuant to this contract,
PROVIDED the Purchaser remains in compliance with the terms and conditions of both
the HCP and ITP. The requirements set forth in this contract are intended to comply
with the terms and conditions of the HCP and ITP. Accordingly, non-compliance with
the terms and conditions of the HCP and ITP will render the authorization provided in
this paragraph void, be deemed a breach of the contract and may subject Purchaser to
liability for violation of the Endangered Species Act.

Any modifications to the contract shall be proposed in writing by Purchaser, shall
continue to meet the terms and conditions of the HCP and ITP, and shall require the
prior written approval of the Region Manager before taking effect.

G-063 Incidental Take Permit Notification Requirements

a. Purchaser shall immediately notify the Contract Administrator of new
locations of permit species covered by the Incidental Take Permits (ITP) that
are discovered within the area covered by the State's Habitat Conservation
Plan (HCP), including, but not limited to: locations of occupied murrelet
habitat; spotted owl nest sites; wolves; grizzly bears; nests, communal roosts,
or feeding concentrations of bald eagles; peregrine falcon nests; Columbian
white-tailed deer; Aleutian Canada geese; Oregon silverspot butterflies; and
additional stream reaches found to contain bull trout. Purchaser is required to
notify the Contract Administrator upon discovery of any fish species found in streams or bodies of water classified as non-fish bearing. In all circumstances, notification must occur within a 24 hour time period.

b. Upon locating any live, dead, injured, or sick specimens of any permit species covered by the ITP, Purchaser shall immediately notify the Contract Administrator. Purchaser shall notify the Contract Administrator if there is any doubt as to the identification of a discovered permit species. Purchaser may be required to take certain actions to help the Contract Administrator safeguard the well-being of any live, injured or sick specimens of any permit species discovered, until the proper disposition of such specimens can be determined by the Contract Administrator. Any such requirements will be explained to Purchaser by the Contract Administrator during the Pre-Work Conference. In all circumstances, notification must occur within a 24 hour time period.

c. Purchaser shall refer to a specific ITP number, ITP TE812521-1 or ITP 1168 (copies which are located in the region office) in all correspondence and reports concerning permit activities.

d. Provisions and requirements of the ITP shall be clearly presented and explained to Purchaser by Contract Administrator during the Pre-Work Conference as per contract clause G-330. All applicable provisions of the ITP and this schedule must be presented and clearly explained by Purchaser to all authorized officers, employees, contractors, or agents of Purchaser conducting authorized activities in the timber sale area. Any questions Purchaser may have about the ITP should be directed to the Contract Administrator.

G-064 Permits
Purchaser is responsible for obtaining any permits not already obtained by the State that relate to Purchaser's operation. Forest Practice Application / Hydraulic Project Approval permits obtained by the State shall be transferred to Purchaser. Purchaser is responsible for all permits, amendments and renewals.

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-066 Governmental Regulatory Actions
a. Risk

Purchaser shall be responsible for any increased operational costs arising from any applicable foreign or domestic governmental regulation or order that does not cause contract performance to become commercially impracticable or that does not substantially frustrate the purpose of the contract. If impracticability or frustration results from Purchaser's failure to comply with this contract,
Purchaser shall remain responsible for payment of the total contract price notwithstanding the impracticability or frustration.

b. Sale Area

When portions of the sale area become subject to a foreign or domestic governmental regulation or order that will likely prevent timber harvest for a period that will exceed the expiration date of this contract, and Purchaser has complied with this contract, the following shall apply:

i. RCW 79.15.140 shall govern all adjustments to the contract area.

c. Adjustment of Price

The State shall adjust the total contract price by subtracting from the total contract price an amount determined in the following manner: The State shall cause the timber sale area subject to governmental regulation or order to be measured. The State shall calculate the percentage of the total sale area subject to the governmental regulation or order. The State shall reduce the total contract price by that calculated percentage. However, variations in species, value, costs, or other items pertaining to the affected sale area will be analyzed and included in the adjustment if deemed appropriate by the State. The State will further reduce the total contract price by the reasonable cost of unamortized roads Purchaser constructed but was unable to fully use for removing timber. A reduction in total contract price terminates all of the Purchaser's rights to purchase and remove the timber and all other interest in the affected sale area.

G-070 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the exclusive remedy available to Purchaser will be limited to a return of the initial deposit, unapplied payments, and credit for unamortized improvements made by Purchaser. The State shall not be liable for any damages, whether direct, incidental or consequential.

G-080 Scope of State Advice

No advice by any agent, employee, or representative of the State regarding the method or manner of performing shall constitute a representation or warranty that said method, manner or result thereof will conform to the contract or be suitable for Purchaser's purposes under the contract. Purchaser's reliance on any State advice regarding the method or manner of performance shall not relieve Purchaser of any risk or obligation under the contract. Purchaser retains the final responsibility for its operations under this contract and State shall not be liable for any injuries resulting from Purchaser's reliance on any State advice regarding the method or manner of performance.
G-091 Sale Area Adjustment

The Parties may agree to adjustments in the sale area boundary. The cumulative changes to the sale area during the term of the contract shall not exceed more than four percent of the original sale area. If the sale area is increased, the added forest products become a part of this contract. The State shall determine the volume added and shall calculate the increase to the total contract price using the rates set forth in clause G-101, G-102, or G-103. If the sale area is reduced, the State shall determine the volume to be reduced. The State shall calculate the reduction to the total contract price using the rates set forth in clause G-101, G-102, or G-103.

G-101 Forest Products Not Designated

Any forest products not designated for removal, which must be removed in the course of operations authorized by the State, shall be approved and designated by the Contract Administrator. Added forest products become a part of this contract and the Scribner log scale volume, as defined by the Northwest Log Rules Advisory Group, shall be determined by the Contract Administrator. Added forest products shall be paid for at the following contract payment rates per Mbf Scribner log scale.

The pricing schedule has not been set for the sale.

G-111 Title and Risk of Loss

Title to the forest products under this contract passes to the Purchaser after they are removed from the sale area, if adequate advance payment or payment security has been provided to the State under this contract. Purchaser bears all risk of loss of, or damage to, and has an insurable interest in, the forest products described in this contract from the time the sale is confirmed under RCW 79.15.120. Breach of this contract shall have no effect on this provision.

G-115 Forest Stewardship Council® (FSC®) Certification

Forest products purchased under this contract are FSC 100% certified as being in conformance with the Forest Stewardship Council Standard under certificate number: BV-FM/COC-080501.

G-116 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: PwC-SFIFM-513.

Purchaser shall have at least one person regularly on-site during active operations that have completed training according to the requirements outlined within the SFI® program Standard. Purchaser shall designate in writing the name(s) of the individual(s) who will be on-site and provide proof of their successful completion of an approved training program prior to active operations.
Responsibility for Work

All work, equipment, and materials necessary to perform this contract shall be the responsibility of Purchaser. Any damage to improvements, except as provided in clause G-121 or unless the State issues an operating release pursuant to clause G-280, shall be repaired promptly to the satisfaction of the State and at Purchaser's expense.

Exceptions

Exceptions to Purchaser's responsibility in clause G-120 shall be limited exclusively to the following. These exceptions shall not apply where road damage occurs due to Purchaser's failure to take reasonable precautions or to exercise sound forest engineering and construction practices.

The State will bear the cost to repair damages caused by a third party. In all other cases, the Purchaser shall bear responsibility for the costs as described below.

Road is defined as the road bed, including but not limited to its component parts, such as cut and fill slopes, subgrade, ditches, culverts, bridges, and cattle guards.

For the purposes of this clause, damage will be identified by the State and is defined as:

1. Failure of (a) required improvements or roads designated in clause C-050, or (b) required or optional construction completed to the point that authorization to haul has been issued;

2. Caused by a single event from forces beyond the control of Purchaser, its employees, agents, or invitees, including independent contractors; and

3. Includes, but is not limited to natural disasters such as earthquakes, volcanic eruptions, landslides, and floods.

The repair work identified by the State shall be promptly completed by Purchaser at an agreed price. The State may elect to accomplish repairs by means of State-provided resources.

For each event, Purchaser shall be solely responsible for the initial $5,000 in repairs. For repairs in excess of $5,000, the parties shall share equally the portion of costs between $5,000 and $15,000. The State shall be solely responsible for the portion of the cost of repairs that exceed $15,000.

Nothing contained in clauses G-120 and G-121 shall be construed as relieving Purchaser of responsibility for, or damage resulting from, Purchaser's operations or negligence, nor shall Purchaser be relieved from full responsibility for making good any defective work or materials. Authorization to haul does not warrant that Purchaser built roads are free from material defect and the State may require additional work, at Purchaser's expense regardless of cost, to remedy deficiencies at any time.
G-140 Indemnity

To the fullest extent permitted by law, Purchaser shall indemnify, defend and hold harmless State, agencies of State and all officials, agents and employees of State, from and against all claims arising out of or resulting from the performance of the contract. "Claim" as used in this contract means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys' fees, attributable for bodily injury, sickness, disease or death, or injury to or destruction of tangible property including loss of use resulting therefrom. Purchasers' obligations to indemnify, defend, and hold harmless includes any claim by Purchasers' agents, employees, representatives, or any subcontractor or its employees. Purchaser expressly agrees to indemnify, defend, and hold harmless State for any claim arising out of or incident to Purchasers' or any subcontractors' performance or failure to perform the contract. Purchasers' obligation to indemnify, defend, and hold harmless State shall not be eliminated or reduced by any actual or alleged concurrent negligence of State or its agents, agencies, employees and officials. Purchaser waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless State and its agencies, officials, agents or employees.

G-150 Insurance

Purchaser shall, at its cost and expense, buy and maintain insurance of the types and amounts listed below. Failure to buy and maintain the required insurance may result in a breach and/or termination of the contract at State's option. State may suspend Purchaser operations until required insurance has been secured.

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

The State of Washington, Department of Natural Resources region office of sale origin shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications:

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

2. Insurers subject to Chapter 48.15 RCW (surplus lines): The State shall be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.

Before starting work, Purchaser shall furnish State of Washington, Department of Natural Resources with a certificate(s) of insurance, executed by a duly authorized
representative of each insurer, showing compliance with the insurance requirements specified in the contract. Insurance coverage shall be obtained by the Purchaser prior to operations commencing and continually maintained in full force until all contract obligations have been satisfied or an operating release has been signed by the State.

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

The State of Washington, Department of Natural Resources, its elected and appointed officials, agents and employees shall be named as an additional insured via endorsement on all general liability, excess, umbrella, and property insurance policies.

All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by State. Purchaser waives all rights against State for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this contract.

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

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

Commercial General Liability (CGL) Insurance. Purchaser shall maintain general liability (CGL) insurance, and, if necessary, commercial umbrella insurance with a limit of not less than $1,000,000.00 per each occurrence. If such CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit. CGL coverage shall include a Logging and Lumbering Endorsement (i.e. Logger’s Broad-Form) to cover the events that include, but are not limited to, fire suppression expenses, accidental timber trespasses, and wildfire property damage with limits of not less than $2,000,000.00 each occurrence.

CGL insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability arising out of premises, operations, independent contractors, products completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another party assumed in a business contract), and contain separation of insured (cross liability) condition.
Employer's Liability "Stop Gap" Insurance. Purchaser shall buy employers liability insurance, and, if necessary, commercial umbrella liability insurance with limits not less than $1,000,000.00 each accident for bodily injury by accident or $1,000,000.00 each employee for bodily injury by disease.

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

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

Business Auto Policy (BAP). Purchaser shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than $1,000,000.00 per accident. Such insurance shall cover liability arising out of "Any Auto". Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later editions of CA 00 01. Purchaser waives all rights against State for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

G-160 Agents

The State's rights and duties will be exercised by the Region Manager at Enumclaw, 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 forest products conveyed beyond the terms of this contract.

Purchaser is required to have a person on site during all operations who is authorized to receive instructions and notices from the State. Purchaser shall inform the State in writing who is authorized to receive instructions and notices from the State, and any limits to this person's authority.
G-170 Assignment and Delegation

No rights or interest in this contract shall be assigned by Purchaser without prior written permission of the State. Any attempted assignment shall be void and ineffective for all purposes unless made in conformity with this paragraph. Purchaser may perform any duty through a delegate, but Purchaser is not thereby relieved of any duty to perform or any liability. Any assignee or delegate shall be bound by the terms of the contract in the same manner as Purchaser.

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 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to Purchaser's authorized agent or sent by certified mail to Purchaser's address of record:

G-210 Violation of Contract
G-220 State Suspends Operations

All other notices required to be given under this contract shall be in writing and delivered to the authorized agent or mailed to the Party's post office address. Purchaser agrees to notify the State of any change of address.

G-210 Violation of Contract

a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend those operations in violation. If the violation is capable of being remedied, Purchaser has 30 days after receipt of a suspension notice to remedy the violation. If the violation cannot be remedied (such as a violation of WAC 240-15-015) or Purchaser fails to remedy the violation within 30 days after receipt of a suspension notice, the State may terminate the rights of Purchaser under this contract and collect damages.

b. If the contract expires pursuant to clause G-030 or G-031 without Purchaser having performed all its duties under this contract, Purchaser's right to operate is terminated and Purchaser shall not have the right to remedy the breach. This provision shall not relieve Purchaser of any payment obligations.

c. The State has the right to remedy the breach in the absence of any indicated attempt by 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 30 days of receipt of billing.

d. If Purchaser's violation is a result of a failure to make a payment when due, in addition to a. and b. above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due.

G-220 State Suspends Operations

The Contract Administrator may suspend any operation of Purchaser under this contract when the State is suffering, or there is a reasonable expectation the State will suffer environmental, monetary, or other damage if the operation is allowed to continue.

Purchaser shall be in breach of this contract if the operation continues after the suspension notice or if the operation resumes without prior approval and notice from the Contract Administrator.

Purchaser may request a modification of a suspension within 30 days of the start of suspension through the dispute resolution process in clause G-240. If this process results in a finding that the suspension exceeded the time reasonably necessary to stop or prevent damage to the State, Purchaser is entitled to request a contract term adjustment under clause G-040.

If it reasonably appears that the damage that the State is suffering, or can reasonably be expected to suffer if the operation is allowed to continue, will prevent harvest for a period that will exceed 6 months, and Purchaser has complied with this contract, the provisions of clause G-066 shall govern just as if the harvest was prevented by an applicable foreign or domestic governmental regulation or order.

G-230 Unauthorized Activity

Any cutting, removal, or damage of forest products by Purchaser, its employees, agents, or invitees, including independent contractors, in a manner inconsistent with the terms of this contract or State law, is unauthorized. Such activity may subject Purchaser to liability for triple the value of said forest products under RCW 79.02.320 or RCW 79.02.300 and may result in prosecution under RCW 79.02.330 or other applicable statutes.

G-240 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 ten business days.
c. Within ten business days of receipt of the Region Manager's decision, Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.

d. Unless otherwise agreed, a conference will be held by the Deputy Supervisor - Uplands within 30 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-250 Compliance with All Laws

Purchaser shall comply with all applicable statutes, regulations and laws, including, but not limited to; chapter 27.53 RCW, chapter 68.50 RCW, WAC 240-15 and WAC 296-54. Failure to comply may result in forfeiture of this contract.

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-270 Equipment Left on State Land

All equipment owned or in the possession of Purchaser, its employees, agents, or invitees, including independent contractors, shall be removed from the sale area and other State land by the termination date of this contract. Equipment remaining unclaimed on State land 60 days after the expiration of the contract period is subject to disposition as provided by law. Purchaser shall pay to the State all costs of moving, storing, and disposing of such equipment. The State shall not be responsible for any damages to or loss of the equipment or damage caused by the moving, storing or disposal of the equipment.

G-280 Operating Release

An operating release is a written document, signed by the State and Purchaser, indicating that Purchaser has been relieved of certain rights or responsibilities with regard to the entire or a portion of the timber sales contract. Purchaser and State may agree to an operating release for this sale, or portion of this sale, prior to the contract expiration, when all contract requirements pertaining to the release area have been satisfactorily completed. Upon issuance of a release, Purchaser's right to cut and remove forest products on the released area will terminate.

G-310 Road Use Authorization

Purchaser is authorized to use the following State roads and roads for which the State has acquired easements and road use permits; on the F-1000 Road. The State may authorize in writing the use of other roads subject to fees, restrictions, and prior rights.
G-330  Pre-work Conference

Purchaser shall arrange with the Contract Administrator to review this contract and to examine the sale area before beginning any operations. A plan of operations shall be developed and agreed upon by the Contract Administrator and Purchaser before beginning any operations. To the extent that the plan of operations is inconsistent with the contract, the terms of the contract shall prevail. State's acceptance and approval of Purchaser's plan of operations shall not be construed as any statement or warranty that the plan of operations is adequate for Purchaser's purposes or complies with applicable laws.

G-340  Preservation of Markers

Any legal land subdivision survey corners and witness objects are to be preserved. If such are destroyed or disturbed, the Purchaser shall, at the Purchaser’s own expense, re-establish them through a licensed land surveyor in accordance with U.S. General Land Office standards. Corners and/or witness objects that must be disturbed or destroyed in the process of road construction or logging shall be adequately referenced and/or replaced in accordance with RCW 58.24.040(8). Such references must be approved by the Contract Administrator prior to removal of said corners and/or witness objects.

G-360  Road Use Reservation

The State shall have the right to use, without charge, all existing roads and any road constructed or reconstructed on State lands by Purchaser under this contract. The State may extend such rights to others. If the State grants such rights to others, the State shall require performance or payment, as directed by the State, for their proportionate share of maintenance based on their use.

G-396  Public Hauling Permit

The hauling of forest products, rock or equipment may require a state, county, or city hauling permit. Purchaser is responsible for obtaining any necessary permit and any costs associated with extra maintenance or repair levied by the permitting agency. Purchaser must provide the Contract Administrator with a copy of the executed permit.

G-430  Open Fires

Purchaser shall not set, or allow to be set by Purchaser's employees, agents, invitees and independent contractors, any open fire at any time of the year without first obtaining permission, in writing, from the Contract Administrator.

G-450  Encumbrances

This contract and Purchaser's activities are subject to the following:

Lease, including the terms and provisions thereof,

For:   Brush
In Favor of:   Garcia Evergreens, LLC.
Disclosed by Application No.:   35-102297
Granted:   7/1/2021
Expires:   6/30/2026
Lease, including the terms and provisions thereof,
For: Trail
In Favor of: DNR - Asset Management & Recreation Division
Disclosed by Application No.: 59-091853
Granted: 3/29/2011
Expires: 3/28/2041

Lease, including the terms and provisions thereof,
For: Land Use License
In Favor of: Washington Department of Fish & Wildlife
Disclosed by Application No.: 60-095576
Granted: 5/2/2017
Expires: 6/30/2022

Region Encumbrances

Lease, including the terms and provisions thereof,
For: Special Use
In Favor of: The Mountaineers
Disclosed by Application No.: 60-WS1023
Granted: 2/15/2019
Expires: 12/31/2028

Lease, including the terms and provisions thereof,
For: Special Use
In Favor of: Mason County Noxious Weed Control Board
Disclosed by Application No.: 60-WS1110
Granted: 5/1/2020
Expires: 12/31/2021

Special Notations

Located within the Point No Point Treaty area. Intergovernmental agreements for vehicle access with Lower Elwha Tribal Community (92-095264), Skokomish Indian Tribe (92-095268), Jamestown S’Klallam Tribe (92-097129), and Port Gamble S’Klallam Tribe (92-097130).

Section P: Payments and Securities

P-011 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 Clause P-020, 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-020 Payment for Forest Products

Purchaser agrees to pay the total, lump sum contract price of $2,470.00. The total contract price consists of a $0.00 contract bid price plus $2,470.00 in fees. Fees collected shall be retained by the state unless the contract is adjusted via the G-066 clause. Purchaser shall be liable for the entire purchase price, and will not be entitled to any refunds or offsets unless expressly stated in this contract.

THE PURCHASE PRICE SHALL NOT BE AFFECTED BY ANY FACTORS, INCLUDING: the amount of forest products actually present within the contract area, the actual acreage covered by the contract area, the amount or volume of forest products actually cut or removed by purchaser, whether it becomes physically impossible or uneconomic to remove the forest products, and whether the subject forest products have been lost or damaged by fire or any other cause. The only situations Purchaser may not be liable for the full purchase price are governed by clause G-066, concerning governmental regulatory actions taken during the term of the contract.

P-045 Guarantee of Payment

Purchaser will pay for forest products prior to cutting or will guarantee payment by posting an approved payment security. The amount of cash or payment security shall be determined by the State and shall equal or exceed the value of the cutting proposed by Purchaser.

P-050 Billing Procedure

The State will compute and forward to Purchaser statements of charges provided for in the contract. Purchaser shall deliver payment to the State on or before the date shown on the billing statement.

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.

P-090 Performance Security

Purchaser agrees to furnish, within 30 days of the confirmation date, security acceptable to the State in the amount of $100,000.00. The Security provided shall guarantee performance of all provisions of this contract and payment of any damages caused by operations under this contract or resulting from Purchaser's noncompliance with any rule or law. Acceptable performance security may be in the form of a performance bond, irrevocable letter of credit, cash, savings or certificate of deposit account assignments, and must name the State as the obligee or beneficiary. A letter of credit must comply with Title 62A RCW, Article 5. Performance security must remain in full force over the duration of the contract length. Surety bonds issued shall conform to the issuance and rating requirements in clause G-150. The State shall retain the performance security pursuant to RCW 79.15.100. Purchaser shall not operate unless the performance security has been accepted by the State. If at any time the State decides that the security document or amount has become unsatisfactory, Purchaser
agrees to suspend operations and, within 30 days of notification, to replace the security with one acceptable to the State or to supplement the amount of the existing security.

P-100 Performance Security Reduction

The State may reduce the performance security after an operating release has been issued if the State determines that adequate security exists for any remaining obligations of Purchaser.

Section H: Harvesting Operations

H-001 Operations Outside the Sale Boundaries

No operations shall occur outside the sale boundaries, as described within the contract, unless approved in writing by the State.

H-013 Reserve Tree Damage Definition

Reserve trees are trees required and designated for retention within the sale boundary. Purchaser shall protect reserve trees from being cut, damaged, or removed during operations.

Reserve tree damage exists when one or more of the following criteria occur as a result of Purchaser's operation, as determined by the Contract Administrator:

a. A reserve tree has one or more scars on its trunk exposing the cambium layer, which in total exceeds 144 square inches.

b. A reserve tree top is broken or the live crown ratio is reduced below 30 percent.

c. A reserve tree has more than 1/3 of the circumference of its root system injured such that the cambium layer is exposed.

If the Contract Administrator determines that a reserve tree has been cut or damaged, the Purchaser shall provide a replacement reserve tree of like condition, size, and species within the sale unit containing the damaged leave tree, as approved by the Contract Administrator. Purchaser may be required to pay liquidated damages for Excessive Reserve Tree Damage as detailed in clause D-041.

Removal of designated reserve trees from the sale area is unauthorized, and may invoke the use of the G-230 ‘Unauthorized Activity’ clause. Purchaser is required to leave all cut or damaged reserve trees on site.

H-017 Preventing Excessive Soil Disturbance

Operations may be suspended when soil rutting exceeds 12 inches as measured from the natural ground line. To reduce soil damage, the Contract Administrator may require water bars to be constructed, grass seed to be placed on exposed soils, or other mitigation measures. Suspended operations shall not resume unless approval to do so has been given, in writing, by the Contract Administrator.
H-035 Fall Trees Into Sale Area

Trees shall be felled into the sale area unless otherwise approved by the Contract Administrator.

H-040 Purchaser Harvest Plan

Purchaser shall, as part of the plan of operations, prepare an acceptable harvest plan for Unit #1. The plan shall address the harvest and extreme hazard abatement around houses, which are part(s) of this contract. The harvest plan shall be approved by the Contract Administrator prior to beginning the harvest operation. Purchaser shall not deviate from the harvest plan without prior written approval by the Contract Administrator.

H-051 Branding and Painting

Purchaser shall provide a State of Washington registered log brand, acceptable to the State, unless the State agrees to furnish the brand. All purchased timber shall be branded in a manner that meets the requirements of WAC 240-15-030(2)(a)(i). All timber purchased under a contract designated as export restricted shall also be painted in a manner that meets the requirements of WAC 240-15-030(2)(a)(ii).

For pulp loads purchased under a contract designated as export restricted, Purchaser shall brand at least 3 logs with legible brands at one end. Also, 10 logs shall be painted at one end with durable red paint.

H-120 Harvesting Equipment

Forest products sold under this contract shall be harvested and removed using ground based equipment. Authority to use other equipment or to operate outside the equipment specifications detailed above must be approved in writing by the State.

H-125 Log Suspension Requirements

Lead-end suspension is required for all yarding activities.

H-140 Special Harvest Requirements

Purchaser shall accomplish the following during the harvest operations:

A. Existing downed trees or logs dead for more than 5 years yarded to the landing shall be returned to their original locations.

B. Purchaser shall fell all snags inside the sale area within 100 feet of the property lines, as directed by the Contract Administrator.

C. Any and all operations associated with this sale may be temporarily suspended when, in the opinion of the Contract Administrator, there is the potential for delivery to typed water.

D. Falling, yarding, and hauling of forest products will not be permitted weekdays from 7:00 pm to 7:00 am, nor on weekends or State recognized holidays.
E. To facilitate proper reforestation in areas of high slash concentrations, Purchaser shall, in concurrence with ground based yarding, clear plantable spots at approximately 11 foot by 11 foot spacing.

F. Take measures throughout operations to control soil erosion, water channelization, and prevent sediment delivery to streams or wetlands. Methods may include construction of water bars, “sweeping” with logs, silt traps, or other measures on skid trails, yarding corridors and haul roads.

G. Provide a written Extreme Hazard Abatement Plan, which meets the requirements of contract clause S-020. Hazard Abatement is required within 200 feet of structures adjacent to the harvest unit.

H. Abate dust on the F-1000 when determined by the Contract Administrator, depending on conditions during haul.

Permission to do otherwise must be granted in writing by the Contract Administrator.

H-141 Additional Harvest Requirements

Purchaser shall accomplish the following during the harvest operations:

A. Leave 2 down logs per acre. A log is defined as having a minimum diameter of 12 inches on the small end of the log and a minimum length of 20 feet or at least 100 board feet.

Permission to do otherwise must be granted in writing by the State.

H-190 Completion of Settings

Operations begun on any setting of the sale area shall be completed before any operation begins on subsequent settings unless authorized in writing by the Contract Administrator.

H-220 Protection of Residual or Adjacent Trees

Unless otherwise specified by this contract, the Contract Administrator shall identify damaged adjacent or leave trees that shall be paid for according to clause G-230.

H-230 Tops and Limbs Outside the Sale Boundary

Tops and limbs outside the sale boundary as a result of Purchaser's operation shall be removed concurrently with the yarding operation unless otherwise directed by the Contract Administrator.

Section C: Construction and Maintenance

C-040 Road Plan

Road construction and associated work provisions of the Road Plan for this sale, dated 10/19/2021 are hereby made a part of this contract.
C-050 Purchaser Road Maintenance and Repair

Purchaser shall perform work at their own expense on the F-1000 Road. All work shall be completed to the specifications detailed in the Road Plan.

Section S: Site Preparation and Protection

S-001 Emergency Response Plan

An Emergency Response Plan (ERP) shall be provided to the Contract Administrator containing but not limited to, valid contact numbers and procedures for medical emergencies, fire, hazardous spills, forest practice violations and any unauthorized or unlawful activity on or in the vicinity of the sale area. The Contract Administrator and the State shall be promptly notified whenever an incident occurs requiring an emergency response.

The ERP must be presented for inspection at the prework meeting and kept readily available to all personnel, including subcontractors, on site during active operations.

S-010 Fire Hazardous Conditions

Purchaser acknowledges that operations under this Contract may increase the risk of fire. Purchaser shall conduct all operations under this agreement following the requirements of WAC 332-24-005 and WAC 332-24-405 and further agrees to use the highest degree of care to prevent uncontrolled fires from starting.

In the event of an uncontrolled fire, Purchaser agrees to provide equipment and personnel working at the site to safely and effectively engage in first response fire suppression activity.

Purchaser’s failure to effectively engage in fire-safe operations is considered a breach and may result in suspension of operations.

S-020 Extreme Hazard Abatement

Purchaser shall provide a written Extreme Hazard Abatement plan that meets the requirements of WAC 332-24 prior to the beginning of logging operations. The plan must be acceptable to the Contract Administrator. The plan will identify how Purchaser will accomplish abatement. Purchaser shall also provide, and keep current, a written timetable for completion of all specified work in the plan. The Contract Administrator's acceptance and approval of Purchaser's hazard abatement plan shall not be construed as any statement or warranty that the hazard abatement plan is adequate for Purchaser's purposes or complies with applicable laws.

S-050 Cessation of Operations for Low Humidity

When the humidity is 30 percent or lower on the sale area, all operations must cease unless authority to continue is granted by the State in writing.
S-060 Pump Truck or Pump Trailer

Purchaser shall provide a fully functional pump truck or pump trailer equipped to meet the specifications of WAC 332-24-005 and WAC 332-24-405 during the "closed season" or as extended by the State and shall provide trained personnel to operate this equipment on the sale area during all operating periods.

S-130 Hazardous Materials

a. Hazardous Materials and Waste - Regulatory Compliance

Purchaser is responsible for understanding and complying with all applicable local, state, and federal hazardous material/waste laws and regulations for operations conducted under this contract. Such regulations pertain to, but may not be limited to, hazardous material storage, handling and transport, personnel protection, release notification and emergency response, cleanup, and waste disposal.

Purchaser shall be responsible for restoring the site in the event of a spill or other releases of hazardous material/waste during operations conducted under this contract.

b. Hazardous Materials Spill Prevention

All operations shall be conducted in a manner that avoids the release of hazardous materials, including petroleum products, into the environment (water, air or land).

c. Hazardous Materials Spill Containment, Control and Cleanup

If safe to do so, Purchaser shall take immediate action to contain and control all hazardous material spills. Purchaser shall ensure that enough quick response spill kits capable of absorbing 10 gallons of oil, coolant, solvent or contaminated water are available on site to quickly address potential spills from any piece of equipment at all times throughout active operations. If large quantities of bulk fuel/other hazardous materials are stored on site, Purchaser must be able to effectively control a container leak and contain & recover a hazmat spill equal to the largest single on site storage container volume. (HAZWOPER reg. 29CFR 1910.120 (j) (1) (vii)).

d. Hazardous Material Release Reporting

Releases of oil or hazardous materials to the environment must be reported according to the State Department of Ecology (ECY). It is the responsibility of the Purchaser to have all emergency contact information readily available and a means of remote communication for purposes of quick notification. In
the event of a spill covered in part a., the Purchaser is responsible for immediately notifying all the following:

-Department of Emergency Management at 1-800-258-5990
-National Response Center at 1-800-424-8802
-Appropriate Department of Ecology (ECY) at 1-800-645-7911
-DNR Contract Administrator

S-131 Refuse Disposal

As required by RCW 70.93, All Purchaser generated refuse shall be removed from state lands for proper disposal prior to termination of this contract. No refuse shall be burned, buried or abandoned on state forest lands. All refuse shall be transported in a manner such that it is in compliance with RCW 70.93 and all loads or loose materials shall be covered/secured such that these waste materials are properly contained during transport.

Section D: Damages

D-013 Liquidated Damages or Failure to Perform

The following clauses provide for payments by Purchaser to the State for breaches of the terms of this contract other than failure to perform. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State, which will be 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.

Clause P-020 governs Purchaser’s liability in the event Purchaser fails to perform any of the contract requirements other than the below liquidated damage clauses without written approval by the State. Purchaser’s failure to pay for all or part of the forest products sold in this contract prior to expiration of the contract term results in substantial injury to the State. Therefore, Purchaser agrees to pay the State the full lump sum contract price in P-020 in the event of failure to perform.

D-041 Reserve Tree Excessive Damage

When Purchaser’s operations exceed the damage limits set forth in clause H-013, Reserve Tree Damage Definition, and when the Contract Administrator determines that a suitable replacement for a damaged reserve tree is not possible, the damaged trees result in substantial injury to the State. The value of the damaged reserve trees at the time of the breach is not readily ascertainable. Therefore, the Purchaser agrees to pay the State as liquidated damages at the rate of $1,000.00 per tree for all damaged reserve trees that are not replaced in the harvest unit.
SIGNATURES

This agreement may be executed in any number of counterparts (including by electronic mail in portable document format (.pdf), or by facsimile) each of which shall be deemed an original but all of which, when taken together, shall constitute one and the same Agreement binding on all parties.

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

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

____________________          ______________________
Purchaser                      Scott Sargent
____________________          ______________________
Print Name                     South Puget Sound 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 ________________
WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES

FOREST EXCISE TAX ROAD SUMMARY SHEET

Region: South Puget Sound

Timber Sale Name: Third Chance

Application Number: 30-102324

EXCISE TAX APPLICABLE ACTIVITIES

Construction: 0 linear feet
Road to be constructed (optional and required) but not abandoned

Reconstruction: 0 linear feet
Road to be reconstructed (optional and required) but not abandoned

Abandonment: 0 linear feet
Abandonment of existing roads not reconstructed under the contract

Decommission: 0 linear feet
Road to be made undriveable but not officially abandoned.

Pre-Haul Maintenance: 0 linear feet
Existing road to receive maintenance work (optional and required) prior to haul

EXCISE TAX EXEMPT ACTIVITIES

Temporary Construction: 0 linear feet
Roads to be constructed (optional and required) and then abandoned

Temporary Reconstruction: 0 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**

<table>
<thead>
<tr>
<th>Sale Name: Third Chance</th>
<th>Region: South Puget Sound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreement #: 30-102324</td>
<td>District: Hood Canal</td>
</tr>
<tr>
<td>Contact</td>
<td></td>
</tr>
<tr>
<td>Forester: Nathan McReynolds</td>
<td>Phone Location: (253) 381-2015 Ext: /</td>
</tr>
<tr>
<td>Alternate</td>
<td></td>
</tr>
<tr>
<td>Contact: Allyn Cole</td>
<td>Phone Location: (360) 280-3314 Ext: /</td>
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</table>

Type of Sale (lump sum, mbf scale, tonnage scale or contract harvest): Lump Sum
Required or Optional removal of utility as pulp (*for scale sales only*): Evaluated for RFRS Implementation?: Not viable for RSFS

Percentage cable-uphill: 0%
Percentage cable-downhill: 0%
Percentage ground based: 100%

Species Onsite: RC, DF, WH, RA, BC, BLM, NF, SF, SS, Other:(Please List)

### UNIT ACREAGES* AND METHOD OF DETERMINATION:

<table>
<thead>
<tr>
<th>Unit #</th>
<th>Harvest R/W or RMZ WMZ</th>
<th>Legal Description Sec/Twp/Rng</th>
<th>Grant</th>
<th>Gross Traversed Acres</th>
<th>Deductions from Gross Acres (No harvest acres)</th>
<th>Acreage Determination</th>
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</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
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<td>RMZ/WMZ Acres</td>
<td>Leave Tree Acres</td>
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<tr>
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<td>Sec 25/T 23N/ R 02W</td>
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**TOTAL ACRES**

### HARVEST PLAN AND SPECIAL CONDITIONS:

<table>
<thead>
<tr>
<th>Unit #</th>
<th>Harvest Prescription: (Mark leave, take, paint color, tags, flagging etc.)</th>
<th>Special Management areas:</th>
<th>Other conditions (# leave trees, etc.) <em>For all marked thinnings, include a tree count by species.</em></th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Pink flagging, flashers and white “TIMBER SALE BOUNDARY” tags. Pink flagging, flashers and yellow “LEAVE TREE AREA” tags for clumps.</td>
<td>N/A</td>
<td>41 Leave Trees in 2 clumps.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Unit #</th>
<th>Estimated Volume</th>
<th>Access information (Gates, locks, etc.)</th>
<th>Photos, traverse maps required</th>
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<tbody>
<tr>
<td>1</td>
<td>19,776</td>
<td>Gate #110 383 Lock</td>
<td>Available at Belfair Office</td>
</tr>
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</table>

**REMARKS:**
See forester for trail information

<table>
<thead>
<tr>
<th>Prepared By: Nathan McReynolds</th>
<th>Title: State Lands Forster</th>
<th>CC:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date: 07/31/2021</td>
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</tr>
</tbody>
</table>

*Revised 2/23/2007 (PSLD), Revised 1/22/20 (SPS)*
Timber Sale Cruise Report
Third Chance

Sale Name: THIRD CHANCE
Sale Type: LUMP SUM
Region: SO PUGET
District: HOOD CANAL
Lead Cruiser: Aaron Coleman
Other Cruisers:

Cruise Narrative:
This is a small one unit sale in the Tahuya State Forest. Pretty straightforward, mostly small DF on flat ground with minimal defect. Easy access to unit through gate #110.

### Timber Sale Notice Volume (MBF)

<table>
<thead>
<tr>
<th>Sp</th>
<th>DBH</th>
<th>Rings/In</th>
<th>Age</th>
<th>All</th>
<th>2 Saw</th>
<th>3 Saw</th>
<th>4 Saw</th>
</tr>
</thead>
<tbody>
<tr>
<td>DF</td>
<td>13.2</td>
<td>91</td>
<td>18</td>
<td>54</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WH</td>
<td>13.6</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ALL</td>
<td>13.2</td>
<td>95</td>
<td>18</td>
<td>56</td>
<td>21</td>
<td></td>
<td></td>
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</table>

### Timber Sale Notice Weight (tons)

<table>
<thead>
<tr>
<th>Sp</th>
<th>All</th>
<th>2 Saw</th>
<th>3 Saw</th>
<th>4 Saw</th>
</tr>
</thead>
<tbody>
<tr>
<td>DF</td>
<td>684</td>
<td>134</td>
<td>402</td>
<td>148</td>
</tr>
<tr>
<td>WH</td>
<td>32</td>
<td>21</td>
<td>11</td>
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</tr>
<tr>
<td>ALL</td>
<td>716</td>
<td>134</td>
<td>423</td>
<td>159</td>
</tr>
</tbody>
</table>

### Timber Sale Overall Cruise Statistics (Cut + Leave Trees)

<table>
<thead>
<tr>
<th>BA (sq ft/acre)</th>
<th>BA SE (%)</th>
<th>V-BAR (bf/sq ft)</th>
<th>V-BAR SE (%)</th>
<th>Net Vol (bf/acre)</th>
<th>Vol SE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>165.1</td>
<td>11.8</td>
<td>119.8</td>
<td>2.0</td>
<td>19,776</td>
<td>11.9</td>
</tr>
</tbody>
</table>

### Timber Sale Unit Cruise Design

<table>
<thead>
<tr>
<th>Unit</th>
<th>Design</th>
<th>Cruise Acres</th>
<th>FMA Acres</th>
<th>N Plots</th>
<th>N Cruise Plots</th>
<th>N Void Plots</th>
</tr>
</thead>
<tbody>
<tr>
<td>THIRD CHANCE</td>
<td>FX: FR plots (10 tree / acre</td>
<td>4.8</td>
<td>5.1</td>
<td>5</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>expansion)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All</td>
<td></td>
<td>4.8</td>
<td>5.1</td>
<td>5</td>
<td>5</td>
<td>0</td>
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</tbody>
</table>

1 of 3
## Timber Sale Log Grade x Sort Summary

<table>
<thead>
<tr>
<th>Sp</th>
<th>Status</th>
<th>Grade</th>
<th>Sort</th>
<th>Dia</th>
<th>Len</th>
<th>BF Gross</th>
<th>BF Net</th>
<th>Defect %</th>
<th>Tons</th>
<th>MBF Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>DF</td>
<td>LIVE</td>
<td>2</td>
<td>SAW</td>
<td>13.2</td>
<td>39</td>
<td>3,772</td>
<td>3,684</td>
<td>2.3</td>
<td>134.2</td>
<td>17.7</td>
</tr>
<tr>
<td>DF</td>
<td>LIVE</td>
<td>3</td>
<td>SAW</td>
<td>8.3</td>
<td>37</td>
<td>11,238</td>
<td>11,152</td>
<td>0.8</td>
<td>401.9</td>
<td>53.5</td>
</tr>
<tr>
<td>DF</td>
<td>LIVE</td>
<td>4</td>
<td>SAW</td>
<td>5.2</td>
<td>27</td>
<td>4,136</td>
<td>4,130</td>
<td>0.1</td>
<td>148.2</td>
<td>19.8</td>
</tr>
<tr>
<td>WH</td>
<td>LIVE</td>
<td>3</td>
<td>SAW</td>
<td>10.4</td>
<td>40</td>
<td>592</td>
<td>592</td>
<td>0.0</td>
<td>20.8</td>
<td>2.8</td>
</tr>
<tr>
<td>WH</td>
<td>LIVE</td>
<td>4</td>
<td>SAW</td>
<td>5.4</td>
<td>34</td>
<td>218</td>
<td>218</td>
<td>0.0</td>
<td>11.0</td>
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</tbody>
</table>

## Timber Sale Log Sort x Diameter Bin Summary

<table>
<thead>
<tr>
<th>Sp</th>
<th>Bin</th>
<th>Status</th>
<th>Sort</th>
<th>Dia</th>
<th>Len</th>
<th>BF Net</th>
<th>Defect %</th>
<th>Tons</th>
<th>MBF Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>DF</td>
<td>5 - 8</td>
<td>LIVE</td>
<td>Domestic</td>
<td>6.0</td>
<td>31</td>
<td>10,088</td>
<td>0.5</td>
<td>381.1</td>
<td>48.4</td>
</tr>
<tr>
<td>DF</td>
<td>9 - 11</td>
<td>LIVE</td>
<td>Domestic</td>
<td>10.2</td>
<td>36</td>
<td>5,194</td>
<td>0.8</td>
<td>169.1</td>
<td>24.9</td>
</tr>
<tr>
<td>DF</td>
<td>12 - 14</td>
<td>LIVE</td>
<td>Domestic</td>
<td>13.2</td>
<td>39</td>
<td>3,684</td>
<td>2.3</td>
<td>134.2</td>
<td>17.7</td>
</tr>
<tr>
<td>WH</td>
<td>5 - 8</td>
<td>LIVE</td>
<td>Domestic</td>
<td>5.4</td>
<td>34</td>
<td>218</td>
<td>0.0</td>
<td>11.0</td>
<td>1.0</td>
</tr>
<tr>
<td>WH</td>
<td>9 - 11</td>
<td>LIVE</td>
<td>Domestic</td>
<td>10.4</td>
<td>40</td>
<td>592</td>
<td>0.0</td>
<td>20.8</td>
<td>2.8</td>
</tr>
</tbody>
</table>
## Cruise Unit Report
### THIRD CHANCE

#### Unit Sale Notice Volume (MBF): THIRD CHANCE

<table>
<thead>
<tr>
<th>Sp</th>
<th>DBH</th>
<th>Rings/ln Age</th>
<th>MBF Volume by Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>All 2 Saw 3 Saw 4 Saw</td>
<td></td>
</tr>
<tr>
<td>DF</td>
<td>13.2</td>
<td>91 18 54 20</td>
<td></td>
</tr>
<tr>
<td>WH</td>
<td>13.6</td>
<td>4 3 1</td>
<td></td>
</tr>
<tr>
<td>ALL</td>
<td>13.2</td>
<td>95 18 56 21</td>
<td></td>
</tr>
</tbody>
</table>

#### Unit Cruise Design: THIRD CHANCE

<table>
<thead>
<tr>
<th>Design</th>
<th>Cruise Acres</th>
<th>FMA Acres</th>
<th>N Plots</th>
<th>N Cruise Plots</th>
<th>N Void Plots</th>
</tr>
</thead>
<tbody>
<tr>
<td>FX: FR plots (10 tree / acre expansion)</td>
<td>4.8</td>
<td>5.1</td>
<td>5</td>
<td>5</td>
<td>0</td>
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#### Unit Cruise Summary: THIRD CHANCE

<table>
<thead>
<tr>
<th>Sp</th>
<th>Cruised Trees</th>
<th>All Trees</th>
<th>Trees/Plot</th>
<th>Ring-Count Trees</th>
</tr>
</thead>
<tbody>
<tr>
<td>DF</td>
<td>84</td>
<td>84</td>
<td>16.8</td>
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<tr>
<td>WH</td>
<td>3</td>
<td>3</td>
<td>0.6</td>
<td>0</td>
</tr>
<tr>
<td>ALL</td>
<td>87</td>
<td>87</td>
<td>17.4</td>
<td>0</td>
</tr>
</tbody>
</table>

#### Unit Cruise Statistics (Cut + Leave Trees): THIRD CHANCE

<table>
<thead>
<tr>
<th>Sp</th>
<th>BA (sq ft/acre)</th>
<th>BA CV (%)</th>
<th>BA SE (%)</th>
<th>V-BAR (bf/sq ft)</th>
<th>V-BAR CV (%)</th>
<th>V-BAR SE (%)</th>
<th>Net Vol (bf/acre)</th>
<th>Vol CV (%)</th>
<th>Vol SE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DF</td>
<td>159.1</td>
<td>30.9</td>
<td>13.8</td>
<td>119.2</td>
<td>18.4</td>
<td>2.0</td>
<td>18,966</td>
<td>35.9</td>
<td>13.9</td>
</tr>
<tr>
<td>WH</td>
<td>6.0</td>
<td>146.2</td>
<td>65.4</td>
<td>134.6</td>
<td>29.5</td>
<td>17.1</td>
<td>810</td>
<td>149.1</td>
<td>67.6</td>
</tr>
<tr>
<td>ALL</td>
<td>165.1</td>
<td>26.3</td>
<td>11.8</td>
<td>119.8</td>
<td>18.8</td>
<td>2.0</td>
<td>19,776</td>
<td>32.4</td>
<td>11.9</td>
</tr>
</tbody>
</table>

#### Unit Summary: THIRD CHANCE

<table>
<thead>
<tr>
<th>Sp</th>
<th>Status</th>
<th>Rx</th>
<th>N</th>
<th>D</th>
<th>DBH</th>
<th>BL</th>
<th>THT</th>
<th>BF Gross</th>
<th>BF Net</th>
<th>Defect %</th>
<th>TPA</th>
<th>BA</th>
<th>RD</th>
<th>MBF Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>DF</td>
<td>LIVE</td>
<td>CUT</td>
<td>84</td>
<td>ALL</td>
<td>13.2</td>
<td>63</td>
<td>79</td>
<td>19,146</td>
<td>18,966</td>
<td>0.9</td>
<td>167.4</td>
<td>159.1</td>
<td>43.8</td>
<td>91.0</td>
</tr>
<tr>
<td>WH</td>
<td>LIVE</td>
<td>CUT</td>
<td>3</td>
<td>ALL</td>
<td>13.6</td>
<td>67</td>
<td>83</td>
<td>810</td>
<td>810</td>
<td>0.0</td>
<td>6.0</td>
<td>6.0</td>
<td>1.6</td>
<td>3.9</td>
</tr>
<tr>
<td>ALL</td>
<td>LIVE</td>
<td>CUT</td>
<td>87</td>
<td>ALL</td>
<td>13.2</td>
<td>63</td>
<td>79</td>
<td>19,956</td>
<td>19,776</td>
<td>0.9</td>
<td>173.4</td>
<td>165.1</td>
<td>45.4</td>
<td>94.9</td>
</tr>
<tr>
<td>ALL</td>
<td>ALL</td>
<td>ALL</td>
<td>87</td>
<td>ALL</td>
<td>13.2</td>
<td>63</td>
<td>79</td>
<td>19,956</td>
<td>19,776</td>
<td>0.9</td>
<td>173.4</td>
<td>165.1</td>
<td>45.4</td>
<td>94.9</td>
</tr>
</tbody>
</table>
Forest Practices Application/Notification

Notice of Decision

FPA/N No: 2422684
Effective Date: 12/21/2021
Expiration Date: 12/21/2024
Shut Down Zone: 659 N
EARR Tax Credit: ☒ Eligible ☐ Non-eligible
Reference: Third Chance #30-102324

Decision

☒ Notification Accepted  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.
☐ Withdrawn  Applicant has withdrawn the Forest Practices Application/Notification (FPA/N).
☐ Closed  All forest practices obligations are met.

FPA/N Classification

☐ Class II  ☒ Class III  ☐ Class IVG  ☐ Class IVS

Number of Years Granted on Multi-Year Request

☐ 4 years  ☐ 5 years

Conditions on Approval/Reasons for Disapproval

Issued By: Jason Sharp  Region: South Puget Sound
Title: Resource Protection Forester  Date: 12/21/2021

Copies to: ☒ Landowner, Timber Owner and Operator

Issued in person: ☒ Landowner ☒ Timber Owner ☒ Operator  By: [Signature]


**Appeal Information**

You have thirty (30) days to file (i.e., actually deliver) an appeal in writing of this Decision and any related State Environmental Policy Act (SEPA) determinations to the Pollution Control Hearings Board, the Attorney General’s Office, and the Department of Natural Resources’ region office. See RCW 76.09.205. The appeal period starts when the applicant receives this decision, which usually happens electronically on the date indicated below.

You must file your appeal at all three addresses below:

<table>
<thead>
<tr>
<th>Pollution Control Hearings Board</th>
<th>Office of the Attorney General Natural Resources Division</th>
<th>Department Of Natural Resources South Puget Sound Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Address</td>
<td>Physical Address</td>
<td>Physical Address</td>
</tr>
<tr>
<td>1111 Israel Road SW Suite 301</td>
<td>1125 Washington Street, SE</td>
<td>950 Farman Ave N</td>
</tr>
<tr>
<td>Tumwater, WA 98501</td>
<td>Olympia, WA 98504</td>
<td>Enumclaw, WA 98022</td>
</tr>
<tr>
<td>Mailing address</td>
<td>Mailing Address</td>
<td>Mailing Address</td>
</tr>
<tr>
<td>Post Office Box 40903</td>
<td>Post Office Box 40100</td>
<td>950 Farman Ave N</td>
</tr>
<tr>
<td>Olympia, WA 98504-0903</td>
<td>Olympia, WA 98504-0100</td>
<td>Enumclaw, WA 98022</td>
</tr>
</tbody>
</table>

Information regarding the Pollution Control Hearings Board can be found at: [http://www.eluho.wa.gov/](http://www.eluho.wa.gov/)

**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: [https://www.dnr.wa.gov/programs-and-services/forest-practices/review-applications-fpars/forest-practices-forms-and](https://www.dnr.wa.gov/programs-and-services/forest-practices/review-applications-fpars/forest-practices-forms-and). Notify DNR of new Operators within 48 hours.

**Continuing Forestland 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 forestland 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 and 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 forestland obligation, the seller must pay the buyer’s costs related to continuing forestland obligations, including all legal costs and reasonable attorneys’ fees incurred by the buyer in enforcing the continuing forestland obligation against the seller.

Failure by the seller to send the required notice to 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 forestland obligation prior to sale.

**DNR Affidavit of Mailing**

On this day **12/21/2021**, I placed in the United States mail at **Olympia**, WA, postage paid, a true and accurate copy of this document. Notice of Decision FPA #2422684.

---

**Meredith Dessens**

(Printed Name) (Signature)
SECTION 0 – SCOPE OF PROJECT

0-1 ROAD PLAN SCOPE
Clauses in this road plan apply to all road related work, including landings and rock source development, unless otherwise noted.

0-2 REQUIRED ROADS
The specified work on the following roads is required.

<table>
<thead>
<tr>
<th>Road</th>
<th>Stations</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>F-1000</td>
<td>0+00 to 9+51</td>
<td>Post-haul Maintenance</td>
</tr>
</tbody>
</table>

0-7 POST-HAUL MAINTENANCE
This project includes post-haul road maintenance listed in Clause 9-5 POST-HAUL MAINTENANCE.

SECTION 1 – GENERAL

1-1 ROAD PLAN CHANGES
If the Purchaser desires a change from this road plan including, but not limited to, relocation, extension, change in design, or adding roads; a revised road plan must be submitted in writing to the Contract Administrator for consideration. Before work begins, Purchaser shall obtain approval from the State for any submitted plan that changes the scope of work or environmental condition from the original road plan.

1-2 UNFORESEEN CONDITIONS
Quantities established in this road plan are minimum acceptable values. Additional quantities required by the state due to unforeseen conditions, or Purchaser's choice of construction season or techniques will be at the Purchaser's expense. Unforeseen conditions include, but are not limited to, solid subsurface rock, subsurface springs, saturated ground, and unstable soils.

1-3 ROAD DIMENSIONS
Purchaser shall perform road work in accordance with the dimensions shown on the TYPICAL SECTION SHEET and the specifications within this road plan.
1-4 ROAD TOLERANCES
Purchaser shall perform road work within the tolerances listed below. The tolerance class for each road is listed on the TYPICAL SECTION SHEET.

<table>
<thead>
<tr>
<th>Tolerance Class</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road and Subgrade Width (feet)</td>
<td>+1.5</td>
<td>+1.5</td>
<td>+2.0</td>
</tr>
<tr>
<td>Subgrade Elevation (feet +/-)</td>
<td>0.5</td>
<td>1.0</td>
<td>2.0</td>
</tr>
<tr>
<td>Centerline alignment (feet lt./rt.)</td>
<td>1.0</td>
<td>1.5</td>
<td>3.0</td>
</tr>
</tbody>
</table>

1-6 ORDER OF PRECEDENCE
Any conflict or inconsistency in the road plan will be resolved by giving the documents precedence in the following order:

1. Addenda.
2. Road Plan Clauses.
3. Typical Section Sheet.
5. Standard Details.

In case of any ambiguity or dispute over interpreting the road plan, the Contract Administrator’s or designee’s decision will be final.

1-8 REPAIR OR REPLACEMENT OF DAMAGED MATERIALS
Purchaser shall repair or replace all materials, roadway infrastructure, and road components damaged during road work or operation activities. The Contract Administrator will direct repairs and replacements. Repairs to structural materials must be made in accordance with the manufacturer’s recommendation.

1-9 DAMAGED METALLIC COATING
Any cut ends, or damaged galvanized or aluminized coating on existing or new bridge components, culverts, downspouts, and flumes must be cleaned and treated with a minimum of two coats of zinc rich paint or cold galvanizing compound.

1-25 ACTIVITY TIMING RESTRICTION
The operation of road construction equipment is not allowed from 7pm to 7am, nor on weekends or state recognized holidays, unless authorized in writing by the Contract Administrator.

1-29 SEDIMENT RESTRICTION
Purchaser shall not allow silt-bearing runoff to enter any streams.

1-30 CLOSURE TO PREVENT DAMAGE
In accordance with Contract Clause G-220 STATE SUSPENDS OPERATION, the Contract Administrator will suspend road work or hauling right-of-way timber, forest products, or rock under the following conditions:

- Surface or base stability problems persist.
- Weather is such that satisfactory results cannot be obtained in an area of operations.
- When, in the opinion of the Contract Administrator excessive road damage or rutting may occur.
Operations must stop unless authority to continue working or hauling is granted in writing by the Contract Administrator. In the event that surface or base stability problems persist, Purchaser shall cease operations, or perform corrective maintenance or repairs, subject to specifications within this road plan. Before and during any suspension, Purchaser shall protect the work from damage or deterioration.

1-40 ROAD APPROACHES TO COUNTY ROADS AND STATE HIGHWAYS
Purchaser shall immediately remove any mud, dirt, rock, or other material tracked or spilled on to county roads and state highways.

If additional damage to the surface, signs, guardrails, etc. occurs then the damage will be repaired, at the Purchaser’s expense, as directed by the Contract Administrator when authorized by the county or WSDOT.

SECTION 2 – MAINTENANCE

2-1 GENERAL ROAD MAINTENANCE
Purchaser shall maintain all roads used under this contract in accordance with the FOREST ACCESS ROAD MAINTENANCE SPECIFICATIONS for the entire term of this contract. Maintenance is required even during periods of inactivity.

2-2 ROAD MAINTENANCE – PURCHASER MAINTENANCE
Purchaser shall perform maintenance on roads listed in Contract Clause C-050 PURCHASER ROAD MAINTENANCE AND REPAIR in accordance with FOREST ACCESS ROAD MAINTENANCE SPECIFICATIONS.

SECTION 3 – CLEARING, GRUBBING, AND DISPOSAL

3-8 PROHIBITED DECKING AREAS
Purchaser shall not deck right-of-way timber in the following areas:
- Within 50 feet of any stream.
- In locations that interfere with the construction of the road prism.
- In locations that impede drainage.
- Against standing trees.

SECTION 7 – STRUCTURES

7-70 GATE CLOSURE
Purchaser shall keep gates closed and locked except during periods of haul. All gates that remain open during haul must be locked or securely fastened in the open position. All gates must be closed and locked at termination of use.
SECTION 9 – POST-HAUL ROAD WORK

9-5 POST-HAUL MAINTENANCE
Purchaser shall perform post-haul maintenance in accordance with the FOREST ACCESS ROAD MAINTENANCE SPECIFICATIONS.

<table>
<thead>
<tr>
<th>Road</th>
<th>Stations</th>
</tr>
</thead>
<tbody>
<tr>
<td>F-1000</td>
<td>0+0 to 9+51</td>
</tr>
</tbody>
</table>

9-10 LANDING DRAINAGE
Purchaser shall provide for drainage of the landing surface.
### TYPICAL SECTION SHEET

#### ROAD CROSS-SECTION

(not to scale)

#### TURNOUT DETAIL

PLAN VIEW

(not to scale)

<table>
<thead>
<tr>
<th>Road Number</th>
<th>From Station</th>
<th>To Station</th>
<th>Tolerance</th>
<th>Subgrade Width (feet)</th>
<th>Road Width (feet)</th>
<th>Ditch Width (feet)</th>
<th>Crown in. @ CL</th>
<th>Grubbing Limits (feet)</th>
<th>Clearing Limits (feet)</th>
<th>Cut Slope Ratio</th>
<th>Fill Slope Ratio</th>
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<td>9+51</td>
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</table>
FOREST ACCESS ROAD MAINTENANCE SPECIFICATIONS

Cuts and Fills

- Maintain slope lines to a stable gradient compatible with the construction materials. Remove slides from ditches and the roadway. Repair fill-failures, in accordance with Clause 4-6 EMBANKMENT SLOPE RATIO, with selected material or material approved by the Contract Administrator. Remove overhanging material from the top of cut slopes.
- Waste material from slides or other sources shall be placed and compacted in stable locations identified in the road plan or approved by the Contract Administrator, so that sediment will not deliver to any streams or wetlands.
- Slide material and debris shall not be mixed into the road surface materials, unless approved by the Contract Administrator.

Surface

- Grade the road surface, turnouts, and shoulders to the original shape on the TYPICAL SECTION SHEET, to provide a smooth, rut-free traveled surface and maintain surface water runoff in an even, unconcentrated manner.
- Blading shall not undercut the backslope or cut into geotextile fabric on the road.
- If required by the Contract Administrator, water shall be applied as necessary to control dust and retain fine surface rock.
- Surface material shall not be bladed off the roadway. Replace surface material when lost or worn away, or as directed by the Contract Administrator.
- Remove shoulder berms, created by grading, to facilitate drainage, except as marked or directed by the Contract Administrator.
- For roads with geotextile fabric: spread surface aggregate to fill in soft spots and wheel ruts (barrel spread) to prevent damage to the geotextile fabric.

Drainage

- Prevent silt bearing road surface and ditch runoff from delivering sediment to any streams or wetlands.
- Maintain rolling dips and drivable waterbars as needed to keep them functioning as intended.
- Maintain headwalls to the road shoulder level with material that will resist erosion.
- Maintain energy dissipaters at culvert outlets with non-erodible material or rock.
- Keep ditches, culverts, and other drainage structures clear of obstructions and functioning as intended.
- Inspect and clean culverts at least monthly, with additional inspections during storms and periods of high runoff. This shall be done even during periods of inactivity.

Preventative Maintenance

- Perform preventative maintenance work to safeguard against storm damage, such as blading to ensure correct runoff, ditch and culvert cleaning, and waterbar maintenance.

Termination of Use or End of Season

- At the conclusion of logging operations, ensure all conditions of these specifications have been met.

Debris

- Remove fallen timber, limbs, and stumps from the slopes, roadway, ditchlines, and culvert inlets.
Do not undercut backslope.

Keep clear of obstructions.

Add stable material or flume.

No berms except as directed.

Keep ditches open and free of debris to ensure water drainage away from road.
### Road Development Cost Estimate

**Region:** South Puget Sound  
**District:** Hood Canal  
**Road Number:** F-1000  
**Contract Number:** 30-102324  

<table>
<thead>
<tr>
<th>Road Development Phase</th>
<th>Construction</th>
<th>Reconstruction</th>
<th>Post-haul Maintenance</th>
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<tbody>
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<td><strong>Number of Stations:</strong></td>
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**Road Deactivation and Abandonment Costs:** $0

**Note:** This appraisal has no allowance for profit and risk.

**Total (All Roads):** $864

**Sale Volume MBF:** 95

**Total Cost per MBF:** $9.09

**Date:** 10/19/21