

COOS COUNTY FORESTRY DEPARTMENT

Timber Sale Contract No.: CC-1-22

CONTRACT NO. 6138

Timber Sale Name: AIRPORT ROAD SALE

THIS CONTRACT, made and entered into on the date last set forth below, by and between Curry County, a political subdivision of the State of Oregon, hereinafter called "County", and

Name: CLR TIMBER HOLDINGS, INC.
Address: P.O. BOX 670
BROOKINGS, OR 97415
Phone: 541-469-2136

hereinafter called "Purchaser", which parties do hereby agree as follows:

SECTION 1. ATTACHMENTS & EXHIBITS

The following attachments and exhibits are by this reference made a part of this contract:

Exhibit A	Standard Provisions
Exhibit B	Special Provisions
Exhibit C	Map of Timber

SECTION 2. SALE OF TIMBER

County hereby sells to Purchaser, and Purchaser hereby buys from County that timber designated in Section 1 of Exhibit B, Special Provisions, subject to the terms and conditions of this contract.

SECTION 3. PURCHASE PRICES

The purchase prices to be paid by Purchaser to County for the timber sold hereunder shall be as stated in Section 2 of Exhibit B, Special Provisions.

SECTION 4. COMPLETION DATE

Time is of the essence in this contract. Purchaser shall complete and fully perform this contract by the date of September 30, 2023.

SECTION 5. PERFORMANCE BOND

Purchaser shall furnish County with a 20% performance bond in the amount of \$48,000.00 which shall guarantee complete compliance with the terms and conditions of this contract and the faithful performance of all required obligations of this contract. Such bond shall conform to provisions of Section 25 of Exhibit A, Standard Provisions.

SECTION 6. PREREQUISITES TO OPERATIONS

Operations by Purchaser under this contract shall not commence until the following have been received in an acceptable form by County:

- A. One copy of the contract, signed by Purchaser;
- B. The first installment payment in the amount of \$24,000.00;
- C. The performance bond;
- D. Evidence of all insurance required under Section 26 of Exhibit A, Standard Provisions showing Coos County as an "Additional Insured"; and
- E. Completed "Certification for Transfer of County Timber" form if unprocessed timber is to be transferred.

PURCHASER (Above Named)


Name


Title

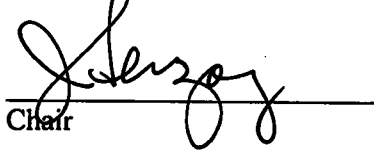
P.O. Box 670
Address

Brookings, OR 97415
City, State and Zip

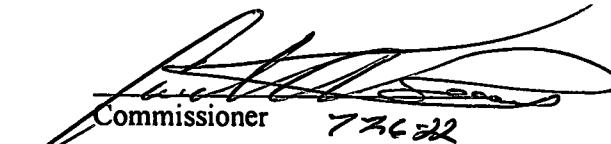
541-469-2136
Telephone

9/19/2022
Date

CURRY COUNTY, OREGON


Chair

Absent At Signing
Commissioner


Commissioner 7/26/22

Curry County Administrative Annex
94235 Moore St. Suite 122
Gold Beach, OR 97444
541-247-3228

July 26, 2022
Date

EXHIBIT A

STANDARD PROVISIONS

SECTION 1. QUANTITY OF TIMBER

Purchaser shall bear exclusive responsibility, and accept all risks associated with the quantity or quality of the timber sold hereunder and any cost or value estimates used in the computation of Purchaser's bid on this contract. Further, County does not warrant or guarantee in any way estimates of timber, costs or values which may have been made by the County pertaining to this contract.

SECTION 2. EXAMINATION OF LOCATIONS AND CONDITIONS

Purchaser certifies that before signing this contract, it has made a careful examination of all plans and specifications set forth in this contract; has obtained full information as to the quality and quantity of materials and the character of the work required; and has made a careful examination of the timber sale area and the location and conditions of work, including the sources of supply for materials. County in no case will be responsible for any loss or cost that may be suffered by Purchaser as a result of Purchaser's failure to be so informed. Purchaser agrees to bear exclusive responsibility for, and to accept all risks associated with, the actual conditions on the areas of operations and Purchaser's computation of its bid for this contract.

SECTION 3. TITLE TO TIMBER

A. During the period of this contract and any extension, Purchaser shall have the right to cut and remove the timber. Such right shall be conditioned upon Purchaser complying with the provisions of this contract.

B. The ownership of and title to the timber shall pass to Purchaser, when the timber is both paid for and removed from the timber sale area. Any right of Purchaser to cut and remove the timber shall expire and end at the time this contract or any extension expires or is canceled. All rights and interests in and to the timber and logs remaining on the timber sale area at the end of the contract shall remain vested in County, without compensation to Purchaser. All materials furnished by Purchaser shall be free and clear of liens.

SECTION 4. MATERIALS - IMPROVEMENTS

Title to materials, improvements, and other property furnished as required of Purchaser by this contract, shall vest in and become the property of the County at the time such are furnished by Purchaser and accepted by County. All materials furnished by Purchaser shall be free and clear of liens.

SECTION 5. REMOVAL OF EQUIPMENT AND MATERIALS

A. Upon completion of logging on the timber sale area, Purchaser shall promptly remove from the timber sale area access roads, the timber sale area, and other County property, all equipment, materials and other property Purchaser has placed or caused to be placed thereon that is not to become the property of County. It is agreed that any such equipment, materials and other property that are not so removed within 30 days, shall become the property of County and

may be used or otherwise disposed of by County without notice or obligation to Purchaser or to any party to whom Purchaser may transfer title.

B. Upon completion of logging on the timber sale area, Purchaser shall clean-up and remove any waste materials or debris brought onto the timber sale area, access roads or other County property by Purchaser.

C. Purchaser shall indemnify and hold harmless the County for expenses incurred by the County as a result of any cleanup, removal and/or disposal of debris, waste materials, or similar items performed by or on behalf of the County.

SECTION 6. INSPECTION.

Representatives of County shall at all times be allowed access to all parts of the timber sale area as may be required to make a complete and detailed inspection of the operations of Purchaser, and Purchaser shall furnish County such information as may be relevant to the conduct of such inspection.

SECTION 7. TIMBER SALE AREA

A. The timber is located in the timber sale area. For all purposes of this contract, "timber sale area" shall be understood to mean the area or the areas designated as such on Exhibit C, Harvest Unit Location Map. The boundaries of the timber sale area are located by reference to legal subdivisions, monuments, natural land features, improvements and/or sale boundary signs.

B. Purchaser shall be exclusively responsible for any taking of timber, infliction of damage, or trespass committed by Purchaser, its employees, or authorized agents beyond the boundaries of the timber sale area.

SECTION 8. SIMULTANEOUS USE OF AREA

A. During the period of this contract, County reserves the right to permit the use by others of the timber sale area, provided that such permitted use would not materially interfere with the operations of Purchaser.

B. County shall not hold the Purchaser liable for any acts, omissions or neglect by such other users.

C. Access roads to the timber sale area will generally be open to public use, provided that County may permit Purchaser to control access to the timber sale area as necessary to protect the timber sale area from the risks of fire or vandalism.

SECTION 9. PROTECTION OF IMPROVEMENTS

Purchaser shall repair specific damage caused by Purchaser's operations hereunder to such improvements as roads, road surfaces, culverts and road ditch lines on the timber sale area, or on County Forest access roads, whether such improvements existed at the time of this contract, or were furnished or constructed by Purchaser under this contract. County may require damaged items such as culverts to be replaced under this provision.

SECTION 10. OPERATIONS DELAYS

County shall have the authority to delay or suspend the operations of Purchaser and contractors of Purchaser, wholly or in part, under this contract for such period or periods necessary due to

fire hazard conditions, severe weather occurrence, surveying for threatened or endangered species listed under the state or federal Endangered Species Act, or any other activity County determines to be necessary for identification, management, or protection of a threatened or endangered species. Purchaser agrees to cooperate with surveying efforts of County or its contractors. In no event shall County be liable for any costs incurred by Purchaser by reason of delay or suspension under this section, including but not limited to costs of additional move-in/move-out of equipment and personnel, extra fire and equipment security, and insurance or bonding expenses. County agrees to extend the Completion Date of this contract by the number of days equal to the number of days in which County delays or suspends the operations of Purchaser for the reasons listed in this section.

SECTION 11. **INCORPORATION OF TERMS**

This contract, and all exhibits and attachments incorporated herein, constitutes the entire contract between the parties. No waiver, consent, modification, or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change, if made, shall be effective only in the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement. By the signature below of its authorized representative, Purchaser hereby acknowledges that it has read this agreement, understands it, and agrees to be bound by its terms and conditions.

SECTION 12. **ASSIGNMENT OF CONTRACT**

Purchaser shall not assign, transfer, convey, or delegate responsibilities or otherwise dispose of this contract, or any portion thereof, or the right, title, interest, or the power of Purchaser to execute or perform this contract, to any other person, firm or corporation, without the previous written consent of County. Should the contract assignment be approved, it shall be in total, with no rights being retained by original purchaser; provided, however, County shall retain Purchaser's performance bond and Purchaser shall remain liable for claims as if no assignment had occurred.

SECTION 13. **SUBCONTRACTING**

If all or any part of the logging operations or work to be done under this contract is subcontracted, such subcontracting done by Purchaser shall in no way relieve Purchaser of any responsibility under this contract. Purchaser shall inform County of the names of any such subcontractors, prior to work on the timber sale area by such subcontractors. Subcontractors shall comply with the insurance requirements set forth in Section 26 of Exhibit A, Standard Provisions.

SECTION 14. **SEVERABILITY**

If any provision of this contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

SECTION 15. **WAIVER**

Failure of County to enforce any provision of this contract shall not constitute a waiver or relinquishment by County of the right to such performance in the future, nor of the right to enforce any other provision of this contract.

SECTION 16. PERMITS-LICENSES-SAFETY

Purchaser shall procure all permits and licenses, pay all charges, taxes and fees, and give all notices necessary and incident to the due and lawful prosecution of the work. In the performance of the work to be done under this contract, Purchaser shall use every reasonable and practicable means to avoid damage to property and injury to persons.

SECTION 17. LAWS, REGULATIONS & ORDERS

Purchaser shall at all times observe and comply with all federal and state laws, and lawful regulations issued thereunder, and local bylaws, ordinances and regulations, which in any manner affect the activities of Purchaser under this contract. Purchaser shall observe and comply with all orders or decrees that exist at present and those which may be enacted later by bodies or tribunal having any jurisdictions or authority over such activities of Purchaser. County makes no representations concerning tax liability or consequences arising from this sale of County timber. It is Purchaser's sole responsibility to determine what tax liability may be incurred as a result of purchasing County timber, regardless of whether the County timber is growing or located on County owned land. Purchaser shall be responsible for paying all applicable timber harvest or privilege taxes and shall indemnify and hold harmless the County against any tax claims arising from the purchase of County timber.

SECTION 18. MODIFICATIONS

County reserves the right to make, at any time during the contract, such modifications to this contract as are necessary or desirable; provided, such modifications shall not change the character of the work to be done, nor increase the cost unless such work or cost increase is approved in writing by Purchaser. Any modifications so made shall not invalidate this contract nor release Purchaser of obligations under the performance bond. Purchaser agrees to do the modified work as if it had been a part of the original contract.

SECTION 19. ADJUSTMENT OF CONTRACT

Notwithstanding any other provisions of this contract, County may, pursuant to Oregon law, make adjustments in the contract when major catastrophes materially affect the volume and value of timber, or work to be done under this contract. Major catastrophes such as windstorms, floods, fire, or other act of God, or due to significant changes in state or federal law which are beyond the control of Purchaser and in no way connected with negligent acts or omissions of Purchaser, its officer, employees, agents or subcontractors. Market conditions will not be considered a reason for contract adjustments. Such adjustments may be made to place the parties in their original status under the contract insofar as possible, provided, however, that any loss or cost to Purchaser is in no way recoverable from third parties by Purchaser. Purchaser shall make application in writing to County regarding any adjustment in contract as soon as practicable after discovery of damage done by catastrophe.

SECTION 20. WORK RESPONSIBILITY AND ACCEPTANCE

For all purposes of this contract, "work" shall mean the furnishing of all labor, material, equipment and other incidentals necessary or convenient to the successful completion of the projects, duties and obligations, including slash disposal, imposed on Purchaser by this contract. County will make an inspection at the earliest practical date, of any category of work to be done hereunder, upon receipt of notice from Purchaser that such work has been completed. County will notify Purchaser in writing at the earliest practical date following such inspection as to the acceptability of such work.

SECTION 21. NOTICES

Any written notice to Purchaser which may be required under this contract to be served on Purchaser by County may be served by personal delivery to Purchaser or designated representative(s), by mailing the notice to the address of Purchaser as is given in this contract, or by leaving the notice at said address. Should Purchaser be required to notify County concerning the progress of the work to be done, or concerning any matter or complaint which Purchaser may have regarding the contract subject matter, or for any other reason, that notification is to be made in writing, delivered or mailed to the designated representative of County.

SECTION 22. AUTHORIZED REPRESENTATIVES

During the term of this contract, Purchaser shall designate a representative with authorization to act on behalf of Purchaser in the receipt of notices or instructions from County and to take any action required in regard to performance of Purchaser under this contract. County Forester shall designate a representative who shall be authorized to receive notices, inspect progress of the work, and issue instructions in regard to performance under the terms of this contract.

SECTION 23. COMPLETION OF CONTRACT

Time is of the essence of this contract, and Purchaser shall complete and fully perform this contract by the completion date specified in Section 4, Timber Sale Contract Cover Sheet, unless extended in accordance with Section 32 of Exhibit A, Standard Provisions, provided that Purchaser may be required to dispose of slash pursuant to Section 21 of Exhibit B, Special Provisions, at a time later than the date specified in Section 4, Timber Sale Contract Cover Sheet.

SECTION 24. TERMINATION

A. County, by written notice to Purchaser, may terminate this contract, in whole or in part, whenever County determines it is in its interest to do so. After receipt of the notice, and except as directed in the notice, Purchaser shall immediately stop activities under the contract and terminate all subcontracts to the extent they relate to the activities terminated. Purchaser shall complete all activities not terminated.

B. In the event of termination or partial termination, Purchaser agrees that its sole and exclusive remedy shall be the sum of: (1) the value of any project work completed but not yet credited. (2) the estimated expenditures for felling, bucking, limbing, skidding, and decking any products so processed, but not removed from the timber sale area; and (3) costs of acquiring and holding bond, with documented receipts. Cost and expenditure estimates for items listed in (1) and (2) shall be based upon County's appraisal for the timber sale. Lost profits, replacement costs of timber, property (real or otherwise) procured by Purchaser in anticipation of contract fulfillment, or any other consequential damage suffered by Purchaser shall not be reimbursable.

Any interest earned on funds of the Purchaser on deposit with County shall remain the property of County and shall not be payable to Purchaser.

SECTION 25. PERFORMANCE BOND REQUIREMENTS

Purchaser shall furnish County with a performance bond in the amount stated in Section 5, Timber Sale Contract Cover Sheet, which bond shall guarantee complete compliance by Purchaser with the terms and conditions of this contract and the faithful performance of all required obligations. Such bond may be in the form of a cash deposit or certified check, money order, surety bond, irrevocable letter of credit, or other securities determined to be acceptable by County. Surety bonds must be written by a surety company authorized to do business in the State of Oregon.

SECTION 26. INSURANCE

A. Purchaser shall not commence work under this contract until they have furnished Coos County with satisfactory proof of the coverage of insurance as specified below:

1. Workers' compensation coverage as required by law with a Waiver of Subrogation in favor of Coos County and to include employer's liability with limits of not less than \$1,000,000 per occurrence; or, alternatively, CONTRACTOR shall provide documentation establishing that CONTRACTOR is exempt from workers' compensation coverage pursuant to ORS Chapter 656.

2. General commercial liability coverage for damages as a result of death or bodily injury (including personal injury) to any person's destruction or damage to any property with limits of not less than \$1,000,000 each occurrence, \$2,000,000 policy aggregate. Such coverage shall include, but is not limited to, the following: commercial general liability coverage, products liability including completed operations, premises operations including X (explosion), C (collapse), U (underground), broad form property damage including fire fighting expense which is also known as "loggers' broad form," personal injury. All coverage shall be on an occurrence basis and not on a claim made basis.

3. Automobile liability insurance as a result of death or bodily injury to any persons, or destruction of or damage to any property arising out of the ownership, maintenance, or use of any owned, non-owned, or hired motor vehicle with limits of not less than \$1,000,000 per occurrence. All coverage shall be on an occurrence basis and not on a claim made basis.

4. Excess/Umbrella Liability coverage as follows:

a. If this is a contract for a public improvements, or personal services contracts with architects, engineers, and land surveyors, then CONTRACTOR shall maintain an excess/umbrella liability policy of not less than \$1,000,000 each occurrence and aggregate that will provide excess limits of liability over the commercial general liability, automobile liability, employer's liability, and professional liability.

b. For contracts other than public improvements or personal services contracts with architects, engineers, and land surveyors, an excess/umbrella liability policy is not required, but may be used in conjunction with a general commercial liability policy to satisfy the primary insurance limit requirements.

c. All excess/umbrella liability coverage shall be on an occurrence basis and not on a claim made basis.

5. For personal services contracts, professional liability insurance, including errors and omissions, with limits of not less than \$2,000,000 per occurrence and \$4,000,000 policy aggregate.

B. The following inclusions to CONTRACTOR'S certificate of insurance shall be made:

1. Waiver of transfer of rights of recovery against others to Coos County. The preferred form is "CG 2404 05/09."

2. It is agreed that this insurance is primary to and non-contributory with any insurance maintained by Coos County.

3. The general liability coverage and automobile liability, if required, shall include endorsements for additional insured, naming "Coos County, its elected officials, employees, agents, and volunteers" as an additional insured. The additional insured endorsement shall be attached to the certificate of insurance.

4. The additional insured shall contain a severability of interest provision in favor of Coos County and a Waiver of Subrogation in favor of Coos County.

5. All required coverage shall be written with companies that have at least an AmBest rating of B+ VII.

6. The insurance shall provide a 30 day notice of cancellation or material change.

7. For public improvement contracts or architectural, land surveying, or engineering personal services contracts, CONTRACTOR shall carry the required insurance for at least three years after acceptance of completed project.

SECTION 27. INDEMNIFICATION

Purchaser shall indemnify, hold harmless, and defend Coos County, its elected officials, officers, employees, volunteers and agents from any liability, claim, damage, loss, cost and/or expense arising, out of or resulting from the performance of, or failure to perform, the obligations of this contract by Purchaser, its employees, agents and subcontractors. Without limiting the generality of the foregoing, any and all such claims, etc., relating to personal injury, death, damage to property, defects in materials or workmanship, actual or alleged infringement of any patent, trademark, copyright (or application for any thereof) or of any other tangible or intangible personal or property right, or any actual or alleged violation of any applicable statute, ordinance, administrative order, rule or regulation, or decree of any court, shall be included in the indemnity hereunder. The Purchaser further agrees to investigate, handle, respond to, provide defense for and defend any such claims, etc., at their sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims etc.) is groundless, false or fraudulent. In any case in which any part of such indemnification would violate any law, the remainder of foregoing provisions concerning indemnification shall be given full effect. This Section 27 will survive the termination or revocation of this Contract.

SECTION 28. INDEPENDENT CONTRACTOR STATUS

Purchaser is an independent contractor and not an officer, employee or agent of Coos County. Purchaser shall have the complete responsibility and sole risk for the performance of this contract.

SECTION 29. CHOICE OF LAW AND VENUE

This contract shall be governed by and construed in accordance with the laws of the State of Oregon, as interpreted by the Oregon courts. Any litigation arising out of this contract shall be conducted in the courts of the State of Oregon conducted in the Circuit Court of Coos County, Oregon.

SECTION 30. ATTORNEY FEES

In the event a law suit of any kind is instituted on behalf of County to collect any payment due or to obtain performance of any kind under this contract, Purchaser shall pay such additional sums as the court may adjudge for reasonable attorneys' fees plus all costs and disbursements at trial and on any appeal.

SECTION 31. CAUSES BEYOND CONTROL

In the event Purchaser is prevented by a cause or causes beyond the reasonable control of Purchaser from performing any obligation of this contract, such nonperformance shall not be deemed to be a breach of this contract such as to render Purchaser liable in damages therefore or to give rise to the cancellation thereof: provided, that if and when such cause or causes shall cease to prevent such performance, Purchaser shall exercise all reasonable diligence to resume and complete performance of such obligation with the least possible delay. "Cause or causes beyond reasonable control", is defined as any one or more of the following causes affecting operations of Purchaser: fire or other casualties and accidents; strikes, riots and civil commotions; war and acts of public enemies; storm, floods and other unusual climatic conditions, including droughts and low humidity, or orders of duly constituted public authorities; acts of God, and other similar circumstances beyond the control of Purchaser.

SECTION 32. EXTENSION OF TIME

A. County, at its option, may grant an extension of time for performance of this contract when it is deemed to be in the public interest to do so, only upon a written request from Purchaser, and with the written consent of an extension of the security by the surety of Purchaser. The written request for an extension of time by Purchaser must be received by County no later than 30 days prior to the completion date of this contract, and must include the following:

1. The causes which have acted to prevent completion as specified herein;
2. The date to which an extension is requested;
3. A proposed course of action to be taken by Purchaser to insure the completion of this contract within the requested extended time period;
4. Certificate of consent to extend performance bond/surety agreement issued by Surety Company; and
5. Certificate of extension of liability and workers' compensation insurance coverage.

B. The County may impose such conditions on the granting of an extension as it deems reasonable, including but not limited to:

1. Full payment of estimated contract price, calculated using actual bid price x cruise volumes;
2. Payment of damages for rehabilitation or regeneration delay;
3. Interest on payments made after original completion date; or
4. Purchaser shall not bid on future County timber sales until the sale under extension is completed to the satisfaction of the County Forester.

SECTION 33. DEFAULT AND REMEDIES

A. As used in this Section:

1. "Violation" means failure to comply with any term(s) or condition(s) of this contract.
2. "Default" means failure to correct a violation within the time specified by the County. Default also includes failure to cut and remove the timber by the completion date.
3. "Damages and Expenses" means all costs, damages, losses and expenses incurred by the County as a result of a default. This includes, but is not limited to, any unpaid balance due to the County for timber removed, the difference in value between the original sale and resale of a canceled sale, costs for preparing the canceled parcel for resale, rehabilitation or regeneration delay costs, legal expenses, interest charges and any other damages allowed by law.

B. If Purchaser is in violation of this contract, County may give written notice of the violation. Purchaser shall correct such violations within 10 days of mailing or personal service of such notice.

C. If Purchaser fails to correct a violation as provided in Subsection (B), the County may give written notice of suspension. Upon receipt of such notice, Purchaser shall be considered in default of the contract and shall suspend all operations under the contract except those operations necessary to correct any violation.

D. Notwithstanding Subsections (B) and (C), the County may, if in its sole discretion it believes a serious violation exists, suspend operations pursuant to Subsection (C) without providing written notice of violation as provided in Subsection (B).

E. If Purchaser cuts or removes any of the timber under this contract during any period of suspension, or if Purchaser cuts any of the timber after the completion date or the cancellation of this contract, such cutting or removal shall be considered a willful trespass and render Purchaser liable for treble damages in accordance with applicable Oregon Law.

F. If Purchaser fails to cure a default within 10 days of receipt of suspension notice, the County may, by written notice, cancel the contract effective upon receipt of the notice.

G. In addition to and not in lieu of any other remedies provided by law, if Purchaser defaults on this contract, Purchaser shall not be allowed to bid on any Coos County Timber Sale including

the resale of a canceled contract, unless the County is reimbursed for all damages and expenses incurred as a result of default or the Purchaser posts cash sufficient to reimburse the County for all damages and expenses as estimated by the County. If a Purchaser in default wishes to bid on future contracts, Purchaser shall notify County in writing at least 30 days before such sale. The County shall estimate the damages and expenses that the County will incur as a result of default. If the default is cured or cash is deposited with County in the estimated amount, the County shall grant permission to the Purchaser to bid on sales other than the sale in dispute. Cash deposits will be held in the Forestry Trust account until the default is resolved.

H. Notices provided by this section will include the following information:

1. The violation or default allegedly committed by the Purchaser;
2. The action necessary to cure such violation or default and the time within which such action must be taken;
3. That a Purchaser in default of a timber sale contract is prohibited from bidding on future County timber sales unless a cash bond covering damages and expenses is posted or the default is cured before the sale date; and
4. The right to request an estimate of damages and expenses from the County.

SECTION 34. LOG EXPORT PROVISION

Purchaser shall comply with all requirements of ORS 526.801 to 526.831 and 526.992, the Forest Conservation and Shortage Relief Act of 1990 as amended, and other applicable Federal, State and local log export laws, rules and regulations.

A. Definitions

1. "Performance bond" means the security required by a County timber sale contract which ensures satisfactory performance of contract requirements by the timber sale purchaser.
2. "Purchaser" means a person (s) who has entered into a timber sale contract with Coos County.
3. "County Lands" means lands owned by Coos County under ORS 275.330 and/or other provisions of law.
4. "County Timber" means any timber owned by Coos County under ORS 275.330 and/or other provisions of law.
5. "County Timber Sale Contract" means a contract under which any timber owned by Coos County is sold to a Purchaser.

B. Reporting Requirements

1. Before the County Forester will issue final acceptance of timber sale contract, a purchaser of County timber must:
 - a. Notify the County Forester of the delivery destination of all timber purchased under that contract. Notification will be made in a form and manner prescribed by the County Forester.

Under the provisions of ORS 279C.515(1), if the Purchaser fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to Purchaser, or a subcontractor, in connection with work to be done under this contract as such claim becomes due, County may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due Purchaser by reason of this contract. The payment of a claim in the manner authorized in this section shall not relieve the Purchaser, subcontractor or any surety from their obligation with respect to any unpaid claim.

SECTION 37. HOURS OF EMPLOYMENT

As provided by ORS 279B.235(1), the Purchaser shall pay employees for overtime work performed under the public contract in accordance with ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

SECTION 38. MEDICAL PAYMENTS

As provided by ORS 279B.230, Purchaser shall promptly, as due, make payment to any person, co-partnership, association or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such Purchaser, of all sums which the Purchaser agrees to pay for such services and all monies and sums which the Purchaser collected or deducted from the wages of his employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service. It is a condition of this contract that all employers working under this contract are subject employers that will comply with ORS 656.017.

SECTION 39. DISCRIMINATION

A. As provided in ORS 279A.110, Purchaser shall not discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise; a minority-owned business; a women-owned business; a business that a service-disabled veteran owns; or an emerging small business under ORS 200.055.

B. If the Purchaser violates (A), the County may regard the violation as a breach of contract that permits:

1. Termination of the contract; or
2. The County may exercise any remedies for breach of contract that are reserved in the contract.

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EXHIBIT B

SPECIAL PROVISIONS

SALE NUMBER: CC-1-22

SALE NAME: AIRPORT ROAD

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EXHIBIT B

SPECIAL PROVISIONS

SECTION 1. DESIGNATED TIMBER

A. The timber designated for sale pursuant to Section 2 of Exhibit B, Special Provisions, is all timber located within the boundaries of the Harvest Unit, as posted, and as shown on Exhibit C, Harvest Unit Location Map.

B. The boundaries of the Harvest Unit are blazed and posted with "Timber Harvest Boundary" fluorescent pink ribbons.

SECTION 2. PURCHASE PRICES

The purchase prices to be paid for logs removed from the timber sale area under this contract shall be as follows for given species and log grades:

- | | | |
|----|---|-----------------------|
| A. | Douglas Fir: | |
| | No. 4 sawmill & better grades, net scale | \$ <u>482.00</u> /MBF |
| | (Except as specified below in G & I) | (Amt. Bid) |
| | Special Cull, adjusted gross scale | \$ <u>200.00</u> /MBF |
| | Peelable Cull, adjusted gross scale | \$ <u>150.00</u> /MBF |
| B. | Sitka Spruce: No. 4 sawmill & better grades, net scale | \$ <u>169.00</u> /MBF |
| | (Except as specified below in G & I) | |
| C. | Hemlock: No. 4 sawmill & better grades, net scale | \$ <u>219.00</u> /MBF |
| | (Except as specified below in G & I) | |
| D. | P.O. Cedar: No. 4 sawmill & better grades, net scale | \$ <u>169.00</u> /MBF |
| | (Except as specified below in G & I) | |
| E. | Red Cedar: No. 4 sawmill & better grades, net scale | \$ <u>369.00</u> /MBF |
| | (Except as specified below in G & I) | |
| F. | White Fir & Other Conifers: No. 4 sawmill & better grades, net scale | \$ <u>219.00</u> /MBF |
| | (Except as specified below in G & I) | |
| G. | Rough 3 mill grade, net scale | |
| | Douglas Fir | \$ <u>75.00</u> /MBF |
| | Other Conifer | \$ <u>50.00</u> /MBF |
| | (Except as specified below in I) | |
| H. | Conifer Utility logs if not removed on weight loads per I below, adjusted gross scale | \$ <u>32.00</u> /MBF |
| I. | Sawmill grade conifer logs less than 20 board feet, all utility (pulp) conifer logs and any other logs not meeting standards for mandatory removal may be removed at the following price per ton: | \$ <u>8.00</u> /Ton |

All conifer logs to be removed from the sale area on a per ton basis must be decked separately and inspected by County prior to removal from the sale area and may require County signature on load ticket prior to removal. Sawmill grade logs less than 20 board feet which are removed on scale loads will be scaled and paid for at the contract prices (A-H above).

- J. Alder and other hardwoods: \$ 21.00 /Ton
Sawmill Grade, except as specified below in K
- K. Sawmill grade alder and other hardwood logs less than 30 board ft. and all utility (pulp) \$ 7.00 /Ton
hardwood logs not meeting the requirements for mandatory removal.
- L. Sawmill grade alder logs which are removed on scale loads will be paid for at the following price: \$169.00 /MBF

SECTION 3. PAYMENT SCHEDULE & LATE PAYMENTS

Timber shall be paid for in installments, as set forth in Subsections A and B below for timber removal, provided that minimum fixed amounts shall be paid in accordance with Subsection C of this provision.

- A. The First Installment Payment. The first installment payment shall be in the amount of \$24,000.00, which installment shall be paid within 30 days of Purchaser's receipt of Notice of Sale Award, or prior to operations under this contract, whichever occurs first.
- B. The Second & Subsequent Installments for Timber Removal. The second and subsequent installment payments shall be in the amount of \$48,000.00 each, and shall become due and payable when the value of timber removed from the timber sale area equals the sum of all payments made by Purchaser. Payment shall be made at such times as are necessary to provide that Purchaser has at all times paid in advance for timber removed from the timber sale area. If, in the opinion of County, an installment payment is due, based on log scale data and the number of loads hauled, Purchaser will be notified by invoice. Such invoice shall be paid by the stated due date.
- C. Fixed Minimum Payment Schedule. Regardless of timber removal from the timber sale area, Purchaser shall make payment to County the following minimum amounts of the total sale value as of the dates given:

<u>FIXED AMOUNT PAYABLE</u>	<u>DATE DUE</u>
\$ 48,700.00, less the sum of all prior payments	SEPTEMBER 30, 2022
\$ 97,400.00, less the sum of all prior payments	DECEMBER 31, 2022
\$146,100.00, less the sum of all prior payments	MARCH, 2023
\$194,800.00, less the sum of all prior payments	JUNE 30, 2023

In the event that fixed payments made in accordance with this provision exceed the value of timber removed from the timber sale area, such excess shall constitute a credit to Purchaser against future installments due for timber removal on this contract.

D. Late Payments - Suspension of Operations - Interest Due. In the event that payments are not made when due, County may suspend operations on the timber sale area and Purchaser shall pay County 16% interest on the amount of any late payments, as accrued from the date due.

SECTION 4. TOTAL PURCHASE PRICE

A. The total purchase price shall be based upon the prices set forth in Section 2 of Exhibit B, Special Provisions. The total purchase price shall be computed by multiplying the rates for each species as stated in Section 2 of Exhibit B, Special Provisions, by the reported log scale or weight for each species.

B. If the total purchase price is so determined to be less than the amount of all installment payments made by Purchaser to County, then County does hereby agree to cause a refund to Purchaser of such excess payment; however, if the total purchase price is so determined to be more than the total of all installment payments made to County by Purchaser, then Purchaser does hereby agree to make an additional payment to County in the amount of the deficit. Such additional payment shall be paid within 10 days following notification by County.

SECTION 5. OPERATIONS PLAN

Purchaser shall give County a minimum of 48 hours advance notice of intent to commence operations on the timber sale area and arrange to meet with County prior to operations to establish the following:

- A. A production schedule providing for removal of timber prior to the completion date of the contract.
- B. Plans for performance of required project work.
- C. Arrangements for operating permit, brand, load ticket books and log scaling.
- D. A review of each of the Special Provisions of this contract pertaining to operations hereunder and discussion of best management practices which may be required.
- E. Purchaser shall inform County and get approval prior to any log hauling on days other than Monday – Friday.
- F. If there is an absence of more than 2 weeks after start of operations, Purchaser shall notify County a minimum of 48 hours prior to subsequent return to work, unless waived by County.

SECTION 6. LOG REMOVAL

A. All logs defined below shall be removed as designated timber under this contract, at prices given in Section 2 of Exhibit B, Special Provisions.

- 1. Any conifer log that conforms with grading rules for peeler or sawmill grades and meets or exceeds both of the following minimum requirements: 6 inches in gross scaling diameter, containing 20 board feet (net). Exceptions may be made for oversize "whitewoods" in excess of 55" diameter on the big end. Discussions of exceptions to be determined during pre-work, Section 5 Operations Plan.

2. Any hardwood log that meets or exceeds both of the following minimum requirements: 6 inches in gross scaling diameter, and containing 30 board ft. (net).
 3. Any conifer log that meets the specifications of Special Cull or Peelable Cull grade.
- B. For purposes of mandatory log removal requirements, minimum net log volume shall be determined by the net volume of the full log length rather than the volume of individual segments.
- C. **Purchaser may remove other logs or material which does not meet the above-stated minimum standards for mandatory removal of designated timber, at the per ton prices given in Section 2 of Exhibit B, Special Provisions. Except: Slash which is approved for removal under Section 14 of Exhibit "B" (Woody Biomass Removal Option) may be removed at no cost.**
- D. Log grades are defined in the Official Log Scaling and Grading Rules published by the Northwest Log Rules Advisory Group in effect at the time logs are scaled. Purchaser shall not deliberately buck logs to reduce log sizes to less than minimum requirements for merchantable logs, and shall take reasonable precautions to prevent breakage losses in felling, yarding, and handling. Log lengths shall be adjusted to secure the most utilization of merchantable timber.
- E. Purchaser shall:
1. Remove all merchantable logs from the timber sale area, except as may be specified for "downed logs" under Section 12 (F) of Exhibit B, Special Provisions.
 2. Remove all merchantable logs bucked from green standing timber prior to deterioration from sap rot.
 3. Prevent loss of merchantable log volume through the application of proper felling and bucking.
- F. Purchaser shall pay County for loss of merchantable log volume resulting from non-compliance with the above stated requirements. Such loss of merchantable log volume shall be paid for at the purchase prices stated in Section 2 of Exhibit B, Special Provisions hereof.

SECTION 7. TRUCK LOAD RECEIPTS & LOAD NUMBER TAGS

- A. County shall furnish Purchaser with books of multi-part serially numbered log load receipts with a load number tag to be attached to each load. All loads shall be tagged as follows:
1. **Purchaser shall designate a person who is competent and continuously employed at the place of loading logs to prepare and issue a Truck Load Receipt and to attach a Load Number Tag to each load of logs prior to the removal of such load from the loading area. Mule train loads shall have two load tickets. Purchaser shall be responsible to make sure a means to attach tag is continuously available in the form of a stapler or tacks. Purchaser shall also provide a clear plastic covering for such tickets such as a "sandwich bag" during periods of inclement weather. For each load observed by County that has left loading area as defined by County without a load ticket, \$100.00 will be added to final billing.**

2. The truck driver shall sign the receipts for a given load of logs and retain the first copy of the receipts during transit of logs from the sale area to the point of log scaling. At the point of log scaling, the truck driver shall give this receipt to the third party log scaler.
3. The second copy of the Truck Load Receipts is to be retained in the bound form of the receipt book and kept until each book of receipts has been used, at which time such books, including the receipt copies, are to be given to County as directed by County.
4. The Load Number Tag, which is attached in the receipt book to each set of receipts, shall be securely attached to the front end of the logs of the load for which a receipt has been prepared. To the extent possible, this Load Number Tag shall be attached to the left front wing log of the load, so as the entire tag will be visible to a vehicle approaching the truck while in transit.
5. Purchaser shall account for each and every serially numbered log load receipt, and shall pay damages to County for all log load receipts not accounted for by proof of scaling. Damages shall consist of full stumpage rate for each missing receipt, on the basis of average volume of the 10 largest loads of logs scaled from the timber sale area, charged at the highest species rate.

SECTION 8. LOG SCALING AND ACCOUNTABILITY OF SCALE

A. All merchantable logs ("designated timber" under Section 6, Exhibit B of Special Provisions) from the timber sold under terms of this contract are to be scaled in accordance with the following instructions:

1. County will accept scaling done by the Columbia River, Mountain Western, Pacific, Northwest, or Yamhill log scaling and grading bureaus. Scaling by other parties or individuals will be accepted only with the prior consent of County.
2. Log grades are defined in the Official Log Scaling and Grading Rules published by the Northwest Log Rules Advisory Group in effect at the time logs are scaled.
3. Purchaser shall provide that the scaling of logs be performed in such a manner as to secure for County a current and accurate accounting of log volume removed from the timber sale area. All costs of scaling and all costs in connection with reports furnished to County shall be paid by Purchaser.

B. Purchaser shall furnish County evidence prior to log hauling from the sale area that instructions have been given as follows:

1. To Truck Drivers: To surrender Truck Load Receipts to third party log scaler. Any mule train log loads shall have 2 tickets (one for each trailer).
2. To Scaler: To enter the Truck Load Receipt Number on the accompanying log Scale Tickets, and to attach the Truck Load receipt to the Log Scale Tickets.
3. To Log Scaling Bureaus: To deliver to County copies of the log scale tickets as frequently as possible, but not less than once per week, and to deliver to County copies of Bureau Certificates as frequently as they become available.
4. Scaling Instructions: Purchaser agrees that County shall provide instructions to the approved third-party scaling organization for the scaling practices to be used

for timber removed from the timber sale area. Instructions shall conform to the terms of this contract, including special scales as necessary. Purchaser shall acknowledge and sign such instructions and shall be provided a copy.

5. Special Scaling Instructions: Segment scaling or grading of logs in excess of 40 feet in gross scaling length shall use actual taper. Procedures are set forth in "Segment Scaling and Grading of Long Logs - All Species - Oregon State Forestry Department Scaling Instructions".
6. Adjust Scaling Diameters and Lengths: (pencil buck) according to Westside "Oregon State Forestry Department Special Service Scaling Instructions". Any conifer log having a gross scaling diameter of less than 6" shall be pencil bucked for the purpose of determining the volume and grade of the log. For the purpose of this contract, to pencil buck shall mean the procedure of determining where the contract specified minimum diameter occurs on a log presented with a scaling end less than the contract specification, and determining the scaling length to that point. An example would be where the contract minimum is 6 inches and a log is presented with a 3 inch scaling diameter, the log is scaled as if the portion from the 3 inch end to where the log becomes 6 inches in diameter does not exist.
7. Logs Damaged During Handling: Mechanical damage to logs shall be prevented during log loading, unloading, and rollout. Deductions for damage occurring during these operations shall not be allowed.
8. Add-Back Volume: Scaling deduction for deterioration due to abnormal delay in removal of logs from the sale area shall not be allowed in determining net volume. Volume of material deteriorated due to delay in removal shall be reported to County and paid for at the contract price. Cost for separate reports shall be paid by Purchaser.
9. Measurement by Weight: For conifer logs less than 20 board feet and utility (pulp) conifer logs to be removed at the ton price shown in Section 2 of Exhibit B, Special Provisions, and all hardwood logs. The scales shall be State certified and sealed. The gross weight and the truck tare weight for each load shall be machine printed on the weight ticket. Scale operator shall enter the Truck Load Receipt Number on the accompanying Weight Scale Ticket, and attach the Truck Load receipt to the Weight Scale Ticket. Purchaser shall furnish these tickets to County as frequently as possible, but not less than once per week. County may approve the use of converting factors or special scaling procedures to accommodate removal of certain wood products.
10. For logs removed from sale area and not receiving approved scale as shown and required in Section 8 (A) County may at its discretion bill Purchaser triple the rate as specified in Section 2 of this contract.

SECTION 9. LOG BRANDING AND MARKING

A. All County timber originating from County timber sales shall be painted and branded with an assigned and registered brand before removal from the loading area as defined by County. Unless prevented by the size or condition of the wood, one end of all logs originating from County timber sales shall be hammer branded and one end shall be painted with a paint type and color determined by the County Forester and provided by Purchaser.

B. If properly marked County timber is subdivided into smaller pieces for any other purpose than immediate processing, each piece must be branded with a County brand specifically used for this purpose and signifying the unprocessed timber is County timber ineligible for export. The County Forester's export restriction branding hammers can be obtained from the County Forester upon request.

C. Purchaser shall not have branding hammers on the timber sale area other than those issued by County in accordance with this section.

D. Purchaser shall be responsible for keeping secure and returning such brands to County within 30 days of completion of logging. County may charge Purchaser the sum of \$100.00 for any brand which is not returned for any reason.

SECTION 10. FELLING

A. Purchaser shall comply with the following requirement for felling:

1. Fell all trees and snags (except as designated for wildlife in Section 31 of Exhibit B, Special Provisions) which are 15 feet or more in height. This requirement also applies to brushy species such as vine maple, cascara, cherry, and willow.
2. Maximum stump height shall be 12 inches or 50% of stump diameter, whichever is greater. Heights will be measured on the uphill side.
3. Trees shall not be felled across timber sale boundaries unless authorized in writing by County. Any trees that fall across sale boundaries shall be yarded back into the sale area prior to limbing or bucking.
4. Flaggers/traffic control will be required during falling operations near roadways. Curry County Road Department may be available for flagging. If not, Purchaser will be credited \$1,200.00 per day for flagging when required for up to 10 days.

B. Purchaser shall employ the following timber cutting practices on the sale area(s), unless otherwise approved by County:

1. Trees shall be felled to the longest lay, using the necessary means (wedging, jacking, etc.,) favoring a quartering uphill lead.
2. Trees shall not be felled across draws, over ridges, or across previously felled trees.
3. Trees that cannot be controlled into desired felling patterns (snags, rotten-butted trees, heavy leaners, etc.,) shall be felled first and the direction of subsequently felled timber corrected accordingly.
4. Felling shall be done in a way as to comply with the intent of OAR 629-630-0600 (Felling: removal of slash).
5. Trees felled by mechanical means will be restricted to allowable ground based yarding areas and time periods unless authorized by County in writing.

SECTION 11. BUCKING

Prior to yarding, all merchantable tree segments are to be bucked in such a manner as to utilize the total length of such segments to the nearest one foot in merchantable length. "Long-butting" of sound logs will not be permitted. Flush cutting of log ends will not exceed 6 inches.

Merchantable trees greater than 2 long log lengths (up to 40' each + trim) plus a top less than 8" in diameter shall be bucked so as not to exceed the fore mentioned restriction. This will include those felled by mechanical means unless specifically waived by County in written form. Examples: A 2 ½ log tree + top would need one long log bucked off as would a 3 log tree. A 4 log tree would need 2 long log lengths bucked off as either 2 long logs or 1 segment containing 2 long logs. A 5 log tree would need to be bucked so no segment exceeds 2 long logs + a top less than 8" diameter. Any waiver to the above will be required to be in written form (letter, text, or email) from County Forester.

SECTION 12. YARDING

A. Ground yarding will be permitted during dry weather periods from May 15 to October 15 on those areas where slopes average less than 30% unless otherwise approved in writing by County Forester.

B. All trees, except snags, which are 10" or larger at stump height shall be yarded to landing areas. Trees shall be yarded with tops left attached to the top log and prior to limbing operations (operator may do such limbing as necessary to facilitate bucking). Yarding is to be done in such a way as to minimize breakage. Purchaser shall buck felled timber prior to yarding in order to accomplish this goal. If Purchaser chooses to "shovel log" those portions of the sale area where permitted, logging slash shall be shovel piled on the unit concurrently with logging at direction of County. Purchaser shall suspend ground yarding operations during periods of high soil moisture as determined by County. Skidder or dozer logging not permitted.

C. Cable yarding will be required on those areas where slopes average more than 30% and on the entire unit if logged during wet weather. Logs shall have at least one end suspended when yarding through the Harvest Area. "Lift trees" may be necessary to log some portions of the harvest area and to comply with the requirements of OAR 629-630-0700 (Yarding; Cable equipment Near Waters of the State).

D. All trees, except snags, which are 10" or larger at stump height shall be yarded to landing areas. Trees shall be yarded with tops left attached to the top log and prior to limbing operations (operator may do such limbing as necessary to facilitate bucking). Yarding is to be done in such a way as to minimize breakage. Purchaser shall buck felled timber prior to yarding in order to accomplish this goal.

E. If tailhold trees or guyline trees outside of the timber sale area are necessary to facilitate yarding operations, Purchaser must acquire written approval from County prior to their use. Upon approval, clearly mark each tree and take precautions to prevent damage to said trees including, but not limited to:

1. Using trees near the timber sale boundary that can be felled and yarded without causing damage to reserved timber.
2. Using tree plates, tires, or other suitable materials between cable straps and the tree to prevent scarring the tree.
3. Limiting notching of the tree – to prevent strap slippage – to less than 25 percent of the circumference of the tree, unless the tree has been approved to be cut and removed.

F. EXCEPTION TO YARDING REQUIREMENTS: County may designate material to be left as necessary to meet the requirements of ORS 527.676 ("Downed Logs").

SECTION 13. FIRE EQUIPMENT

During closed fire season, Purchaser shall provide an engine with a 1,000 gallon capacity, 2,000 feet of fire hose (1,000' of 1" and 1,000' of 1 1/2"), one gated wye valve, and two adjustable nozzles in constant readiness on the sale area. The engine must be self-filling and be able to travel fully loaded, under its own power, on all truck roads providing access to or within the sale area. Such equipment shall be credited toward requirements of OAR 629-043-0020 for water supply, hose, and nozzle. In addition to complying with the requirements of the Industrial Fire Protection Level systems, operator shall cease operation of all power driven equipment when relative humidity is less than 35%.

SECTION 14. TREATMENT OF SLASH

All landing/shovel piles shall be placed in stable locations, away from standing timber and public roads (200' minimum) at direction of County. Piles shall be tight and free of earth. **If Purchaser chooses "woody biomass removal option":** All landing/shovel piles shall be removed from the timber sale area either by grinding and hauling or loading and hauling slash to a remote location for further processing. Ground operations under this option are subject to the same restrictions (soil moisture and slope) as ground yarding (Section 12). Note: "Slash" does not include any logs for which a price has been established under Section 2 of Exhibit B, Special Provision. Woody Biomass removal operations which employ ground based equipment to process/haul slash piles which are not located along roads and landings which have been surfaced for wet weather hauling, are only permitted during dry weather periods from May 15 to October 15 and are limited to slopes less than 30%.

SECTION 15. ADDITIONAL TIMBER

Additional timber may be designated for cutting and removal under terms of this contract, subject to the following:

- A. County will permit the addition of timber upon request from Purchaser where it can be shown to be necessary to the required performance of other provisions of this contract.
- B. County and Purchaser may agree to the addition of timber as necessary to:
 - 1. Salvage nearby damaged timber.
 - 2. Effectively implement modifications in details as provided for under Section 26 of Exhibit A, Standard Provisions.

Such additional timber will be sold at the purchase prices stated in Section 2 of Exhibit B, Special Provisions, unless a specific difference in the quality or logging cost of the added timber warrants an adjustment in the purchase price. If the added timber warrants an adjustment in purchase price, Purchaser and County shall negotiate an appropriate purchase price applicable to the added timber.

SECTION 16. SPECIAL PRODUCTS

Purchaser shall not sell special products from the sale area, or allow firewood, shake, or post cutting, or any other special products manufacturing on the sale area without prior written approval of County. Special products are any products not in log form manufactured from material having a price under the contract.

SECTION 17. ACCESS ROAD - ROAD MAINTENANCE

The timber sale areas will be accessed as follows: The existing Airport County Road. New construction of temporary road segments will be required to access the sale area. This is a "dry weather" sale. Purchaser may operate under wet conditions with written approval, but under no circumstance shall Purchaser allow mud or dirt to be tracked onto paved roadways. If this occurs Purchaser shall immediately clean roadways.

- A. For the purposes of this provision, "access road" shall apply to those roads from their junction with Airport Road to their ends. Roads shall be placed as near as possible to routes indicated on Exhibit C. Location will be flagged if needed.
- B. During Purchaser's use hereunder, including use for "woody biomass removal" operations, Purchaser shall perform or contribute to the performance of road grading of the access road as may be necessary to maintain the road surface in its original condition. Such grading shall be done in that proportion which Purchaser's use of this road segment is to the total commercial use of the segment.
- C. Upon completion of use of this segment, Purchaser shall grade the road surface to a smooth condition and clean ditches and culverts as directed by County and/or, waterbar, barricade and perform erosion control at direction of County.
- D. Purchaser shall be responsible for the repair and cost of any specific damage done to the access roads as may be caused by Purchaser's operations including rock replacement. Purchaser shall not use rock road segments within or near the sale boundaries as a landing/platform or daily thoroughfare for the yarder, loader, delimber, dozer, or any other similar piece of equipment during the logging operation without written permission of County.

SECTION 18. SPUR ROADS

Purchaser may construct additional spur roads and landings as necessary within the Harvest Unit. The location of such shall be subject to prior approval by County. If wet weather operation (Section 23) is planned, all rock will be furnished at Purchaser's expense unless otherwise approved by County in written form (letter, text, or email).

SECTION 19. ROAD CONSTRUCTION SPECIFICATIONS – N/A

SECTION 20. CULVERTS – INSTALLATION AND OTHER DRAINAGE

A. Furnish and install culverts as needed on roads identified on Exhibit C. County will credit Purchaser at the following rates for culvert and installation combined.

12" \$19.00 per linear foot.

18" \$25.00 per linear foot.

24" \$34.00 per linear foot.

- B. Actual positioning of culverts shall be such as to best serve the natural drainage tendencies of the general "P" line locations.
- C. Culverts shall be bedded, and adjacent fill dirt compacted so as to prevent displacement in the alignment of the culvert after culvert fill is completed.

- D. County may require that culverts be removed and re-installed, if culvert shows serious displacement in alignment after installation.
- E. Culverts shall have a minimum of one foot of fill over the culverts; or a minimum amount of fill equal to 1/2 the culvert diameter for culverts over 24" in diameter.
- F. Culvert shall consist of galvanized corrugated steel pipe or double walled P.V.C. (for culverts 36" or less).
- G. Culverts shall be a minimum of 18" in diameter unless otherwise specified by County.
- H. Minimum gauges shall be:
- 12" to 24" Dia.: 16 gauge
- 30" to 36" Dia.: 14 gauge
- I. Construct "ditch-outs" when feasible in locations that are favorable for relief of excessive ditch flow. Such locations will not allow excess to flow directly into waters of the State.

SECTION 21. ROAD MAINTENANCE ROCK – N/A

SECTION 22. ROAD ROCK SPECIFICATIONS AND DISTRIBUTION – N/A

SECTION 23. WET WEATHER OPERATION – N/A

SECTION 24. BARRICADES

Purchaser shall barricade and rip any fire trails, skid trails, or roads upon completion of use at direction of County. Such work shall be constructed as necessary to prevent future vehicular entry.

SECTION 25. PROJECTS - LOCATION

Purchaser shall perform and complete the projects listed hereunder in accordance with the specifications set forth in this contract and instructions pertaining thereto from County. The locations of the projects are shown on Exhibit C, Harvest Unit Location Map, or otherwise specified. All materials shall be furnished by Purchaser unless otherwise specified.

SECTION 26. PAYMENT OF CREDITS

- A. In the event that credits become due either County or Purchaser as a consequence of modifications of contract details, payment for such credit shall be accounted for by means of an adjustment in the last installment payment due on this contract.
- B. County shall be entitled to a credit for any project work which is not completed by Purchaser, where the value of such project work was used in a determination of the original minimum acceptable bid. Such incomplete work shall be valued at the original appraised values used by County.

SECTION 27. CLEANING OF LOGGING EQUIPMENT

To help prevent the spread of noxious weeds, Purchaser and/or its operators must thoroughly wash logging equipment prior to entering County Forest lands.

SECTION 28. ADJACENT PROPERTY

Private property and Oregon Department of Transportation on all sides. Purchaser or its subcontractors shall not enter other properties without written permission from land owners.

SECTION 29. PROTECTION OF PROPERTY CORNERS

Purchaser shall take care not to damage property corners which are identified on Exhibit C, Harvest Unit Location Map, and flagged on the ground.

SECTION 30. PROTECTION OF STREAMS AND WETLANDS

A "Written Plan" will be submitted for protection of streams adjacent to or running through the Harvest Unit. Purchaser shall at its own expense, comply with any and all provisions of the "Written Plan" (see Exhibit D) and any other requirements of the Oregon Forest Practices Act which may be in effect at the time of harvest. Purchaser shall be responsible for any and all penalties including but not limited to: fines, civil penalties and/or costs of corrective actions imposed under ORS 527.990 and 527.992 for non-compliance with any Forest Practices rules in effect at the time of harvest.

SECTION 31. WILDLIFE TREES AND SNAGS

Wildlife trees/snags, whether located singly or in clumps, and which are inside the posted unit boundary are painted on at least two sides with a yellow "W". Such trees are to be protected during the logging operation.

SECTION 32. HAZARDOUS SUBSTANCES AND SPILL RESPONSIBILITIES

A. "Environmental Laws" means all present or future federal, state, and local laws or regulations related to the protection of health or the environment, including the Resource Conservation and Recovery Act of 1976 (RCRA) (42 USC § 6901 *et seq.*), the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) (42 USC § 9601 *et seq.*), the Toxic Substances Control Act (15 USC §2601 *et seq.*), the Federal Water Pollution Control Act (the Clean Water Act) (33 USC § 1251 *et seq.*), the Clean Air Act (42 USC § 7401 *et seq.*), amendments to the foregoing, and any rules and regulations promulgated thereunder.

"Hazardous Substances" means any hazardous or toxic substance, material, or waste that is or becomes regulated by any local, state, or federal governmental authority, including without limitation, any hazardous material, hazardous substance, ultra-hazardous material, toxic waste, toxic substance, pollutant, radioactive material, petroleum product, and PCB, as those and similar terms are commonly used or defined by environmental laws.

B. Purchaser will be held responsible for any and all releases of environmental pollution during performance of the contract which occur as a result of, or are contributed by, actions of its agent, personnel, or subcontractors. Purchaser agrees to promptly dispose of such spills or leaks to the satisfaction of the County Forester and proper regulatory agencies in a manner that complies with applicable federal, state, and local laws and regulations. Cleanup shall be at no cost to the County. Further, Purchaser shall at all material times hereto, including after termination of this Contract, where applicable, comply with all federal, state, local laws or regulations including, but not limited to, all environmental laws.

C. Purchaser shall be liable for any and all costs, expenses, damages, claims, and causes of action, or any of time, related to or arising out of a spill, release, discharge, or leak of (or from)

any environmental pollutant or hazardous substance or material. Nothing in this section shall limit Purchaser's liability or responsibility under Section 26 of Exhibit A, Standard Provisions, "Insurance" of this contract.

D. Purchaser shall report all reportable quantity releases to applicable federal, state, and local regulatory and emergency response agencies. Reportable quantities are found in 40 CFR, Part 302, Table 302.4 for hazardous substances and in ORS 466.605 or OAR 340-142-0050 for petroleum products. Upon discovery, regardless of quantity, Purchaser must telephonically report all releases to the County Forester. A written follow-up report shall be submitted to the County Forester within 48 hours of the telephonic report. Such written report shall contain, as a minimum:

1. Description of items released (identity, quantity, and all other documentation required by law);
2. Whether amount of items released is EPA/DEQ reportable, and if so, when it was reported;
3. Exact time and location of release, including a description of the area involved;
4. Containment procedures initiated;
5. Summary of communications about the release Purchaser has had with members of the press, or State or County officials other than the County Forester;
6. Description of cleanup procedures employed or to be employed at the site, including disposal location of spill residue; and
7. Personal injuries or property damage, if any, resulting from, or aggravated by, the release.

SECTION 33. INDEMNIFICATION

Except to the extent caused by the gross negligence or willful misconduct of County, Purchaser agrees to indemnify, defend and hold County harmless from and against any and all liabilities, obligations, damages, fines, penalties, claims, costs, charges, and expenses (including, without limitation, reasonable attorney fees and costs at trial and on appeal; environmental response and remedial costs; environmental consultant and laboratory fees; and natural resources damages) that may be imposed on or incurred by or asserted against County by reason of any of the following occurrences during the term:

1. Any work or thing done, in, on, or about all or any part of the Premises by Purchaser or any party other than County.
2. Any negligence on the part of Purchaser or any of its agents, contractors, servants, employees, subtenants, licensees, or invitees;
3. Any accident, injury, or damage to any person or property occurring in, on, or about the Premises, even if caused in part by the negligence of County, but only up to the limits of Purchaser's liability insurance coverage with respect to any such negligence of County; and
4. Any failure of Purchaser to comply with or to perform any covenant, agreement, term, provision, condition, or limitation that this Contract requires Purchaser to comply with or to perform, including without limitation Purchaser's compliance with the Legal

Requirements and the release of Hazardous Substances in violation of environmental laws.

This Section 33 will survive the termination or revocation of this Contract.

Exhibit "C"

Harvest Unit Location Map

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Curry County Timber Sale No. CC-1-22
 Harvest Area: Approximate Acres- 31
 Location: Portions of Sec 33 T31S R15W



All Proposed Road Locations are Approximate

