

CALL FOR BIDS

NAME OF SELLER
TIMBER ONLY SALE

THE UNDERSIGNED, as attorney for *NAME OF SELLER* (hereinafter " Seller ") does hereby call for bids for the sale of all merchantable conifer and hardwood timber standing, down or being on the property more particularly described as follows:

(EXAMPLE) The north half of the south east quarter of Section 28, Township 15 North, Range 4 West, W.M., Lewis County, Washington, EXCEPT that portion described as follows: beginning at the northwest quarter of said southeast quarter; thence South 505 feet; thence east 147 feet; thence north 505 feet; thence west 147 feet to the point of beginning.

All of which is more particularly outlined by cutting line and acreage dimensions in that Unit Map attached hereto, marked Exhibit A-I, and by this reference, incorporated herein. The sale area is within Lewis County Parcel Number: _____

The net harvest area is approximately *XX* acres. An aerial photograph of the harvest unit is attached hereto and marked Exhibit A-2.

CUTTING BOUNDARIES: The cutting boundaries on the North, East and South are distinct timber type changes. The East side and parts of the North side along with the West end of the South line are marked with yellow flags and tags. The West side is the RMZ for a "Type F" stream which is marked with red flags and tags and yellow flags and tags after the stream leaves the property. The Purchaser shall stay within those described cutting boundaries.

VICINITY/ACCESS: The harvest unit is located (EXAMPLE) approximately 10 miles southwest of Rochester, Washington via the Independence and Nelson County Roads. Access to the harvest area is from a private road near the South end of the Nelson County Road. The combination to the lock on the gate is 2815. A vicinity map is attached hereto marked Exhibit B.

CONTACT PERSON: For questions regarding location of unit boundaries, LEAVE AREAS, road issues or other operational issues contact *Name, Phone Number, Email address*.

- A. All bids shall be submitted in a sealed envelope, marked "*NAME* TIMBER SALE", at the Law Office of *Name and Address* prior to *Date* at the hour of *Time*, at which time the bids will be opened. All bids shall be opened in the presence of Seller's agents and/or its attorney. All bidders are entitled to attend bid opening.
- B. **Seller reserves the right to reject any and all bids.**
- C. All bids shall be submitted on a form as attached hereto and shall be accompanied by a bid deposit in the form of a certified or cashier's check in a sum equivalent to five percent (5%) of said bid, which check shall be payable to "*NAME*". All bidders shall be notified of acceptance or rejection within three (3) business days after the Call-for-Bids submission deadline. Further, all bid deposits shall be returned to the rejected bidders upon such notification and mailed not later than *Date*. The successful bidder's deposit shall be placed in the trust account of *NAME*, and applied to the purchase price of said timber, PROVIDED, HOWEVER, if the successful bidder fails or refuses to timely close and complete the purchase in accordance with the accepted bid, then said bid deposit shall be summarily forfeited as liquidated damages to the Seller.

D. Estimated Timber Volume and Quality

<u>Species</u>	<u>MBF</u>	<u>2S& Btr</u>	<u>3Saw</u>	<u>4Saw</u>	<u>Utility</u>
DF	1878	1702	66	34	76
WRC	27		27	39	
WH/WF	113	101	8		4
Red Alder	192	14	58	50	70
Big Leaf Maple	52	17	35		
TOTAL	2262 MBF				

NOTE: This is a stand of approximately **80-year old DF**. Volume and quality estimates are from a timber cruise performed by *Name of Consultant*, dated *Date*. Volume, species, type, quality and condition estimates are estimates only and are not warranted by the Seller. Each bidder must make its own determination of volume, species, type, quality and condition of the timber offered.

- E. Logging Conditions/Restrictions. Most of the area can be harvested with ground-based equipment. There are some areas that may require a cable harvest method. The Seller has not restricted the time of the year that operations can occur. Soil compaction and or rutting is a concern to the Seller. Ground and cable-based harvesting may be restricted in the wet season if excessive erosion or rutting is likely. Seller reserves the right, acting through its forester, *Name*, to restrict harvest activity during adverse weather conditions.
- F. Leave Trees. All leave trees required by the Washington Forest Practices Regulations are within the marked RMZs (Riparian Management Zone). The RMZs are marked with red plastic flags and tags.
- G. Permits. The Seller has an approved Forest Practices Permit No. *Number*, which will expire *Date*. A copy of the Notice of Decision is attached hereto marked Exhibit C. The Purchaser will be required to complete a Notice of Transfer of the Forest Practices Permit to be filed with the Department of Natural Resources at the time of sale closing. Any other permits that may be required will be obtained at the sole expense and responsibility of the Purchaser.
- H. Taxes. Purchaser shall be responsible for payment of Washington State Excise Tax for the harvest of timber, plus any B & O taxes, severance taxes and all other taxes of any kind associated with Purchaser's harvest operations. **Purchaser shall provide Seller with a copy of the filed detail page reporting this harvest to the Department of Revenue at the time of filing and will be a condition to the release of the Performance Bond reference below.**
- I. The terms and conditions of said call for bids and sale for timber only shall include the following:
1. Sale Terms. Cash on closing. Closing shall occur no later than *Date*.
 2. Deadline for Timber Removal. All timber shall be removed prior to *Date*, and any timber standing or down which remains within the cutting boundaries described in Exhibit "A-1" shall automatically revert to and become the property of Seller and/or its successors or assigns after said date.
 3. Compliance/Insurance. Purchaser shall comply with all federal, state and local laws, including the Washington Forest Practices Act, in the logging and removal of said timber, thus assuming any and all liability of any nature which arises for property damage or injuries resulting from said logging operation. Purchaser shall provide a Certificate of Insurance on closing and shall have in force and effect during the term of said timber contract liability insurance naming the Sellers as additional insured parties (logger's broad form B) with limits as follows:

Personal Injury:	\$2,000,000 per individual/\$2,000,000 per occurrence
Property Damage:	\$2,000,000 by automobile/\$2,000,000 by other cause, Logger's Broad Form B

4. Road Maintenance/Construction.

- a. Specifications: A copy of the general Road Construction Specifications are attached hereto marked Exhibit D. Upon completion of harvest activities, the road must be returned to post-construction/preharvest condition, including all ditches cleaned, slopes stabilized, surfaced graded and compacted. All optional roads constructed by the purchaser must be abandoned to Washington State Department of Natural Resources standards. The roads shall always be maintained to be passable in a 2 - Wheel Dr. pickup in dry conditions.
- b. Road Restoration. Compliance with specifications for all new construction as set forth in Exhibit D and subparagraph 4 (a) above, shall be a part of the Purchaser's performance required under the Performance Bond provisions set forth in Paragraph 5 below.

5. Site Preparation/Logging Road Restoration. Upon completion of the harvest operations, Purchaser shall comply with the following obligations pertaining to post harvest site preparation:

- a. Site Preparation/Slash Piling/Burning: All logging debris shall be piled at the conclusion of harvest activities in a condition suitable for burning, and all Vine Maple clumps within the harvest unit shall be pulled from the ground and piled along with the logging debris. Burning of all piles shall thereafter be completed by Purchaser not later than February 28 of the calendar year following completion of harvest activities, or, within ninety (90) days following completion of harvest activities, whichever is sooner. The Purchaser's satisfactory completion of this obligation shall be secured by the Performance Bond requirements set forth in Paragraph 5. (d) below.
- b. Road Restoration. Upon completion of harvest activity, all roads used by the Purchaser shall be restored (and graded if necessary) to pre-harvest condition, including water barring where required under Paragraph E above. All new construction shall comply with the specifications contained in Paragraph 4(a.) above, and all new construction shall be restored to at least pre-harvest condition, and suitable for passing in dry weather in a 2- Wheel drive pick-up. Road restoration/repair shall be completed not later than thirty (30) days following completion of harvest activities weather permitting.
- c. Reforestation: **All reforestation shall be the responsibility of the Seller.**
- d. Performance Bond/Deposit: Prior to any activity on the site, Purchaser shall provide a performance bond to Seller to insure Purchaser's compliance with paragraphs H., L (4)(a) and(b); and I. (5) (a) & (b) above. Said bond shall be in the amount *Amount* and shall be refundable to Purchaser as set forth below. Upon satisfactory completion of all harvest activities, road maintenance and road restoration as set forth in paragraphs I. 4 (a) and (b) above and I. 5. (b) above, *Half of Amount* of the Performance Bond will be released to the purchaser. When all piles are adequately piled and timely burned to the standards set forth above, per Paragraph I. (5) (a), and Proof of filing and payment of Washington State Excise Tax on the Harvest of Timber has been supplied to the Seller (Paragraph H. above), the remaining *Half of Amount* will be released to the purchaser. If a cash bond is used by Purchaser in lieu of a performance bond, an interest-bearing account shall be established in the

name of and under the federal identification number of Purchaser with Seller, or their appointed agent, being named as an additional signing party, whose signature(s) shall be necessary to release said cash bond deposit. If a cash bond is deposited, a separate Agreement will be signed at closing, and its terms of release shall be the satisfactory completion of the provisions of Paragraphs H., L (4) (a) & (b); and 1. (5) (a) & (b) above, which shall be incorporated therein by reference to any future Agreement, or any Performance Bond pertaining to the release of said performance bond, or monies deposited into an account.

- e. Disputes: If a dispute arises as to the adequacy of performance by Purchaser as to any of the requirements of paragraphs, 1. (4) (a) and (b), 1. (5) (a) & 1. (5) (b) above, or any combination thereof, Purchaser and Seller shall each choose an independent forester and those chosen shall select a third forester of equal standing in the forestry community. Any determinations thereafter made as to the adequacy of performance of paragraphs I. (4) (a) and (b), 1.(5)(a) & (5)(b) above, shall be made by a majority of the three. Further, any recommendations as to correcting the performance under paragraphs I. (4) (a) (b), 1. (5) (a), and/or 1. (5) (b) above, shall be paid from the performance bond or cash bond retained for such work. Costs for the foresters chosen shall be paid by the non-prevailing party.

6. Environmental Claims/Miscellaneous

- a. Compliance. Purchaser shall take all steps necessary to comply with all applicable environmental laws, both state and federal. Purchaser further agrees that at all times it shall store, release and use hazardous or toxic substances within the contract area only as necessary for its operations and only in accordance with the applicable environmental laws.
- b. Spill or Release of Hazardous Materials. In the event of a spill of oil or hazardous material by the Purchaser, its employees, agents or subcontractors on the contract area, the Purchaser shall promptly comply with all federal, state and local spill notification and response requirements. Further, Purchaser shall be solely responsible for all remediation, cleanup and shall indemnify and hold harmless the Seller from any and all liability or damages/tines resulting therefrom.
- c. Notice. Purchaser agrees to notify the Seller, through forester, *Name*, by telephone within 24 hours and in writing within two (2) days after Purchasers first receive notice of a potential environmental incident and shall provide the Seller with a copy of each document reflecting such event. See paragraph J below for contact information.
- d. Sediment Control. Purchaser shall prevent any sediment from entering a public resource, such as typed waters or wetlands, or any sediment from leaving the harvest site.
- e. Fire Suppression and Prevention. Purchaser shall furnish and maintain in good and serviceable condition such fire fighting tools and equipment as may be required under the laws of the State of Washington. Purchaser shall take immediate and independent action on all fires, or threats thereof, on the real property and shall use all necessary manpower and equipment at Purchaser's disposal. Purchaser will not conduct logging when humidity is below 30%. Purchaser assumes all liability for fire that is caused or is exacerbated by Purchaser's negligence or omission, and will hold harmless, indemnify and defend Seller and the real property owner from any and all claims, liens, damages or other expenses arising out of or asserted on account of the same.
- f. Damage Caused by Purchaser. Purchaser shall protect all improvements on the real property during all phases of Purchaser's logging. Damage caused by Purchaser to the real property, any improvements, or to other property shall be repaired or paid for by Purchaser. Purchaser shall

protect all survey monuments, witness comers, reference monuments and bearing trees against destruction, obliteration or damage during all logging. If any monuments, comers or accessories are destroyed, obliterated or damaged by such logging, Purchaser shall hire a licensed surveyor to re-establish or restore the same. Purchaser shall fill and level ruts caused from logging.

g. Third Party Claims. Purchaser will pay all wages, sums due employees, agents, subcontractors and all other expenses and costs incident to and arising out of Purchaser's logging and will hold harmless, indemnify and defend the Seller and the real property Owner from any and all claims, liens, damages or other expenses arising out of or asserted on account of Purchaser's logging including, but not limited to, acts by Purchaser's employees, agents or subcontractors.

h. Assumptions of Risks and Indemnity. to the condition of the timber, the merchantability thereof, the location thereof, the feasibility of harvest, or to the present or future condition or character of the real property, or any roadways located thereon, including without limitation the condition, suitability or safety of such roadways. Purchaser assumes all risks of personal injury or property damage to Purchaser and to Purchaser's employees, agents and subcontractors in connection with Purchaser's logging, Purchaser shall pay Seller for all damage to the real property and improvements thereof resulting directly or indirectly from negligent acts or omissions of Purchaser, Purchaser shall defend, indemnify and save harmless Seller against all loss, damage, liability, claims, demands or costs arising in connection with Purchaser's logging, except injury caused solely by the negligence of Seller or Landowner. This includes any claims for injury to persons or property, timber trespass, nuisance, mechanics' and materialmens' liens, workers' compensation and unemployment taxes, fines and penalties, and environmental damages, Purchaser shall be responsible for all activities of Purchaser's employees, agents and subcontractors. Purchaser shall reimburse Seller or Landowner upon demand for all costs reasonably incurred to defend such claims.

7. Forest Harvest Yield (Excise) Tax. Purchaser shall pay the Forest Harvest Yield Tax on the timber removed from the premises, together with any B&O Taxes associated with the Purchaser's harvest activities. Proof of filing and payment shall be provided to Seller's Forester or Attorney prior to the release of the Performance bond or cash bond.

8. Closing Costs Paid by Purchaser. Purchaser shall pay all recording costs of the Warranty Timber Deed and one-half (1/2) of the escrow fee (not to exceed \$950.00) in connection with the closing.

9. Seller's Obligations. The Seller agrees, as to any accepted bid, to the following:

a. To close the sale *Date*.

b. To provide to Purchaser clear title to the merchantable timber by Warranty Timber Deed on payment of the full purchase price; said deed having an attachment setting forth the cutting boundaries as set forth on Exhibit A-1.

c. To provide title insurance through *Name of Title Company* at closing, insuring the title to the timber to be free and clear of any monetary liens or encumbrances,

d. To convey all reasonable ingress and egress over and across the property for the purposes of logging the premises, including access over the existing roadways serving the interior of the above described harvest unit.

e. To pay all normal Seller's costs, including real estate excise tax, if applicable, (or the alternate B&O tax under RCW 82.04.260), title insurance, survey fees, and attorney fees for the preparation of the closing documents, together with one-half (1/2) of the escrow fee (not to exceed \$950) in connection

with the closing. The sale shall be closed at the Law Offices of *Lawyers name and address*

f. To assign Forest Practices Permit No. *XXXXXX* to the successful bidder upon closing.

J. **Notifications.** The Seller's field representative for this sale is *Name* whose telephone number is *number*. Any written notices should be addressed to the Seller's forester, *Name, Address, Email Address*. At the time of closing, Purchaser shall also be required to appoint a representative to receive oral and written notifications from the Seller's agent.

K. **Representations.** Seller makes no estimates or representations as to the quantity quality of timber on the premises. It is the responsibility of the Purchaser to make such determination. The premises are available to potential bidders and/or their agents or employees for purposes of conducting a timber cruise and/or examination of the premises.

DATED: _____

BY: _____

*Name, Address,
Contact Information*

A.

Exhibit D

Name

Timber Sale

Road Specifications and Details

Subgrade

Sub grade shall be a minimum of 16 feet with a 12-foot running surface. Subgrade shall be out-sloped or ditched as appropriate. Out-sloping is preferred. Sub grade shall be free of large woody debris. Culverts shall be installed to current WA DNR (and WDFW) standards (natural slope, 10% burial).

Turnouts/Turn-arounds

Turnouts shall be long enough that a loaded and empty truck can safely pass. Turn-arounds shall be deep enough that empty log trucks may turn around without getting off the grade.

Rock

The only rock required is the rock necessary to install and cover the culverts. There should be a layer of rock over every culvert. Any additional rock will be at the Purchaser's expense.

Culverts

There is a minimum of 100 lineal feet of 24-inch and 180 feet of 18-inch culvert required.

Additional culverts may be required as construction progresses, additional culverts will be at Purchaser's expense. Approximate culvert locations are marked in the field, locations may be moved slightly to adapt to the actual field condition.

Cut slopes/Fill slopes

Cuts less than 3 feet high may be left vertical if the road segment is out-sloped. Cut slopes higher than 3 feet or any cut on ditched road segments may not be steeper than 3V:IH. Fill slopes must be compacted as constructed and cannot exceed 3V:IH.

Optional Spurs

Three optional spurs have been permitted. These are temporary roads and must be abandoned upon completion of use. Any culverts that may be required are not included in the required culverts listed above.

Maintenance

All roads must always be passable in a two-wheel drive pickup.

BID FORM

NAME TIMBER ONLY SALE

TO:

In order to qualify for the sealed bid sale to be held on *Date. Time*, on the above-indicated sale, attached is a bid deposit in the form of a certified or cashier's check payable to

NAME TRUST ACCOUNT in the amount of \$ _____ which is five percent (5%) of the total bid price.

A total bid of \$ _____ is submitted for the total purchase price of the timber in accordance with the terms of the Call for Bids dated *DATE*.

Signature of Bidder: _____

Printed Name of Bidder: _____

Firm Name: _____

Address: _____

Telephone Number: _____

Facsimile Number: _____

Email Address: _____

Date: _____

ENVELOPE MUST BE MARKED

"*NAME* TIMBER ONLY SALE"