

# Call for Bids

## TIMBER ONLY SALE

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

Portions of the SW¼, & Portions of the W½, SE¼ Section 27 - T14N - R3W  
Street Address of gated entry: 765 Brockway Road, Chehalis, WA 98532  
Lewis County Tax Parcel #: 022323000000

MAP & PHOTO: All of which is more particularly outlined by Sale Area map **Exhibit A** (Map) showing cutting line and acreages, and **Exhibit B** (photo).

AGE & ACREAGE: The trees in the Sale Area are 47 years old, and the gross harvest area is approximately 37.5 acres.

CUTTING BOUNDARIES: The cutting boundaries on the North, East and South are distinct timber type changes or bordered by roads. Portions of the west boundary, and all of the North, East, and South boundaries are marked with Orange flagging. The SW side is the RMZ for a "Type F" stream which is marked with Orange & Pink flagging. The south border is owned by others in a new building development. The property line is a surveyed line, marked with steel T-Post with a white PVC pipe placed over the T-Post (See **Exhibit F** survey plat). The Purchaser shall stay within the above described cutting boundaries. For a more detailed boundary description, see **Exhibit C**.

VICINITY/ACCESS: The harvest unit is located approximately 5.3 miles west of Chehalis, Washington at I-5 and north of Hwy. 6. Access to the harvest area is from Sellers private road access north of the Brockway Rd. & Jefferies Rd. junction. A vicinity map and driving directions to the Tree Farm is attached hereto marked **Exhibit D**.

CONTACT PERSON: For questions regarding location of unit boundaries, leave areas, road issues, access, or other operational issues contact **Bryon Loucks, 150 Jones Rd., Centralia, WA 98531, Phone 360-736-2147, or loucks@localaccess.com**.

- A. **Bid Submission:** Bid Form at end of this document. All bids will be submitted in a sealed envelope, marked "**Loucks TIMBER SALE**", at the Office of **Stewart & Stewart Law Office, Inc. PS** or mailed to, Stewart & Stewart Law Office, 101 South 1<sup>st</sup> St., Montesano, WA 98563, by Tuesday March 15, 2022 at the hour of 11:00 AM, at which time the bids are due. All bids shall be opened at 11:00 AM in the presence of the Seller. All bidders are entitled to attend bid opening. Seller reserves the right to reject any and all bids.
- B. **Bid Award:** The timber will be sold on a lump sum basis. Purchaser will make payment as follows:  
100% due at signing of contract.  
The payment will be made to **Bryon and Donna Loucks**, 150 Jones Road, Centralia, WA 98531, via business check. Sale Closure can be on the "Call for Bids" date (March 15, 2022), or by appointment in the office of Stewart & Stewart Law Office up to 7 working days after the Bid Opening (7-day period ends March 24, 2022).
- C. **Bond & Notifications:** All bids shall be submitted on a Bid form attached at the end of this file/packet and shall be accompanied by a bid deposit in the form of a money order, bank draft, certified check, cashier's check, or Guarantee bond equivalent to five percent (5%) of said bid, which shall be payable to "**Stewart & Stewart Trust Account**". All bidders shall be notified of acceptance or rejection within three (3) business days after the Call-for-Bids submission deadline. Further, all bid

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deposits shall be returned to the rejected bidders upon such notification and mailed not later than *three business days following the Call for Bids*. The successful bidder's deposit can be applied to the purchase price, or Performance Bond, or will be returned after contracts and the FPA are signed, and Timber Sale payment is made. 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 & Quality:** The 37.5 acre timber sale has an estimated volume of 884 MBF. For Sellers management purposes there are 4 sub units that make up the sale area. These four units were cruised by Wahl Timber Cruising in 2021, as an inventory cruise. Stands 3, 4, & 5 are uniform in diameter and height so the cruise is believed to be accurate.

**Table 1: species, average diameter & length, sorts, and stand volume by Stand**  
[See stand map for unit locations]

**Unit # 1975 DF (2) 6.1 Gross Acres**

Species	Ave. Dia.	Ave. Length	Sort	Stand MBF
Douglas-fir	5.6 inches	33 feet	C-N-S 4S	27 MBF
Douglas-fir	8.8 inches	35 feet	Quad. 3S	19 MBF
Douglas-fir	9.3 inches	38 feet	SLC 3S Export	39 MBF
Douglas-fir	12.5 inches	40 feet	GC Export	7 MBF
Douglas-fir	12.5 inches	40 feet	IS 2S Export	8 MBF
Douglas-fir	3.3 inches	29 feet	Fiber	3 MBF
W. Red Alder	6.0 inches	30 feet		2 MBF
Total				105 MBF

**Unit # 1975 DF (3) 7.2 Gross Acres**

Species	Ave. Dia.	Ave. Length	Sort	Stand MBF
Douglas-fir	5.5 inches	26 feet	C-N-S 4S logs	18 MBF
Douglas-fir	8.6 inches	36 feet	Quad. 3S	23 MBF
Douglas-fir	9.2 inches	38 feet	SLC 3S Export	51 MBF
Douglas-fir	12.0 inches	26 feet	Dom. 12"+ 2S	13 MBF
Douglas-fir	12.0 inches	36 feet	GC Export	9 MBF
Douglas-fir	12.4 inches	40 feet	IS 2S Export	47 MBF
Douglas-fir	4.5 inches	30 feet	Fiber	3 MBF
Total				164 MBF

**Unit# 1975 DF (4) 13.2 Gross Acres**

Species	Ave. Dia.	Ave. Length	Sort	Stand MBF
Douglas-fir	5.4 inches	28 feet	C-N-S 4S logs	43 MBF
Douglas-fir	8.7 inches	36 feet	Quad. 3S	79 MBF
Douglas-fir	9.8 inches	39 feet	SLC 3S Export	66 MBF
Douglas-fir	12.0 inches	29 feet	Dom. 12"+ 2S	7 MBF
Douglas-fir	12.7 inches	39 feet	GC Export	59 MBF
Douglas-fir	12.5 inches	39 feet	IS 2S Export	59 MBF
Douglas-fir	8.3 inches	27 feet	Fiber	11 MBF
Total				324 MBF

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Unit # 1975 DF (5) 11.0 Gross Acres

Species	Ave. Dia.	Ave. Length	Sort	Stand MBF
Douglas-fir	5.4 inches	29 feet	C-N-S 4S logs	41 MBF
Douglas-fir	8.6 inches	34 feet	Quad. 3S	69 MBF
Douglas-fir	10.0 inches	39 feet	SLC 3S Export	91 MBF
Douglas-fir	13.4 inches	30 feet	Dom. 12"+ 2S	19 MBF
Douglas-fir	12.5 inches	40 feet	GC Export	11 MBF
Douglas-fir	13.2 inches	39 feet	IS 2S Export	57 MBF
Douglas-fir	3.6 inches	34 feet	Fiber	3 MBF
			Total	291 MBF

Bidders should make their own determination of volume, species, and log grades.

- E. **Logging Conditions/Restrictions:** All of the area can be harvested with ground-based equipment. The Seller has not restricted the time of the year that operations can occur. Soil compaction and rutting is a concern to the Seller. The Seller reserves the right to restrict harvest activity during adverse weather conditions. If the logging shovel creates excessive track depressions or mudding in the logged unit, then the ground will need to be broken-up (tilled with excavation or grapple rake to try and restore the soil to a plantable condition.) This same breakup of the top 18" of forest soil will need to be done to the landing area if any compaction occurs. Unit boundaries are marked with **Orange Ribbon**. The RMZ is marked with **Orange and Pink** ribbon with the leave trees on the backside of the ribbon.
- F. **Leave Trees:** All leave trees required by the Washington Forest Practices Regulations will be within the marked RMZs (Riparian Management Zone).
- G. The Seller has a **15-year FPA** that allows a 5 working day notification to acquire a 1-year harvest permit. The DNR has requested the notification process be delayed until the Purchaser is selected. The Purchaser will sign as "Legal name of timber owner" and "Legal name of operator" on the permit at the Bid Opening. If the "Legal name of the Operator" changes, a "Notice of Transfer" of that portion of the Forest Practice Permit must be filed with the Pacific Cascade Region of the DNR. This permit will be good for one year. If the logging goes into the second year, a new 5 working day notice will be submitted to the DNR. If no changes to the original long term FPA are needed, the permit process will only take the 5-working day notification for each 1-year application. All other permits necessary will be the Purchaser's sole responsibility, including Lewis County guidelines for posting appropriate warning signs on the Brockway County Road.
- H. **Taxes:** Seller will pay Washington State Real Estate transfer excise tax for sale of standing timber. Purchaser shall timely file and pay 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:** Business check on closing. Closing shall occur no later than *seven working days after the bid opening, Tuesday, March 15, 2022.*
  2. **Deadline for Timber Removal:**
    - All timber shall be removed prior to the end of the 2-year contract, and any timber standing or down which remains within the cutting boundaries described shown in **Exhibit A &**

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**Exhibit B**, and cutting line description in **Exhibit C**, shall automatically revert to and become the property of Seller and/or its successors or assigns after said date.

- Once harvesting has commenced, the Purchaser is expected to complete the logging and piling process in a timely manner. If equipment is moved away for more than 2 weeks, the Seller can assume logging is done and commence closing of the contract. If logging is not done, then Seller may compute and assess for penalties.

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 with limits as follows:

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

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

**Business Auto Policy (BAP).** Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000.00 per accident. Such insurance shall cover liability arising out of "Any Auto". Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage.

4. **Road Construction & Post-Logging Maintenance:**
  - a. **Road Construction:** Both new road construction and road maintenance guidelines are found in **Exhibit E** and shall be a part of the Purchaser's performance required under the Performance Bond provisions.
  - b. **Road Maintenance:** Upon completion of harvest activities, the roads used must be returned to post construction or pre-harvest condition, including as needed, any ditches cleaned, slopes stabilized, surfaced graded and compacted. The roads shall always be maintained.
5. **Post-Logging: Piling of Logging Debris, Burning of Piles:**

Upon completion of the harvest operations, Purchaser shall comply with the following obligations pertaining to post harvest activities:

  - a. All logging debris shall be piled during logging or at the conclusion of harvest.

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- b. Pile as high as possible.
  - c. Piles need to be in a condition 99% free of dirt and other non-burnable material to aid in a clean and rapid burn of the logging debris.
  - d. Compact the pile as much as possible.
  - e. Don't build piles on top of large old growth stumps.
  - f. Along the south line, build piles as far north from the property line as possible, and remove enough of the logging slash to make a 200-foot wide non-burnable fire buffer;
  - g. If the piles meet Seller's specifications, then the Purchaser will not need to burn the piles.
  - h. If the Purchaser does not follow the above pile construction guidelines, then Seller has right to require the Purchaser to burn the piles the winter following logging to the point of 90% fuel consumption. The Purchaser's satisfactory completion of this obligation shall be secured by the Performance Bond requirements set forth in paragraph I. (8) below.
6. **Road Restoration:** Upon completion of harvest activity, all roads the Purchaser used will be restored to at least pre-harvest condition, and suitable for a 2WD passenger vehicle in dry or wet weather. All new construction shall comply with the specifications contained in Paragraph J. (4) and **Exhibit E**. Road restoration/repair shall be completed not later than thirty (30) days following completion of harvest activities weather permitting.
7. **Reforestation:** All reforestation shall be the responsibility of the Seller.
8. **Performance Bond/Deposit:** At the time of execution of the Contract, Purchaser shall provide security for performance of its obligations set forth hereunder and any claims which may constitute a lien against the Land, the Timber, or the logs and products manufactured therefrom. Such security shall be in the forms and amounts and delivered to Purchaser at time of and as part of the Contract execution.
- a) A performance and payment bond, in form and substance acceptable to Seller, in the amount of five (5%) percent of the total purchase price, issued by an insurance or bonding company acceptable to the Seller; or
  - b) A check payable to Stewart & Stewart Law Office Inc. PS Trust Account, in the amount of five (5%) percent of the total purchase price, which will be deposited and held in said Trust Account.

The parties recognize the difficulty of adequately ascertaining the amount of actual direct or indirect damages to Seller should Purchaser default in the performance of any of its obligations described herein. If Purchaser defaults in any term of this contract, Seller may recover its actual, incidental and consequential damages by retaining such portion of performance deposit or recover under the terms of the performance and payment bond. Such actual, incidental and consequential damages shall include, without limitation, all default and contract damages recoverable at law, including, Seller's lost profits, replacement labor and equipment to correct the default, and all expenditures and costs, including reasonable attorney's fees and costs incurred by Seller in enforcing its rights and remedies hereunder. The payment and performance bond or performance deposit provided to Seller shall be released upon payment of all monies owed Seller under this contract and after Seller has inspected the Land and required paperwork and acknowledged that Purchaser has satisfactorily complied with all obligations hereunder.

10. **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

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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, 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 firefighting tools and equipment as may be required under the laws of the State of Washington (sale area falls within Fire Precaution zone #655) . 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 shall immediately notify local fire department by calls to 911, calls to DNR fire dispatch and calling Seller at number below. 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 Property Line locations (steel T-Post with a white PVC placed over the T-Post) against destruction, obliteration or damage during all 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

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subcontractors. Purchaser shall reimburse Seller or Landowner upon demand for all costs reasonably incurred to defend such claims.

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

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

- a. To close the sale by March 24, 2022.
- 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** plat, and **Exhibit B** photo, and **Exhibit C** detailed boundary definition.
- c. To provide title insurance through Lewis County 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 transfer 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 *Stewart & Stewart Law Office, Inc. PS.*
- f. To complete the 5-day notification process for an approved Forest Practices Permit to the successful bidder upon closing.

J. **Notifications.** The Seller, *Bryon Loucks*, whose telephone number is 360-736-2147, will represent himself for contact and notification purposes. Any written notices should be addressed to the Seller at: *Bryon Loucks, 150 Jones Road, Centralia, WA 98531*. At the time of closing, Purchaser shall also be required to appoint a representative to receive oral and written notifications from the Seller.

K. **Representations.** Seller makes no estimates or representations as to the quantity of timber on the premises. It is the responsibility of the Purchaser to make such determination. With prior notification or an assigned key, the premises and sale area 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: February 7, 2022

BY:



*Bryon Loucks*  
*150 Jones Road*  
*Centralia, WA 98531*

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## BID FORM

### *Bryon Loucks* TIMBER ONLY SALE

In order to qualify for the sealed bid sale, to be held on *March 15, 2022, at 11:00 AM*, the prospective bidder must complete this bid form and attach a bid deposit for the above-indicated sale.

Attached a bank draft, certified or cashier's check, or guarantee bond made out to: STEWART & STEWART 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.

Signature of Bidder: \_\_\_\_\_

Printed Name of Bidder: \_\_\_\_\_

Firm Name: \_\_\_\_\_

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

Business Telephone: \_\_\_\_\_

Cell Telephone \_\_\_\_\_

Facsimile Number: \_\_\_\_\_

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

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

Mail this Bid Form to:

Stewart & Stewart Law Office  
101 South 1<sup>st</sup> Street  
Montesano, WA 98563

ENVELOPE MUST BE MARKED

"B &D Tree Farm - TIMBER ONLY SALE"