

UNIVERSITY OF WASHINGTON
College of Forest Resources

STUMPAGE SALE SS 88-2

Division A
Specific Conditions

THIS AGREEMENT made and entered into by and between the University of Washington, (hereinafter referred to as the "University"), an agency of the State of Washington, and

Parties:

(hereinafter referred to as the "Purchaser").

WITNESSETH:

Purpose
Back-ground
The University agrees to sell and the Purchaser agrees to purchase, harvest and remove all timber specified under the terms of this contract. The Stumpage Sale Contract consists of two divisions: A - Specific Conditions, and B - Standard Provisions, together with Sale Area Map, Drawing and Specifications for development (if any).

IN WITNESS WHEREOF, the parties have executed this agreement as of the award date.

University of Washington

Execution
Signature

Susan K. Wehert
Director, Purchasing and Stores

Purchaser

Signature

Name

Title

Approved as to form:

Assistant Attorney General
State of Washington

Description: (Sections A-1 through A-3)

A-1 SALE AREA AND LOCATION

The sale area consists of approximately 150 acres in the West half of Section 25 and the East half of Section 26, Township 16N, Range 4E, W.M. It is shown on the attached map, hereto referenced as Exhibit A-9.1 and A-9.2.

A-2 UNIT DESIGNATION

The sale area boundary will be marked with "Timber Sale Boundary" signs. Such signs shall be left intact and the trees bearing said signs are considered outside the sale area. Leave tree areas within the sale boundaries will be marked with flagging.

A-3 PERFORMANCE, VOLUME ESTIMATES AND UTILIZATION REQUIREMENTS

A-3.1

The volume of timber to be logged is estimated only. The University, by making such estimate, neither warrants nor limits the volume of timber to be harvested and delivered under the terms of this contract.

A-3.2

Volume estimates are as follows:

<u>SPECIES</u>	<u>ESTIMATED VOLUME</u>
Douglas-fir	480 MBF to six (6) inch top Scribner
Red Alder (sawlog)	1,650 MBF to eight (8) inch top Scribner
Red Alder (other)	420 cunits to four (4) inch top
Western Hemlock	minor amounts

A-3.3

All trees greater than six (6) inches in diameter at breast height (4.5 feet above the ground on the uphill side) shall be felled. In areas where 75% or more of the basal area is being removed, all hardwood species, including those less than six (6) inches dbh, shall be cut. The trees failing to meet utilization standards will be disposed of at a later date by the University of Washington.

A-3.4

All trees or logs meeting the specifications outlined in Section A-3.3 above shall be harvested by the Purchaser. Any material, meeting these specifications, which is not removed shall be scaled by the University and billed to the Contractor at the rate of \$300/MBF net Scribner.

Trees or logs meeting utilization standards in A-3.3 not removed from landings shall be scaled by the University and billed to the Contractor at \$250/MBF.

A-3.5

The Contractor shall maintain a level of production throughout the term of Contract so that the harvest on at least 1/2 of the sale area has been completed by September 30, 1989. Failure to meet this level of production shall be considered a breach of Contract and provides the University the option to cancel Contract, provided however, that shutdown periods due to soil conditions and/or fire closure shall not be considered.

A-4

STUMPAGE PAYMENT

(Payment)

As payment, the Purchaser agrees to pay the University the following stumpage rate:

<u>Species</u>	<u>Stumpage Payment</u>
All conifer sawtimber at least six inches scaling diameter and 12 feet in length plus trim.	_____
All hardwood sawtimber at least eight inches scaling diameter and 12 feet in length plus trim.	_____
All hardwood species and conifer residues containing at least 10 boardfeet, net chippable.	_____

All trucks loaded with logs from the sale area shall be accompanied by a University truck ticket. Said ticket shall be completed in full and the original copy delivered as prescribed by the University. A penalty of \$100 shall be assessed for each truck whose driver does not possess a completed truck ticket when departing University property. In addition, any such truck shall be considered to be hauling stolen materials and may be apprehended by appropriate authorities responsible for such actions.

Payment shall be made on a weekly basis for all loads removed the previous week.

A-5

INSURANCE

Liability & Penalty (A-5 to A-6)

The Purchaser shall protect, indemnify, and save the University harmless from and against any damage, cost, or liability for injury or death to persons or to damage or destruction of property arising from acts of the Purchaser, his employees, or subcontractors in the performance of this contract. The Purchaser shall carry the following insurance coverage: Comprehensive general liability insurance with minimum limits of \$1,000,000.00 per person, \$1,000,000.00 per accident, and \$1,000,000.00 property insurance. Said insurance shall also include a Loggers Form B endorsement in the amount of \$1,000,000.00. Proof of such coverage shall be provided prior to the University signing this contract.

A-6

SURETY PAYMENT

As a guarantee of the faithful performance of the provisions of the stumpage portion of this Contract, including not only the payment of all sums due the University hereunder, but all damages accrued to the University by reasons of the operations under this Contract, the Purchaser agrees to deliver herewith a bond (either cash, performance bond or irrevocable standby letter of credit) for \$20,000; said bond to be held guaranteeing the workmanlike and faithful performance of all obligations hereunder. If Contractor posts cash, an initial deposit of \$5,000, supplemented at the rate of \$75.00 per truck load of product removed until \$20,000 is on the deposit shall be deemed satisfactory. These payments shall be made at the end of each week.

No certificate given or payment made, shall be evidence of the performance of the Contract, either wholly or in part, against the claim of the University to the contrary, and no payment shall be construed to be an acceptance of any defective work which may before or afterwards appear.

A-7 PERIOD OF CONTRACT

(TERM)

All obligations of Contractor shall be discharged not later than the "Termination Date" September 30, 1990, unless it is adjusted as provided hereinbelow.

A-7.1 Contract Term Adjustment

The Contract term shall be adjusted in writing to include additional calendar days equal to actual time lost through unforeseeable cause beyond control and without fault or negligence of the Contractor, including, but not restricted to, acts of the University, closures by government regulatory agencies, fires, vandals, and unusually severe weather conditions, provided that the Contractor shall, within seven (7) calendar days of the initiation of such delay, notify the University, in writing, of the cause of delay, upon which notification the University shall ascertain the facts and extent of delay and notify the Contractor in writing within a reasonable time of its decision regarding Contract adjustment.

A-7.2 Contract Term Extension

An extension of operating authority time may be granted at the discretion of the University upon written request thirty (30) days prior to the termination date and upon the terms and conditions as specified by the University. The extension, if granted, will be contingent upon the payment of an extension fee in the amount of \$100.00 per calendar day of extension.

A-7.3 Contract Termination

In addition to the termination conditions contained in Division B of this Contract, the University may terminate this Contract upon five (5) days written notice for good cause. Good cause shall be any condition or combination of conditions that make it imprudent for an institution such as the University to continue either this type of contract or this specific contract.