UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Contract No.: ORW03-TS-2024.0002

Sale Name: Lone Wolf Timber Sale

Issuing Office: Spokane District –

Border Field Office

EXHIBIT B SCALE SALE

PURCHASE PRICE SCHEDULE AND MEASUREMENT SPECIFICATIONS

I. **Timber and Other Wood Products Sold** - In accordance with Section 2 and 3, the Purchaser agrees to pay the Government for the timber and other wood products sold under the contract in accordance with the following schedule, measurement standards, and requirements. Wood products sold is comprised of Timber, Other Wood Products, and Timber and Other Wood Products Remaining as defined below. In the event an Extension of Time is approved, the prices per measurement unit may be subject to readjustment in accordance with Section 9 of the contract.

| Timber Schedule | | | | | | |
|---|------------------------|----------------------------|--|--|--|--|
| Species | Unit of Measure | Price Per Measurement Unit | | | | |
| Douglas-fir, western larch, ponderosa pine* | Ton | \$18.92 | | | | |
| Other Wood Products Schedule (Optional) | | | | | | |
| Product/Species | Unit of Measure | Price Per Measurement Unit | | | | |
| Poles and Slash** | Ton | \$1.00 | | | | |

^(*) Size from 7.0 to 21.9 inches DBH and \geq 5 inches diameter on the small end, except for trees required to reserve.

The Authorized Officer shall establish unit of measure and price per measurement unit, in accordance with standard Bureau of Land Management (BLM) procedures, for any species or products not listed in this Exhibit that are cut or removed from the contract area.

II. **Timber** – Includes standing trees, downed trees or logs, or portions thereof, which can be cut into logs that equal or exceed the specifications below.

All logs defined below, which have not been reserved to Government in Section 43 of the contract, shall be designated as timber under this contract. Logs or portions of logs which equal or exceed all the following minimum log specifications shall be considered timber sold. The Purchaser shall pay for all timber removed in accordance with Section 3 of the contract at the

^(**) Poles and Slash: All species <u>except</u> aspen. Chipwood/Pulpwood/Fuelwood/Optional Forest material 2-6 inches diameter (e.g., tops of trees, slash, logging debris, biomass) and forest products that do not meet sawlog specifications.

price per measurement unit shown in Section I of this Exhibit.

- Log or portion of a log that is:
 - \circ One third (1/3) sound.
 - o Small End Diameter Inside Bark (DIB) Five (5) inches
 - o Length Eight (8) feet four (4) inches
- III. **Other Wood Products** Includes timber and other woody material not meeting the timber specifications above (i.e., pulp, biomass, chips, hog fuel).

If Purchaser removes any products or species which do not meet the minimum log specifications for timber in Section II, such material shall be considered other wood products. Purchaser shall pay for other wood products in accordance with Section 3 of the contract at the price per measurement unit shown in Section I of this Exhibit.

IV. **Timber and Other Woods Products Remaining** - The remaining volume of any timber or other wood products, which have not been reserved to Government in Section 43 of the contract, shall be determined as provided in Section 3(g) of the contract using specifications set forth in the table below. The Purchaser shall pay for the sum of all remaining volume in accordance with Section 3 of the contract at the unit prices shown in Section I of this Exhibit.

| Left Standing Timber | Felled Timber Not Removed |
|----------------------------------|---------------------------|
| Diameter at Breast Height (DBH): | Small End DIB: |
| Log Height: | Log Length: |
| % Sound: | % Sound: |
| Net Tree Volume: | Net Log Volume: |

V. Measurement Standards

- 1. **Log Scaling Loads:** All species or products in Section I, with MBF as the Unit of Measure shall be designated as log scaling loads.
 - a. Log scaling services shall be provided and performed by BLM Certified Scalers or BLM-authorized Third-Party Scaling Organizations (TPSO), as determined by the Authorized Officer. The Purchaser's employees or contractors may not perform log scaling.
 - b. All logs shall be scaled in Eastside Scribner Log Rules according to the Official Log Scaling and Grading Bureaus, Northwest Log Rules Eastside and Westside Log Scaling Handbook, as amended or supplemented, at the time the logs are scaled.
 - c. All logs shall be scaled using an authorized BLM log scaling method approved by the Authorized Officer in accordance with BLM prescribed procedures. A list of authorized BLM log scaling methods is available upon request.
 - d. Purchaser shall ensure all logs are presented so that they may be scaled in an economical and safe manner.

- e. Scaling deductions made for rot, check or other defect resulting from abnormal delay in scaling caused by Purchaser shall be recorded separately and charged to the Purchaser in accordance with Section 3(g) of the contract when applicable. Avoidable delay in log scaling caused by the Purchaser that results in a measurable reduction in timber volume or quality would generally be considered abnormal delay, as determined by the Authorized Officer.
- f. Mechanical damage to logs that occurs during unloading identified by the TPSO will not be considered a deductible defect.
- g. The BLM will conduct check scaling using the following standards:

Gross Scale - A variance of one and $\frac{1}{2}$ percent (1.5%) in gross scale is the standard unless otherwise justified.

Net scale - The allowable variance is as follows:

| Check scaler's percent defect in logs | Scalers allowable variance | | |
|---------------------------------------|---|--|--|
| 0-10 percent | 2 percent | | |
| over 10 percent | 0.2 * percent defect to a maximum of 5 percent | | |

Determinations as to volume of timber made by a BLM check scaler in conformance with the standards as set forth herein shall be final. When such checks show a variance in scale more than acceptable standards, in two or more consecutive check scales, an adjustment to the volume reported as scaled will be made by BLM. Such adjustments will be made based on the difference between available BLM check scales and the original scale during the period covered by the unsatisfactory check scales. Unless otherwise approved in writing by the Authorized Officer, the volume to which this difference will be applied will be fifty (50) percent of the volume scaled between the last satisfactory check and the first unsatisfactory check, one hundred (100) percent of the volume scaled during the unsatisfactory check, and fifty (50) percent of the volume between the last unsatisfactory check scale and the next satisfactory check scale.

- 2. **Weight Loads:** All species or products in Section I, with Tons as the Unit of Measure shall be designated as weight loads.
 - a. All weight loads shall be weighed on State certified scales.
 - b. Scales must have a current inspection tag or seal posted which shows the date of the most recent test by the State weights and measures agency.
 - c. No load shall be presented for weighing that exceeds the certified capacity of the scales in use.
 - d. Each load shall be weighed as a single unit. Gross and tare weight must be machine printed on a weight receipt. Average tare weights shall not be used, unless approved by the Authorized Officer. In addition to the gross and tare weight, the following shall be recorded with each weight receipt:
 - Contract name and number

- Load Ticket number
- Date, time, and location the load was weighed

VI. Accountability

- 1. Purchaser shall notify the Authorized Officer <u>fifteen (15)</u> business days prior to starting or stopping of hauling operations performed under the contract.
- 2. The Purchaser must provide the following information to the Authorized Officer <u>fifteen (15)</u> business days prior to the commencement of haul: log scaling and weighing location(s), planned beginning haul dates, anticipated number of loads per day to each scaling or weighing location, logger name and contact information, and log brands to be used, and the log brand registration number(s).
- 3. A Scaling Authorization Form(s) must be completed and approved by the Contracting Officer prior to beginning of hauling operations. The Scaling Authorization(s) will include approved measurement methods, merchantability standards, sort descriptions, and authorized delivery locations for all loads hauled from the contract area. For log scale loads, all log scaling locations on the Scaling Authorization(s) are required to have a Log Yard Authorization with the BLM. Approved Scaling Authorizations will be provided to the Purchaser upon request.
- 4. All loads will be scaled and/or weighed at locations listed on the Scaling Authorization as approved by the Authorized Officer.
- 5. Purchaser shall notify the Authorized Officer <u>fifteen (15)</u> business days in advance to request additional log scaling and/or weighing locations for approval on the Scaling Authorization(s).
- 6. Purchaser shall not intermingle BLM timber and other wood products with any other timber or wood products before log scaling and/or weighing occurs.
- 7. All logs on timber loads will be painted and branded at the landing and accounted for accordance with Section 44 of the contract. If contract area is within a State that maintains a log brand register, brands shall be registered with the State and Purchaser shall use assigned brand(s) exclusively on logs from this contract until the Authorized Officer releases the brand(s).
- 8. The Authorized Officer shall issue the Purchaser serially numbered load ticket books prior to any haul operations. The Purchaser shall sign a receipt for all ticket books received. The Purchaser shall accurately complete all load receipts in accordance with the instructions on the front of the ticket books, or as directed by the Authorized Officer. Separate load ticket books will be used for timber and other wood products. Mule train timber loads will be treated as two separate loads with a ticket for each load. All load tickets will be marked with the cutting area number using a permanent marker or as directed by the Authorized Officer. The Purchaser shall deliver all loads to the log scaling or weighing location on the Scaling Authorization and listed on the BLM receipt. The load receipt and BLM receipt shall remain attached to the log load

until it is scaled and/or weighed. For log scale loads, attach on the bunk or wing log at the front of the load on the driver's side, and surrender the load receipt and BLM receipt to the TPSO or Authorized Officer at the scaling location. For weight loads, either attach at the front of the load on the driver's side or place on the driver's side dashboard, attach the load receipt and BLM receipt to the weight receipt and deliver to the BLM weekly, unless otherwise directed by the Authorized Officer. The Purchaser will return all used load ticket books with woods receipts still attached to the BLM at the time new books are being issued. All unused and partial load ticket books, with receipts still attached, must be returned to the BLM upon completion of the contract and prior to final payment, or at the request of the Authorized Officer.

- 9. The Purchaser must account for all load receipts from each load ticket book. For all load receipts not accounted for, the Contracting Officer, at their sole discretion, will determine if the receipts are void or if the Purchaser shall pay damages for lost products. The value of lost products shall be equal to the highest value load for the month in which the receipt is lost. If no loads have been hauled in that month, value will be determined from the closest month in which loads were hauled. In the event a load receipt or load ticket book is lost or stolen, the Purchaser must immediately notify the Authorized Officer, and provide a complete explanation.
- 10. The Purchaser shall furnish BLM a map showing the route which shall be used to haul loads from the timber sale area to the log scaling/weighing location. Upon loading timber or other wood products in the contract area, all loads shall be hauled directly to the authorized scaling or weighing location as stated on the load receipt. The route of haul may be changed only with advance notice to and approval by BLM.
- 11. The Purchaser shall notify the Authorized Officer and receive advance authorization if any loads will arrive at an authorized scaling or weighing locations outside of their normal operating hours. No loads will be left on the truck for overnight storage without advance permission from the Authorized Officer.
- 12. If scaling or weighing services are unavailable, delayed or interrupted for any reason, hauling operations will cease immediately until services resume or an alternate scaling or weighing location is approved by the Authorized Officer.
- 13. Any removal of wood products from loaded trucks before being accounted for as required by the contract shall be considered a trespass and render the Purchaser liable for damages under applicable law in accordance with Section 13 of the contract. Any payment made for purchase of such loads shall be deducted from amount due because of trespass.
- VII. **Total Estimated Purchase Price** For administrative purposes, the following will be used for determining (1) when payments are due and (2) the value of timber or other wood products subject to any special bonding provisions in accordance with Section 3(f) of the contract.
 - 1. When payments are made under Section 3 of the contract, the Authorized Officer shall determine the value of removed timber and other wood products using the Government's records of log scale and/or weight volumes removed from the contract area.

2. The estimated value of timber and other wood products not yet removed from the contract area will be determined by subtracting the Government's records for value of removed timber and other wood products from the estimated total purchase price as shown in the table below. The estimated Total Purchase price is calculated by multiplying the estimated volume or weight for all species/products, listed below, by the bid prices in Section 1.

| Total Estimated Purchase Price for Timber and Other Wood Products | | | | | | | |
|---|-------------------------------|-----------------------|-----------------|--|--|--|--|
| Species/Product | Estimated Volume (Tons) | Bid Price (\$/Ton) | Estimated Value | | | | |
| Douglas-fir, western larch, ponderosa pine* | 25,990.63 Tons | \$18.92/Ton | \$491,677.79 | | | | |
| Other Wood Products (Optional) | NA | \$1.00/Ton | NA | | | | |
| Total Estimated Purchase Price: | | | \$491,677.79 | | | | |

^{*} A conversion rate of 6.25 tons/MBF was used to determine weight volume

| Total Estimated Purchase Price and/or Schedule of Volumes and Values for Merchantable Timber Not Yet Removed from Contract Area | | | | | | | |
|--|-----------------------------|-------------------------------------|--------------------|-------------------|--------------|--|--|
| Cutting Area | | Total Estimated Volume | | Total Estimated | | | |
| | | (MBF) | | Purchase Price | | | |
| Cutting Area Number | Approximate Number of Acres | Average Volume per Acre (MBF) | Total Volume (MBF) | Value per Acre | Total Value* | | |
| 4-1 | 46 | 6.8 | 312.1 | \$802.08 | \$36,895.89 | | |
| 6-1 | 353 | 6.8 | 2,394.6 | \$802.08 | \$283,135.82 | | |
| 9-2 | 32 | 6.8 | 217.1 | \$802.08 | \$25,666.70 | | |
| 15-1 | 76 | 6.8 | 515.6 | \$802.08 | \$60,958.42 | | |
| 16-1 | 13 | 6.8 | 88.2 | \$802.08 | \$10,427.10 | | |
| 21-1 | 93 | 6.8 | 630.9 | \$802.08 | \$74,593.86 | | |
| Sale Total | 613 | | 4,158.5 | | \$491,677.79 | | |

^{*} Values may calculate differently due to rounding