

## ***TIMBER CUTTING CONTRACT***

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017,  
between **WARREN COUNTY SCHOOL DISTRICT**, of 6820 Market Street, Russell,  
Pennsylvania 16345, hereinafter called the "*Seller*";

A N D

**ALLEGHENY WOOD PRODUCTS** of Post Office Box 30, Marble, Pennsylvania 16334;  
hereinafter called the "*Buyer*".

That the Seller has designated the firm of GENERATIONS FORESTRY, INC., CONSULTING  
FORESTERS, hereinafter called "*Forest Manager*", to act on behalf of the Seller in all matters  
pertaining to the administration and enforcement of this contract.

*WITNESSETH:*

That the Seller agrees to sell and the Buyer agrees to buy all merchantable sawtimber marked  
for cutting by the Forest Manager on the Warren County School District timber sale on 17 ±  
acres located in Glade Township, Warren County, Pennsylvania. The sale includes the veneer,  
sawlog, and pulpwood contents of trees marked according to the following provisions:

1. Timber Sale Area: The merchantable veneer, sawtimber and cull trees to be cut are in one  
(1) block with cutting boundaries two-striped and property boundaries three-striped and  
flagged where needed. Trees are marked in red paint, as shown on the attached map.
2. Marking: All merchantable sawtimber trees to be cut have been marked with a horizontal  
band. Pulpwood trees have been marked with a dot, and must be felled. The removal of  
pulpwood is optional. Cull trees to be felled have been marked with an "x" and must be  
felled. Large culls may be girdled with permission of the Forest Manager. Logging will be  
permitted in dry or frozen ground conditions only.
3. Title: The Seller guarantees title to said timber and to defend it at their expense against  
any and all claims for taxes, mortgages and other legitimate encumbrance.
4. Payment: The Buyer agrees to pay the Seller the sum of Forty-Two Thousand, Eleven  
Dollars and No Cents (\$42,011.00) for the timber described in attached Exhibit A.

Payment can be made in full upon the signing of the Timber Cutting Contract (checks to be  
made payable to Warren County School District) or according to the following payment  
schedule:

1. Fifty percent (50%) (\$21,005.50) of the final bid price is due at the closing of the  
Timber Cutting Contract, and;
2. Fifty percent (50%) (\$21,005.50) of the final bid price is due prior to moving onto  
the sale area, but no later than June 2, 2017.

Each area of the logging operation shall be completed on that portion of the sale being  
logged before proceeding to another portion and all phases shall proceed in an orderly  
manner.

5. Deposit: As further guarantee of the faithful performance of the provisions of the Contract, the Buyer will submit Ten Thousand Dollars and No Cents (\$10,000.00) as a Bid Performance bond to be kept on file by the Seller until the Contract is completed.

The Buyer agrees that any money advanced or deposited under this contract may, upon failure on his part to fulfill all the singular requirements set forth in this Contract or made a part hereof, be retained by the Seller to be applied toward any damages suffered by the Seller by reason of Buyer's failure to perform all covenants, terms and conditions of this Agreement.

If obligations of the Buyer under this Contract, other than the cutting and removal of timber, have not been fully discharged by the termination date, or an adjusted or extended permission, the Seller shall notify the Buyer in writing of the specific work to be done in final satisfaction of such obligations under this contract. The Buyer requests that, unless the Buyer denies responsibility for any or all of such work within thirty (30) days of the date of such notice, the Seller perform such undenied work for the Buyer to the extent that funds to cover the cost thereof are provided by the Buyer and the Buyer authorizes the use of these funds for this purpose.

6. Period of Contract:

- A) The Buyer agrees to cut and remove from the sale area all timber included in this Contract prior to March 30, 2019 with time expressly declared to be of the essence, unless the Contract period is extended by the Seller. All other obligations of the Buyer likewise shall be discharged prior to the above date.

7. Road Construction: No road construction is necessary. Maintenance and improvement of the existing roads and restoration of existing roads to their original condition prior to the March 30, 2019 expiration date will be the responsibility of Buyer. Access to the sale is located through the Warren County High School entrance and proceed to the lower parking lot. The landing site will be off the back of the lower parking lot as shown on the enclosed map. Some pulpwood sized trees will need to be cleared to facilitate the landing. The large pile of recycled blacktop at the back of the parking lot may be used to stabilize and topcoat the landing area.

8. OGM: There is no active OGM lease within the sale area.

9. Logging Requirements:

- A. The Buyer shall, before the start of logging operations within the sale area, and prior to the start of operations in each block, join with the Forest Manager in preparing a plan of operations. Each area of the logging operation shall be completed on that portion of a sale being logged before proceeding to another portion and all phases shall proceed in an orderly manner.
- B. The Buyer shall conduct all operations under this Contract in a workmanlike manner, and shall not unnecessarily damage young growth or trees left standing. Prior to completion of logging on the sale area, unmarked trees, which have been extensively carelessly damaged in logging, shall be appraised by and marked by the Forest Manager to be cut. Buyer shall immediately pay Seller for said damage.

- C. Inasmuch as the unnecessary damage of cutting of undesignated trees on portions of the sale area cut over under this Contract, will cause serious and substantial silvicultural or other damages to adjacent properties, and because it will be difficult, if not impossible to determine the amount of such damage, the Buyer shall pay as fixed, agreed and liquidated damages therefore an amount equivalent to and in addition to the amount payable at the current Contract rates for stumpage.
  - D. All operations of the Buyer under this Contract, including the construction of skid roads and other facilities and the cutting and removal of the timber shall be so conducted as to minimize, to the maximum degree possible, damage to stream courses and stream sides within the sale area.
  - E. Skidders, dozers, and other equipment will not be permitted to operate through or across any live water course except where measures satisfactory to the Seller have been provided.
  - F. During all operations under this Contract, the Buyer shall take all practical precautions to minimize soil erosion and damages to the soil, including but not limited to:
    - 1. Prevention of gulling of roads and skid trails.
    - 2. Protection of cover, soil and water conditions.
    - 3. Refraining from operation of equipment when ground conditions are such that excessive damage will result.
    - 4. To avoid such damage, the Seller may suspend operations in whole or in part for such periods as are necessary.
  - G. Damage attributable to the Buyer's logging operation under this Contract, which as determined by the Seller is excessive, or unreasonable, or avoidable shall be repaired as soon as practical by the Buyer to prevent accelerated erosion or soil damage.
10. After logging operations have been completed on the sale area, and before the sale area will be accepted in writing by the Seller, the Buyer shall repair damage attributable to his operations under this Contract which will cause accelerated soil erosion or reduce the timber production capacity of the soil.
11. Immediately at the close of operation, all road surfaces shall be smoothed up, and culverts left in place, if desired by the Seller. All skid trails, landings, and other spots subject to erosion shall, immediately after their use is no longer required be restored to such a condition as to provide adequate protection from washing. Edges of road and log landings will be seeded and mulched if necessary for soil erosion.
12. Logs and debris will be kept out of road ditches and live streams.
13. Major skid trails of long distances must be approved by the Forest Manger for location and drainage.
14. No employees of the Buyer will be permitted to remain on the property overnight.

15. Trees shall not be cut higher than twelve (12) inches above the ground on the upper side of the tree, unless there is visible butt damage or defect exceeding 1/2 of the cross section of the stump, in which case a higher stump may be left.
16. Fire Control: The Buyer assumes full responsibility for the suppression and the damage resulting from all fires caused by him and/or his agents, contractor or employees.
17. Special Provisions:
  - A. The Seller will permit tree length logging, but reserves the right to terminate such logging at any time if in the opinion of the Forest Manager such tree length logging is not conducted prudently and is causing excessive damage to the remaining timber.
  - B. The Forest Manager may curtail the operation if the Buyer is violating any of the stipulations contained herein until necessary corrections are made.
  - C. Special Consideration: There are two (2) white ash trees located behind the 16 Lawn Avenue residence that must be cut down prior to April 1, 2017, as part of the contract, which are included in the timber sale. These two trees are marked with a red horizontal paint band and yellow spray paint labelled "cut by 04-01-17" on the trunk of each tree.
18. Buyer shall carry insurance to protect himself and the Seller from any liability due to damage to property or injury or death to persons according to the following schedule:

Public Liability	\$ 100,000 each person
Bodily Injury	\$1,000,000 each accident
Property Damage	\$ 25,000 each accident
Automobile Liability	\$1,000,000 each accident
Bodily Injury	\$1,000,000 each accident

Buyer shall deliver to Seller evidence of Workmen's Compensation and said policy or policies of insurance before logging begins on the property. The above insurance must be issued in the Owner's name with Generations Forestry, Inc. listed as additional insured.

19. In harvesting the timber and performing the Timber Sale Contract, the Buyer agrees to comply with all contract terms and all local, state and federal laws, ordinances, and regulations applicable at any time. The Buyer further agrees, to the fullest extent permitted by law, to defend, protect, indemnify and save the School District and the School District's Board Members, agents, directors, officers, employees, agents and representatives harmless for claims, demands, or causes of action (including litigation costs and attorneys fees) relating to any violations of the Timber Cutting Contract or any law, ordinance, or regulation by the Buyer, a subcontractor, or the Buyer's or subcontractor's owner, employee, agent, or representative.

The Buyer agrees, to the fullest extent permitted by law, to defend, protect, indemnify and save the School District and the School District's Board Members, agents, directors, officers, employees, agents, and representatives harmless from any and all claims, demands, and causes of action of every kind and character (including litigation costs and attorneys fees) arising in favor of any person (including an owner, employee or agent of the Buyer or a subcontractor), on account of personal injuries or death or damages to property occurring, growing out of, instant to, or resulting directly or indirectly from the work and services to be performed by the Buyer or a subcontractor pursuant to the Timber Cutting Contract or the actions or inactions of the Buyer, a subcontractor, or the Buyer's or subcontractor's owner, employee, agent, or representative.

Notwithstanding any contrary provision herein, the Buyer's duties and obligations as stated in the preceding two (2) paragraphs shall survive the termination of this Contract.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first hereinabove set forth.

SELLER(S)

Attest: \_\_\_\_\_ By: \_\_\_\_\_  
Warren County School District

\_\_\_\_\_  
(Print name of signer)

BUYER

Attest: \_\_\_\_\_ By: \_\_\_\_\_  
Allegheny Wood Products

\_\_\_\_\_  
(Print name of signer)

*EXHIBIT A*

<u>Species</u>	<u># Trees</u>	<u>Volume (Bd. Ft.)</u>
Red Oak	97	42,590
Ash	84	13,080
White Oak	19	4,960
Black Cherry	12	2,890
Red Oak Blowdown	3	1,850
Soft Maple	10	1,690
Mixed Oak	6	1,200
Hickory	1	120
Black Cherry Blowdown	<u>1</u>	<u>90</u>
<b>TOTAL</b>	233	68,470

Pulpwood 55 cords

2017



EXHIBIT B

