

## TIMBER SALE CONTRACT

This contract is made between the Town of Fairlee (c/o David J. Matthews, 80 Skyline Drive, Fairlee, VT 05045; Tel: 802 333-4071), hereinafter called the Landowner, and Limlaw Chipping & Landclearing, Inc., (c/o Bruce Limlaw, 246 VT RT 25, West Topsham, VT 05086; Tel: 802 439 5995), hereinafter called the Logger, this 11<sup>th</sup> day of September, 2018.

Redstart Forestry, (Markus Bradley, Ben Machin, Dana Hazen, or Tyler Mousley, 2332 Goose Green Road, Bradford, VT 05033; Tel: 802 439-5252), hereinafter called the Forester, will act as agent for the Landowner and administer this timber sale. Any questions regarding operations will be directed to them.

The Landowner agrees to permit access and to sell and the Logger agrees to purchase standing trees on the Landowner's property on approximately 50 acres at the end of the Knox Road in Fairlee, Vermont. The timber sale is subject to the following terms:

1. Only those trees which are marked with blue paint at approximately 4.5 feet above the ground and at the base shall be cut. All trees cut by the Logger which have not been marked or designated for cutting by the Landowner or Forester will be paid for at three times the rates specified in Item 7 of this contract, unless they are removed for the construction of normal and reasonable skid trails.

There are 4 designated patch cuts with the perimeter designated with two blue slashes and flagging. All merchantable trees (6" DBH and greater) are to be harvested. Snag or wildlife trees marked with a blue "X" are expected to be left unless a hazard to the Logger. There is no height restriction to slash within the patch cuts and it would be ideal if tree tops and boles of undesirable wood can be left within the patch cuts.

Trees marked with a vertical mark are small in diameter and considered "pre-commercial". The Logger is not responsible for cutting these stems or removing them but they can be. These trees are marked to help the Logger do a better job locating roads and places to fell trees.

The main truck road leading to the log landing that will be used for this operation is lacking sufficient daylight. Trees will be removed on approximately 40-50' on either side of this road to improve development of herbaceous grasses and forbes, which will improve the stabilization of the road for use. These trees are not marked but are expected to be harvested.

2. All trees that are cut shall be utilized to the maximum practicable extent and put into the maximum value product obtainable.
3. The Landowner warrants that there are no mortgages or encumbrances affecting the sale of the timber covered by this contract.
4. The Landowner warrants that the title of the marked and designated timber is guaranteed to the Logger, and the Landowner will do nothing during the term of this contract to interfere with or jeopardize the rights of the Logger to said marked or designated timber.

5. The Landowner warrants that the property lines necessary for this sale are clearly and correctly marked.

6. In the event that the Logger fails to fulfill any of the terms of this contract, the Forester or the Landowner, upon notice to the Logger, shall have the right to stop further cutting by the Logger, and title to cut, marked or designated timber shall immediately revert to the Landowner and the Logger's rights under this Contract shall be automatically terminated.

7. The Logger will pay the Landowner for standing trees as follows:

Hardwood pulp/Firewood:	\$8/ ton
Softwood pulp/Biomass:	\$0.50/ ton
White Pine Grade Logs (\$300/MBF* and greater):	1/3 of mill value
Boxwood Grade Pine Logs (\$299/M or less):	\$20/ MBF
Grade Hardwood Logs (\$351/MBF and greater)	1/3 of mill value
Low Grade Hardwood Logs (\$350/MBF or less)	\$20/MBF

It is understood that the cost of trucking shall be paid by the Logger.

\*MBF = 1000 board feet

Stumpage prices for other products will be negotiated as they are identified.

8. Payment for all timber shall be made in the form of a check made out to the Forester and mailed to the Forester at least every two weeks beginning with the Logger's first payment from the mill or firewood customer and continues until all payments have been made. A mill tally slip or scale sheet from the mill will accompany payment.

9. The Logger agrees to save the Landowner and Forester harmless from any and all claims for injury or damage to persons or property resulting from the acts or omissions of the Logger, his agents, employees, or others under his control during the period of this contract.

10. The Landowner and/or Forester reserve the right to cancel this contract or suspend operations if this contract is breached. If the contract is canceled the Logger will remove all equipment within five days of notice and leave landings and access roads in satisfactory condition.

11. The Landowner shall indemnify the Logger against all liability on account of any action for trespass as long as the Logger shall limit his logging operations to the confines of the stands designated by the Landowner. The Landowner further guarantee to keep the Logger free from any actions at law or in equity which may arise from the logging operations on the above described premises, insofar as such law actions may arise from reasons of title or trespass, and are not due to the wrongful act of the Logger.

12. The Logger shall not fell any trees over the boundary line or cross the boundary line with any equipment, and shall be responsible for any expenses incurred due to failure of the Logger to comply fully with this contract.

13. All trees shall be cut as close to the ground as possible.
14. Tops shall be lopped to a height of no higher than 48 inches. Care shall be taken to protect all young trees and other trees which are not cut. All roads and landings shall be left in a satisfactory condition, smoothed over and waterbarred.
15. The Logger shall take special care to construct skid roads in a manner that will prevent sediment from reaching any stream or body of water. All roads shall be left in proper repair, as approved by the Forester, upon completion of the logging. The main roads and trails that have been identified by the Landowner as important for recreation used by or crossed by the logging, shall be kept free of debris by the completion of the operation.
16. Title to cut timber shall pass to the Logger at the time the wood leaves the landing.
17. No trash shall be left on the land during or following logging. No oil, grease, or fuel shall be drained on the ground. Equipment leaking an unusual amount of oil product shall be repaired or removed from the premises.
18. All water courses shall be bridged, corduroyed, or culverts shall be installed and all slash shall be removed from all water courses by the completion of the job. This job has been designed to avoid crossing the one main drainage.
19. The Logger agrees to observe all town, state, and federal laws and to use precautions to prevent forest fires. The Logger takes full responsibility for adhering to the "Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont" (AMPs) throughout the term of this contract.
20. All slash within 50' of the right-of-way of all public roads and adjoining property lines shall be removed as required by state law.
21. At log landing and loading areas, all forms of waste, including unmerchantable logs or portions of logs, shall either be trucked away, buried, or pushed to a designated location. The landing areas should then be smoothed and leveled and seeded when necessary as approved by the Forester. Hay bales and/or conservation mix grass seed, if necessary for erosion control, will be paid for and applied by the Logger.
22. This contract may not be assigned, transferred, sold or made over to any other party without prior written permission from the Landowner.
23. The terms of this sale are completely set forth in this contract and none of its terms may be varied or modified except in writing by both parties of this contract.
24. Without penalty to the Logger, the Forester may suspend removal operations if the Forester determines that unreasonable damage to access roads, skid roads or logging roads is resulting from the use of these roads during periods of excessive wetness.



25. The Logger shall post a cash or surety bond of \$1,000, to be held by the Forester. Said bond will be returned at the completion of this contract. In the event of damage to residual timber or unclean landing area, non-payment or breach of any part of this contract, it will be retained in part or in whole to be applied to any clean up activity or damages the Landowner suffer under the terms of this contract.

26. The Logger shall work as steadily as possible until the job is completed.

27. The Logger shall maintain General Liability Insurance, in amounts satisfactory to the Landowner, throughout the term of this contract. The Logger shall furnish proof of such insurance to the Forester and the Landowner prior to the commencement of any work. The Town of Fairlee shall be named as co-insured on the liability certificate.

28. The logger shall comply with all applicable labor laws.

29. This operation will require some additional improvements to the road and log landing. The Logger shall conduct and pay for the remaining improvements needed for this operation. The Town of Fairlee expects to purchase 4 loads of stone to improve a couple of damp spots along the main truck road. The Logger shall initially purchase and spread the 4 loads of stone. The value of the 4 loads of stone should be deducted from the first stumpage payment(s). A slip showing the value of the stone shall be presented.

This contract shall begin on the date of signature and shall terminate on the 1st day of January, 2019. This contract may be extended if necessary and agreed upon, in writing, by the Landowner and the Logger.

This contract shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

SIGNATURES

  
Landowner David J. Matthews, CHAIR Date 25 Sept 2018  
FAIRLEE TOWN FOREST BOARD

  
Logger Bruce Limlaw Date 9-15-2018

(stand 13/15 - Wm. H. Lusk  
MEMORIAL FOREST)

