

**MATANUSKA-SUSITNA BOROUGH
LAND & RESOURCE MANAGEMENT DIVISION**

PALMER, ALASKA



**PURCHASING AND CONTRACT DOCUMENTS
FOR
OVER THE COUNTER**

SALVAGE TIMBER SALES - 18-002S

MSB007431 Mile Post 109E

OPENING DATE & TIME: JANUARY 23rd, 2019

CLOSING DATE & TIME DECEMBER 31, 2020 @ 2:00 PM

TABLE OF CONTENTS

SECTION I

NOTICE OF SALE

SECTION II

INSTRUCTIONS TO PURCHASERS

SECTION III

CHECK LIST

SECTION IV

FORMS

SECTION IV

SAMPLE SCOPE OF PROJECT

SECTION V

SAMPLE CONTRACT

SECTION I

NOTICE OF SALE

**Notice of Timber Sales under
MSB Code 23.20: FOREST MANAGEMENT
and
MSB Code 28.60: TIMBER HARVEST**

The Matanuska-Susitna Borough (MSB), Land & Resource Management Division (LRM), as part of its forest management program is offering the following Salvage Timber Harvests for purchase by Over the Counter (OTC) Sale on a first come first served bases.

The sale areas are described as follows:

<u>Sale Name & Number</u>	<u>Approx. Volume and Type</u>	<u>Acres</u>	<u>Minimum Purchase Price</u>	<u>Legal Description</u>
Parks Hwy MP 109E MSB007431	Approx. 74 Cunits of Spruce damaged or infested by Spruce Bark Beetles	17	\$1,110	Portions of Sections 20 & 29 T25N, R04W, SM
Parks Hwy MP 109W MSB007432	Approx. 111 Cunits of Spruce damaged or infested by Spruce Bark Beetles	30	\$1,665	Portion of Section 29 T25N, R04W, SM
Parks Hwy MP 110W MSB007414	Approx. 96 Cunits of Spruce damaged or infested by Spruce Bark Beetles	29	\$1,440	Portions of Sections 17, 18, 19 & 20 T25N, R04W, SM
Parks Hwy MP 110.2W MSB007428	Approx. 79 Cunits of Spruce damaged or infested by Spruce Bark Beetles	24	\$1,185	Portions of Sections 17 & 18 T25N, R04W, SM
Parks Hwy MP 110.5W MSB007429	Approx. 125 Cunits of Spruce damaged or infested by Spruce Bark Beetles	38	\$1,875	Portions of Sections 17 & 18 T25N, R04W, SM
Parks Hwy MP 111W MSB007430	Approx. 119 Cunits of Spruce damaged or infested by Spruce Bark Beetles	36	\$1,785	Portions of Sections 17 & 18 T25N, R04W, SM

Sales will be sold based on an individual lump sum basis. The timber harvest contracts being offered expire 12 months after signing as stated in the final contract documents. Performance and Scarification bonds required are detailed in the specific contract. These timber sales include utilization of temporary logging roads, winter ice roads, and any other roads as described and directed in each specific contract. Access across State Land from Approximately Mile 111.5 of the Parks Highway has been negotiated by the Borough and all Purchasers must abide by all rules and regulations as determined and stipulated in the final sale contract.

All sales included in this advertisement meet the requirements of MSB 23.20 and MSB 28.60, if applicable. These sales were previously offered as a competitive sealed bid salvage timber sale in 2018.

The LRM Division hereby gives notice that it is in the best interest of the MSB to offer these timber sales over the counter. To qualify, potential purchasers must not be in breach of any MSB obligation or contract, and must have a current MSB Business License. The copy of current MSB business license must be submitted with offers. Offers, submitted on forms provided by the LRM Division, marked on the outside with the timber sale name and number, and addressed to the Matanuska-Susitna Borough, Land & Resource Management Division, 350 East Dahlia Ave., Palmer, Alaska 99645, will be accepted until timber is sold or **December 31, 2020** whichever is earlier.

Persons interested in these timber sales are encouraged to visit the sale areas, review logging and road cost estimates, road construction standards, and scarification requirements and standards prior to bidding. More detailed information pertinent to the sales, prospectus and sample contracts may be obtained at the following web site: <http://www.matsugov.us> or at the LRM Division office at 350 East Dahlia Avenue in Palmer or by contacting the Resource Manager, Ray Nix at 861-7863.

Sale documents will be available beginning **January 23rd, 2019** from the Land Management Division office, Matanuska-Susitna Borough, 350 E. Dahlia Ave., Palmer, AK 99645. For information call (907) 861-7863, Fax (907) 861-8653. This bid document may be available on the internet under www.matsugov.us. A document fee of \$5.00 will be charged for materials picked-up and \$10.00 for materials mailed.

The MSB complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need help with purchasing should contact the LRM Division at (907) 861-7863 to make any necessary arrangements.

The MSB reserves the right to accept or reject any or all purchase offers, waive any and all technicalities or informalities it deems appropriate.

SECTION II
INSTRUCTIONS TO APPLICANTS

INSTRUCTIONS TO APPLICANTS

Throughout the sale, Land & Resource Management Division (LMD) shall provide an updated list showing parcels sold or with purchase requests pending, and any changes to parcel information.

SUBMITTAL: Purchase Requests will be accepted until all timber is sold or December 31, 2020 whichever is first.

Purchase Request shall be submitted separately in sealed envelope, clearly labeled with "Over the Counter Sale Number and Sale Name (example: 18-002S PARKS HWY MP 109E MSB007431)"; addressed to:

Matanuska Susitna Borough,
Land & Resource Management Division,
350 E. Dahlia Ave.
Palmer, AK 99645

All forms **MUST** have original signature(s) preferably in **BLUE INK**.

Each purchase request must be submitted on the Purchase Request Form (Form A) along with any other documentation required as noted on the CHECKLIST. All forms may be reproduced from this brochure for the purpose of multiple submissions. Applicants are responsible for completing and submitting all documentation shown on the CHECKLIST. Failure to submit all required documentation may cause rejection of the Purchase Request.

Purchase Request shall be held and applied in accordance with the terms and conditions disclosed in this brochure for successful applicant(s).

The MSB is not obligated to sell the Timber Harvest Areas identified through this program, or pay any costs incurred by parties participating in the submission or preparation of Purchase Request. The MSB reserves the right to:

- 1) reject any and all applications;
- 2) accept an application, without further discussion;
- 3) waive any informality in the application received;
- 4) accept an application which is in the best interest of the Borough; and
- 5) withdraw any offering from this sale at any time for any reason.

QUALIFICATIONS: Pursuant to MSB 23.10.090; only qualified applicants are eligible to participate. All applicants are required to complete the Qualification Statement (Form B). If applicant represents a company, a copy of the company's current State of Alaska and MSB business licenses must be provided. If applicant represents another individual or entity, including a partnership, corporation, association, trust or estate, proof of authority to sign on behalf of the principal(s) must be provided with Form A.

Applicants must be at least eighteen (18) years of age to submit a purchase request

DISQUALIFICATION: Any of the following shall automatically disqualify a purchase request:

- Purchase Request is submitted for less than the Purchase Price;

- Purchase Request Form and/or other required forms are not completed in full, manually signed with original signature(s); and
- Purchase Request not submitted in a sealed envelope will be not be accepted.

SUCCESSFUL APPLICANTS: All Purchase Requests shall be time and date stamped upon receipt by the LRM Division. For any one offering, the first qualified party who submits a Purchase Request as evidenced by the time and date stamped on the Purchase Request (Form A), shall be named as the successful applicant, pursuant to MSB Code.

BACK-UP PURCHASE REQUESTS: The MSB may retain back-up Purchase Requests on any offering receiving more than one (1) request. In the event the first applicant fails to properly complete, sign and return purchase agreement and complete the transaction under the terms required by this sale, the acceptance of the Purchase Request will be cancelled by the MSB. Next back-up Purchase Request applicant(s) will be notified in the same manner as the initial applicant and will become the successful applicant. This process will continue until such time as the MSB has obtained an executed Contract under the terms of this invitation or until no back-up offer remains. Unsuccessful Purchase request payments shall be returned to the applicant within sixty (60) days by certified US Postal mail.

It is the applicant's responsibility to check with the LRM Division for any changes or corrections prior to submitting a Purchase Request and to ensure all documents and payments are included in submittal envelope.

SECTION III

CHECKLIST

Matanuska-Susitna Borough
2019 Over The Counter Salvage Timber Sale
CHECK LIST

The following checklist can be used as a guide to assist in submitting the required paperwork and should be used only after thoroughly reading the instructions in the brochure.

ALL FORMS MUST BE SUBMITTED WITH ORIGINAL SIGNATURE(S).

I. Required Documents for each submittal. Form(s) may be photocopied for purpose of multiple submittals.

_____ Salvage Timber Sale Purchase Application (signed by all Purchasers) - 2 Pages

_____ Deposit as denoted in the brochure in U.S. Funds in the form of a U.S. postal money order, cashiers, or certified check, payable to the MSB.

_____ Proof of authority to sign on behalf of the Purchaser.

Proof of authority to conduct business in Alaska and the MSB (business licenses).

SECTION III

FORMS

**PURCHASE FORM
MATANUSKA-SUSITNA BOROUGH
Salvage Timber Sale 18-002S
PARKS HWY MP 109E MSB007431**

<u>Sale Name & Number</u>	<u>Approx. Volume and Type</u>	<u>Acres</u>	<u>Minimum Purchase Price</u>	<u>Legal Description</u>
Parks Hwy MP 109E MSB007431	Approx. 74 Cunits of Spruce damaged or infested by Spruce Bark Beetles	17	\$1,110	Portions of Sections 20 & 29 T25N, R04W, SM

* 1 Cunit = 100 cubic feet

By signing below, the Applicant is hereby certifying to the following –

1. The applicant has carefully examined the purchase documents for this solicitation and agrees to perform all specified services for the sum(s) provided above.
2. The individual signing below, or the firm association or corporation of which they are a member, has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free purchase in connection with this solicitation.
3. The individual signing below is authorized by the firm association or corporation to bind such association or corporation to a legal contract.
4. The individual signing below, for the firm association or corporation of which they are a member, is not from doing business with the Matanuska-Susitna Borough or involvement of an individual, company, firm or corporation on the performance of this contract is not on the debarred or suspended list.

Acknowledging receipt of the following Addenda Numbers (if no addenda have been issued, either leave blank or write "N/A"):

Acknowledge Addenda Here _____

Company Name

Date

Mailing Address

Signature

City, State and Zip Code

Printed (or typed) Name

Contact Person (printed or typed)

Title (printed or typed)

Phone Number

Email Address

Facsimile Number

It shall be the responsibility of the applicant to complete all required documents and ensure that all necessary items required for purchase have been met .	To be considered responsive, Applicants should include the following with their purchase: <ul style="list-style-type: none"> ✓ Signed Purchase Form (acknowledging Addenda if applicable) ✓ General or Specialty License / MSB Business License ✓ Any other items requested in the Form "A"
--	---

MATANUSKA-SUSITNA BOROUGH

Privacy Policy Notice

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, the borough is providing you with this document which notifies you of the privacy policies and practices of Matanuska-Susitna Borough, a municipal corporation, organized and existing under the laws of the state of Alaska.

The borough may collect nonpublic personal information about you from the following sources when processing a request to purchase, lease or otherwise contract to use borough-owned land and resources:

Information it receives from you such as completed applications; income-expense, asset-liability and operating statements; income tax returns; rental and leasing agreements; contracts related to your income and expenses; and employment information and verification.

Information about your transactions with the borough that it secures from its own files, including any department or division of the borough.

Information it receives from credit or consumer reporting agency.

Information it receives from others involved with you or your transaction, such as partners, business associates, title company and escrow company representatives, real estate agents, surveyors, appraisers, contract collection agents, or lenders.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

The borough, as a governmental entity, is required by law to meet certain public information statutes. The borough does not disclose any nonpublic personal information about you with anyone for any purpose that is not specifically permitted or required to by law. The Matanuska-Susitna Borough code provides the following:

MSB 1.50.030(B) in part states that “information shall be released, providing its release does not conflict with the privacy rights of ordinary citizens.”

MSB 1.50.040(A) in part states that “This chapter shall not be construed to require disclosure of: (2) personnel, payroll or medical files, or other files which reveal the financial or medical status of any specific individual, the release of which would constitute an unwarranted invasion of privacy.... (7) proprietary information which a manufacturer, consultant or provider reasonably requires to be kept privileged or confidential to protect the property interest or persons or entities providing the information or data; (10) personal information other than name and address given to the borough with the legitimate expectation of privacy in conjunction with licenses, permits, or other borough services.”

The borough restricts access to nonpublic personal information about you to those employees who need to know that information to process your requests and provide you with associated services. The borough maintains physical, electronic, and procedural safeguards to guard your nonpublic personal information.

SECTION IV

SCOPE OF PROJECT

**Matanuska-Susitna Borough
OVER THE COUNTER TIMBER SALE
#18-002S PARKS HWY 109E MSB007431**

SCOPE OF WORK

The Matanuska-Susitna Borough Land & Resource Management Division (LRMD) is offering Seventeen (17) acres as a timber salvage sale for the removal of Spruce trees damaged and/or infested with Spruce Bark Beetles to assist with forest management and removal of fuel wood from the area. This sale is located within a portion of Sections 20 & 29 T25N R04W, Seward Meridian Alaska; East of the Parks Hwy at approximately Mile Post 109 with-in the Parks Hwy Natural Resource Management Unit (NRMU). A detailed map is included as Exhibit "A" of the sale contract.

The offering is a lump sum purchase for an estimated 74 Cunits of Spruce Timber. All timber must be cut and removed from the Contract Area by the date listed in the contract at the time of signing unless an extension is granted.

The successful purchaser(s) are purchasing all Spruce trees greater than six (6) inch diameter at breast height that have been damaged by or infested with Spruce Bark Beetles. No other timber may be cut or harvested without prior approval from the LRMD.

All logging operations must conform to the submitted Operations Plan and Alaska Forest Resources and Practices Regulations (11 AAC 95).

All "Limbing/Topping" must be performed within the Contract Area. All slash must be dealt with in accordance with 11 AAC 95.370.

Grubbing will not be allowed within any of the contract sale areas.

The BOROUGH makes no warranties regarding the quality, quantity, merchantability, or fitness of the timber located within the contract area.

The successful purchaser(s) shall submit an Operation Plan with a map to the BOROUGH prior to commencing operations with-in the contract area. The operation plan shall identify equipment to be used in the contract area, landing location and a brief explanation of planned hauling process. This plan must be approved by the LRMD prior to beginning operations and hence forth be included as Exhibit "B" of the contract.

During the term of the contract the purchaser shall purchase and maintain insurance as outlined in Exhibit "C" of the contract

SECTION V

SAMPLE CONTRACT

SAMPLE CONTRACT AGREEMENT (21 Pages)



MATANUSKA- SUSITNA BOROUGH

TIMBER SALVAGE SALE CONTRACT
Parks Hwy NRMU Unit 109E MSB007431

TABLE OF CONTENTS

Section 1: Description	1
Section 2: Product	1
Section 3: No Warranties	1
Section 4: Rate and Method of Payment	1
Section 5: Contract Term	2
Section 6: Contract Extension	2
Section 7: Method of Harvest Cutting	2
Section 8: Performance Bond	2
Section 9: Reforestation and Bond	2
Section 10: Insurance	2
Section 11: Operations Plan	2
Section 12: Cutting Reports	2
Section 13: Logging Requirements	2
Section 14: Access	3
Section 15: Roads, Bridges, and Culverts	3
Section 16: Location	3
Section 17: Destruction of Monuments	3
Section 18: Discovery of Cultural or Historical Resources	3
Section 19: Fuels and Lubricants	3
Section 20: Borrow Pits	3
Section 21: Sanitation	4
Section 22: Improvements	4
Section 23: Inclusion of Applicable Laws and Regulations	4
Section 24: Business License	4
Section 25: Permits and Authorizations	4
Section 26: Fire Protection	4
Section 27: Inspection and Enforcement	5
Section 28: Final Treatment	5
Section 29: Completion and Final Inspection	5

Section 30: Suspension	6
Section 31: Termination	6
Section 32: Reservation	6
Section 33: Causes Beyond Control	6
Section 34: Rights of Way	7
Section 35: Notice	7
Section 36: Entry or Re-entry	7
Section 37: Re-sale	7
Section 38: Retention of Payments	8
Section 39: Delinquency	8
Section 40: Written Waiver	8
Section 41: Jurisdiction: Choice of Law	8
Section 42: Severability	8
Section 43: Integration	8
Section 44: Authority	9
Section 45: Passage of Title	9
Section 46: Modification of Contract	9
Section 47: Assignment of Contract	9
Section 48: Title Not Controlling	9
Section 49: Interpretation	9
Section 50: Borough Held Harmless	9
Section 51: Understanding	10
Section 52: Exhibit A Unit Map	11
Section 53: Exhibit B Operations Plan	12
Section 54: Insurance	13

MATANUSKA-SUSITNA BOROUGH
SALVAGE TIMBER SALE CONTRACT 18-002S
MSB007431

This Timber Salvage Sale Contract is made on this _____ day of 2019, between the Matanuska-Susitna Borough, a municipal corporation, (hereinafter referred to as the "BOROUGH"), whose address is 350 E. Dahlia Avenue, Palmer, Alaska, 99645, and _____, hereinafter referred to as the "PURCHASER", whose address is: _____, Alaska, _____.

The BOROUGH agrees to sell and the PURCHASER agrees to purchase salvaged timber designated herein, subject to the following terms and conditions:

Section 1: Description.

The Salvage Timber Sale contract area, hereinafter called "CONTRACT AREA," is approximately seventeen (17) acres and is located within a portion of Sections 20 & 29 T25N R04W, Seward Meridian Alaska; West of the Parks Hwy at approximately Mile Post 109 with-in the Parks Hwy Natural Resource Management Unit (NRMU). The Contract Area contains an estimated 74 Cunits of Spruce Timber. The intent of this contract is to salvage ALL spruce timber damaged by Spruce Bark Beetles within the contract area for proper timber management practices and to remove fuel wood from Borough Land.

Section 2: Product.

All timber must be cut and removed from the contract area prior to the expiration date agreed upon at the time of signing. All timber cut from the harvest area must be completely removed from the contract area by the completion date contained here-in. Timber not removed from the CONTRACT AREA prior to the agreed upon completion date will be considered abandoned and rights of purchase extinguished without refund or recourse to the purchaser.

All Spruce damaged and/or infested with Spruce Bark Beetles must be harvested and removed from the CONTRACT AREA. All or a portion of the performance bond may be withheld by the seller if all contract requirements are not met. Other timber within the proposed access route may be authorized for harvest with written approval from the BOROUGH Land & Resource Management Division (LRMD).

All logging operations must conform to the LRMD approved Operations Plan and Alaska Forest Resources and Practices Regulations (11 AAC 95).

The removal of limbs and tops must be done within the Harvest Area and slash must be processed in accordance with Alaska Forest Resource 7 Practice Regulations 11 AAC 95 (March 2017).

The Contractor must minimize disturbance of the vegetative mat and to prevent disturbance of the soil to assist with erosion control.

Section.3: No Warranties.

The BOROUGH makes no warranties regarding the quality, quantity, merchantability, or fitness of the timber located within the contract area.

Section 4: Rate and Method of Payments.

The minimum rate per cunit is \$15.00. This is a lump sum sale payable prior to beginning operations. The minimum bid is \$1,110.00.

Section 5: Contract Term.

All timber must be cut and removed from CONTRACT AREA prior to October 31st, 2019. Timber not removed from the CONTRACT AREA prior to October 31st, 2019 will be considered abandoned and rights of purchase extinguished without refund or recourse by the purchaser.

Section 6: Contract Extension.

All timber must be cut and removed from CONTRACT AREA prior to the agreed upon completion date this date not to exceed twelve months from the date of contract execution unless negotiated at the time of contract execution. Timber not removed from the CONTRACT AREA prior to completion date will be considered abandoned and rights of purchase extinguished without refund or recourse by the purchaser.

Section 7: Method of Harvest Cutting.

All cutting and harvesting shall be completed as outlined in the Timber Salvage Sale Contract and will comply with all State of Alaska Forest Resources and Practices Regulations 11 AAC 95 (March 2017) Prior approval of the Borough Land & Resource Management Division is required for any deviations from the approved Operations Plan as outlined in Exhibit "B". PURCHASER shall load and haul all timber resources purchased from the contract area shown on the attached map prior to the conclusion of the contract interval.

Section 8: Performance and Bond.

Performance Bond of One Thousand Five Hundred Dollars (\$1,500) is required.

Section 9: Clean Up Bond.

Reserved

Section 10: Insurance.

During the term of the contract the PURCHASER shall purchase and maintain insurance as required by Borough Code.

Section 11: Operation Plan.

The PURCHASER shall submit an Operations Plan and a map to the BOROUGH prior to commencing operations on the contract area. The operation plan shall identify equipment to be used in the contract area, landing location and a brief explanation of planned harvest process.

Section 12: Cutting Reports.

Reserved.

Section 13: Logging Requirements.

The conditions in this section are intended to protect the Matanuska-Susitna Borough's forestlands. Noncompliance with any of the following conditions is grounds for the levying of fines, and the suspension, or termination of the contract.

(a) All logging operations shall comply with the State of Alaska Forest Resources and Practices Regulations 11 AAC 95 (March 2017)

Section 14: Access.

The bidder shall be allowed to create access as required to harvest existing timber within the contract area. Maintaining access into the Contract Area is the responsibility of the Purchaser. Access roads may only be constructed for access to the CONTRACT AREA and will be constructed within the areas marked on the approved map, changes to these locations may be authorized by written approval from the LRMD.

Section 15: Roads, Bridges and Culverts.

Reserved.

Section 16: Location.

PURCHASER is responsible for inspecting and where necessary, remarking the external boundaries. PURCHASER is also responsible for properly locating the cutting area(s) and access roads into the property. PURCHASER is responsible for operating within the CONTRACT AREA boundary and may request to have the LRMD download the boundary locations to the successful purchaser's GPS (provided the GPS is compatible with the data set).

Section 17: Destruction of Monuments.

Trees, which mark property boundaries or cutting units, may not be cut. Blazed trees or witness trees that mark surveys may not be severed or removed. Survey markers or monuments shall not be damaged or destroyed. The PURCHASER shall bear the expense of re-establishing survey markers, monuments, or witness markers if they are destroyed by the logging operation.

Section 18: Discovery of Cultural or Historical Resources

Should any historical, cultural or other potential archeological resources be discovered within the sale area, all work shall cease in the immediate area and an area extending in a 100-ft. radius from the discovered resources. The BOROUGH shall be notified within two BOROUGH business days. Operations may not resume within 100 ft. of the discovery until the BOROUGH has evaluated the discovery, appropriate mitigation or preservation measures are effected, and a written authorization to resume is issued by the BOROUGH.

Section 19: Fuels and Lubricants.

(a) Servicing of tractors, trucks, or other equipment within 100 feet of lakes, streams, or estuaries is prohibited. Storage of fuels and lubricants shall be in accordance with State of Alaska, Department of Environmental Conservation regulations.

(b) All fuel, petroleum, and other toxic products stored or used in the contract area must be contained in a manner that will prevent spillage from entering water bodies. To minimize the potential for accidental leaks or spillage, these products should be stored in a lined containment area.

(c) Absorbent materials must be maintained and kept available on the contract area in the event of a spill.

Section 20: Borrow Pits.

Reserved.

Section 21: Sanitation.

Sanitary facilities shall conform to applicable state and federal regulations. Refuse resulting from the PURCHASER'S activities shall be removed from borough lands.

Section 22: Improvements.

Improvements such as sawmills, buildings, storage units, and gates are prohibited. Section 23:
Inclusion of Applicable Laws and Regulations

The PURCHASER shall comply with local, state, and federal laws. All local, state, and federal laws and regulations have the force of any other provision of this contract, in addition to any penalties prescribed by law.

Section 24: Business License.

During the term of the contract the PURCHASER shall maintain a current Alaska Business License and a current Matanuska-Susitna Borough Business License.

Section 25: Permits and Authorizations.

(a) Any permits or the authorization necessary for operations under this contract shall be obtained by the PURCHASER prior to commencing operation. Agencies that may require permits for operation include, but are not limited to, the State of Alaska, Department of Natural Resources/Division of Forestry, Department of Environmental Conservation, Department of Fish and Game, Department of Transportation and Public Facilities and the U.S. Army Corps of Engineers and the Matanuska Susitna Borough. Copies of the permits obtained by the PURCHASER shall be furnished to the BOROUGH.

(b) It is the responsibility of the PURCHASER to properly locate and construct access to the Contract Area.

Section 26: Fire Protection.

The PURCHASER shall take all reasonable precautions to prevent, and take all reasonable actions to suppress destructive and uncontrolled forest fires on the Contract Area.

(a) Alaska Statute (AS) 41.15.080 requires every person owning or operating a sawmill, logging camp, or other commercial timber processing operation in forested lands post, and keep displayed at all times, a copy of AS 41.15.050 - AS 41.15.080, and AS 41.15.140. The regulation must be posted in a conspicuous place on the grounds of the operation.

(b) The Alaska Forest Protection Act established the fire season from May 1 - September 30. During the fire season, the PURCHASER shall provide and maintain fire-fighting tools in the contract area. There shall be a sufficient number of fire-fighting tools to equip every person engaged in the logging operation under this contract.

(c) All fires shall be reported immediately by calling 911. The State of Alaska Department of Natural Resources, Division of Forestry shall also be notified regardless of the size or apparent insignificance of the fire. The local number for the Division of Forestry's Fire Dispatch Office is (907) 892-6027.

(d) The BOROUGH may stop all or part of the logging operations of the PURCHASER during hazardous fire weather, as identified by the Alaska State Division of Forestry.

(e) The PURCHASER shall comply with all laws, regulations, and rules promulgated and enforced by the agency responsible for fire protection and suppression in the area.

Section 27: Inspections and Enforcement.

(a) The Borough Manager or his designee shall have access to the Contract Area. The BOROUGH may postpone inspections by the BOROUGH, for the purpose of determining compliance with the terms and conditions of this contract, if field conditions prevent a proper determination.

(b) When logging operations are in progress, the PURCHASER shall have a representative available who is authorized to receive, on behalf of the PURCHASER, notices and instructions given by the BOROUGH or State personnel. The PURCHASER'S representative shall be authorized to take action on instructions or notices given by the BOROUGH or State personnel in regard to this contract.

(c) Failure of the BOROUGH to enforce any of the conditions of this contract shall not affect the validity of this contract or the right of the BOROUGH to enforce the conditions of the contract.

Section 28: Final Treatment.

(a) Roads, Bridges and Culverts - Prior to completion of the contract and at the direction of the BOROUGH, the PURCHASER may be required to put-to-bed or repair all roads within and accessing the contract area for the purpose of controlling runoff, preventing erosion, and limiting access onto reforested areas. Putting-to-bed may require grading, cross ditching, seeding, and removal of bridges and culverts.

(b) Landing Sites - Reserved

(c) Buildings, Improvements, Equipment, and Materials - The PURCHASER shall remove all buildings, improvements, equipment, and materials owned or controlled by the PURCHASER from the Contract Area. Improvements, equipment, materials, and other property that is not removed within 15 days of the contract completion, expiration, or termination, or within a time agreed upon in writing between the PURCHASER and the BOROUGH, may at the BOROUGH'S option become the property of the BOROUGH, and may be used or otherwise disposed of by the BOROUGH without obligation to the PURCHASER.

Section 29: Completion and Final Inspection.

At the completion of this contract the PURCHASER shall notify the BOROUGH when the Contract Area is ready for final inspection. Following such notification, the BOROUGH shall inspect the area and either approve the final site conditions or notify the PURCHASER of non-compliance. An inspection may be postponed for reasons preventing the BOROUGH from performing a proper inspection. No portion of the PURCHASER'S performance bond shall be refunded until the terms and conditions of the contract have been satisfied.

(a) Upon a satisfactory final site inspection and compliance with the terms and conditions of this contract the performance bond will be released or returned to the PURCHASER.

(b) Following a notice of non-compliance, the PURCHASER will have 20 days to bring the area into conformance and request an inspection. An inspection fee of fifty dollars (\$50) will be charged for re-inspections.

(c) If the contract is not completed in accordance with its terms and conditions, the PURCHASER shall be liable to the BOROUGH for all losses and damages incurred by the BOROUGH. The minimum liability shall be the amount of the performance bond required to be posted, which shall be retained as liquidated damages for administrative and other costs to the BOROUGH.

Section 30: Suspension.

If the PURCHASER fails to comply with any of the provisions of this contract or the State Forest Practices Act, the BOROUGH shall have the authority to shut down this operation. Written notice explaining corrective measures required shall be submitted to the PURCHASER. If this corrective action is not taken within ten (10) days after written notice is served upon the PURCHASER, the BOROUGH may terminate the contract.

Section 31: Termination

(a) In the event PURCHASER breaches any of the provisions of this contract, the BOROUGH shall give the PURCHASER written notice of such breach by certified mail describing the breach and advising the PURCHASER of the date of termination. In the event the breach is not corrected within thirty (30) days of the mailing of such notice, the contract shall be considered terminated. An additional ten (10) days' time to correct the breach may be granted by the Borough Manager, if request for same is made in writing prior to the expiration of the first thirty-day period and good and sufficient reasons are set forth for such request.

(b) Termination of this contract under this section shall terminate all rights of the PURCHASER to cut or remove timber from the Contract Area or to enter on the Contract Area for purposes described in this contract. It shall not excuse the PURCHASER from liability for payment or work required of the PURCHASER. Termination of the contract by the BOROUGH shall not bar any other remedies the BOROUGH may have at law or in equity for breach of this contract.

(c) Nothing in this section shall be construed as relieving the PURCHASER from any obligation within this contract.

Section 32: Reservations.

The BOROUGH reserves the right to permit other compatible uses of lands in the CONTRACT AREA, provided the BOROUGH determines such uses will not unduly impair the PURCHASER'S operations under this contract.

Section 33: Causes Beyond Control.

In the event the PURCHASER is prevented from performing any obligation of this contract due to causes beyond their control, the non-performance shall not be deemed a breach of contract, or reason for cancellation. However, if and when such cause or causes cease to prevent performance, the PURCHASER shall exercise all reasonable diligence to resume and complete performance of the obligation with the

least possible delay. The phrase "cause or causes beyond control," as used in this section, includes but is not limited to any one or more of the following causes which are not attributable to the fault or negligence of the PURCHASER and which prevent the performance of the PURCHASER: fire, explosions, acts of God, war, orders or law of duly constituted public authorities, and other major uncontrollable and unavoidable events, all of which must actually prevent the PURCHASER from performing the terms of the contract as set forth herein. Events which are peculiar to the PURCHASER and would not prevent another purchaser from performing, including, but not limited to financial difficulties, are not causes beyond the control of the PURCHASER. The Borough will determine whether the event preventing the PURCHASER from performing is a cause beyond the PURCHASER'S control.

Section 34: Rights of Way.

Reserved

Section 35: Notice

Any notice or demand, which under the terms of a contract or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address shown on the contract. However, either party may designate in writing such or other address to which such notice of demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed received when deposited in an U.S. general or branch post office, enclosed in a registered or certified mail prepaid wrapper or envelope addressed as herein above provided. For the purposes of this contract, a notice given as provided herein, and addressed to the Matanuska-Susitna Borough, shall be deemed received when deposited in a general or branch post office by the addresser, and in like manner a notice from the Matanuska-Susitna Borough to a purchaser shall be deemed received by the PURCHASER when such notice is deposited in a general branch office by the BOROUGH.

(a) The authorized address for the BOROUGH is:

Matanuska-Susitna Borough
Land Management Division
350 East Dahlia Ave.
Palmer, Alaska 99645

(b) The authorized address for the PURCHASER is:

_____, Alaska _____

Section 36: Entry or Re-entry.

In the event that the contract is terminated, canceled or forfeited, or in the event that the demised lands, or any part thereof, should be abandoned by the PURCHASER during the contract term, the BOROUGH or its agents, servants or representative, may immediately or any time thereafter, enter or re-enter and resume possession of said lands or such part thereof, and remove all persons and property therefrom either by summary proceedings or by a suitable action or proceeding at law or equity without being liable for any damages therefore. No entry or re-entry by the BOROUGH shall be deemed an acceptance of a surrender of the contract.

Section 37: Re-sale.

In the event the contract should be terminated, canceled, forfeited or abandoned, the BOROUGH may sell any remaining timber within the Contract Area or on other BOROUGH lands as described in the operations plan, by appropriate disposal methods pursuant to the provisions of the BOROUGH code or other applicable regulations.

Section 38: Retention of Payments.

In the event that the contract is terminated because of any breach by the PURCHASER as herein provided, all payments, which were due or paid before the date of termination shall be retained as compensation under the agreement. The PURCHASER shall be liable for all amounts remaining unpaid as well as for damages.

Section 39: Delinquency.

- (a) Any PURCHASER in arrears on a BOROUGH obligation, including, but not limited to tax, assessment, lease, sale, or rental payments, whether as an individual, or as a representative of a business, organization, firm, corporation, or partnership, shall not be awarded the contract if the delinquency is not cured within 10 calendar days of receipt of written notice sent by the BOROUGH of the delinquency.
- (b) This contract can be terminated for cause if it is determined that the PURCHASER, whether the amounts owed are in the name of the PURCHASER as an individual, or as a representative of a business, organization, firm, corporation, or partnership, is in arrears of any taxation, lease or rental agreement that is due to the BOROUGH that is not remedied within 10 calendar days of notification by regular mail.
- (c) An interest payment of ten percent (10%) per annum shall be assessed on all late payments due the BOROUGH.

Section 40: Written Waiver.

The receipt of payment by the BOROUGH, regardless of knowledge of any breach of the contract by the PURCHASER or of any default on the part of the PURCHASER in observance or performance of any of the conditions or covenants of the contract, shall not be deemed to be a waiver of any provision of the contract. No failure on the part of the BOROUGH to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by the BOROUGH, unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of the BOROUGH to enforce the same in the event of any subsequent breach or default. The receipt by the BOROUGH of any payment of any sum of money after notice of termination or after the termination of the contract for any reason, shall not reinstate, continue or extend the contract, nor shall it destroy or in any manner impair the efficacy of any such notice of termination unless the sole reason for the notice was nonpayment of money due and the payment fully satisfies the breach.

Section 41: Jurisdiction: Choice of Law.

Any civil action rising from this contract shall be brought in the Superior Court for the Third Judicial District of the State of Alaska at Palmer. The law of the State of Alaska shall govern the rights and obligations of the parties under this contract.

Section 42: Severability.

If any section or clause of this contract is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, the remainder of this contract shall remain in full force and effect.

Section 43: Integration.

This instrument and all appendices and amendments hereto embody the entire agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this contract shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto. Any amendments to this contract shall be reduced to writing and executed by both the BOROUGH and the PURCHASER.

Section 44: Authority.

For purposes of the terms and conditions of this contract the Borough Manager or his designee shall act on behalf of the BOROUGH.

Section 45: Passage of Title.

All rights, title, and interest in or to any timber included in this contract shall remain in the BOROUGH until it has been paid for and removed from the Contract Area. The rights, title, and interest in or to any timber, which has been paid for but not removed from the Contract Area by the PURCHASER within the period of the contract or any extension thereof, shall vest in the BOROUGH.

Section 46: Modification of Contract.

Modification to this contract must be in writing and signed by the PURCHASER and the BOROUGH or their successors in interest.

Section 47: Assignment of Contract.

The acquisition or assumption by another party under an agreement with the PURCHASER of any right or obligation of PURCHASER under this contract is prohibited.

Section 48: Titles Not Controlling.

Titles of the sections in this contract are for reference only and are not part of the contract.

Section 49: Interpretation.

The contract shall be construed according to the fair intent of the language as a whole, not for or against either party. The general rule of construction of an agreement against the drafter shall not apply to this contract. The PURCHASER is advised to consult independent legal counsel regarding this contract.

Section 50: Borough Held Harmless.

The PURCHASER shall indemnify, hold harmless and defend the BOROUGH, its officers and employees, from and against any suit, action, claim, or liability arising out of any negligent act, error, or omission of the PURCHASER under this contract, except for the sole negligence or willful misconduct of the BOROUGH. "PURCHASER" and "BOROUGH" as used within this section include the employees, agents, or independent contractors or other contractors who are directly responsible, respectively, to each.

Section 51: Understanding.

The PURCHASER acknowledges that the PURCHASER has read and understands the terms of this contract, has had the opportunity to review the same with counsel of his/her choice, and is executing this contract of his/her own free will.

INWITNESS WHEREOF, the parties hereto have set their hands and seals on the dates appearing below:
PURCHASER: BOROUGH:

_____	Eric Phillips	_____
Date		Date
STATE OF ALASKA)	
) SS.	
Third Judicial District)	

On, _____ 2019, _____ personally appeared before me, and (check one)

1. _____ who is personally known to me.
2. _____ whose identity I proved on the basis of _____.
3. _____ whose identity I proved on the oath/affirmation of _____, a credible witness.

And acknowledged before me that he/she signed the contract for the purposes stated therein.

	Notary Public for State of Alaska	
	My Commission Expires _____	
STATE OF ALASKA)	
) SS.	
Third Judicial District)	

On, _____ 2019, Eric Phillips, Community Development Director of the Matanuska- Susitna Borough, who is personally known to me, appeared and acknowledged before me that he signed the timber sale contract on behalf of the municipal corporation.

	Notary Public for State of Alaska	
	My Commission Expires _____	

EXHIBIT "A" Contract Area Map

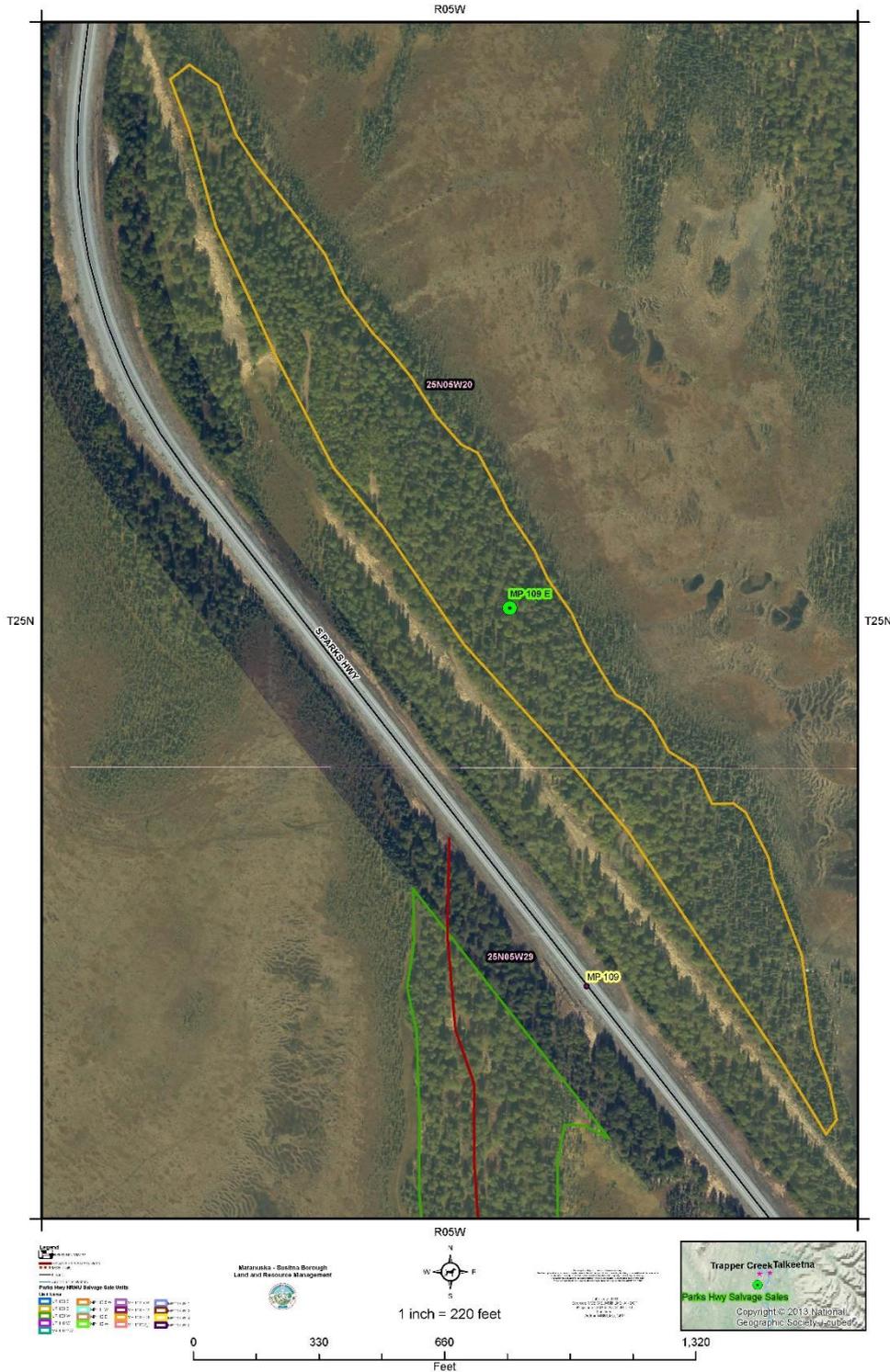


EXHIBIT "B"
Operations Plan

EXHIBIT "C"

INSURANCE

It is specifically agreed between the parties executing this Agreement that it is not intended by any of the provisions of the Agreement to create in the public or any member thereof a third party benefit hereunder, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement.

It is highly recommended that the Lessee/Permittee/Manager confer with their respective insurance companies or brokers to determine if their insurance program complies with the Borough's Insurance requirements.

The Lessee/Permittee/Manager shall procure and maintain the following insurance:

A. Minimum Scope of Insurance Coverage shall be at least as broad as:

1. Insurance Services office form number CG 0001 (Edition 1/96) covering Commercial General Liability.
2. Insurance Services office form number CA 0001 (Edition 6/92) covering Automobile Liability, symbol 1 "any auto."
3. Worker's Compensation insurance as required by the State of Alaska and Employers Liability Insurance.

B. Minimum Limits of Insurance

Lessee/Permittee/Manager shall maintain limits no less than:

1. General Liability:
\$1,000,000 combined single limit per occurrence for bodily injury, property damage, personal injury and advertising injury. The general aggregate limit shall be \$1,000,000. The general aggregate limits shall apply separately to each project.

General liability insurance shall be maintained in effect throughout the term of the Agreement.

If the general liability insurance is written on a claim made form, the Lessee/Permittee/Manager shall provide insurance for a period of two years after termination or expiration of this Agreement. The policy(s) shall evidence a retroactive date, no later than the beginning of this Agreement.

2. Auto Liability:
\$1,000,000 combined single limit per accident for bodily injury and property damage.

3. Worker's Compensation and Employers Liability:

Worker's Compensation shall be statutory as required by the State of Alaska. Employer's liability shall be endorsed to the following minimum limits:

Bodily injury by Accident –	\$100,000 each accident
Bodily injury by Disease –	\$100,000 each employee
Bodily injury by Disease –	\$500,000 policy limit

4. Excess Liability:

In order to meet the required minimum limits of insurance it is permissible for the Lessee/Permittee/Manager to combine an excess liability or umbrella policy with the general liability, auto liability or employer's liability. In the instance where the Lessee/Permittee/Manager purchases an excess liability or umbrella policy the occurrence limit and the aggregate limit may be of the same amount.

C. Deductibles and Self-Insured Retention

Prior to work commencing, any deductible or self-insured retention must be declared and approved by the Borough. Lessee/Permittee/Manager may be requested to demonstrate how the deductible or self-insured retention will be funded in the event of a claim. At the option of the Borough, the Lessee/Permittee/Manager shall reduce or eliminate such deductibles or self-insured retention as respects the Borough, its officers, officials, employees and volunteers; or the Lessee/Permittee/Manager shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability, Automobile Liability

- a. The Borough, its Administrator, officers, officials, employees and volunteers shall be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the Lessee/Permittee/Manager; products and completed operations of the Lessee/Permittee/Manager premises owned, occupied or used by the Lessee/Permittee/Manager or automobiles owned, leased, hired or borrowed by the Lessee/Permittee/Manager. The coverage shall contain no special limitation on the scope of protection afforded to the Borough, its Administrator, officers, officials, employees, and volunteers.
- b. The Lessee/Permittee/Manager's insurance coverage shall be primary insurance as respects the Borough, its Administrator, officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Borough, its Administrator, officers, officials, employees, and volunteers shall be excess of the Lessee/Permittee/Manager insurance and shall not contribute to it.
- c. The Lessee/Permittee/Manager insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. Worker's Compensation and Employer's Liability

The insurer shall agree to waive all rights of subrogation against the Borough, its Administrator, officers, officials, employees, and volunteers for losses arising from work performed by the Lessee/Permittee/Manager or any subcontractor of the Lessee/Permittee/Manager in relation to this Agreement.

3. All Insurance

Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after 30 days' prior written notice for nonpayment of premium or fraud on the part of the Lessee/Permittee/Manager or 60 days' prior written notice for any other reason by certified mail, return receipt requested, has been given to the Borough. Such notice shall be mailed by the Lessee/Permittee/Manager to the attention of the Borough's Land Management Officer.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a Best's rating of no less than A-VII.

F. Verification of Coverage

Lessee/Permittee/Manager shall furnish the Borough with certificates of insurance and with certified copies of all endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms acceptable to the Borough. All certificates are to be received and approved by the Borough before work commences. The Borough reserves the rights to require complete, certified copies of all required insurance policies, at any time.

G. Subcontractors and Sub Lessee's

Lessee/Permittee/Manager shall include all subcontractors and sub lessees as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor and sub lessees. All coverage for subcontractors and sub lessees shall be subject to all requirements stated herein.

H. Lapse in Insurance Coverage

A lapse in insurance coverage, any change that restricts, reduces insurance provided, or changes name of insured without Borough approval is a material breach of this agreement, which shall result in immediate termination of the agreement.



SECTION V
ATTACHMENT - TAX CLEARANCE FORM (1 page)

MATANUSKA-SUSITNA BOROUGH
Community Development Department
350 East Dahlia Avenue Palmer, AK 99645
Phone (907) 745-9869 Fax (907) 745-9635 E-mail: lmb@matsugov.us

Date: _____

PLEASE REPLY BY: _____

REPLY TO PURCHASER
7863

Questions Call: Ray Nix @ 907-861-

TO: X Finance/Collections/Real Property

_____ Taxes/LIDS Bankruptcy/Land Sales

THE LAND & RESOURCE MANAGEMENT DIVISION IS PROCESSING A REQUEST FROM THE FOLLOWING INDIVIDUAL(S) OR ENTITY.

NAME: _____

ADDRESS: _____

PLEASE ADVISE IF YOUR RECORDS INDICATE ONE OR MORE OF THE FOLLOWING CATEGORIES (CHECK ALL THAT APPLY AND PROVIDE ANY COMMENTS BELOW):

_____ Has failed to pay a deposit or payment (including interest), due the borough in relation to borough- owned real property in the previous five (5) years.

_____ Is currently in breach or default on any contract or lease for real property transactions in the borough has an interest.

_____ Has failed to perform under a contract or lease involving borough-owned real property in the previous five years and the borough has acted to terminate the contract or lease or to initiate legal action.

_____ Is delinquent in any tax payment to the Borough.

_____ There is reason to believe that the person is unlikely to make payment or responsibly perform under the lease or other contract.

_____ Other: _____

COMMENTS: _____
