

TIMBER REIMBURSEMENT AGREEMENT #492-O1711

This Reimbursement Agreement ("Agreement") is made and entered on the date set forth below by the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "COUNTY"), and RJJ Resource Management Corp, a corporation duly qualified to conduct business in the State of California, whose principal place of business is 1411 Harbour Way South, Third Floor, Richmond, California 94804 (hereinafter referred to as "PURCHASER").

RECITALS

WHEREAS, COUNTY has established a Tree Mortality Hazard Tree Removal Plan in response to the statewide emergency caused by bark beetle infestations;

WHEREAS, COUNTY's Tree Mortality Hazard Tree Removal Plan provides for the removal of designated dead and dying trees;

WHEREAS, COUNTY's Board of Supervisors has determined that the felled timber from dead or dying trees is not required for public use;

WHEREAS, PURCHASER has agreed to purchase the felled timber and receive it at the designated address identified herein;

WHEREAS, PURCHASER will reimburse COUNTY for timber, as described herein;

WHEREAS, it is the intent of the parties hereto that such reimbursement be in conformity with all applicable federal, state, and local laws;

NOW, THEREFORE, COUNTY and PURCHASER agree as follows:

ARTICLE I

PROJECT DESCRIPTION: COUNTY has established a Tree Mortality Hazard Tree Removal Plan in response to the statewide emergency caused by bark beetle infestations. A Timber Harvest Plan is not required for this Project.

COUNTY's contractor will remove the designated dead and dying trees and deliver them to the log yard located at: 2895 Industrial Boulevard, West Sacramento, California 95691. The log yard hours are 7:00 a.m. to 5:00 p.m., Monday through Friday. The trip tickets will be prepared by County's contractor and will include the description of the timber and log scale and will be included with each timber log delivery. The logs will be scaled at the log yard when the logs are delivered.

ARTICLE II

TERM: This Agreement shall become effective upon final execution by both parties hereto and shall expire on December 31, 2017.

ARTICLE III

REIMBURSEMENT: PURCHASER agrees to reimburse COUNTY for the timber logs delivered to the log yard at the rates and descriptions provided below. For trip tickets received from the 1st through the 15th of the month, PURCHASER shall make payments by the 25th of the same month. For trip tickets received from the 16th through the last day of the month, PURCHASER shall make payments by the 10th of the following month. Each payment shall include a list of the trip tickets being paid. County's Tree Mortality Project consultant will review the trip tickets to ensure they are correct.

Payments shall be mailed to COUNTY at the following address:

County of El Dorado
 Department of Transportation
 2441 Headington Road
 Placerville, California 95667
 Attn.: Stephanie Lisius
 Administrative Technician

For the purposes hereof, reimbursement of the timber logs shall be as follows:

*Species MBF (1,000 Board Feet)	Scaling End Diameter Inside Bark	Scaling Lengths	Rate (\$/MBF)
PP/SP/JP/WF	8"+	26', 33', 36', 38'10"	\$325
R Logs: Reject Logs	8"+	26', 33', 36', 38'10"	\$200
R1Logs: Logs with Sweep/Pistol Butts	8"+	Any length	\$-25
R2 Logs: All logs over 38'	8"+	Over 38' will scale at 38'	\$325
R4 Logs: Logs less than 13'	8"+	Less than 13'	Not Reimbursable
R5 Logs: Logs with beetle worm holes	8"+	26', 33', 36', 38'10" with beetle worm holes	\$275
R6 Logs: Logs that must be trimmed to scaling length	8"+	Varies	\$-25
R7 Logs: Off species logs (Not PP, SP, JP, DF, WF, IC)	8"+	26', 33', 36', 38'10"	\$200
R8 Logs: Short logs outside of the contract	8"+	19'6"	\$275
R9 Logs: Blue stain	8"+	26', 33', 36', 38'10"	\$325

*Species	MBF	Scaling End	Scaling Lengths	Rate
(1,000 Board Feet)		Diameter Inside Bark		(\$/MBF)
logs				

*PP: Ponderosa Pine, SP: Sugar Pine, JP: Jeffrey Pine, DF: Douglas Fir, WF: White Fir, IC: Incense Cedar

Descriptions and Requirements:

1. More than 75% of the volume of each truck must contain logs that are scaled to be 38'10".
2. R: Reject logs – If more than 25% of any one log is damaged (other than beetle worm holes), then the log will be called a reject log and reimbursed at a rate of \$200/MBF.
3. R2: Logs over maximum length of 38'10" will be scaled at 38'10". More than an average of six (6) logs over in length in twenty (20) truck loads, the R2 logs will have a \$25/MBF deduction.
4. R6: There is a \$25/MBF deduction for logs that must be pencil trimmed to the specified scaling lengths due to the re-handling of logs at the log yard.
5. R7: Off species logs will be accepted to specified scaling lengths at \$200/MBF. Hardwood will not be accepted.

ARTICLE IV

NOTICE TO PARTIES: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to COUNTY shall be in duplicate and addressed as follows:

To COUNTY:

County of El Dorado
 Department of Transportation
 Headington Engineering
 2441 Headington Road
 Placerville, California 95667

Attn.: John Kahling, P.E.
 Deputy Director, Engineering
 Headington Engineering

With a copy to:

County of El Dorado
 Community Development Services
 Administration and Finance
 2850 Fairlane Court
 Placerville, California 95667

Attn.: Michele Weimer
 Administrative Services Officer
 Contracts & Procurement

Notices to PURCHASER shall be addressed as follows:

RJJ Resource Management Corp
1141 Harbour Way South, Third Floor
Richmond, California 94804

Attn.: Ruihong Lyu
Chief Executive Officer

or to such other location as PURCHASER directs.

ARTICLE V

ADMINISTRATOR: The COUNTY Officer or employee with responsibility for administering this Agreement is John Kahling, P.E., Deputy Director, Engineering, Headington Engineering, Department of Transportation, or successor.

ARTICLE VI

PARTIAL INVALIDITY: If any provision, sentence, or phrase of the Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions, sentences, and phrases will continue in full force and effect without being impaired or invalidated in any way.

ARTICLE VII

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

ARTICLE VIII

NO THIRD PARTY BENEFICIARIES: Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this Agreement.

ARTICLE IX

COUNTERPARTS: This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.


ARTICLE X

ENTIRE AGREEMENT: This document and the documents referred to herein are the entire Agreement between the parties, and they incorporate or supersede all prior written or oral agreements or understandings.

ARTICLE XI

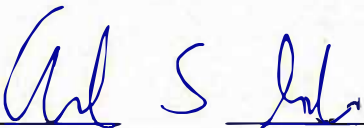
AUTHORIZED SIGNATURES: The parties to this Agreement warrant and represent that the undersigned individuals executing this Agreement on behalf of their respective parties are fully authorized to do so by law or other appropriate instrument and to bind upon said parties the obligations set forth therein.

Requesting Contract Administrator Concurrence:

By: 
John Kahling, P.E.
Deputy Director, Engineering
Headington Engineering
Department of Transportation

Dated: 05/30/17

Requesting Department Concurrence:

By: 
Bard R. Lower
Interim Director
Department of Transportation

Dated: 5/30/2017

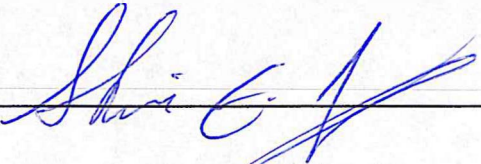
Purchasing Agent Concurrence:

By: 
Purchasing Agent
Chief Administrative Office

Dated: 5/30/17

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated below.


-- COUNTY OF EL DORADO --

By:  _____

Dated: 5/19/2017

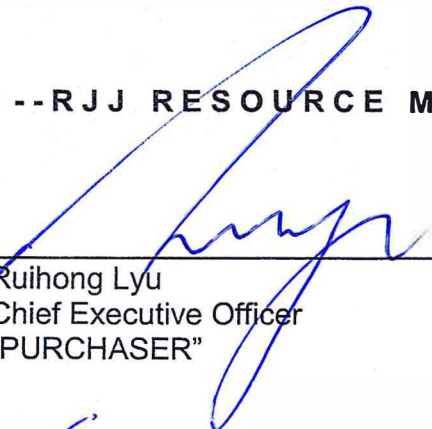
Board of Supervisors
"COUNTY"

Attest:
James S. Mitrising
Clerk of the Board of Supervisors

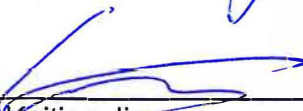
By:  _____
Deputy Clerk

Dated: 5/19/2017

-- RJJ RESOURCE MANAGEMENT CORP --

By:  _____
Ruihong Lyu
Chief Executive Officer
"PURCHASER"

Dated: 5/26/2017

By:  _____
Kaiting Jin
Secretary

Dated: 5/26/2017