

Natural Resource Damage Assessment Funding and Participation Agreement

Port Angeles Harbor Natural Resources Trustees And Rayonier Properties, LLC

This Funding and Participation Agreement ("Agreement") is between the Washington Department of Ecology, the Lower Elwha Klallam Tribe, the Port Gamble S'Klallam Tribe, the Jamestown S'Klallam Tribe, the United States Fish and Wildlife Service on behalf of the Department of the Interior, and the National Oceanic and Atmospheric Administration (individually a "Trustee" and collectively "the Trustees"); and Rayonier Properties, LLC ("Rayonier"). The Trustees and Rayonier may hereinafter be collectively referred to as the "Parties" or individually as a "Party".

1. BACKGROUND

Certain Trustees have been participating in the remedial investigation of the Port Angeles Harbor ("the Facility"), in Port Angeles, Washington, which includes the Rayonier Mill Site in Port Angeles, Washington ("the Site"), and all Trustees have been made aware of it; the Trustees have now formed a Trustee Council to investigate, assess and pursue resolution of natural resource damage claims associated with the Facility. As a result of releases of hazardous substances at the Site, it is possible that there has been or will be injury to, destruction of, loss of, or loss of use of natural resources. This Agreement provides the structure under which the Parties agree to conduct a cooperative Natural Resource Damage Assessment ("NRDA") and undertake actions as may be necessary or appropriate to provide for the restoration, rehabilitation, replacement, or acquisition of the equivalent of injured, destroyed, or lost natural resources and their services.

2. GOALS AND OBJECTIVES

The Parties' goal for activities undertaken pursuant to this agreement will be the assessment of natural resource injuries in as efficient and cost-effective a manner as is reasonably practicable and settlement of the Trustees' Natural Resource Damages ("NRD") claims against Rayonier at the Facility without contested litigation. The objective of this process is a settlement addressing all of Rayonier's NRD liability for injury to natural resources associated with releases of hazardous substances from the Site. The Parties anticipate that the legal instrument for settlement shall be a consent decree and statement of work outlining a project or projects that would offset any agreed upon lost natural resource values.

3. COOPERATIVE ASSESSMENT PROCESS

- 3.1. Data Gap** – The Parties will attempt to analyze injury issues and estimate debit and credit values using existing data to the extent feasible and additional studies as necessary to address data gaps, if any. Where possible, data gaps will be filled using appropriate,

jointly agreed upon, scientifically-based assumptions rather than new studies, or with further technical studies as agreed to by the Parties. The Trustees reserve, as a matter of their due diligence obligations, the right to determine: (a) whether data gaps exist and (b) whether additional studies are necessary to address the data gaps.

3.2. Assessment Phases – The Parties anticipate that the process described above will be conducted in Assessment Phases. Prior to each Assessment Phase, the Parties will confer and attempt to reach agreement in the form of a Phase Plan that will become an attachment to this Agreement. The Phase Plan will include, but not be limited, to:

- (a) Specific tasks to be undertaken as part of the phase;
- (b) The estimated timeline for completion; and
- (c) An agreed-upon budget.

An initial Phase Plan is attached hereto as Attachment 1. The goal of the Phase 1 work is to substantially complete the damage assessment phase of the project and to prepare to evaluate appropriate restoration options. The Parties will seek to reach agreement on additional attachments for subsequent phases of work.

The Parties have initiated, and will continue, technical discussions to identify resources of potential concern, and anticipate, without determining at this point, that the major focus of restoration will be to address potential injury through habitat creation, protection and/or enhancement. The Parties will make all reasonable efforts to complete this assessment process, with a goal of settlement, except for the public input and judicial approval requirements, by the end of 2013.

4. COORDINATION AMONG THE PARTIES

4.1. Information Sharing – All data, analyses, and modeling results produced, collected, or developed by the Parties under this Agreement, including drafts, shall be fully and freely shared among the Parties as soon as reasonably practicable after they are produced, collected, or developed; provided that internal working documents and analyses, as well as data, writings, and modeling results that are protected by attorney-client or other applicable privilege shall not be subject to this requirement.

4.2. Outreach – The Trustees are required by law to give public notice and to solicit public review and comment during certain phases of the NRDA. Rayonier shall provide reasonable and necessary information and assistance to the Trustees for this requirement. The Trustees and Rayonier each reserve the right to provide information about releases at or from the Site and the NRDA process to the public. Rayonier will provide written notice to each Trustee prior to any documents developed under this Agreement being disseminated to the public.

4.3. Dispute Resolution – The Parties agree that all disputes arising from or related to this Agreement will be addressed by informal discussion among the Parties. If that does not

resolve the dispute, then the Parties may state their respective positions through a written exchange of letters. The Parties agree that the only relief or remedy that may be granted for any dispute arising from or related to this Agreement is withdrawal from the Agreement. Inclusion of this dispute resolution provision shall not be construed as a waiver of sovereign immunity by any of the Trustees.

5. FUNDING

- 5.1. Agreement to Fund (General)** – Rayonier agrees to pay the agreed-upon assessment costs to be incurred for activities undertaken pursuant to this Agreement. Reasonable assessment costs include, but are not limited to: labor, overhead, travel, and supplies related to work undertaken by staff, consultants, and contractors.
- 5.2. Advance Funding** – Prior to the commencement of each Assessment Phase Rayonier will provide the Trustees with an advance lump sum payment in the amount of the agreed-upon budget laid out in the corresponding Phase Plan. Rayonier shall pay such amount within thirty (30) calendar days after the Parties reach agreement on each Phase Plan pursuant to Paragraph 3.2 of this Agreement. Such amount shall be used by the Trustees to cover reasonable assessment costs to implement the corresponding Phase Plan. Rayonier will make such payment in accordance with the instructions attached hereto as Exhibit A.
- 5.3. Accounting of Expenditures** – At the conclusion of each Assessment Phase, each Trustee will provide Rayonier with an accounting of expenditures from the advanced funding for that Assessment Phase. Each Trustee will provide, at a minimum, a spreadsheet summarizing labor (hours and rates), travel costs, equipment costs, contractors' costs, indirect charges, overhead charges and miscellaneous expenses (e.g., supplies, overnight mail).
- 5.4. Additional Costs** – The Trustees shall monitor progress under each Phase Plan on an ongoing basis in an effort to determine as early as possible during implementation of the Phase Plan whether the advance lump sum payment will be sufficient to complete the Phase Plan as agreed upon. If, prior to completion of a Phase Plan, the Trustees determine that the lump sum is likely to be insufficient to complete the Phase Plan as agreed upon, the Trustees will so inform Rayonier prior to incurring costs in excess of the lump sum. The Trustees shall provide Rayonier with a summary of costs already incurred under the Phase Plan in accordance with Paragraph 5.3 of this Agreement, and an estimate of additional funds reasonably necessary to complete the Phase Plan.

Within 21 calendar days of receiving the initial notice from the Trustees, Rayonier shall respond in writing either agreeing or declining to provide additional funding necessary to complete the agreed-upon Phase Plan. During this 21-day period, Rayonier may consult with the Trustees regarding the estimate of additional funds needed. If Rayonier provides to the Trustees timely written notice of its agreement to pay the additional agreed-upon amount, the Trustees shall proceed to complete the implementation of the Phase Plan, and Rayonier shall pay the agreed-upon additional amount within 21

calendar days of its agreement to do so pursuant to the instructions referred to in Paragraph 5.2 and attached hereto as Exhibit A.

All parties retain the right to terminate their participation in this agreement, or to perform independent assessment activities outside the scope of this agreement.

5.5. Carryover Funds – If any portion of an advance payment has not been expended at the completion of its corresponding Assessment Phase, such remaining amount shall be credited toward future work to be performed in a subsequent Assessment Phase. Should the Parties decide not to engage in additional Assessment Phases or apply the remaining amount to any ultimate NRD settlement, then such remaining amount will promptly be returned to Rayonier, so long as such action is permitted by applicable law. If a trustee is barred by law from returning some portion of the remaining amount, that amount shall be credited against any remaining NRD liability that Rayonier may be responsible for at the Facility.

5.6. Interim transaction costs – Interim Transaction Costs are the costs incurred by the Trustees related to the cooperative assessment process from January 25, 2012, through June 30, 2012. Interim Transaction Costs include, but are not limited to, meetings and other communications among the Trustees and with Rayonier and its contractors, technical review of existing data related to the Port Angeles Harbor in general and the Rayonier Mill Site in particular, and the time spent drafting, reviewing and negotiating this Agreement and the Phase One Plan. The Trustees have incurred Interim Transaction Costs of \$202,138.11. Rayonier agrees to pay \$110,000 of the Interim Transaction Costs within 30 days of the Effective Date of this Agreement. The Trustees reserve their right to seek recovery of costs incurred prior to January 25, 2012, any unreimbursed Interim Transaction Costs, and other costs, including those that Trustees have incurred between June 30, 2012, and the Effective Date of this Agreement; Rayonier may dispute the Trustees' claim for those costs and reserves its defenses regarding such costs.

6. MISCELLANEOUS PROVISIONS

6.1. Reservation of Rights – Nothing in this Agreement or in the course of any Parties' cooperation under this Agreement, is intended nor shall be construed as a waiver by any of the Parties of its rights, defenses, privileges or affirmative claims in any proceeding related to NRD liability arising from the release of hazardous substances at the Facility. Nor shall anything in this Agreement be construed as a waiver of the sovereign immunity by any of the Trustees, or a submission to jurisdiction by Rayonier. This Agreement does not release Rayonier from any potential NRD liability except the liability for actual amounts of reasonable assessment costs paid by Rayonier under this Agreement.

Nothing in this Agreement is intended, nor shall be interpreted, to limit the scope of the NRDA appropriate for the Facility or to otherwise restrict or abrogate the authority or discretion of the Trustees to determine the scope of the NRDA.

6.2. Expenditures of Funds – Nothing in this Agreement shall be construed as obligating the Trustees or their officers, agents or employees to expend any funds in excess of appropriations authorized by law.

6.3. Modification, Termination and Withdrawal – Any modification of this Agreement or its Attachment(s) must be in writing and shall be effective upon execution by all of the Parties.

This is a voluntary Agreement, and nothing in this Agreement shall be construed as obligating the Parties to continue working together if the Parties have determined that they can no longer do so productively. Any party may terminate its participation in this Agreement at any time by giving 30 days written notice to all Parties.

6.4. Notice – Notice required or authorized under this Agreement shall be sent to the following representatives of the Parties:

For Rayonier Properties, LLC

Mark W. Schneider
Perkins Coie, LLP
1201 Third Avenue, Suite 4900
Seattle, WA 98101-3099
mwschneider@perkinscoie.com

For the Trustees:

Jamestown S'Klallam Tribe

Hong N. Huynh
Miller Nash LLP
111 SW Fifth Ave, Suite 3500
Portland, OR 97204
hong.huynh@millernash.com

Douglas Sellon
Executive Director
Jamestown S'Klallam Tribe
Economic Development Authority
257 Business Park Loop
Sequim, WA 98382
dsellon@jamestowntribe.org

Lower Elwha Klallam Tribe

Stephen H. Suagee
Office of General Counsel
Lower Elwha Klallam Tribe
2851 Lower Elwha Road
Port Angeles, WA 98363
steve.suagee@elwha.nsn.us

Matt Beirne
Environmental Coordinator
Lower Elwha Klallam Tribe
51 Hatchery Road
Port Angeles, WA 98363
matt.beirne@elwha.nsn.us

National Oceanic and Atmospheric Administration

Robert Neely
NOAA Office of Response and Restoration
NOAA Western Region Center
7600 Sand Point Way NE
Building 1 DARC Suite
Seattle, WA 98115
robert.neely@noaa.gov

Ericka M. Hailstocke-Johnson
Office of General Counsel, Natural Resources Section
501 West Ocean Boulevard, Suite 4470
Long Beach, CA 90802
Ericka.Hailstocke-Johnson@noaa.gov

Port Gamble S'Klallam Tribe

Roma Call, Environmental Coordinator
Port Gamble S'Klallam Tribe
31912 Little Boston Road NE
Kingston, WA 98346
romac@pgst.nsn.us

Gina Stevens, Tribal Attorney
Port Gamble S'Klallam Tribe
31912 Little Boston Road NE
Kingston, WA 98346
ginab@pgst.nsn.us

United States Fish and Wildlife Service

Jeff Krausmann - Fish and Wildlife Biologist
Washington Fish and Wildlife Office
510 Desmond Drive SE, Suite 102
Lacey, Washington 98503-1263
jeff_krausmann@fws.gov

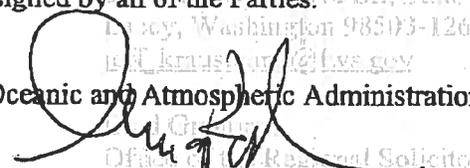
Brad Grenham
Office of the Regional Solicitor
U.S. Department of the Interior
805 SW Broadway, Suite 600
Portland, OR 97205
brad.grenham@sol.doi.gov

Washington Department of Ecology

Rebecca S. Lawson, P.E., LHG
Washington Department of Ecology
SWRO Toxics Cleanup Program
P.O. Box 47775
Olympia, WA 98504-7775
Rebecca.Lawson@ecy.wa.gov

6.5. Effective Date of Agreement – This Agreement may be executed in counterparts and in facsimile. The Effective Date for this Agreement shall be the date the Agreement has been signed by all of the Parties.

National Oceanic and Atmospheric Administration

By: 

Its: Special Counsel

Date: 5/29/13

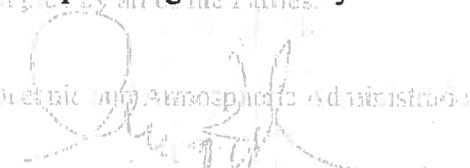
For: United States Fish and Wildlife Service

By: Rebecca S. Lawson, P.E., LHG

Its: Washington Department of Ecology

Date: SWRO Toxics Cleanup Program, P.O. Box 47775, Olympia, WA 98504-7775

National Oceanic and Atmospheric Administration

By: 

Its: Special Counsel

United States Fish and Wildlife Service

Jeff Krausmann - Fish and Wildlife Biologist
Washington Fish and Wildlife Office
510 Desmond Drive SE, Suite 102
Lacey, Washington 98503-1263
jeff_krausmann@fws.gov

Brad Grenham
Office of the Regional Solicitor
U.S. Department of the Interior
805 SW Broadway, Suite 600
Portland, OR 97205
brad.grenham@sol.doi.gov

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SWRO Toxics Cleanup Program
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Rebecca.Lawson@ecy.wa.gov

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National Oceanic and Atmospheric Administration

By: _____

Its: _____

Date: _____

For: United States Fish and Wildlife Service

By: Robyn Thorson

Its: The Authorized Official for the U.S. Department of the Interior

Date: 6-6-2013

For: Washington Department of Ecology

By: Rebecca S. Lawson

Its: SWRO TCP Section Manager

Date: 5/24/2013

For: Lower Elwha Klallam Tribe

By: _____

Its: _____

Date: _____

For: Port Gamble S'Klallam Tribe

By: _____

Its: _____

Date: _____

For: Jamestown S'Klallam Tribe

By: _____

Its: _____

Date: _____

For: Rayonier Properties, LLC

By: _____

Its: _____

Date: _____

For: Washington Department of Ecology

By: _____

Its: _____

Date: _____

For: Lower Elwha Klallam Tribe

By: Francis S. Chalk

Its: Chairperson

Date: May 28, 2013

For: Port Gamble S'Klallam Tribe

By: _____

Its: _____

Date: _____

For: Jamestown S'Klallam Tribe

By: _____

Its: _____

Date: _____

For: Rayonier Properties, LLC

By: _____

Its: _____

Date: _____

For: Washington Department of Ecology

By: _____

Its: _____

Date: _____

For: Lower Elwha Klallam Tribe

By: _____

Its: _____

Date: _____

For: Port Gamble S'Klallam Tribe

By: *[Signature]*

Its: Chairman

Date: May 29, 2013

For: Jamestown S'Klallam Tribe

By: _____

Its: _____

Date: _____

For: Rayonier Properties, LLC

By: _____

Its: _____

Date: _____

For: Washington Department of Ecology

By: _____

Its: _____

Date: _____

For: Lower Elwha Klallam Tribe

By: _____

Its: _____

Date: _____

For: Port Gamble S'Klallam Tribe

By: _____

Its: _____

Date: _____

For: Jamestown S'Klallam Tribe

By: W. Tom Alk

Its: Chairman / CEO

Date: May 27, 2013

For: Rayonier Properties, LLC

By: _____

Its: _____

Date: _____

For: Washington Department of Ecology

By: _____

Its: _____

Date: _____

For: Lower Elwha Klallam Tribe

By: _____

Its: _____

Date: _____

For: Port Gamble S'Klallam Tribe

By: _____

Its: _____

Date: _____

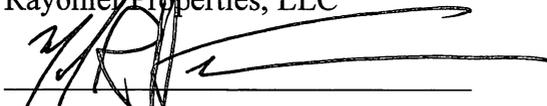
For: Jamestown S'Klallam Tribe

By: _____

Its: _____

Date: _____

For: Rayonier Properties, LLC

By:  _____

Its: *Senior Vice President* _____

Date: *5.30.13* _____

Department of the Interior

Natural Resource Damage Assessment and Restoration Fund

Assessment and Settlement Deposit Remittance Procedures

The Department of Interior's National Business Center (NBC) has established procedures with the Department of Treasury to provide two electronic options for remitting payments to the Natural Resource Damage Assessment and Restoration Fund. Procedures for using these processes are attached.

The preferred electronic method is the Department of Treasury's Automated Clearing House (ACH)/Remittance Express. If your bank does not have ACH deposit transmission capabilities, then Treasury's Federal Wire (FedWire) Transfer procedure is the required alternative. Use the attached forms to assist in preparing your remittance.

All remitters are encouraged to use these electronic methods. Non-electronic remittances (checks) are acceptable as well, and should be payable to the Department of Interior and forwarded to:

**DOI Restoration Fund
NBC Division of Financial Management Services
Branch of Accounting Operations
Attn: Collection Officer
Mail Stop D-2770
7401 West Mansfield Ave.
Lakewood, CO 80235**

Please reference "NRDA 14X5198" and the site name on check or transmittal letter

Department of the Interior

Natural Resource Damage Assessment and Restoration Fund

Assessment and Settlement Deposit Remittance Procedures

In order to accomplish electronic transfers, in addition to other settlement or billing information, please provide the following information to the remitter:

Preferred method of electronic transfer: Automated Clearing House (ACH)

Receiver name: DOI Restoration Fund
ALC 14010001

Receiver Tax ID Number: 53-0196949

Receiver address: 7401 West Mansfield Ave.
Mailstop D-2770
Lakewood, CO 80235

Receiver bank: Federal Reserve Bank
New York, NY
ABA # 051036706

Exhibit A

Receiver ACH Account No.: 312024 (See Attachment I-3)

Receiver Fedwire Acct No.: Treasury NYC 021030004
(To be used only for Fedwire transfers) (See Attachment I-4)

Payment Related Data: Should at a minimum reference site location

Attachments I-3 and I-4 provide more technical specifics which can be provided to the remitter's banking institution. Questions concerning electronic deposit procedures should be directed to Thanh Le at (303) 969-5538, or Trang Nguyen at (303) 969-5651.

Department of the Interior

Natural Resource Damage Assessment and Restoration Fund

Assessment and Settlement Deposit Remittance Procedures

The following information is provided to assist Remitters in giving complete and accurate data to their financial institution for use in originating Automated Clearing House payments. The industry name for the following format is CCD+.

ACH CCD+ Format

Data Element Name	Contents	Size	Position
<i>Record Type Code</i>	'6'	1	01-01
<i>Transaction Code</i>	'22'	2	02-03
<i>Receiving ABA</i>	'05103670'	8	04-11
<i>Check Digit</i>	'6'	1	12-12
<i>Account Number</i>	'312024'	17	13-29
Payment Amount		12	30-41
Identification #		13	42-54
<i>Receiver Name</i>	<i>DOI Restoration Fund</i>	22	22-76
Discretionary	N/A	2	77-78
<i>Addenda Indicator</i>	'2'	1	79-79
Trace Number	Assigned by Remitters Bank	15	80-94

ACH Addenda Record Format

Data Element Name	Contents	Size	Position
<i>Record Type Code</i>	'7'	1	01-01
<i>Addenda Type Code</i>	'05'	2	02-03
Payment Related		80	04-83
<i>Sequence Number</i>	'0001'	4	84-87
Addenda Trace	Assigned by Remitters Bank	17	88-94

The data items in bold must be provided to the bank by the Remitter. Those items bolded and italicized must be provided verbatim. The **Payment Amount** is the judgement or settlement amount being remitted; dollars and cents must be separated by a decimal point, do not use commas or any other punctuation. The **Identification Number** is the case Court Number. The **Payment Related** data should include the paying potentially responsible party(ies) name, site or case name and site location.

Department of the Interior

Natural Resource Damage Assessment and Restoration Fund

Assessment and Settlement Deposit Remittance Procedures

Federal Wire (FedWire) Transfer

The following information is provided to assist Remitters in giving complete and accurate data to their financial institution for use in originating FedWire payments (**in the event ACH is not available**). The industry name for the following format is FedWire Transfer Format.

Required Fields and Tags

Field Tag Name	Field Tag Number	Field Tag Contents
Message Disposition	(1100)	Assigned by Federal Reserve Bank
Acceptance Time Stamp	(1110)	Assigned by Federal Reserve Bank
OMAD	(1120)	Assigned by Federal Reserve Bank
IMAD	(1520)	Assigned by Remitters Bank
Amount	(2000)	
Sender FI	(3100)	Assigned by Remitters Bank
Sender Reference	(3320)	Assigned by Remitters Bank
<i>Receiver FI</i>	<i>(3400)</i>	<i>'Treasury NYC 021030004'</i>
<i>Beneficiary</i>	<i>(4200)</i>	<i>'DOI Restoration Fund ALC 14010001'</i>
Ref for Beneficiary	(4320)	
Originator	(5000)	
Originator Financial Institution	(5100)	Assigned by Remitters Bank
Orig to Beneficiary	(6000)	

The data items in bold must be provided to the bank by the Remitter. Those bolded and italicized must be provided verbatim. The **Amount** is the judgement or settlement amount being remitted; dollars and cents must be separated by a decimal point, do not use commas or any other punctuation. The **Reference for Beneficiary** is the case Court Number. **Originator** is the paying potentially responsible party(ies). **Originator to Beneficiary** should include the site or case name and site location.

Port Angeles Harbor
Attachment 1 - Phase 1 Budget and All Phase Timeline
Page 1 of 2

		2012	NOAA		DOI/FWS		WA/ECY		LEKT		
<input checked="" type="checkbox"/> Task	Task Description	JAN	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS
0.0	Ongoing Trustee Council costs		140	\$22,141	64	\$7,680	198	\$21,261	195	\$21,813	64
1.0	Agree on data universe and injury metrics		4	\$633	1	\$120	6	\$644	4	\$447	1
1.1	Determine relative habitat/species values		7	\$1,107	1	\$120	8	\$859	2	\$224	0
1.2	Gather habitat data		6	\$949	6	\$720	8	\$859	7	\$783	0
1.3	Determine injury levels		6	\$949	9	\$1,080	12	\$1,289	6	\$671	0
1.4	Determine chemicals of concern		7	\$1,107	6	\$720	8	\$859	6	\$671	0
1.5	Determine assessment boundaries		7	\$1,107	5	\$600	13	\$1,396	7	\$783	4
2.0	Generate Preassessment Screen		5	\$791	1	\$120	0	\$0	4	\$447	5
2.1	Finalize Preassessment Screen		6	\$949	13	\$1,560	28	\$3,007	4	\$447	8
3.0	Gather and finalize contaminant database		13	\$2,056	8	\$960	8	\$859	4	\$447	0
3.1	Determine data usage parameters		30	\$4,744	11	\$1,320	8	\$859	11	\$1,230	3
3.2	QA QC contaminant data		33	\$5,219	12	\$1,440	12	\$1,289	7	\$783	6
3.3	Gather dredging data		0	\$0	12	\$1,440	8	\$859	6	\$671	0
4.0	Injury modeling and sevice loss analysis		58	\$9,173	29	\$3,480	18	\$1,933	17	\$1,902	0
4.1	Review literature derived models		8	\$1,265	21	\$2,520	8	\$859	14	\$1,566	0
4.2	Review bioaccumulative models		5	\$791	21	\$2,520	8	\$859	12	\$1,342	0
4.3	Select toxicity data for service losses ¹		28	\$4,428	21	\$2,520	8	\$859	12	\$1,342	0
7.0	Rank the restoration project ¹		6	\$949	4	\$480	2	\$215	8	\$895	7
7.1	Determine measures of impairment ¹		6	\$949	4	\$480	4	\$430	6	\$671	8
7.2	Assign values for restoration project ¹		6	\$949	4	\$480	2	\$215	5	\$559	6
			381	\$60,254	253	\$30,360	367	\$39,408	337	\$37,696	112
Note 1	¹ - Partial budget submitted for this task. Task continues into next phase.										

Port Angeles Harbor
Attachment 1 - Phase 1 Budget and All Phase Timeline
Page 2 of 2

						Phase 1						
<i>Task</i>	<i>Task Description</i>	JSKT	PGST		TOTALS		2013	2013	2013	2013	2013	2013
		\$	HRS	\$	HRS	\$	APR	MAY	JUN	JUL	AUG	SEP
0.0	Ongoing Trustee Council costs	\$6,882	64	\$5,594	725	\$85,370						
1.0	Agree on data universe and injury metrics	\$108	0	\$0	157	\$19,234						
1.1	Determine relative habitat/species values	\$0	0	\$0								
1.2	Gather habitat data	\$0	0	\$0								
1.3	Determine injury levels	\$0	0	\$0								
1.4	Determine chemicals of concern	\$0	0	\$0								
1.5	Determine assessment boundaries	\$430	0	\$0								
2.0	Generate Preassessment Screen	\$538	0	\$0	74	\$8,719						
2.1	Finalize Preassessment Screen	\$860	0	\$0								
3.0	Gather and finalize contaminant database	\$0	0	\$0	192	\$25,145						
3.1	Determine data usage parameters	\$323	0	\$0								
3.2	QA QC contaminant data	\$645	0	\$0								
3.3	Gather dredging data	\$0	0	\$0								
4.0	Injury modeling and sevice loss analysis	\$0	0	\$0	288	\$37,359						
4.1	Review literature derived models	\$0	0	\$0								
4.2	Review bioaccumulative models	\$0	0	\$0								
4.3	Select toxicity data for service losses ¹	\$0	0	\$0								
7.0	Rank the restoration project ¹	\$753	0	\$0	78	\$9,529						
7.1	Determine measures of impairment ¹	\$860	0	\$0								
7.2	Assign values for restoration project ¹	\$645	0	\$0								
		\$12,043	64	\$5,594	1514	\$185,356						
Note 1	¹ - Partial budget submitted for this task. Task continues into next phase.											

**Addendum No. 1
Natural Resource Damage Assessment
Funding and Participation Agreement**

**Port Angeles Harbor Natural Resources Trustees
And Rayonier A. M. Properties, LLC***

In accordance with Paragraph 3.2 of the Funding and Participation Agreement of May 30, 2013, between the Port Angeles Harbor Natural Resources Trustees ("Trustees") and Rayonier A. M. Properties, LLC ("Rayonier A. M."), the Parties hereby approve the attached budget for Phase 1A of the cooperative assessment process in the amount of \$21,963.64, under which the Trustees will complete Tasks 1 through 4 as identified therein. Rayonier A. M. shall pay this amount promptly upon execution of this Addendum No. 1.

EXECUTED by the Parties on the dates indicated below.

For: National Oceanic and Atmospheric Administration

By: Katherine A. Pease for
Its: Craig R. O'Connor

Date: 11/23/14

For: United States Fish and Wildlife Service

By: _____

Its: _____

Date: _____

For: Washington Department of Ecology

By: _____

Its: _____

Date: _____

Addendum No. 1
Natural Resource Damage Assessment
Funding and Participation Agreement

Port Angeles Harbor Natural Resources Trustees
And Rayonier Properties, LLC

In accordance with Paragraph 3.2 of the Funding and Participation Agreement of May 30, 2013, between the Port Angeles Harbor Natural Resources Trustees ("Trustees") and Rayonier Properties, LLC ("Rayonier"), the Parties hereby approve the attached budget for Phase 1A of the cooperative assessment process in the amount of \$21,963.64, under which the Trustees will complete Tasks 1 through 4 as identified therein. Rayonier shall pay this amount promptly upon execution of this Addendum No. 1.

EXECUTED by the Parties on the dates indicated below.

For: National Oceanic and Atmospheric Administration

By: _____

Its: _____

Date: _____

For: United States Fish and Wildlife Service

By: Robyn Thurson

Its: The Authorized Official for the Department of the Interior

Date: **DEC 11 2014**

For: Washington Department of Ecology

By: _____

Its: _____

Date: _____

**Addendum No. 1
Natural Resource Damage Assessment
Funding and Participation Agreement**

**Port Angeles Harbor Natural Resources Trustees
And Rayonier A. M. Properties, LLC***

In accordance with Paragraph 3.2 of the Funding and Participation Agreement of May 30, 2013, between the Port Angeles Harbor Natural Resources Trustees ("Trustees") and Rayonier A. M. Properties, LLC ("Rayonier A. M."), the Parties hereby approve the attached budget for Phase 1A of the cooperative assessment process in the amount of \$21,963.64, under which the Trustees will complete Tasks 1 through 4 as identified therein. Rayonier A. M. shall pay this amount promptly upon execution of this Addendum No. 1.

EXECUTED by the Parties on the dates indicated below.

For: National Oceanic and Atmospheric Administration

By: _____

Its: _____

Date: _____

For: United States Fish and Wildlife Service

By: _____

Its: _____

Date: _____

For: Washington Department of Ecology

By: Rebecca S. Lawson

Its: REGIONAL SECTION MANAGER

Date: 11/25/14

For: Lower Elwha Klallam Tribe

By: Francis S. Chisler

Its: Tribal Chairman

Date: 11.19.14

For: Port Gamble S'Klallam Tribe

By: _____

Its: _____

Date: _____

For: Jamestown S'Klallam Tribe

By: Ronald S. Jellon

Its: EDA Ex. Director

Date: 11/21/14

For: Rayonier A. M. Properties, LLC*

By: [Signature]

Its: SVP

Date: 11.19.14

*The name of "Rayonier Properties, LLC" was changed to "Rayonier A. M. Properties, LLC" on June 17, 2014.

For: Lower Elwha Klallam Tribe

By: Frances G. Charles

Its: Chairwoman

Date: 11/19/14

For: Port Gamble S'Klallam Tribe

By: 

Its: Chairman

Date: 11-25-14

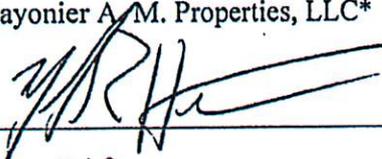
For: Jamestown S'Klallam Tribe

By: _____

Its: _____

Date: _____

For: Rayonier A. M. Properties, LLC*

By: 

Its: SVP

Date: 11.19.14

*The name of "Rayonier Properties, LLC" was changed to "Rayonier A. M. Properties, LLC" on June 17, 2014.

**Port Angeles Harbor Natural Resource Damage Assessment
Phase 1A Budget**

Ecology										LEKT							
Lawson		Groven		Striplin		Thompson		TOTALS		Suagee		Beirne		Beckley		TOTALS	
HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$
6	\$781.62	6	\$774.06	6	\$651.36	6	\$764.94	24	\$2,971.98	2	\$223.24	6	\$313.74	2	\$320.00	10	\$856.98
0	\$0.00	0	\$0.00	2	\$217.12	0	\$0.00	2	\$217.12	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
0	\$0.00	0	\$0.00	2	\$217.12	0	\$0.00	2	\$217.12	0	\$0.00	4	\$209.16	2	\$320.00	6	\$529.16
0	\$0.00	0	\$0.00	2	\$217.12	0	\$0.00	2	\$217.12	0	\$0.00	4	\$209.16	0	\$0.00	4	\$209.16
0	\$0.00	0	\$0.00	4	\$434.24	0	\$0.00	4	\$434.24	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
0	\$0.00	0	\$0.00	2	\$217.12	0	\$0.00	2	\$217.12	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
2	\$260.54	2	\$258.02	2	\$217.12	2	\$254.98	8	\$990.66	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$203.00		\$274.00		\$0.00		\$477.00
8	\$1,042.16	8	\$1,032.08	20	\$2,171.20	8	\$1,019.92	44	\$5,265.36	2	\$426.24	14	\$1,006.06	4	\$640.00	20	\$2,072.30

**Port Angeles Harbor Natural Resource Damage Assessment
Phase 1A Budget**

DOI								Jamestown						Port Gamble					
Krausmann		Carlson		Grenham		TOTALS		Sellon		Chitwood		TOTALS		O'Rourke		Call		TOTALS	
HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$
7	\$784.00	6	\$486.00	1	\$120.00	14	\$1,390.00	3	\$241.50	6	\$474.00	9	\$715.50	4	\$253.00	6	\$474.00	10	\$727.00
2	\$224.00	2	\$162.00	0	\$0.00	4	\$386.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
2	\$224.00	2	\$162.00	0	\$0.00	4	\$386.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
3	\$336.00	6	\$486.00	0	\$0.00	9	\$822.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
0	\$0.00	6	\$486.00	0	\$0.00	6	\$486.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
1	\$112.00	2	\$162.00	0	\$0.00	3	\$274.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
5	\$560.00	4	\$324.00	2	\$240.00	11	\$1,124.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
	\$0.00		\$0.00		\$0.00		\$0.00		\$150.00		\$150.00		\$300.00		\$0.00		\$0.00		\$0.00
20	\$2,240.00	28	\$2,268.00	3	\$360.00	51	\$4,868.00	3	\$391.50	6	\$624.00	9	\$1,015.50	4	\$253.00	6	\$474.00	10	\$727.00

Port Angeles Harbor Natural Resource Damage Assessment
Phase 1A Budget

TOTALS	
HRS	\$
89	\$9,630.90
7	\$802.94
13	\$1,332.10
19	\$2,047.56
11	\$1,120.06
12	\$1,289.86
27	\$3,313.22
	\$2,427.00
178	\$21,963.64

Addendum No. 2
Natural Resource Damage Assessment
Funding and Participation Agreement

Port Angeles Harbor Natural Resources Trustees
And Rayonier A. M. Properties, LLC*

In accordance with Paragraph 3.2 of the Funding and Participation Agreement of May 30, 2013, between the Port Angeles Harbor Natural Resources Trustees ("Trustees") and Rayonier A. M. Properties, LLC ("Rayonier A. M."), the Parties hereby approve the attached budget for Phases 2 and 3 of the cooperative assessment process in the amount of \$313,757.00, under which the Trustees will complete Tasks 5 through 8 as identified therein. This Addendum No. 2 covers all work necessary to be performed, after the date of execution hereof, to calculate natural resource injury and credits for the Study Area and central harbor area, including credits for removal of the dock and jetty, as well as to develop the draft Damage Assessment and Restoration Plan (DARP), but will not cover work to be performed or costs to be incurred for the development and negotiation of a consent decree or the work associated with finalizing the DARP.

Rayonier A. M. may pay the above amount in two installments: the first in the amount of \$100,000.00 as promptly as possible after execution of this Addendum, and the second in the amount of \$213,757.00 after the beginning of calendar year 2015 upon reasonable written request of the Trustees and in no case later than April 15, 2015. No costs related to work conducted under this Addendum shall be incurred in the absence of advance funding; in the event the Trustees exhaust the funds from the first installment, they shall stop work until receipt of the second installment.

EXECUTED by the Parties on the dates indicated below.

For: National Oceanic and Atmospheric Administration

By: Katherine A. Reese Date: 11/23/14
Its: for Craig R. O'Connor

For: United States Fish and Wildlife Service

By: _____ Date: _____
Its: _____

Addendum No. 2
Natural Resource Damage Assessment
Funding and Participation Agreement

Port Angeles Harbor Natural Resources Trustees
And Rayonier Properties, LLC

In accordance with Paragraph 3.2 of the Funding and Participation Agreement of May 30, 2013, between the Port Angeles Harbor Natural Resources Trustees ("Trustees") and Rayonier Properties, LLC ("Rayonier"), the Parties hereby approve the attached budget for Phases 2 and 3 of the cooperative assessment process in the amount of \$313,757.00, under which the Trustees will complete Tasks 5 through 8 as identified therein. This Addendum No. 2 covers all work necessary to be performed, after the date of execution hereof, to calculate natural resource injury and credits for the Study Area and central harbor area, including credits for removal of the dock and jetty, as well as to develop the draft Damage Assessment and Restoration Plan (DARP), but will not cover work to be performed or costs to be incurred for the development and negotiation of a consent decree or the work associated with finalizing the DARP.

Rayonier may pay the above amount in two installments: the first in the amount of \$100,000.00 as promptly as possible after execution of this Addendum, and the second in the amount of \$213,757.00 after the beginning of calendar year 2015 upon reasonable written request of the Trustees and in no case later than April 15, 2015. No costs related to work conducted under this Addendum shall be incurred in the absence of advance funding; in the event the Trustees exhaust the funds from the first installment, they shall stop work until receipt of the second installment.

EXECUTED by the Parties on the dates indicated below.

For: National Oceanic and Atmospheric Administration

By: _____ Date: _____

Its: _____

For: United States Fish and Wildlife Service

By: Robyn Thorson Date: DEC 11 2014

Its: The Authorized Official for the U.S. Department of the Interior

For: Washington Department of Ecology

By: Rebecca S. Lanson Date: 11/25/14

Its: REGIONAL SECTION MANAGER

For: Lower Elwha Klallam Tribe

By: James S. Clark Date: 11/19/14

Its: Tribal Chairman

For: Port Gamble S'Klallam Tribe

By: _____ Date: _____

Its: _____

For: Jamestown S'Klallam Tribe

By: [Signature] Date: 11/21/14

Its: EDAE Director

For: Rayonier A. M. Properties, LLC

By: [Signature] Date: 11/19/14

Its: SVP

*The name of "Rayonier Properties, LLC" was changed to "Rayonier A. M. Properties, LLC" on June 17, 2014.

For: Washington Department of Ecology

By: _____

Date: _____

Its: _____

For: Lower Elwha Klallam Tribe

By: James W. Charles

Date: 11/19/14

Its: Tribal Chairman

For: Port Gamble S'Klallam Tribe

By: [Signature]
Its: Chairman

Date: 11-25-14

For: Jamestown S'Klallam Tribe

By: _____

Date: _____

Its: _____

For: Rayonier A. M. Properties, LLC

By: [Signature]

Date: 11/19/14

Its: SVP

*The name of "Rayonier Properties, LLC" was changed to "Rayonier A. M. Properties, LLC" on June 17, 2014.

