

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

In the Matter of the Transfer of Surface)
Mining Operating Permit No. 05-0031) ORDER NO. 42-2009
from Pacific Cascade Resources to)
Kerr Contractors, Inc.)

WHEREAS, Kerr Contractors, Inc. has completed application requirements for a request for the transfer of the operating permit for the Goble Quarry, Operating Permit No. 05-0031; and

WHEREAS, the Columbia County Surface Mining Administrator has reviewed the application and, on June 6, 2009, recommended approval of the transfer; and

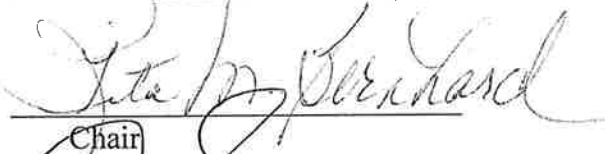
WHEREAS, the Board of County Commissioners considered said request for transfer at the their meeting on July 1, 2009 and provided an opportunity for the public to comment on the request; and

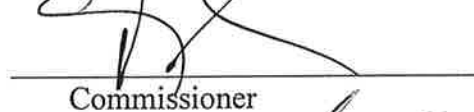
WHEREAS, no testimony was offered for or against the request;

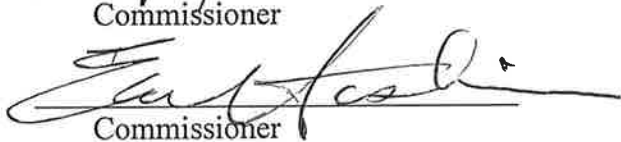
NOW, THEREFORE, IT IS HEREBY ORDERED that Surface Mining Operating Permit No. 05-0031 for the Goble Quarry is hereby transferred from the Pacific Cascade Resources to Kerr Contractors, Inc., P.O. Box 1060, Woodburn, Oregon 97071.

Dated this 1st day of July, 2009.

BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON


Chair


Commissioner


Commissioner

Approved as to Form

By: 
Office of County Counsel

BOARD COMMUNICATION
FROM THE LAND DEVELOPMENT SERVICES DEPARTMENT

MEETING DATE: July 1, 2009 Regular Meeting Consent Agenda

TO: BOARD OF COUNTY COMMISSIONERS

FROM: Todd Dugdale, Director of Land Development Services

SUBJECT: Surface Mining Permit #05-0031 Goble Quarry *Order # 1*
Request to Transfer Operating Permit
From Pacific Cascade Resources
To: Kerr Contractors, Inc

Hearing:
In the Matter of the
Transfer of Surface
Mining Operating Permit
No. 05-0031 from
Pacific Cascade Resources
to Kerr Contractors, Inc.

SUMMARY: A Surface Mining Operating Permit Transfer request has been received for Operating Permit No. #05-0031 for the Goble Quarry. The current permit holder is Pacific Cascade Resources. Kerr Contractors, Inc. has acquired the Goble Quarry site on a foreclosure sale. The new permittee will be:

Kerr Contractors, Inc

The new owner/permittee has submitted a completed permit transfer form, copy of the current reclamation plan and performance bond in the amount of \$38,500 as prescribed by the Surface Mining Administrator. The site is current on depletion fee payments.

FINANCIAL IMPACT: None

ATTACHMENTS:

1. Surface Mining Permit Transfer Form, Reclamation Plan, Deed and Reclamation Bond
2. Surface Mining Administrator's Recommendation
3. Board Order No. _____

REQUESTED ACTION/RECOMMENDATION:

The application for operating permit transfer has been reviewed by the Surface Mining Administrator. Staff recommends approval of the transfer of Operating Permit #05-0031 from Pacific Cascade Resources to Kerr Contractors, Inc.

SUGGESTED MOTION:

I move that both the Operating Permit #05-0031 be transferred to Kerr Contractors, Inc based on staff findings.

COLUMBIA COUNTY
LAND DEVELOPMENT SERVICES

COURTHOUSE
ST. HELENS, OREGON 97051
PHONE (503) 397-1501

SURFACE MINING PERMIT TRANSFER FORM

SITE INFORMATION:

ID NO.: 05-0031 SITE NAME: GOBLE QUARRY

LEGAL DESCRIPTION: TOWNSHIP 6N, RANGE 2W, SECTION 11

TAX LOT NO.: 900, 1503

NUMBER OF ACRES IN PERMIT: 62.35

CURRENT PERMITTEE

Name PACIFIC CASCADE RESOURCES
Address UNKNOWN
(BANKRUPT)
Phone _____

* NEW PERMITTEE

* Name KERR CONTRACTORS, INC.
* Address P.O. BOX 1060
* WOODBURN, OR. 97071
* Phone 971-216-0050

BONDING COMPANY _____ BOND AMOUNT: _____

The new permittee accepts all reclamation liability from the surface mining operation stated above, except any exempt ground mined prior to July 1, 1972. In addition, the permittee is responsible for reclamation of any new mining related disturbance conducted at the site. The new permittee will reclaim all lands subject to the reclamation plan and operation maps submitted to Columbia County. A copy of the current reclamation plan is required to be submitted with this transfer form. The reclamation plan for the site can be modified, however approval from the Columbia County Surface Mining Administrator is required. An original of the surety bond, assignment of deposit or letter of credit for the current bond requirement must be submitted with this form. All permit fees and regulatory fees must be current before the permit can be transferred.

NEW PERMITTEE NAME & TITLE: BRENT KERR, PRESIDENT

SIGNATURE: [Signature] DATE: 6-1-09

LANDOWNER: KERR CONTRACTORS, INC.

SIGNATURE: [Signature] DATE: 6-1-09

* Date Approved _____ *
* COLUMBIA COUNTY USE ONLY * *
* By _____ *

COLUMBIA COUNTY



OREGON

DEPARTMENT OF LAND DEVELOPMENT SERVICES

Columbia County Courthouse, St. Helens, Oregon 97051

Phone: (503)397-1501 Fax: (503)366-3902

BOND # 6643979

SURETY BOND TO CONDUCT MINING

For Surface Mining Operating Permit Issued to: Kerr Contractors, Inc.
Site Location: Section 11, T 6 N, R 2 W, SE 1/4, Tax Lots 900 & 1503, Columbia County, Oregon.
Permit # 05-0031

KNOW ALL MEN BY THESE PRESENTS:

That we, Kerr Contractors, Inc., P.O. Box 1060, Woodburn, OR. 97071, as principal and Safeco Insurance Company of America, 16505 SW 72nd Ave., Bldg. F, Portland, OR 97224, a corporation duly licensed to do business in the State of Oregon, as surety, being held and firmly bound unto Columbia County, political subdivision of the State of Oregon, to pay said County the sum of Thirty Eight Thousand Five Hundred and No/100 Dollars (\$38,500.00), lawful money of the United States, we bind ourselves and our legal representatives jointly and severally by these Presents.

DATED this 4th Day of June, 2009.

The condition of the above obligation is such that:

WHEREAS, the above principal is an applicant for a permit to conduct surface mining in Columbia County Pursuant to the Columbia county Surface Mining Ordinance.

WHEREAS, it is understood and agreed that the County may grant to principal extensions of time to complete his or her reclamation plan, said extensions being based upon causes beyond principal's control; and

WHEREAS, such extensions of time shall not cancel the bond but continue it in full force and effect for the period of such extension of time;

NOW THEREFORE, if the said principal shall faithfully perform the requirements of the reclamation plan filed with Columbia County, the terms and conditions of this operating permit, and the provisions of the Columbia County Surface Mining Ordinance, then this obligation shall be void; otherwise it will remain in full force and effect; provided that, if the surety elects to cancel this bond as to subsequent liability, surety must give written notice to the principal and to Columbia County at least thirty (30) days prior to the effective date of cancellation.

Kerr Contractors, Inc.
Principal

By: [Signature]
Brent Kerr
Title: President

Date: 6-5-09

By: _____
Title: _____
Date: _____

Safeco Insurance Company of America
Surety

By: [Signature]
Vicki Mather
Title: Attorney-in-Fact

Date: June 4, 2009

By: [Signature]
Title: Richard W. Kowalski, Agent/Witness to Surety
Date: June 4, 2009



POWER OF ATTORNEY

Safeco Insurance Company of America
General Insurance Company of America
1001 4th Avenue
Suite 1700
Seattle, WA 98154

No. 7521

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

*****GLORIA BRUNING; GENE M. DIETZMAN; JOEL A. DIETZMAN; J. PATRICK DOONEY; JAMES P. DOONEY; PHILIP O. FORKER; JOHN D. KLUMP; RICHARD W. KOWALSKI; VICKI MATHER; BRENT OLSON; RAY M. PAIEMENT; KAREN A. PIERCE; TAMARA A. RINGEISEN; Portland, Oregon*****

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 21st day of March, 2009

Dexter R. Legg (handwritten signature)

TAMIKOLAJEWSKI (handwritten signature)

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 4th day of June, 2009



Dexter R. Legg (handwritten signature)

Dexter R. Legg, Secretary

GOBLE QUARRY

Article VI Reclamation Plan

OPERATING PERMIT 05-0031

Section 6.1.

1. Present Use:

Forestry-Area logged by previous ownership and never replanted only volunteer regrowth on site.

Current zoning PF-76 (Forestry) with a conditional use permit #CU 35-91 granted by Columbia County. Contained in the Conditional Use Permit is verbiage allowing for surface mining.

2. Preservation of materials is planned to enhance the replanting to forestry.

Use: Volunteer Alder Trees will likely be the dominant species with plantings of Douglas Fir strategically placed over the completed area.

Very little overburden is available on the property and will be used to protect the pond areas or to use as a finish cover.

3. No toxic materials planned to be on site.

4. None

5. The storage of overburden does not possess a problem as there is very little.

The probable process would be to windrow the loose overburden to the outside edges of an area being mined to minimize the exposure and prolong the vegetative growth.

6. Refer to Section 5 above.

7. Protection of adjacent property: The area along the existing quarry wall is to be mined down to the existing floor to prevent a narrow ridge.

Along Forest Park Road a required set back and buffer strip are planned. In some areas along Forest Park Road planting has begun to allow ample growth before the mines progress reaches the area. The neighbors across the road have been given a choice as to the type of trees preferred along the road and in the buffer area.

Remaining areas of ownership within the mine area are that of Goble Quarry Inc.

8. No stream channels exist on the mine property. In the areas of drainage, catch dams will be developed to filter out any sediment.

The ponds will not be used for drainage or have any participation in mining process. Water run off is not expected to be a major concern.

9. Ground water should be on little concern. Drill logs from adjacent quarry operations do not indicate ground water problems.

No settling ponds or wash-ponds are planned.

10. The time schedule would likely be a slow process as the rock is deep and the volume per acre is substantial. The original mine area is narrow and will be used as a crusher pad for several years, however reclamation is a continual process with planting of trees in any completed areas.

This is an ongoing operation and reasonable judgment should be used at all times.

11. Stabilization of the final slopes is simplified as they are rock solid. The reclaimed final surface is planned to allow for safety and revegetation, a 1 to 1 slope with a safety berm on top. The entire slope is planned with vegetation for erosion control and aesthetics. The subsequent use is Forestry land all efforts are channeled in that direction.

12. This section has been referred to in several previous sections and the answers are accumulative.

13. The quarry is well drained because of the natural elevation, stagnant water should not be a concern.

14. Does not apply - No inwater activity.

15. Visual screening has been maintained throughout the planning process. Areas along the public road are planned to have trees in the setback area mostly Douglas fir and some flowering species such a Lilacs.

In the area of the section line and Nicolai Road a large berm covered with grass mulch is planned.

16. When leaving the mine area all appropriate measures will be taken to properly clean the site.

Portable crushing equipment is planned and no permanent structures are planned other then an office and fire pump.

17. All activities and planning are and will be considerate of the subsequent use.

18. Cross sectional map included.

19. No discharge of contaminants is expected.

Disposal of surface mining refuse to be in the appropriate manner or within the scope of the law.

All Air, Water and Noise standards will be adhered to and proper permitting will be sought.

*73809-379 TICOR TITLE

COLUMBIA COUNTY, OREGON 2009-003348
DEED-D 04/06/2009 11:53:01 AM
Cnt=1 Pgs=4 HUSERB Total:\$48.00
\$20.00 \$11.00 \$5.00 \$10.00



I, Elizabeth E. Huser, County Clerk for Columbia County, Oregon
certify that the instrument identified herein was recorded in the Clerk
records
Elizabeth E Huser - County Clerk

AFTER RECORDING RETURN TO:
Kerr Contractors, Inc
10910 Hwy 240
Yamhill, Oregon 97148

MAIL ALL TAX STATEMENTS TO:
Kerr Contractors, Inc.
10910 Hwy 240
Yamhill, Oregon 97148

STATUTORY BARGAIN AND SALE DEED

West Coast Bank, a corporation duly organized and existing under the laws of the state of Oregon, "*Grantor*," for and in consideration of **Two Hundred Fifty Thousand and NO/100 DOLLARS (\$250,000.00)**, in hand paid conveys to Kerr Contractors, Inc "*Grantee*," the following described real property situated in the County of Columbia, State of Oregon:

Legal Description:

See attached "**Exhibit One**"

Also known as: Assessor's Property Tax Parcel/Account Number(s):

Map No 0305 6N2W11-00-00900, Account No 19301;

Map No. 0305 6N2W11-00-01100 Account No. 19303;

Map No. 0305 6N2W11-00-01503 Account No. 19310;

Map No. 0305 6N2W11-AA-00600 Account No 19316.

SUBJECT TO: EASEMENTS, RESTRICTIONS, RESERVATIONS, COVENANTS, CONDITIONS, MINERAL RESERVATIONS AND AGREEMENTS OF RECORD AS DESCRIBED IN THE PRELIMINARY TITLE REPORT ISSUED BY TICOR TITLE INSURANCE COMPANY DATED MARCH 2ND, 2009 ORDER NO. 73809000379.

AS IS Condition:

By recordation of this deed, Grantee hereby acknowledges and agrees the property is accepted on the basis of Grantee's examination of the property and that Grantor has made no representations or warranties expressed or implied as to the property or the improvements or fixtures thereon or appurtenances thereto or their conditions or fitness for use. Grantee accepts the property and any improvements or fixtures thereon and appurtenances thereto "AS IS", that is with all defects, if any, "WHERE IS" and without any warranty, expressed or implied as to the condition, repair, acreage or value of said property. Grantor and Grantor's agents have made no promises to repair or alter the property or any improvements.

Without limiting the generality of the foregoing, Grantor makes no warranty or representation expressed or implied with regard to the presence of hazardous substances or toxic waste on the premises or the presence or absence of asbestos in the construction of the improvements on the premises.

All obligations, representations or agreements in any earnest money agreement, sale agreement or any other agreement, whether collateral or direct, written or verbal, express or implied, are hereby merged into this deed and are deemed satisfied, performed and extinguished.

Oregon Notice:

The following is the notice required by Oregon Law. "THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30 930"

Dated this 1st day of April 2009.

West Coast Bank

By *Tom Provancha*
Tom Provancha, Senior Vice President

{State of Oregon
{County of Clackamas

This instrument was acknowledged before me on April 1st, 2009 by Tom Provancha of West Coast Bank as Senior Vice President.



Seal:

Kaco Hallmark
Notary Public for *State of Oregon*
My Commission Expires *March 17, 2013*

EXHIBIT "ONE"

Parcel 1: The Northeast quarter of the Southeast quarter and that part of the South half of the Northwest quarter of the Southeast quarter of Section 11, Township 6 North, Range 2 West, Willamette Meridian, Columbia County, Oregon, lying West of that certain road described in deed from Frances J. Fowler and G. C. Fowler to George W. Makinster recorded February 19, 1931, in Book 52, page 348, Deed Records of Columbia County, Oregon, and East of the O. J. Thomas County Road as located and existing in 1961.

Parcel 2: That part of the North half of the South half of the Southeast quarter of Section 11, Township 6 North, Range 2 West, Willamette Meridian, Columbia County, Oregon, lying West of the center of Goble Creek and East of the O. J. Thomas County Road as located and existing in 1961.

Parcel 3: That portion of the North half of the South half of the Southeast quarter of Section 11, Township 6 North, Range 2 West, Willamette Meridian, Columbia County, Oregon, lying East of the center of Goble Creek. EXCEPTING THEREFROM that tract described in deed to Portland General Electric Company, recorded August 8, 1976 in Book 202, page 126, Deed Records of Columbia County, Oregon.

TOGETHER with an easement for ingress and egress as created by General Judgment Decree recorded April 5, 2005 as Fee Number 05-04526, Records of Columbia County, Oregon and as filed in Columbia County Circuit Court Case Number 04-2242 filed March 30, 2005

Parcel 4: The South half of the South half of the Southeast quarter of Section 11, Township 6 North, Range 2 West of the Willamette Meridian, Columbia County, Oregon, EXCEPTING THEREFROM the following described tracts:

A. Tract conveyed to Columbia County by deed recorded March 9, 1928 in Book 46, Page 96, Deed Records of Columbia County, Oregon.

B. Tract conveyed to School District No. 20, by Deed recorded June 5, 1952 in Book 115, Page 63, Deed Records of Columbia County, Oregon.

C. Tract conveyed to George R. Hyde et ux, by Deed recorded April 25, 1986 in Book 181, Page 469, Deed Records of Columbia County, Oregon. D. Tract conveyed to Bonnie Arnold by Deed Recorded November 23, 1970 in Book 179, Page 562 and 563, Deed Records of Columbia County, Oregon.

E. Tract conveyed to Perry M. Olson in Deed recorded November 6, 1985 in Book 259, Page 648 Deed Records of Columbia County, Oregon.

F. Also excepting and reserving unto the Grantor the following described parcel, to-wit: Beginning at the Southeast corner of that tract of land conveyed to Portland General Electric Company by Deed August 6, 1976 and recorded in Book 202, Page 126, Deed Records of Columbia County, Oregon; thence South $3^{\circ} 00' 51''$ West along a Southerly projection of the East line of said PGE Company tract to a point on the Northerly right of way of County Road No. P-243 (Goble-Shiloh Basin Road); thence Northwesterly along the North right of way of said County Road to an iron rod, said iron rod being at the most Southerly corner of that tract of land quitclaimed and released from the County of Columbia to PGE Company by Quitclaim Deed dated December 24, 1975 and recorded January 13, 1976 in Book 204, Page 183, Deed Records of Columbia County, Oregon; thence, tracing the Southerly boundary of the last aforesaid tract, North $49^{\circ} 51' 30''$ West 164.10 feet to the most Westerly corner thereof; thence, continuing on the Northerly boundary of Thomas Road No. P-6, North $49^{\circ} 51' 30''$ West 6.28 feet to a 5/8 inch iron rod at an angle point of said road; thence, tracing the Northerly boundary of said road, North $84^{\circ} 29' 10''$ West 138.47 feet to a 5/8 inch iron rod; thence, tracing a Southerly extension of the Westerly line of tract as described in aforesaid Book 202, Page 126, Deed Records of Columbia County, Oregon, North $9^{\circ} 00' 51''$ East 51.38 feet to the Southwest corner thereof; thence, tracing the Southerly

line of aforesaid tract South 86° 59' 08" East 628.04 feet to the place of beginning

Parcel 5: That part of the Northeast quarter of the Northeast quarter of Section 11, Township 6 North, Range 2 West Willamette Meridian, Columbia County, Oregon, described as follows:

Beginning at the corner common to Sections 1, 2, 11 and 12, said township and range; thence West on the line between Sections 2 and 11 a distance of 495 feet to the East line of Nelson's Addition to Near City Cemetery recorded in Plat Book 2, page 97, Records of Columbia County, Oregon; thence South on the East line of said Plat a distance of 44 feet to the Southwest corner of the second tract conveyed to William S. McGregor et ux by deed recorded in Book R, page 388, Deed Records of Columbia County, Oregon, which is the true point of beginning; thence continuing South on the East line of said Plat to the Southeast corner thereof; thence West on the South line thereof 108 feet, more or less, to the West line of the tract conveyed to Michael Dean Near by deed recorded in Book 20, page 547, Deed Records of Columbia County, Oregon; thence South on said West line 1216 feet, more or less, to its intersection with the South line of the Northeast quarter of Section 11; thence East along the South line of said Northeast quarter of Northeast quarter of Section 11 a distance of 603.9 feet to the line between Sections 11 and 12; thence North along said Section line 658 feet, more or less, to the Southeast corner of a tract of land heretofore conveyed to Geo. Fowler; thence West along the South line of said Fowler tract 330 feet to the Southwest corner of said Fowler tract; thence North along the West line of said Fowler tract 284 feet to the Northwest corner of said Fowler tract; thence East along the North line of said Fowler tract 231 feet; thence North 20 feet to the South line of the Monroe tract; thence West along the South line of the said Monroe tract 181 feet to the Southwest corner of said Monroe tract; thence North along the West line of the said Monroe tract 330 feet, more or less, to the Northwest corner of said Monroe tract; thence West along the South line of the McGregor tract 215 feet to the true point of beginning. EXCEPTING therefrom tract conveyed to Columbia County, Oregon by deed recorded November 7, 1928 in Book 46, page 454 Deed Records of Columbia County, Oregon

EXCEPTING THEREFROM the following described parcel:
That part of the Northeast quarter of the Northeast quarter of Section 11, Township 6 North, Range 2 West Willamette Meridian, Columbia County, Oregon, described as follows:

Beginning at the corner common to Sections 1, 2, 11 and 12, said township and range; thence West on the line between Sections 2 and 11 a distance of 495.00 feet to the East line of Nelson's Addition to Near City Cemetery recorded in Plat Book 2, page 97, Records of Columbia County, Oregon; thence South on the East line of said Plat a distance of 44.00 feet to the Southwest corner of the second tract conveyed to William S. McGregor et ux by deed recorded in Book R, page 388, Deed Records of Columbia County, Oregon, which is the True Point of Beginning; thence continuing South on the East line of said Plat to the Southeast corner thereof; thence West on the South line thereof 108.00 feet, more or less, to the West line of the tract conveyed to Michael Dean Near by deed recorded in Book 20, page 547, Deed Records of Columbia County, Oregon; thence South on said West line 210.00 feet, more or less, to its intersection with the Northerly right of way line of J.F. Terry Road No. P-143; thence Southeasterly along said Northerly right-of-way line a distance of 330.00 feet, more or less, to the Southwest corner of the Gerald R. Godsey and Cindy K. Godsey tract as described in Instrument No. 91-06517; thence North along the West line of the said Godsey tract 330.00 feet, more or less, to the Northwest corner of said Godsey tract; thence West along the South line of the McGregor tract 215.00 feet to the True Point of Beginning

From: "Robert D. Brinkmann" <Robert.D.Brinkmann@mlrr.oregongeology.com>
To: "Todd Dugdale" <DugdallT@co.columbia.or.us>
Date: 6/9/2009 5:48 PM
Subject: Goble and Neer City permit transfers: 05-0031, 0074

Todd, I reviewed the permit transfer materials you faxed for the above and everything looks acceptable to allow the transfer for both permits. Thanks

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON**

In the Matter of the Transfer of the)
Operating Permit Permit #05-0031)
from Pacific Cascade Resources to)
Kerr Contractors, Inc)

ORDER NO. _____

WHEREAS, Kerr Contractors, Inc has completed application requirements for a request for the transfer of the operating permit for the Goble Quarry, Operating Permit #05-0031, and

WHEREAS, the Columbia County Surface Mining Administrator has reviewed the application and, on June 6, 2009, recommended approval of the transfer.

WHEREAS, the Board of County Commissioners considered said request for transfer at the their meeting on July 1, 2009 and provided an opportunity for the public to comment on the request, and

WHEREAS, no testimony was offered for or against the request,

IT IS HEREBY ORDERED that Operating Permit #05-0031 for the Goble Quarry is hereby transferred from the Pacific Cascade Resources to Kerr Contractors, Inc, P.O. Box 1060, Woodburn, Oregon 97071.

BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

Approved as to Form

Chairman

County Counsel

Commissioner

Commissioner

COLUMBIA COUNTY



OREGON

DEPARTMENT OF LAND DEVELOPMENT SERVICES

Columbia County Courthouse, St. Helens, Oregon 97051

Phone: (503)397-1501 Fax: (503)366-3902

BOND # 6643979

SURETY BOND TO CONDUCT MINING

For Surface Mining Operating Permit Issued to: Kerr Contractors, Inc.
Site Location: Section 11, T 6 N, R 2 W, SE 1/4, Tax Lots 900 & 1503, Columbia County, Oregon.
Permit # 05-0031

KNOW ALL MEN BY THESE PRESENTS:

That we, Kerr Contractors, Inc., P.O. Box 1060, Woodburn, OR. 97071, as principal and Safeco Insurance Company of America, 16505 SW 72nd Ave., Bldg. F, Portland, OR 97224, a corporation duly licensed to do business in the State of Oregon, as surety, being held and firmly bound unto Columbia County, political subdivision of the State of Oregon, to pay said County the sum of Thirty Eight Thousand Five Hundred and No/100 Dollars (\$38,500.00), lawful money of the United States, we bind ourselves and our legal representatives jointly and severally by these Presents.

DATED this 4th Day of June, 2009.

The condition of the above obligation is such that:

WHEREAS, the above principal is an applicant for a permit to conduct surface mining in Columbia County Pursuant to the Columbia county Surface Mining Ordinance.

WHEREAS, it is understood and agreed that the County may grant to principal extensions of time to complete his or her reclamation plan, said extensions being based upon causes beyond principal's control; and

WHEREAS, such extensions of time shall not cancel the bond but continue it in full force and effect for the period of such extension of time;

NOW THEREFORE, if the said principal shall faithfully perform the requirements of the reclamation plan filed with Columbia County, the terms and conditions of this operating permit, and the provisions of the Columbia County Surface Mining Ordinance, then this obligation shall be void; otherwise it will remain in full force and effect; provided that, if the surety elects to cancel this bond as to subsequent liability, surety must give written notice to the principal and to Columbia County at least thirty (30) days prior to the effective date of cancellation.

Kerr Contractors, Inc.
Principal

By: [Signature]
Brent Kerr
Title: President
Date: 6-5-09

Title: _____
Date: _____

Safeco Insurance Company of America
Surety

By: [Signature]
Vicki Mather
Title: Attorney-in-Fact
Date: June 4, 2009

By: [Signature]
Title: Richard W. Kowalski, Agent/Witness to Surety
Date: June 4, 2009



POWER OF ATTORNEY

Safeco Insurance Company of America
General Insurance Company of America
1001 4th Avenue
Suite 1700
Seattle, WA 98154

No. 7521

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

*****GLORIA BRUNING; GENE M. DIETZMAN; JOEL A. DIETZMAN; J. PATRICK DOONEY; JAMES P. DOONEY; PHILIP O. FORKER; JOHN D. KLUMP; RICHARD W. KOWALSKI; VICKI MATHER; BRENT OLSON; RAY M. PAIEMENT; KAREN A. PIERCE; TAMARA A. RINGEISEN; Portland, Oregon*****

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 21st day of March 2009

Dexter R. Legg (signature)

T. Mikolajewski (signature)

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 4th day of June 2009



Dexter R. Legg (signature)

Dexter R. Legg, Secretary