APPENDIX B

STEWARDSHIP CONTRACT TIMBER REMOVAL SPECIFICATIONS

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APPENDIX B

PROJECT NAME: Boulder Biomass

UNIT: Tiller RD, Umpqua NF

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Division A

Location and Area:

Section 34, T.28 S., R. 1 W.; and Sections 7, 8, 10, 11, 14, 16, and 17, T.29 S., R. 1 W., W.M., surveyed,

This Contract Area of 81 acres more or less is located in: Douglas County, Oregon.

Volume Estimate and U	tilization St	andards							
					Minimu	um Specifications			
				Merchantable Tree		Piece Required to be Removed			
				Diameter	Number		Diameter		
				Breast	of		Inside	Net Scale	
				High	Minimum		Bark at	in % of	
				(d.b.h.)	Pieces	Length	Small End	Gross	
		Estimated	Unit of		per Tree			Scale	
Species Group	Product	Quantity	Measure	(inches)		(feet)	(inches)		
Douglas-fir and Other Coniferous Species	Sawtimber	1,342	Ton	8	1	12	6	40	
Timber Subject to Agree	ement								
All	Non- sawtimber /Biomass	Unestimated	d Ton	-	-	-	-	-	
Total Quantity		1,342							

Timber Designations, acres are approximate:

Clearcutting Units (C.3.1)

Overstory Removal Units (C.3.3)

Understory Removal Units (C.3.4)

Individual Trees (C.3.5)

Incompletely Measured (C.3)

Designation by Description or Prescription

Number

Acres

Number

4 39

High Stumps

Species	Product	Maximum Stump Height (inches)
All	All	12

Scaling Instructions and Specifications

Name and Date of Governing Instructions: FSH 2409.11a, National Forest Cubic Log Scaling Handbook, as amended and supplemented.

Scaling Specifications					
		Maximum	Trim Allowance		
Species	Product	Scaling Length <i>(feet)</i>	Diameter Range (inches)	Length Range <i>(feet)</i>	Trim Allowance <i>(inches)</i>
Douglas-fir and Other Coniferous Species	Sawtimber	20	5-8	8-20	6

Unit of Measure	Site and Geographic Location	Method	Standard Estimated Cost per Unit \$
Ton	Contractor shall request a scaling site per G.8.1.1 which	Total (100%) Weight	\$0.84
	meets the requirements in G.8.1.4.	Scale	

APPLICABLE REGIONAL CLAUSES MAY BE ADDED

UNITED STATES DEPARTMENT OF AGRICULTURE Forest Service

TIMBER REMOVAL SPECIFICATIONS

CLAUSES FOR SCALED TIMBER REMOVAL CONTRACTS
(Applicable to Contracts to be Measured After Felling)

This Division is organized into Parts, Sections, Subsections, and Items. These are numbered in accordance with the following scheme: Part Bl.0, Section Bl.1, Subsection Bl.11, and Item Bl.111. References to a Part include all Sections, Subsections, and Items within that Part; references to a Section include all Subsections and Items within that Section; and references to a Subsection include all Items within that Subsection. Cross references within this contract cite the reference number of the applicable Division, Part, Section, Subsection, and Item. Descriptive headings used are not to be considered in determining the rights and obligations of the parties hereunder. The Standard Clauses in this Division are subject to Specific Conditions of the contract stated in Division A. Wherever appropriate, Specific Conditions established in Division A are herein cited by reference number. References to Standard Clauses also apply to Special K Clauses with the same numbers. These clauses are applicable only to the timber removal portion of the Boulder Biomass Stewardship Contract except where otherwise specifically referenced.

B.0—CONTRACT AREA

B.1 Contract Area Map. The boundaries of "Contract Area" and any subdivision thereof are as shown on the attached "Contract Area Map," which is made a part hereof, and were, before advertisement, designated on the ground by Forest Service to meet the anticipated needs of the parties. The location of the Contract Area and its approximate acreage are stated in Division A. Contract Area may be revised and additional ones may be established only by written agreement. Where applicable, the following are also identified on Contract Area Map:

- (a) Identified claims limiting Contractor's rights;
- (b) Subdivisions defined where timber is to be Measured or Marked after date of advertisement;
- (c) Boundaries of cutting units;
- (d) Areas where leave trees are Marked to be left uncut;
- (e) Roads listed
- (f) Sources of base course, rock riprap and surface rock;
- (g) Roads where log hauling is prohibited or restricted;
- (h) Roads and trails to be kept open;
- (i) Improvements to be protected;
- (j) Locations of known historical sites;
- (k) Maximum stump heights when more than one height is listed by areas;
- (I) Skidding or yarding methods specified;
- (m) Streamcourses to be protected; and
- (n) Other features required by Parts A through K.

B.2 Claims. Valid claims are excluded from Contract Area, except those on which timber cutting is authorized in writing by the claimant and except mining claims on which cutting is authorized by the Act of July 23, 1955 (30 USC 614). Claims that limit Contractor's rights to operate under this contract and that Forest Service has been able to identify are shown on Contract Area Map. Contractor is not obligated to operate contrary to existing claim limitations. Forest Service shall designate boundaries of claims on the ground to the extent necessary to identify Included Timber.

C.0—TIMBER SPECIFICATIONS

- C.1 Included Timber. "Included Timber" consists of:
- C.1.1 Standard Timber. Live and dead trees and portions thereof that meet Utilization Standards and are designated for cutting.

C.1.2 Substandard Timber. Live and dead trees that:

- (a) Do not meet Utilization Standards and
- (b) Are located in Clearcutting Units or construction clearings or are otherwise designated for cutting.

C.1.3 Damaged Timber.

- **C.1.3.1 Damaged by Contractor.** Undesignated live trees meeting Utilization Standards (a) within 200 feet slope distance from centerline of roads constructed hereunder which are damaged by Contractor's construction to the extent that considerable deterioration or mortality is imminent and are designated by Forest Service for felling before the nearest road segment is substantially completed; or (b) which are damaged by Contractor in logging and are subsequently Marked before Contractor has completed skidding or yarding operations in the immediate area. By agreement, such trees may be left without charge if their removal would cause undue damage or be grossly uneconomic.
- **C.1.3.2 Negligent or Willful Damage.** Undesignated timber meeting Utilization Standards and unnecessarily damaged or negligently or willfully cut by Contractor, if included by Forest Service.
- **C.1.3.4 Minor Damage by Natural Causes.** Undesignated trees within Contract Area and meeting Utilization Standards, that become insect infested, windthrown, suffer serious damage, or die, as designated by agreement.
- **C.1.4 Unintentionally Cut Timber.** Live trees, within or immediately adjacent to Contract Area or to road construction or other authorized clearing outside Contract Area, not designated for cutting but that are cut through mistake by Contractor, when included by Forest Service.
- C.1.5 Construction Timber. Trees to be used for construction under this contract.
- C.1.6 Other Material. Species or products not listed in the contract, upon written approval of Forest Service.
- **C.2 Utilization and Removal of Included Timber.** "Utilization Standards" for trees and minimum pieces are stated in Division A. To meet minimum tree specifications, trees must equal or exceed tree diameters listed in Division A and contain at least one minimum piece. Except for timber required or authorized to be left, Contractor shall fell and buck such trees and shall remove from Contract Area all pieces that:
- (a) Meet minimum piece standards in Division A or,
- (b) Do not meet such standards, but would have qualified as part of minimum pieces if bucking lengths were varied to include such material.
- **C.3 Timber Designations.** Timber designated for cutting shall be confined to Contract Area, except as otherwise provided. Contract Area Map indicates subdivisions, if any, where Marking is to be done after advertisement, except for construction clearing, minor changes, and damaged timber. The boundaries of cutting units were plainly marked on ground before advertisement and are shown on Contract Area Map. The number of units and approximate acreage of timber designations are stated in Division A.
- C.3.1 Clearcutting Units. All trees that meet Utilization Standards within "Clearcutting Units" are designated for cutting.
- **C.3.2 Construction Clearing.** All timber is designated for cutting that is within the clearing limits of roads constructed hereunder or is in other authorized clearings. All dead or unstable live trees are designated for cutting that are sufficiently tall to reach Contractor's landings, work areas, or the roadbed of Specified and Temporary Roads when Marked in advance of work in the immediate area. Pieces meeting Utilization Standards from such dead or un-stable live trees shall be removed, unless there is agreement that to do so could damage the road. Such designation may be revised as part of agreed changes in road locations.
- **C.3.2.2 Other Authorized Clearings.** Timber within authorized clearings for Temporary Roads, landings, or other construction clearings is designated for cutting. Quantities of such timber are not included in Division A.
- **C.3.3 Overstory Removal Units**. All trees within "Overstory Removal Units" are designated for cutting when they meet Utilization Standards and equal or exceed the diameter limits shown on Contract Area Map.
- **C.3.4 Understory Removal Units.** All trees within "Understory Removal Units" are designated for cutting when they meet Utilization Standards and are smaller than the diameter limits shown on Contract Area Map.
- **C.3.5 Individual Trees.** All trees to be cut, other than in the units described in C.3.1, C.3.2, C.3.3, and C.3.4, are Marked or designated by description. Trees are "Marked" when individually designated by Forest Service with paint marks above and below stump height. Contract Area Map indicates areas plainly identified on the ground where leave trees are Marked to be left uncut.
- **C.37 Minor Changes.** Within Contract Area, minor adjustments may be made in boundaries of cutting units or in the timber individually Marked for cutting when acceptable to Contractor and Forest Service.
- **C.4 Volume Estimate.** The estimated volumes of timber by species designated for cutting and expected to be cut under Utilization Standards are listed in Division A. The estimated volumes stated are not to be construed as guarantees or limitations of the timber volumes to be designated for cutting under the terms of this contract.

D.0—RATES OF PAYMENT

D.1 Current Contract Rates. Included Timber that is Released for Cutting shall be paid for at Current Contract Rates determined under this Section. "Current Contract Rates" shall be Flat Rates. Flat Rates shall be those listed in Division AT and B2 of the Schedule of Items. In the event contract time is adjusted, Current Contract Rates shall be continued in the same manner as immediately prior to the adjustment period.

D.4 Other Payment Rates.

- **D.4.1 Material and Quantities Not in Division A.** Incidental amounts of products or portions of trees of species that do not meet Utilization Standards may be removed without charge. Such material from Clearcutting Units and construction clearings may be purposely removed in more than incidental amounts without charge subject to agreement on deposits for road maintenance and use. Such material from other than Clearcutting Units and construction clearings may be purposely removed in more than incidental amounts without charge upon written approval of Contracting Officer, and subject to agreement on deposits if needed for road maintenance and use. Other species or products not listed may, upon written approval of Contracting Officer, be cut and removed without charge other than Required Deposits established by agreement. Timber for which the quantity is not included in the estimate, shall be paid for at Current Contract Rates and Required Deposits.
- **D.4.2 Timber Cut Through Mistake.** Undesignated timber meeting Utilization Standards, cut by Contractor through mistake and included by the Forest Service, shall be removed and paid for at Current Contract Rates, unless such material is not listed. In such event, Forest Service, in accord with standard Forest Service methods, shall establish rates to be paid.
- **D.4.2.1 Designated Timber Cut But Not Removed.** Standard timber shall be removed prior to acceptance of a Payment Unit for completion of logging. There shall be no charge when (a) leaving the incidental material is justified under existing conditions, or (b) Cut timber is left by option or requirement.
- **D.4.3 Undesignated Timber Damaged Without Negligence.** Undesignated timber meeting Utilization Standards, damaged without negligence by Contractor and designated by Forest Service, shall be cut, removed, and paid for at Current Contract Rates.
- **D.4.4 Undesignated Timber Unnecessarily Damaged or Negligently or Willfully Cut.** Undesignated timber meeting Utilization Standards and unnecessarily damaged or negligently or willfully cut by Contractor, if included by Forest Service shall be cut, removed, and paid for at Current Contract Rates that are in addition to liquidated damages. If such timber is of a species or size not listed in Division A or is of a quality different from designated timber, Contracting Officer shall establish payment rates in accord with standard Forest Service methods.
- **D.4.5 Liquidated Damages.** Unnecessary damage to or negligent or willful cutting of undesignated timber, on portions of Contract Area cut over under this contract is likely to cause substantial silvicultural or other damage to the National Forest. It will be difficult, if not impossible, to determine the amount of such damage. Therefore, Contractor shall pay as fixed, agreed, and liquidated damages an amount equivalent to the amount payable at Current Contract Rates. If designated by the Forest Service, Contractor shall remove such damaged timber.
- **D.4.7 Defect Caused by Abnormal Delay.** Scaling deductions made for rot, check, or other defect resulting from abnormal delay in Scaling caused by Contractor shall be recorded separately and charged to Integrated Resource Account at Current Contract Rates and applicable deposits.

E.0—PAYMENTS

- **E.1 Amount Payable for Timber.** Current Contract Rates and Required Deposits in effect when the timber is Scaled shall be applied to the Scaled volume to determine the amount Contractor shall pay.
- **E.2 Integrated Resource Account.** "Integrated Resource Account" is an account of all Contractor's deposits, credits, payment guarantees, and the charges for:
- (a) Timber at Current Contract Rates,
- (b) Slash disposal and road maintenance at Required Deposit rates,
- (c) Cooperative work at rates established by specific agreement,
- (d) Other charges provided in this contract.
- Cash deposits and Stewardship Credits shall be recorded currently in such account. Charges for timber cut shall be made when Forest Service prepares and furnishes to Contractor periodic statements of quantity and value of such timber. Charges against Stewardship Credits shall be limited to timber value in excess of Base Rates and Required Deposits.

APPENDIX B

PROJECT NAME: Boulder Biomass

G.0—OPERATIONS

- **G.4 Conduct of Logging.** Unless otherwise specifically provided herein, Contractor shall fell trees designated for cutting and shall remove the portions which meet Utilization Standards, except for occasional trees inadvertently not cut or trees or pieces not removed for good reason, including possible damage to forest resources or gross economic impracticability at the time of removal of other timber. Logging shall be conducted in accordance with the following, unless other clauses set forth requirements to meet special or unusual logging conditions:
- **G.4.1 Felling and Bucking.** Felling shall be done to minimize breakage of Included Timber and damage to residual timber. Unless agreed otherwise, felling shall be done by saws or shears. Bucking shall be done to permit removal of all minimum pieces set forth in Division A. Contractor may buck out cull material when necessary to produce pieces meeting Utilization Standards. Such bucked out material shall contain a minimum amount of sound wood, not in excess of the net Measure in percentage of gross Measure, or based on the merchantability factor, whichever is stated in Division A. If necessary to assess extent of defect, Contractor shall make sample saw cuts or wedges.
- **G.4.1.1 Felling in Clearings**. Insofar as ground conditions, tree lean and shape of clearings permit, trees shall be felled so that their tops do not extend outside construction clearings and areas of regeneration cutting.
- **G.4.1.2 Stump Heights.** Stumps shall not exceed, on the side adjacent to the highest ground, the maximum heights set forth in Division A, except that occasional stumps of greater heights shall be acceptable when necessary for safe and efficient conduct of logging. Except for acceptable high stumps stated above, Contractor shall re-cut high stumps so they will not exceed heights specified in Division A and shall dispose of severed portions in the same manner as other logging debris or as otherwise agreed. The stump heights shown in Division A were selected with the objective of maximum reasonable utilization of the timber unless Contract Area Map shows special areas where stump heights are lower for aesthetic, land treatment or silvicultural reasons.
- **G.4.1.3 Limbing.** When Forest Service determines it is necessary to minimize damage to the residual stand during skidding, Contractor shall cut exposed limbs from products prior to skidding. Contractor may leave uncut those limbs that cannot be cut with reasonable safety.
- **G.4.2 Skidding and Yarding**. Methods of skidding or yarding specified for particular areas, if any, are indicated on Contract Area Map. Outside Clearcutting Units and construction clearings, insofar as ground conditions permit, products shall not be skidded against reserve trees or groups of reproduction and tractors shall be equipped with a winch to facilitate skidding.
- G.4.2.1 Rigging. Insofar as practicable, needed rigging shall be slung on stumps or trees designated for cutting.
- **G.4.2.2 Landings and Skid Trails.** Location of all landings, tractor roads, and skid trails shall be agreed upon prior to their construction. The cleared or excavated size of landings shall not exceed that needed for efficient skidding and loading operations.
- G.4.2.3 Skidding on Roads. Products may be skidded on permanent roads authorized for hauling only by prior written agreement.
- **G.4.2.4 Arches and Dozer Blades.** Skidding tractors equipped with pull-type arches or dozer blades wider than tractor width or C-frame width, whichever is greater, shall not be used in residual timber outside Clearcutting Units and other authorized clearings, except on constructed tractor roads or landings, unless there is written agreement that residual timber will not be damaged materially by such use.
- **G.6.3 Temporary Roads.** As necessary to attain stabilization of roadbed and fill slopes of Temporary Roads, Contractor shall employ such measures as outsloping, drainage dips, and water-spreading ditches.
- After a Temporary Road has served Contractor's purpose, Contractor shall give notice to Forest Service and shall remove bridges and culverts, eliminate ditches, outslope roadbed, remove ruts and berms, effectively block the road to normal vehicular traffic where feasible under existing terrain conditions, and build cross ditches and water bars, as staked or otherwise marked on the ground by Forest Service. When bridges and culverts are removed, associated fills shall also be removed to the extent necessary to permit normal maximum flow of water.
- **G.6.4 Landings.** After landings have served Contractor's purpose, Contractor shall ditch and slope them to permit water to drain or spread. Unless agreed otherwise, cut and fill banks around landings shall be sloped to remove overhangs and otherwise minimize erosion.
- G.6.5 Skid Trails and Fire Lines. Contractor shall construct cross ditches and water-spreading ditches on tractor roads and skid trails, where staked or otherwise marked on the ground by Forest Service. Forest Service shall designate cross ditching on Contractor-built

fire lines prior to or during construction. By agreement, Contractor may use other comparable erosion control measures, such as backblading skid trails, in lieu of cross ditching.

G.6.6 Current Operating Areas. Where logging, road construction, or other stewardship project work is in progress but not completed, unless agreed otherwise, Contractor shall, before operations cease annually, remove all temporary log culverts and construct temporary cross drains, drainage ditches, dips, berms, culverts, or other facilities needed to control erosion.

Such protection shall be provided, prior to end of <u>October</u>, for all disturbed, unprotected ground that is not to be disturbed further prior to end of operations each year, including roads and associated fills, tractor roads, skid trails, and fire lines. When weather permits operations during <u>Nov.1 – May 1, inclusive</u> Contractor shall keep such work on any additional disturbed areas as up to date as practicable.

- **G.6.7 Erosion Control Structure Maintenance.** During the period of this contract, Contractor shall provide maintenance of soil erosion control structures constructed by Contractor until they become stabilized, but not for more than 1 year after their construction. Contractor shall not be responsible for repair of such structures damaged by other National Forest users whose activities are not a part of Contractor's Operations.
- **G.7 Slash Disposal.** Contractor's timing of product removal and preparatory work shall not unnecessarily delay slash disposal. Specific slash disposal measures to be employed by Contractor are stated in K-G.7 and are in addition to Required Deposits for slash disposal.
- G.8 Scaling. "Scaling," as used herein, involves:
- (a) Various volume determination methods, such as log rule, sampling, measuring, linear measuring, counting, weighing, or another method or combination of methods;
- (b) Various sites, such as truck Scaling stations, rollways, weighing stations, woods landings, water Scaling stations, or other sites; and
- (c) Various geographic locations.
- **G.8.1 Scaling Services.** Scaling services shall be performed by Forest Service personnel or parties under contract to Forest Service, except that weighing services may be performed by personnel or parties approved by Forest Service. Scaling shall be provided in accordance with the instructions and specifications in Division A. Scalers shall be currently certified to perform accurate Scaling services. The Scaling services provided shall be selected exclusively by Forest Service. Scaling services may be Continuous, Intermittent, or Extended. "Continuous Scaling Services" is Scaling at one site five (5) 8-hour shifts a week, exclusive of Sundays and Federal holidays. "Intermittent Scaling Services" are non-continuous Scaling services. "Extended Scaling Services" are Scaling services exceeding Continuous Scaling Services and may include Sundays and designated Federal holidays. Upon written request of Contractor and approval of Contracting Officer, Forest Service may provide other services, such as but not limited to grading, tagging, or marking of Scaled logs.
- **G.8.1.1 Scaling Location.** Forest Service shall provide Scaling services at the Scaling site(s) shown in Division A. The Scaling site(s) shown in Division A normally will be a non-exclusive site where more than one National Forest contractor may be served. Contractor may request, in writing, an alternate Scaling site, such as at a private mill yard, private truck ramp, or a privately operated log transfer facility. Contracting Officer may approve an alternate Scaling site, when Contracting Officer determines that Scaling conditions at an alternate site are acceptable. Such conditions shall include at a minimum: (a) Scaler safety and comfort, (b) Product accountability and security, (c) Facilities and practices conducive to accurate and independent Scaling, and (d) The ability to provide for remote check Scaling. Upon approval of an alternate Scaling site, Forest Service and Contractor shall enter into a written memorandum of agreement governing Scaling at that alternate location. Contractor agrees that Forest Service personnel or persons under contract with Forest Service shall perform Scaling services at an alternative Scaling site. In no instance shall Contractor or employees of Contractor perform Scaling services.
- **G.8.1.2 Scaling Adjustments.** Forest Service shall check the accuracy of the Scaling performed on National Forest logs. Scaling will be satisfactory if performed within the accuracy standards stated in governing instructions identified in Division A. In the event Forest Service check Scale(s) shows a variance in net Scale in excess of the allowable variance, an adjustment to volume reported Scaled may be made by Forest Service. Such adjustment will be based on the difference between Forest Service check Scale(s) and original Scale for contract volume Scaled within the adjustment period. The volume to which this difference will be applied will be: (a) One-half of the volume Scaled between the last satisfactory check Scale and the first unsatisfactory check Scale or, if a period of 120 days or more occurs without Scaling National Forest timber for stumpage, the adjustment will be applied to 100 percent of the volume Scaled between the last unsatisfactory check Scale and the next satisfactory check Scale, or if no satisfactory check Scale is completed and a period of 120 days or more occurs without Scaling of National Forest timber for stumpage, the adjustment will be applied to 100 percent of the volume. Scaled since the last unsatisfactory check Scale. Adjustments may increase or decrease the original Scaled volume. Adjustments will be applied to Integrated Re-source Account to correct charges for Included Timber, plus deposits, Scaled during the adjustment period.
- **G.8.1.3 Delayed or Interrupted Scaling Services.** In the event Scaling services are delayed or interrupted, Contractor shall discontinue hauling. Contractor further agrees that no logs will be presented for Scaling outside agreed upon Scaling services schedule.

G.8.1.4 Weighing Services. Weighing services for stumpage payment purposes may be provided by either public or privately owned and operated weighing facilities. A "Weighing Services Agreement," approved by the Forest Supervisor, must be executed at each weighing facility providing weighing services. Scales used to weigh National Forest products for payment purposes must be a currently certified scale in accordance with State law and be capable of weighing the entire load of logs in a single operation. The weighing of less than the entire load or weighing two loads at once is prohibited. Unless otherwise agreed, the minimum sized weighing facility shall

be a 60-ton capacity scale with a 10 foot by 70 foot platform or larger. The weighmaster must work in a position where it is possible to

Weighing facilities shall meet the following minimum requirements:

- (a) Be an electronic design,
- (b) Use electronic load cells or have a fully enclosed and sealed weigh-beam,
- (c) Have digital weight meters sealed with a seal approved by the State,
- (d) Have a zero interlocking device on the printer,

verify that the truck wheels are on or off the scales.

- (e) Have an automatic zero-setting mechanism,
- (f) Have an automatic motion-detecting device,
- (g) Be shielded against radio or electromagnetic interference, and
- (h) Have a date and time stamp and gross and tare weights that print electronically with each weighing. Contracting Officer may waive electronic printing for public or third party weighing facilities.

Contractor shall bear all charges or fees for weighing services.

G.8.2 Presentation for Scaling. Contractor shall present products so that they may be Scaled in an economical and safe manner. If prior to Scaling, Included Timber is to be mixed with other timber, Contractor shall, prior to mixing, provide for distinguishing, by means approved by Forest Service, each product included in this contract.

Trees or pieces presented for Scaling that have not been bucked to separate material meeting minimum piece standards from material not meeting minimum piece standards due to diameter, shall be Scaled as though such bucking had been done.

Deductions made for rot, check, or other defects resulting from abnormal delay in Scaling caused by Contractor shall be recorded separately and charged to Integrated Resource Account under D.4.7.

Any timber that has been removed from Contract Area during the period of this contract, but remains unscaled after contract termination, shall be Scaled at the earliest reasonable date.

- G.8.3 Scaling Other Products. The Scaled volume of material presented for Scaling in forms other than those stated in A.2, when appropriate, shall be converted to the A.2 unit of measure by the application of standard converting factors and procedures in effect at the time the contract was sold. Other converting factors may be used by written agreement.
- G.8.4 Accountability. When Scaling is performed away from Contract Area, products shall be accounted for in accordance with Forest Service written instructions or an Accountability Agreement between Forest Service and Contractor and as follows:
- (a) Contractor shall plainly mark or otherwise identify products prior to hauling in accordance with G.8.4.2;
- (b) Forest Service shall issue removal receipts to Contractor;
- (c) Contractor shall assign a competent individual at the landing to complete removal receipts and attach them to each load of products removed from Contract Area;
- (d) Removal receipts shall be returned to Forest Service at periodic intervals:
- (e) When products are in transit, the truck driver shall possess or display removal receipt and show it upon request as evidence of authority to move products:
- (f) The scaler's portion of removal receipt shall be surrendered at point of Scaling, the unloading point, or as requested by Forest Service: and
- (g) Contractor shall notify Forest Service of lost or off-loaded logs and their location within 12 hours of such loss.

Contractor shall not place products in storage for deferred Scaling until an accountability system has been agreed to in writing for a stated period.

G.8.4.1 Route of Haul. Contractor shall furnish a map showing the route of haul over which unscaled products will be transported from Contract Area to the approved Scaling location. Such route of haul shall be the shortest, most economical haul route available between

Upon advance written agreement, other routes may be approved. All unscaled products removed from Contract Area shall be transported over the designated routes of haul. Contractor shall notify Forest Service when a load of products, after leaving Contract Area, will be delayed for more than 12 hours in reaching Scaling location.

Contractor shall require truck drivers to stop, if requested by Forest Service, for the following reasons:

- (a) For accountability checks when products are in transit from Contract Area to the designated Scaling location or
- (b) For a remote check Scale when products are in transit after being truck Scaled at the designated Scaling location.

Contractor and Forest Service shall agree to locations for accountability checks and remote check Scales in advance of haul. Such locations shall be established only in areas where it is safe to stop trucks.

Forest Service shall notify Contractor of the methods to be used to alert truck drivers of an impending stop.

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G.8.4.2 Product Identification. For contracts west of the 100th meridian, before removal from Contract Area, unless Contracting Officer determines that circumstances warrant a written waiver or adjustment, Contractor shall:

- (a) Hammer brand all products that are eight (8) feet or more in length and one-third (1/3) or more sound, on each end that is seven (7) inches or more in diameter
- (b) West of the 100th meridian, paint with a spot of highway-yellow paint all domestic processing products that are eight (8) feet or more in length and one-third (1/3) or more sound, on each end that is seven (7) inches or more in diameter. Each paint spot must be not less than three (3) square inches in size.

Contracting Officer shall assign brands and, if Contract Area is within a State that maintains a log brand register, brands shall be registered with the State. Contractor shall use assigned brand exclusively on logs from this contract until Contracting Officer releases brand. Contractor shall furnish and apply highway-yellow paint of a lasting quality (oil-base or equivalent).

All hammer brands and/or highway-yellow paint must remain on logs until they are domestically processed. Contractor shall replace identifying marks if they are lost, removed, or become unreadable. Contractor may remanufacture products into different log lengths. Except for logs remanufactured as part of the mill in-feed process immediately before processing, remanufactured products must be rebranded with the assigned contract brand and repainted with highway-yellow paint, unless otherwise agreed to in writing by Contracting Officer. For such remanufactured products, Contracting Officer may approve use of a brand to be used exclusively as a catch brand, in lieu of the assigned contract brand.

G.8.5 Scaling Lost Products. The volume of lost products shall be determined by the best methods currently available, using data from the records for the period in which the loss occurred or the most applicable period if loss should occur substantially after cutting. In the absence of specific information indicating size or species of lost products, species distribution and volume for entire truckloads shall be assumed to be the same as the average volume. Scaled per truck during the report period, and for individual products it shall be assumed that the volume and species were the average volume of the highest priced species Scaled during the report period.

G.8.6 Scale Reports. Forest Service shall provide Contractor a copy of Forest Service scaler's record, if requested in writing.

I.0—OTHER CONDITIONS

- I.1 Title and Liability.
- I.1.1 Title Passage. All right, title, and interest in and to any Included Timber shall remain in Forest Service until it has been cut, removed from Contract Area or other authorized cutting area, and paid for, at which time title shall vest in Contractor. Timber cut under the terms of clauseTimber Payment Guarantee, Section G of Part I, shall be considered to be paid for. Title to any Included Timber that has been cut, scaled and paid for, but not removed from Contract Area or other authorized cutting area by Contractor on or prior to contract termination, shall remain in Forest Service.
- I.1.2 Liability for Loss. If Included Timber is destroyed or damaged by an unexpected event that significantly changes the nature of the Included Timber, such as fire, wind, flood, insects, disease, or similar cause, the party holding title shall bear the timber value loss resulting from such destruction or damage; except that such losses caused by insect or disease after felling of timber shall be borne by Contractor, unless Contractor is prevented from removing such timber by the Forest Service. Deterioration or loss of value of salvage timber is not an unexpected event. In the event Included Timber to which Forest Service holds title is destroyed, Contractor will not be obligated to remove and pay for such timber. In the event Included Timber to which Forest Service holds title is damaged, Contracting Officer shall make an appraisal to determine for each species the difference between the appraised unit value of Included Timber immediately prior to the value loss and the appraised unit value of timber after the loss. Current Contract Rates in effect at the time of the value loss shall be adjusted by said differences to become the redetermined rates.

There shall be no obligation for Forest Service to supply, or for Contractor to accept and pay for, other timber in lieu of that destroyed or damaged. This Subsection shall not be construed to relieve either party of liability for negligence.

I.5 Sale of Other Materials. Forest Service reserves the right to sell from Contract Area during the period of this contract any materials or products not subject to its terms, but shall not permit removal, possession or use thereof which will materially interfere with Contractor's Operations. Contractor shall not be obligated to do any work made necessary by the action of others.

K-C.1.1# – TIMBER SUBJECT TO AGREEMENT. (9/04) In addition, there is within Contract Area an unestimated quantity of:

Species	Product	
All	Non-sawtimber/	
	Biomass	

that shall be Included Timber upon written agreement.

<u>K-C.3.5.7#</u> - <u>INDIVIDUAL TREE DESIGNATION (OPTION 1)</u>. (5/05) All trees as described below which meet the minimum tree diameter stated in A.2 are designated for cutting. Additional timber to be cut, if any, will be designated for cutting in accordance with C.3.7.

Unit	DxD Spacing ¹	Description of Included Timber	
Unit 8 identified on Sale Area Map as 14	14'	The live Douglas-fir, ponderosa pine, or white fir tree with the largest stump diameter ² in an area shall remain standing after logging is complete. All live Douglas-fir and white fir and ponderosa pine within 14 feet of the retained tree shall be cut. Cut only Douglas-fir, ponderosa pine, and white fir species. Ignore all other species.	
		Remove all downed trees that meet the utilization specifications listed in A2.	
Unit(s) 1, 9 and 10 identified on Sale Area Map as 15	15'	The live Douglas-fir, ponderosa pine or white fir tree with the largest stump diameter ² in an area shall remain standing after logging is complete. All live Douglas-fir, ponderosa pine and white fir within 15 feet of the retained tree shall be cut.	
		Cut only Douglas-fir, western hemlock, and white fir species. Ignore all other species.	
		Remove all downed trees that meet the utilization specifications listed in A2.	

Definitions:

DxD: Designation by Description

<u>K-F.3.2#</u> – <u>ROAD MAINTENANCE DEPOSIT SCHEDULE</u>. (9/04) Other provisions herein notwithstanding, when Forest Service requests payment in lieu of Contractor's performance of road maintenance, Contractor shall make Required Deposits (16 USC 537) for current and/or deferred road maintenance. Such deposits are based on the estimated volume and distance hauled and Contractor's commensurate use of each road listed in the Road Maintenance Plan in K-F.3.1#.

 $^{^{1/}}$ DxD spacing: Is the measured slope distance with a retractable loggers tape. Distances shall be measured from the closest point between trees at the 6-inch DxD height.

^{2/} DxD stump diameter: Measured outside the bark at 6-inches above the ground, on the uphill side of the tree, with a diameter or loggers tape that is perpendicular to the bole of the tree.

Contractor and Forest Service may agree in writing on adjustment of such rates. If Contractor uses roads under jurisdiction of Forest Service other than those listed in the Road Maintenance Plan, Forest Service shall establish rates commensurate with Contractor's use of such roads.

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The Required Deposits for Forest Service work in lieu of Contractor performance and for deferred maintenance is: \$1.30 per Ton.

The following table lists who Contractor will make deposits for road maintenance to, and the rate per unit of measure of the deposit. The Road Maintenance Agreement is available for inspection at the Forest Supervisor's Office.

Deposit Made To	Rate	Unit of Measure
NA		

K-G.8.1.5 – THIRD PARTY SCALING SERVICES. (9/04) Notwithstanding the requirement for Forest Service or parties under contract to Forest Service to provide Scaling services under G.8.1, Scaling designated in Division A shall be conducted by a third party Scaling organization approved by Forest Service. Scaling shall be done in accordance with Division A and Contractor shall bear costs for Scaling service.

In the event third party Scaling service is suspended for causes such as strikes, termination of third party's approval to Scale National Forest logs by Forest Service, or Contractor's failure to pay third party Scaling costs, hauling operations shall be suspended until agreed alternate Scaling services are provided or service by third party is resumed. When an approved alternate Scaling location pursuant to G.8.1.1 does not have an approved third party scaling organization as a commonly used Scaling services provider, Forest Service or parties under contract to Forest Service shall provide Scaling services at the approved alternate location. In such an event, the cost of waived third party Scaling listed in Division A shall be charged to Integrated Resource Account.

If Forest Service and Contractor agree in writing that another party under contract to Forest Service will perform Scaling, the contract will be modified to include K-G.8.1.6 and Integrated Resource Account will be charged for such Scaling.

K-G.8.4.2 – PRODUCT IDENTIFICATION. (9/04) Unless Contracting Officer determines that circumstances warrant a written waiver or adjustment. Contractor shall:

- (a) Before removal from Contract Area, hammer brand all products on each end.
- (b) Paint all products, except for Alaska yellow cedar, on each end with a spot of highway-yellow paint.
- (c) For all products where the Regional Forester has approved shipment to the contiguous 48 States for processing, paint all such products on each end with a spot of highly-visible green paint. Both a highway-yellow and a highly-visible green spot shall be visible on these products.
- (d) For all products where the Regional Forester has approved export to foreign markets, paint all such products on each end with a spot of highly-visible orange paint, completely covering any yellow paint spot.

Contracting Officer shall assign brands and Contractor shall register them with the State of Alaska. Contractor shall use assigned brand exclusively on logs from this contract until Contracting Officer releases brand.

Contractor shall apply paint spots before removal from Contract Area, unless Contracting Officer approves product sorting after removal. Each paint spot must be not less than three (3) square inches in size. Contractor will furnish and apply paint of a lasting quality (oil-base or equivalent). Highway-yellow, green, and orange paint are not to be applied to products from this contract for purposes other than those stated above.

Contractor shall replace identifying marks if they are lost, removed, or become unreadable. Contractor may remanufacture products into different log lengths. Except for logs remanufactured as part of the mill in-feed process immediately before processing, remanufactured products must be rebranded with the assigned contract brand and repainted, unless otherwise agreed to in writing by Contracting Officer. For such remanufactured products, Contracting Officer may approve use of a brand to be used exclusively as a catch brand, in lieu of the assigned contract brand.

K-I.6.8# – USE OF TIMBER (Option 1). (9/04) (a) This contract is subject to the Forest Resources Conservation and Shortage Relief Act of 1990, as amended (16 USC 620, *et seq.*). (b) Except for 1/None determined pursuant to public hearing to be surplus, unprocessed Included Timber shall not be exported from the United States nor used in direct or

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indirect substitution for unprocessed timber exported from private lands by Contractor or any person as defined in the Act (16 USC 620e). (c) Timber in the following form will be considered unprocessed: (i) Trees or portions of trees or other roundwood not processed to standards and specifications suitable for end product use;

- (ii) Lumber, construction timbers, or cants intended for remanufacturing not meeting standards defined in the Act (16 USC 620e); and (iii) Aspen or other pulpwood bolts exceeding 100 inches in length.
- (d) Unless otherwise agreed in writing, unprocessed Included Timber shall be delivered to a domestic processing facility and shall not be mixed with logs intended for export. (e) Prior to award, during the life of this contract, and for a period of 3 years from Termination Date, Contractor shall furnish to Forest Service, upon request, records showing the volume and geographic origin of unprocessed timber from private lands exported or sold for export by Contractor or affiliates.
- (f) Prior to delivering unprocessed Included Timber to another party, Contractor shall require each buyer, exchangee, or recipient to execute an acceptable agreement that will:
- (i) Identify the Federal origin of the timber;
- (ii) Specify domestic processing for the timber involved;
- (iii) Require the execution of such agreements between the parties to any subsequent transactions involving the timber;
- (iv) Require that all hammer brands and/or yellow paint must remain on logs until they are either legally exported or domestically processed, whichever is applicable; and
- (v) Otherwise comply with the requirements of the Act (16 USC 620d).
- (g) No later than 10 days following the execution of any such agreement between Contractor and another party, Contractor shall furnish to Forest Service a copy of each such agreement. Contractor shall retain, for 3 years from Termination Date, the records of all sales, exchanges, or dispositions of all Included Timber.
- (h) Upon request, all records dealing with origin and disposition of Included Timber shall be made available to Contracting Officer.
- (i) For breach of this Subsection, Forest Service may terminate this contract and take such other action as may be provided by statute or regulation, including the imposition of penalties. When terminated by Forest Service under this Subsection, Forest Service will not be liable for any Claim submitted by Contractor relating to the termination.