

ECONOMY ACT AGREEMENT
between
U.S DEPARTMENT OF THE ARMY, CORPS OF ENGINEERS,
ROGUE RIVER BASIN PROJECT
and the
USDA FOREST SERVICE, ROGUE RIVER NATIONAL FOREST,
PROSPECT RANGER DISTRICT

This **ECONOMY ACT AGREEMENT**, is hereby entered into by and between the U.S. Army Corps of Engineers, Rogue River Basin Project, (hereinafter referred to as the "CORPS") and the USDA Forest Service, Prospect Ranger District (hereinafter referred to as the "FOREST SERVICE") under the provisions of the Economy Act of June 30, 1932 (31 U.S.C. 1535, Pub.L. 97-258 and 98-216).

W I T N E S S E T H

WHEREAS, the construction of the Rogue River Basin Project was authorized by the Flood Control Act of 1962 (Public Law 87-874, 87th Congress, 2nd Session, House Document 556), approved 23 October 1962; and

WHEREAS, it is the responsibility of the Corps, in administering the Projects' lands to provide the public with safe and well maintained facilities; and

WHEREAS, the U.S. Army, Corps of Engineer, Rogue River Basin Project administers approximately 8,000 acres of forested lands; and

WHEREAS, the Forest Service operates under generally complementary Congressional mandates in managing adjacent tracts of federal lands in the vicinity of the Rogue River Basin Project.

WHEREAS, Congress has authorized government agencies to enter into agreements for goods and services when it is in the best interest of each agency and when cost savings will result; and

NOW, THEREFORE, for and in consideration of the promises and mutual benefits and advantages occurring hereunder to each party hereto, it is agreed by and between the Corps and Forest Service that:

ARTICLE 1. Plan of Operation

a. The Corps and the Forest Service have agreed to a Plan of Operation which describes the scope of work and extent of

forest health services to be provided by the Forest Service in accordance with this agreement. Each specific Plan of Operation, as concurred in by the Forest Service, will be attached hereto as a specified Task Order and made a part hereof.

b. It is recognized and understood that the Corps and the Forest Service may, at the request of either party, renegotiate the Plan of Operation. The renegotiated Plan of Operation shall, upon written acceptance thereof by both parties, supersede the existing Task Order.

ARTICLE 2. Obligation of the Forest Service

a. The Forest Service shall:

1. Provide forest health services on Project lands within Jackson County, in accordance with schedules and duties described in the Plan of Operation, with payment by the Corps in accordance with Article 3 of this agreement.

2. Provide the personnel, required equipment and materials to provide forest health services requested by the Corps in accordance with subparagraph (1) above.

ARTICLE 3. Obligations of the Corps

a. The Corps shall:

1. Subject to the availability of funds, the Corps agrees to pay the Forest Service for the total cost of forest health and related services performed by the Forest Service in accordance with this agreement. At the request of the Forest Service, partial payment may be made as the services are performed based on billings as identified in the Plan of Operation under Article 1 and as approved by the Corps.

ARTICLE 4. Period of Services

The period of this agreement shall be from the date of execution for a period of 5 years and may be terminated by mutual agreement, or on written notice from either party to the other, as set forth in Articles 5 and 6. This agreement shall be reviewed by both parties annually. Subject to available funds, the Task Orders may be renegotiated annually.

ARTICLE 5. Default

In the event that either party to this agreement fails to meet any of its obligation hereunder, the other party may immediately terminate the whole or any part of this agreement.

Such termination shall be effected by written notice of either party to the other.

ARTICLE 6. Termination of Convenience

Either party, in writing, may terminate this instrument in whole, or in part, at any time before the date of expiration. Neither party shall incur any new obligations for the terminated portion of the instrument after the effective date and shall cancel as many obligations, as is possible. Full credit shall be allowed for each parties expenses and all noncancellable obligations properly incurred up to the effective date of termination.

ARTICLE 7. Modifications and Amendments

Modifications within the scope of this instrument shall be made by mutual consent of both parties, by the issuance of a written modification, signed and dated by both parties, prior to any changes being performed. The Corps is not obligated to fund any changes not properly approved in advanced.

ARTICLE 8. Obligation

Nothing herein shall be considered as obligating the Corps to expend funds or obligate for the future payment of money in excess of funding approved and made available for payment under this instrument and modifications thereto. The obligations under this agreement shall not exist until execution of the Plan of Operation by the parties.

ARTICLE 9. Principal Contacts

The principal contacts for this instrument are:

Corps Project Contact

Ron Howard
Rogue River Basin Project
100 Cole M. Rivers Drive
Trail, OR. 97541
Phone: 541-878-2255
Fax: 541-878-3588
E-Mail: ronald.e.howard@nwp01.usace.army.mil

Forest Service Project Contact

Roy Stuart
Prospect Ranger District
47201 Hwy 62
Prospect, OR. 97536
Phone: 541-560-3400
Fax: 541-776-4196
E-Mail: royfstuart/r6/usdafs@fsnotes

**Corps Administrative
Contact**

Kevin L. Paff
U.S. Army Corps of Engineers
Portland District
P.O. Box 2946
Portland OR. 97208-2946
Phone: 503-808-4327
Fax: 503-808-4329
E-Mail: kevin.l.paff@nwp01.usace.army.mil

**Forest Service Administrative
Contact**

Jill W. Zan
Rogue River National Forest
P.O. Box 520
Medford, OR. 97501
Phone: 541-858-2246
Fax: 541-858-2220
E-Mail: jzan@fs.fed.us

ARTICLE 10. Billing

Billings shall be submitted to the following address:

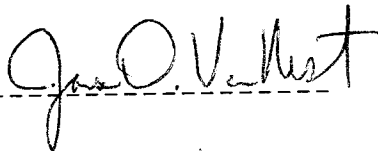
U.S. Army Corps of Engineers, Rogue River Basin Project,
100 Cole M. Rivers Drive, Rail, OR. 97541
ATTN: Norm Bloom

IN WITNESS WHEREOF, the parties hereto have executed the
agreement as of the last date written below.

U.S. ARMY CORPS OF ENGINEERS

USDA FOREST SERVICE

BY:-----

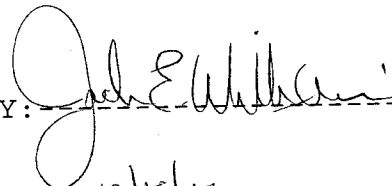


Date:-----

12-11-01

James D. Van Nest
Contracting Officer
U.S. Army Corps of Engineers
P.O. Box 2946
Portland, OR. 97208

BY:-----



Date:-----

12/19/01

Jack E. Williams
Forest Supervisor
Rogue River National Forest
P.O. Box 520
Medford, OR. 97501