

BID FOR ADVERTISED TIMBER
(Reference FSM 2430)

BRAZIER
151804

1. SALE NUMBER		2. DATE BID OPENED APRIL 29, 1981	3. OPENED BY JF
4. SALE NAME BOOK		5. IN THE PRESENCE OF Karen Rawlins	
6. NATIONAL FOREST Mt. Hood	7. RANGER DISTRICT Columbia Gorge	8. TYPE OF BID (X Appropriate Box) <input type="checkbox"/> Confirmation of Oral Bid <input checked="" type="checkbox"/> Sealed Bid	
9. TO (Title & address of Forest Officer receiving bids) Columbia Gorge Ranger District Rt 3 Box 44A Troutdale, OR 97060		10. NAME OF NEWSPAPER Daily Journal of Commerce	11. DATE PUBLISHED MARCH 26, 1981
		12. CITY Portland	13. STATE Oregon

INSTRUCTIONS TO FOREST OFFICER: Complete applicable blanks before sending to prospective purchasers. Attach copy of notice of sale. Entries are required in columns a, b, c, e, and f, in all sales. Strike out spaces for entries in one or more of columns d, g, or h, if not applicable to the sale.

In response to the notice of sale published in the newspaper specified above, and subject to the provisions on page 3, the following bid is submitted:

14. BID INFORMATION	SPECIES AND PRODUCTS (a)	UNIT OF MEASURE (b)	ESTIMATED QUANTITY (c)	RATES PER UNIT OF MEASURE			BASE INDICES (h)
				Base (d)	Advertised (e)	Bid (f)	
	*Pieces Subject to Per M Pricing						
	Douglas fir	MBF	355	3.00	242.13	# 245.00	None
	Western Hemlock and Other Coniferous Species	MBF	45	2.00	51.46	**51.46	None
	*Pieces Subject to Per Acre Pricing						
	All Hardwood Species Utility (pulp) and Special Cull	Acre	60	.39	66.76	*66.76	None
	*A piece is one or more All products (one or more scaling segments) containing at least 20 board feet, net scale.						
	***ADVERTISED AT A FIXED RATE						

Timber volume required to be cut and scaled before lower rates developed from scheduled rate redetermination can become effective is _____
N/A M board feet.

CONTRACT AND BONDS - The bidder whose bid is accepted will, within 30 days of notice of award, or any written extension thereof by the Forest Service, execute a timber sale contract and furnish a satisfactory performance bond, in accordance with the provisions of such timber sale contract, in the penal sum as prescribed in the prospectus for this sale.

THE BIDDER CERTIFIES:

- a. By submission of this bid each bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, that in connection with this procurement:
 - (1) The prices in this bid have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;
 - (2) The prices which have been quoted in this bid have not been knowingly disclosed by the bidder and will not knowingly be disclosed by the bidder prior to opening of bid, directly or indirectly to any other bidder or to any competitor; and
 - (3) No attempt have been made or will be made by the bidder to induce any other person or firm to submit or not to submit a bid for the purpose of restricting competition.
- b. Each person signing this bid or proposal certifies that:
 - (1) He is the person in the bidder's organization responsible within that organization for the decision as to the prices being bid herein and that he has not participated, and will not participate, in any action contrary to a-(1) through a-(3) above; or
 - (2) He is not the person in the bidder's organization responsible within that organization for the decision as to prices being bid or offered herein but that he has been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated, and will not participate, in any action contrary to a-(1) through a-(3) above, and as their agent does hereby so certify; and that he has not participated, and will not participate, in any action contrary to a-(1) through a-(3) above.
- c. A bid will not be considered for award where a-(1), a-(3), or b above has been deleted or modified. Where a-(2) above has been deleted or modified the bid will not be considered for award unless the bidder furnishes with the bid a signed statement which sets forth in detail the circumstances of the disclosure and the Chief, Forest Service, or his designee, determines that such disclosure was not made for the purpose of restricting competition.

INSTRUCTIONS: Each bidder must check appropriate boxes in items (a), (b), and (c) below.

- (a) That he has, has not employed or retained any company or person (other than a full-time bona fide employee working solely for the bidder) to solicit or secure a contract for this timber.
- (b) That he has, has not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the bidder) any fee, commission, percentage or brokerage fee, contingent upon or resulting from the award of contract for this timber, and agrees to furnish information relating thereto as requested by the officer authorized to approve the timber sale contract.
- (c) That he has, has not participated in a previous contract subject to the provision of section 202 of Executive Order 11246 (Non-discrimination in Employment) of 9/24/65, as amended; and that he has, has not submitted required compliance reports under such previous contracts.

Enclosed is bid guarantee, in accordance with item 8 under Instructions to Bidders, consisting of:

Bid Bond

in the amount of: \$ 31,000.00

MADE PAYABLE TO: CITY OF PORTLAND
BUREAU OF WATER
WORKS

(See Instruction 8, Bid Guarantee)

X Box if you are a Small Business and wish to have Forest Service construct specified roads. You may not change an election once made. Failure to mark box constitutes agreement to build roads. Election may not be changed subsequent to time set for opening bids. (Note item 13 on page 3.)

BIDDERS ACKNOWLEDGE THAT FOREST SERVICE ESTIMATES OF COSTS AND TIMBER VOLUMES ARE NOT GUARANTEED AND THAT THE FOREST SERVICE GRANTS NO WARRANTY, EITHER EXPRESS OR IMPLIED OF THEIR ACCURACY.

NAME OF BIDDER (Type or Print) <u>Brazier Forest Products, Inc.</u>		BY (Signature in Ink) REVIEW CONDITIONS ON PAGE 3 BEFORE SIGNING <u>Charles L. Stensrud</u>	
BUSINESS ADDRESS (Include Zip Code) (Type or Print) <u>P.O. Box 330 Molalla, Ore. 97038</u>		TITLE (Type or Print) <u>Timber Manager</u>	DATE <u>4/29/81</u>
FULL NAME OF ALL PARTNERS (Type or Print)			

INSTRUCTIONS TO BIDDERS

1. **CONDITIONS AFFECTING SALE COMPLIANCE PRIOR TO BIDDING.** Bidders should inspect the sale area, review the requirements of the sample timber sale contract, and take such other steps as may be reasonably necessary to ascertain the location, estimated volumes, quality development, and operating costs of the offered timber. Failure to do so will not relieve bidders from responsibility for completing the contract.
2. **BIDDER'S QUALIFICATIONS.** Before a bid is considered for award, the bidder may be requested by the Government to submit a statement regarding his previous experience in performing comparable work, his business and technical organizations, financial resources, and plant available to be used in performing the work.
3. **PREPARATION OF SEALED BIDS.** Bids shall be manually signed, bid prices entered in the column "Bid" for all material subject to bidding and representations completed. If erasures or other changes appear on the forms, each erasure or change must be initialed by the person signing the bid.
4. **PUBLIC OPENING OF SEALED BIDS.** Sealed bids will be publicly opened and posted at the time set for opening in the advertisement.
5. **ORAL AUCTION BIDDING.** If the advertisement provides for ORAL AND SEALED bids, each bidder to participate in the oral auction must submit a sealed bid in accordance with instructions. All parties who submit a satisfactory sealed bid will be permitted to continued bidding orally immediately following opening and posting of the sealed bids. The high bidder must confirm his bid in writing immediately upon being declared the high bidder.
6. **SUBMISSION OF SEALED BIDS.** Sealed bids must be submitted to the Forest Officer, designated by the advertisement as the receiving officer, at or prior to the time established by the advertisement. Such bids should be enclosed with the required bid guarantee in a sealed envelope addressed to the designated receiving officer. The envelope should show on the outside (a) that it is a "Bid for Timber," and (b) the sale name or number, and the date and time of opening bids as shown by the advertisement.
7. **SET-ASIDE SALES.** If the advertisement or prospectus of sale states that small-business concerns will receive preferential consideration in award of this sale, bidders must qualify for preferential consideration by completing and signing the attachment to this bid form "Certificate of Small Business Status." Small Businesses which have been determined by SBA to be ineligible for preferential award of set-aside sales cannot so qualify. Small businesses awarded set-aside sales will also be required to execute SBA form 723, Small Business Certification Required On All Preferential Sales of Set-Aside Timber, at time timber sale contract is executed.
8. **BID GUARANTEE.** A bid guarantee in the form of cash, a bid bond on form 2400-24, certification of annual bid bond allocation from form 2400-24a or an irrevocable letter of credit, a certified check, bank draft, cashier's check, or bank money order payable to the CITY OF PORTLAND in the amount specified by the advertisement as the bid guarantee must accompany each bid. Any deposits of money will be applied to the purchase price, retained for application toward payment of damages for failure to execute and fulfill contract, or refunded. Failure to submit an acceptable bid guarantee will require rejection of the bid as unresponsive unless there is no other acceptable bid. Bid bonds must be accompanied by a power of attorney indicating that the person signing the bond for the surety has the power to do so. The bid bond or annual bid bond allocation of the successful bidder must be replaced, prior to the time operations begin under the contract, by an advance payment, negotiable United States securities or satisfactory payment guarantee for stumpage and related deposits, equal to the amount of the bid guarantee provided by the advertisement. The City of Portland will draw upon the successful bidder's letter of credit at time operations begin for the amount of the bid guarantee unless other payment guarantees are provided.
9. **AWARD OF CONTRACT.** (a) Award of contract will be made to that responsible bidder whose bid, conforming to the invitation for bids, is most advantageous to the C.O.P. on the basis of total value at rates bid for the estimated quantities. (b) The government may, when in its interest, reject any or all bids or waive any informality in bids received. (c) A written award mailed (or otherwise furnished) to the successful bidder shall be deemed to result in a binding contract without further action by either party. (d) If timber is advertised as set-aside for competitive bidding by small businesses, award will be made to the highest bidder who qualifies as a small business and who has not been determined by the SBA to be ineligible for preferential award of set-aside sales. If there are no qualified small business bidders, award may be made to highest bidder not qualifying for preferential award.
10. **DAMAGES.** Failure to execute a timber sale contract or to furnish a satisfactory performance bond within the time allowed may be treated as a repudiation of the contract, and any or all of the bid guarantee may be retained by the Forest Service and applied toward satisfaction of actual damages resulting from the bidder's failure to fully perform the contract, without prejudice to any other rights and remedies of the United States.
11. **PRIVACY ACT.** All personal information is requested on a voluntary basis; however, if you do not provide this personal information, your bid will not be accepted. Solicitation of this information is necessary for the government to conduct its sale program and thus is authorized under the National Forest Management Act of 1976, (16 U.S.C. 472a). The principal purpose for collecting this information is to allow for proper award of a timber sale contract and to provide for administration of that contract after award. Other routine uses of this data include: (1) compilation of small business data to determine needs for set-aside sales, (2) determination of volume purchased in any specific time period by a single purchaser, and (3) determination of volume under contract by a purchaser.
12. **ROAD COMPLETION DATE.** Bidder hereby acknowledges that he is aware of the road completion date of the sample contract. Bidder also acknowledges that if he is a small business and elects to have Forest Service construct specified roads, he is aware: (a) that the Forest Service expects to contract for road construction (b) that the timber sale contract will not be awarded unless a satisfactory road construction bid is received and the contract awarded or, if the Forest Service fails to receive such a bid within a maximum period stated in the advertisement, the bidder agrees to perform road construction, (c) that the Forest Service may extend the maximum award delay time by the amount of time needed to confirm either sale or road bidder's size status or by any time in excess of 40 days from timber sale bid opening needed to begin solicitation of construction bids, and (d) that if the Forest Service extends the maximum award delay period because solicitation of the road contract is delayed, the bidder may withdraw his bid without penalty.
13. **ELECTION OF ROAD OPTION AND CERTIFICATE OF SMALL BUSINESS STATUS.** (Not applicable if the total value of specified roads is less than \$20,000.) Bidders qualifying as a small business concern under the Small Business Act, as amended, and the regulation thereunder, may elect to have Forest Service construct Specified Roads required by this contract. Bidder who does not elect agrees, if awarded contract, to construct roads in accordance with the contract. Bidder who does elect acknowledges that he is aware of and agrees to the conditions stated in Item 12 above and that he is a small business concern within the terms of the definition listed below:

In sales of National Forest timber a small business is a concern that: (1) is primarily engaged in the logging and forest products industry; (2) is independently owned and operated; (3) is not dominant in its field of operation; and (4) together with its affiliates does not employ more than 500 persons.

14. **BIDDER SIZE GROUP.** Bidder represents that it's business together with its affiliates does not employ more than the number of employees checked below:
- 25 100 250 500 750 1000 Over 1000

151804



United States
Department of
Agriculture

Forest
Service

Columbia Gorge RD

Rt. 3, Box 44A
Troutdale, OR 97060

Reply to: 2450

Date: May 1, 1981

Carl Goebel Manager
City of Portland
Bureau of Water Works
1800 SW 6th Ave
Portland, OR 97201

Attn: Jim Kessler

Dear Mr. Kessler:

On April 29, 1981 the Book Timber Sale, Ordinance pending, sold to Brazier Forest Products for a total value of \$93,296.30.

Enclosed are Brazier's original bid form, bid bond, and four copies of the contract (the original for your files, two copies for Brazier and one copy for our files).

Please proceed with award of the sale. An award letter should be sent to Brazier including instructions for completing the transaction. We would appreciate copies of all correspondence for our files.

A signed copy of the completed contract should be mailed to our office. This is our notice to proceed with administration of the sale. When log removal begins we will send you a monthly statement of account indicating the amount and value of timber hauled along with a billing to you for road maintenance charges. All billings to Brazier should be made by the City of Portland according to contractual provisions included in section B4.0 - Payments.

Should you have any questions, please contact our office, Karen Rawlins or Fred Heisler.

Sincerely,

FOREST SERVICE DIVISION

MAY 7 1981

CHIEF ENGINEER

Gene Zimmerman
GENE ZIMMERMAN
District Ranger

Enclosures



U.S. DEPARTMENT OF AGRICULTURE
FOREST SERVICE

TIMBER SALE BID BOND
(See Instructions on reverse)

DATE BOND EXECUTED (Must not be later than bid opening date)

151804

✓ April 20, 1981

PRINCIPAL (Legal name and business address)
Brazier Forest Products, Inc.
Post Office Box 330
Molalla, OR 97038

TYPE OF ORGANIZATION ("X" one)
 INDIVIDUAL PARTNERSHIP
 JOINT CORPORATION
 VENTURE
STATE OF INCORPORATION

SURETY(IES) (Name and business address)
St. Paul Fire & Marine Insurance Company
500 N.E. Multnomah
Portland, OR 97232

PENAL SUM OF BOND

BID IDENTIFICATION

(Express in words and figures)

✓ Thirty One Thousand
Dollars

is 31,000.00

DATE BID EXECUTED

4/29/81

SALE NAME

BOOK

NATIONAL FOREST.

City of Portland
Bureau of Water Works

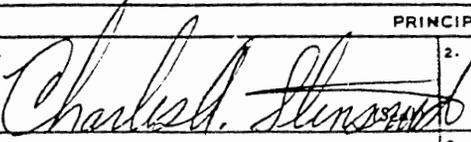
KNOW ALL MEN BY THESE PRESENTS, That we, the Principal and Surety(ies) hereto, are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally: *Provided*, That, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Principal has submitted the bid identified above.

NOW, THEREFORE, if the Principal, upon acceptance by the Government of his bid identified above, within the period specified, shall execute such further contractual documents, if any, and give such bond(s) as may be required by the terms of the bid as accepted within the time specified (ten (10) days if no period is specified) after receipt of the forms by him, and at that time transmits a certified check, bank draft, Cashier's Check, or by negotiable securities of the United States in the amount of the bid guarantee required by the terms of the bid, payable to the Forest Service, U.S.D.A., to be retained and applied to the purchase price, or, in the event of failure to execute the contractual documents and give such bonds and deposits within the time specified, if the principal shall pay the Government the actual damages resulting from the failure to fully perform the contract, then the above obligation shall be void and of no effect.

IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this bid bond and have affixed their seals on the date set forth above.

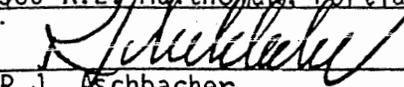
PRINCIPAL

(Signature(s))	1. 	2.	(Seal)	Corporate Seal
NAME(S) & TITLE(S) (Typed)	1. Charles A. Stensrud Timber Manager	2.		

INDIVIDUAL SURETIES

SIGNATURE(S)	1.	2.	(Seal)	(Seal)
NAME(S) (Typed)	1.	2.		

CORPORATE SURETY(IES)

SURETY A	NAME & ADDRESS	St. Paul Fire & Marine Ins. Co. 500 N.E. Multnomah, Portland, OR	STATE OF INC.	LIABILITY LIMIT	Corporate Seal
	SIGNATURE(S)	1. 	2.		
	NAME(S) & TITLE(S) (Typed)	1. R.J. Schbacher Attorney-in-fact	2.		

ST. PAUL FIRE AND MARINE INSURANCE COMPANY
ST. PAUL, MINNESOTA

(A Capital Stock Company)

Fidelity and Surety
Department

CERTIFIED COPY OF POWER OF ATTORNEY

Original on File at Home Office of Company. See Certification.

KNOW ALL MEN BY THESE PRESENTS: That the St. Paul Fire and Marine Insurance Company, a corporation organized and existing under the laws of the State of Minnesota, and having its principal office in the City of Saint Paul, Minnesota, does hereby constitute and appoint:

Donald L. Stathos, R. J. Aschbacher, Patricia C. Boyd, Kris Moses,
individually, Medford, Oregon

its true and lawful attorneys(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said St. Paul Fire and Marine Insurance Company, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be certified to and may be revoked, pursuant to and by authority of Article V, -Section 6(C), of the By-Laws adopted by the Board of Directors of the ST. PAUL FIRE AND MARINE INSURANCE COMPANY at a meeting called and held on the 23rd day of January, 1970, of which the following is a true transcript of said Section 6(C).

"The President or any Vice President, Assistant Vice President, Secretary or Resident Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and
- (2) To appoint Special Attorneys-in-fact, who are hereby authorized to certify to copies of any power-of-attorney issued in pursuance of this section and/or any of the By-Laws of the Company, and
- (3) To remove, at any time, any such Attorney-in-fact or Special Attorney-in-fact and revoke the authority given him."

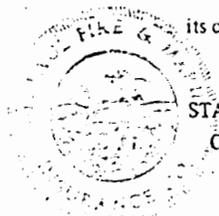
Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 6th day of May, 1959, of which the following is a true excerpt:

"Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."

IN TESTIMONY WHEREOF, the St. Paul Fire and Marine Insurance Company has caused this instrument to be signed and

its corporate seal to be affixed by its authorized officer, this 5th day of June A. D. 1980

ST. PAUL FIRE AND MARINE INSURANCE COMPANY



STATE OF MINNESOTA
County of Ramsey

} s. s.

[Signature]
Vice President.

On this 5th day of June 19 80, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said that he is the therein described and authorized officer of the St. Paul Fire and Marine Insurance Company; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the City of Saint Paul, Minnesota, the day and year first above written.



[Signature]
V.C. INNES
Notary Public, Ramsey County, Minn.
My Commission Expires April 27, 1983

CERTIFICATION

I, the undersigned officer of the St. Paul Fire and Marine Insurance Company, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 20th day of April 19 81.

[Signature]
Secretary.

*Unlimited as to character and amount.

151804

CITY OF PORTLAND, OREGON
BUREAU OF WATER WORKS
TIMBER SALE CONTRACT

(Applicable to Sales to be Scaled After Felling)

BOOK SALE

The parties to this contract are the CITY OF PORTLAND, BUREAU OF WATER WORKS, hereinafter called "City", acting through the Forest Service, United States Department of Agriculture, hereinafter called "Forest Service," and _____

hereinafter called "Purchaser".

Forest Service having advertised a sale at which either (1) Purchaser, whose required bid deposit is now held by Forest Service as an initial deposit, was the successful bidder, or (2) no bids were received and Purchaser having subsequently offered at least the minimum advertised price and made an initial deposit in the same amount as the bid deposit specified in the sale advertisement; and the parties hereto desiring to record their agreement; now, therefore,

In consideration of the premises and the promises hereinafter contained, unless provided otherwise herein, City agrees to sell and permit Purchaser to cut and remove, and Purchaser agrees to purchase, cut and remove Included Timber.

This contract consists of three Divisions: A - Specific Conditions, B - Standard Provisions and Special Instructions with Division B Amendments to Standard Provisions which are attached to and made a part of this contract, and C - Special Provisions, together with Sale Area Map, Drawings and specifications for developments (if any) and such attachments as may be provided for in Division C. Specific Conditions are numbered and apply to the Part, Section, Subsection, or Item of the Standard Provisions, as indicated hereunder. Other conditions of this contract are stated in Division C - Special Provisions.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the award date.

CITY OF PORTLAND

By _____
Mayor

By _____
Commissioner of Public Utilities

Purchaser

Title

Business Address

APPROVED AS TO FORM:

City Attorney

I, _____,
certify that I am the Secretary of the corporation named as Purchaser
herein; that _____, who signed
this contract on behalf of Purchaser, was then _____
of said corporation; that said contract was duly signed for and in
behalf of said corporation by authority of its governing body, and is
within the scope of its corporation powers.

(Corporate Seal)

INSTRUCTIONS

- (1) If Purchaser is a corporation, state "a corporation organized and existing under the laws of the State of _____" and specify the State; if Purchaser is a partnership, state "a partnership consisting of _____," and specify the names of each partner; and if Purchaser is a sole proprietor doing business under an assumed name, state "an individual doing business under the name of _____," City of _____, State of _____."
- (2) Delete this paragraph for unadvertised administrative use, and timber settlement contracts.
- (3) The signatures and addresses of two witnesses are required if Purchaser is other than a corporation.
- (4) If Purchaser is a co-partnership, the signatures should be: XYZ Company, by John Doe, a member of the firm. If Purchaser is a corporation, form of signature should be: XYZ Company, by John Doe, President (or other officer or agent) and the seal of the corporation must be impressed or indicated.
- (5) The certificate must be completed if Purchaser is a corporation.
- (6) If the corporation has no corporate seal that fact shall be stated, in which case a scroll or adhesive seal shall follow the corporate name.

SPECIAL INSTRUCTIONS

Except as specifically provided by the below listed substitutions, alterations, deletions or other changes, the rights and duties of the City of Portland, hereinafter called "City," under the terms of this contract will be exercised by Forest Service, acting in behalf of the City, under the Cooperative Agreement of March 11, 1959, as subsequently amended, between City of Portland and Forest Service, provided that if said agreement should terminate prior to termination of this contract, the rights and duties under the terms of this contract will be exercised by the City.

The term "Forest Service" shall mean the Forest Supervisor of the Mt. Hood National Forest, or his representative.

Notices, requests or other action where formal written notice is required herein, or is appropriate, will be made for, and accepted on behalf of City by the Manager, Bureau of Water Works, or the Forest Service if purchaser is notified by letter to that effect or if the specifications provide for Forest Service to give such notice, requests or other action.

This contract is with the CITY OF PORTLAND, OREGON, and not with the Federal Government.

A. DIVISION B AMENDMENTS

The form of contract and specifications are those currently in use by the U.S. Department of Agriculture, Forest Service. In order to make Division B of the specifications conform to sale of timber by City, substitutions, alterations, deletions and changes to Division B of the U.S. Specifications are as follows:

1. Substitutions:

Substitute "City" for "Forest Service" in the following numbered provisions and make other changes as are noted:

B4.222 Cash Deposits. (Following this paragraph, add "Bureau of Water Works, 1800 S.W. Sixth Avenue, Portland, Oregon 97201.")

B4.221 Advance Deposits.

B4.226 Use of Deposits.

B4.227 Blanket Cash Deposit.

- B4.23 Refund of Excess Cash. (First paragraph only)
- B4.31 Blanket Bond.
- B4.4 Payments Not Received. (Last paragraph deleted)
- B5.41 Road Maintenance Deposits. (Excepting jurisdiction of Forest Service in last sentence of last paragraph shall apply)
- B6.21 Removal. (Also delete "United States; and substitute "City")
- B7.5 State Law.
- B8.11 Title Passage.
- B8.12 Liability for Loss.
- B8.222 Termination by City.
- B8.4 Performance by Other Than Purchaser.
- B8.5 Sale of Other Materials.
- B8.61 Covenant Against Contingent Fees.
- B8.63 Nondiscrimination in Employment. (Also delete "United States" and substitute "City")
- B9.1 Performance Bond. (Delete "Federal depository" and substitute "in a depository mutually accepted by Purchaser and City")
- B9.11 Bond Reduction.
- B9.2 Disputes. (Delete "(41 U.S.C. 321, 322) and subject to appeal under the Regulations of the Secretary of Agriculture (36 CFR 211.20 et seq.)")
- B9.3 Breach. (Delete "Forest Supervisor" and substitute "City Council.")
- B9.4 Failure to Cut.
- B9.5 Settlement.
- B9.6 Contract Closure. (Delete "Forest Service Officer" and substitute "City Council.")

2. Additions:

In the following B Provisions wherever reference to "National Forest" is made, the words "and or City" are added:

B5.12 Use of Roads by Purchaser.

B5.2 Specified Roads.

B5.23 Use of Partially-Constructed Road.

B6.2 Improvements. (Also wherever reference to "Forest Service" is made, the words "and or City" are added.)

B6.3 Control of Operations.

B6.34 Sanitation and Servicing.

B6.66 Erosion-Control Structure Maintenance.

B6.81 Scaling Services.

B9.3 Breach.

3. In the following B Provisions, "District Ranger" is the approving officer for the City:

B5.2 Specified Roads.

B5.24 Estimated Cost.

4. "City land" is substituted for "National Forest" in the following:

B5.1 Authorization.

5. Miscellaneous Changes:

Paragraph B4.3 shall read as follows:

B4.3 Payment Guaranteed by Bond or Deposited Securities. To guarantee payment, purchaser may furnish and maintain an acceptable surety bond or deposit in a depository mutually accepted by Purchaser and City of Portland and maintains negotiable securities of the United States accompanied by a power of attorney and agreement authorizing the (City Auditor) or (Water Bureau) to sell or collect such securities if payment is not made within 15 calendar days of billing by City. The penal sum of such surety bond or the market value at time of deposit of such negotiable securities shall be the maximum amount of the payment guaranteed.

For payment purposes, said penal sum of the surety bond or market value at time of deposit of negotiable securities shall be in lieu of the performance bond furnished under B9.1.

Paragraph B8.62, Officials Not to Benefit, is deleted.

Paragraph B9.6 shall read as follows:

B9.6 Contract Closure. City shall give appropriate notice to Purchaser when Purchaser has completed cutting and complied with the terms of the contract. Purchaser shall be paid funds due from timber sales account under B4.24 and cooperative deposits under B4.225.

The following paragraph is added as follows:

B10.0 Liability Insurance.

B10.1 Liability Insurance. Purchaser agrees to maintain such public liability insurance, including motor vehicle coverage, as will protect Purchaser and City, its officers and employees, from all claims for property damage and bodily injury, including death, which may arise from operations under this contract or in connection therewith, including all operations of subcontractors. Such insurance shall provide coverage for not less than One Hundred Thousand Dollars (\$100,000.00) for bodily injury for each person, Three Hundred Thousand Dollars (\$300,000.00) for property damage per occurrence, or in such other maximum amounts as Oregon Revised Statutes (ORS 30.270), as it may subsequently be amended, require. Such insurance shall cover all liability which may accrue to Purchaser or the City of Portland and all other governmental bodies having jurisdiction in the area, their officers and employees, and which arises out of purchaser's activities under this contract, including all costs for suppression and damages arising out of a fire or fires occurring or spreading and for all damages arising out of trespass. The policy shall not terminate or be cancelled prior to completion of this contract without first giving thirty (30) days written notice of intention to cancel or terminate said policy to the Auditor of the City of Portland. Notwithstanding the name of additional insureds, the said policy shall protect each insured in the same manner as though a separate policy had been issued to each; but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured. A certificate evidencing such insurance together with the above endorsement shall be filed with the Auditor of the City of Portland and shall be subject to the approval of the City Attorney as to the adequacy of protection to the City.

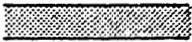
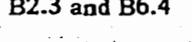
The following conditions apply to the indicated portions of Division B - Standard Provisions issued September, 1973
 A1 - Location and Area, applicable to B1.1 (Month-Year)

This Sale Area of 60 acres more or less is located in:
 T.1S, R.6E, Section 24 and T.1S, R.6E, Section 19, W.M., Surveyed,
 Multnomah county, Oregon

A2 - Volume Estimate and Utilization Standards, applicable to B2.1, B2.2, B2.4 and B6.4

SPECIES AND PRODUCT *Pieces Subject to Per M Pricing:	ESTIMATED QUANTITY AND UNIT OF MEASURE	MINIMUM TREE SPECIFICATIONS INCLUDE ONE MINIMUM PIECE DIAMETER BREST HIGH (d.b.h.) Inches	MINIMUM PIECE SPECIFICATIONS		
			LENGTH Feet	DIAMETER INSIDE BARK AT SMALL END Inches	NET SCALE IN % OF GROSS SCALE
Douglasfir	355 M Board Feet	9.0	8	6	33 1/3
Western Hemlock and other Coniferous Species	45	9.0	8	6	33 1/3
*Pieces Subject to Per-Acre Pricing:	<u>Acres</u>				
All Hardwood Species Utility (pulp) and Special Cull	60	9.0	8	6	33 1/3
		9.0	12	6	N/A
*A piece is one or more 13 products (one or more scaling segments) containing at least 20 board feet, net scale.					
TOTAL	400 M Bd.Ft. 60 Acres				

A3 - Timber Designations, applicable to B2.3; acres are approximate:

	Number	Acres
Clearcutting Units (B2.31)		_____
Specified Road Clearing (B2.32)		_____
Overstory-Removal Units (B2.33)		_____
Understory-Removal Units (B2.34)		_____
Individual Trees (B2.35)		50
Incompletely-Marked Timber (B2.36)		_____

A4 - Dead Trees Required to be Felled, applicable to B2.12, B2.3 and B6.4

Size Requirements: N/A feet high and _____ inches d.b.h.

Number Limitations: Applicable only if Sale Area Map indicates there are subdivisions where timber is to be designated after date of sale advertisement. In addition to dead trees felled within Clearcutting Units, construction clearings and other authorized development clearings, no more than N/A dead trees must be felled within subdivisions, or those portions thereof, where timber is designated after date of sale advertisement. Number limitation does not apply to subdivisions, or portions thereof, designated at time of sale advertisement.

A5 - Timber Payment Rates, applicable to B3.1 and B4.0

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A5a - For Species and Products to be Paid for at Rates Escalated under B3.2

SPECIES AND PRODUCT	UNIT OF MEASURE	RATES PER UNIT OF MEASURE					BASE INDEX
		BASE \$	ADVERTISED \$	BID PREMIUM \$	BID (Tentative) \$	REQUIRED DEPOSITS SLASH DISPOSAL \$	
N/A							

A5b - For Species and Products to be Paid for at Flat Rates

SPECIES AND PRODUCT	UNIT OF MEASURE	RATES PER UNIT OF MEASURE					REQUIRED DEPOSITS SLASH DISPOSAL \$
		BASE \$	ADVERTISED \$	BID PREMIUM \$	BID (Flat) \$		
*Pieces Subject to Per M Pricing:							
Douglas fir	MBF	3.00	242.13	2.87	245.00	None	
Western Hemlock and Other Coniferous Species	MBF	2.00	51.46	---	51.46	None	
*Pieces Subject to Per Acre Pricing:							
All Hardwood Species Utility (pulp) and Special Cull	Acre	.39	66.76	---	66.76	None	
*A piece is one or more A13 products (one or more scaling segments) containing at least 20 board feet, net scale.							

For purposes of convenience in collection and bookkeeping, Bid Rates stated in A5 include payment of deposits for sale area betterment required pursuant to 16 U.S.C. 576b. Such deposits are not included as Required Deposits defined hereunder.

The following definitions are established for the terms used in A5:

Base Rates are the lowest rates of payment for timber which are authorized by this contract. Base Rates remain constant throughout the life of this contract and are not subject to change by rate redetermination except for reduction under B3.32.

Advertised Rates are the minimum acceptable Bid Rates for timber, exclusive of Required Deposits. These rates are those indicated by appraisal in which no cost allowance has been made for construction of Specified Roads listed in A9, but are never less than Base Rates.

Bid Premium Rates are the amounts by which Purchaser's bid is in excess of Advertised Rates. The Bid Premium Rates are constant during this contract.

Bid Rates are the rates bid by Purchaser (exclusive of Required Deposits for slash disposal and road maintenance) and are the sum of Advertised Rates and Bid Premium Rates. Until a rate redetermination becomes effective, the Bid Rate for species and products in A5a is the Tentative Rate which is subject to quarterly adjustment under B3.2; for species and products in A5b, the Bid Rate is the Flat Rate.

Required Deposits are deposits which Purchaser may be required by law to pay for slash disposal (16 U.S.C. 490) and road maintenance (16 U.S.C. 537). Required Deposits may be adjusted as part of a rate redetermination or a contract extension. The table shows only Required Deposits for slash disposal; road maintenance deposits, if any, are given in C5.4.

Base Index is the specified average of the lumber or other product selling value index used as the basis for computing adjustment in rates for variance in product selling value as provided in B3.2. Base Indices shall be redetermined when rate redeterminations are made under B3.31.

A6 - Indices used in Quarterly Adjustment, applicable to B3.2

SPECIES	INDEX NAME AND DATE
N/A	

A7 - Scheduled Rate Redetermination, applicable to B3.31

Date for scheduled rate redetermination is N/A. Rate redeterminations shall cover Included Timber in the entire sale unless otherwise specified in C3.31. Timber volume required to be cut and scaled before lower rates developed from scheduled rate redetermination can become effective is N/A M board feet.

A8 - High Stumps, applicable to B6.412.

SPECIES	MAXIMUM STUMP HEIGHT (Inches)
All	12 or 1/3 of cut stump diameter whichever is higher.

A9 - Specified Roads, applicable to B5.2

PROJECT		DESIGN CLASS	APPROXIMATE LENGTH (Miles)	SHEET NUMBERS AND APPROVAL DATE	SURVEY CLASS	PERFORMANCE RESPONSIBILITY		
NO.	NAME					SURVEY	DESIGN	CONSTRUCTION STAKING ¹
N/A								

A10 - Estimated Costs of Specified Roads, applicable to B5.24

PROJECT SEGMENT		CONSTRUCTION PHASES (Entries in Dollars)											PURCHASER CREDIT LIMIT \$	
NUMBER	STATION FROM - TO	SURVEY	DESIGN	STAKING	CLEARING	EXCAVATION	CULVERTS	BASE COURSE	SURFACING	STABILIZATION	OTHER	TOTAL		
N/A														

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¹Indicate timing, i.e. Before clearing (BC), after clearing (AC). Applicable to B5.212.

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All - Base Course, Surface Rock, and Rock Riprap, applicable to B5.251

1	ROAD NUMBER	STATION FROM - TO	TYPE ²	SOURCE, SHOWN ON SALE AREA MAP	
				MAP KEY NO.	LOCATION
	N/A				

1	ESTIMATED QUANTITIES (STATE UNIT)	ESTIMATED RATES PER UNIT				TOTAL COST PER UNIT ⁸	TOTAL ESTIMATED COST ⁹
		BASIC ROCK COST ³	LOAD AND APPLY COST ⁴	HAUL COSTS			
				HAUL COST PER UNIT PER MILE ⁵	ESTIMATED AVERAGE HAUL MILES ⁶		
\$	\$	\$		\$	\$		
	N/A						

¹ Letters cross reference lines in two portions of table.
² Show, e.g. pit run, screened, crushed, graded, etc.
³ Including pit developments, crush, screen, stockpile, and purchase price, if any.
⁴ Including loading, dumping, spreading, watering, mixing, compacting, loading and dumping delay, etc.
⁵ Including required maintenance, resurfacing, and road-use charges.
⁶ To nearest 0.1 mile.
⁷ Obtain by multiplying Haul Cost Per Unit Per Mile by Estimated Average Haul.
⁸ Sum of Basic Rock Cost, Load and Apply Cost, and Haul Cost.
⁹ Obtain by multiplying Total Cost Per Unit by Estimated Quantity.

A12 - Culvert Cost Rates, applicable to B5.252

CULVERTS				DRAINAGE ACCESSORIES					
DIAMETER OR RISE AND SPAN	GAUGE & MATERIAL		ESTIMATED COST RATE PER FOOT		ITEM AND SIZE	GAUGE & MATERIAL		ESTIMATED COST PER UNIT	
	Al	Fe	FURNISH & INSTALL \$	INSTALL ONLY \$		Al	Fe	FURNISH & INSTALL \$	INSTALL ONLY \$
N/A					N/A				

Material Abbreviation Al - Aluminum; Fe - Galvanized Steel

A13 - Scaling Instructions and Specifications, applicable to B6.8

Name and Date of Governing Instructions: FSM 2443.65, Independent Bureau Scale and Consumer Scale, R-6 Supplement and R-6 Supplement to FSM 2409.11 for Westside Log Scaling dated 9/78.

SCALING SPECIFICATIONS

SPECIES	PRODUCT	MAXIMUM SCALING LENGTH (feet)	TRIM ALLOWANCE		
			DIAMETER RANGE (inches)	LENGTH RANGE (feet)	TRIM ALLOWANCE (inches)
All	Logs	40	6+	8 - 40	12 + 2 for each 10' over 40'.

A14 - Scaling Services, applicable to B6.81

SPECIES AND PRODUCT	UNIT OF MEASURE	SITE AND GEOGRAPHIC LOCATION	METHOD	STANDARD ESTIMATED COST PER UNIT \$
All, Logs	M Bd Ft	Sandy Scale Station Sandy, Oregon	100% Log Scale	1.83

A15 - Minimum Scaling Volumes, applicable to B6.81

Minimum volume for Continuous Scaling Services in two-week period 1,000 M bd. ft. per scaler

Minimum volume for Intermittent Scaling Services 50 M bd. ft. on a once weekly basis

A16 - Fire Precautionary Period, applicable to B7.2

April 1 to October 31, inclusive

A17 - Purchaser Responsibility to Furnish Crews and Equipment for:

Initial Fire Suppression, applicable to B7.3

Within 5 road miles

Fire Suppression Reinforcement, applicable to B7.312 and B7.313

Within 100 road miles

A18 - Maximum Amount of Purchaser's Obligation per Operations Fire, applicable to B7.41

\$ 1,100

A19 - Termination Date, applicable to B8.2 March 31, 1982

A20 - Normal Operating Season, applicable to B6.31, B6.65, B8.21 and B9.3

June 15 to September 15, inclusive

A21 - Performance Bond Amount, applicable to B9.1

\$ 10,000.00

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National Forest Mt. Hood
Sale Name Book

A22 - Inapplicable Standard Provisions

The following listed Sections, Subsections or Items of Division B - Standard Provisions - are hereby made inapplicable. (Instructions: List by reference number and title.)

- B4.4 Payments Not Received
- B5.211 Priority of Drawings
- B5.252 Difference in Culvert Installation
- B5.253 Cost Adjustment for Physical Change
- B5.254 Design Change
- B6.24 Protection of Historical Sites
- B6.85 Scaling Lost Products
- B9.2 Disputes

A23 - List of Special Provisions

The following listed special provisions are attached to and made a part of this contract as Division C. Unless listed herein or added by modification pursuant to B8.23, B8.3 or B8.31 no provision of Division C shall have force or effect. Provisions with reference numbers followed by # contain blanks into which data have been entered for this sale. (Instructions: List by reference number, title and date.)

- | | | |
|----------------|------------------------------------------------------------------------|-------|
| C2.35# (Opt 1) | Individual Trees and Other Units | 4/74 |
| C2.37 (Opt 2) | Minor Changes for Danger Trees | 8/75 |
| C3.312 | Rate Redetermination for Environmental Modification | 2/76 |
| C3.41 | Other Products | 6/78 |
| C4.211# | Transfer of Purchaser Credit | 6/78 |
| C4.226 | Use of Deposits | 8/76 |
| C4.228 | Performance Bond as Security for Felled Timber | 12/71 |
| C4.3 | Letters of Credit for Payment Bond | 9/78 |
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| C5.122 | Snow Removal | 1/72 |
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| C5.253 | Physical Change | 12/79 |
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| C5.411# | Road Maintenance Deposit Schedule | 9/73 |
| C5.42 | Road Maintenance Specifications | 4/74 |
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| C6.24# | Protection of Cultural Resources | 5/76 |
| C6.25# | Protection of Habitat of Endangered, Threatened, and Sensitive Species | 11/80 |

A23 - List of Special Provisions (Continued)

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C6.317	Burning by Purchaser	11/71
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UNITED STATES DEPARTMENT OF AGRICULTURE

Forest Service

TIMBER SALE CONTRACT

DIVISION B

September 1973
(Date of Issue)

STANDARD PROVISIONS FOR SCALED TIMBER SALES

(Applicable to Sales to be Scaled After Felling)

This Division is organized into Parts, Sections, Subsections, and Items. These are numbered in accordance with the following scheme: Part B1.0, Section B1.1, Subsection B1.11, and Item B1.111. 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 head-

ings used are not to be considered in determining the rights and obligations of the parties hereunder.

The Standard Provisions 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. The listing of Sections, Subsections, or Items of this Division in A22 has the effect of striking or deleting them from Division B. A23 lists Special Provisions which comprise Division C. Where appropriate, references to Special Provisions are made by citing the applicable reference numbers.

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B1.0—SALE AREA

B1.1 Sale Area Map. The boundaries of "Sale Area" and any subdivision thereof, are as shown on the attached "Sale Area Map," which is made a part hereof, and were, before sale advertisement, designated on the ground by Forest Service to meet the anticipated needs of the parties. The location of Sale Area and its approximate acreage are stated in A1. Subdivisions may be revised and additional ones may be established only by written agreement. Subdivisions may be eliminated from Sale Area under conditions described in B6.35. Catastrophically damaged areas may be removed from Sale Area under B8.33.

Where applicable, the following are also identified on Sale Area Map:

- (a) Identified claims limiting Purchaser's rights under B1.2;
- (b) Subdivisions defined in B2.3 where timber is to be Marked after date of sale advertisement;
- (c) Boundaries of Clearcutting Units, Overstory-Removal Units and Understory-Removal Units under B2.3;
- (d) Areas where dead timber shall not be cut or shall be cut and removed under B2.31;
- (e) Diameter limits for Overstory-Removal Units and Understory-Removal Units under B2.33 and B2.34;
- (f) Areas where leave trees are Marked to be left uncut under B2.35;
- (g) Specified Roads listed in A9;
- (h) Sources of base course, rock riprap and surface rock listed in A11;
- (i) Roads where log hauling prohibited or restricted under B5.12;
- (j) Roads and trails to be kept open under B6.22;
- (k) Improvements to be protected under B6.22;
- (l) Locations of known historical sites under B6.24;

- (m) Maximum stump heights when more than one height is listed by areas in A8 under B6.412;
- (n) Skidding or yarding methods specified under B6.42;
- (o) Streamcourses to be protected under B6.5; and
- (p) Other features required by Division C.

B1.2 Claims. Valid claims are excluded from Sale 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 U.S.C. 612, 613, and 614). Claims which limit Purchaser's rights to operate under this contract and which Forest Service has been able to identify are shown on Sale Area Map. Purchaser 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.

B2.0—TIMBER SPECIFICATIONS

B2.1 Included Timber. "Included Timber" consists of:

B2.11 Standard Timber. Live or dead trees and portions thereof which meet Utilization Standards under B2.2 and are designated for cutting under B2.3.

B2.12 Substandard Timber. Live and dead trees which (a) do not meet Utilization Standards and (b) are located in Clearcutting Units or construction clearings or are otherwise designated for cutting.

B2.13 Damaged Timber.

B2.131 Damaged by Purchaser. Undesignated live trees meeting Utilization Standards (a) within 200 feet slope distance from centerline of roads constructed hereunder which are damaged by Purchaser'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 Purchaser in logging and are subsequently Marked before Purchaser has completed skid-

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ding 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.

B2.132 Negligent or Willful Damage. Undesignated timber meeting Utilization Standards and unnecessarily damaged or negligently or willfully cut by Purchaser, if included by Forest Service.

B2.133 Damaged by Catastrophe. As provided under B8.33, undesignated live and dead timber within Sale Area, meeting Utilization Standards, and affected by Catastrophic Damage. "Catastrophic Damage" as used hereunder is major change or damage to Included Timber on Sale Area, to access to Sale Area or a combination thereof, (a) caused by forces, or a combination of forces, beyond control of Purchaser, occurring within a 12-month period, including but not limited to wind, flood, earthquake, landslide, fire, forest pest epidemic, or other major natural phenomenon, and (b) affecting the volume or value of any trees or products meeting Utilization Standards, within Sale Area and estimated to total either (i) more than half of the estimated timber volume stated in A2 or (ii) more than one million board feet or equivalent. Catastrophic Damage does not include changes caused by forest pest epidemics if Included Timber was sold for salvage or pest control.

B2.134 Minor Damage by Natural Causes. Undesignated trees within Sale Area and meeting Utilization Standards, in amounts less than specified in B2.133 which become insect infested, windthrown, suffer serious damage, or die, as designated by agreement.

B2.14 Unintentionally Cut Timber. Live trees, within or immediately adjacent to Sale Area or to road construction or other authorized clearing outside Sale Area, not designated for cutting under B2.3 but which are cut through mistake by Purchaser, when included by Forest Service.

B2.15 Construction Timber. Live trees to be used for construction under B5.1.

B2.16 Other Material. Species or products not listed in A2 upon written approval of Forest Service under B3.41.

B2.2 Utilization and Removal of Included Timber. "Utilization Standards" for trees and minimum pieces are stated in A2. To meet minimum tree specifications, trees must equal or exceed tree diameters listed in A2 and contain at least one minimum piece. Except for timber required or authorized to be left, Purchaser shall fell and buck such trees and shall remove from Sale Area and present for Scaling all pieces that (a) meet minimum piece standards in A2 and (b) do not meet such standards but would have qualified as part of minimum pieces if bucking lengths were varied to include such material.

B2.3 Timber Designations. Timber designated for cutting shall be confined to Sale Area, except as provided in B2.131, B2.14, B2.15, B2.32 and B5.1. Sale Area Map indicates subdivisions, if any, where Marking under B2.35 is to be done after sale advertisement, except for construction clearing under B2.32, minor changes under B2.37, and damaged timber. The boundaries of "Clearcutting Units," "Overstory-Removal Units" and "Understory-Removal Units" were plainly marked on ground before sale advertisement and are shown on Sale Area Map. The number of units and approximate acreage of timber designations are stated in A3.

B2.31 Clearcutting Units. All live and dead trees

which meet minimum tree diameter specifications in A2 within Clearcutting Units are designated for cutting.

Dead trees located outside Clearcutting Units and within 200 feet slope distance of any live tree required to be cut within a Clearcutting Unit are designated for felling when they (a) meet the size requirements and number limitations stated in A4 and (b) are not in an area shown on Sale Area Map where such trees are to be left standing to protect soil, water, wildlife or residual trees. Dead timber meeting Utilization Standards adjacent to Clearcutting Units shall be removed where indicated on Sale Area Map.

B2.32 Construction Clearing. All timber is designated for cutting which is within the clearing limits of roads constructed hereunder or is in other authorized clearings. All dead trees are designated for cutting which are sufficiently tall to reach Purchaser's landings or the roadbed of Specified Roads. Other fire-dangerous dead trees or unstable live trees within 200 feet slope distance of the centerline of Specified Roads shall be felled by Purchaser when Marked in advance of felling of timber in the immediate vicinity. Pieces meeting Utilization Standards from such dead or unstable 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 location under B5.2. All dead trees to be felled outside construction clearing limits are subject to the size requirements and number limitations of A4.

B2.33 Overstory-Removal Units. Live trees within Overstory-Removal Units are designated for cutting when they (a) meet Utilization Standards and (b) equal or exceed the d.b.h. limits shown on Sale Area Map. The following trees are also designated for cutting if located (a) within such units and (b) within 200 feet slope distance of any live tree required to be cut; (i) any trees windthrown prior to Purchaser's logging in the immediate vicinity which meet Utilization Standards in amounts less than specified in B2.133 and (ii) any dead trees meeting the size requirements and number limitations of A4.

B2.34 Understory-Removal Units. Live trees within Understory-Removal Units are designated for cutting when they (a) meet Utilization Standards and (b) are smaller than the d.b.h. limits shown on Sales Area Map. The following trees are also designated for cutting if located (a) within such units and (b) within 200 feet slope distance of any live tree required to be cut; (i) any trees windthrown prior to Purchaser's logging in the immediate vicinity which meet Utilization Standards in amounts less than specified in B2.133 and (ii) any dead trees meeting the size requirements and number limitations of A4.

B2.35 Individual Trees. Trees are "Marked" when individually designated by Forest Service with paint marks (or blazes stamped US) above and below stump height. Live trees to be cut other than in the units described in B2.31, B2.32, B2.33 and B2.34 are or shall be Marked. The following trees are also designated for cutting within 200 feet slope distance of any live tree required to be cut: (a) any trees windthrown prior to Purchaser's logging in the immediate vicinity which meet Utilization Standards in amounts less than specified in B2.133 and (b) any dead trees meeting the size requirements and number limitations of A4, unless Forest Service gives notice otherwise.

Sale Area Map indicates areas plainly identified on the ground where leave trees are Marked to be left uncut.

B2.36 Incompletely-Marked Timber. Live trees within

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incompletely-Marked subdivisions shown on Sale Area Map at time of advertisement shall be designated in accordance with rules in C2.36. A representative sample of the timber to be designated has been Marked prior to advertisement in accordance with such rules.

B2.37 Minor Changes. Within Sale Area, minor adjustments may be made in boundaries of cutting units or in the timber individually Marked for cutting when acceptable to Purchaser and Forest Service.

B2.4 Volume Estimate. The estimated volumes of timber by species designated for cutting under B2.3, and expected to be cut under Utilization Standards are listed in A2. If Sale Area Map indicates that there are incompletely-Marked subdivisions, the objective of Forest Service shall be to designate for cutting in such subdivisions sufficient timber so that Sale Area shall yield the approximate estimated volume by species or species groups stated in A2. However, the estimated volumes stated in A2 are not to be construed as guarantees or limitations of the timber volumes to be designated for cutting under the terms of this contract.

Volume adjustments shall not be made under this Section after there is modification for Catastrophic Damage under B8.33.

B2.41 Adjustment for Volume Deficit. If Sale Area Map indicates that there are incompletely-Marked subdivisions and a deficit in the estimated volume will cause (a) the volume cut to be less than 90 percent of the total estimate shown in A2 or (b) Purchaser Credit to exceed its possible use, Forest Service, upon request by Purchaser, shall designate additional timber within Sale Area. Such additional timber shall be limited to that estimated to be necessary to reach approximately the volume estimate by species listed in A2. Any such additional designation shall be consistent with written multiple-use and timber management policies, plans and limitations. Purchaser Credit shall be deemed to exceed possible use whenever the difference between Current Contract Value and Base Rate Value is less than Purchaser Credit.

B2.42 Adjustment for Excess Volume. If Sale Area Map indicates that there are incompletely-Marked subdivisions, and there is a determination that the volume cut will be more than 120 percent of the total estimated volume listed in A2, Forest Service, upon request by Purchaser, shall make an adjustment in Marking with the objective of designating for cutting the approximate estimated volumes by species listed in A2. Such adjustments in volumes shall be confined to (a) Marking adjustments on Sale Area and (b) reduction in area to be cut over. Such adjustments or reductions shall not conflict with the silvicultural treatment being applied on Sale Area and shall not materially change the average value by species of the timber designated for cutting. Such adjustments may be made notwithstanding the provisions of B1.1 and B2.3.

If the timber designated for cutting is not satisfactorily reduced by such adjustments, Purchaser, after cutting 120 percent of the total estimated volume listed in A2, may elect to have Sale Area reduced to eliminate the remaining Included Timber. However, where felling operations have been started, units of minimum practical size shall be retained in Sale Area.

B3.0—RATES OF PAYMENT

B3.1 Current Contract Rates. Included Timber which is removed by Purchaser and presented for Scaling in the product form stated in A2 shall be paid for at Current

Contract Rates determined under this Section. "Current Contract Rates" shall be (a) Flat Rates and (b) Tentative Rates adjusted by the escalation procedures in B3.2. Said Flat Rates and Tentative Rates shall be those listed in A5, unless superseded by rates redetermined under B3.3 or established for Contract Term Extension under B8.23. In addition, Required Deposits shall be made as listed in A5 and C5.4, or established under B3.3 or B8.23.

In the event Termination Date is adjusted under B8.21, Current Contract Rates shall be continued in the same manner as immediately prior to the adjustment period.

Notwithstanding B8.23, Current Contract Rates for timber cut and removed from Sale Area which remains unscaled after Termination Date, as adjusted or extended, shall be Current Contract Rates in effect on Termination Date.

"Current Contract Value" is the sum of the products of Current Contract Rates and estimated remaining unscaled volumes by species of Included Timber meeting Utilization Standards.

B3.2 Escalation Procedure. Tentative Rates for those species and products listed in A5a are subject to quarterly escalation in accordance with the following procedures: The calendar-quarter index average for each price index described in A6 is the arithmetic average of the three such monthly price indices preceding January 1, April 1, July 1, and October 1. The difference between said calendar-quarter index average and Base Index listed in A5a shall be the basis for quarterly escalation. To arrive at Current Contract Rates for timber scaled during the preceding calendar quarter, Tentative Rates for each species shall be: (a) reduced by such difference when the calendar-quarter index average is less than Base Index except that a reduction shall not result in a rate below Base Rate, or (b) increased by half of such difference when the calendar-quarter index average is greater than Base Index except that no increase shall exceed the difference between Tentative Rate and Base Rate.

B3.21 Unavailable or Inadequate Index. If an index described in A6 is no longer available or there is reason to believe said index is an inadequate indication of product-price fluctuations, the unavailable or inadequate index may be replaced by another suitable index commonly acceptable in the industry. When there is no replacement index, Current Contract Rate for the remainder of the sale shall be a Flat Rate derived from adjustment of Tentative Rate by the arithmetic average for the index for the preceding 12 months, using the procedure described in B3.2 for quarterly adjustment. Such Flat Rate shall be subject to rate redetermination as provided elsewhere under this contract.

B3.3 Rate Redetermination. Rates may be redetermined as set forth below. Bid Premium Rates shall be added to all redetermined rates or made a part of such rates under B3.32.

B3.31 Scheduled Rate Redetermination. Forest Service shall redetermine rates for timber described in A7 to be made effective on the dates listed in A7. Said redetermined rates shall be used under B3.1 for determination of Current Contract Rates. The date for putting the redetermined rates into effect may be adjusted under B8.21. However, if rates established by a scheduled rate redetermination result in lower than Current Contract Rates determined from Bid Rates and Base Indices stated in A5, such lower rates shall become effective only after at least the volume stated in A7 has been cut and scaled. Forest Service may

make changes in contractual requirements at the time of scheduled rate redetermination pursuant to B8.31.

Scheduled rate redeterminations under A7 to be made within five years of award date shall be made by use of a limited procedure. In accordance with standard methods established by Forest Service for such limited rate redetermination procedure, the appraisal used to develop Advertised Rates described in A5 shall be brought up to date by use of product selling values, operating costs, development costs, and profit ratios in effect 45 calendar days prior to rate redetermination date.

All other rate redeterminations shall be made in accordance with the standard Forest Service methods in effect 45 calendar days prior to rate redetermination, and such methods shall take into consideration all factors which may affect timber value at said rate redetermination date.

Redetermined rates shall not be less than Base Rates listed in A5. Base Indices and Required Deposits, when applicable, shall be redetermined. Redetermined rates shall be established without cost estimate for construction of Specified Roads needed by Purchaser under B5.2, except that at the time of each rate redetermination, Forest Service shall redetermine cost of such Specified Roads not yet constructed. Such redetermined costs shall be recorded as provided in B5.24 and B5.25, and shall establish the redetermined Purchaser Credit Limit, subject to the limitations of B5.26.

B3.311 Emergency Rate Redetermination. Forest Service shall redetermine rates if, upon Purchaser's application, Forest Service determines that, because of general changes in market or other economic conditions since the last scheduled or emergency rate redetermination, the weighted-average Conversion Return is less than the weighted average of the most recent redetermined rates minus the per unit cost of Specified Road construction. Rates so redetermined shall be considered established under B3.1 for timber Scaled subsequent to Purchaser's application and prior to any subsequent scheduled or emergency rate redetermination, but in no event shall such redetermined rates apply, if lower than Current Contract Rates determined from Bid Rates and Base Indices stated in the original A5, until at least the volume stated in A7 has been cut and Scaled. This Item shall not apply during Contract Term Extension, unless provided for in the terms of the extension.

B3.32 Rate Redetermination after Catastrophic Damage. In event of Catastrophic Damage and adjustment, if any, of Included Timber, Forest Service shall make an appraisal to determine for each species the catastrophe-caused difference between the appraised unit value of Included Timber remaining immediately prior to the catastrophe and the appraised unit value of existing and potential Included Timber immediately after the catastrophe. Said Included Timber is any that would not be eliminated under B8.33. Said potential Included Timber is any that would be added under B8.33.

Tentative Rates and Flat Rates in effect at the time of the catastrophe shall be adjusted by said differences to become the redetermined rates for the purpose of a contract modification under B8.33. Accordingly, Base Rates shall be adjusted to correspond to the redetermined rates if redetermined rates are less than the original Base Rates, subject to new Base Rate limitations of 50 cents per thousand board feet or equivalent. However, existing Base Indices shall not be changed under this Subsection. Upon agreement under B8.33, redetermined rates and Required

Deposits shall be considered established under B3.1 for timber Scaled subsequent to Catastrophic Damage and prior to any subsequent scheduled rate redetermination.

At time of such appraisal, Purchaser Credit Limit shall be revised pursuant to B5.25 to meet the new conditions and include the estimated cost of any construction work listed in A10 performed and abandoned.

B3.4 Other Payment Rates

B3.41 Material Not in A2. Incidental amounts of products or portions of trees of species listed in A2 which 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 Forest Service, and subject to agreement on deposits if needed for road maintenance and use.

Other species or products not listed in A2 may, upon written approval of Forest Service officer signing this contract, his successor or superior, be cut and removed without charge other than Required Deposits established by agreement.

When any material suitable for use in a product form included in A2 is removed in another product form, the rates of payment therefor shall be not less than but approximately equivalent to Current Contract Rates and Required Deposits.

B3.42 Timber Cut Through Mistake. Undesignated timber meeting Utilization Standards, cut by Purchaser through mistake and included by Forest Service under B2.14, shall be removed and paid for at Current Contract Rates and Required Deposits, unless such material is not listed in A2. In such event, Forest Service, in accord with standard Forest Service methods, shall establish rates to be paid.

B3.43 Designated Timber Cut But Not Removed. Standard Timber shall be removed as provided in B2.2 prior to acceptance of subdivision for completion of logging under B6.35. There shall be no charge when (a) the leaving of incidental material is justified under existing conditions, including those under B6.4, or (b) cut timber is left by option or requirement, as under B2.31, B2.32 and B6.4.

B3.44 Undesignated Timber Damaged Without Negligence. Undesignated timber meeting Utilization Standards, damaged without negligence by Purchaser and designated by Forest Service under B2.131, shall be cut, removed and paid for at Current Contract Rates and Required Deposits.

B3.45 Undesignated Timber Unnecessarily Damaged or Negligently or Willfully Cut. Undesignated timber meeting Utilization Standards and unnecessarily damaged or negligently or willfully cut by Purchaser, if included by Forest Service under B2.132, shall be cut, removed and paid for at Current Contract Rates and Required Deposits, which are in addition to liquidated damages under B3.46.

If such timber is of a species or size not listed in A2 or is of a quality different from designated timber, Forest Service shall establish payment rates in accord with standard Forest Service methods.

B3.46 Liquidated Damages. Unnecessary damage to or negligent or willful cutting of undesignated timber, as described in B3.45, on portions of Sale Area cut over

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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, Purchaser shall pay as fixed, agreed and liquidated damages an amount equivalent to and in addition to the amount payable at Current Contract Rates for such timber. If designated, Purchaser shall remove such damaged or cut timber.

B3.47 Defect Caused by Abnormal Delay. Scaling deductions made for rot, check or other defect resulting from abnormal delay in Scaling caused by Purchaser shall be recorded separately and charged to Timber Sale Account at Current Contract Rates and applicable deposits.

B4.0—PAYMENTS

B4.1 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 Purchaser shall pay.

B4.2 Timber Sale Account. "Timber Sale Account" is an account of all Purchaser'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 under B4.225 and (d) other charges provided in this contract. Cash deposits and Purchaser Credit as defined in B4.21 and computed under B5.3 shall be recorded currently in such account.

Charges for timber cut shall be made when Forest Service prepares and furnishes to Purchaser periodic statements of volume and value of such timber cut and Scaled. Charges subject to escalation under B3.2 shall be made initially on the basis stated in B4.223 and shall be adjusted at the end of each calendar quarter as provided in B3.2. Charges against Purchaser Credit shall be limited to timber value in excess of Base Rates.

B4.21 Purchaser Credit. "Purchaser Credit" is credit earned by Purchaser's construction of Specified Roads or as otherwise provided under C4.21 and is computed and recorded as provided in B5.3. "Purchaser Credit Limit" is the maximum amount of such credit which shall be recognized hereunder and shall never exceed the listed total estimated cost of project segments in A10 which may be adjusted pursuant to B3.31, B3.32, B5.2, B5.21, B5.212, B5.24, B5.25 and B5.26. "Effective Purchaser Credit" means unused Purchaser Credit which does not exceed Current Contract Value minus Base Rate Value. "Base Rate Value" is the sum of the products of Base Rates and estimated remaining unscaled volumes by species of Included Timber meeting Utilization Standards.

B4.22 Cash Deposits. Within the limitations of this Subsection, Purchaser shall make cash deposits to meet Purchaser's obligations within 15 calendar days of billing by Forest Service. Said deposits shall be made to Forest Service, U.S.D.A., by mail or delivery to Collections Officer at address to be furnished by Forest Service. An explanation of billings shall be issued at the time of each request for such deposits.

B4.221 Advance Deposits. Purchaser agrees to make cash deposits or establish Purchaser Credit in advance of cutting to meet charges under B4.2.

Forest Service requests for advance cash deposit shall be in such amount as to cover, together with available Purchaser Credit as described in B4.222, the applicable charges for timber estimated to be cut in not less than 30

calendar days and not more than 60 calendar days, unless a smaller amount is required under B4.224. Purchaser shall not be required to make additional advance deposits when the credit balance in Timber Sale Account exceeds the charges for timber estimated to be cut in the next 60 calendar day period.

B4.222 Purchaser Credit as Deposits. Effective Purchaser Credit shall be considered equivalent to cash for advance deposits notwithstanding the B4.2 prohibition on using Purchaser Credit for Base Rate charges.

B4.223 Deposits for Charges Subject to Escalation. Cash deposits requested to cover estimated charges for timber subject to escalation under B3.2 shall be based upon Current Contract Rates and related deposits in effect during previous calendar quarter, except when the most recent applicable monthly index differs from the previous quarterly index average by more than 5 percent. In such event, request for said deposits shall be based on a rate adjustment of half of such difference, rounded to the nearest 10 cents.

B4.224 Deposits When Payment Guaranteed. To the extent payment guarantee is provided under B4.3, requirements for advance cash deposits under B4.221 shall be waived for the value of timber on Sale Area which is cut but not removed and for the value of logs removed from Sale Area for not more than a monthly billing period, subject to the provisions of B4.4.

B4.225 Cooperative Deposits. On a basis of cooperation or assistance (16 U.S.C. 572) and by a written agreement, Forest Service shall perform all or portions of the work which Purchaser is obligated to perform under this contract, as well as furnish other services in connection with activities under this contract. When Forest Service is to perform such work, Purchaser shall make one or more deposits to cover the estimated cost of said work. On request of Purchaser, Forest Service shall render monthly accounts as may be specified in such agreement.

B4.226 Use of Deposits. Forest Service shall receive and apply deposits made under B4.0 only to meet Purchaser's obligations under this contract, unless otherwise authorized by Purchaser.

B4.227 Blanket Cash Deposit. Cash deposits may be made by Purchaser under a written agreement to cover charges made under this and other timber sale contracts within the same National Forest. Such deposits shall be allocated to such sales by Forest Service. When there is to be no timber cutting hereunder for 30 calendar days or more and payment of current charges has been made, the allocation to this sale shall be reallocated to other sales at Purchaser's request, and Purchaser shall not start cutting hereunder until allocation has again been made to this sale.

B4.23 Refund of Excess Cash. If at any time the credit balance of Timber Sale Account exceeds the charges for timber estimated to be cut in the next 60 calendar days, any portion of such excess that is due to cash in the account shall be refunded upon Purchaser's request. If no cutting is planned within the next 60 calendar days, refund of cash balance may be made, but the credit balance shall not be reduced below the value of 10 calendar days' normal cut of timber. After a refund for a shutdown, deposits shall be made to meet the requirements of B4.221 before additional timber may be cut. This Subsection shall not obligate Forest Service to refund any portion of deposit with bid.

Subject to the above limitations, when Purchaser (a) deposits negotiable securities of the United States to

replace cash deposit with bid, (b) earns effective Purchaser Credit or (c) provides any combination of (a) and (b), equivalent amounts of deposit with bid shall be refunded.

B4.24 Refund after Scaling Completed. Any cash deposit in excess of that required to meet charges under B4.2, shall be refunded or transferred within 15 calendar days of Purchaser's request after Scaling is completed, except for amounts estimated to be required under B9.5.

B4.3 Payment Guaranteed by Bond or Deposited Securities. To guarantee payment, Purchaser may furnish and maintain an acceptable surety bond or deposit in a Federal Depository negotiable securities of the United States. The securities shall be deposited through the Regional Fiscal Agent accompanied by a power of attorney and agreement authorizing the bond-approving officer to sell or collect such securities if payment is not made within 15 calendar days of billing by Forest Service. The penal sum of such surety bond or the market value at time of deposit of such negotiable securities shall be the maximum amount of the payment guaranteed.

For payment purposes, said penal sum of the surety bond or market value at time of deposit of negotiable securities shall be in lieu of the performance bond furnished under B9.1.

B4.31 Blanket Bond. If Purchaser furnishes an acceptable bond, or deposits securities, in accordance with B4.3, to guarantee payment for timber from this and other timber sales within the same National Forest, the amount of such bond or deposited securities shall be allocated to such sales by Forest Service. When there is to be no timber cutting hereunder for 30 calendar days or more and payment of current charges has been made, the allocation to this sale shall be reallocated to other sales at Purchaser's request, and Purchaser shall not start cutting hereunder until this sale receives an allocation which will, in combination with Purchaser Credit, meet the obligation for payment guarantee.

B4.4 Payments Not Received. When payment is not received within 15 calendar days of billing or when the credit balance in Timber Sale Account is less than the amount due for timber estimated to be cut in 10 calendar days, Forest Service may suspend all or any part of Purchaser's Operations until payment or acceptable payment guarantee is received.

Failure to pay amounts due when payment are guaranteed by a surety bond shall be considered a breach under B9.3, and the 30 calendar-day notice period prescribed therein shall begin to run as of the end of the aforesaid 15 calendar days allowed for payment. For such payments not received, interest shall accrue on the unpaid amount at the rate of 6 percent per annum, compounded monthly, beginning 30 calendar days after the end of the period allowed for payment.

Forest Service remedies for Purchaser's failure to pay amounts due, except for suspension of all or any part of Purchaser's Operations, shall be stayed for so long as (a) a bona fide dispute exists as to Purchaser's obligation to make such payment and (b) Purchaser shall file and prosecute a timely appeal from Forest Service decision involved in such dispute under Regulations of the Secretary of Agriculture (36 C.F.R. 211.20 et seq.).

B5.0—TRANSPORTATION FACILITIES

B5.1 Authorization. Purchaser is authorized to construct and maintain roads, bridges and other transportation

facilities, as needed for Harvesting Included Timber, on National Forest and other lands where Forest Service has such authority. As used in this contract "construct" includes "reconstruct."

Location and construction of Specified Roads shall be in accordance with B5.2. Unless otherwise provided herein, construction may be progressive during this contract. Maintenance shall be governed by B5.4. The location and clearing widths of all Temporary Roads or facilities shall be agreed to before construction is started. "Temporary Roads" are roads other than Specified Roads which are constructed by Purchaser for the purpose of harvesting Included Timber.

Purchaser is authorized to cut and use for construction without charge construction timber designated by agreement.

B5.11 Requirements of Rights-of-Way. Purchaser's road construction and use on the rights-of-way identified in attached list or C5.11 shall be confined to said rights-of-way and limited by the related easements and stipulations, if any, unless Purchaser makes other arrangements which will not infringe upon or adversely affect the grantee's rights. Said easements or right-of-way documents are available in the offices of the Forest Supervisor and District Ranger.

B5.12 Use of Roads by Purchaser. Except as provided herein, Purchaser is authorized to use existing National Forest roads, in addition to Specified Roads listed in A9, when such use will not cause damage to the roads or National Forest resources and when hauling can be done safely.

If Purchaser's use of an existing road, not listed in A9, cannot be satisfactorily accommodated without reconstruction, Purchaser shall be authorized to use such road upon agreement as to the minimum reconstruction work which Purchaser shall perform before hauling. When appropriate, such road shall be included in A9 as an alternate facility under B5.26.

C5.12 lists existing roads shown on Sale Area Map which for such reasons as limitations in structural capacity, safety and protection of soil, water, and roads, (a) cannot be used for log hauling or (b) may be used only under the restrictive limitations stated therein.

B5.2 Specified Roads. "Specified Roads" are roads, including related transportation facilities and appurtenances, shown on Sale Area Map and listed in A9, for which Purchaser shall be given Purchaser Credit when constructed. Purchaser shall construct Specified Roads used under this contract. Construction initiated by Purchaser on any such Specified Road shall be completed to an agreed terminus that meets Purchaser's needs and prevents unnecessary injury to National Forest resources. Construction to such terminus shall be in full accordance with Drawings and specifications set forth herein or attached hereto, except for agreed adjustments needed to accommodate such terminus. The cost, as estimated by Forest Service, for the portion constructed shall be separately recorded as a segment in a revised A10. A Temporary Road shall not be constructed substantially on the location for a Specified Road, except by agreement.

In event of agreed substitution or revision of construction design, specifications or performance responsibility under B5.212, B5.25, B5.26 or C5.201, a revised table designated A9-1, A9-2, etc. shall supersede any prior table

as A9, when it is dated and signed by Purchaser and the Forest Supervisor or District Ranger when District Ranger is the approving officer.

B5.21 Engineering. Survey and design for Specified Roads were completed by Forest Service prior to sale advertisement, unless other timing is specified in C5.21 or Purchaser survey and design are specified in A9. On those roads for which the design is completed by Forest Service during the contract, the design quantities shall be used as the basis for revising estimated costs and Purchaser Credit Limit stated in A10.

Survey, design, and construction staking of Specified Roads to be engineered by Purchaser shall be performed by Purchaser in accordance with specifications attached hereto. Based upon the quantities developed by such design as approved by Forest Service, the estimated costs and Purchaser Credit Limit stated in A10 shall be revised by Forest Service. The methods of computing such revised costs shall be consistent with the methods that would have been used had the engineering been performed prior to sale advertisement.

B5.211 Priority of Drawings. "Drawings" are documents listed in A9 showing such items as plans, profiles, typical cross sections, working drawings and supplemental drawings, or exact reproductions thereof, which show the location, character, dimensions and the details of the work to be done.

Drawings shall govern over specifications, staking and the approximate mileage in A9, unless agreed otherwise for minor adjustments. Normal good construction practices and related tolerances are acceptable when the specification describes the construction requirements in nonquantitative terms. Necessity for substantial change in the amount of construction work resulting from an error in staking shall be treated as a design change under B5.254.

B5.212 Construction Staking. Purchaser shall avoid careless or negligent damage to construction stakes, flags or marks. If such damage occurs, Purchaser shall be required to replace stakes necessary to construction or, upon Purchaser's request and under written agreement, Purchaser shall bear costs of such replacement by Forest Service by depositing, with Forest Service in advance, sufficient sums to cover cost of such replacement. Any surplus funds remaining after such work is completed shall be refunded.

When A9 shows that construction stakes are to be set by Forest Service after clearing, Purchaser shall submit to Forest Service a written schedule for clearing, construction staking and construction which will provide Forest Service a reasonable period for setting construction stakes. Time of setting construction stakes may be modified by written agreement.

If Forest Service performs construction staking for Specified Roads, timing of such staking shall permit Purchaser's clearing and other construction activity to proceed without hindrance or delay, provided Purchaser's construction activity is reasonably consistent with needs identified in Purchaser's operating schedule or amendments thereto.

Should Forest Service be unable to perform construction staking in such reasonable period, upon written agreement, Purchaser shall assume the responsibility for construction staking for agreed upon portions of Specified Roads. In such event Forest Service shall revise (a) A9 to show Purchaser's performance responsibility and (b) A10 to include costs of construction staking, as provided under

B5.24, and to increase Purchaser Credit Limit to accommodate such costs. Such costs shall be calculated by Forest Service using unit rates comparable with those used in the preparation or revision of A10.

B5.22 Material Delivery. Within 60 calendar days after award date, Purchaser shall provide Forest Service a written schedule showing the desired delivery dates of any material to be supplied by Forest Service. With reasonable notice, said schedule may be amended by agreement. Forest Service agrees to make delivery within 15 calendar days of scheduled delivery dates that are at least 60 calendar days after the schedule is submitted, unless prevented by causes beyond control of Forest Service. If Purchaser does not provide Forest Service the written schedule within the above period, Forest Service agrees to make delivery within 90 calendar days after a late schedule is submitted, unless prevented by causes beyond control of Forest Service. After delivery to and written receipt by Purchaser, Purchaser is responsible for installation of needed material and for any loss of or damage to such material due to Purchaser's negligence prior to installation or return of unused material to Forest Service.

At Purchaser's option, Forest Service deliveries shall be to Purchaser's storage area, as agreed, or to the nearest practicable point to the job site along existing roads.

B5.23 Use of Partially-Constructed Road. Portions of Specified Roads shall be Substantially Completed prior to their use for hauling timber from each established landing, except that Purchaser may be relieved in writing of this requirement if there is justification under existing conditions. When necessary to facilitate construction and protect bridges and roads from damage, timber felled in construction and timber logged directly to the road from areas immediately adjacent thereto may be hauled before road construction is Substantially Completed. Such hauling shall be confined to periods when abnormal soil erosion and damage to National Forest lands will not result.

"Substantially Completed" means (a) completion of grading and installation of drainage structures so they will function effectively, and (b) laying the specified depth of the base course, if any, unless physical conditions make it impractical or ground conditions permit hauling without undue damage. No more than half of Included Timber to be hauled over such portions of road shall be hauled until the base course has been applied.

Unless agreed otherwise, specified reconstruction shall be completed on any portion of road prior to hauling on that portion.

B5.24 Estimated Cost. Estimated costs by construction phases for Specified Roads listed in A9 are stated by segments in A10. Such estimated costs are subject to adjustment under B3.31, B3.32, B5.2, B5.21, B5.212, B5.25 and B5.26. Appropriately adjusted costs shall be made a part of a revised A10 which shall be designated A10-1, A10-2, etc. The revised A10 shall supersede any prior A10 herein when it is dated and signed by the Forest Supervisor, or District Ranger when District Ranger is the approving officer, and a copy is furnished to Purchaser.

B5.25 Construction Cost Adjustment. Cost estimates in A10 and Purchaser Credit Limit shall be adjusted by Forest Service as follows:

B5.251 Difference in Rock Cost. If there is advance agreement on changes affecting base rock, surface rock or rock riprap, cost estimates (such as sources, type, estimated quantities or average haul mileage of base course, surface rock or rock riprap, other than those in

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A11), appropriate adjustments shall be made in A10. The new rock-cost estimates shall be the products of Forest Service's revised estimates of mileage, quantities and unit costs that are consistent with unit costs in A11. Appropriately adjusted sources, type, quantities, mileages and unit costs shall be made a part of a revised A11, which shall be designated A11-1, A11-2, etc. No such adjustment shall be made if the calculated change for all Specified Roads is less than \$500. Cost rates listed in A11 are subject to adjustment under B3.31.

B5.252 Difference in Culvert Installation. If the actual approved amount or type of culvert or drainage accessories installed hereunder differ from those estimated in Drawings and specifications under B5.2, the estimated costs therefor, listed in A10 shall be adjusted according to the cost rates in A12. If culverts or drainage accessories different from those shown in A12 are installed, estimated cost rates shall be consistent with the cost rates of A12. Cost rates listed in A12 are subject to adjustment under B3.31.

B5.253 Cost Adjustment for Physical Change. The estimated costs in A10 shall be revised if prior to acceptance under B6.35, a major physical change, caused by a single event and not due to negligence of Purchaser, results in additional work by Purchaser involving an additional estimated cost of (a) more than \$1,000 for sales under one million board feet, (b) more than \$1.00 per thousand board feet for sales of one to three million board feet, or (c) more than \$3,000 for sales over three million board feet. Such costs shall include the cumulative estimated costs of repairing damage from slides, washouts, landslips, fire, etc. caused by said event.

In such event, Drawings and specifications shall be revised when necessary to meet the new conditions. Such revised Drawings and specifications, together with the estimated cost of work abandoned, shall be the basis for revised cost estimates. Revised cost estimates shall be calculated by Forest Service, using unit rates consistent with those used in the preparation or revision of A10.

B5.254 Design Change. If Purchaser and Forest Service agree on a design change of a substantial nature consisting of changes in location, removal of unsuitable material or changes in road cross section of a Specified Road, estimated costs in A10 shall be revised to reflect the estimated cost resulting from such design change. A design change of a substantial nature is one that would result in a total adjustment in the estimated cost of \$1,000 or more.

B5.26 Alternate Facilities. If under Purchaser's operating schedule, roads needed for the removal of Included Timber differ substantially from Specified Roads, other roads may be added to A9. The road routing, location, design, and needed easements shall be such as will make such other roads acceptable as parts of the National Forest transportation system. Survey, design and construction staking for such other roads shall be provided by Purchaser.

Based on design quantities from such engineering, Forest Service shall estimate construction costs of alternate facilities, using methods consistent with those used in the original computation of A10. Purchaser Credit Limit for acceptable alternate facilities shall not exceed the estimated costs of facilities listed in the original A10 which Purchaser does not construct, except that Purchaser Credit Limit may be adjusted as described in B5.25. In event of rate redetermination under B3.3, such limit shall

be the redetermined estimate costs of facilities listed in the original A10 which Purchaser does not construct.

B5.3 Purchaser Credit Computation. Forest Service shall make timely estimates of Purchaser's progress in Specified Road construction. On the basis of such progress estimates and cost estimates in A10 Forest Service shall credit Timber Sale Account each month as such work proceeds or as such deposits are made. Materials furnished and delivered or such deposits made by Purchaser shall be included in estimating work progress.

Such crediting shall be at 95 percent of the estimate of cost of work accomplished until the project segment listed in A10 is accepted as complete under B6.35 or is abandoned under B5.253 or B8.33. At such time, Timber Sale Account shall receive full credit up to Purchaser Credit Limit.

When Purchaser performs surface treatment for which Purchaser Credit is provided elsewhere herein or make deposits for road reconstruction under C5.121 or for use of share-cost roads under C4.21, Forest Service shall credit Timber Sale Account each month as such work proceeds or as such deposits are made. Crediting of Timber Sale Account for deposits for road reconstruction or for share-cost roads shall be in the full amount of such deposits.

B5.4 Road Maintenance. Purchaser shall perform or pay for road maintenance work, commensurate with Purchaser's use, on roads controlled by Forest Service and used by Purchaser in connection with this sale. Maintenance specifications and Required Deposit for road maintenance, if any, are stated in C5.4 or C5.41. In the absence of a provision for such Required Deposits, there may be agreement for Purchaser to make deposits under B4.225 in lieu of performing maintenance.

Purchaser's use of roads being maintained for commercial hauling by a third party under agreement with Forest Service may be made contingent upon Purchaser's payment (a) to Forest Service at reasonable rates predetermined annually or by said agreement or (b) to a third party by agreement between Purchaser and such third party. Purchaser's maintenance cost responsibility on road sections customarily maintained by Forest Service shall not exceed the maintenance costs commensurate with Purchaser's use.

Forest Service road maintenance performed for Purchaser within the designated maintenance area shall be at least comparable to that required of Purchaser. Both current and periodic maintenance shall be performed so that Purchaser's use of roads is not unreasonably hindered or restricted. When Forest Service is unable to perform such maintenance, or other arrangements are justified by changed circumstances, Purchaser may assume specific maintenance obligations by written agreement including adjustment of Purchaser's deposits for road maintenance.

Maintenance as used in this contract does not include road reconstruction or repairs of an extraordinary nature.

B5.41 Road Maintenance Deposits. Other provisions herein notwithstanding, when Forest Service requests payment in lieu of Purchaser's performance of road maintenance, Purchaser shall make Required Deposits (16 U.S.C. 537) at rates stated in Road Maintenance Deposit Schedule C5.41. Such deposits shall be based upon the volume and distance hauled on roads listed in said schedule. In event Scaling is deferred, estimates of volume hauled shall be made to provide current funds for the work. However, total amount to be retained by Forest Service shall be determined by volume Scaled.

Purchaser and Forest Service may agree in writing on

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adjustment of such rates, including the establishment of rates for phases of maintenance. If Purchaser uses roads under jurisdiction of Forest Service other than those listed in said schedule, Forest Service shall establish rates commensurate with Purchaser's use of such roads.

B5.5 Use by Others. Forest Service shall have the right to use any road constructed by Purchaser under this contract for any and all purposes in connection with the protection and administration of the National Forest. Roads constructed by Purchaser hereunder may be used by other parties in connection with the logging of tributary National Forest timber when such use will not materially interfere with Purchaser's Operations. Such third party use shall be contingent upon the third party paying a fair share of maintenance cost commensurate with such commercial use.

Unless otherwise provided in C5.5, Forest Service shall authorize other uses of roads constructed by Purchaser hereunder only if (a) Forest Service makes appropriate arrangements to relieve Purchaser of related maintenance costs commensurate with such other uses and (b) such other uses will not materially interfere with Purchaser's Operations.

Where Purchaser reconstructs a road having established use, the use during reconstruction and thereafter by Purchaser shall be such as to reasonably accommodate such established use. Purchaser shall have the right to use such reconstructed road without material additional interference from other users.

B6.0—OPERATIONS

B6.1 Representatives. Unless Purchaser is notified in writing otherwise by the Forest Supervisor, the District Ranger is the representative of Forest Service to (a) receive notices in regard to performance under this contract, (b) take action in relation to this contract, and (c) be readily available to the area of construction and logging operations.

When Purchaser's Operations are in progress, Purchaser shall have a representative, named in writing, readily available to the area of such operations and authorized to receive notices in regard to performance under this contract and to take related action.

B6.11 Notices. Notices by either party as to action taken or to be taken by the other respecting this contract shall be made in writing to the other party's designated representative.

B6.2 Improvements. Purchaser is authorized to construct on National Forest land, buildings, facilities, and other improvements needed to log Included Timber. Such construction shall be located where approved in writing by Forest Service and shall be constructed and used in a manner which will protect National Forest values. Forest Service may authorize Purchaser under special use permit or C6.2 to establish and operate facilities on National Forest land to manufacture Included Timber.

B6.21 Removal. Unless continued use is authorized, all said improvements shall be removed or disposed of by Purchaser when no longer needed. Should Purchaser fail to remove or dispose of said improvements within 6 months after Termination Date, Forest Service may dispose of said improvements at Purchaser's expense under B9.5, or in lieu thereof, may, upon written notice to Purchaser, assume title to said improvements in the name of the United States. In the latter event, Purchaser shall not be required to remove such improvements.

B6.22 Protection of Improvements. So far as practicable, Purchaser shall protect Specified Roads and other improvements (such as roads, trails, telephone lines, ditches and fences) (a) existing in the operating area, (b) determined to have a continuing need or use and (c) designated on Sale Area Map. Roads and trails needed for fire protection or other purposes and designated on Sale Area Map shall be kept reasonably free of equipment and products, slash, and debris resulting from Purchaser's Operations. Purchaser shall make timely restoration of any such improvements damaged by Purchaser's Operations and, when necessary because of such operations, shall move such improvements as specified in C6.22.

B6.23 Protection of Land Survey Monuments. Forest Service shall appropriately designate on the ground all known survey monuments, section corners and other corner accessories. Identifying signs shall be posted by Forest Service on two sides of each known bearing tree.

In authorized clearings such as Clearcutting Units and road construction, and in other instances where damage to monuments, section corners and other corner accessories is unavoidable, Forest Service shall arrange protective or perpetuative action which does not cause unnecessary delay to Purchaser.

Purchaser shall protect all known survey monuments, witness corners, reference monuments and bearing trees against avoidable destruction, obliteration or damage during Purchaser's Operations. If any known monuments, corners or accessories are destroyed, obliterated or damaged by Purchaser's Operations, Purchaser shall hire the appropriate county surveyor or a registered land surveyor to reestablish or restore at the same location the monuments, corners or accessories. Such surveyors shall use procedures in accordance with the Bureau of Land Management Manual of Instructions for the Survey of the Public Lands of the United States for General Land Office surveys, and in accordance with State law for others. Purchaser shall record such survey in appropriate county records.

B6.24 Protection of Historical Sites. Location of known historic or prehistoric ruins or monuments or objects of antiquity, such as Indian artifacts, protected by American Antiquities Act (16 U.S.C. 433) are shown on Sale Area Map and identified on the ground. Such areas discovered and identified on the ground during Purchaser's Operations may, by agreement, result in contract cancellation or modification and reimbursement to Purchaser for the extra cost involved in providing such protection. Discovery of such areas by either party shall promptly be reported to the other party.

Wheeled or track-laying equipment shall not be operated within such areas except on roads, landings, tractor roads or skid trails approved under B5.1 and B6.422. Unless agreed otherwise, trees felled into such areas, and the resulting slash, shall be removed by a method that will minimize damage to the area. Purchaser may be required to backblade skidtrails and other ground disturbed by Purchaser's Operations within such areas in lieu of cross ditching required under B6.6.

B6.3 Control of Operations. Under this contract, "Purchaser's Operations" shall include activities of or use of equipment of Purchaser, Purchaser's employees, agents, contractors, subcontractors, their employees or agents, acting in the course of their employment in operations hereunder on National Forest System lands or within the Forest Service protection boundary (unless acting under

the immediate supervision of Forest Service, as in slash disposal).

Purchaser's Operations shall be conducted in a workman-like and orderly manner. The timing of required Forest Service designation of work on the ground and the performance of other Forest Service work shall not be such as to cause unnecessary delay to Purchaser.

B6.31 Operating Schedule. Purchaser shall, before commencing operations, provide in writing an annual schedule of anticipated major activities and needs for logging Included Timber, such as logging, road maintenance, Scaling, and construction, including construction and staking schedule under B5.212 and material delivery under B5.22. Upon reasonable notice to Forest Service, such schedule shall be subject to modifications necessitated by weather, markets or other unpredictable circumstances.

Subject to B6.6 and when the requirements of B6.65 are met, Purchaser's Operations may be conducted outside Normal Operating Season. "Normal Operating Season" is the period beginning and ending on the dates stated in A20 of any year.

B6.32 Protection of Residual Trees. Purchaser's Operations shall not unnecessarily damage young growth or other trees to be reserved.

B6.33 Safety. Purchaser's Operations shall facilitate Forest Service's safe and practical inspection of Purchaser's Operations and conduct of other official duties on Sale Area.

B6.34 Sanitation and Servicing. Purchaser shall take all reasonable precautions to prevent pollution of air and water by Purchaser's Operations. If facilities for employees are established on Sale Area, they shall be operated in a sanitary manner. Refuse resulting from Purchaser's use, servicing, repair or abandonment of equipment shall be removed from National Forest lands or buried at agreed locations. Purchaser shall not service tractors, trucks or other equipment on National Forest lands where pollution to lakes, streams or estuaries is likely to occur.

B6.35 Acceptance of Work. Upon Purchaser's written request and assurance that work has been completed, Forest Service shall perform an inspection promptly so as not to delay unnecessarily the progress of Purchaser's Operations. Such a request may be for acceptance of (a) any reasonable portion of Specified Road listed in A10, (b) specific requirements on a subdivision of Sale Area (such as logging, slash disposal, erosion control, or snag felling) or (c) all contract requirements on a subdivision of Sale Area. Forest Service may perform such inspections without request from Purchaser.

Within 5 calendar days of said inspection, Forest Service shall furnish Purchaser with written notice either of acceptance or of work remaining to be done.

In the event that Forest Service is unable to make such inspection within 10 calendar days of Purchaser's request therefor, Purchaser shall be notified in writing of necessity for postponement and time when inspection can be made. The same final approval procedure shall be used at the end of Purchaser's construction period on any completed portion of road. Specified Road work may be accepted subject to completion of clearing work not affecting the road structure but delayed for reasons beyond control of Purchaser, such as adverse weather.

When all contractual work of Purchaser has been accepted for any subdivision of Sale Area, said subdivision shall be eliminated from Sale Area on written notice of either party to this contract.

B6.4 Conduct of Logging. Unless otherwise specifically provided herein, Purchaser 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 C6.4 provisions set forth requirements to meet special or unusual logging conditions:

B6.41 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 A2. Purchaser 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 scale in percentage of gross scale stated in A2. If necessary to assess extent of defect, Purchaser shall make sample saw cuts or wedges.

B6.411 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 Clearcutting Units, construction clearings and areas of regeneration cutting.

B6.412 Stump Heights. Stumps shall not exceed, on the side adjacent to the highest ground, the maximum heights set forth in A8, 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, Purchaser shall re-cut high stumps so they will not exceed heights specified in A8 and shall dispose of severed portions in the same manner as other logging debris or as otherwise agreed. The stump heights shown in A8 were selected with the objective of maximum reasonable utilization of the timber unless Sale Area Map shows special areas where stump heights are lower for aesthetic, land treatment or silvicultural reasons.

B6.413 Bucking Lengths. Trees shall be bucked in various lengths to obtain the greatest utilization of material meeting Utilization Standards.

B6.414 Limbing. When necessary to minimize damage to the residual stand during skidding, exposed limbs shall be cut from products prior to skidding. Such limbs may be left uncut which cannot be cut with reasonable safety.

B6.42 Skidding and Yarding. Methods of skidding or yarding specified for particular areas, if any, are indicated on Sale 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 winch to facilitate skidding.

B6.421 Rigging. Insofar as practicable, needed rigging shall be slung on stumps or trees designated for cutting.

B6.422 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 safe and efficient skidding and loading operations.

B6.423 Skidding on Roads. Products may be skidded on permanent roads authorized for hauling under B5.12 only by prior written agreement.

B6.424 Arches and Dozer Blades. Unless otherwise

specified in C6.424, 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.

B6.5 Streamcourse Protection. "Streamcourses" which are subject to provisions of this Section are shown on Sale Area Map. Unless otherwise agreed, the following measures shall be observed to protect Streamcourses:

(a) Purchaser's Operations shall be conducted to prevent debris from entering Streamcourses, except as may be authorized under paragraph (d). In event Purchaser causes debris to enter Streamcourses in amounts which may adversely affect the natural flow of the stream, water quality or fishery resource, Purchaser shall remove such debris as soon as practicable, but not to exceed 48 hours and in an agreed manner that will cause the least disturbance to Streamcourses.

(b) Culverts or bridges shall be required on Temporary Roads at all points where it is necessary to cross Streamcourses. Such facilities shall be of sufficient size and design and installed in a manner to provide unobstructed flow of water and to minimize damage to Streamcourses. Trees or products shall not be otherwise hauled or yarded across Streamcourses unless fully suspended.

(c) Wheeled or track-laying equipment shall not be operated in Streamcourses except at crossings designated by Forest Service or as essential to construction or removal of culverts and bridges.

(d) Flow in Streamcourses may be temporarily diverted only if such diversion is necessary for Purchaser's planned construction and Forest Service gives written authorization. Such flow shall be restored to the natural course as soon as practicable and in any event prior to a major storm runoff period or runoff season.

B6.6 Erosion Prevention and Control. Purchaser's Operations shall be conducted reasonably to minimize soil erosion. Equipment shall not be operated when ground conditions are such that excessive damage will result. The kinds and intensity of erosion control work done by Purchaser shall be adjusted to ground and weather conditions and the need for controlling runoff. Erosion control work shall be kept current immediately preceding expected seasonal periods of precipitation or runoff.

If Purchaser fails to do seasonal erosion control work prior to any seasonal period of precipitation or runoff, Forest Service may temporarily assume responsibility for the work and any unencumbered deposits hereunder may be used by Forest Service to do the work. If needed for such work, Purchaser shall make additional deposits on request by Forest Service. Any money deposited or used for this purpose shall be treated as cooperative deposits under B4.225.

B6.61 Meadow Protection. Reasonable care shall be taken to avoid damage to the cover, soil, and water in meadows. Vehicular or skidding equipment shall not be used on meadows except where roads, landings and tractor roads are approved under B5.1 and B6.422. Unless otherwise agreed, trees felled into meadows shall be removed by endlining, and resulting logging slash shall be removed, where necessary to protect cover, soil and water.

B6.62 Temporary Roads. As necessary to attain stabilization of roadbed and fill slopes of Temporary

Roads, Purchaser shall employ such measures as out-sloping, drainage dips and water-spreading ditches.

After a Temporary Road has served Purchaser's purpose, Purchaser 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.

B6.63 Landings. After landings have served Purchaser's purpose, Purchaser shall ditch or 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.

B6.64 Skid Trails and Fire Lines. Purchaser 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 Purchaser-built fire lines prior to or during construction. By agreement, Purchaser may use other comparable erosion control measures, such as backblading skid trails, in lieu of cross ditching.

B6.65 Current Operating Areas. Where logging or road construction is in progress but not completed, unless agreed otherwise, Purchaser 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 a Normal Operating Season, for all disturbed, unprotected ground which is not to be disturbed further prior to end of operations each year, including roads and associated fills, tractors roads, skid trails and fire lines. When weather permits operations after Normal Operating Season, Purchaser shall keep such work on any additional disturbed areas as up-to-date as practicable.

B6.66 Erosion-Control Structure Maintenance. During the period of this contract, Purchaser shall provide maintenance of soil erosion control structures constructed by Purchaser until they become stabilized, but not for more than one year after their construction. Forest Service may agree to perform such structure maintenance under B4.225, if requested by Purchaser, subject to agreement on rates. Purchaser shall not be responsible for repair of such structures damaged by other National Forest users whose activities are not a part of Purchaser's Operations.

B6.7 Slash Disposal. Purchaser's timing of product removal and preparatory work shall not unnecessarily delay slash disposal. Specific slash disposal measures to be employed by Purchaser are stated in C6.7 and are in addition to Required Deposits for slash disposal.

B6.8 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. Scaling may be accomplished by Continuous Scaling or Intermittent Scaling as described in B6.81. Forest Service scalers shall be currently certified to perform accurate Scaling services.

Scaling instructions and specifications are listed in A13.

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B6.81 Scaling Services. With the object of obtaining an accurate scale, meeting standards of safety and product accountability, obtaining efficient use of scalers, minimizing truck delay, minimizing product damage, and meeting the customary needs of purchasers and Forest Service in the area, Forest Service (a) has designated in A14 a Scaling method commonly used in the area, a site and an appropriate geographic location and (b) shall conduct Scaling.

By written agreement, subject to such standards, Forest Service may provide alternative Scaling services and Purchaser shall bear any estimated additional Scaling cost for travel and salary. Said additional cost shall be determined by comparing an estimate of the cost of alternative Scaling services with the actual cost of Scaling at the designated site.

"Continuous Scaling Services" is Scaling at one station 5 eight-hour shifts per week, exclusive of Sundays and Federal holidays designated by statute, when at least the volume stated in A15 is presented during a Forest Service pay period of two weeks. Volumes from Purchaser's other National Forest timber sales or other volumes scaled under cooperative agreements with Forest Service can be presented to meet the prescribed minimum amounts.

Forest Service shall provide Continuous Scaling Services for less volume than stated in A15, when requested by Purchaser, if Purchaser pays the difference in Scaling cost resulting from such volume deficit at the rate shown in A14. Forest Service shall provide Continuous Scaling Services at Central Scaling Stations without charge for such volume deficit. A "Central Scaling Station" is a site where normally more than one National Forest timber purchaser is served.

Forest Service shall provide Scaling for proportionately greater volume presented during longer work days or weeks if Purchaser pays Scaling costs above straight time, including night, Sunday and holiday differential pay.

When sample or weight Scaling is the specified or agreed method, Forest Service shall perform Scaling as needed during 5 eight-hour shifts per week, exclusive of Sundays and Federal holidays.

"Intermittent Scaling Services" are non-Continuous Scaling Services and shall be provided by Forest Service when at least the intermittent volume stated in A15 is presented under a procedure acceptable to Forest Service and Purchaser.

Forest Service may enter into a written agreement (a) to provide Scaling services other than those above or (b) to accept Scaling services of others in lieu of Forest Service Scaling.

B6.82 Presentation for Scaling. Purchaser 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, Purchaser 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 which 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 Purchaser shall be recorded separately and charged to Timber Sale Account under B3.47.

Any timber which has been removed from Sale Area during the period of this contract but remains unscaled

after Termination Date shall be Scaled at the earliest reasonable date.

B6.83 Scaling Other Products. The Scaled volume of material presented for Scaling in forms other than those stated in A2, when appropriate, shall be converted to the A2 unit of measure by the application of standard converting factors and procedures in effect at time of sale. Other converting factors may be used by written agreement.

B6.84 Accountability. When Scaling is performed away from Sale Area, products shall be accounted for as follows unless otherwise agreed in writing: Purchaser shall plainly mark or otherwise identify products prior to hauling. The truck driver shall obtain a removal receipt furnished by Forest Service. Purchaser shall assign a competent individual at the landing to issue receipts for products removed from Sale Area. A duplicate copy or stub of such receipt shall be retained by Purchaser and delivered to Forest Service at periodic intervals. When products are in transit, the truck driver shall keep the original copy of the receipt in his possession and show it upon request or display it as evidence of his authority to move products. The original removal receipt shall be surrendered at point of Scaling, the unloading point or as requested by Forest Service.

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

B6.85 Scaling Lost Products. The volume of lost products shall be determined by the best method 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 for entire truckloads shall be assumed to be the same as for volume Scaled 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. No payment for lost products may be required if the volume involved is small and justified by existing conditions.

B6.86 Scale Reports. Forest Service shall provide Purchaser a copy of Forest Service scaler's record, if requested in writing.

B6.9 Records. Upon request, Purchaser shall provide access to appropriate annual records in Purchaser's books and accounts to enable Forest Service to obtain and analyze accurate operating costs and selling price data for appropriate use in appraising Federal timber. However, upon receiving such a request from Forest Service, Purchaser may make written notice that such data shall be provided through an independent certified public accountant approved by Forest Service. Purchaser agrees that the certified public accountant shall do such work in accordance with specifications provided by Forest Service. Costs of such services shall be paid by Purchaser. Data so provided shall be subject to acceptance by Forest Service, and shall also be subject to review and adjustment, where needed, by Forest Service.

Operating cost and selling price data shall include that applicable for appraising timber obtained from Federal sources in or processed in the Region. Access to such data shall be provided by Purchaser on behalf of subsidiary entities owned or controlled by Purchaser to the extent

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they participate in harvesting, manufacturing or marketing said timber into products recognized in National Forest timber appraisals in the area. To a like extent, Purchaser shall request in writing Purchaser's contractors and subcontractors to make such data available to Forest Service.

Information so obtained shall be treated as confidential as provided in Regulations issued by the Secretary of Agriculture (7 CFR 1.4) and shall be available for review by parties from whom such data are obtained.

B7.0—FIRE PRECAUTIONS AND CONTROL

B7.1 Plans. Prior to initiating Purchaser's Operations during Fire Precautionary Period, Purchaser shall file with Forest Service a plan providing for the prevention and control of fires on Sale Area and other areas of Purchaser's Operations. Such plan shall include a detailed list of men and equipment at Purchaser's disposal for implementing the plan. This requirement may be met by preparing a single plan for more than one sale.

B7.2 Fire Precautions. Specific fire precautionary measures listed in C7.2 shall be applicable during Purchaser's Operations in "Fire Precautionary Period" described in A16. Forest Service may change the dates of Fire Precautionary Period by advance written notice if justified by unusual weather or other conditions. Required tools and equipment shall be kept in serviceable condition and immediately available for fire fighting at all times during Purchaser's Operations in Fire Precautionary Period.

B7.21 Substitute Precautions. Forest Service may authorize substitute measures or equipment, or waive specific requirements by written notice if substitute measures or equipment will afford equal protection or some of the required measures and equipment are unnecessary.

B7.22 Emergency Precautions. Forest Service may require the necessary shutting down of equipment on portions of Purchaser's Operations as specified by the emergency fire precautions schedule of C7.22. Under such conditions, after Purchaser ceases active operations, Purchaser shall release for hire by Forest Service, if needed, Purchaser's shutdown equipment for fire standby on Sale Area or other areas of Purchaser's Operations and personnel for fire standby or fire patrol, when such personnel and equipment are not needed by Purchaser for other fire fighting or protection from fire. Equipment shall be paid for at fire fighting equipment rates common in the area or at prior agreed rates, and if Purchaser requests, shall be operated only by personnel approved by Purchaser. Men so hired shall be subject to direction and control by Forest Service and shall be paid by Forest Service at fire fighting rates common in the area or at prior agreed rates.

B7.3 Fire Control. Purchaser shall, both independently and in cooperation with Forest Service, take all reasonable and practicable action to prevent and suppress fires resulting from Purchaser's Operations and to suppress any forest fire on Sale Area. Purchaser's independent initial fire-suppression action on such fires shall be immediate and shall include the use of all necessary manpower and equipment at Purchaser's disposal on Sale Area or within the distance of Sale Area stated in A17.

B7.31 Purchaser's Reinforcement Obligations. Whenever an Operations Fire or Negligent Fire, whether on or off Sale Area, or any other forest fire on Sale Area, has not been suppressed by initial action and appreciable reinforcement strength is required, Forest Service may require

further actions by Purchaser until such fire is controlled and mopped up to a point of safety. Such actions may include any or all of the following as necessary to fight such fire:

B7.311 Suspend Operations. To suspend any or all of Purchaser's Operations.

B7.312 Manpower. To release for employment by Forest Service any or all of Purchaser's manpower engaged in Purchaser's Operations or timber processing within the distance of Sale Area stated in A17. Any organized crew so hired shall include Purchaser's supervisor, if any. Men so employed shall be paid at Forest Service standard emergency fire fighting rates.

B7.313 Equipment. To make available for Forest Service rental at fire-fighting equipment rates common in the area or at prior agreed rates any or all of Purchaser's equipment suitable for fire fighting and currently engaged in Purchaser's Operations within the distance of Sale Area stated in A17. Equipment shall be operated only by personnel approved by Purchaser if so requested by Purchaser.

B7.4 Fire Suppression Costs. Purchaser's obligations for cost of fire suppression vary according to three classifications of fires as follows:

B7.41 Operations Fire. An "Operations Fire" is a fire caused by Purchaser's Operations other than a Negligent Fire.

Forest Service, except as provided in B7.3, shall, under 16 U.S.C. 572, perform fire suppression activities on Operations Fires. Purchaser agrees to reimburse Forest Service for such cost for each Operations Fire, subject to a maximum of the dollar amount stated in A18. The cost of Purchaser's actions, supplies and equipment on any such fire provided pursuant to B7.3, or otherwise at the request of Forest Service, shall be credited toward such maximum. If Purchaser's actual cost exceeds Purchaser's obligation stated above, Forest Service shall reimburse Purchaser for the excess.

B7.42 Negligent Fire. A "Negligent Fire" is a fire caused by negligence or fault of Purchaser's Operations, including but not limited to one caused by smoking by persons engaged in Purchaser's Operations during the course of their employment, or during rest or lunch periods; or if Purchaser's failure to comply with the requirements of B7.2 and B7.3 results in a fire starting or permits a fire to spread. Damages and the cost of suppressing Negligent Fires shall be borne by Purchaser.

B7.43 Other Fires on Sale Area. Forest Service shall pay Purchaser, at fire-fighting rates common in the area or at prior agreed rates, for equipment or manpower furnished by Purchaser pursuant to B7.3, or otherwise at the request of Forest Service, on any fire or Sale Area other than an Operations Fire or a Negligent Fire.

B7.5 State Law. Purchaser shall not be relieved by the terms of this contract of any liability to the United States for fire suppression costs recoverable in an action based on State law, except for such costs resulting from Operations Fires. Amounts due Purchaser for fire fighting expenditures in accordance with B7.41 shall not be withheld pending settlement of any such claim or action based on State law.

B7.6 Performance by Contractor. Where Purchaser's Operations in connection with fire responsibilities are performed by his employees, agents, contractors, subcontractors, their employees or agents, Purchaser's obligations shall be the same as if performance was by Purchaser.

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B8.0—OTHER CONDITIONS

B8.1 Title and Liability.

B8.11 Title Passage. All right, title, and interest in and to any Included Timber shall remain in Forest Service until it has been cut, Scaled, and removed from Sale Area or other authorized cutting area and paid for, at which time title shall vest in Purchaser. For purposes of this Subsection, timber cut under cash deposit, Effective Purchaser Credit or payment guarantee under B4.3 shall be considered to have been paid for. Title to any Included Timber which has been cut, Scaled and paid for, but not removed from Sale Area or other authorized cutting area by Purchaser on or prior to Termination Date, shall remain in Forest Service.

B8.12 Liability for Loss. If Included Timber is destroyed or damaged by 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 after removal of timber from Sale Area, but before Scaling, shall be borne by Purchaser at Current Contract Rates and Required Deposits. There shall be no obligation for Forest Service to supply, or for Purchaser 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.

B8.2 Period of Contract. All obligations of Purchaser shall be discharged not later than "Termination Date" stated in A19, unless it is adjusted pursuant to B8.21 or extended pursuant to B8.23 or B8.33, excepting only those obligations for which Forest Service has given written permission to delay performance. Such written permission shall be considered a Contract Term Adjustment for the purpose of Purchaser completing performance of obligations covered by such permission.

B8.21 Contract Term Adjustment. "Contract Term Adjustment" means adjustment only as provided immediately above and for the three circumstances described in this Subsection. Under said circumstances, the contract term shall be adjusted in writing to include additional calendar days in one or more Normal Operating Seasons equal to the actual time lost, except as limited by (b) below.

To qualify for such adjustment, Purchaser shall give written notice of the lost time not later than 30 calendar days after end of Normal Operating Season in which time was lost and at least 10 calendar days before Termination Date. Forest Service shall make prompt written acknowledgement of such notice indicating its concurrence with the number of days in the notice or the number of days Forest Service considers as qualifying for the adjustment. Lost portions of days shall be disregarded in computing time lost. The three circumstances qualifying for a Contract Term Adjustment are:

(a) Purchaser experiences delay in starting scheduled operations or interruption in active operations either of which stops removal of Included Timber from Sale Area through curtailment in felling and buckling, yarding, skidding and loading, hauling or road construction, as scheduled under B6.31, for 10 or more consecutive calendar days during a Normal Operating Season due to causes beyond Purchaser's control, including but not limited to acts of God, acts of the public enemy, acts of Government, labor disputes, fires, insurrections or floods.

(b) Causes described in (a) substantially affect the disposition or processing of Included Timber during Normal Operating Season through their effects on primary timber

processing facilities, with resulting delay of 60 calendar days or more in use of such facilities. In such event, Contract Term Adjustment shall not extend for more than 12 consecutive months.

(c) Purchaser (i) accepts Forest Service written request to interrupt or delay operations for any purpose other than suspension under B4.4 or B9.3 or (ii) suffers an interruption or delay of Purchaser's Operations affecting skidding, yarding and loading because of fire emergency closure ordered by Forest Service (or another agency in its behalf), and the total of such lost time is 10 or more calendar days during any Normal Operating Season.

If A7 shows dates for scheduled rate redeterminations that are later than the beginning date of interruption or delay, and Termination Date is eligible for adjustment as described in this Subsection prior to said dates, the rate redetermination shall be made as originally scheduled. If redetermined rates plus Bid Premiums are higher than rates in effect immediately prior to the rate redetermination date, the date on which the redetermined rates shall become effective shall be adjusted by the number of days equal to the days lost prior to said rate redetermination date.

If Termination Date is adjusted as described in this Subsection and later extended under B8.23, the appraisal for the extension shall be made as of the unadjusted Termination Date, but the date on which the new rates become effective, if higher than Current Contract Rates immediately prior to Termination Date, shall be the adjusted Termination Date.

B8.22 Termination for Catastrophe. In event of Catastrophic Damage, this contract shall be either modified under B8.33 following rate redetermination under B3.32 or terminated under this Subsection.

B8.221 Termination by Purchaser. This contract shall be terminated upon election and written notice by Purchaser if Catastrophic Damage rate redetermination under B3.32 shows that the appraised weighted-average Conversion Return per unit of measure of all Included Timber remaining immediately prior to the catastrophe has been reduced through Catastrophic Damage by an amount equivalent to the normal appraised margin for profit and risk for such timber. Said "Conversion Return" is the difference between the estimated product realization value and total operating costs, including cost of development facilities, as generally used in Forest Service timber appraisals in this contract subregion at time of catastrophe.

B8.222 Termination by Forest Service. This contract shall be terminated by written notice from Forest Service if there is Catastrophic Damage and Purchaser does not agree under B8.33 to one or a combination of the following within 30 calendar days of receipt from Forest Service of contract modifications proposed to permit the harvest of the catastrophe-affected timber in areas outlined under B8.33:

(a) To include Catastrophically-Damaged undesignated timber that normally would be salvaged and cannot reasonably be logged separately from Included Timber; or

(b) To permit salvage operations by others; or

(c) To eliminate areas of damaged or devalued timber from Sale Area.

B8.23 Contract Term Extension. "Contract Term Extension" means an extension of the term of this contract made at request of Purchaser other than a Contract Term

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Adjustment under B8.21. This Subsection shall not obligate Forest Service to grant a Contract Term Extension.

When such extension is made, Forest Service shall make an appraisal using standard Forest Service methods and appraisal data in effect 45 calendar days prior to Termination Date. Bid Premiums shall be added to such appraised rates to establish Flat Rates or Tentative Rates for the extension period. In event rates so established would develop Current Contract Value immediately prior to such an extension that is less than Current Contract Value at that time, Flat Rates and Tentative Rates in effect immediately prior to extension shall be retained for the extension period.

The cost of unconstructed transportation facilities shall be appraised, by applying current costs to original quantities used to establish amounts by construction phases in A10, to establish a new Purchaser Credit Limit. Irrespective of such appraisal results, revised Purchaser Credit Limit shall be adjusted so that as a result of extension, any increase in Purchaser Credit Limit does not exceed any increase in Current Contract Value.

B8.3 Contract Modification. The conditions of this sale are completely set forth in this contract. This contract can be modified only by written agreement of the parties, except as provided under B8.31.

By agreement and with compensating adjustments where appropriate, this contract shall be modified to provide for (a) the exercise of any authority hereafter granted by law or Regulation of the Secretary of Agriculture if such authority is then generally being applied to Forest Service timber sale contracts and (b) any other contractual provision then in general use by Forest Service.

Contract modifications, redetermination of rates, and termination shall be in writing and may be made on behalf of Forest Service only by the Forest Service officer signing this contract, his successor or superior officer.

B8.31 Modification Upon Rate Redetermination. In scheduled rate redeterminations, Forest Service may make modifications in minimum specifications for trees or products in A2, road maintenance requirements or deposits in C5.4, logging methods in C6.4, slash disposal in C6.7 and fire precautionary measures in C7.2, if and to the extent that such changes are reasonably necessary to protect the interest of the United States. Such modification shall be limited to requirements generally being made in Forest Service timber sale contracts in the Region at the time of rate redetermination and with which Purchaser can reasonably comply. Such changes shall be reflected in the rate redetermination, but changes affecting rates shall not be implemented until the redetermined rates become effective.

B8.32 Changed Conditions. When it is agreed that the completion of certain work or other requirements hereunder would no longer serve the purpose intended because of substantial change in the physical conditions of Sale Area or Included Timber since the date of this contract, said requirements shall be waived in writing. The estimated cost of such waived work or other requirement, other than developments under B5.2, shall be charged to Timber Sale Account.

B8.33 Modification for Catastrophe. In event of Catastrophic Damage, Forest Service, in consultation with Purchaser, shall outline on Sale Area Map: (a) any areas of catastrophe-affected live and dead timber meeting Utilization Standards and having undesignated timber so situ-

ated that it should be logged with the designated timber; (b) if needed, any such areas where the damaged undesignated timber can reasonably be logged separately; and (c) areas of affected or unaffected timber which by agreement are to be eliminated from Sale Area. By agreement, Purchaser and Forest Service shall locate and post the boundaries of all such areas as needed.

In such event, this contract shall be modified to include rates redetermined under B3.32 and other related revisions as agreed hereunder, such as revision of operating schedule to insure prompt removal of affected timber when necessary to avoid further loss and acceptance of Contract Term Extension period if needed.

B8.4 Performance by Other Than Purchaser. The acquisition or assumption by another party under an agreement with Purchaser or any right or obligation of Purchaser under this contract shall be ineffective as to Forest Service, until Forest Service has been notified of such agreement and has given written approval by the forest officer who approved this contract, his successor or superior officer; and in no case shall such recognition or approval:

(a) Operate to relieve Purchaser of the responsibilities or liabilities he has assumed hereunder; or

(b) Be given unless such other party:

(i) Is acceptable to Forest Service as a purchaser of timber and assumes in writing all of the obligations to Forest Service under the terms of this contract as to the uncompleted portion thereof, or

(ii) Acquires the rights in trust as security and subject to such conditions as may be necessary for the protection of the public interests.

B8.5 Sale of Other Materials. Forest Service reserves the right to sell from Sale 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 Purchaser's Operations. Purchaser shall not be obligated to do any work made necessary by the action of others.

B8.6 Provisions Required by Statute.

B8.61 Covenant Against Contingent Fees. Purchaser warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial agencies maintained by Purchaser for the purpose of securing business. For breach or violation of this warranty, Forest Service shall have the right to annul this contract without liability or to require Purchaser to pay, in addition to the contract price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

B8.62 Officials Not to Benefit. No member of Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom unless it is made with a corporation for its general benefit (18 U.S.C. 431, 433).

B8.63 Nondiscrimination in Employment. If the total value of this contract is in excess of \$10,000, Purchaser agrees during its performance as follows:

(a) Purchaser will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. Purchaser will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the

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following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Purchaser agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Forest Service setting forth the provisions of this Subsection.

(b) Purchaser will, in all solicitations or advertisements for employees placed by or on behalf of Purchaser, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

(c) Purchaser will send to each labor union or representative of workers with which he has a collective-bargaining agreement or other contract or understanding, a notice to be provided by Forest Service, advising the said labor union or workers' representative of Purchaser's commitments under this Subsection, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) Purchaser will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and the rules, regulations and relevant orders of the Secretary of Labor.

(e) Purchaser will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by Forest Service and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

(f) In event of Purchaser's noncompliance with the Subsection or with any of such rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and Purchaser may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in said Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) Purchaser will include the provisions of paragraph (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. Purchaser will take such action with respect to any subcontract or purchase order as Forest Service may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event Purchaser becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by Forest Service, Purchaser may request the United States to enter into such litigation to protect the interests of the United States.

B9.0—PERFORMANCE AND SETTLEMENT

B9.1 Performance Bond. As a further guarantee of the faithful performance of the provisions of this contract, Purchaser delivers herewith and agrees to maintain a surety bond in the dollar amount stated in A21 unless the amount is adjusted as provided below. In lieu of surety

bond, Purchaser may deposit into a Federal depository, as directed by Forest Service under B4.22, and maintain therein, cash in the dollar amount stated in A21 or negotiable securities of the United States having market value at time of deposit of not less than the dollar amount stated in A21.

Any adjustment or extension of time for completion of this contract beyond one year may be granted only with the consent of surety on said bond or delivery of a new bond. Should the sureties on the bond delivered herewith, or any bond delivered hereafter in connection with this contract, become unsatisfactory to Forest Service, Purchaser shall, within 30 calendar days of receipt of demand, furnish a new bond with surety satisfactory to Forest Service.

B9.11 Bond Reduction. When Purchaser has completed removal of Included Timber, other than substandard timber under B2.12, from Sale Area and has met all of Purchaser's other obligations under this contract except for (a) minor obligations or (b) presentation for Sealing and payment for timber removed from Sale Area, Forest Service, at Purchaser's request, shall report to Purchaser in writing, with a copy to surety, the amount of bond required thereafter. Such required amount shall be commensurate with the remaining obligations. Similarly, Forest Service shall report to Purchaser in writing the amount of deposited cash or deposited securities required thereafter if such deposits exist in lieu of a surety bond.

As soon as security for the performance of this contract or the settlement of claims incident thereto is no longer necessary, appropriate notice shall be given to surety or deposits which may have been made in lieu of surety bond shall be returned to Purchaser, subject to the conditions in B9.5.

B9.2 Disputes. Except as otherwise specifically provided, it is the intent of this contract that Purchaser and Forest Service shall agree upon the interpretation and performance of this contract. Upon failure to reach an agreement on a question of fact, the decision of Forest Service shall prevail within the limitations of law (41 U.S.C. 321, 322) and subject to appeal under the Regulations of the Secretary of Agriculture (36 CFR 211.20 et seq.).

B9.3 Breach. In event Purchaser breaches any of the material provisions of this contract, Forest Service shall give Purchaser notice of such breach and, allowing reasonable time for remedy of such breach and of Forest Service's election to suspend, may give notice to suspend all or any part of Purchaser's Operations. Such notice of breach and notice to suspend Purchaser's Operations shall be written, except oral notices may be given if such breach constitutes an immediate threat to human life or a threat of immediate and irreparable damage to National Forest resources. Notwithstanding Section B6.1, such oral suspension notice may be given to Purchaser's work supervisor or, in his absence to those performing the operation. An oral suspension notice shall be promptly followed by telephone notice and a written explanation from Forest Service to Purchaser.

Immediately upon oral or written suspension, Forest Service representative shall notify the Forest Supervisor of the suspension and related circumstances. The Forest Supervisor shall promptly review the suspension to determine if the suspension should be continued or lifted. Such suspension shall be lifted as early as conditions permit.

Upon receipt of oral or written notice of such breach, Purchaser shall remedy the breach as follows:

(a) If remedying such breach requires on-the-ground action by Purchaser, Purchaser shall have 30 practicable operating days during Normal Operating Season to do so, except under emergency conditions when action should not be delayed to prevent major damage.

(b) If such breach does not require on-the-ground action by Purchaser, such breach shall be remedied within 30 calendar days.

B9.4 Failure to Cut. In event of (a) termination for breach or (b) Purchaser's failure to cut designated timber on portions of Sale Area by Termination date, Forest Service shall appraise remaining Included Timber, unless termination is under B8.22. Such appraisal shall be made with the standard Forest Service method in use at time of termination.

Damages due the United States for Purchaser's failure to cut and remove such timber meeting Utilization Standards shall be the amount by which Current Contract Value plus the cost of resale, less any effective Purchaser Credit remaining at time of termination, exceeds the resale value at new Bid Rates. If there is no resale, damages due shall be determined by subtracting the value established by said appraisal from the difference between Current Contract Value and Effective Purchaser Credit.

If Purchaser has failed to cut individual trees in the portions of Sale Area cutover and there is no resale of such individual trees, Purchaser shall pay Forest Service for cost of felling and removal or otherwise eliminating such uncut trees in addition to payment of damages described above, except for trees not cut for reasons stated in B6.4.

B9.5 Settlement. If obligations of Purchaser have not been fully discharged by Termination Date, any money advanced or deposited hereunder shall be retained to be applied toward unfulfilled obligations of Purchaser without prejudice to any other rights or remedies of Forest Service. Such funds may be treated as cooperative deposits under B4.225 for uncompleted work 30 calendar days after receipt of written notice from Forest Service to Purchaser of work to be done and Purchaser's failure to deny the obligation or to do the work.

B9.6 Contract Closure. The Forest Service officer signing this contract, his successor or superior officer shall give appropriate written notice to Purchaser when Purchaser has complied with the terms of this contract. Purchaser shall be paid refunds due from Timber Sale Account under B4.24 and excess cooperative deposits under B4.225.

DIVISION C

Special Provisions

In accordance with A23, the Sections, Subsections, and Items therein listed are attached and made a part hereof. This material is indexed by the numbering system used in Division B. The numbers after the C (which identifies material in this Division) indicate the Part, Section, Subsection, or Item of Division B, which is being supplemented or modified by each particular provision included in this Division.

BOOK SALE AREA MAP AND SLASH DISPOSAL MAP

COLUMBIA GORGE DISTRICT MT. HOOD NATIONAL FOREST

CITY OF PORTLAND TIMBER SALE

LEGEND

-  Sale Area Boundary B1.1
-  Existing Transportation System Road B5.12
-  Road Number
-  PUM Piling of Unutilized Material C6.74 (Opt 4)
-  MY Mobile Yarding Specified B6.42, C6.42#
-  ITM Individual tree marked area B2.35 C2.35# (Opt 1)
-  Existing plantation
-  Protect streamcourse, block marks upper limit B6.5
-  Slash disposal site C6.74# (Opt 4)
-  WS Water sampling location C6.53#
-  KO Roads to be kept open

NOTES

PUM shall be decked with a loader at the point designated on map C6.74# (Opt 4)

Sale Area Boundary is 200' slope distance from centerline of road

Landing construction critical soil and watershed damage will be avoided on all constructed landings C6.422

Landlines are approximate

Temporary traffic control signs will be required in the Sale Area as designated by Forest Service C6.33

Purchaser is required to machine pile unmerchantable materials 8" X 10' or larger C6.74 (Opt 4)

Purchaser is required to hand pile and cover slash 50 feet slope distance from edge of landings C6.74 (Opt 1)

SLASH DISPOSAL MAP
1 1/2 MILE



U. S. FOREST SERVICE

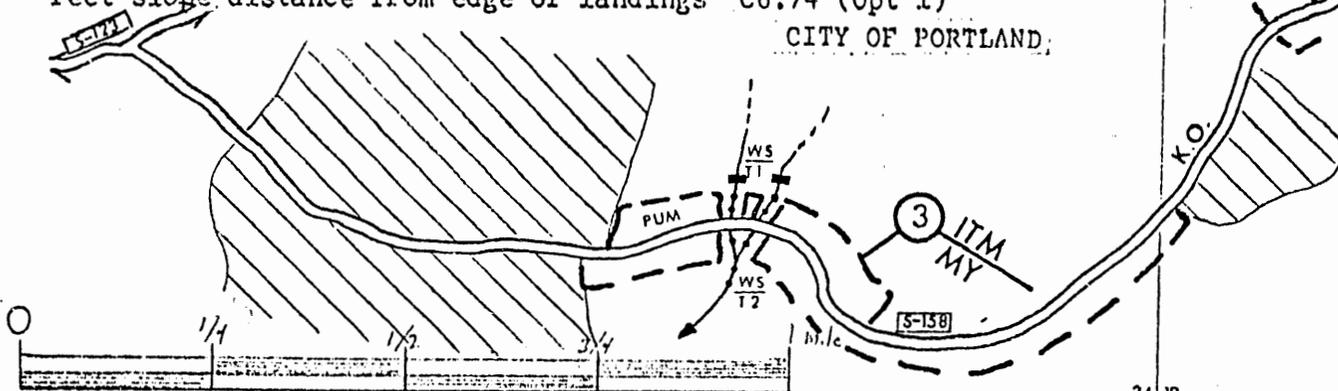
CITY OF PORTLAND

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CITY OF PORTLAND



SCALE

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29 30

#D 11/80

151804

PART C2.0 - TIMBER SPECIFICATIONS

C2.35# (Option 1) - Individual Trees and Other Units. (4/74) All dead, down and timber spotted with blue paint above and below stump height.

in Sale Area which meets the minimum tree specifications stated in A2 is designated for cutting. Additional timber to be cut, if any, has been designated for cutting in accordance with B2.35. The following trees are also designated for cutting within 200 feet slope distance of any tree required to be cut: (a) any trees windthrown prior to Purchaser's logging in the immediate vicinity which meet Utilization Standards in amounts less than specified in B2.133 and (b) any dead trees meeting the size requirements and number limitations of A4, unless Forest Service gives notice otherwise.

PART C2.0 - TIMBER SPECIFICATIONS

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C2.37 (Option 2) - Minor Changes for Danger Trees. (8/75) Notwithstanding B2.37, live and dead trees which are sufficiently tall to reach the roadbed or Purchaser's haul road on land administered by Forest Service shall be felled by Purchaser when Marked by Forest Service. Marking will be done promptly when such trees have been determined to be danger trees by a State safety officer; is not included in an earlier sale (one awarded prior to the award date on page 1); or, cannot be handled by separate sale because of limited volume or undue delay of Purchaser's Operations. Marked trees will become Included Timber pursuant to B2.1 and subject to B2.2 and B3.1 by agreement if removal would not cause damage to the road. Marking may be done one or more times to facilitate Purchaser's planned removal of timber and may occur outside Sale Area.

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PART C3.0 - RATES OF PAYMENT

C3.312 - Rate Redetermination for Environmental Modification. (6/78)

In the event of a contract modification under C8.3 which is necessary to implement Section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (90 Stat. 2955) Forest Service shall make an appraisal to determine for each species the difference between the appraised unit value of Included Timber remaining immediately prior to the revision and the appraised unit value of timber to be cut under the terms of the modification.

Flat Rates in effect at the time of the revision shall be adjusted by said differences to become the redetermined rates for the purpose of a contract modification under C8.3.

Tentative Rates, as adjusted pursuant to B3.2, will be adjusted by said differences to become "Current Contract Rates" under B3.1.

Redetermined rates, or said differences for rates subject to B3.2, and Required Deposits shall be considered established under B3.1 for timber Scaled subsequent to the contract revision and prior to any subsequent scheduled rate redetermination.

At time of such appraisal, Purchaser Credit Limit shall be revised pursuant to C5.25 to meet the revised conditions and include the estimated cost of any construction work listed in A10 performed and abandoned.

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PART C3.0 - RATES OF PAYMENT

C3.41 - Other Products. (6/78) Included Timber otherwise required to be presented for Scaling pursuant to B2.2 which has been bucked into lengths 8 feet or less shall be Scaled and paid for at the appropriate rate in A5.

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PART C4.0 - PAYMENTS

C4.211# - Transfer of Purchaser Credit. (6/78) Upon City of Portland approval of Purchaser's written request, unused Effective Purchaser Credit earned after December 16, 1975, shall be transferred from this contract to Purchaser's other timber sale contracts within the same National Forest (36 CFR 223.3 (m)). Transfers of less than \$500 or transfer out of amounts needed to meet unfulfilled payment obligations under B4.4 will not be approved.

Effective Purchaser Credit transferred from this contract subsequently determined to be ineffective under terms of this contract shall be replaced by cash payments. City of Portland may, at its option, require that such payment be made under the contract which is using the Purchaser Credit. Purchaser Credit transferred to this contract which becomes ineffective under terms of the originating contract must similarly be replaced by cash payments either on this contract or the originating contract. The ineffective Purchaser Credit shall be returned to the originating sale unless payment is made on that sale.

The amount of Purchaser Credit which may be transferred into this contract is limited to \$ 92,141.30 . Purchaser Credit earned on this sale and subsequently transferred out may be replaced without regard to this dollar limit.

Purchaser Credit transferred to this contract from other contracts may be used to meet charges for timber subject to B4.2. Transferred Purchaser Credit shall be subject to the same restrictions as Purchaser Credit earned on this sale. Transfer of Purchaser Credit to or from Timber Sale Account shall be made monthly, or at longer intervals, as requested by Purchaser.

C4.226 - Use of Deposits. (8/78) Notwithstanding B4.226, deposits made under this contract may be used by City of Portland in carrying out collection rights authorized by the Federal Claims Collection Act of 1966 (80 Stat. 309) when Purchaser Credit has been transferred to this contract. The use of such deposits shall be limited to the amount of Purchaser Credit which has been transferred and is further limited to claims arising under the contract from which Purchaser Credit was transferred.

PART C4.0 - PAYMENTS

151804

C4.228 - Performance Bond as Security for Felled Timber. (12/71)
To the extent of the penal sum of the performance bond provided under B9.1, requirements for advance cash deposits under B4.221 shall be waived for timber cut but not removed.

151804

PART C4.0 - PAYMENTS

C4.3 - Letters of Credit for Payment Bond. (9/78) Notwithstanding the provisions of B4.3, approved letters of credit may be used in lieu of a surety bond for payment bond purposes. Such letters of credit shall be subject to City of Portland approval.

C4.4 - Payments Not Received. (12/79) When payment is not received within 15 calendar days of billing, or when the credit balance in Timber Sale Account is less than the amount due for timber estimated to be cut in 10 calendar days, City of Portland may suspend all or any part of Purchaser's Operations until payment or acceptable payment guarantee is received.

Failure to pay amounts due when payments are guaranteed by a payment guarantee shall be considered a breach under B9.3, and the 30 calendar-day notice period prescribed therein shall begin to run as of the end of the 15 calendar days allowed for payment. For such payments not received within 15 calendar days of billing, interest shall accrue on the unpaid amount at the rate of 3/4 of 1% per month. Interest accrual will begin on the first day following the end of the 15 day period allowed for payment and end on the date payment is received. Payments made by wire will be accepted and will be credited on the date received by the designated collection officer.

City of Portland remedies for Purchaser's failure to pay amounts due, except for accrual of interest and suspension of all or any part of Purchaser's Operations, shall be stayed for so long as (a) bona fide dispute exists as to Purchaser's obligation to make such payment, and (b) Purchaser shall file and prosecute a timely claim under the Contract Disputes Act of 1978.

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PART C5.0 - TRANSPORTATION FACILITIES

C5.122 - Snow Removal. (1/72) To facilitate logging operations Purchaser may remove snow from existing National Forest roads in addition to Specified Roads listed in A9. Such removal shall be done in a manner to preserve and protect roads during the periods of use by Purchaser to the extent necessary to insure safe and efficient transportation of timber and to prevent excessive erosion damage to roads, streams, and other Forest values.

Snow removal work shall include: (1) Removal of snow from all or part of the traveled way, including sufficient turnouts for safe and efficient use for timber transportation, and (2) leaving culvert inlets in a natural condition without snow plowed into them so that the drainage system will function normally.

Purchaser shall perform snow removal work as follows:

- (a) All debris, except snow and ice, that is removed from the road surface and ditches shall be deposited away from stream channels at agreed upon locations.
- (b) Bank shall not be undercut nor shall gravel or other surfacing material be bladed off the road.
- (c) Ditches and culverts shall be kept functional during operations and upon completion of operations.
- (d) "Snow Berm" is herein defined as a dike of snow resulting from Purchaser's snow removal operations which extends above the surface of the traveled way.

Purchaser shall space, construct, and maintain drainage holes in Snow Berms as necessary to obtain surface drainage and without discharge on erodible fills. In any event, Purchaser shall remove Snow Berms or construct drainage holes at the end of winter operations or before the spring breakup, whichever is sooner.

- (e) Dozers may be used to plow snow on roads with written approval of Forest Service. Dozers shall be equipped with shoes or runners to keep the dozer blade a minimum of two inches above the road surface unless agreed otherwise.

Forest Service shall notify Purchaser in writing if surfacing material has been bladed off the road. The notice shall state the number of road miles (rounded up to the next 0.1 mile) and the cubic yard equivalent of surfacing bladed off. Upon such notice, Purchaser shall replace the surfacing material in kind not later than 90 days after the start of Normal Operating Season unless otherwise agreed in writing.

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PART C5.0 - TRANSPORTATION FACILITIES

C5.211 - Contract Documents (1/80). Specifications and Drawings are intended to be mutually complementary. In case of discrepancy, the following is the order of precedence:

- a. Special Provisions (C)
- b. Sale Area Map
- c. Specific Provisions (A) and Standard Provisions (B)
- d. Special Project Specification
- e. Drawings
 - (1) figured dimensions over scaled dimensions
 - (2) large scale Drawings over small scale Drawings
- f. Standard Specifications
- g. Lists and/or Tables on Drawings over any conflicting notations on Drawings.
- h. Shop Drawings

Drawings - Drawings show location, details, and dimensions of the work to be performed.

On any of the Contract Drawings where a portion of the work is drawn out and the remainder is shown in outline, the parts drawn out shall apply to all other like portions of the work.

Shop Drawings - Include Drawings, diagrams, layouts, schematics, descriptive literature, illustrations, lists or tables, performance and test data, and similar materials furnished by Purchaser to explain in detail specific portions of the work required by the contract.

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PART C5.0 - TRANSPORTATION FACILITIES

C5.211 - Contract Documents (1/80) (Continued)

(1) A minimum of five sets of required Shop Drawings shall be submitted to Forest Service, three sets of which will be retained by Forest Service. Shop Drawings shall not exceed 24 inches by 36 inches in size.

(2) Approval or rejection and date will be noted or stamped on each set. Unless agreed otherwise, such approval or rejection shall be within 10 days of submission. Such approval of the Shop Drawings shall not be construed as a complete check, but will indicate only that the general method of construction and detailing is satisfactory. If rejected, the revisions noted shall be made and Shop Drawings resubmitted.

Unless working tolerances are specified, all work performed and materials furnished shall be in reasonably close conformity with lines, grades, cross sections, dimensions, and material requirements shown on Drawings, indicated in the Specifications, or designated on-the-ground.

A change in the amount of construction work which exceeds construction tolerances specified in 203.16 caused by an error in the construction staking by Forest Service shall be treated as a Design Change. When incompatible situations arise between Drawings, Specifications, and actual conditions on-the-ground, corrections will be made pursuant to C5.254 - Design Change.

Reasonable close conformity means compliance with reasonable and customary manufacturing and construction tolerances where working tolerances are not specified. Where working tolerances are specified, reasonable close conformity means compliance with such working tolerances.

151804

PART C5.0 - TRANSPORTATION FACILITIES

C5.253 - Physical Change (12/79). Purchaser Credit Limit shall be revised if prior to acceptance under B6.35, a Physical Change, caused by a single event and not due to negligence of Purchaser, results in an increase or decrease in work and/or materials furnished by Purchaser involving additional estimated cost of (a) more than \$1,000, or (b) more than 10 percent of Purchaser Credit Limit, whichever is less. Revised Purchaser Credit Limit shall include cumulative estimated costs of repairing damage from slides, washouts, landslips, fire, etc., caused by said event. Drawings and Specifications shall be revised when necessary to meet new conditions. Quantities of work and/or materials determined from such revised Drawings and Specifications, together with estimated quantities of work and/or materials abandoned, shall be the basis for revised Purchaser Credit Limit.

Forest Service shall determine difference in quantities for portion of road affected by Physical Change by comparing most recent previous quantities with total of, (1) estimated quantities actually constructed prior to Physical Change, including work abandoned, and (2) the estimated quantities to be constructed following Physical Change. Adjustment in Purchaser Credit Limit shall be made by applying, (a) Current Unit Rates to difference when quantities increase, and (b) unit rates comparable to those used in computing most recent cost estimate for the sale when quantities decrease. When quantity of authorized work to be performed, or material furnished, by Purchaser under any Item shown in Schedule of Items is reduced to less than 75 percent of original quantity, Forest Service shall make a revised estimate of cost of such work. Any revised estimate shall use same procedures as used in original estimates using rates comparable to those used in most recent cost estimate for the sale. However, revised estimate shall take into account any increase or decrease in unit rates which result from reduction in quantity of work.

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PART C5.0 - TRANSPORTATION FACILITIES

C5.254 - Design Change (1/80). "Design Change" is a change in work and/or materials shown in Schedule of Items and described in Drawings or Specifications which has been mutually agreed to or ordered by Forest Service. Changes of a minor nature (such as adjustment in horizontal and vertical alignment, which do not exceed specified tolerance, necessary to maintain or balance earth work quantities substantially as designed) and "Variation of Quantities", as described in C5.251#, shall not be considered a Design Change.

Additions, deletions, or changes in types or diameter of culverts shown in Drawings shall be considered a Design Change.

Changes in designated water source shown on Drawings will be considered a Design Change.

Forest Service may, by written notice from Contracting Officer, order changes in work to be performed and/or materials to be furnished by Purchaser within general scope of the contract. Such work shall: (1) be due to differences between anticipated and actual field conditions, or (2) be necessary to construct Specified Roads to design standards, and (3) be necessary to assure stability of Specified Roads. In addition, work to protect resource values may also be included in Design Changes ordered by Forest Service. Such work must be related to construction of a Specified Road and be necessary to prevent damage to soil and water values immediately tributary to Specified Road. Other Design Changes may be made by mutual written agreement.

Drawings and Specifications shall be revised as necessary to meet new conditions. Quantities of work and/or materials determined from such revised Drawings and Specifications, together with quantities of work accomplished and abandoned, or incorporated materials abandoned, shall be the basis for the revised Purchaser Credit Limit.

Forest Service shall determine difference in quantities for portion of Specified Road affected by Design Change by comparing most recent previous quantities with total of, (1) estimated quantities actually constructed prior to Design Change, and (2) estimated quantities to be constructed following Design Change. Adjustment in Purchaser Credit Limit shall be made by applying, (a) Current Unit Rates to difference when quantities increase, and (b) unit rates comparable to those used in computing most recent cost estimates for sale when quantities decrease.

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PART C5.0 - TRANSPORTATION FACILITIES

C5.254 - Design Change (1/80) (Continued)

When quantity of authorized work to be performed, or material furnished, by Purchaser under any Item shown in the Schedule of Items is reduced to less than 75 percent of original quantity, Forest Service shall make a revised estimate of cost of such work. Any revised estimate shall use same procedures as used in the original estimates using rates comparable to those used in most recent estimate. However, revised cost estimate shall take into account any increase or decrease in unit rates which result from reduction in quantity of work.

Forest Service shall make payment for any net increase in ineffective Purchaser Credit caused by Design Change ordered by Forest Service. Payments are subject to availability of Forest Road and Trail funds for that purpose and on sales with stumpage rate adjustment will not be made until all Included Timber has been Scaled and paid for.

PART C5.0 - TRANSPORTATION FACILITIES

151804

C5.411# - ROAD MAINTENANCE DEPOSIT SCHEDULE (9/73)

ROAD			Rate per Mile (\$)
No.	Name	Termini	
5-158	High Jump	Sale Area To 5-123	.40
5-123	Walker Prairie	5-158 To Country Road	.40
All Other FS Maintained Roads		Paved	.40
		Gravel	.88
All Maintained FS Roads		Operational Road Maintenance	.07
		Maintenance for Road Damage due to Landings on Roads	.81

151804

PART C5.0 - TRANSPORTATION FACILITIES

C5.42 - Road Maintenance specifications. (4/74) To carry out the requirements of B5.4 and protect roads from seasonal weather damage and safeguard soil and water quality Purchaser shall perform road maintenance work as follows:

- (a) Purchaser shall maintain existing cross section of dirt or graveled roads by blading and shaping surface and shoulders. Banks shall not be undercut. Established berms shall be maintained and additional berms shall be placed where needed to protect fills.
- (b) Purchaser shall remove brush or tree growth or other obstructions to visibility as such obstructions develop during the contract period. Herbicides may be used only by agreement in writing as to chemical content, quantity, and method and timing of applications.
- (c) In accordance with maintenance limitations in B5.4, Purchaser shall perform all seasonal weather cleanup including removal of bank slough, minor slides and fallen timber, which can practicably be accomplished by a motor patrol grader equipped with a front end blade, or comparable equipment, and by the use of hand tools. Subject to such limitation, he shall also replace material eroded from fill slopes and clean out drainage ditches and culverts.

In removing material from slides or other sources, Purchaser shall deposit the material which must be moved at locations chosen with the objective that such material will not erode into streams, lakes, or reservoirs. Material should not be wasted over planted roadfills.

- (d) Purchaser shall perform preventive maintenance at end of Purchaser's hauling each season to minimize weather damage during the nonhauling period. This may include cross-ditching, post-hauling blading to remove ruts or other surface irregularities which would interfere with normal runoff of water and cleaning of ditches and culverts.
- (e) While performing ordinary road maintenance work, Purchaser shall avoid permanently fouling gravel or bituminous surfaces through covering them with earth or debris from side ditches, slides, or other sources. Purchaser shall avoid blading surface material off surface of roads.

PART C5.0 - TRANSPORTATION FACILITIES

151804

C5.42 (4/74) Continued

While performing logging operations, Purchaser shall minimize damage to ditches, slopes, and road surfaces. Where damage does occur, Purchaser shall restore the road to its prior condition within a reasonable period of time.

On completion and acceptance of work requirements other than slash burning under B6.35, including acceptance of road maintenance by Forest Service, Purchaser road maintenance responsibility shall terminate.

Purchaser maintenance required by B5.4 that cannot practicably be accomplished in the manner herein specified, shall be done by Forest Service under B5.41.

PART C6.0 - OPERATIONS

151804

C6.0 - Operations. (3/74) This contract may be terminated by City of Portland upon Purchaser's conviction for a violation of criminal statutes or for violation of civil standards, orders, permits, or other regulations for the protection of environmental quality issued by a Federal agency, State agency, or political subdivision thereof in the conduct of operations thereunder on National Forest lands. Any such State or local laws must be applicable to National Forest lands. The contract shall govern if State or local laws conflict with or preclude performance of contractual requirements.

151804

PART C6.0 - OPERATIONS

C6.2 - Improvements (1/80). Purchaser shall comply with the rules and regulations governing the operation of premises which are occupied, and shall perform the contract in a manner that will not interrupt or interfere with the conduct of Forest Service business.

Before any camp, quarry, borrow pit, storage, or service area other than shown on Drawings is opened or operated on National Forest land or lands administered by Forest Service, written permission shall be obtained through Forest Service. A camp is interpreted to include the camp site or trailer parking area of any employee working on the project for Purchaser. Such permission, if granted, will be without charge to Purchaser.

151804

PART C6.0 - OPERATIONS

C6.222 - Special Loading Objectives. (4/74) In order to prevent damage to Specified Roads and existing National Forest Roads, other than dirt or gravel-surfaced roads, loading on such roads will be permitted only after Purchaser and Forest Service agree in writing that equipment to be used by Purchaser will not damage the road surface.

151804

PART C6.0 - OPERATIONS

C6.24# - Protection of Cultural Resources (5/76) Location of known historic or prehistoric sites, buildings, objects, and properties related to American history, architecture, archaeology and culture, such as settler or Indian artifacts, protected by American Antiquities Act of 1906 (16 USC 431-433), National Historic Preservation Act of 1966 (16 USC 470) and Executive Order 11593 (1971) are shown on Sale Area Map and identified on the ground. Forest Service may unilaterally modify or cancel this contract to protect an area, object of antiquity, artifact, or similar object which is or may be entitled to protection under these Acts regardless of when the area, object or artifact is discovered or identified. Discovery of such areas or objects by either party shall be promptly reported to the other party.

In the event of contract modification under this Subsection, Purchaser shall be reimbursed for any additional protection required, provided that any work or extra protection required shall be subject to prior approval by Forest Service. Amount of reimbursement shall be determined by Forest Service and shall be in the form of a reduction in stumpage rates unless agreed otherwise in writing. However, in no event may stumpage rates be reduced below Base Rates. Purchaser shall protect _____

all known and identified historic or prehistoric sites, buildings, objects and properties related to American history, architecture, archaeology and culture against destruction, obliteration, removal or damage during Purchaser's Operations. If such damage is negligently or willfully caused by Purchaser's Operations, Purchaser shall bear costs of restoration, provided that such payment shall not relieve Purchaser from civil or criminal remedies otherwise provided by law.

Wheeled or track-laying equipment shall not be operated within such areas except on roads, landings, tractor roads or skid trails approved under B5.1 and B6.422. Unless agreed otherwise, trees will not be felled into such areas. Purchaser may be required to backblade skidtrails and other ground disturbed by Purchaser's Operations within such areas in lieu of cross ditching required under B6.6

151804

PART C6.0 - OPERATIONS

C6.25# - Protection of Habitat of Endangered, Threatened, and Sensitive Species. (11/80) Location of areas needing special measures for protection of plants or animals listed as threatened or endangered under the Endangered Species Act of 1973, as amended, or as sensitive by the Regional Forester under authority of FSM 2670, are shown on Sale Area Map and identified on the ground. Measures needed to protect such areas have been included elsewhere in this contract or are as follows:

If protection measures prove inadequate, if other such areas are discovered, or if new species are listed as Federally threatened or endangered or as sensitive by the Regional Forester, Forest Service may either cancel under C8.2 or unilaterally modify this contract to provide additional protection regardless of when such facts become known. Discovery of such areas by either party shall be promptly reported to the other party.

In the event of contract modification under this Subsection, Purchaser shall be reimbursed for any additional protection required by the modification, provided that any work or extra protection required shall be subject to prior approval by Forest Service. Amount of reimbursement shall be determined by Forest Service using standard Forest Service rate redetermination methods in effect at time of agreed change and shall be in the form of a reduction in Current Contract Rates unless agreed otherwise in writing. However, in no event may Current Contract Rates be reduced below Base Rates.

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PART C6.0 - OPERATIONS

C6.31# (Option) - Operating Schedule. (6/79) Unless agreed otherwise, Purchaser shall start and complete work in accordance with the following schedule. Purchaser shall not start work prior to the specified starting date, and said work shall be started only in the order listed. Work shall be completed by the dates specified and shall be completed before operations may begin on any succeeding unit or subdivision.

<u>Unit or Subdivision</u>	<u>Type of Work</u>	<u>Starting Date</u>	<u>Completion Date</u>
All	Logging	6/15/81	9/15/81

151804

PART C6.0 - OPERATIONS

C6.310 - Entry Authorization for Bull Run Watershed Management Unit.
(6/79) Unless relieved in writing by City of Portland Purchaser shall provide a uniformed entry watchman whose duty it shall be to keep the road gate at the boundary of the Management Unit closed and locked at all times, except to the extent said gate must be opened to permit ingress and egress into or from Sale Area by authorized persons. Entry watchman must be approved in writing by Forest Service.

Purchaser shall obtain entry authorization from City of Portland for all individuals engaged in Purchaser's Operations (B6.3) including road construction, logging or other work under this contract. Purchaser shall keep watchman currently informed and shall notify City of Portland within 72 hours in writing, of individuals no longer engaged in operations under this contract.

PART C6.0 - OPERATIONS

151804

C6.317 - Burning by Purchaser. (11/71) Any camp refuse, brush, slash, or construction debris, to be disposed of by Purchaser may be burned only after first obtaining a written permit from Forest Service and complying with its terms. Such written permit to define:

- (a) Area or location of burning.
- (b) Material to be burned.
- (c) Beginning and ending dates.
- (d) Safeguards; including help and equipment to control the fire.
- (e) Special precautions to be taken before burning.
- (f) Patrol needed on the fire until the fire is out.

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PART C6.0 - OPERATIONS

C6.33 - Safety. (6/78) Unless otherwise agreed in writing, when Purchaser's Operations are in progress adjacent to or on Forest Service controlled roads and trails open to public travel, Purchaser shall furnish, install and maintain all temporary traffic controls which provide the user with adequate warning of hazardous or potentially hazardous conditions associated with Purchaser's Operations. A specific traffic control plan for each individual project shall be agreed to by Purchaser and Forest Service prior to commencing operations. Devices shall be appropriate to current conditions and shall be covered or removed when not needed. Except as otherwise agreed, flagmen and devices shall be as specified in the "Manual on Uniform Traffic Control Devices for Streets and Highways" (MUTCD), and as shown on Drawings, Sale Area Map or in specifications attached hereto.

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PART C6.0 - OPERATIONS

C6.34 (Option 1) - Sanitation for Bull Run Watershed Management Unit. (6/79) Unless substitute measures or equipment are authorized in writing by Forest Service, compliance with B6.34 will include the use of approved oxidizing (incinerating) toilets by all persons engaged in logging or removing timber under this contract while they are within the boundaries of the Bull run Watershed Management Unit. Such facilities shall be furnished by Purchaser in quantities and at locations agreed to by Purchaser and City of Portland. No habitation or overnight dwelling by employees of Purchaser will be permitted on National Forest land within the Management Unit without advance written approval from City of Portland.

Purchaser shall annually conduct a briefing for all persons engaged in work under this contract prior to entry in the Management Unit. Said briefing shall pertain to methods for prevention, detection and control of water pollution. Forest Service will provide training materials for said briefing.

Purchaser shall provide and regularly service, animal-proof refuse containers at landings and equipment service areas. Such areas will be policed at least once daily for proper disposal of waste and litter. Logging crews, cutting crews, and other personnel working in remote locations will be required to pack their litter out and dispose of same in the containers provided for this purpose.

PART C6.0 - OPERATIONS

15180A

C6.341# (Option 1) - Prevention and Containment of Contaminant Spills. (6/79) The amount and/or location of bulk storage sites and transportation routes for petroleum products or other hazardous materials shall be approved in writing by City of Portland. All petroleum products shall be contained in OSHA approved containers. Purchaser shall provide, at each landing or more suitable place designated by city of Portland petroleum product and hazardous material containment and recovery supplies as follows:

<u>Item Description</u>	<u>Quantity</u>	<u>Unit of Measure</u>
Oil Absorbent Pads	100	each

Purchaser shall take appropriate preventive measures to insure that any spill of oil, oil products, or other hazardous materials does not enter any stream or other waters of the United States or any of the individual States. In the event of such a contaminant spill, Purchaser shall take all responsible initial action to contain same.

Purchaser shall provide adequate two-way communication facilities to report any accidental contaminant spill. Forest Service shall be notified of such spill within 20 minutes of detection.

If the total oil or oil products storage exceeds 1,320 gallons or if any single container exceeds a capacity of 660 gallons, Purchaser shall prepare a Spill Prevention Control and Countermeasures (SPCC) Plan. Such plan shall meet applicable EPA requirements (40 CFR 112) and shall be subject to City of Portland approval.

Unless otherwise agreed in writing, all contaminated soil, vegetation and debris shall be removed by Purchaser to approved locations outside of the Bull Run Watershed Management Unit.

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PART C6.0 - OPERATIONS

C6.342 (Option 1) - Additional Sanitation and Servicing Requirements. (6/79) All equipment operating on Sale Area will be in good repair and will be free of abnormal leakage of lubricants, fuel, coolants, and hydraulic fluid.

Unless substitute measures or equipment are authorized in writing by City of Portland compliance with B6.34 will include the use of approved oil absorbing mats under all stationary landing equipment and equipment being serviced to prevent leakage or accidental spillage of petroleum base products from contaminating the soil and water resources. Such material shall be furnished by Purchaser.

PART C6.0 - OPERATIONS

151804

C6.4 (Option 1) - Conduct of Logging. (7/77) Other methods or requirements can be agreed to in writing between Purchaser and Forest Service. The following logging measures are applicable for use in addition to those in B6.4:

(a) Requirements Applicable to Clearcutting Units.

- (i) Notwithstanding B2.31 all live and dead trees, except Reserve Trees subject to C2.3, which exceed 4 inches in diameter breast high are designated and required to be cut. Trees required to be cut, that meet the minimum DBH in A2, shall be felled concurrently with the logging operation. Concurrent felling does not apply when stage logging is authorized.

(b) Requirements Applicable to Partial Cutting Areas.

- (i) The use of roll-out tractors will not be permitted.
- (ii) Subdivisions of Sale Area where tree length logging is prohibited are so designated on Sale Area Map.
- (iii) When necessary to meet the terms and conditions of B6.42, the winch line shall be unspooled from the tractor winch and manually pulled to the location of individual logs for skidding purposes.

(c) General Logging Requirements.

- (i) If Sale Area Map designates any cutting unit for stage logging, timber in such a unit shall be removed in two or more separate felling and yarding operations in accordance with a plan agreed to by Purchaser and Forest Service.
- (ii) If designated on Sale Area Map, landings, Temporary Roads, and/or tractor skid roads shall be scarified by Purchaser following use. Seedbed preparation, by scarification, will be done to base of compacted zone but not to exceed a depth of 12 inches, or 18 inches where shown on Sale Area Map. Seedbed preparation can be accomplished by rippers spaced not more than 18 inches apart and/or heavy duty gang discs.
- (iii) Where traffic conditions justify and by mutual agreement between Purchaser and Forest Service, loading will not be done on existing system roads.

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PART C6.0 - OPERATIONS

C6.402 - Removal of Pulp (Utility) Logs, Special Cull Logs, and Hardwood Logs. (5/74) It is hereby agreed that the removal of logs listed in A2 that meet Bureau log scaling and grading requirements for pulp (utility) logs, special cull logs, and hardwood logs shall be deemed to be economically impractical, if Purchaser has no ready market for such logs in the tributary area at time of removal of other timber.

151804

C6.42# - Special Yarding Objectives (9/76) Special yarding objectives shall be accomplished by the type of yarding equipment listed herein. Methods other than those specified may be approved in writing if such methods meet the objective (1) Protect soil and water quality, (2) Protect residual vegetation

Such approval shall include increases in Current Contract Rates where appropriate. Sale Area Map shall be revised to record such approval.

<u>Special Yarding Objectives</u>	<u>Subdivision</u>
1. Landing sites will be restricted to areas which will avoid disturbance to roadside cut and fill slopes, stream channels, and road drainage facilities.	All
2. Anytime yarding over cut or fill slopes where vegetation and soils may be disturbed protective devices, i.e. logs, or full suspension will be required to prevent gouging.	All
3. Logs will not be decked in ditchlines or on cut or fill slopes. Hot loading is required in lieu of decking except when the road surface can be used.	All

<u>Acceptable Yarding Equipment</u>	<u>Subdivision</u>
A rubber mounted mobile yarder-loader	All

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PART C6.0 - OPERATIONS

C6.422 - Constructed Landings. (1/72) In an effort to avoid irreparable soil and watershed damage, in areas on Sale Area Map designated "Landing Construction Critical" Purchaser shall construct landings in accordance with plans and specifications attached hereto.

151804

PART C6.0 - OPERATIONS

C6.53# - Turbidity Criteria Limits. (6/79) Water sample station locations on Streamcourses are shown on Sale Area Map. Purchaser's Operations shall be conducted so that reduction of water quality in Streamcourses will not exceed the following limits:

A. Single Station

<u>Water Sample Station No.</u>	<u>Turbidity Limit (JTU)</u>
---------------------------------	------------------------------

B. Percent Increase Between Stations

<u>Water Sample Station Nos.</u>	<u>Turbidity Limit Percent Increase</u>
----------------------------------	-----------------------------------------

(1) (2)	
T-1	10%

Unless otherwise agreed in writing, Purchaser's Operations shall be suspended when Purchaser causes turbidity levels in Streamcourses to exceed the above limits.

PART C6.0 - OPERATIONS

C6.6# - Erosion Control and Soil Protection by Purchaser. (10/79)
Erosion prevention and control work, including Streamcourse protection, required by C6.5 and B6.6 shall be completed within 15 calendar days after skidding operations related to each landing are substantially completed or after City of Portland designation on the ground of work where such designation is required hereunder. Said time limit shall be exclusive of full days lost in Purchaser's Operations due to causes beyond Purchaser's control. Such on the ground designation shall be done as promptly as feasible unless it is agreed that the location of such work can be established without marking on the ground. After September 15 and as long thereafter as operations continue the work shall be done as promptly as practicable. Damage resulting from Purchaser's Operations due to failure to perform required work shall be repaired by Purchaser.

Where soil has been disturbed or displaced on Sale Area by Purchaser's Operations and where measures described in B6.6 will not result in satisfactory erosion control and/or soil or site protection the following revegetative work shall be performed on the disturbed or displaced ground. Timing of the revegetative work shall be coordinated with required scarification, if applicable, as provided by C6.4 (c)(ii).

- (a) Where staked or otherwise marked on the ground by City of Portland, seed, fertilize, and mulch as indicated in the attached seeding, fertilizing, and mulching schedule.
- (b) Soil on areas to be seeded shall be left in a roughened condition favorable to the retention and germination of seed. Seed, fertilizer, and mulch shall be spread evenly at the rates shown in the table. When fertilizer and seed are applied in separate operations, the second operation shall be within 10 days of the first. All applications shall be current and done during the period ^{within 10 days of} disturbance to _____ unless otherwise agreed to. No applications shall be done during extremely windy or rainy weather, or when the ground is frozen or otherwise unsuitable.
- (c) As indicated in the attached schedule, Purchaser shall spread a second application of maintenance fertilizer after the first application unless Termination Date is earlier or City of Portland waives this requirement in writing.
- (d) If Purchaser and City of Portland agree seed can be applied and covered within 10 days of ground disturbance, erosion control seeding may be done outside the above required period.
- (e) In lieu of required scarification, City of Portland may agree, in writing, to the use of a rangeland drill or other method that results in seed being covered with dirt in appropriate amounts for germination. As part of such agreement, Forest Service may revise the attached schedule to show appropriate rates of spread where such equipment is used.

SEEDING, FERTILIZING, AND MULCHING SCHEDULE (C6.6# 10/79)

SKID TRAILS, FIRELINES, FIREBREAKS AND OTHER DISTURBED AREAS			TEMPORARY ROADS, LANDINGS AND OTHER DISPLACED AREAS	
SUBDIVISION	SPECIES	POUNDS 1/ PER ACRE	SPECIES	POUNDS PER ACRE
SALE AREA	COLUMBIA GORGE SEED MIX	25	COLUMBIA GORGE SEED MIX	25
SUBDIVISION	TYPE OF 2/ FERTILIZER	POUNDS PER ACRE	TYPE OF FERTILIZER	POUNDS PER ACRE
SALE AREA	16-0-0 with FS approval only	160	16-0-0 with FS approval only	160
	<u>MAINTENANCE</u>		<u>MAINTENANCE</u>	
SUBDIVISION	KIND OF 3/ MULCH	POUNDS PER ACRE	KIND OF MULCH	POUNDS PER ACRE

- 1/ The amount of seed to be sown in terms of live pure seed (4G-4.5094--1, R6).
 2/ Fertilizer shall be a standard commercial fertilizer with guaranteed analysis of contents clearly marked on containers.
 3/ Mulch shall be clean and free of noxious weeds.

PART C6.0 - OPERATIONS

C6.7 - Slash Disposal (12/77). As used in the following Subsections, the term slash is all vegetative material, including cull logs, blasted or pushed out stumps, chunks, broken tops, limbs, branches, rotten wood, damaged brush, damaged or destroyed reproduction, saplings or poles, which is created by Purchaser's Operations including construction of roads or other improvements, under this contract. Existing debris will be considered slash under this contract, where the disposal of such debris is necessary to adequately treat sale-generated slash, or where necessary to adequately provide for regeneration of the area cut over under this contract. Slash created in the construction of Specified Roads shall be disposed of as provided for in Section 201 of the Standard Specifications and as shown on Drawings.

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Any burning of slash or refuse by Purchaser is subject to C6.317.

151804

PART C6.0 - OPERATIONS

C6.74 (Option 1) - Method of Slash Disposal. (3/71) Purchaser shall pile or otherwise prepare slash for later burning or protection within designated areas, firebreaks, roads, landings, and decking areas. Piling or other treatment shall be in accordance with detailed slash disposal plans, specifications, and maps attached hereto.

Purchaser shall plan logging operations, including felling of dead trees under B2.3 and removing down timber and logging equipment, so that slash may be burned periodically.

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I. HAND PILING AND COVERING OF SLASH

A. Areas of Slash Disposal

Purchaser shall hand pile and cover slash within a radius of 50 feet slope distance from edge of landings.

B. Slash to be Piled

Slash one inch in diameter up to and including eight inches in diameter and having a minimum length of one foot shall be hand piled. Material over eight inches in diameter shall be limbed and the limbs piled.

C. Size and Construction of Piles

All piles shall be constructed as compactly as possible. Compaction shall be obtained by aligning the material as much as possible and placing the heavier material on top. All piles shall have a good base to prevent piles from toppling. The long axis of pile shall be up and down the slope.

No pile shall be less than four feet high and six feet in diameter. Piles shall be covered as specified elsewhere herein.

D. Location of Piles

Piles shall not be located closer than 15 feet from the base of live trees, or in a location that will cause scorching of live trees. No pile shall be placed on or in close proximity to stumps, down logs, and the like, that will hold fire or cause fire spread. Piles shall not be placed on pavement, maintainable surface of roads, ditch lines or within 50 feet of live streams. Piles shall be a minimum of ten feet apart.

II. COVERING OF PILED SLASH

All piles shall be covered with polyethylene plastic film 0.006 inches thick or its equivalent as approved by Forest Service.

Method of Covering

Hand pile covering shall be placed midway in pile, cover 100% of the pile and extend to ground. Machine pile and deck (covering shall be placed on top of pile, extend to the ground and be weighted down with combustible material). Machine piles shall not be less than 50% covered and decks not less than 20% covered. All protruding pole and log ends shall be bucked off to attain acceptable covering. Covering shall be concurrent with piling.

PART C6.0 - OPERATIONS

151804

C6.74# (Option 4) - Method of Slash Disposal (12/79) In areas designated on Sale Area Map for piling of Unutilized Material, Purchaser shall pile slash (Unutilized Material) which is 8 inches d.i.b. or bigger on the large end, and at least 10 feet or more long, by cable yarding. Unless Purchaser and City of Portland agree otherwise in writing, piling shall be done in the same Normal Operating Season in which Included Timber is yarded from the unit. Location of piles and method of piling shall be in accordance with the attached plans and specifications.

I. PILING OF UNUTILIZED MATERIAL BY CABLE

A. Areas of Slash Disposal

All areas designated on Sale Area and Slash Disposal Map. Units 1, 2, and 3.

B. Location of Deck(s) and Method of Piling

Purchaser shall deck all yarded unutilized material on landings or other areas agreed to in writing. Deck(s) shall be a minimum of 50 feet from adjacent timber. Deck(s) shall not interfere with functioning of drainage structures, ditches or stream channels. Deck(s) shall be compact and free of noncombustible material. Material to be piled shall be stacked parallel in decks. Material shall be yarded and piled with the same equipment used for yarding and loading standard material.

C. Size of Deck(s)

Deck(s) shall be a minimum of six feet high, 12 feet wide and 12 feet long. Deck(s) shall not have a width greater than two times the height.

II. HAULING OF UNMERCHANTABLE MATERIAL

A. Areas of Slash Disposal

Units 1, 2, and 3 shall have the unmerchantable material hauled to a designated disposal site outside of the Bull Run Drainage, as shown on the Sale Area and Slash Disposal Map.

B. Slash to Be Hauled

Purchaser shall haul all material 8 inches in diameter and larger, and 10 feet or longer. Material less than this shall be piled as specified elsewhere herein.

C. Method of Hauling and Decking

Purchaser shall haul material specified in rubber tired trucks or trailers. Material to be piled shall be stacked parallel in deck(s). Deck(s) shall not interfere with functioning of drainage structures, ditches or stream channels.

III. PILING OF LANDINGS

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A. Areas of Slash Disposal

All cable, mobile yarder, skyline or helicopter landing or decking areas, other than specified elsewhere herein, shall be piled by hand, loader or tractor.

B. Slash to be Piled

All sale generated slash and all previously created slash that has been disturbed by sale activities shall be piled.

C. Construction and Size of Piles

All piles shall be as compact as possible and free of noncombustible material. Piles shall not have a width greater than two times the height. Piles shall be covered as specified elsewhere herein.

D. Location of Piles

Outside edge of piles shall be a minimum of 35 feet from base or crown of any trees. Piles shall not be located on road surfaces, ditchlines or within 50 feet of any live stream.

SLASH DISPOSAL PLAN and SPECIFICATION

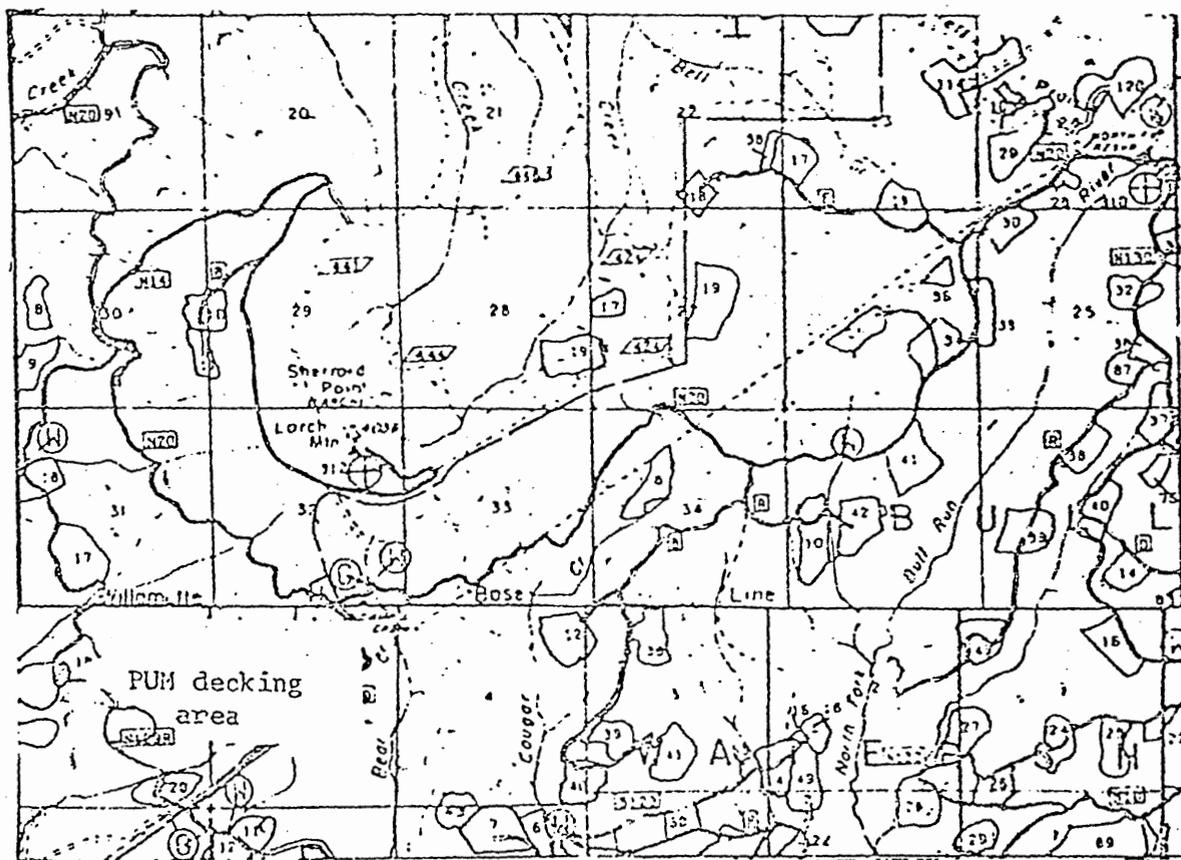
C6.74# (option 4)

151804

PUM DECKING AREA

This map shows the approved decking area for this sale

SCALE: 1 inch = 1 mile



PART C6.0 - OPERATIONS

151804

C6.75 - Substitute Measures. (3/71) City of Portland, may permit substitute methods of slash disposal, changes in location of fire breaks, or fire lines, or may waive specific measures, by notice in writing, if substitute measures will give equally satisfactory results or certain specific measures are unnecessary.

PART C6.0 - OPERATIONS

151804

C6.76# - Alternate Method of Slash Disposal. (12/73) At any time prior to the expiration of any period of permission pursuant to B8.2, City of Portland, may require (Section 6, Act of April 24, 1950) in lieu of the stipulation of C6.73# and C6.74, Purchaser work or assistance therein specified on specific subdivisions of Sale Area be taken over by Forest Service. In the discretion of City of Portland such work or assistance may thereafter be accomplished by City of Portland through substitute measures. In that event, Purchaser shall deposit to City of Portland, as provided under B4.22, when called for, such a sum or sums as will amount to not more than \$ *** per acre based on the area cut under this contract and the amount of work done by Purchaser, on such subdivision or subdivisions as estimated by City of Portland. When only a portion of the work remains to be done on a subdivision the actual sum or sums to be deposited for that subdivision will be determined by mutual agreement between Purchaser and City of Portland.

** Hand piling and covering of landing slash	\$700.00/acre
YUM yarding	\$61.13/acre

151804

PART C6.0 - OPERATIONS

C6.81 - Scaling Services (12/78). Notwithstanding the requirement for City of Portland to perform Scaling under B6.81, Scaling designated in A14 shall be conducted by an acceptable third party scaling organization. Scaling shall be done in accordance with A13 and Purchaser shall bear costs for Scaling service.

In the event third party Scaling is suspended for causes such as strikes, termination of agreement between City of Portland and third party, or Purchaser's failure to pay Scaling costs, hauling operations shall be suspended until agreed alternate Scaling services are provided or service by third party is resumed.

When the locations designated in A14 will not serve Purchaser and when the alternate locations do not have acceptable third party Scaling as a commonly used Scaling method, City of Portland Scaling shall be provided at agreed upon geographic locations. Cost of waived third party Scaling listed in A14 shall be charged to Timber Sale Account.

151804

PART C6.0 - OPERATIONS

C6.811 - Third Party Scaling Services. (9/78) City of Portland will check scale all scalers. When such checks show a variance in scale in excess of acceptable standards as set forth in the Memorandum of Agreement between City of Portland and the third party performing Scaling, City of Portland will request the third party performing Scaling to make a remote check scale. In the event two or more consecutive check scales (by the third party scaling organization) show a variance in scale in excess of current acceptable standards referred to above; or, if the third party performing Scaling has not corrected unsatisfactory Scaling conditions within 30 days of notice by City of Portland an adjustment to volume reported Scaled may be made by City of Portland. Such adjustment will be made based on the average difference between available check scales and the original third party scale during the period covered by the unsatisfactory check scales for the scaler in question. The adjustment will be applied to Timber Sale Account to correct charges for Included Timber Scaled during the period of unsatisfactory check scales.

Notwithstanding C6.81, Scaling being performed by a third party may be terminated by City of Portland whenever services rendered are no longer acceptable.

Logs or other products shall not be removed from the place designated, or agreed upon, for Scaling until Scaling has been completed. Methods customarily employed by the third party performing Scaling, shall be used to signify completion of Scaling in lieu of stamping by City of Portland. Purchaser agrees to provide conditions satisfactory for remote check scales by City of Portland or the third party performing Scaling.

Unless otherwise agreed to in writing, Purchaser shall plainly mark by branding, or by brand and paint combination for sample scale, all logs or other products prior to removal from Sale Area. Any brand assigned to logs or other products from this Sale Area will not be used on logs or other products from any other area, including areas in other ownership, until such brand has been released, in writing, by Forest Service. Such brands shall be state registered brands.

Purchaser agrees to furnish or to have the third party performing Scaling furnish Forest Service, by the fourth work day following the end of the month, a list of the numbers of all certificates; scale bills containing scale of logs or other products from Sale Area; and, in addition, a list of nonscaled loads when sample Scaling has been agreed to pursuant to B6.81.

151804

PART C6.0 - OPERATIONS

C6.85 - Scaling Lost Products. (9/78) 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 for entire truckloads shall be assumed to be the same as for volume Scaled 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. No payment for lost products may be required if City of Portland determines that the volume involved is small and justified by existing conditions.

151804

PART C6.0 - OPERATIONS

C6.84 - Log Accountability by Load Receipt. (2/79) When logs or other products are hauled from Sale Area prior to Scaling, Purchaser agrees to require truck drivers to sign a serially numbered woods load receipt ticket. For logs hauled and dumped in advance of Scaling, Purchaser may be required to note the log piece count on the load ticket stub retained in the woods. When Scaling is done by an authorized third party scaling organization, Purchaser agrees to require the scaler to record the woods load receipt ticket number on the scale ticket that is signed by the scaler. Scale tickets for National Forest timber will be mailed or delivered to the District Ranger on the date Scaled. Instructions for handling the stubs of Woods Receipt Forms R6-2440-81 are printed on the book cover, on the individual form, and on Form R6-2440-317, Notice to Loggers and Truckers.

C6.841 - Route of Haul. (12/79) As part of the annual operating schedule, Purchaser shall furnish a map showing the approved route of haul over which unscaled products will be transported from Sale Area to the approved Scaling location. Such route of haul shall be the shortest, most direct haul route between the points.

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

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

(a) For accountability checks when products are in transit from Sale Area to the designated Scaling location.

(b) For a remote check Scale when products are in transit after being truck Scaled at the designated Scaling location.

Locations for accountability checks shall be agreed to by Purchaser and Forest Service in advance of haul. Such locations shall be established only in areas where it is safe to stop trucks.

Remote check Scale locations will be established as agreed to by Forest Service and Purchaser in areas where it is safe to stop trucks and Scale logs.

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

PART C6.0 - OPERATION

C6.822 (Option 1) - Special Scaling Instructions. (2/79) Volume of Included Timber will be determined as follows:

<u>Scaling Length (feet) 1/</u>	<u>Diameter(s) 1/</u>
8 - 40	Small-end
Over 40	Segment Scaled - Lower segment diameters to be determined by actual taper. ^{2/}

^{1/} Lengths and diameter referred to are those that meet contract minimums as required by B6.82.

^{2/} Actual taper will be determined by measuring the diameter of both ends of the log, disregarding excessive butt flare on butt cut logs by projecting the normal taper of the log through the flared area.

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PART C6.0 - OPERATIONS

C6.82 - Presentation for Scaling. (9/79) Unless City of Portland determines that circumstances warrant a written waiver or adjustment, (1) all products from Sale Area shall be hammer branded on both ends with an assigned brand, (2) each product exempt from domestic processing shall also be hammer branded on both ends with an exempt brand registered for use on exempt logs from National Forest timber sales, and (3) all domestic processing products shall be painted on both ends with highway yellow paint. Exempt logs shall carry no yellow paint. Purchaser will furnish and apply highway yellow paint of a lasting quality (oil base or equivalent). Paint sticks are not acceptable. The paint mark must cover at least an area equal to a 2-inch circle on each end.

All products shall be branded with the assigned sale brand before removal from Sale Area. Painting domestic processing products and branding exempt products shall be done before removal from Sale Area unless products sorting after removal has been approved. When sorting after removal from Sale Area has been approved, branding of exempt products and painting of domestic processing products shall be done prior to Scaling. With water Scaling such branding and painting shall be done prior to dumping. All hammer brands and/or yellow paint must remain on logs until they are either exported or domestically processed, whichever is applicable. Purchaser may remanufacture into different log lengths subject to agreement with City of Portland on surveillance by City of Portland. All remanufactured pieces must be rebranded and repainted. Purchaser shall pay all surveillance costs except, that Forest Service may waive such payment if such costs are minor and part of normal remanufacturing operations.

Purchaser shall pay any additional costs incurred in Scaling exempt products. When sample Scaling is specified method and sample frequency must be increased because of stratification of exempt and nonexempt products, Purchaser shall pay for such additional Scaling costs.

PART C7.0 - FIRE PRECAUTIONS AND CONTROL

151804

C7.1 - Plans. (7/77) The plan shall state how Purchaser's representative or alternates will be contacted in a fire emergency, both during periods of operation and at other times such as evenings or weekends.

In order to allow Forest Service sufficient notice to insure compliance with fire regulations as soon as possible after operations begin, the plan shall provide for Purchaser to notify Forest Service in advance of the commencement (whenever possible at least 48 hours) of any and all operations under this contract whether it is the first operation hereunder or operations which are commencing again after a period of cessation.

PART C7.0 - FIRE PRECAUTIONS AND CONTROL

C7.2 - Specific Fire Precautions. (3/71) Specific fire precautionary measures are in Subsections that follow.

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C7.2a - Fireman. (7/77) Purchaser will designate a fireman who shall perform the services listed below on Sale Area and vicinity. The person will be physically capable, alert, and have adequate experience and training necessary to perform the duties assigned. The fireman will be capable of operating Purchaser's communications and fire fighting equipment specified in the contract, excluding helicopters, and of directing the activities of Purchaser's men on forest fires. The fireman will be provided with adequate transportation, communication and fire fighting equipment. The fireman must report any fire detected to Forest Service within 15 minutes of detection. In lieu of having the fireman perform the required supervisory duties, Purchaser may provide another person meeting the qualifications stated above to direct the activities of Purchaser's men and equipment during all fire fighting activities.

With the exception of work in Item (a) (ii) below, fireman services described shall be for at least three hours from the time falling, logging, construction, or welding equipment is shut down. For the purposes of this provision, personnel and service vehicles are excluded as equipment.

Fireman services shall consist of moving throughout the operation area or areas with fireman constantly on the lookout for and reporting fires and taking suppression action on any fires detected. In helicopter operations, the fireman, where possible, shall observe inaccessible portions of the operating area from vantage points within or adjacent to Sale Area.

Purchaser shall furnish fireman services as stipulated below. Purchaser shall obtain the predicted Fire Precautions Class from the appropriate District Ranger Headquarters. If predictions made after 6:00 p.m. local time, are significantly different than originally estimated, Forest Service will inform Purchaser when changes in fireman services are indicated.

- (a) When predicted Fire Precautions Class is B or above.
 - (i) Provide fireman services to areas of yarding, tractor operation, mechanized treatment of slash, loading sites, and powersaw operations, including right-of-way clearing.
 - (ii) After each cable road line change, the fireman, or an employee in conjunction with his regular duties, shall check line locations and report friction points to logging supervisor or foreman. Such supervisor or foreman shall take action to prevent fires at these points.

- (b) When predicted Fire Precautions Class is C or above.

Provide fireman services to all areas of operation, including truck hauling routes through Sale Area, and other areas where Purchaser's men have worked on or with power-driven equipment.

PART C7.0 - FIRE PRECAUTIONS AND CONTROL

151804

C7.2a (7/77) Continued

If vehicle travel time with available transportation exceeds five minutes for any area requiring fireman services to any other area requiring such service, Forest Service may require a second fireman.

Forest Service may, by written notice to Purchaser, revise the Fire Precautions Class values to other values upon revision of the National Fire-Danger Rating System, or change the specific Fire Precautions when such changes are necessary for the protection of the National Forest.

PART C7.0 - FIRE PRECAUTIONS AND CONTROL

151804

C7.2c - Fire Extinguishers and Equipment (on Trucks, Tractors, Power Saws, etc.) (10/79)

- (a) Each yarder or loader equipped with an internal combustion engine or other spark emitting source shall be equipped with two fire extinguishers, each with an Underwriter's Laboratory (UL) Rating of at least 5 B,C. One shall be readily accessible to the operator and the other separate from the operator and readily accessible to other personnel.
- (b) All pickups, panels, passenger-carrying type of motor vehicles, trucks, (including self-loading), tractors, welding machines, compressors, fuel and water pumps, motor patrols, rock crushers, portable chippers, pugmills, rollers, and similar power-driver equipment operated by Purchaser on National Forest land, except portable fire pumps, shall be equipped with one fire extinguisher having a UL rating of at least 5 B,C and one "D" handled or long-handled round-point shovel, size "0" or larger. In addition, each motor patrol, truck, including pickups, panels, and self-loaders, and passenger-carrying type vehicles shall be equipped with a double-bitted axe or Pulaski, 3-½ pounds or larger.
- (c) Equipment required in (a) and (b) shall be located and mounted ready for immediate use on all equipment except equipment in passenger cars shall be placed so as to be readily available.

Fire extinguishers and equipment shall be mounted so as to not be subject to abuse during the operation of the machine and be easily removable for use or inspection.

- (d) Each gasoline power saw operator, except at a landing where a suitable fire extinguisher and shovel are immediately available, shall be equipped with a pressurized chemical fire extinguisher of not less than 8-ounce capacity by weight, and one size "0" or larger long-handled round-pointed shovel. The extinguisher will be kept in possession of the saw operator at all times. The shovel shall be located so that the operator may get the shovel and return to the saw operations in a maximum time of 1 minute.
- (e) Each helicopter shall be equipped with one fire extinguisher having a UL rating of at least 5 B,C mounted inside the aircraft within reach of the pilot from his operating position.
- (f) One refill for each type or one extra extinguisher sufficient to replace each size extinguisher required on equipment shall be safely stored in the fire tool box or other agreed upon place on Sale Area that is protected and readily available.
- (g) At each area where helicopters are being serviced or supplied, a carbon dioxide fire extinguisher with a UL rating of at least 20 B,C will be provided on the site and placed where they are available for immediate use.

PART C7.0 - FIRE PRECAUTIONS AND CONTROL

151804

C7.2d - Spark Arresters and Mufflers. (7/77) Each internal combustion engine shall be equipped with a spark arrester qualified and rated under USDA Forest Service Standard 5100-1a unless it is:

- (a) Equipped with a turbine-driven exhaust supercharger such as the turbocharger. There shall be no exhaust bypass.
- (b) A multi-position engine, such as on power saws which must meet the performance levels set forth in the Society of Automotive Engineers "multi-positioned small engine exhaust fire ignition standard, SAE recommended practice J335B" as now or hereafter amended.
- (c) A passenger carrying vehicle or light truck, or medium truck up to 40,000 GVW, used on roads and equipped with a factory designed muffler and an exhaust system in good working condition.
- (d) A heavy duty truck, such as a dump or log truck, or other vehicle used for commercial hauling, used only on roads and equipped with a factory designed muffler and with a vertical stack exhaust system extending above the cab.

Exhaust equipment described in this Subsection, including spark arresters and mufflers, shall be properly installed and constantly maintained in serviceable condition.

PART C7.0 - FIRE PRECAUTIONS AND CONTROL

151804

C7.2e (Option 1) - Fire Tools. (12/79) Purchaser shall furnish fire fighting tools to equip all of the men employed on Purchaser's Operations. Tools shall be in serviceable condition and kept in one or more weather-tight fire tool boxes. Fire tool boxes shall be painted red, marked "Tools for Fire Only" with letters 3 inches or more high, and kept sealed. A list of the contents shall be posted inside each fire tool box so it is visible when opened. Sharpened edges of tools shall be greased or painted.

Fire tool boxes shall contain numbers and kinds of tools as follows:

Kind of Tool	Numbers of Men Working in Area			
	1-4	5-9	10-15	16-20
Axe, (d.b.) chopping 32" min. hdl. or Pulaski	1	2	2	3
Shovels, L.H., R.P., #0 or larger	1	2	4	4
Hazel Hoe, Adz Eye Hoe	2	5	7	10
Canteen 1 gal. (metal)	1	1	2	2

For operations employing more than 20 men, special tool lists will be specified by Forest Service so as to equip 100 percent of the men.

Pumps, backpack cans, (or neoprene bags)				
5-gal. filled with water	1	1	2	2

Backpack cans shall be located inside or immediately adjacent to the tool box in a safe, readily available area.

Fire tool boxes shall be placed at the following locations:

- (a) Each operating landing or side except when two operating landings or sides are within 600 feet of each other, one tool box will meet this requirement.
- (b) Each operating road construction job unless finish grading or surfacing is the only road work in progress and sufficient fire tools are available on equipment for use by all construction personnel.
- (c) For helicopter logging, tool boxes, including the backpack pump at the landing, will have a sling arrangement for immediate transportation to the vicinity of any fire within Sale Area.

C7.2g (Option 2) - Tank Truck. (10/79) Purchaser shall provide a tank truck or trailer during yarding, loading, land clearing, right-of-way clearing (excluding falling and bucking) and mechanical treatment of slash at each operating landing, yarding spar tree or more suitable place designated by Forest Service. At least one tank truck or trailer must contain not less than 500 gallons of water, each additional tank truck or trailer must contain not less than 300 gallons of water. Provided that, the requirement for additional tank truck or trailer may be met by providing a yarder or loader equipped with at least 300 gallons of water and portable pump and equipment as specified below if this will provide the same degree of protection as the required tank truck or trailer.

A tank truck or trailer at one area of operation will satisfy the requirement on an adjacent area(s) if the travel time of the fully loaded and equipped tank truck or trailer from its principal location to an adjacent area(s) of operation does not exceed ten (10) minutes, including the time required for a driver to get to the tank truck or required tow vehicle and start it.

The pump may be a portable power pump or a suitable power take-off pump. If the pump is of the gear type, a bypass or pressure relief valve shall be provided. The pump shall develop pressure sufficient to discharge 20.5 gallons per minute through a 50-foot length of 1-inch or 1½-inch rubber-lined hose, using a ½-inch nozzle tip at pump level.

The pump, as mounted, shall be capable of drafting water from a water source located 10-foot vertical distance below the center of the rear axle through the required suction hose.

Water tanks shall be equipped with a rapid shut-off type fitting which permits the attachment of 1½-inch hose. The 1½-inch fitting and valve shall be located near the bottom of the tank and designed to permit direct gravity water-flow and rapid filling of backpack pump cans.

The tank trucks or trailers shall be equipped with a live reel containing from 250 feet to 300 feet of 1-inch fabric-jacketed rubberlined (FJRL) hose. The hose shall be charged with water and then wound on the reel so that it is "alive." While full 1-inch FJRL hose is preferred because of the lesser friction loss, 1-inch hard rubber hose will be acceptable on the live reel provided the inside diameter of the hose is not less than ¾-inch.

In addition to the hose on the live reel, 250 feet of 1-inch FJRL hose shall be carried on the tank truck or trailer. The necessary fittings to connect at least 500 feet of hose together shall be provided. The nozzle shall be of a shut-off type. It shall have a capability of projecting a ½-inch straight stream or its equivalent in water output and distance. It shall also have the capability of producing a spray pattern.

A water supply sufficient for rapidly filling the tank shall be provided where practicable at one or more accessible points along or adjacent to the main truck roads.

List of necessary accessories which are required to be with each tank truck or trailer is as follows:

PART C7.0 - FIRE PRECAUTIONS AND CONTROL

C7.2g (Option 2) (10/79) Continued

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- 8 gallons of fuel to operate pump.
- 1 reducer, 1-½" and 1" suitable for hose and equipment supplied.
- 1 wrench, spanner, suitable to fit each size hose supplied, including suction hose.
- 1 suction screen suitable to fit suction hose.
- 24 feet (approx.) suction hose suitable to fit pump intake.
- 12 washers for each size hose supplied on the sale except suction hose (1 washer for each section).

The following accessories are also required if the pump is operated by a separate engine:

- Sufficient extra spark plugs to replace all spark plugs in the engine.
- 1 wrench, crescent, 10".
- 1 wrench, spark plug, unless the crescent wrench is suitable for use on the spark plugs.
- 1 pliers, 6", slip joint
- 2 quarts oil, crankcase, if engine is the type that requires crankcase oil.
- 1 screwdriver, 4".
- 2 rope starters, if engine can be started with a rope.
- 1 gun, grease, if the pump is the type that requires periodic greasing.
- The grease gun will be filled with grease.

These accessories shall be stored on or near the pump in a suitable compartment or box. A list of contents should be posted inside the compartment or box so as to be visible when the storage place is open.

The following safety items are required with the tank trucks or trailers:

- Rearview mirror
- Parking brake
- Foot brake
- Muffler
- **Spare tire w/lug wrench and jack
- *Safety chains (trailers only)
- Reflective flares, 1 set of 3
- Headlights
- *Tail lights
- *Stop lights
- *Reflectors (rear - 2 red; side rear - 2 red)

* Required on trailers.

** The lug wrench and jack with the truck-type vehicle for pulling trailers will suffice if of adequate size.