# U.S. DEPARTMENT OF AGRICULTURE – FOREST SERVICE FOREST PRODUCTS CONTRACT and CASH RECEIPT

Contract FS-2400-4 (6/00) Page 2

#### **GENERAL CONDITIONS**

The Purchaser, by signing Page 1, binds the Purchaser and the Forest Service, acting through the Contracting Officer, to the contract terms.

1. The boundaries of the sale area, payment unit, and any cutting or harvesting areas are as shown on the attached sale area map, which is made a part of this contract. All sale area map detail indicating location is approximate; therefore, actual locations, as the Forest Service has designated on the ground, take precedence over the sale area map. The location of the sale area and its estimated acreage are shown on Page 1.

Valid claims are excluded from the sale area, unless the claimant authorizes, in writing, timber cutting or product harvesting on the claim, except for valid claims on which timber cutting or product harvesting is authorized under the Act of July 23, 1955 (30 USC 612, 613, and 614).

- 2. The Purchaser's failure to execute and return this contract in conformance with the terms, conditions, and requirements contained in the Contracting Officer's letter of award shall constitute repudiation of the Purchaser's bid and breach of this contract. The Purchaser agrees that the Purchaser's bid guarantee, if required in the advertisement, shall be retained by the Contracting Officer to be applied toward damages due the United States.
- 3. The Purchaser shall complete all requirements of this contract prior to the termination date. A time extension may be granted at the discretion of the Contracting Officer if the Purchaser has operated in a diligent manner.
- 4. The Forest Service has determined the estimated quantities of included products listed on Page 1 prior to award of this contract. The Contracting Officer or designee will determine any additional designated products prior to felling or harvesting during the term of the contract. The Forest Service makes no representation, warranty, or guarantee of the accuracy of the estimate.
- 5. This contract is non-transferable.
- 6. No Congress Member or Resident Commissioner shall benefit from this contract unless made with a corporation for its general benefit (18 USC 431,433).
- 7. The conditions of this contract are completely set forth, and none of its terms can be varied or modified, except by written agreement between the Purchaser and the Contracting Officer approving the contract, or the Contracting Officer's successor, or superior officer, and in accordance with the regulations of the Secretary of Agriculture.
- 8. No Purchaser, contractor, subcontractor, agent, or employee shall discriminate in performance of this contract against any person on account of race, color, religion, age, sex, or national origin.
- 9. The Forest Service agrees to sell and the Purchaser agrees to purchase, cut or harvest, and remove all included products described on Page 1. Designation(s) for cutting is (are) shown in Other Conditions. Title to all timber or forest products included in this contract shall remain with the United States until its estimated quantities have been determined by the Contracting Officer or designee and paid for and removed from the sale area by the Purchaser. The Purchaser shall not cut or harvest any timber or forest products until the Contracting Officer or designee has determined the estimated quantities and the timber or forest products has been paid for by the Purchaser.

The Purchaser shall cut or harvest and remove included products in strict accordance with the conditions on Page 1, the General Conditions, and with all conditions and requirements in the attached Other Conditions, which are hereby made a part of this contract, and with the regulations prescribed by the Secretary of Agriculture.

The Contracting Officer or designee may designate additional timber products, if included products is timber, not included in the original volume estimate for cutting within the sale area, as needed to utilize damaged trees, trees to be removed in authorized clearings, or trees unnecessarily damaged or cut by the Purchaser. The Purchaser shall pay for additional timber at rate per products and associated charges per unit of measure listed on Page 1, in addition to any payments for liquidated damages under General Condition 15 and/or in Other Conditions. The additional timber will become included products when designated by the Contracting Officer or designee.

The Contracting Officer or designee and the Purchaser may agree in writing to make minor adjustments in boundaries of cutting units or in the timber individually marked for cutting.

- 10. As a further guarantee of the faithful performance of the provisions of this contract, the Purchaser shall maintain a cash performance bond in the amount listed on Page 1.
- 11. The Purchaser shall pay to the USDA Forest Service by the time the contract is required to be executed and returned by the Purchaser, the total sale value for total products and total associated charges stated on Page 1, for product values which includes sale area betterment funds (Act of June 9, 1930, 16 USC 576b), slash disposal funds (Act of April 24, 1950, 16 USC 490), and road maintenance deposits, if any.
- 12. The Contracting Officer or designee may, in writing, suspend operations on the sale area, including removal of included products, if the Purchaser violates contract requirements, or the Contracting Officer may terminate this contract for the Purchaser's serious or continued violations of its terms.

The Purchaser agrees to interrupt or delay operations under this contract, in whole or in part, upon the written request of the Contacting Officer: (a) to prevent serious environmental degradation or resource damage that may require termination of the contract, (b) to comply with a court order, or (c) upon determination of the appropriate Regional Forester, that conditions existing on this contract area are the same as, or nearly the same as, conditions existing on contract(s) named in such an order as described in paragraph (b).

- 13. The Contracting Officer may terminate this contract, without liability to the Government, to prevent serious environmental degradation, to comply with a court order, or for the convenience of the Government.
- 14. All monies paid under the contract shall, upon the Purchaser's failure to fulfill the terms of the contract, be retained by the Contracting Officer to be applied toward completion of Purchaser's uncompleted work or damages due the United States.
- 15. The Purchaser shall pay for unnecessary damage to or negligent or willful cutting of merchantable timber, if timber is an included product, meeting utilization standards on Page 1 at an amount equivalent to the bid rate. In view of the difficulty in determining the actual damage to the United States, the amounts specified above shall be considered liquidated damages; provided, that, if such damage involves small amounts of material, and in the judgment of the Contracting Officer or designee, is justified by existing conditions, the payments may not be required. In addition to liquidated damages, if designated for removal by the Contracting Officer or designee under General Condition 9, the Purchaser shall make payments at the rate per products listed on Page 1 for timber meeting utilization standards and for associated charges for the total quantity of material involved.

#### **GENERAL CONDITIONS (Continued)**

The Contracting Officer or designee shall determine rates for products per unit of measure for standing timber or other forest products if they are not included products using standard Forest Service appraisal methods.

The right, title, and interest to any product for which payment of liquidated damages has been made or which has been regularly paid for, cut, but not removed, shall remain in or revert to the United States, if not removed from the sale area at the expiration or termination of this contract.

- 16. This contract is subject to The Contract Disputes Act of 1978 (Pub. L. 95-563). Purchaser claims under this contract shall be submitted in writing to the Contracting Officer not later than 60 days after receipt of the Contracting Officer's written notice to the Purchaser that the sale is closed.
- 17. The Purchaser shall obtain certifications from its lower tier participants regarding debarment, suspension, ineligibility, and voluntary exclusion (7 CFR 3017.510). The Purchaser shall provide a copy of such certifications to the Contracting Officer at the Contracting Officer's written request.
- 18. The Contracting Officer may designate in writing a Forest Service Representative 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 harvest operations.

The Contracting Officer or the Forest Service Representative may designate other Forest Service on-the-ground representatives. The Contracting Officer or Forest Service Representative shall name these persons in writing along with their specific contractual responsibilities and authority and the Contracting Officer shall provide a copy to the Purchaser. The Contracting Officer shall make these delegations within 30 days of award of the contract.

- 19. The Purchaser shall buck harvested trees, if trees are included products, to use the entire merchantable stem, cut stumps no higher than the maximum specified on Page 1 when measured on the uphill side, and use material to the minimum utilization standards listed on Page 1.
- 20. The Purchaser and Purchaser's employees shall take reasonable action to prevent and suppress forest fire. Further, the Purchaser, in all phases of logging or harvesting operations, shall protect insofar as practicable: all land survey corners, telephone lines, ditches, fences, and other improvements. If the Purchaser's operations damage such improvements under this contract, the Purchaser shall restore these improvements immediately to the condition existing immediately prior to operations. The Purchaser shall handle slash and other refuse as listed in Other Conditions. The Purchaser shall pay for road maintenance commensurate with the Purchaser's use. The Purchaser shall promptly restore roads or trails damaged through such use. Specific road maintenance requirements are listed in Other Conditions and costs are included in associated charges listed on Page 1.The Purchaser's use of existing roads may be restricted, as indicated on the sale area map and in the Other Conditions. The Purchaser shall comply with the rules and regulations governing operation on premises that are occupied, and the Purchaser shall perform the contract in a manner that will not interrupt or interfere with the conduct of Forest Service business.

#### **OTHER CONDITIONS**

## 1# - PRODUCT DESIGNATION (07/1998)

The Forest Service has designated timber or forest products for cutting or harvesting prior to award of this contract. The designated timber or forest product is confined to the Sale Area and Harvest Unit and has been designated in the following manner:

## Decked Nonsaw Material

#### 3 - LOAD TICKETS (07/1998)

The Purchaser shall complete and return assigned load tickets according to the Contracting Officer or designee's written instructions. Used load tickets shall be returned to the Contracting Officer or designee at termination date.

## 4 - PRODUCT IDENTIFICATION (11/1999)

Before removal from the Sale Area, unless the Contracting Officer determines that circumstances warrant a written waiver or adjustment, (a) all products 8 feet or more in length and one-third or more sound shall be hammer branded on each end that is 7 inches or more in diameter and (b) all domestic processing products 8 feet or more in length and one-third or more sound shall be painted with a spot of highway-yellow paint on each end that is 7 inches or more in diameter. Each paint spot must be not less than 3 square inches in size.

The Contracting Officer shall assign brands and brands shall be registered with the State, if the Sale Area is within a State that maintains a log brand register. The Purchaser will furnish and apply highway-yellow paint of a lasting quality (oil-base or equivalent).

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

## 5 - USE OF TIMBER (07/1998)

This contract is subject to the Forest Resources Conservation and Shortage Relief Act of 1990 (Act) (16 USC 620, et seq.). Except for species determined to be surplus, unprocessed logs originating from federal lands west of the 100th meridian, shall not be exported from the United States nor used in direct or indirect substitution for unprocessed logs exported from private lands by the Purchaser or any person as defined in the Act (16 USC 620e). Prior to delivering such unprocessed federal logs to another party, the Purchaser shall require each buyer, exchangee, or recipient to execute an acceptable agreement, which shall: (a) identify the federal origin of the logs, (b) specify domestic processing for the logs involved, (c) require the execution of such agreements between the parties to any subsequent transactions involving said logs, (d) require that all hammer brands and/or yellow paint must remain on logs until they are either legally exported or domestically processed, whichever is applicable, and (e) otherwise comply with the requirements of the Act (16 USC 620d).

#### 10# - USE OF ROADS BY PURCHASER (06/1999)

The Purchaser's use of existing roads identified on the Sale Area map by the following codes is prohibited or subject to restrictive limitations, unless the Contracting Officer or designee agrees in writing otherwise:

Code	Use Limitations
X	Hauling prohibited
R	Hauling restricted
Р	Use prohibited
Α	Public use restriction
W	Regulation waiver

Roads coded A will be signed by the Contracting Officer or designee to inform the public of use restrictions. Purchaser's use of roads coded R, A, or W shall be in accordance with the following restrictions:

#### **Restricted Road List**

Road		Termini		Мар	Description of
Number	Road Name	From	То	Legend	Restrictions
113				R	Hauling restricted-All vehicles shall comply with statutory load limits unless a permit from Forest Service and any necessary state permits are obtained prior to overload vehicle use.

## 16# - ROAD USE and LIABILITY INSURANCE

Purchaser is authorized to use roads, 113, 763.1, 36, subject to the terms and conditions of the Road Right of Way Construction Use Agreement between Forest Service and the Plum Creek Timberlands. A copy of said agreement is available for review in the office of the District Ranger.

Purchaser shall have in force public liability insurance covering: (a) property damage in the amount of \$500.000 and (b) damage to persons in the minimum amount of \$500,000 in the event of death or injury to more than one person. In the event of combined single limit insurance, the total minimum coverage shall be in the amount of \$1,000,000 providing for at least \$ 500,000 in the event of property damage and \$500,000 in the event of death or injury. The coverage shall extend to commercial hauling activities on roads 113, 763.1, 36. The Purchaser shall send to the Forest Service, an authenticated copy of its insurance policy prior to hauling. The Purchaser's policy will not be cancelled or its provisions changed or deleted before 30 days' written notice to the Contracting Officer, Kootenai National Forest by the insurance company. Purchasers commercial hauling shall include hauling by Purchaser, Purchaser's employees, agents, contractors, subcontractors, their employees or agent on roads listed above.

#### 18# - CLOSURE TO USE BY OTHERS

Unless otherwise agreed to, Purchaser shall close gates on roads designated "To Be Closed" on the Sale Area Map. Purchaser will close gates at the completion of daily activities.

## 19# – PURCHASER SLASH DISPOSAL

Landing Cleanup, Units, A landing is considered a place where any logs or products are gathered 2A and 3B for loading. Unless otherwise agreed, all slash accumulated at landings shall be piled.

Piles shall be reasonably compact and free of soil to facilitate burning. Piles will not be less than 3 feet in height. Piles shall be of a size and location which will not impair road use or result in damage to residual timber. Piles shall be located at least 15 feet from residual timber. Piles shall not be more than 25 feet long.

Clean System Roads, Units,

2A and 3B

Purchaser shall dispose of all logging slash 1 inch large end diameter and 3 feet in length which is created within the clearing limits of system roads. Slash shall be piled for later burning within the right-of-way clearing unless an alternate method of slash disposal is agreed to in writing. Piles shall be reasonably compact and free of soil to facilitate burning. Piles shall be of a size and location which will not impair road use.

Piles shall be a minimum of twice their diameter from any residual timber.