

PROSPECTUS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
LAKEVIEW DISTRICT
KLAMATH FALLS RESOURCE AREA OFFICE

KLAMATH FALLS RESOURCE AREA
KLAMATH MASTER UNIT

Klamath Falls Sale No. ORL04-TS16-04
Sale Date: **SEPT 14, 2016 (10:00am)**

Jigsaw Timber Sale, Klamath County, O&C

Bid Deposit Required: **\$21,300.00**

All timber designated for cutting in Lots 1, 2, 3, SW ¼ NE ¼, NE ¼ NW ¼, SE ¼ NW ¼, NE ¼ SW ¼, NW ¼ SE ¼ Section 7, T.39S., R.6E., Willamette Meridian.

Approximate Number of Trees	Species	Est. Volume MBF 16' Log	Appraised Price Per MBF*	Est. Volume Times Appraised Price
4,561	Shasta Red Fir	1,204	\$ 152.80	\$ 183,971.20
1,820	White Fir	199	\$143.30	\$ 28,516.70
6,381	TOTAL	1,403		\$ 212,487.90

*Stumpage values have been determined by analytical and market value appraisal methods. Additional information concerning the appraised price is available at the Klamath Falls Resource Area Office.

CRUISE INFORMATION - SAWLOG INFORMATION - Timber Volumes were based upon 3-P Volt Cruise for estimating board foot volume of trees in 16 foot logs. Approximately 0% of the total sale volume is salvage material. With respect to merchantable trees of all conifer species: the average tree is 16.0 inches DBHOB; the average gross merchantable log contains 86 bd. ft.; the average tree contains approximately 242 bd. ft.; the total gross volume is approximately 1,548 M bd. ft.; and 91% recovery is expected.

Note: This timber sale has been cruised, appraised, and advertised based upon Scribner Board Foot Volumes (16 Foot Log). The minimum bid figures shown by species are dollars per thousand board feet (MBF). The minimum bid increment will be \$.10 per MBF.

LOG EXPORT AND SUBSTITUTION RESTRICTIONS - All timber offered for sale hereunder is restricted from export from the United States in the form of unprocessed timber and is prohibited from use as a substitute for exported private timber.

CUTTING AREA & HARVEST PRESCRIPTION - Two (2) units containing approximately 85 acres of density management treatment.

CUTTING TIME - Contract duration will be twenty-four (24) months for cutting and removal of timber.

ACCESS - Access to the sale area is available via existing BLM roads.

ROAD MAINTENANCE - The Purchaser will be required to maintain approximately two (2) miles of existing BLM roads. In addition, the Purchaser will be required to pay a maintenance fee of \$4.85 per MBF or a total of \$6,800.94 for the use of these roads.

SOIL DAMAGE PREVENTION - Pursuant to Section 25 of Form 5450-3, Timber Sale Contract, the Purchaser shall not operate or cause to have operated on the contract area, any ground based logging equipment when soil moisture content exceeds 20% by weight as determined by a moisture meter. This requirement does not apply if snow logging conditions exist as described in the contract.

EQUIPMENT REQUIREMENTS -

1. Mechanized harvesting equipment capable of cutting up to a 20 inch DBH tree and reaching a minimum of twenty (20) feet laterally.
2. At least one ground based yarding tractor shall be equipped with an integral arch and winch system capable of lining logs at least one hundred feet (100').

SLASH DISPOSAL-

1. Whole tree yarding or yarding with the tops attached is required on all trees designated for cutting within all harvest units on exhibit A.
2. Unmerchantable timber (slash, limbs, tops, cull logs, pieces of logs, etc.) can be removed as biomass or other products. If unmerchantable timber is removed as biomass or other nontraditional products, a second contract will be used and the price of the material will be negotiated.

OTHER-

1. Extension of time beyond the normal 30 days may be granted for completing bonding and contract signing requirements upon written request and justification from the Purchaser.
2. All operations are seasonally restricted from October 15th of one calendar year to June 1st of the following calendar year, unless waived by the Authorized Officer or winter logging conditions exist.
3. Cut stumps of all species fourteen (14) inches in diameter and larger will be treated with a fungicide. The fungicide will contain a cement dye to help monitor application compliance.
4. All logging equipment will be cleaned prior to operating on BLM lands to prevent the spread of noxious weeds.

5. All landing piles require a machine constructed fire line around the entire pile.
6. This contract includes an additional special provision to ensure the Purchaser understands he/she is required to conduct all operations in compliance with Contract Section 12 (Purchaser's Contractual Responsibilities for Liability) and Contract Section 29 (Safety and Health) and the Special Provisions included in Section 42 of this Contract.

CONTRACT TERMINATION - A Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and/or to modify or terminate the contract when necessary to comply with the Endangered Species Act or comply with a court order. This contract provision limits the liability of the Government to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area.

NARRATIVE DESCRIPTION OF HOW TO GET TO THE TIMBER SALE AREA -

The sale is located approximately twenty (20) miles west of Klamath Falls. From Klamath Falls, take Highway 66 west for approximately twelve (12) miles to Keno. Turn right on Clover Creek road and travel west for approximately ten (10) miles to Spencer Creek Hookup Road (39-6E-5.0). Turn left onto the Spencer Creek Hookup Road. Continue approximately four (4) miles, turn right, onto the Keno Access Road (39-7E-31.0). Follow the Keno Access Road for approximately 800 feet and turn left on Miner's Creek Road (39-6E-7.1). Follow Miner's Creek Road for approximately two (2) miles to the sale area.

ENVIRONMENTAL ASSESSMENT - An environmental assessment was prepared for this sale, and a Finding of No Significant Impact has been documented. This document is available for inspection as background information for this sale at the Klamath Falls Resource Area Office.

Notice of Decision for sale of timber dated September 18, 2016.

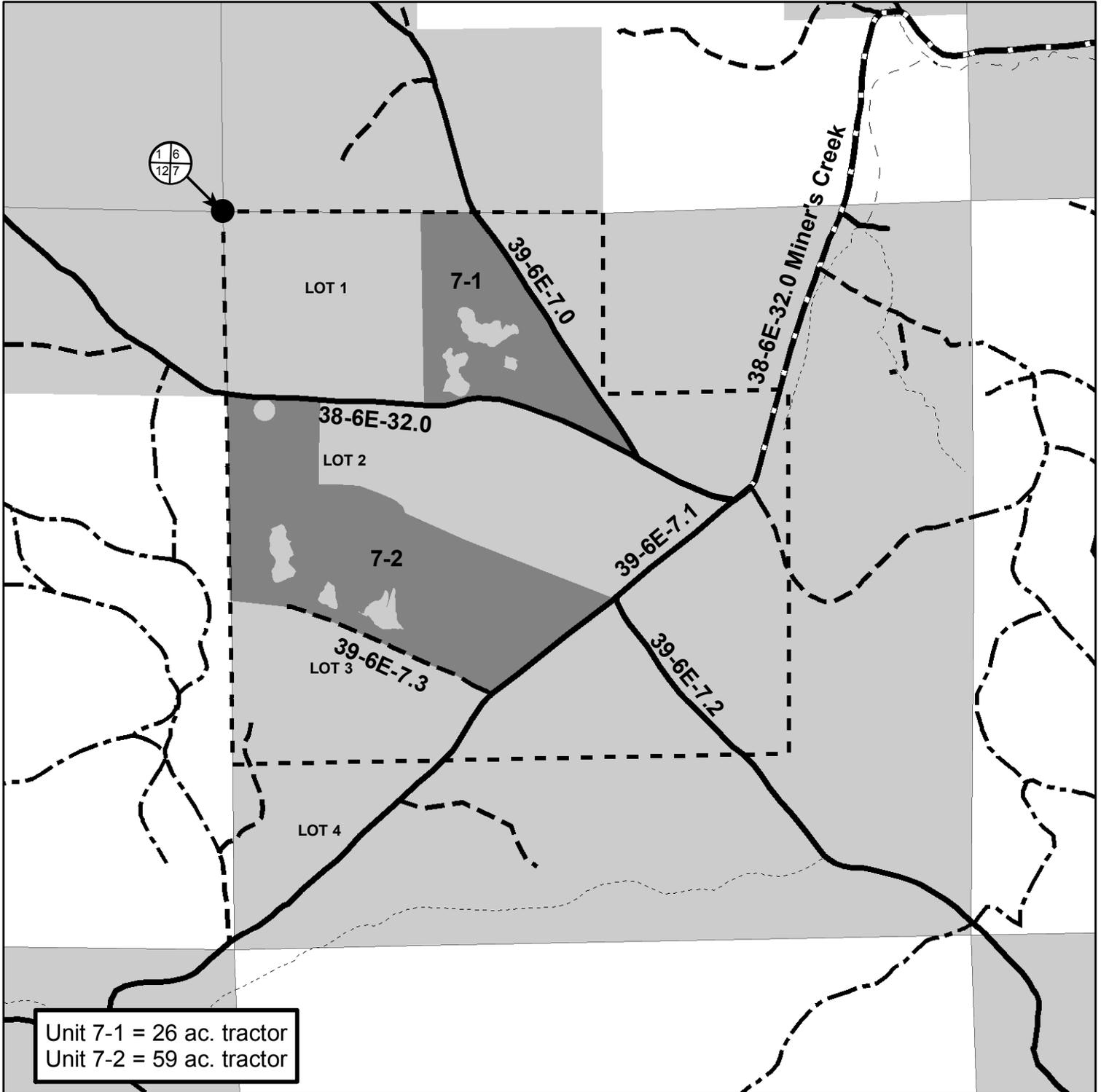
USDI-BLM Klamath Falls Resource Area
Sale Name: Jigsaw

Timber Sale Contract Map
Contract No. ORL04-TS16-04
Exhibit A – Contract Acres
Page 3 of 3

Willamette Meridian: T.39S., R.6E., Sec.7 Lots 1, 2, 3, SW ¼ NE ¼, NE ¼ NW ¼, SE ¼
NW ¼, NE ¼ SW ¼, NW ¼ SE ¼

<u>Cutting Unit</u>	<u>Total Cutting Unit Acres</u>	<u>Harvest Method</u>
7-1	26	Density Management (DM)
7-2	59	DM
Total	85	

Total Cutting Unit Area	85.00 acres
<u>Total Reserve Area</u>	<u>241.04 acres</u>
Total Contract Area	326.04 acres



Unit 7-1 = 26 ac. tractor
 Unit 7-2 = 59 ac. tractor

Legend

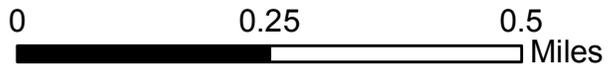
Sections	Roads	Streams
Bureau of Land Management	Bituminous	Perennial
Contract Area	Aggregate	Intermittent/seasonal
Jigsaw Harvest Units	Natural	Ephemeral
Corner	Unknown	

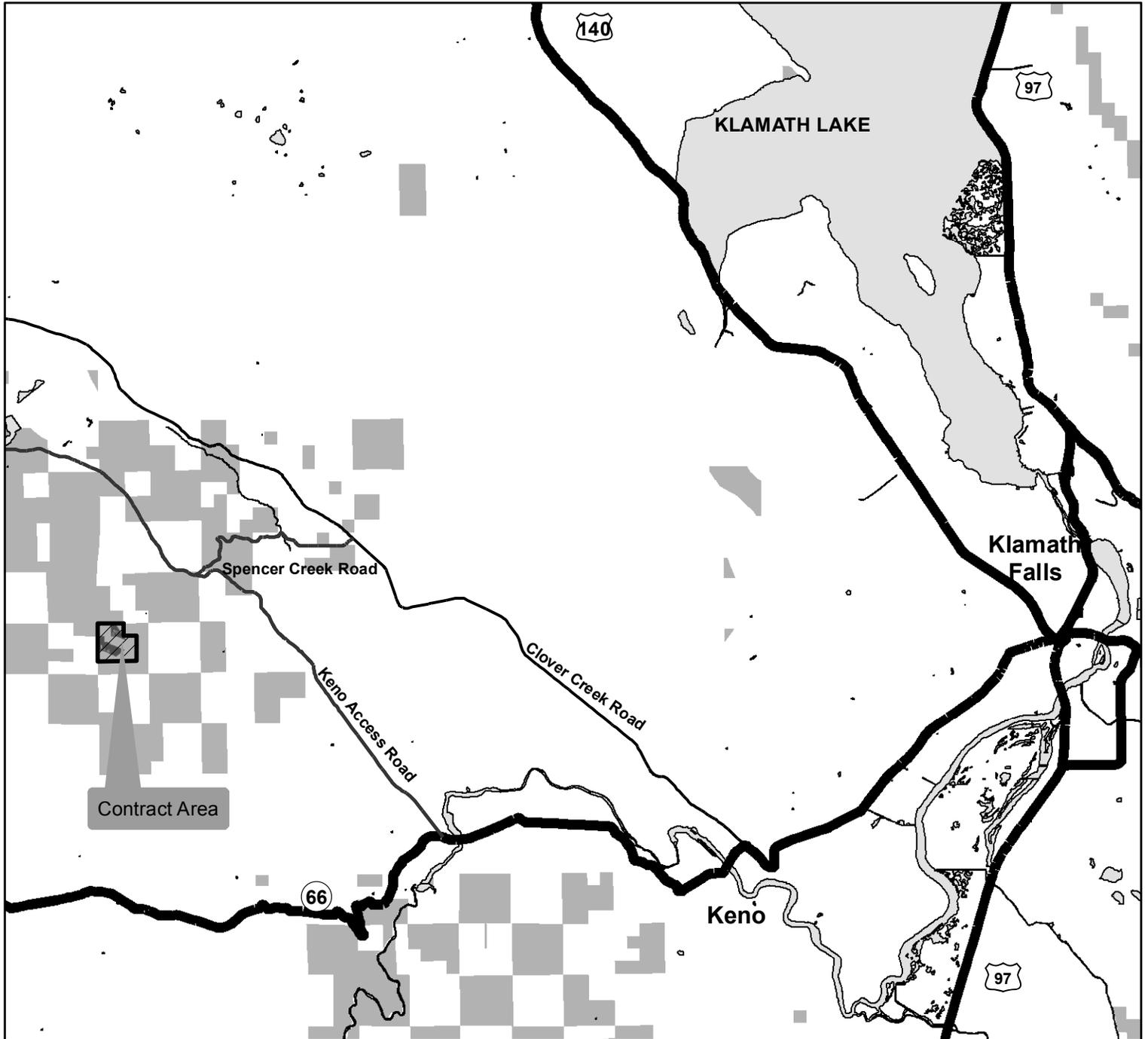


No warranty is made by the Bureau of Land Management as to the accuracy, reliability, or completeness of these data for individual or aggregate use with other data. Original data were compiled from various sources and may be updated without notification.

Prepared By: jcjensen
 Creation Date: 7/18/2016 9:29:44 AM

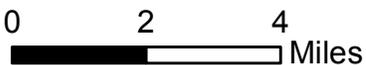
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Legend

-  Highways
-  Bureau of Land Management Lands
-  Contract Area



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Prepared By: sdao
Creation Date: 7/18/2016 9:12:39 AM



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Section 41

(A) Timber Reserved from Cutting

The following timber on the contract area is hereby reserved from cutting and removal under the terms of this contract and is retained as the property of the Government:

- (1) **AR-1** All timber on the reserve areas as shown on Exhibit A and all blazed, orange painted, or orange painted and/or posted trees which are on or mark the boundaries of the reserve areas.
- (2) **IR-13** All snags, or downed trees of all decay classes in all units shown on exhibit A which do not present a safety hazard as determined by the Authorized Officer. All snags felled and all downed trees shall be retained on site unless approved by the Authorized Officer.

Section 42

(A) Log Exports

- (1) **LE-1** All timber sold to the Purchaser under the terms of the contract, except exempted species, is restricted from export from the United States in the form of unprocessed timber, and is prohibited from being used as a substitute for exported private timber. For the purpose of this contract, unprocessed timber is defined as: (1) any logs, except those of utility grade or below, such as sawlogs, peeler logs; and pulp logs; (2) cants or squares to be subsequently remanufactured exceeding eight and three-quarters (8-3/4) inches in thickness; (3) split or round bolts or other roundwood not processed to standards or specifications suitable for end-product uses; or (4) western red cedar lumber which does not meet lumber of American Standards Grades of Number 3 dimension or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 Common or better. Thus, timber manufactured into the following will be considered processed: (1) lumber and construction timbers, regardless of size, manufactured to standards and specifications suitable for end-product uses; (2) chips, pulp, and pulp products; (3) green or dry veneer and plywood; (4) poles and piling cut or treated for use as such; (5) cants, squares, and lumber cut for remanufacturing of eight and three-quarters (8-3/4) inches in thickness or less; or (6) shakes and shingles.

Substitution will be determined under the definition found in 43 CFR 5400.0-5.

The Purchaser is required to maintain and upon request to furnish the following information:

1. Date of last export sale.
2. Volume of timber contained in last export sale.
3. Volume of timber exported in the past twelve (12) months from the date of last export sale.

4. Volume of Federal timber purchased in the past twelve (12) months from the date of last export sale.

5. Volume of timber exported in succeeding twelve (12) months from date of last export sale.

6. Volume of Federal timber purchased in succeeding twelve (12) months from date of last export sale.

In the event the Purchaser elects to sell any or all of the timber sold under this contract in the form of unprocessed timber, the Purchaser shall require each party buying, exchanging, or receiving such timber to execute a Form 5460-16 (Certificate as to Non-substitution and the Domestic Processing of Timber). The original of such certification shall be filed with the Authorized Officer. Additionally, when the other party is an affiliate of the Purchaser, the Purchaser will be required to update information under item (2) of Form 5450-17 (Export Determination) and file the form with the Authorized Officer.

In the event an affiliate of the Purchaser has exported private timber within twelve (12) months prior to purchasing or otherwise acquiring Federal timber sold under this contract, the Purchaser shall, upon request, obtain from the affiliate information in the form specified by the Authorized Officer and furnish the information to the Authorized Officer.

Prior to the termination of this contract, the Purchaser shall submit to the Authorized Officer Form 5460-15 (Log Scale and Disposition of Timber Removed Report), which shall be executed by the Purchaser. The purchaser shall also provide a current, interim Log Scale and Disposition of Timber Removed Report (Form 5460-15) upon request by the Authorized Officer at any time during the contract period for cutting and removal specified in Section 4 of this contract as amended. In addition, the Purchaser is required under the terms of this contract to retain for a three-year period from the date of termination of the contract the records of all sales or transfer of logs involving timber from the sale for inspection and use of the Bureau of Land Management.

Unless otherwise authorized in writing by the Contracting Officer, the Purchaser shall brand clearly and legibly one end of all logs with a scaling diameter (small end inside bark) of over ten (10) inches, prior to the removal of timber from the contract area. All loads of eleven (11) logs or more will have a minimum of ten (10) logs clearly and legibly branded on one end regardless of the diameter of the logs. All logs will be branded on loads of ten (10) logs or less. One end of all branded logs to be processed domestically will be marked with a three (3) square inch spot of highway yellow paint. The Purchaser will stop trucks for accountability monitoring at mutually agreed upon locations when notified by the Authorized Officer.

If multiple trailers (mule trains) are used, each bunked load shall be considered an individual load, and these guidelines will apply to each bunked load. If a flatbed stake trailer is used, each bundle will be treated as a separate load.

At the discretion of the Contracting Officer, the Purchaser may be required to brand and paint all logs. Any increased costs for log branding and painting shall be the responsibility of the Purchaser.

In the event of the Purchaser's noncompliance with this subsection of the contract, the Authorized Officer may take appropriate action as set forth in Section 10 of this contract. In addition, the Purchaser may be declared ineligible to receive future awards of Government timber for a period of one year.

(B) Logging

- (1) **L-1** Before beginning operations on the contract area for the first time or after a shutdown of seven (7) or more days, the Purchaser shall notify the Authorized Officer in writing of the date they plan to begin operations. The Purchaser shall also notify the Authorized Officer in writing if they intend to cease operations for any period of seven (7) or more days.
- (2) **L-2** Prior to the commencement of operations the Purchaser shall obtain from the Authorized Officer written approval of a written operations and logging plan commensurate with the terms and conditions of the contract, which shall include measures needed to ensure protection of the environment and watershed. A pre-work conference between the Purchaser's authorized representative and the Authorized Officer must be held at a location designated by the Authorized Officer before the logging plan will be approved. All logging shall be done in accordance with the plan.
- (3) **L-5** All green trees (7.0) inches or larger D.B.H.O.B. which are not reserved shall be felled and yarded in all harvest units shown on Exhibit A.
- (4) **L-8** In all harvest units as shown on Exhibit A, all trees designated for cutting less than twenty (20) inches D.B.H.O.B shall be felled and whole tree yarded except when excessive stand damage occurs as determined by the Authorized Officer. If excessive stand damage occurs, all logs shall be completely limbed and bucked into lengths determined by the authorized officer prior to being yarded.
- (5) **L-8** In all harvest units as shown on Exhibit A, all trees designated for cutting greater than or equal to twenty decimal one (20.1) inches D.B.H.O.B shall be felled and yarded with tops attached except when excessive stand damage occurs as determined by the Authorized Officer. If excessive stand damage occurs, all logs shall be completely limbed and bucked into lengths determined by the authorized officer prior to being yarded.
- (6) **L-10** In all harvest units shown on Exhibit A, all trees designated for cutting which are within one hundred fifty (150) feet of the project boundary shall be directionally felled away from the boundary. Use of jacks or wedges shall be employed when necessary to meet this requirement.
- (7) **L-12** In the entire contract area shown on Exhibit A, yarding and felling shall be done in accordance with the yarding requirements or limitations for the designated area as follows.

<u>Designated Area</u>	<u>Yarding Requirements or Limitations</u>
Entire Contract Area	Approval of landing locations and sizes shall be obtained from the Authorized Officer prior to landing construction or use.
Entire Contract Area	Landing size shall not exceed one-quarter (1/4) acre unless otherwise approved by the Authorized Officer.
Entire Contract Area	No tractor or wheel-type equipment shall be operated in or through any stream shown on Exhibit A except under special condition approved in the logging plan.
Entire Contract Area	All log loading shall be done with boom type loaders.
Entire Contract Area	Winter yarding is allowed between October 15 and May 15, when one of the following conditions is present: (a) Snow depth in the cutting unit averages twenty (20) inches or more. (b) The ground is frozen to a depth of six (6) inches or more
Entire Contract Area	The location of the skid roads shall be clearly designated on the ground, spaced at approximately 150 foot intervals, and approved by the Authorized Officer, prior to felling of timber to be yarded over that skid road. Existing skid roads will be utilized where possible.
Entire Contract Area	Yarding and Mechanical Harvesting shall be confined to periods when soil moisture is less than twenty (20) percent at a six (6) inch depth as measured by the Authorized Officer, or when winter time yarding conditions are met. Yarding and Mechanical Harvesting will be suspended if soil damage is occurring, as determined by the Authorized Officer in accordance with Section 26.
Entire Contract Area	Yarding equipment shall be operated only on skid roads approved by the Authorized Officer.
Entire Contract Area	At least one yarding tractor or wheel- type equipment shall be equipped with an integral arch and winch system capable of lining logs at least one hundred (100) feet.
Entire Contract Area	All trees twenty (20) inches DBH and smaller designated for cutting shall be felled and pre-bunched within forty (40) feet of and to the lead of designated skid trails with a mechanical harvester. The mechanical harvester must be capable of cutting up to a twenty (20) inch DBH tree and have an arm capable of reaching at least twenty (20) feet laterally.

- (8) **L-19** No harvest activity shall be conducted on all harvest units and all roads between October 15 of one calendar year and May 15 of the following calendar year both days inclusive. If conditions are met as described in Section 42 [B][7] as determined by the Contracting Officer harvest activity will be allowed.
- (9) **L-19** No harvest activity shall be conducted on harvest units from February 1st to June 30th of each year both days inclusive.
- (10) **L-24** Before cutting and removing any trees necessary to facilitate logging in all harvest units shown on Exhibit A, the Purchaser shall identify the location of the skid roads, landings, and danger trees on the ground in a manner approved by the Authorized Officer at the pre-work conference and documented in the Logging Plan. Said Purchaser identification of trees to be cut and removed does not constitute authority to proceed with cutting and removal. In addition, before proceeding with cutting the following conditions must be met:
- (a) All skid roads upon which timber is identified by the Purchaser to be cut and removed in accordance with this special provision must be necessary for the safe and expeditious removal of timber sold under this contract and shall be limited to the minimum width necessary for yarding of logs with a minimum of damage to reserve trees, however, unless otherwise approved in writing by the Contracting Officer, the width of each skid road shall be limited to 14 feet.
- (b) The Purchaser may immediately cut and remove additional timber to clear skid roads, landings, and danger trees when the trees have been marked with pink paint above and below stump height by the Authorized Officer and thereby approved for cutting and removal by the Authorized Officer. The volume of the timber to be sold will be determined by the Authorized Officer in accordance with Bureau of Land Management prescribed procedures. No timber may be cut or removed under terms of this provision unless sufficient installment payments have been made in accordance with Section 3.(b). of the contract or sufficient bonding has been provided in accordance with Section 3.(d). of the contract.
- (c) The Purchaser agrees that sale of this additional timber shall be accomplished by a unilateral modification of the contract executed by the Contracting Officer and that such timber shall be sold at the unit prices shown in Exhibit B of this contract unless: the value of the timber must be reappraised subject to the terms for contract extension set forth in Section 9 of the contract; or, the Authorized Officer determines that the species of trees are not listed in Exhibit B of this contract or any tree that exceeds forty (40) inches diameter at breast height shall be appraised and sold by bilateral modification of the contract at current fair market value in accordance with Section 8 of the contract.
- (d) This authorization for the Purchaser to cut and remove additional timber prior to the execution of a modification may be withdrawn by the Contracting Officer if the Authorized Officer determines that the Purchaser has cut and removed any tree not previously marked and approved for cutting by the Authorized Officer, which under Section 10 of the contract constitutes a violation of the contract and under Section 13 of the contract may constitute a trespass rendering the Purchaser liable for damages under applicable law.

(e) If authorization is withdrawn, the Contracting Officer shall issue a written notice to the Purchaser that the sale of additional timber under this special provision is no longer approved. In this case, the Purchaser shall inform the Authorized Officer at least one (1) working day prior to the need for cutting and removing any additional timber, and execute a bilateral modification prior to cutting for such additional approved timber at the unit prices shown in Exhibit B of the contract or in accordance with Section 8 or Section 9 of the contract as determined by the Authorized Officer in accordance with this provision. The Contracting Officer may issue a written order to the Purchaser to suspend, delay, or interrupt any or all contract work for the period of time deemed necessary and appropriate for the Government to safely measure and mark additional timber.

- (11) **L-33** Purchaser's operations shall facilitate BLM's safe and practical inspection of Purchaser's operations and BLM's conduct of other official duties on Contract Area. Purchaser has all responsibility for compliance with safety requirements for Purchaser's employees, contractors and subcontractors. In the event that the Authorized Officer identifies a conflict between the requirements of this contract or agreed upon methods of proceeding hereunder and State or Federal safety requirements, the contract may be modified. If the cost of such contract modification is of a substantial nature (\$2,000.00 or more), the Purchaser may request, in writing, an adjustment in the Total Purchase Price specified in Section 2 of the timber sale contract, as amended, to compensate for the changed conditions. Unless otherwise specified in writing, when operations are in progress adjacent to or on roads and/or trails in the harvest unit area, Purchaser shall furnish, install, and maintain all temporary traffic controls that provide the road or trail user with adequate warning of and protection from hazardous or potentially hazardous conditions associated with its operations. Purchaser shall prepare a Traffic Control Plan, which the Purchaser has determined is compliant with state and local OSHA and Transportation standards no later than the pre-work meeting and prior to commencing operations. Traffic control devices shall be appropriate to current operating and/or weather conditions and shall be covered or removed when not needed., Flagmen and devices shall be as specified in state OSHA and Transportation standards for logging roads or the "Manual on Uniform Traffic Control Devices for Streets and Highways" (MUTCD) published by the U.S. Department of Transportation - Federal Highway Administration. Included in the Traffic Control Plan, Purchaser shall note traffic control device locations on a Purchaser produced copy of the contract Exhibit "A" Map.

(C) Road Use and Maintenance

- (1) **R-1** The Purchaser shall renovate all roads and other structures in strict accordance with the plans and specifications shown on Exhibit C, which is attached hereto and made a part hereof.
- (2) **R-1a** Any required construction or renovation of structures and roads shall be complete and accepted, in accordance with Section 18, prior to removal of any timber, except Right-Of- Way timber, over that road.

- (3) **R-2** The Purchaser is authorized to use the roads listed below and shown on Exhibit D which are under the jurisdiction of the Bureau of Land Management for the removal of Government timber sold under the terms of this contract, provided that the Purchaser pay the required maintenance and rockwear obligation described in Section 42 (C) (5). Any road listed on Exhibit D and requiring renovation in Exhibit C of this contract shall be maintained by the Purchaser until receiving written acceptance from the Contracting Officer. The Purchaser shall pay current Bureau of Land Management maintenance and rockwear fees for the sale of additional timber under modification to the contract.

Road No. and Segment	Length Miles Used	Road Control / Maintenance Responsibility	Road Surface Type	
38S-6E-32.0	2.45	BLM/BLM	BST	
39S-6E-32.0	0.14	BLM/ Purchaser	ASC	
39S-6E-32.0	0.69	BLM/ Purchaser	ASC	
39-6E-5.0 A	4.07	BLM/BLM	BST	
39S-6E-7.0	0.32	BLM/ Purchaser	ASC	
39S-6E-7.1	0.40	BLM/ Purchaser	ASC	
39S-6E-7.3	0.35	BLM/ Purchaser	ASC	
39S-7E-31.0	0.15	BLM/BLM	BST	

- (4) **R-2a** With the prior written approval of the Authorized Officer, the Purchaser may arrange for cooperative maintenance with other users on roads included in Section 42 (C) (3) of this contract; provided, that such cooperative arrangement shall not relieve the Purchaser of their liability for the maintenance and repair of such roads resulting from wear or damage, in accordance with this contract. The Purchaser shall furnish the Authorized Officer a copy of any cooperative maintenance agreements entered into with other users on these roads.
- (5) **R-2b** The Purchaser shall pay the Government a road maintenance and or rock wear fee obligation in the amount of **six thousand and eighty hundred dollars and 91/100 (\$6,800.94)** for the transportation of timber included in the contract area over said road or roads. The above road maintenance amount is for the use of eight (8) miles of road or less. If the total road maintenance and rockwear does not exceed five hundred dollars and no/100 (\$500.00), the purchaser shall pay such amount in full prior to use of such roads. If the total road maintenance and rockwear fee exceeds five hundred dollars and no/100 (\$500.00), the Authorized Officer shall establish an installment schedule of payments of the maintenance and rockwear obligations.
- (6) **R-2f** The Purchaser shall perform any required road repair and maintenance work on roads used by him under the terms of Exhibit D, “Road Maintenance Specifications”,

of this contract, which is attached hereto and made a part hereof except for the BST roads which will be maintained by the BLM.

- (7) **R-4** The Purchaser shall be required to secure written approval to use vehicles or haul forest products and equipment over Government owned or controlled roads when such vehicles or equipment exceeds the maximum allowable weights or dimensions established by the State for vehicles operating without a permit or if vehicles meet allowable non-permitted State vehicle weights, but the haul route crosses a structure or segment of road that is posted for reduced weights. The Purchaser agrees to abide by any special requirements included in said written approval.

Details of such equipment shall be furnished to the Authorized Officer for evaluation of load characteristics, at least fifteen (15) days prior to proposed move in.

Details shall include:

- A. Axle weights when fully loaded
- B. Axle spacing
- C. Transverse wheel spacing
- D. Tire size
- E. Outside width of vehicle
- F. Operating speed
- G. Frequency of use
- H. Special features (e.g. running tracks, overhang loads, etc....)

The Purchaser shall be responsible for repair of any damage to roads or structures caused by the use of overweight or over-dimension vehicles or equipment. (1) Without written approval, (2) in violation of the conditions of a written approval, or (3) in a negligent manner. The amount of actual damage shall be determined by the Authorized Officer following a technical inspection and evaluation.

- (8) **R-5** Tracked type equipment shall not be allowed to cross over concrete bridge decks, other concrete surfaced structures or asphalt surfaced roads without the proper protection of that surface. Prior approval shall be obtained from the Authorized Officer when crossing with protective devices. The Purchaser shall be responsible for repair of any damage to roads or structures caused by the use overweight or over-dimension vehicles or equipment: (1) without written approval; (2) in violation of the conditions of a written approval; or, (3) in a negligent manner. The amount of actual damage shall be determined by the Authorized Officer following a technical inspection and evaluation.

(D) Environmental Protection

- (1) **E-1** In addition to the requirements set forth in Section 26 of this contract, the Purchaser shall conduct all operations in a manner that minimizes damage to conifer reproduction and all other reserved trees regardless of size or merchantability.

- (2) **E-1** In addition to the requirements set forth in Section 26 of this contract, the Purchaser shall remove slash and debris from roadways and landings concurrently with yarding as directed by the Authorized Officer.
- (3) **E-1** In addition to the requirements set forth in Section 26 of this contract, the Purchaser shall treat with a fungicide, as prescribed in this section, the stumps of all trees cut in the contract area having a diameter of fourteen (14) inches or larger in the following manner:
 - (a) Each stump shall be treated immediately after cutting.
 - (b) Treatment shall consist of application of fungicide to the sawn face of the stump.
 - (c) The fungicide used shall be provided by the Purchaser and approved by the Authorized Officer. The fungicide presently approved for use is Cellu-Treat made by the NISUS Corporation. The fungicide will contain a cement dye to help monitor application compliance.
 - (d) Dumping or cleaning of containers in streams or other bodies of water will not be permitted. Containers must be removed from the area and disposed of in conformance with Federal and Oregon State statutes.
 - (e) Fungicide treatment shall be performed at the direction of the Authorized Officer and to his satisfaction.
- (4) **E-2** The water bars to be constructed as required by Sec. 26(c) shall be constructed in accordance with the specifications shown on Exhibit C which is attached hereto and made a part hereof.
- (5) **E-3** The Purchaser shall immediately discontinue specified construction or harvesting operations upon written notice from the Contracting Officer that:
 - (a) threatened or endangered plants or animals protected under the Endangered Species Act of 1973, as amended, may be affected by the operation, and a determination is made that consultation or reinitiation of consultation is required concerning the species prior to continuing operation, or;
 - (b) when, in order to comply with the Endangered Species Act the Contracting Officer determines it may be necessary to modify or terminate the contract, or;
 - (c) federal proposed, federal candidate, Bureau sensitive or State listed species protected under BLM Manual 6840 - Special Status Species Management - have been identified, and a determination is made that continued operations would affect the species or its habitat, or;
 - (d) other active raptor nests have been discovered, and a determination is made that continued operations under this contract would adversely affect the present use of the discovered nesting area by the raptor, or;
 - (e) when, in order to comply with a court order, which enjoins operations on the

sale or otherwise requires the Bureau of Land Management to suspend operations, or;

(f) when, in order to comply with a court order, the Contracting Officer determines it may be necessary to modify or terminate the contract, or;

(1) species have been discovered which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, and the Contracting Officer determines that continued operations would affect the species or its habitat, or;

(2) when, in order to protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, the Contracting Officer determines it may be necessary to modify or terminate the contract.

Those operations necessary for a safe removal of personnel and equipment from the contract area and those directed by the Contracting Officer, which are required in order to leave the contract area in an acceptable condition will be permitted. Discontinued operations may be resumed upon receipt of written instructions and authorization by the Contracting Officer.

During any period of suspension, the Purchaser may withdraw performance and payment bond coverage aside from that deemed necessary by the Authorized Officer to secure cut and/or removed timber for which the Bureau of Land Management has not received payment, and/or unfulfilled contract requirements associated with harvest operations that have already occurred and associated postharvest requirements.

In the event of a suspension period or a combination of suspension periods that exceed a total of 30 days, the First Installment held on deposit may be temporarily reduced upon the written request of the Purchaser. For the period of suspension extending beyond 30 days, the First Installment on deposit may be reduced to five (5) percent of the First Installment amount listed in Section 3.b. of the contract. Any First Installment amount temporarily reduced may be refunded or transferred to another BLM contract at the request of the Purchaser. However, if the Purchaser has outstanding debt owing the United States, the Contracting Officer must first apply the amount of First Installment that could be refunded to the debt owed in accordance with the Debt Collection Improvement Act, as amended (31 USC 3710, et seq.). Upon Purchaser's receipt of a bill for collection and written notice from the Contracting Officer lifting the suspension, the Purchaser shall restore the First Installment to the full amount shown in Section 3.b. of the contract within 15 days after the bill for collection is issued, subject to Section 3.j. of the contract. The Purchaser shall not resume contract operations until the First Installment amount is fully restored.

In the event of a suspension period or a combination of suspension periods that exceed a total of 30 days, the unamortized Out-of-Pocket Expenses for road or other construction required pursuant to Exhibit C of the contract shall be refunded

or transferred to another BLM contract at the request of the Purchaser. Upon written notice from the Contracting Officer lifting the suspension, the Purchaser shall reimburse the Government the amounts refunded or transferred. The Purchaser may choose to pay this reimbursement at once or in installments payable at the same time as payments are due for the timber under the contract and in amounts approximately equal to the expenses associated with the timber for which payment is due. In the event that operating time is lost as a result of the incorporation of additional contract requirements, or delays due to Endangered Species Act consultation with the U.S. Fish and Wildlife Service or U.S. National Marine Fisheries Service, or court-ordered injunctions, the Purchaser agrees that an extension of time, without reappraisal, will constitute a full and complete remedy for any claim that delays due to the suspension hindered performance of the contract or resulted in damages of any kind to the Purchaser.

The Contracting Officer may determine that it is necessary to terminate the cutting and removal rights under the contract in order to comply with the Endangered Species Act, protect species that have been discovered which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, or comply with a court order. Following the issuance of a written notice that cutting and removal rights will be terminated, the Purchaser will be permitted to remove timber cut under the contract, if allowed by the Endangered Species Act, survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, or court order requirements necessitating the modification or termination.

In the event cutting and removal rights are terminated under this subsection, the Purchaser agrees that the liability of the United States shall be limited to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area. This calculation of liability shall utilize actual Purchaser costs and Government estimates of timber volumes. At the Authorized Officer's request, the Purchaser agrees to provide documentation of the actual costs incurred in the performance of the contract. In addition, the Purchaser shall be released from the obligation to pay the contract price for any timber which is not authorized to be removed from the contract area.

The Purchaser specifically and expressly waives any right to claim damages, other than those described in the preceding paragraphs, based on an alleged breach of any duty to the Purchaser, whether express or implied, in regard to the manner in which the Government defended the litigation which resulted in the court order affecting the operation of the contract. This waiver also extends to any claims based on effects on the operation of the contract that arise from litigation against another agency. Furthermore, the Purchaser specifically acknowledges and agrees that a court ruling that the Government violated the Administrative Procedures Act cannot be interpreted, in itself, to mean that the Government had not acted reasonably in regard to its duties to the Purchaser under this contract.

- (6) **E-7** In order to prevent the spread of noxious weeds, the Purchaser shall pressure wash all equipment prior to entry onto BLM lands as directed by the Authorized Officer. Cleaning shall be defined as removal of all dirt, grease, plant parts and material that may carry noxious weed seeds.

(E) Miscellaneous Provisions

- (1) **M-2** The Government, at its option, may administratively check scale any portion of the timber removed from the contract area, and if necessary, conduct check scaling of independent scalers contracted to BLM for administrative check scaling purposes. The Purchaser hereby agrees to place Government supplied load tickets on each load of logs as directed by the Authorized Officer, and make such contract timber available for such scaling at a location or locations to be designated or approved in writing by the Authorized Officer. At the approved location or locations and as directed by the Authorized Officer, the Purchaser shall either make loaded logs available for ramp scaling, or provide an area for logs to be safely rolled out for scaling, to unload logs from trucks, and to place logs in a manner so that both ends and three faces of each log are visible for scaling, and to reload or remove logs after scaling has been completed. In the event that BLM elects to administratively check scale and if such scaling causes a delay in log transportation or yard operations, a reduction will be made to the total purchase price by applying a value of \$1.00 to \$5.00 per thousand board feet times the volume actually administratively check scaled as determined by the Authorized Officer. Any reduction in total purchase price under the terms of this provision shall be full compensation to the Purchaser for any expense or loss incurred as a result of any delay in log transportation and/or yard operations. Such adjustment to the total purchase price shall be made by unilateral modification of the contract executed by the Contracting Officer. Scaling will be conducted by BLM scalers, and/or independent scalers contracted to BLM. A copy of the scale report will be made available to the Purchaser upon request.

(F) Fire Prevention and Control

- (1) **F-1a** **Fire Prevention and Control** Primarily for purposes of fire prevention and control, the Purchaser shall comply with the following provisions.
 - (a) At least three (3) days prior to the operation of power driven equipment in construction of logging operations under this contract during the closed fire season or periods of fire danger, prepare a fire prevention and control plan to the satisfaction of the State of Oregon, Department of Forestry.
 - (b) Provide and maintain on the contract area in good working order, and immediately available, the following equipment for use during closed fire season or periods of fire danger: see Exhibit F-1
 - (c) The Purchaser shall restrict operations, and provide the services of a fire watchman, during periods of fire danger as specified in Exhibit F-2 which is attached hereto and made a part hereof.

(G) Slash Disposal and Site Preparation

- (1) **SD-1** Fire Hazard Reduction. In addition to the requirements of Sec. 15 of this contract, and notwithstanding the Purchaser's satisfactory compliance with State laws and regulations regarding offsetting or abating the additional fire hazard created by this operation and the State's willingness to release the Purchaser from liability for such hazard, the Purchaser shall remain responsible to the Government for performance of

the following hazard reduction measure(s) required by this contract:

- (a) Definitions - Slash, as defined for this section, shall mean all woody material (brush, limbs, tops, logs, chunks, and severed trees) not removed from the contract area during the primary removal operation. This includes old slash existing prior to timber sale entry. Landing, as defined for this section, shall mean any location where woody material was loaded on trucks and also any other location that became a destination for yarded woody material.

- (b) Landing Piling Pile all slash located within one hundred (100) feet of landings and designated locations for placement of gross yarded material. Slash shall be piled with a grapple/shovel loader. Finished piles shall be tight and free of earth. No portion of any pile will be located under the crown of any live or other reserve trees. A four (4) foot wide, fuel free area shall be cleared around each pile. Unmerchantable logs at landings sixteen (16) inches in diameter and larger at the small end shall be used to block skid trails.

Chipping In Lieu Of Burning Slash Piles

- (a). The purchaser may remove and utilize non-sawlog forest products by submitting a written or verbal request to the Government.

- (b). The Government may execute a separate negotiated forest product/vegetative sale permit under 43 CFR 5400. Payment under the permit must be at a price equal to or greater than the appraised value of the forest product.
 - (1) The purchaser must make any appropriate payment specified in the vegetative sale contract before removal may be authorized.
 - (2) This contract will contain a separate expiration date and stipulations as determined by the Authorized Officer.
 - a. The contract must include stipulations that require the purchaser to report quantity of non-sawlog material removed (i.e. tons of biomass).

- (c). If the landing piles are chipped, all burning requirements will be waived.

(H) Equal Opportunity in Employment

Certification of Nonsegregated Facilities attached hereto and made a part hereof.