

K-C.1.1# - TIMBER SUBJECT TO AGREEMENT (09/2004)

In addition, there is within Contract Area an unestimated quantity of:

<u>Species</u>	<u>Product</u>
Other Hardwood	Non-Saw
Combined Softwood	Cull Logs
Other Softwood	Grn Bio Cv

that shall be Included Timber upon written agreement.

K-C.3# - RESERVE TREES (09/2004)

Notwithstanding the designations for cutting under C.3.1, C.3.2, C.3.3, or C.3.4, live or dead Superior Sugar Pine reserve trees or groups of reserve trees within such cutting units or clearings shall be left uncut. Reserve trees are identified by Metal tag and orange paint band at dbh and shall be protected in accordance with K-G.3.2#. Units with reserve trees are shown on Contract Area Map.

K-C.3.5# - DESIGNATION OF TIMBER AND SUBDIVISION/PAYMENT UNIT BOUNDARIES (08/2007)

Trees are designated for cutting under C.3.5# only if designated as shown in the Timber Designation table below. The boundaries of Subdivisions/Payment Units are designated as shown in the Boundary Designation table below. Trees used for boundary designation are not to be cut.

**See Table A.**



K-F.1.2# - USE OF ROADS BY CONTRACTOR (09/2004)

Contractor's use of existing roads identified on Contract Area Map by the following codes is prohibited or subject to restrictive limitations, unless agreed otherwise:

Code	Use Limitations
X	Hauling prohibited
R	Hauling restricted
U	Unsuitable for hauling prior to completion of agreed reconstruction
P	Use prohibited
A	Public use restriction
W	Regulation waiver

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

**See Restricted Road List Table.**



Contract Name: Smith Peak Stewardship Project

K-F.3.1# - ROAD MAINTENANCE REQUIREMENTS (09/2004)

Contractor shall maintain roads in accordance with the following Contract Road Maintenance Requirements Summary:

**See Contract Road Maintenance Requirements Summary Table.**



K-F.3.2# - ROAD MAINTENANCE DEPOSIT SCHEDULE (09/2004)

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

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

The Required Deposits for Forest Service work in lieu of Contractor performance and for deferred maintenance is: \$ .84 per Ton.

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

Deposit Made To	Rate	Unit of Measure
N/A		

K-F.3.5# - ROAD AND WATER SUPPLY USE (05/2008)

National Forest water supply locations, access, method of filling trucks, period of water availability and procedures designed to maintain water quality at each location shall be agreed in advance of use. Such use shall at no time reduce water supplies to the level that further use may be detrimental to aquatic resources or other established use. Waterholes and other improvements relating to said water supplies shall be put into condition, prior to expected seasonal periods of precipitation or runoff, to avoid resource damage.

Damage to resources at such locations caused by Contractor's Operations, other than fire suppression activities, shall be repaired by Contractor in a timely and agreed manner to the extent practicable to restore and prevent further resource damage.

Unless otherwise agreed, Contractor's use of roads and other water supply requirements shall conform to the following table.

See Table A.



K-G.2.4# - SITE SPECIFIC SPECIAL PROTECTION MEASURES (09/2004)

Special protection measures needed to protect known areas identified on Sale Area Map or on the ground include:

Cultural Resource Protection Measures: No equipment shall be permitted within these areas. Locations will be disclosed prior to commencement of activities in these areas.

Wildlife and Botanical Protection Measures: BOTANY: Unit 33 - Avoid areas designated with white "X" on tree bole and orange/white striped perimeter flagging, signed for equipment exclusion, and designated on the Contract Area Map "SMA". Units 2d and 40c (Unit 2d east boundary of unit and Unit 40c on north boundary of unit)- Do not run skyline cables through botany sites, designated with white "X" painted on tree bole, orange/white striped perimeter flagging, and designated on the Contract Area Map "SMA".

Cave Resource Protection Measures: None

K-G.3.1.5# - PROJECT OPERATIONS SCHEDULE (12/2006)

Unless otherwise agreed in writing, Contractor's Operations shall be performed in accordance with the following schedule:

**See Table A.**



K-G.3.2# - PROTECTION OF RESERVE TREES (09/2004)

Contractor's damage or destruction of reserve trees described in K-C.3# will cause serious and substantial silvicultural or other damage to the National Forest. It will be difficult if not impossible to determine the amount of such damage. Therefore, Contractor shall pay as fixed, agreed, and liquidated damages \$ NA for each NA reserve tree and \$ \$17,170.00 for each Superior Sugar Pine reserve tree damaged or destroyed by Contractor's Operations, in addition to amounts payable under D.4.5 and D.4.6.

Damage, as used herein, includes any injury to the living crown, bole, or roots of reserve trees. If areas are marked on the ground around such reserve trees, operation of heavy equipment or skidding of products within the area shall be considered to be damage to the tree.

K-G.3.3.1 - LOG TRUCKING (02/2005)

To promote safe operations on National Forest roads and on Specified Roads, loads shall be safely secured before trucks move from the landing or loading location.

K-G.3.7 - SUBSTITUTE METHODS (02/2005)

Notwithstanding other provisions herein, for minor changes such as changes in logging systems for areas smaller than 5 acres, Contractor and Forest Service may agree in writing that use of substitute methods or equipment will achieve Forest Service objectives under this contract and may be used in lieu of those specified for Contractor's Operations.

K-G.4.1# - FELLING, BUCKING, AND LIMBING (08/2007)

Unless otherwise agreed in writing, Contractor's felling, bucking, and limbing operations shall be conducted as specified in the table below.

**See Table A.**



K-G.4.2# - GROUND BASED SKIDDING (12/2006)

Unless otherwise agreed in writing, the method of skidding Included Timber shall be as shown on the Contract Area Map, by areas, with symbols defined in the following table:

**See Table A.**



K-G.4.2.5 - CABLE AND SKYLINE YARDING (08/2007)

Unless otherwise agreed in writing, requirements for cable and skyline yarding equipment are shown on Contract Area Map, by areas, with the following symbols:

CS - Cable yarding specified.

CR - Be capable of yarding from roadway with additional landing excavation to accommodate the yarder held to a minimum consistent with safe yarding operations.

CW - Meet all of above requirements using a swing-boom type yarder.

SY - All yarding except lateral yarding, shall be accomplished by a skyline system, which supports products clear of the ground across Buffer Strips and in other areas yard with one product end suspended.

SL - Meet all of above requirements, have lateral yarding capability hold skyline carriage stationary until products are yarded to skyline corridor.

SR - Meet all of above requirements and be capable of yarding from roadway with additional landing excavation to accommodate the yarder held to a minimum consistent with safe yarding operations.

SW - Meet all of above requirements using a swing-boom type yarder.

For SL, SR, and SW areas, locations of all skyline corridors shall be by agreement and designated on the ground. Such agreement shall be prior to felling unless ground and timber conditions otherwise justify. Width of said skyline corridors shall be kept to a practicable minimum consistent with the related silvicultural prescription.

For all yarding methods, if rigging must be slung on undesignated live trees, these trees shall be protected from damage by special steel plates, nylon tail-hold slings or similar effective protective devices.

Swing Yarding. In areas designated with the following labels on the Contract Area Map, the following requirements are included, unless otherwise agreed in writing:

"Tractor Swing" - all Included Timber shall be tractor skidded from yarder landing to loading areas shown on Contract Area Map or other agreed locations.

"Skyline Swing" - all Included Timber shall be skyline yarded from tractor skidded area to a skyline yarding landing. Location of tractor and skyline landings shall be agreed upon prior to skidding and yarding operations.

K-G.5 - STREAMCOURSE PROTECTION (02/2005)

Unless otherwise agreed in writing, wheel or track laying equipment shall not operate within "Buffer Strips" except as necessary for fire suppression activities. "Buffer Strips" are areas marked on the ground or are within the distances identified on the Contract Area Map measured from the apparent high water mark of streamcourses. Boundaries of Buffer Strips may be modified by agreement in writing to meet unforeseen operating conditions.

Culverts, bridges, or other suitable structures shall be required on skid roads and trails only at points where it is necessary to protect Stream courses. The type of crossing structures, method of installation and removal shall be determined by agreement. Contractor in accordance with K-G.6# - Erosion Prevention and Control, shall remove such structures and associated fills.

Damage to Stream course or Buffer Strips caused by unauthorized Contractor's Operations shall be repaired by Contractor in a timely and agreed manner to the extent practical as determined by Forest Service to restore and prevent further damage to Stream courses.

K-G.6# - EROSION PREVENTION AND CONTROL (05/2008)

Erosion prevention and control work, including Streamcourse protection, required by K-G.5 and G.6 shall be completed within 15 calendar days after skidding operations related to each landing are substantially completed or after Forest Service designation on the ground of work where such designation is required hereunder. Said time limit shall be exclusive of full days lost in Contractor's Operations due to causes beyond Contractor'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 Contractor's Operations due to failure to perform required work shall be repaired by Contractor.

Notwithstanding other provisions in this contract and unless otherwise agreed in writing, any hay, straw, or mulch used in this contract shall be State of California certified weed free.

Additional erosion control requirements of this contract are listed in the following table.

**See Table A.**



K-G.7# - SLASH TREATMENT (12/2006)

Contractor shall pile, scatter, yard, construct firelines or otherwise treat slash defined in specifications below, within designated areas. Work required of Contractor shall be in accordance with the following slash plan and specifications, and the Contract Area Map.

All vegetative debris associated with construction of Specified Roads such as unutilized timber, brush and grubbed stumps is Construction Slash. Measures to be taken by Contractor for treatment of Construction Slash are set forth in the attached road construction specifications and in the attached slash treatment specifications.

Vegetative debris larger than 1 inch in diameter outside bark and 3 feet long resulting from Contractor's Operations, other than Construction Slash, is Logging Slash. Measures to be taken by Contractor for treatment of Logging Slash are set forth below unless otherwise agreed in writing.

Forest Service and Contractor shall jointly develop a schedule for completion of slash treatment on the various portions of Project Area prior to Contractor's Operations.

Removing may be substituted for treatment of any other specified method.

By agreement in writing, certain slash may be left for fuelwood. When the specified treatment is by a combination of methods, Logging Slash not treated by one of the methods shall be treated by the other(s).

See the slash treatment specification table below.

**See Table A.**



K-G.8.1.5 - THIRD PARTY SCALING SERVICES (09/2004)

Notwithstanding the requirement for Forest Service or parties under contract to Forest Service to provide Scaling services under G.8.1, Scaling designated in A.10 shall be conducted by a third party Scaling organization approved by Forest Service. Scaling shall be done in accordance with A.9 and Contractor shall bear costs for Scaling service.

In the event third party Scaling service is suspended for causes such as strikes, termination of third party's approval to Scale National Forest logs by Forest Service, or Contractor's failure to pay third party Scaling costs, hauling operations shall be suspended until agreed alternate Scaling services are provided or service by third party is resumed.

When an approved alternate Scaling location pursuant to G.8.1.1 does not have an approved third party scaling organization as a commonly used Scaling services provider, Forest Service or parties under contract to Forest Service shall provide Scaling services at the approved alternate location. In such an event, the cost of waived third party Scaling listed in A.10 shall be charged to Integrated Resource Account.

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

K-G.9# - STEWARDSHIP PROJECTS (09/2004)

Performance of stewardship projects shall be in accordance with the following specifications.

**Stewardship Projects**



K-H.2# - SPECIFIED FIRE PRECAUTIONS (10/2010)

Contractor or a designated Contractor's Representative shall certify compliance with specific Timber Sale Contract and California Public Resources Code (CPRC) fire precautionary measures in H.1 Plans, K-H.2# and K-H.2.2#. Certification shall be provided prior to starting operations during Fire Precautionary Period and shall be updated as needed.

Listing of specific fire precautionary measures in the following subsections is not intended to relieve Contractor in any way from compliance with State fire laws covering fire prevention and suppression equipment applicable to Contractor's Operations.

Upon request of Forest Service, Contractor shall permit and assist in periodic testing and inspection of required fire equipment.

The following definitions shall apply to K-H.2# and K-H.2.2#:

**Active Landing:** A location the Contractor is skidding logs into, or performing other operations such as delimiting, log manufacturing, and chipping logs. Except for EV and E days, loading logs or stockpiled chips only on a cleared landing does not constitute an Active Landing.

**All Terrain Tank Truck or Equivalent:** An all terrain fire vehicle or trailer that is capable of traversing same terrain as the Hot Saw Technology or masticator and meets all Item L - Tank Truck specifications. A towed sled is not equivalent.

**Approved Motorized Carriage:** A cable yarding system employing a motorized carriage with two fire extinguishers, with a minimum rating of 5 BC, mounted on opposite sides of the carriage, with an emergency motor shut-off, and an approved exhaust system.

**Cable Yarding Systems:** A yarding system that takes logs from the stump area to a landing using an overhead system of winch-driven cables to which logs are attached with chokers or grapples.

**Compressed Air Foam System (CAFS):** A fire suppression system where compressed air is added to water and a foaming agent (See K-H.2# Item M. for requirements).

**Fire Patrolperson:** A named individual that is required to patrol the operating areas of the contract area and report any fire starts (See Item E. for requirements).

**Hot Saw:** A harvesting system that employs a high-speed (>1100 rpm) rotating felling head (i.e., full rotation lateral tilt head).

**Immediate Vicinity:** Contractor's required fire suppression equipment is capable of containing a 20 by 20-foot fire within five minutes of detection.

**Mechanical Operations:** The process of felling, skidding, chipping, shredding, piling, log processing and/or yarding which requires the use of motorized power which includes, chainsaws, chippers, motorized carriages, masticators, stroke delimiters, skidders etc.

**Shutdown Threshold:** Unless a Variance is provided, specific equipment or activities are suspended from operating past this point.

**Variance:** A Forest Service approved action that may provide the Contractor with an opportunity to continue to operate when conditions reach "Shutdown Threshold" on a PAL Ev afternoon.

Specific equipment requirements and fire precautionary measures are shown in the following table and in K-H.2.2#:

See the following table.



K-H.2.2# - EMERGENCY PRECAUTIONS (10/2010)

Contractor's Operations shall conform to the limitations or requirements in the Project Activity Level (PAL) table below. Unless otherwise agreed in writing, Project Activity Levels applicable to this project shall be for the Fire Danger Rating Area(s), or fire weather station(s) stated in the Contract Map legend.

The Forest Service, in its sole discretion, may change the predicted activity level if the current fire suppression situation, weather and vegetation conditions warrant an adjustment of the PAL activity level. If practicable, Forest Service will determine the following day's activity level by 6:00 PM. Contractor shall obtain the predicted Project Activity Level from the appropriate Ranger District Office before starting work each day.

Forest Service may change the Project Activity Level Table to other values upon revision of the National Fire Danger Rating System. When sent to Contractor, the revised Project Activity Levels will supersede the levels in the Project Activity Level Table below.

**PROJECT ACTIVITY LEVEL (PAL) - K-H.2.2# - EMERGENCY PRECAUTIONS****PROJECT ACTIVITY LEVEL TABLE**



K-I.2.1.2 - MARKET-RELATED CONTRACT TERM ADDITION (11/2008)

The term of this contract may be adjusted when a drastic reduction in wood product prices has occurred in accordance with 36 CFR 223.52. The Producer Price Index used to determine when a drastic reduction in price has occurred is stated in A.20. Contractor will be notified whenever the Chief determines that a drastic reduction in wood product prices has occurred. If the drastic reduction criteria specified in 36 CFR 223.52 are met for 2 consecutive calendar quarters, after contract award date, Contracting Officer will add 1 year to the contract term, upon Contractor's written request. For each additional consecutive quarter such a drastic reduction occurs, Contracting Officer will, upon written request, add an additional 3 months to the term during Normal Operating Season, except that no single 3-month addition shall extend the term of the contract by more than one year. Contracting Officer must receive Contractor's written request for a market-related contract term addition before the expiration of this contract.

No more than 3 years shall be added to a contract's term by market-related contract term addition unless the following conditions are met:

(i) The contract was awarded after December 31, 2006; and

(ii) A drastic reduction in wood product prices occurred in at least ten of twelve consecutive quarters during the contract term, but not including the quarter in which the contract was awarded.

For each qualifying quarter meeting the criteria in paragraphs (i) and (ii) of this provision, the Forest Service will, upon the Contractor's written request, add an additional 3 months during the normal operating season to the contract, except no single 3-month addition shall extend the term of a contract by more than 1 year.

In no event shall a revised contract term exceed 10 years as a result of market-related contract term addition.

Additional contract time may not be granted for those portions of the contract that have a required completion date or for those portions of the contract where Contracting Officer determines that the timber is in need of urgent removal or that timber deterioration or resource damage may result from delay.

K-I.6.8# (Option 1) - USE OF TIMBER (09/2004)

(a) This contract is subject to the Forest Resources Conservation and Shortage Relief Act of 1990, as amended (16 USC 620, et seq.).

(b) Except for None determined pursuant to public hearing to be surplus, unprocessed Included Timber shall not be exported from the United States nor used in direct or indirect substitution for unprocessed timber exported from private lands by Contractor or any person as defined in the Act (16 USC 620e).

(c) Timber in the following form will be considered unprocessed:

(i) Trees or portions of trees or other roundwood not processed to standards and specifications suitable for end product use;

(ii) Lumber, construction timbers, or cants intended for remanufacturing not meeting standards defined in the Act (16 USC 620e); and

(iii) Aspen or other pulpwood bolts exceeding 100 inches in length.

(d) Unless otherwise agreed in writing, unprocessed Included Timber shall be delivered to a domestic processing facility and shall not be mixed with logs intended for export.

(e) Prior to award, during the life of this contract, and for a period of 3 years from Termination Date, Contractor shall furnish to Forest Service, upon request, records showing the volume and geographic origin of unprocessed timber from private lands exported or sold for export by Contractor or affiliates.

(f) Prior to delivering unprocessed Included Timber to another party, Contractor shall require each buyer, exchangee, or recipient to execute an acceptable agreement that will:

(i) Identify the Federal origin of the timber;

(ii) Specify domestic processing for the timber involved;

(iii) Require the execution of such agreements between the parties to any subsequent transactions involving the timber;

(iv) Require that all hammer brands and/or yellow paint must remain on logs until they are either legally exported or domestically processed, whichever is applicable; and

(v) Otherwise comply with the requirements of the Act (16 USC 620d).

(g) No later than 10 days following the execution of any such agreement between Contractor and another party, Contractor shall furnish to Forest Service a copy of each such agreement. Contractor shall retain, for 3 years from Termination Date, the records of all sales, exchanges, or dispositions of all Included Timber.

(h) Upon request, all records dealing with origin and disposition of Included Timber shall be made available to Contracting Officer.

(i) For breach of this Section, Forest Service may terminate this contract and take such other action as may be provided by statute or regulation, including the imposition of penalties. When terminated by Forest Service under this Section, Forest Service will not be liable for any Claim submitted by Contractor relating to the termination.