UNITED STATES DEPARTMENT OF AGRICULTURE
Forest Service

INTEGRATED RESOURCE CONTRACT

September 2004
(Date of Issue)

PROVISIONS FOR MEASUREMENT OF PRODUCTS AFTER HARVEST

This contract is organized into Parts, Sections, Subsections, and Items. These are numbered in accordance with the following scheme: Part B, Section B.1, Subsection B.1.1, and Item B.1.1.1. 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 Part, Section, Subsection, and Item. Descriptive headings used are not to be considered in determining the rights and obligations of the parties.

Parts B through J are subject to Specific Conditions in Part A. Wherever appropriate, Specific Conditions established in Part A are cited by reference number. The listing of Sections, Subsections, or Items in provision A.21 has the effect of striking or deleting them from Part B through J. Provision A.22 lists provisions that comprise Part K. Where appropriate, references to Special Provisions are made by citing the applicable reference numbers.

INDEX TO TERMS

Term	Reference	Term	Reference
Advertised Rates	A.4.2	Integrated Resource Account	E.2
Base Index	A.4.2	Intermittent Scaling Services	G.8.1
Base Rates	A.4.2	Marked	C.3.5
Bid Premium Rates	A.4.2	Negligent Fire	H.4.2
Bid Rates	A.4.2	Normal Operating Season	G.3.1
Catastrophic Damage	C.1.3.3	Off-Road Equipment	G.3.5
Claim	J.2	Operations Fire	H.4.1
Clearcutting Units	C.3	Out-of-Pocket Expenses	I.3.5
Construction	I.6.6	Overstory Removal Units	C.3
Continuous Scaling Services	G.8.1	Plans	F.2.1.1
Contract Area	B.1	Required Deposits	A.4.2
Contract Area Map	B.1	Scaling	G.8
Contract Term Adjustment	I.2.1	Schedule of Items	F.2
Contract Term Extension	I.2.3	Service	I.6.6
Contractor's Operations	G.3	Shop Drawings	F.2.1.1
Current Contract Rates	D.1	Specified Roads	F.2
Current Contract Value	D.1	Stewardship Credits	E.2.2
Current Unit Rates	F.2.5.1	Streamcourses	G.5
Design Change	F.2.5.3	Subcontractor	I.6.4
Extended Scaling Services	G.8.1	Substantially Completed	F.2.3
Extension Deposit	E.2.1.7	Temporary Roads	F.1
Fire Precautionary Period	H.2	Tentative Rate	A.4.2
Flat Rates	A.4.2	Termination Date	I.2
Included Timber	C.1	Understory Removal Units	C.3
Indicated Advertised Rates	I.2.2.1	Utilization Standards	A.2, C.2

CONTENTS

Reference Number	Title	Page
A.0	**SPECIFIC CONDITIONS**	**7**
A.1	Location and Area	7
A.2	Volume Estimate and Utilization Standards	7
A.3	Timber Designations	7
A.4	Timber Payment Rates	8
A.4.1	Escalated Rates	8
A.4.2	Flat Rates	8
A.4.3	Stewardship Credits	9
A.5	Indices Used in Quarterly Adjustment	10
A.6	High Stumps	10
A.7	Specified Roads	11
A.8	Forest Service Engineering Completion Schedule	11
A.9	Scaling Instructions and Specification	11
A.10	Scaling Services	12
A.11	Minimum Scaling Volumes	12
A.12	Fire Precautionary Period	12
A.13	Contractor Responsibility to Furnish Crews and Equipment	12
A.14	Contractor's Obligation per Operations Fire	12
A.15	Termination Date	12
A.16	Normal Operation Season	12
A.17	Performance Bond	12
A.18	Downpayment	12
A.19	Periodic Payment Amounts	12
A.20	Market-Related Contract Term Addition Producer Price Index	12
A.21	Inapplicable Provisions	13
A.22	List of Special Provisions in Part K	13
B.0	**CONTRACT AREA**	**14**
B.1	Contract Area Map	14
B.2	Claims	14
C.0	**TIMBER SPECIFICATIONS**	**14**
C.1	Included Timber	14
C.1.1	Standard Timber	14
C.1.2	Substandard Timber	14
C.1.3	Damaged Timber	14
C.1.3.1	Damaged by Contractor	14
C.1.3.2	Negligent or Willful Damage	14
C.1.3.3	Damaged by Catastrophe	14
C.1.3.4	Minor Damage by Natural Causes	15
C.1.4	Unintentionally Cut Timber	15
C.1.5	Construction Timber	15
C.1.6	Other Material	15
C.2	Utilization and Removal of Included Timber	15
C.3	Timber Designations	15
C.3.1	Clearcutting Units	15
C.3.2	Construction Clearing	15
C.3.3	Overstory Removal Units	15
C.3.4	Understory Removal Units	15
C.3.5	Individual Trees	15
C.3.6	Incompletely Marked Timber	15
C.3.7	Minor Changes	15
C.4	Volume Estimate	15
C.4.1	Adjustment for Volume Deficit	16
C.4.2	Adjustment for Excess Volume	16
D.0	**RATES OF PAYMENT**	**16**
D.1	Current Contract Rates	16
D.2	Escalation Procedure	16
D.2.1	Unavailable Index	16
D.3	Rate Redetermination	16
D.3.1	Rate Redetermination for Environmental Modification	17
D.3.2	Rate Redetermination after Catastrophic Damage	17
D.3.3	Rate Redetermination for Market Change	17
D.3.4	Emergency Rate Redetermination	17
D.4	Other Payment Rates	17
D.4.1	Material Not in A.2	17
D.4.2	Timber Cut Through Mistake	17
D.4.3	Designated Timber Cut But Not Removed	18
D.4.4	Undesignated Timber Damaged Without Negligence	18
D.4.5	Undesignated Timber Unnecessarily Damaged or Negligently or Willfully Cut	18
D.4.6	Liquidated Damages	18
D.4.7	Defect Caused by Abnormal Delay	18
E.0	**PAYMENTS**	**18**
E.1	Amount Payable for Timber	18
E.2	Integrated Resource Account	18
E.2.1	Cash Deposits	18
E.2.1.1	Downpayment	18
E.2.1.2	Advance Deposits	18
E.2.1.3	Periodic Payment Schedule	19
E.2.1.4	Deposits for Charges Subject to Escalation	19
E.2.1.5	Deposits When Payment Guaranteed	19
E.2.1.6	Blanket Cash Deposits	19
E.2.1.7	Extension Deposits	19
E.2.1.8	Cooperative Deposits	19
E.2.2	Stewardship Credits	19
E.2.2.1	Progress Estimates	19
E.2.2.2	Excess Stewardship Credits	19
E.2.2.3	Excess Timber Value	19
E.2.2.4	Cash Payment for Stewardship Projects	20
E.2.3	Temporary Reduction of Downpayment	20
E.2.4	Refund of Excess Cash	20
E.2.5	Refund after Scaling Completed	20
E.3	Payment Guaranteed by Bond or Deposited Securities	20
E.3.1	Blanket Bond	20

Reference Number	Title	Page
E.3.2	Letters of Credit for Payment Bond	20
E.4	Payments Not Received	20
F.0	**TRANSPORTATION FACILITIES**	**21**
F.1	Authorization	21
F.1.1	Requirements of Rights-of-Way	21
F.1.2	Use of Roads by Contractor	21
F.2	Specified Roads	21
F.2.1	Engineering	22
F.2.1.1	Contract Plans	22
F.2.1.2	Construction Staking	22
F.2.2	Material Delivery	23
F.2.3	Use of Partially Constructed Roads	23
F.2.4	Estimated Cost	23
F.2.5	Construction Cost Adjustment	23
F.2.5.1	Variation in Quantities	23
F.2.5.2	Physical Change	24
F.2.5.3	Design Change	24
F.2.6	Alternate Facilities	25
F.2.7	Temporary Credit for Unamortized Specified Road Construction Cost	25
F.3	Road Maintenance	25
F.4	Use by Others	25
G.0	**OPERATIONS**	**25**
G.1	Representatives	25
G.1.1	Notices	26
G.2	Improvements	26
G.2.1	Removal	26
G.2.2	Protection of Improvements	26
G.2.2.1	Protection of Improvements Not Owned by Forest Service	26
G.2.2.2	Protection of Property	27
G.2.3	Protection of Land Survey Monuments	27
G.2.4	Protection Measures Needed for Plants, Animals, Cultural Resources, and Cave Resources	27
G.3	Control of Operations	27
G.3.1	Operating Schedule	27
G.3.1.1	Inclusion of Technical Proposal	27
G.3.1.2	Plan of Operations for Road Construction	28
G.3.2	Protection of Residual Trees	28
G.3.3	Safety	28
G.3.4	Sanitation and Servicing	28
G.3.4.1	Prevention of Oil Spills	28
G.3.4.2	Hazardous Substances	28
G.3.5	Equipment Cleaning	29
G.3.6	Acceptance of Work	29
G.3.6.1	Acceptance of Specified Roads	29
G.4	Conduct of Logging	30
G.4.1	Felling and Bucking	30
G.4.1.1	Felling in Clearings	30
G.4.1.2	Stump Heights	30
G.4.1.3	Bucking Lengths	30
G.4.1.4	Limbing	30
G.4.2	Skidding and Yarding	30
G.4.2.1	Rigging	30
G.4.2.2	Landings and Skid Trails	30
G.4.2.3	Skidding on Roads	30
G.4.2.4	Arches and Dozer Blades	30
G.5	Streamcourse Protection	30
G.6	Erosion Prevention and Control	31
G.6.1	Meadow Protection	31
G.6.2	Wetlands Protection	31
G.6.3	Temporary Roads	31
G.6.3.1	Temporary Roads to Remain Open	31
G.6.4	Landings	31
G.6.5	Skid Trails and Fire Lines	31
G.6.6	Current Operating Areas	31
G.6.7	Erosion Control Structure Maintenance	31
G.7	Slash Disposal	31
G.8	Scaling	31
G.8.1	Scaling Services	32
G.8.1.1	Scaling Location	32
G.8.1.2	Scaling Adjustments	32
G.8.1.3	Delayed or Interrupted Scaling Services	32
G.8.1.4	Weighing Services	32
G.8.2	Presentation for Scaling	33
G.8.3	Scaling Other Products	33
G.8.4	Accountability	33
G.8.4.1	Route of Haul	33
G.8.4.2	Product Identification	33
G.8.5	Scaling Lost Products	34
G.8.5.1	Scaling Lost Sample Loads	34
G.8.6	Scale Reports	34
G.9	Stewardship Projects	34
G.9.1	Refund of Unused Stewardship Credits	34
H.0	**FIRE PRECAUTIONS AND CONTROL**	**34**
H.1	Plans	34
H.2	Fire Precautions	34
H.2.1	Substitute Precautions	35
H.2.2	Emergency Precautions	35
H.3	Fire Control	35
H.3.1	Contractor's Reinforcement Obligations	35
H.3.1.1	Suspend Operations	35
H.3.1.2	Personnel	35
H.3.1.3	Equipment	35
H.4	Fire Suppression Costs	35
H.4.1	Operations Fire	35
H.4.2	Negligent Fire	35
H.4.3	Other Fires on Contract Area	35
H.5	State Law	35
H.6	Performance by Contractor	35
I.0	**OTHER CONDITIONS**	**36**
I.1	Title and Liability	36
I.1.1	Title Passage	36
I.1.2	Liability for Loss	36
I.2	Period of Contract	36
I.2.1	Contract Term Adjustment	36
I.2.1.1	Delay in Reconstruction of Processing Facilities	36
I.2.1.2	Market-Related Contract Term Addition	37
I.2.2	Termination for Catastrophe	37

Reference Number	Title	Page
I.2.2.1	Termination by Contractor	37
I.2.2.2	Termination by Forest Service	37
I.2.3	Contract Term Extension	37
I.3	Contract Modification	37
I.3.1	Changed Conditions	37
I.3.2	Modification for Catastrophe	37
I.3.3	Contract Suspension and Modification	38
I.3.4	Contract Termination	38
I.3.5	Out-of-Pocket Expenses	39
I.3.6	Termination for Market Change	39
I.4	Performance by Other than Contractor	39
I.5	Sale of Other Materials	39
I.6	Provisions Required by Statute	39
I.6.1	Covenant against Contingent Fees	40
I.6.2	Officials Not to Benefit	40
I.6.3	Nondiscrimination in Employment	40
I.6.4	Debarment and Suspension Certification	40
I.6.5	Contract Consistency With Other Laws	41
J.0	**PERFORMANCE AND SETTLEMENT**	**41**
J.1	Performance Bond	41
J.1.1	Bond Reduction	41
J.1.2	Letters of Credit	41
J.1.3	Temporary Bond Reduction	41
J.2	Disputes	41
J.2.1	Time Limits for Submission of Claim	42
J.2.2	Contract Documents	42
J.3	Breach	42
J.3.1	Termination for Breach	42
J.4	Damages for Failure to Complete Contract or Termination for Breach	43
J.5	Settlement	43
J.6	Contract Closure	43
K.0	**SPECIAL PROVISIONS**	**43**