

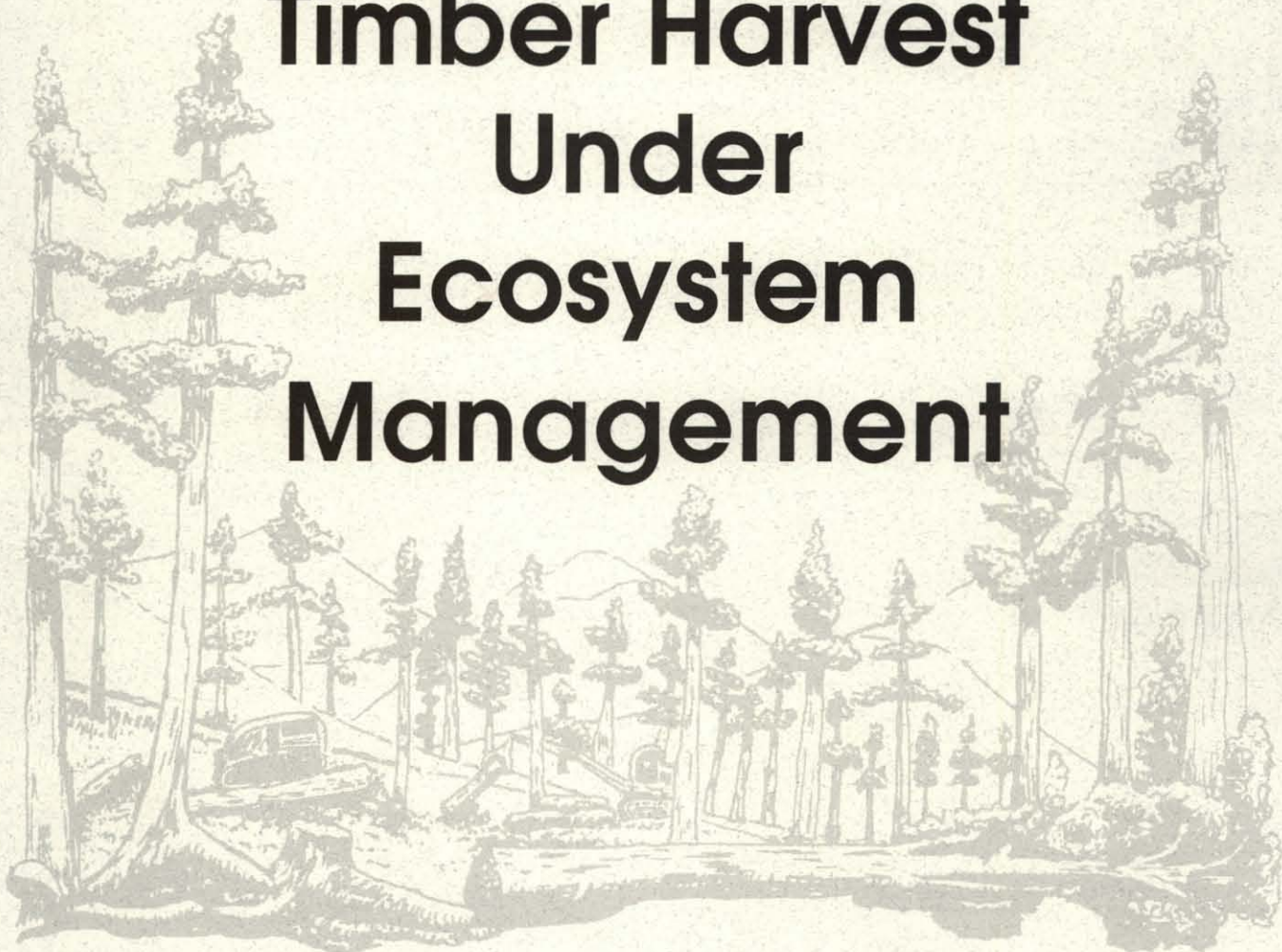


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# Contracting for Timber Harvest Under Ecosystem Management



Harry W. Lee and Leonard R. Johnson

IDAHO FOST, WILDLIFE AND RANGE EXPERIMENT STATION

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# Contracting for Timber Harvest Under Ecosystem Management

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## Introduction

Many agreements to harvest timber from private woodland are consummated with a simple handshake. In many cases this is ample, but in the complex cases of ecosystem management a written contract will usually be far better. The written contract establishes communication and helps clarify the responsibilities of all parties involved. All participants will benefit from a clear understanding of the scope of the project being undertaken.

For the beginner, preparing a contract may seem overwhelming and difficult. However, with a bit of help, the task of writing an acceptable agreement can be done with ease and will satisfy the needs of all parties.

Several local sources of sample contracts are available to nearly all landowners. These sources include the local Idaho Department of Lands Office, timber companies, Soil and Water Conservation Districts, the Natural Resources Conservation Service Office, or your local University of Idaho Extension Office. The sample contracts should not be used in their entirety but you can pick and choose provisions to develop a document which best fits your situation. You should keep in mind that more restrictions sometimes result in higher harvesting costs, resulting in less money for you as the landowner. Include just the requirements you need to accomplish your objectives, protect your interests, and meet regulations including the Idaho Forest Practices Act. Each project has its own unique features and the development and administration of your timber sale contract will need to reflect these features.

Your contract is a tool that protects your interests, conveys your desires, details procedures and assigns responsibilities. A successful timber harvest depends on both a well written contract and proper implementation and communication with the other parties of the contract. You need to supervise the operation and administer your contract to achieve your ecosystem

management goals.

## Basic Contract Decisions

There are several basic contract provisions which most contracts should contain. They include:

- Name and address of both parties;
- Legal description and sketch map of cutting boundaries;
- Products being sold;
- Means of identification for cut trees;
- Selling prices, and payment schedule;
- Job performance guarantee and proof of liability insurance;
- Effective starting and ending dates for sale to include provisions for altering either date;
- Logging method and equipment restrictions;
- Scaling method and merchantability guides;
- Party responsible for acquiring and maintaining access and rights-of-way;
- Special requirements;
- Signatures and addresses of the buyer and seller.

A sample contract follows as a general guide. Remember there are other samples available if this does not meet your needs or does not cover an item that is important to you. A contract is a legal document and it may be in your best interest to work with an experienced professional consulting forester



and an attorney.

## Sample Timber Sale Agreement

**THIS AGREEMENT** made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, by and between \_\_\_\_\_ of \_\_\_\_\_ hereinafter referred to as the **SELLERS** (*usually the landowner*) and \_\_\_\_\_, hereinafter referred to as the **PURCHASER** (*may be the mill or a logging contractor*).

**THAT THE SELLER**, does grant and convey unto the **PURCHASER** all designated merchantable, accessible timber standing, lying or being on the following described property situated in the County of \_\_\_\_\_, State of \_\_\_\_\_ to wit:

**IT IS** understood and agreed that the **PURCHASER** shall have the right to construct the necessary roads, landings, skidways and other works required to log said timber and shall have the right of ingress and egress over and across the above described lands for the purpose of the protecting, cutting and removing the timber.

**THE PURCHASER** further agrees that it will hold **SELLERS** harmless from any and all liability to **PURCHASER'S** employees or logging operations on the above described lands.

**THE SELLERS** warrant and state that they are well seised of the above described land and timber and that they are free and clear of any and all encumbrances, liens and taxes.

**IT IS** understood that the **PURCHASER** will be responsible for remitting to the State of Idaho the current rate required for slash disposal. It is also understood that the \_\_\_\_\_ will receive the refund due upon satisfaction of the requirements of the State of Idaho.

**THE PERIOD** of contract shall be from effective date of contract until \_\_\_\_\_ unless such time period is extended by **SELLERS**.

**ALL LOGS** shall be scaled with a Scribner Decimal C. Rule by a registered scaler. Logs will be scaled according to the scaling laws of the State of Idaho. **THE SELLER** shall be paid on the basis of net scale. Prices for said logs shall be as follows:

<b>SPECIES</b>	<b>MINIMUM TOP DIAM.</b>	<b>ACCEPTABLE LENGTHS</b>	<b>PRICE/MBF</b>



## **TERMS OF SALE:**

### **FIRE RESPONSIBILITY**

From and after the date of the execution of this agreement, risk of loss of the timber the subject hereof shall be that of the **PURCHASER**, unless causes of fire are unrelated to the logging activity.

### **TRESPASS**

The **PURCHASER** agrees to be responsible for and to assume liability for any trespass on adjacent lands caused by him or his agent.

### **EROSION**

Erosion bars shall be installed in necessary locations to prevent excessive erosion on skid trails and roads following the removal of the timber. The \_\_\_\_\_ will seed and fertilize all road and trail systems. Roads will be returned to the condition they were in when the job was started (open ditches, same contour, etc.)

### **RESIDUAL STAND**

Care shall be taken to protect remaining trees from excessive logging damage such as broken tops or basal scars.

### **MERCHANTABILITY AND METHODS**

Merchantable timber is defined as those trees *which are marked for cutting* OR *which are not marked to leave* and which contain an eight foot log as minimum.

The harvesting method is as follows:\_\_\_\_\_

### **SLASH DISPOSAL**

**PURCHASER** agrees to pile and burn all logging slash at the landings. Piling may be done with a slash blade on a dozer or by using the loader. **SELLER** agrees that **PURCHASER** will have until the end of the following year to complete the burning.

### **FENCE CLAUSE**

Any damage to fences caused by logging operations will be repaired by the **PURCHASER**.

### **SUPERVISION**

\_\_\_\_\_ will supervise and inspect all jobs weekly. A written report will be submitted at the landowners request. Frequency of inspection will be mutually agreed upon.



**SPECIAL TERMS OF SALE:**

**MANAGEMENT:**

Paint will be used to mark the trees *to be felled and skidded* OR paint will be used to mark the trees *to be left*.

**CULL LOGS:**

All delivered products designated as cull by the scaler do not receive payment (minimum scale 10 board feet).

**PROPERTY LINES:**

\_\_\_\_\_ will mark all sale boundaries with paint or flagging and may tag the approximate property corners location. Property boundaries must be legally located if they are also sale boundaries.

**TIMBER APPRAISAL:**

Upon request the **PURCHASER** will supply the **SELLER** with a timber cruise of the residual stand upon completion of sale. Maps may be provided showing the location of road systems.

**SPECIAL TERMS:**

**THIS AGREEMENT** shall be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns.

**TO WITNESS WHEREOF THIS AGREEMENT** has been executed the day and year written above.

\_\_\_\_\_  
**PURCHASER**

\_\_\_\_\_  
**SELLER**

\_\_\_\_\_  
**WITNESS**

\_\_\_\_\_  
**SELLER**

\_\_\_\_\_  
**DATE**





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