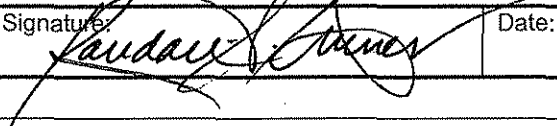


TELEPHONE CONVERSATION RECORD		Time:	Date:
		1330-1400 Hrs.	5 November 2008
		Telephone: <input type="checkbox"/> Incoming <input type="checkbox"/> Outgoing	
Name of persons contacted or in contact with you: <b>BEN HARVEY, Forester</b>	Organization: <b>Shetler Lumber Company</b>	Telephone number: 814-837-7341 (cell)	
Subject: <b>DISCUSSION OF ISSUES ON OGM CASE 595 DECK SALE – MARIENVILLE RD</b>			
Summary:			
<p>This discussion was in response to the CO's letter of November 4, 2008 regarding this case, and Ben Harvey's subsequent written response to the Contracting Officer. The CO's letter stemmed from Shetler's initial removal of decked timber and damage incurred to Duhring Resource Co.'s access road improvement from log trucks. Mr. Harvey and the CO discussed concerns of both Shetler Lumber and the Forest Service as related to the removal of the Included Timber and also the protection of Duhring's improvements. Those concerns and requests for consideration are summarized below:</p> <ol style="list-style-type: none"> <li>1. Mr. Harvey estimates they need two continuous weeks of suitable weather to remove all the Included Timber. Right now, there is a warm spell but at this time of year, it is unusual and the normal weather pattern tends to be wet and cool with minimal drying weather. Once the access road gets wet, it's unlikely to dry sufficiently to warrant active removal during remainder of the contract, and the weather is shifting towards precipitation starting late Friday, November 7.</li> <li>2. Shetler Lumber is working to find a pre-hauler/forwarder to rent/lease and is encountering difficulty finding one in the immediate region. They will continue their search to locate one. Harvey felt that the use of a forwarder could also create damage to the unimproved (no stone, just native material) road, which the CO concurred was possible based on his prior experience with them on another National Forest, but indicated that this piece of equipment was agreed to between Duhring and the Forest Service and subsequently required in writing in the contract, and that needed to be loaded light to minimize damage.</li> <li>3. Mr. Harvey apologized for the damage, asserting that there was mis-communication with the truckers and that they shouldn't have been out there that day. It is his opinion that their "piggy-back" log trailers can turn very sharply in confined areas (better than tri-axle log trucks), and would still like to be able to use them if conditions warrant, and felt they would pose the potential for less damage. He indicated that there is a log deck with near the bottom of the hill that they would still like to try and use the trucks on with direct loading. Harvey did indicate that a forwarder with a boom would not be capable of loading some of the larger cherry logs, as they were just too big for the pre-hauler, and other means of removal might need to be considered.</li> <li>4. Regarding potential damage to Duhring's road, Harvey indicated that they would still have to develop access across the road ditches/seeded cut banks to access the log decks. Shetler did want permission to have a dozer on site to conduct the repair work to current damages, as well as repair temporary access to the log decks. They have a JD 650 (medium dozer) available which they use for such work.</li> <li>5. Mr. Harvey expressed some frustration in not being able to meet yet with both Mr. Stewart of Duhring and Dave Cotterman, Sale Administrator earlier on the site to discuss the situation. The CO empathized with Mr. Harvey, and indicated that Mr. Cotterman has also experienced some frustration with not being able to connect more quickly with Mr. Stewart so they could work together on this issue. The CO recommended that Mr. Harvey establish a solid working relationship with Duhring Resources, and that they work together closely to determine if any changes could be mutually agreed to between all parties, including Forest Service through the Sale Administrator as he is very familiar with the situation on the ground, to facilitate removal of the decked timber (Shetler wants to achieve a return on their investment as quickly as possible).</li> <li>6. In the spirit of cooperation, Mr. Harvey queried the CO to see if it was possible to get an extension of time on the contract, should weather conditions not permit removal of the timber by termination, which is the end of December 2008. A 30-60 day extension for frozen conditions would minimize damage to improvements.</li> </ol>			

6. (continued).

The CO indicated he would check with District Ranger Fallon and Duhring Resources to see if that would be feasible and let Mr. Harvey know. The bottom line was to protect Duhring's improvements as well as not hinder their planned operations, and if that was possible during an extension period during frozen conditions, it might be more conducive and receptive to all parties than risking further activity during wetter conditions where damage was more likely to occur to the road.

7. The CO indicated to Mr. Harvey that he needed to assure Duhring that the road damage would be repaired in a timely manner as would any additional damage, should it occur in the removal of the Included Timber, and that Shelter Lumber would work closely with Duhring.

Name of person documenting conversation: RANDALL A. DURNER, Contracting Officer	Signature: 	Date: 11/06/2008
Action taken:		
Cc: Copies to District Ranger Fallon, SA Cotterman, and Purchaser Rep. Ben Harvey		