Product Accountability Audit and Timber Program Review

Olympic National Forest
April 25 – 29, 2016

INTRODUCTION:

From April 25 through 29, 2016, the Team conducted an unannounced Regional Forest Products Accountability Audit and Timber Program Review on the Olympic National Forest. The Team consisted of: Steve Nelson, Regional Timber Sale Claims Forester, and Team Leader; Michael Daugherty, Regional Sale Preparation Lead for Contracts and Product Valuation, and one of two Regional Stewardship Coordinators; Wayne Reynolds, Area Measurements Specialist; Marty Moeller, Regional Construction Engineer; Dana Croll, Resource Specialist; James Billups, Region 8 TIM Coordinator; Nancy Richardson, Regional TSA Lead; Joan Tierney, Resource Specialist; Mike Barger, Regional Logging Engineer; and Susan Fuller, Contracting Officer for the Okanogan-Wenatchee and Colville NFs.

AUDIT OBJECTIVE:

The objective of the audit was to assess the Forest timber sale, stewardship, and Forest product programs, identify strengths and weaknesses, and recommend needed corrections. A review was made of the timber sale program, Special Forest Products permit process, TIM implementation, and of specific individual timber sales to sufficiently determine if the preparation and administration of sales and contracts are adequate to ensure proper accountability and consistency with national and regional policy, and direction related to the management of Forest resources. By providing observations and feedback to the Forest and Districts, consistent working knowledge of accountability and vegetative program objectives and requirements can be achieved and maintained.

PROCEDURE AND PROCESS:

The Team reviewed and assessed the following programs and projects:

1. Timber sale program and Forest's role in preparation and administration of sales and contracts, including NEPA coordination and compliance
2. Tracer paint use and accountability
3. Timber designation, utilization, and accountability of Forest products
4. Special Forest Products program
5. TIM implementation and utilization
6. Fiscal and Financial aspects of timber and products programs
7. Coordination with LEI
8. Engineering
9. Program Management
10. Logging systems notes and assistance

Unit visits were made to the Olympic Headquarters Office, Pacific Ranger District offices in Forks and Quinault, and the Hood Canal Ranger District office in Quilcene. The Audit Team reviewed timber sales and permits for documented activities and financial reports at office locations. The Team made field visits to the following contract areas: KOCC Timber Sale, Grouse Timber Sale, and Switch Timber Sale. The Team also visited the ports of Tacoma and Olympia.

GENERAL COMMENTS:

The Team met with the Forest's Contracting Officer and Forest personnel from sale administration, law enforcement, sale preparation, financial management, Special Forest Products, Forest Officers, permit issuers, and line and staff officers. Forest and District personnel provided detailed information to inquiries and were enthusiastic in sharing insights and opinions. The Team would like to specifically thank the following Forest personnel for assisting the Team in completing the review: Jana Carlson, Pete Sanda, Jennie Cornell, Robert Perry, Jeff Winiecki, Ray Hershey, Steve McNealy, Evan Gray, Wes McPhie, Kathy Carson, Brian Jaenicke, Mary Spear, Ty Bingman, Cheryl Caulkins, Mark LaGioia, Peggy Dressler, Kimberly Roper, Bob Metzger, Greg Wahl, Mark Senger, Justin Urresti, Shirley Lorenz, Brian Hindman, Lupe Cisneros, and Betsy Krier.

The following are definitions for this report; Findings – deficiencies in program management and/or implementation that require management direction to correct. A Required Action or recommendation for corrective action is made for each finding. Observations – opportunities to improve current practices. Some observations identify areas of potential vulnerability. At the present time and under present circumstances, observations may not represent an immediate threat to Forest management implementation and accountability. However, if current circumstances change, there may be a need to re-evaluate these areas in order to mitigate potential losses.

COMMENDATIONS:

1. The Team would like to thank Kathy Carson for her assistance during the audit. She was both readily available to answer questions or provide any information needed by the Team.

2. The Team would like to thank the frontliners at Quinault, Forks, and Quilcene Ranger District offices and the Supervisor's Office. All were very welcoming and open to discussing their processes. It was a pleasure working with them.

3. The Team would like to commend all the Ranger Districts for their excellent job of record keeping and everyone having a register for their tags. Also several people checked are doing a good job of reconciling every week.

4. The Team would like to thank the frontliners at Quilcene for using a high level of attention to detail when recording the collection area in the permit remarks section. All permits reviewed gave exact and specific direction of where collections should be made.

5. The Team would like to thank the frontliners at Quilcene and Quinault for their unusually high adherence to the regulation that requires observing and recording US/State Government ID information during the permit issuing process. Every permit reviewed at these locations was in 100% compliance with this guideline.

6. The general section of the Prospectus contains a statement that area determination (acres) was accomplished by hand traversing and handheld GPS (Garmin 64s) and that volume determination is based upon these acres. This alerts interested parties as to the accuracy of the volume and acres.

7. The Team noticed open and productive communications between resource specialists and sale prep and sale admin personnel when reviewing the Switch Timber Sale. This was a positive exchange of ideas and solutions related to the implementation of the project.

8. The Forest is using Designation by Description, along with skips and gaps, to implement silviculture prescriptions. This is a very low cost designation method to achieve the desired end result.

9. The Forest is to be commended in hiring Wes McPhie and Evan Gray in being proactive in looking at their sale prep organization and needs.

10. TIM Gate Certifications and K-V, BD, and SSF Plans are being signed by appropriate line officers.

11. A big thank you to Contracting Officer Jana Carlson, FSR Pete Sanda, Sale Administrator trainee Jennie Cornell, and Harvest Inspectors Robert Perry and Jeff Winiecki, and Ray Hershey for their participation, explanations and candid discussions. They all made themselves available to the Team as needed. It was very much appreciated.

12. The Team recognizes that working relationships on the Forest have greatly improved and it shows in the work being accomplished on the ground and in the documents.

GOOD THINGS TO ACKNOWLEDGE AND SHARE WITH OTHER FORESTS

13. On KOCC Timber Sale, C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003) "Skid trail or skid road junctions will be set back from landings to minimize the landing openings. No more than 2 skid trails or skid roads coming into the landing unless otherwise agreed to in writing by the Forest Service."

14. On Switch Timber Sale, the pre-appraisal harvest plan map provides a very good illustration of which skyline settings are planned for centralized landings with radial skyline corridors and which are planned for continuous roadside landings with parallel skyline corridors.

I. Timber Information Manager (TIM)

Observations

1. When using a manual permit that has several products, the Forest Officer is to put a line through the products that the permittee is not purchasing. This eliminates the possibility of a permittee adding products to their permit.

2. When inputting the vehicle information for a permit, if part of the information is missing, do not input it. Enter only accurate information. It is not a mandatory field and can be hand written on the hard copy permit if accurate vehicle information is later found. This information can also be input into TIM after the permit has been issued.

3. Original signatures are required on both copies of a permit. This includes permits issued directly in TIM and manual permits.

4. Forest Officers should print their permits duplex. This eliminates the possibility of misplacing the terms and conditions on page 2 of the permit, for both the permittee and the official file copy.

5. Manual permits are not being completed properly on some of the Districts visited. Permits were found with no quantity, signatures, effective dates and termination dates. All required fields must be completed when using manual permits including Christmas Tree manuals.

6. Direction in the POSS collection officer handbook states to destroy checks after two weeks. Checks were found in folders that are several months old and are to be destroyed.

7. Manual permits, when generated for an issuer, are printed in duplicate. Destroy the second copy of the manual permit if not used when issuing. Document on the TIM generated AD-107.

8. Forest Officers are accepting foreign ID as a form of identification. FSH 2409.18 Chapter 50, 54.12 Completion of Permit, #5 lists acceptable forms of identification as: tax identification number, SSN, driver's license number, Immigration and Naturalization Service number, or other identification issued by the federal government or a state government.

9. Mushroom and salal permits in the permit area description say: See Remarks. There is nothing typed in the remarks except for the Quilcene office. Putting something in the permit area description that explains the permit area, or putting something in remarks, will reduce the amount of confusion for the permittee as to where they are allowed to harvest.

10. Some mushroom permits are being sold by the pound instead of the gallon and on the back of the permit in Other Conditions it references gallons. The issuer said that it was difficult to determine which Unit of Measure (UOM) to use from the List of Values (LOV) when entering into TIM, due to LOV only showing UOM code and no description. The forest would benefit from recreating the product plan and including the description to better clarify UOM for use.

11. Permittee needs to sign their own permit.

12. Shred the copies of the permittee's I.D. that have been attached to their permits. The Forest should not keep copies of this PII.

13. When you void a permit, document the reason on the hardcopy maintained in the records.

Findings

1. TIM roles worksheets need to be reviewed and signed off annually by a line officer.

   Required Action: TIM roles must be reviewed at least once each fiscal year. A line officer must review and approve any changes to the TIM role assignments and annually review and validate that all roles are granted correctly and sign off on a new worksheet. Direction in TIM User Roles: Roles Descriptions and Worksheets.

2. Permits are being issued via mail and phone by all the districts. Also many of these permits do not have a signature by permittee.

   Required Action: Current policy does not allow permits to be issued by mail. Consider using vendors to allow the purchase of firewood permits after hours and on weekends. Also according to FSH 1309.14, 41, information is not to be collected on a form that is not approved by OMB and under the Paper Reduction Act of 1995, an agency cannot collect information on a form unless that forms displays a valid OMB control number.

3. Manual permits that are expired are still in TIM and have not been voided. Also there are manuals that are issued to frontliners whom are no longer working for the Forest Service.

   Required Action: The Forest is to research the status of all the outstanding manual permits. Those permits that have expired must be destroyed via AD-112 and voided in the TIM system.

4. Terminations dates and load tickets are not to be modified on permits.

   Required Action: Modifications to the permit requirements are not allowed in TIM, FSH 2409.18, 54.14.

5. Firewood permits are being issued with the permit area description as: cutting shall occur only within 100 feet from the middle of the road. The area description should be more detailed letting the permittee know where he/she can cut the firewood. The Quinault RD has asked for maps to hand out but have yet to receive any.

   Required Action: Modify the product plans to include information in the permit area description such as See Attached Map and then provide them with maps. Or in the permit area description put the name of the ranger district that the harvesting is to occur if harvesting can be done on the whole district.

6. Several manual permits had no information filled out on the permits including the signatures.

   Required Action: All fields must be completed when issuing permits. Refer to completion of a permit in FSH 2409.18, 54.12.

II. Tracer Paint Storage/Marking

Observations

1. Presale and Sale Administration paint lockers at the Supervisors Office and Pacific Ranger District, Forks and Quinault units, were audited and all were found to be neat and orderly.
2. All paint cans in each locker were counted and check against the Issue and Inventory Record of Tracer Paint forms and all were correct.

3. Tracer paint was tested by the Team in timber sale units visited and tested positive, except for one boundary tree on the Grouse sale that did not test positive for tracer element, but the adjacent boundary tree tested positive.

Findings

None

III. Cruising

Observations

1. No documentation regarding check cruising was found on file. Handbook direction requires scaled sales be field check on a 1:4 frequency and an office check done on all sales. The lack of field checks of the three sales audited may be due to the frequency of the required checks, but the office checks should have been done. The Forest has currently arranged for the field check cruise to be done by R6 Area Measurement Specialist Jeff Penman. While a valid check cannot be done by the person responsible for doing the work this does not excuse the Forest from seeing that an office check is completed. It is recommended that the Forest make arrangements for a Forest Measurements Specialist or Forest Check Cruiser from a neighboring forest do the appropriate office check(s) and record on form R6-FS-2400-136, Timber Sale Evaluation Report. It is further suggested that the Forest obtain copies of the field check cruise(s) being done by Jeff Penman and kept on file.

2. A review of the Forest's Timber Sale Prep Contract found that the contact with its specifications and separate Cruise Guide and Silviculture Guides given to the contract cruiser at the time work started meets the handbook requirements for a cruise plan.

3. It was observed that the COR's Timber Sale Contract folder contained no inspection reports or notes verify the quality and accuracy of cruising as required by the contract. It is suggested the copies of these inspections be included in the contract COR's contract file.

Findings

1. Cruise card headers from all three sales, Grouse, KOCC, and Switch were found to be incomplete. None had the Sale Number, Forest, District filled out and most only had the cruiser(s) initial. This is a repeat Finding from the 2011 audit.

   Required Action: As directed in the Timber Cruising in the Pacific Northwest, Basic Cruiser Training Workbook, all header information is to be filled out and full names, including contract cruisers, shall be used for proper identification of the cruiser.

IV. Timber Sale Contract Preparation and Layout

Observations

1. Review of timber sale contracts revealed several inconsistencies with standard contract entries used in the region. The Forest should switch to the use of these in their contracts. See the following specific items;

a. Include the word 'Coniferous' in lumping species into a contract group; 'Western Hemlock and Other Coniferous Species'.

b. T-specs are an attachment to the contract and not part of the main body of the contract.

c. Acres and volumes in the contract are to be rounded to whole numbers.

d. Name of forest road rules and approval date is to be in the contract as part of provision C5.12#.

e. All inserts into the TIM generated contract are to be in Courier New font, size 10, including the road maintenance T-specs.

f. Include a 'Vicinity Map' for each timber sale. One map showing the entire peninsula can be used in all timber sales which would include major roads, towns, and project location. The only change from sale to sale would be the location of the contract area.

2. Requirements and restrictions in provisions C6.315#, C6.41#, and C6.42# are very similar between the 3 timber sales. Sale prep is cutting and pasting from one contract to another which reduces contract prep time. However, careful review is needed to assure only sale specific requirements and restrictions are included in the contract.

3. The legal description in the Switch Timber Sale advertisement package, does not contain a meridian and/or surveyed county.

4. Legends on the Sale Area Maps are not specific to each map. They encompass everything pertaining to every map provided for the sale. Symbols in the legend need to appear on the map and vice versa.

5. Contract Special Provision C5.221# Material Source fill-in is not in the Switch sample contract. Information about a sale should be as complete as possible for prospective bidders' review.

6. Deposits are shown to be collected on road 2200000, "*for rock haul" on page 154 of the sample contract, but appear to be a purchaser work item on page 154a of the contract. Requirements for roads throughout the tables are to match.

7. The Fire Precautionary Period listed in A12 of the KOCC and Grouse Timber Sale is April 15 to October 15, inclusive. There is an order signed by the Regional Forester stating Fire Season in Region 6 is April 1 to October 31, inclusive.

8. The Timber Sale Prospectus for Switch Timber Sale contains 'Not Applicable' for the performance bond. Performance bonds are normally required for timber sales with an appraised value greater than $2,000.

9. Boundary trees on the Grouse TS had some boundary tags on trees without paint and numerous boundary trees where the sale name and subdivision number were not written on the tag. Sale

Prep personnel indicated they were using Redimark pens when filling out boundary tags. Use of indelible ink or grease pencils is encouraged to keep the writing readable throughout the life of the sale. "All boundary tags must have a tracer paint slash painted on them which overlaps onto the tree". PACIFIC NORTHWEST REGION TIMBER PRODUCT ACCOUNTABILITY ACTION PLAN dated APRIL 2010 at time of layout.

10. The Switch pre-appraisal harvest plan maps include appraisal estimates of External Yarding Distance and External Skidding Distance by Unit. A sample of the External Yarding Distance calculations indicate that these measurements are either horizontal distances or are significantly underestimated. It is the standard that Average Yarding Distance, Average Skidding Distance, External Yarding Distance and External Skidding Distances are always measured in slope distance measurements in logging appraisals.

11. Powerline symbol on the KOCC Sale Area Slash Disposal Map does not reference Standard Provision B6.221 Protection of Improvements Not Owned by Forest Service.

Findings

1. In all three timber sales reviewed, 12 feet is listed as the minimum piece length for sawtimber in section A2 of the contract. This is contrary to national direction, and will result in the Included Timber being different from the cruised volume.

   Required Action: National standard is 8 feet, and volume determination in FSCruiser is based upon an 8 foot minimum piece length. Eight feet is to be used as the minimum piece length for sawtimber in all contracts.

V. Timber Sale Accounting

Observations

1. Trust Fund monitoring and management is currently not being accomplished on the Forest. The position that was assigned these duties was vacated and these duties have not been reassigned. The Forest does not appear to be monitoring its TPBP account collections and expenditures as well. Management of the Forest trust fund accounts is critical to ensure future funds are available in KV, SSF, and TPBP. The monitoring and management of the Forest trust fund accounts needs to be reassigned to another individual until such time the Forest determines who will manage these accounts permanently.

2. The Forest is not tracking the load count, volume, and value in one place for each sale. The Team would suggest that the Forest utilize a spreadsheet to track this data. This aids in the monitoring of volumes and values, as well as provides an up to date load count total for the sale to date, it will further aid in the final financial audit process required prior to closing the timber sale. We can provide you with a copy of a haul tracking spreadsheet if desired.

3. The Load Removal Permit Register being used in Quinault is an older form of a two page format and is difficult to track the permit books when they are returned as partial books, reissued, and subsequently destroyed. It is recommended that the one-page form being used by the other units

on the Forest be used to record load removal permits. Other forms used in the Region can be made available to the Forest.

4. KV plans need to contain narratives and maps explaining how costs were derived and where the work is going to take place within the project area.

Findings

1. The remarks section on the Brush Disposal Plan for the Switch Timber Sale states that the National Collection Rate for Program Support is 32.7%. The correct rate for use is 41.5% per Washington Office letter dated 10/9/15.

   Required Action: Forest needs to be using the correct National Collection Rate.

2. At the Quinault Ranger Station, many load receipt books were found that are still assigned to Deborah McConnell who is now retired.

   Required Action: Determine the load receipt books that are still assigned to Deborah McConnell and transfer these books to Jeff Winiecki utilizing the AD-107 form. The line officer is responsible for transferring any unassigned load receipt books found, therefore the AD-107 form will be signed by the line officer. R6 supplement 2409.15-2013-1, chapter 20, 27.22.

3. A breach letter was issued on June 29th 2015, included in the remedy was a billing for liquidated damages in the amount of $ 605.58, issued on 06/26/2015 with a due date of 07/26/2015. This billing was paid on 07/30/2015.

   Required Action: A bill for interest and administration fees needs to be sent to the Purchaser to correct this. Keep in mind that you will need to use the interest rate that applies to that period.

VI. Timber Sale Administration

Observations

1. On the KOCC sale, C6.315# includes a requirement that no operations can start without proof of $1,000,000 in liability insurance. We have no authority to require liability insurance on a timber sale contract. This requirement could create a defacto upper limit to the Purchaser's liability for damage, and as such, could leave the Government vulnerable. The Forest should not require additional liability insurance to begin operations and should not enforce the requirement on this contract.

2. The Forest has conducted two district product accountability audits since the last Regional audit in 2011. While this doesn't meet the handbook requirement of one audit on each district every two years, the Forest is striving to meet the intent. The Forest audits included an appropriate mix of skills and identified several areas that need improvement and documentation.

3. After hour inspections on operational sales are not being performed. This was an R6 Emphasis Item for 2015. The Olympic and Mt Baker-Snoqualmie Product Accountability and Timber Theft Prevention Plan addresses ways to achieve this requirement. In discussion with LEO Reardon, he indicated he works weekends and occasionally visits sale areas. The Team recommends that these visits be documented and communicated to the Sale Administrator.

4. The Team visited two export port facilities: Port of Tacoma and Port of Olympia. We were accompanied by LEO Dan Reardon and Patrol Captain James Griffin. Assigned Sale Administration personnel are responsible for monitoring port activity for any evidence of illegal export of federal timber. The Forest has records of these checks, although the frequency in recent years has dropped below the minimum required in FSH 2409.15, chapter 29. The last documented check of the Port of Tacoma is 03/15/2012.

5. On the Grouse Timber Sale contract, the Sale Administrator's documentation in the contract folder was minimal and difficult to follow.

6. Outdated Agreement to Modify Contract, 2400-9 forms (3/69) are being used on the KOCC Timber Sale. The Agreement to Modify Timber Sale or Integrated Resource Timber Contract form 2400-0009, Revised 11/2011 should be used and can be found on the forms website.

7. The Agreement to Modify Contract, 2400-9 form correctly states what pages are being deleted and what pages to replace them with, but the replaced pages are not being replaced within the contract, and do not include the modification number or the revised date. This should be corrected in the contract files to ensure the correct contract pages are being followed by both the Purchaser and the Forest Service.

8. The Normal Operating Season in A16 of the KOCC Timber Sale does not line up well with the requirements in C6.315# - Sale Operation Schedule. As an example, the Normal Operating Season is June 1 to February 28, inclusive, and the contract does not allow operations between March 1 and July 30 (inclusive) for the protection of leave trees. It is unnecessary to state the requirements in C6.315# can be waived if agreed to between the Purchaser and the Forest Service since the contract already allows for these requirements to be waived.

Findings

1. On the Grouse Timber Sale, a breach occurred on June 26, 2015 for cutting undesignated timber and damage to a gate. The CO's letter of June 29, 2015 required remedy of the breach items by July 29, 2015, including payment of liquidated damages for the undesignated timber. The payment was made as described above, but no other items required in the CO's letter were completed, and the breach was not remedied.

   <u>Required Action</u>: The Forest needs to immediately follow up in writing with the Purchaser to remedy the breach, including repairing the gate and submitting a written plan describing how the Purchaser will prevent the actions from recurring.

2. On the KOCC sale, an agreement was made to change logging systems from helicopter to skyline with tractor swing in unit 14 on March 25, 2015. There is a statement in the agreement

that this is a no cost change. There is no written evaluation of the difference in costs for this change as required in FSH 2409.15, chapter 61.32.

Required Action: Changes to logging systems should be evaluated for cost recovery when we agree to a less expensive logging method than shown on the Sale Area Map and appraised. The change in logging system should be done by contract modification unless it is minor in nature. The modification should address any needed changes in slash disposal and BD deposits.

3. A change in slash requirements was made in KOCC unit 17B without a cost analysis and documentation to determine if monies were owed to the government. Slash was not pulled back from the boundary of units adjacent to the powerline as required in the contract. Not having to do this work is a windfall to the purchaser.

   Required Action: Changes in contract requirements are to be analyzed to determine if monies are owed to the government. Documentation is to be part of the official sale folder.

4. The Forest is using a Letter of Agreement to authorize the Purchaser to cut trees that are not Included Timber on the KOCC and Grouse Timber Sales for operational or safety reasons. The majority of the guyline and landing trees are not being designated prior to cutting. Execution of this Agreement is intended to be for a limited number of trees when the Sale Administration Team is unavailable to mark a tree in advance (i.e. pulled tailhold, an extra guyline). The Agreement requires the Purchaser to provide a 24 hour notice giving the location and description of trees cut under this authorization. There were no documents found regarding any of these trees. The practice of not marking these operational trees in advance of cutting is excessive and does not meet requirements in R6 Supplement FSH 2409.15-2008-1, or the Olympic and Mt Baker-Snoqualmie National Forests Product Accountability and Timber Theft Prevention Plan. The Plan states "Sale Administrators will designate all timber, including roads, landings, and temporary roads prior to cutting. It is recognized there may be rare situations where the Purchaser takes it upon themselves to cut an undesignated tree to mitigate an unavoidable and immediate threat to human life. In these cases, procedures in FSH 2409.15, Chapter 10 will be followed for reporting and investigated the cutting of undesignated timber. Red paint is found throughout the areas visited.

   Required Action: The Contracting Officer should revoke this agreement if the requirements in the Regional Supplement or the Product Accountability and Timber Theft Prevention Plan requirements are not met by both the Purchaser and the Sale Administration Team.

5. Timber Sale Inspection Reports document an alarming number of undesignated trees cut on the KOCC Timber Sale. These inspections documented as many as 53 undesignated trees were cut in Subdivisions 16c/16b on 8/18/15. Over 160 undesignated trees have been documented on the KOCC Timber Sale. The District Silviculturist, LEO, and FSR individually visited subdivisions on the sale, and to date no action has been taken. When the Purchaser requests to use paint to mark units requiring Designation by Description it's prudent for the Sale Administrator to work with the Purchaser Representative by looking at the marking in progress to determine if the Purchaser understands the designation prior to the timber being cut. If the painting isn't

inspected, the Sale Administrator is required to inspect the felling operations and not wait until the logs have been removed.

Required Action: The Forest Sale Administration team needs to immediately gain control over the situation on the KOCC Timber Sale. Use breach and suspension as appropriate.

6. Erosion control and slash disposal requirements were documented as needing to be complete by June 30, 2015 in Grouse Timber Sale Subdivisions 20, and 20A through E. This work has not been completed and could be considered implied acceptance by the Forest Service.

   Required Action: An attempt should be made to get this work completed by the Purchaser since operations are still ongoing, and if the Purchaser is not agreeable to do this work, KV or other appropriated dollars will need to be pursued.

7. The Sale Administration Team is required to conduct unannounced checks of loaded log trucks for compliance with the contract requirements for painting, branding, and the proper use of load receipts. The Grouse Timber Sale completed one truck check out of 275 loads hauled in 2015 for 0.4 percent, and three out of 184 loads hauled to date in 2016 for 1.6 percent. KOCC Timber Sale checked five out of 460 loads hauled in 2015 for 1.1 percent.

   Required Action: At least 2 percent of the loads hauled during any operating season from each sale shall be checked and documented to ensure that the loads are in compliance with the accountability requirements as required by the Pacific Northwest Region Product Accountability Action Plan.

VII. LE&I

Observations

The Team did not have an LEO as part of the audit. We were accompanied by LEO Dan Reardon all week, and Patrol Captain James Griffin for the Port of Tacoma inspection. Sale Administration personnel communicate with LEO Reardon regularly by email, noting when and where operations have started, and for situations such as cutting undesignated timber. LEO Reardon noted that illegal wood cutting not associated with a timber sale is a fairly common occurrence in his patrol area. The LE&I organization looks to be understaffed to handle the workload and area of patrol. This puts strain on the Forest's ability to detect and respond to incidents promptly.

Both LEO Reardon and Patrol Captain Griffin expressed interest in further training in timber, including formal training. The Team recommends that all LEO's assigned to the Forest attend the Basic Timber Sale workshop/trainings to better understand the full spectrum of a commercial timber sale. LEO Reardon has attended Basic Sale Admin.

The Team discussed LE&I's role in investigating cutting of undesignated timber in a timber sale. The LEO and sale administration team should discuss and agree on the proper course of action.

VIII. Engineering

This section will be completed and discussed separately with the Forest and RO Engineering.

IX. Program Coordination

1. The Team was asked to review and comment on the situation regarding State (County issued) haul permits for Special Forest Products. The State law (RCW 76.48.031 and 76.48.211) can be interpreted to exempt permits issued by the Federal Government, although each County is interpreting and handling the law differently. Gray's Harbor County requires an SFP permit buyer to acquire a State haul permit at the Courthouse, which is a substantial distance from the Quinault Ranger Station. The permit buyer must bring the State haul permit application back to the Ranger Station for signature, then return to the Courthouse for approval.

   The Forest Service does not administer State law, therefore, if the County has determined this is a requirement, the Forest Service cannot say otherwise. The issue becomes one of customer service. The Team recommends Forest Leadership meet with appropriate County and law enforcement officials to attempt to reach agreement on the procedure for issuing these State haul permits. The Forest could help administer the process by having blank County applications on hand when a person comes in for an SFP permit. The Forest could also have a handout to go along with the blank application outlining the procedure. Many permit buyers do not speak fluent English and communication can be a barrier.

2. NEPA Review. The Purpose and Need for the three sales reviewed are very, very similar. The Forest should look at analyzing larger areas in NEPA documents to take advantage of the similar conditions and desired future conditions. Having Gate 2 shelf stock is a goal of the Region and will enable the Forest to better position itself for future program accomplishment.

3. Staffing and Skills. The Forest has several key skill needs that are immediate. The Forest does not have any certified Sale Administrators and recently promoted the trainee into the Forest transportation planner position. While this fills a definite need, it leaves an immediate hole. The Forest should explore all reasonable efforts at filling the short-term need, including details, temporary hires, re-hire of retired personnel, and TEAMS. The supply of certified sale administrators in the Region is scarce, so any incentives such as relocation bonus or opportunity to get certified would help. Due to the very long travel times on the Olympic and the Mt. Baker-Snoqualmie, sharing of Sale Administration positions, particularly the FSR, may not be the most cost-effective or safe option.

   Key skills in sale prep are also going to be leaving through retirements. The Forest has filled some positions, and it is vital to capitalize on the mentoring available. Formal training, such as SALHI and Basic Sale Administration will help these presale people develop.

   Engineering skills are desperately needed now and in the near future. Training and employee development are essential, as the Forest has only one Engineering Representative, who is eligible to retire.

   The Team recommends the Forest staff and sub-staff positions be filled as well. Coordination of the program and management of trust funds is vital to ongoing success.

4. Appraisals of all three sales reviewed contained specifications for treating activity generated fuels. Standard requirements include removing landing slash and scattering evenly over corridors in skyline units, and distributed evenly over skid roads in ground based units. The KOCC slash treatment was for slash pull-back of 66 feet from the unit boundary along the BPA powerline and along identified roads. This did not occur in all units through contract modifications and "waivers". In addition, the minimum piece size to be treated was changed. The BD Plan calls for fuel inventory and burning of piled material even though there was no unit piling requirement in the contract. In lieu of some pull-back and scattering landing slash, the Forest agreed to have the purchaser pile slash at ground-based landings, on the roads, and in corridors. A deposit is being collected from the purchaser to burn piles. However, the collection from the purchaser for fuels inventory and pile burning is less than the cost for slash pull-back which is a windfall for the purchaser. The on-the-ground coordination between sale administration, fire, and others resulted in workable solutions, however, no cost adjustments were made. It also appears that the Purchaser's actual cost for doing the work may have influenced decisions to waive certain work. The net result is that the slash requirements originally required in the contract, and appraised for, did not meet the needs on the ground which necessitated extensive changes. The net change to contract rates was not fully evaluated.

   In reviewing the fuels treatment requirements and actual accomplishments on the ground, and discussing the fire history on the Peninsula, the Team recommends a review of the treatments that appear to be in many timber sales, particularly slash pullback. The objective would be to assess their effectiveness and need in light of benefit and impact on lessening fire occurrence when major fires occur every 250-350 years 1/. In travels to and from the sales areas, the Team saw thinning on non-federal lands right up to the edge of the road with severed trees laying where cut. The Team also saw piles on previous federal timber sales that were to be burned, but are still unburned after several years. The result of the review will likely show that our customary and usual treatments have little to no effect on increasing the interval of large fires.

   1/ https://www.nps.gov/olym/learn/management/fire-history.htm

5. The Team discussed with sale prep personnel the timeliness of receiving road use permits or easements for the use of non-FS roads in hauling federal timber. The needs of sale prep are not being recognized nor met related to obtaining needed permits or easements. Sale prep has made it a point to notify Lands personnel at least a year in advance of the needed Lands documents. An excessive amount of time elapsed on one request which resulted in units being dropped from a sale due to the lack of a needed permit. The Team recommends the Forest have a discussion with RO Lands to improve their customer service, support, and responsiveness to Forest requests and needs.

X. Logging System Notes and Assistance

KOCC

Notes and Observations

a. The Decision Notice for the Bear Creek Saddle Environmental Assessment indicated

> I have decided to approve commercial thinning of approximately 2,179 acres of 45- to 60-year-old plantations in the Middle Sol Duc, Deep Creek, and West Twin River watersheds. The thinning would occur roughly along the Bear Creek West Twin Road (Forest Service Road 30) and to the north of the Bear Creek Road. The legal land description for this project is T30N, R10W, Secs. 3, 4, 7-9, and 18; T30N, R11W, Secs. 10-15, 17, 19; and T30N, R12W, Secs 23 and 24.

The Timber Sale Contract and the Sale Area Slash Disposal Map for KOCC indicated the legal description as T30N, R11W, Secs. 9, 10, 11, 12, 14, 15. Section 9 was not listed in the Decision Notice.

b. The use of terms such as "wheeled spoked roads" in the KOCC Contract C6.42# or Sale Area Slash Disposal Map is non-standard language when referencing skyline corridors from central landings. The standard in this instance is radial skyline corridors from centralized landings and indicated in the Cable Logging Handbook, 1974.

c. KOCC contract C6.42# states for example "parallel skyline spacing for all subdivisions except units specified for Helicopter and except for roadside unit #24". Unit #24 could have parallel skyline corridors and meet resource management objectives.

d. KOCC contract C6.42# states for example "centralized landings skyline spacing for all subdivisions except units specified for Helicopter and except for roadside unit #24". Unit #24 could have converging skyline corridor spacing and meet resource management objectives.

e. Township, Range, Section and found Section Monuments are not drawn on KOCC Sale Area Slash Disposal Map but listed in the map notes or legend.

f. KOCC contract C6.42# states that skyline corridors from roadside landings will be parallel to each other where feasible. This contract provision is difficult to administer and is not necessary. The intent of this statement is best administered by the approval of the purchasers' plan of operations and approval of skyline corridor layout prior to falling. The pre-appraisal harvest plan map should be used by the Sale Administrators to consider the approval of Purchasers plan of operations in lieu of this statement in C6.42#.

g. KOCC contract C6.42# states that if Purchaser needs to tailhold on adjacent state or private land, purchaser will have to get written permission from the landowner for ALL Subdivisions. The KOCC Sale Area Slash Disposal Map does not show any state or private lands.

h. KOCC contract C6.42# indicates to minimize disturbance to existing large down logs in portions of units that are not subdivided on the Sale Area Map. Which portions? Which acres?

i. BPA Access Road symbol is not shown in the Legend of the KOCC Sale Area Slash Disposal Map.

j. KOCC contract C6.42# indicates that the leading end of logs shall be suspended above ground during yarding and/or loader swing operations in ALL subdivisions. With this level of specificity, (i.e. loader swing operations), this statement should have been written during skidding, yarding or loader swing operations and list the Subdivisions which include skidding, yarding or loader swing operations and not all subdivisions.

k. KOCC contract C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003) states that "Felling any leave trees to free hung up trees will not be allowed." It is a known unsafe practice which may cause injury or death to manual fallers to attempt to dislodge hung trees by falling other trees into it. Manual fallers should follow state safety rules to reduce known overhead hazards. We don't need to state this in the contract.

l. KOCC contract C6.42# indicates that severely damaged rub trees shall not be cut until skidding operations are completed and designated to be cut unless otherwise directed in writing by the Forest Service for ALL Subdivisions. It is implied that this applies to ground base, skyline and helicopter subdivisions, but only ground base skidding is referenced. If they want this to apply to Ground Base and Skyline this provision should have included Units designated Ground Base and Skyline. This is largely infeasible with areas designated Helicopter and should not be considered as a tool to cut or remove damaged trees from within Helicopter subdivisions with damage resulting from falling or yarding.

m. KOCC contract C6.42# indicates that the locations of all skidtrails and skyline corridors will be approved prior to felling operations unless otherwise agreed to in writing by the Forest Service applicable to all Subdivisions. This is not applicable to units designated Helicopter.

n. KOCC contract C6.42# states to use existing skid roads where they meet spacing guidelines as stated above. Skid roads by definition are only those skid trails which include a cut bank and/or fill slope prism. Previous provisions indicate skidtrails/roads. Recommended wording in this instance should be skid trails and or skid roads to avoid confusion with truck roads.

o. KOCC contract C6.42# states Logging plan maps designed by the Forest Service are for establishing average yarding distances for appraisal purposes only and are not part of this contract for All Subdivisions. This is informational and may be left out of the contract.

p. KOCC contract C6.42# states to protect all snags in all subdivisions. Snags are not protected in C6.41#

q. KOCC contract C6.42# states Ground based yarding operations will not operate on slopes exceeding 30% on all subdivisions. Ground based log transport standard is called skidding and not yarding. This is not applicable to skyline or helicopter subdivisions.

r. C6.41# - SPECIFIC REQUIREMENTS (01/2000) Felling Objectives, attached table. Felling Methods specify directional felling away from a list of appropriate features/resources and indicates Felling Equipment as "Wedges, or jacks as needed" which is in conflict the C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003), attached table, which includes the statement that "Trees maybe mechanically felled and prebunched (processed) on slopes not exceeding 60% and will be for one pass only when agreed to in writing by the Forest Service" in listed Subdivisions. These two contract provisions are in conflict with each other.

s. C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003). The use of the terms skid trails or skid roads are used in a non-standard fashion and should be used together unless one or the other is excluded by reference throughout the special requirements.

t. C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003) includes statements of log transport methods which should use typical standard language as Ground Based Skidding, Skyline Yarding or Helicopter Yarding and not Ground Based Yarding.

u. The Sale Area Map and Slash Disposal Map does not include any drawings or lines to define which portions of Units listed in C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003) with multiple yarding/skidding requirements are designated Ground Based, Skyline or Helicopter. The shape and area of these portions are known by the Forest Service prior to completing the timber sale appraisal in order to calculate acres, average skidding distance, average skidding slope, average yarding distance, average skyline yarding slope and helicopter volume centroids for example. Recommended practice is to include these logging system boundaries on the Sale Area Map and Slash Disposal Map.

v. C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003) states that "Groundbased" landings adjacent to any haul road will be a minimum of 50 feet off the road surface if feasible, unless otherwise agreed to in writing by the Forest Service. Ground based should be two words. Loading logs from 50 feet away is infeasible.

w. C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003) states that "No trees over the maximum stump diameter, as stated in C2.35#, will be allowed to be cut during skid road construction (ground based), unless designated by the Forest Service."

    1) This requirement is redundant following the previous C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003) statement that the locations of all skidtrails and skyline corridors will be approved prior to felling operations unless otherwise agreed to in writing by the Forest Service.

    2) All trees designated for cutting must be approved by the Forest Service.

x. C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003) states that "All yarding operations shall result in no more than 15% of the residual trees receiving damage per subdivision…." This requirement should include skidding operations because yarding implies cable, skyline or helicopter log transport operations.

SWITCH
Notes and Observations
Logging Plan Maps

a. Very clear pre-appraisal harvest plan maps provide an excellent resource by which prospective Purchasers can make informed decisions about their bid and proposed operation plans. These maps also provide the clear intent to the Sale Administrators when considering approving the required Purchasers proposed operations plans.

b. EYD is the standard terminology for External Yarding Distance for cable or skyline logging. AYD is the standard terminology for Average Yarding Distance for cable or skyline logging.

c. ESD is the standard terminology for External Skidding Distance for ground based skidding. ASD is the standard terminology for Average Skidding Distance for ground based skidding.

d. The Switch pre-appraisal harvest plan maps indicate the quantity of proposed cable landings in skyline units. Skyline landings is the standard terminology for cable yarding which employs a carriage and chokers to transport logs to landings. Cable landings is the standard terminology for yarding without a carriage such as winching, tong throwing or high lead yarding.

e. The Audit Team was unable to verify the calculations of AYD or ASD without logging system acres by unit in the provided information.

f. It is the standard that sufficient detail is shown on pre-appraisal harvest plan maps of skid trails or skyline roads without arrows. It is commonly understood that the intended log transport direction is towards the landing when landings are drawn with skid trails or skyline roads. The arrows shown on the Switch pre-appraisal harvest plan maps (which indicate the intended log transport direction) for Units #17, 17A, 17B, 17C, 17E, 18, 18A, 18B, 18C, 18D, 18E, 18F, 20, 20A, 20C, 20D, 20E, 21, 21A, 22, 22A, 22B, 23, 23A, 24 and 24A are oriented in the direction which is opposite of the inhaul yarding direction, (away from the landing). The arrows on the Switch pre-appraisal harvest plan map for Unit #20B is oriented in the intended log transport direction, (towards the landing).

g. The Switch pre-appraisal harvest plan maps do not provide the required detail to appraise skyline rigging length or skyline anchorage such as proposed skyline stump anchor or proposed tail tree.