



How To Guide for Purchase Wood Contracts

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The How To Guide for Purchase Wood Contracts

This guide has been set up to assist contractors in making sure they understand the documentation, requirements, and specifications for selling wood to Alberta Pacific Forest Industries .

The most current version of this guide, as well as all of the other forms and documentation required for contracting purchase wood to Alpac is contained on the Alpac.ca website under the woodlands contractors tab, then under the purchase and salvage wood specs tab. The quick link to the website is:

<https://contractors.alpac.ca/woodlands/salvagewoodspecs/default.aspx>

If there are questions that this guide does not answer, or clarification is needed for a subject, please contact the purchase wood coordinator:

Ernest Ramsum

Office :780-525-8394

Fax :780-525-8097

Email :ernest.ramsum@alpac.ca

All documentation or questions related to contracts should be emailed to the purchase wood coordinator at Alpac at this listed address.

At Alpac, all wood delivered from private land, industrial salvage, Government issued timber permits, metis settlements, or indian reserves is considered “purchase wood.” All purchase wood is purchased by Alpac through either a Decked or Delivered wood contract

All documentation should be submitted to the purchase wood coordinator, preferably through email.

REQUIREMENTS TO SIGN UP A PURCHASE WOOD CONTRACT

Once you have contacted the Alpac purchase wood coordinator and have been verbally approved to commence a contract, you will need to compile and submit the required documentation to Alpac. Please complete and submit the *New contract requirements Listing* form which is in the “*New Contract Documents*” tab on the website. This information is required in order to begin the contract process.

If you are a new contractor who has never worked with Alpac before, please complete and submit an *EFT application form* under the “*New Contract Documents*” tab. This will register you for electronic fund transfer so that your payments will be automatically sent

directly to your bank account. It is important to note that the EFT account should typically match the corporate name in which the contract will be signed.

REQUIREMENTS FOR SOURCE ID INFORMATION

The second piece of information that is needed for a contract is the details for at least one source ID. If delivering from many different sources, all documentation will be required for each individual location.

A “Source ID” is a unique identifier for the land location that will be harvested. The Source ID will be listed on an attached schedule of the contract, commonly referred to as the “Schedule B”. The source ID is the most important tracking number on the contract as it links a delivered load of wood with payment to the proper contractor.

The Source ID must be written on the trucker’s TM9 form and entered into the weigh scale computer in order to pay the correct contractor for the load. It is extremely important to enter the correct Source ID to ensure proper payment. *Contractors who do not use the proper source ID that matches the land location that the wood came from may have their contracts terminated.*

The contractor is not allowed to deliver wood from locations from which Alpac has not issued a Source ID for. *Contractors found to be delivering wood from areas not designated under a source ID on their contract may have their purchase wood contracts terminated.*

Contractors terminated for these reasons will jeopardize any opportunity for future purchase wood contracts with Alberta-Pacific.

All land locations being harvested must be listed on the schedule D. If an error is made, or additional quarters are added after the initial Schedule D is submitted, a new schedule D With the correction or additional quarter must be submitted.

For each private landowner that wood will be shipped from, the following information is required to build a source ID:

- A copy of a completed and signed “Schedule D” from the Alberta-Pacific contract signed by all of the landowners listed on the land title search. The schedule “D” is available as *Schedule D for landowner signatures* on the website under the *Source ID documents* tab.
- A copy of the land title search done on the harvesting area.
- A legible map or sketch of the location showing a north arrow, the proposed cutting area, and any significant features of the quarter section (farm yards, watercourses, fence lines, approaches, gates, etc.)
- A contract signed by all of the landowners listed on the harvesting areas’ title search. This contract should include the following information:
 - ❑ Landowner names as identified on a land title search
 - ❑ Landowner phone number and address

- ❑ Land location as identified on a land title search
- ❑ Conditions of the Agreement (Rate of pay to the landowner, work in kind, etc.)
- ❑ Approximate tonnage to be cut at the location
- ❑ Signatures of all the landowners identified on the land title search

For government issued timber Permits, the following info is required to build a source ID:

- The contractor must submit a copy of the disposition (TM37) and an up-to date AOP approval letter to Al-Pac. If the disposition is under someone else's name, the contractor must submit written verification signed by the disposition holder that the wood may be harvested under the contractor's name.
- If the timber permit has a block assigned to it, the documentation showing the opening number that AFRED has assigned the block. This is required to ensure the source ID given on the contract matches the opening number assigned by AFRED. The opening number is usually on the map of the block.
- A legible map of the proposed cutblock location showing north arrow,

For wood harvested from public land dispositions on crown land (Industrial Salvage), the following information is required to build a source ID:

Companies who have the Crown's authorization to clear land use dispositions issued on public land may be required by the Crown to salvage the wood, and may be required to provide Alpac first right of refusal for the wood by Alpac's FMA withdrawal agreement.

- Contractors who hold the land use disposition need only to provide Alpac the disposition's legal location, and disposition number (for example a wellsite would be an MSL),
- Contractors who are selling wood from a disposition owned by another corporate entity must supply a completed copy of a tm88. The tm88 transfers ownership of the wood from the original disposition holder to the person listed on the tm88.

Additions to an existing contract

A contract holder may be allowed to harvest timber in addition to the volumes listed on their original contract. Volumes above the original contract tonnage must be approved by Alberta-Pacific through a new Schedule "B". If approved for additional volume, the contract holder must submit the same information as was necessary for the first location to Alberta-Pacific. Once the information is submitted, the private wood coordinator will complete a new "Schedule B" with a new rate and Source Id, and have the contract holder sign it. At this point, Alberta-Pacific will accept the additional wood.

AGE OF WOOD REQUIREMENTS

Alberta-Pacific will not accept any wood which is greater than 24 months old at the time of delivery. We have found that there is very little recovery of fiber when chipping trees

that have been cut down or dead for greater than 2 years, and therefore do not accept it delivered to the millsite.

LANDUSE APPROVALS

Alberta-Pacific will **not** coordinate landuse agreements, including but not limited to the following:

- Roaduse - county/municipal – all municipal roads or road allowances require an agreement between the contractor and the municipality.
- Alberta Transportation (highways) – if the haul route involves a new approach onto any primary or secondary highway, permission must be acquired from Alberta Transportation.
- Commercial/private roads – agreement must be acquired between the owner of the access and contractor prior to hauling.
- Above ground and underground utility crossings or proximity agreements – the contractor must acquire all necessary agreements to cross or work in proximity to any utility lines, pipelines, etc. Alberta 1st Call is a good way to open communication with companies and have utilities marked.

DELIVERY REQUIREMENTS

All Contractors will be required to register their delivery trucks at dispatch prior to being allowed to haul wood to Alberta-Pacific. Alberta-Pacific will refuse to accept timber if all truck requirements have not been met prior to arriving at the scale. Dispatch can be contacted at 780-525-8124 for current requirements. The New truck Registration form is on the *Hauling documents* tab of the website as *New truck registration form*

Hayrack Specifications

There are special restrictions on hayrack trucks that must be noted prior to delivery. Please contact dispatch at 780-525-8124 for a current copy of the Alberta-Pacific log haul Policies and Procedures for more details.

Log Haul route map Specifications

Prior to being allowed to use the Alberta Pacific Log Haul route map (for either overdimensional loads or anything higher than summer weights) there are two things that need to be completed by the contractor:

1. An addendum to the haul route map is likely required to identify the location of the purchase wood on the map. Please refer to the *“Hauling documents”* tab on the website for the *Winter Weight Map info sheet* and the *Haul Route Map Addendum Checklist*
2. All trucks must be registered in order to receive the allowance to haul the additional weight. In order to be registered for the additional weight, each truck must submit a copy of their manufactured specs to prove that they can haul the weight, or complete a hazard assessment process, to prove diligence on preventing potential incidents. More information on this process can be found by contacting dispatch or the purchase wood coordinator.

HOLDBACK RELEASE

Once a contract has been completed, or all of the wood has been delivered from a Source ID location, the holdback kept by Alberta-Pacific may be requested to be released. A statutory declaration or, at Alberta-Pacific's discretion, a woodsman's lien declaration must be completed. Once the declaration is complete, fax or deliver it to Alberta-Pacific. Alberta-Pacific will then release the holdback to the contract holder pending a W.C.B. report showing that the contractor is in good standing with W.C.B. premiums. A copy of the statutory declaration is located on the website under the ***"Holdback documents"*** tab as the ***Statutory Declaration for Holdback Release***

HARVESTING SPECIFICATIONS

Although we will strive to keep it updated, the specifications are subject to change at any time. It is imperative that contractors refer to the specifications in their contracts to verify Alberta-Pacific's requirements. The specifications are also available on the website under the ***"Source Id Requirements"*** tab as ***Log Quality Specs***

Log Quality Inspection

Alberta-Pacific will do random log quality inspections on contractors. These log quality inspections will be completed in three different places.

- Decked Wood – Alberta-Pacific personnel will do random log quality inspections in the field prior to the wood being loaded onto trucks. If a decked log quality inspection reveals that the log quality does not meet the minimum standard of 95%, Alberta-Pacific will require the harvesting contractor to correct the quality problem at their own cost prior to accepting the wood.
- Scale-house inspections – Alberta-Pacific scale-house personnel will do random log quality inspections on loads when they reach the Alberta-Pacific scale. If a load does not pass the minimum standard of 95% on a visual inspection, the scale-house attendant will direct the truck to the scale yard or refuse to accept the load. Any loads directed to the scale-yard will be off-loaded then processed to the acceptable standard at the contractors cost.
- Scale-yard inspections – Alberta-Pacific completes log quality calculations for any loads scaled at Alberta-Pacific. Any of the loads that do not pass the 95% minimum will be processed to the acceptable standard at the contractors cost.

Not complying with the minimum standard of 95% log quality is an event of default on the contract, Contracts can be terminated immediately without any recourse given to the contractor for any event of default. The event of default under which contracts will be terminated is Article 7.1. "Events of default" Subsection "A".

Decking Specifications for decked wood contracts

The following decking specification should be followed when decking wood for a decked wood contract where Alberta-Pacific will be hauling the wood. Deviation from these

specs may result in Alberta Pacific refusing to haul the wood, or in Alberta Pacific charging the contractor for costs to rectify deviations from the requirements.

- Do not locate log decks under power or communication lines
- Butt end of logs must be within 15 cm (6 inches) of deck face
- Oversize logs processed by hand must be forwarded and piled flush with deck face
- Log decks must be built with the butts facing the road and flush. The deck face must be within 2.0 m of the edge of the road and follow the alignment of the road
- Decks are not to be located in steep depressions (greater than 20 percent slopes)
- A minimum of 5.0 m must be left between log sorts (coniferous and deciduous) for loader space
- No standing trees are allowed in the decks, within the swing radius of the logs, or in the loader space
- Short pieces should be at the bottom of the deck.
- Decks must be at least one load (40 m³) in size
- “Walking “ on decks with crawler equipment is not allowed
- Non-wood materials (ie. rocks, mud, plastic, equipment parts) as well as limbs, tops, stumps, bark strips, wood pieces under 2.44 m , burnt wood and other wood wastes are not allowed in the decks
- Decks must be built in such a way as to prevent deleterious materials, such as rocks, from being loaded onto trucks. (e.g. - brow logs under the butts)
- Decks must be built to avoid intermingling of coniferous and deciduous Logs
- Source ID number tags must be plainly visible in at least three locations on decks throughout the block.. These tags must also have the disposition number on them if the wood was harvested under the authority of a government issued disposition.
- Alberta Pacific will not be obliged to load logs not located within the deck
- slash and debris should be placed at the rear of the deck as not to interfere with loading operations.
- All decks must be placed so that there is a minimum of 10 M of accessible road on either end of the deck. This will allow picker trucks to load the wood.

Road Building Specifications for decked wood contracts

When Alberta-Pacific will be hauling the wood, the road building specifications must be followed. A current copy of the road building specs can be found on the website under the ***“Source Id Documents”*** tab as ***Road Building specs for decked wood***

ALBERTA-PACIFIC PRIVATE LAND HARVESTING ENVIRONMENTAL GUIDELINES

The major emphasis of the private land guidelines is to protect water courses. Regulations require all culverts or crossings on fish bearing watercourses, or causeways through lakes or sloughs to be approved by the government prior to crossing the watercourse. The person building the crossing will be held accountable for any damages done to the watercourse by the government.

Watercourse buffers:

- Lakes – Mechanical harvesting activities should not be within 100 meters (300ft) of lakes larger than 4 ha. (10 acres) in size.
- Rivers – Mechanical harvesting activities should not be within 60 meters (180 ft) of any river which flows year round. A river is any watercourse with a channel greater than 5 meters (15 feet) in width.
- Creeks – Mechanical harvesting activities should not be within 30 meters of any creek that has a defined channel between 0.5 and 4.9 meters (2 to 14.5 ft) in width. Even if the creek is dry, the buffer distance is still required.
- Ephemeral Creeks – Mechanical harvesting activities must use specific travel corridors when travelling through creek channels less than 0.5 meters in width. Harvesting activities may cut up to the edge of creek channels less than 0.5 meters in width, but must leave the vegetation near the channel undisturbed. A log fill should be installed, then removed where crossing to prevent damage

NOTE: Buffers are to be measured from the edge of the channel on flowing waters, and from the high water mark on lakes.

Road Building and crossing guidelines:

- Cross-drainage culverts and other erosion control devices should be installed as needed.
- Culverts for all classes of streams should be designed and installed to prevent erosion at both the inflow and outflow ends of the structure. Culverts should be of sufficient length beyond the fill, the overburden properly backsloped and stabilized to prevent sediment from entering the watercourse, and the ends of the culvert kept open at all times.
- Soil, logging debris or any other deleterious material should not be deposited into any watercourse, or onto the ice surface of any water body.
- In-stream work associated with installation of culverts and bridges should allow for the passage of fish and be timed to avoid fish migration, spawning and incubation periods.
- When construction vehicles need to ford watercourses prior to or during installation of a crossing, they should do so only at one location, and the number of times the crossing is made should be minimized.
- Cross-drainage culverts and other erosion control devices installed during road construction should be maintained afterward to:
 - minimize water movement and erosion along ditches, on the road surface and on cut-and-fill slopes

- direct water from the ROW into the surrounding vegetation in as short a distance as possible
- provide cross drainage for seepages and springs
- avoid draining ditches directly into watercourses

ALBERTA-PACIFIC ENVIRONMENTAL CERTIFICATION

Alberta-Pacific is committed to maintaining an internationally competitive and sustainable enterprise with minimal effect on the environment. Maintaining forestry certification from the Forest Stewardship Council® (FSC®) helps to align Alberta-Pacific's fibre sourcing policy with these goals. (FSC®-C021640)

In order to maintain certification, Alberta-Pacific must ensure the following conditions are met:

Any logs delivered to the mill have not come from: illegally harvested forests; forests harvested in violation of traditional and civil rights; forests from which high conservation values are threatened; or forests from which genetically modified trees are planted.

Additionally, Alberta-Pacific and FSC recognize the important role that forested land plays in mitigating climate change. Forests can also help to stabilize soil, protect riparian areas, mitigate the effects of wind and provide important wildlife habitat. Should a landowner wish to return harvested land back to a forested state in the future they are encouraged to contact Al-Pac's Silviculture Team for more information at 780-525-8000.

To obtain more information on responsible forestry, as defined by FSC, it can be found on the FSC Canada website at <https://ca.fsc.org/en-ca>.

High Conservation Value Forests

As part of the environmental certification conditions, Alpac must not accept timber harvested where high conservation values are threatened. During the contract completion process, locations requested for harvest will be assessed for High Conservation Value Forests (HCVF). If the location is determined to be a HCVF location then typically, Alpac cannot accept the timber from that forest, whether it is previously logged or still standing.