

TIMBER SALE PROSPECTUS

Sale Name :	Schoolhouse Salvage	Type of Sale :	Premeasured
National Forest :	Chippewa	Ranger District :	Deer River
Bidding Method :	Sealed Bid	Bid Guarantee :	\$15,200.00

Location of Bid Opening : Deer River, MN

Date : 11/23/2015

Time : 02:00 PM

1. INTRODUCTION. This prospectus furnishes prospective bidders with information not contained in the published advertisement and is designed to enable bidders to decide whether or not to further investigate the sale. The prospectus is not a legally binding document, but is offered to provide general information about a sale. The contract does not include descriptions, estimates, and other data in this prospectus, unless otherwise stated. In the event that the prospectus contains an error or contradicts the sample contract, the contract governs. Bidders are urged to examine the timber sale and make their own estimates. Timber sale Contract 2400-6T will be used. Inspect the sale area and the sample contract before submitting a bid. Obtain the appraisal, other information on the timber, and conditions of sale and bidding at Forest Service offices listed above and in the named attached advertisement.

2. BIDDING. This is a Sealed Bid sale. Bidders must submit sealed bids on prepared forms they can obtain from Forest Service offices listed above and in the attached advertisement. The forms include instructions for bidding and submission of the required certifications. A bid guarantee must be included with the bid in the form of cash, a bid bond on form FS-6500-13 (4/82) or later, certification of annual bid bond allocation on form FS-6500-13a (4/82) or later, an irrevocable letter of credit, a certified check, bank draft, cashiers check, official bank check, or bank or postal money order payable to the Forest Service, USDA in the amount specified above and in the bid form. The bid guarantee shall be returned to each bidder whose bid is not accepted.

3. LOCATION AND DESCRIPTION OF TIMBER. Refer to the sample contract and sale area map attached to the sample contract for legal location of sale area, location of payment units, location of cutting units, the acreage of sale area, and the cutting unit acreage.

THE FOLLOWING GENERAL LOCATION, ROUTES OF ACCESS, ACREAGES, AND OTHER SPECIAL LOCATION DATA DO NOT SUPERSEDE THE SALE AREA MAP OR SAMPLE CONTRACT.

This sale is approximately 752 acres of primarily aspen pulpwood with various amounts of red pine and mixed hardwood sawtimber, mixed hardwood, balsam fir and pine pulpwood and various amounts of mixed hardwood, aspen, pine and balsam fir grn bio cv and is located approximately 16 miles northwest of Deer River Ranger District office, Deer River, MN.

4. TIMBER QUANTITIES AND RATES. The quality, size, cut per acre, and product suitability of the timber are estimates based on detailed cruise information on file and available for inspection at the Forest Service offices listed above and in the advertisement. VOLUME QUANTITIES LISTED HEREIN ARE MADE AVAILABLE WITH THE UNDERSTANDING THAT VALUES SHOWN ARE FOREST SERVICE ESTIMATES AND ARE NOT GUARANTEED. For these reasons, bidders are urged to examine the timber sale area and make their own estimates.

THE MINIMUM ACCEPTABLE BID RATE IS STATED IN THE ATTACHED BID FORM. THESE RATES ARE EFFECTIVE AT THE TIME OF ADVERTISEMENT.

Estimated Quantities and Rates per Unit of Measure

Species	Product	Unit of Measure	Estimated Quantities	Average DBII	Advertised Rates	Base Rates	Required Deposits	
							Slash Disposal	Road Maintenance
Mixed Hardwood	Sawtimber	CCF	249.00	N/A	\$16.21	\$14.19	\$0.00	\$0.00
Red Pine	Sawtimber	CCF	991.00	N/A	\$68.58	\$59.58	\$0.00	\$0.00
Aspen	Pulpwood	CCF	1,094.00	N/A	\$39.22	\$34.13	\$0.00	\$0.00
Balsam Fir	Pulpwood	CCF	199.00	N/A	\$29.81	\$25.97	\$0.00	\$0.00
Mixed Hardwood	Pulpwood	CCF	1,036.00	N/A	\$16.14	\$14.13	\$0.00	\$0.00
Pine	Pulpwood	CCF	293.00	N/A	\$42.27	\$36.77	\$0.00	\$0.00
Aspen	Grn Bio Cv	CCF	395.00	N/A	\$1.00	\$1.00	\$0.00	\$0.00
Balsam Fir	Grn Bio Cv	CCF	150.00	N/A	\$1.00	\$1.00	\$0.00	\$0.00
Mixed Hardwood	Grn Bio Cv	CCF	625.00	N/A	\$1.00	\$1.00	\$0.00	\$0.00
Pine	Grn Bio Cv	CCF	153.00	N/A	\$1.00	\$1.00	\$0.00	\$0.00
	TOTAL	CCF	5,185.00				\$0.00	\$0.00

Timber Subject to Agreement

Species	Product	Unit of Measure	Fixed Rates	Slash Disposal Deposits	Road Maintenance Deposits
Mixed Hardwood	Grn Bio Cv	CCF	\$1.00		
Mixed Conifer	Grn Bio Cv	CCF	\$1.00		

Estimated Knutson-Vandenberg deposit for sale area improvement work in a total amount of \$130,506.00 is included in total timber value.

5. PERIOD OF CONTRACT. The normal operating season covers the period between 05/15 and 03/15. Contract termination date is 03/31/2018. Extensions of this contract may be granted only when the purchaser has met specified conditions.

If an appeal or lawsuit is filed challenging the decision to award this contract or upon determination by the Regional Forester that conditions existing on this timber sale are the same as, or nearly the same as, conditions existing on other timber sale(s) in appeal or litigation, Contracting Officer may delay award or reject all bids. If delay in award is for 30 days or more during Normal Operating Season after bid opening, Contracting Officer shall, upon award, adjust the contract term to include additional calendar days in one or more Normal Operating Seasons equal to the time award is delayed during Normal Operating Season.

The purchaser must submit a Plan of Operations to the Contracting Officer for approval before operations begin or within 60 days of sale award, whichever is earlier. The plan must show how the purchaser plans to complete the contract by the termination date. In addition to the Plan of Operations, the purchaser must submit an annual Operating Schedule before commencing operations. This schedule will include the anticipated major activities and needs for harvest. This annual Operating Schedule does not require concurrence of the Forest Service.

6. PAYMENT. Payment for timber and any required deposits for slash disposal or road maintenance are required in advance of cutting. The Purchaser may transfer purchaser credit into the contract, or provide an acceptable payment guarantee prior to cutting. Payment for required deposits must be a cash payment. The purchaser shall make advance deposits in accordance with provision B(T)4.212 - Advance Deposits.

The high bidder whose bid is accepted shall, at the time the contract is signed and returned by the bidder, make a downpayment pursuant to Title 36, Section 223.49, of the Code of Federal Regulations. The Contracting Officer will notify the high bidder of the amount necessary to make this payment. In no case shall the downpayment be less than 10 percent of the total advertised value plus 20 percent of the bid premium. After receipt of the downpayment and a satisfactory performance bond and upon execution of the timber sale contract, the Forest Service will return the bid guarantee. A cash bid guarantee may be applied to the downpayment at the request of the purchaser. The purchaser cannot apply the amount deposited as a downpayment to cover other obligations due on the sale until conditions stated in the contract for release of downpayment have been met. Refer to the sample contract for the specific conditions.

By the midpoint between award date and the termination date, the purchaser shall have paid for, or in lieu thereof, deposited cash in the greater amount of: (1) 50 percent of the total estimated bid premium, or (2) 35 percent of the total estimated sale value at bid date, exclusive of required deposits, rounded up to the next \$100.

By the midpoint of the last normal operating season, or 12 months from the initial periodic payment, whichever date is first, the purchaser shall have paid for, or in lieu thereof, deposited cash in the amount of 75 percent of the total estimated sale value at bid date, exclusive of required deposits, rounded up to the next \$100.

7. PERFORMANCE BOND. A performance bond is required. The penal sum of the bond will be 10 percent of the total bid value of the sale, rounded up to the nearest \$100 when the total bid value is \$10,000 or less; and rounded up to the nearest \$1,000 when the total bid value exceeds \$10,000 or \$16,000.00 whichever is greater. If an irrevocable letter of credit is used to secure the performance bond, the termination of the letter of credit must be at least 6 months past the contract termination date.

8. SPECIFIED ROADS. Not Applicable.

9. ROAD MAINTENANCE. Purchaser shall perform or pay for road maintenance work, commensurate with purchaser's use, on roads controlled by Forest Service, and used by purchaser in connection with this sale. Road maintenance requirements are based on the predicted haul route. Any change in the purchaser's actual haul route may necessitate a change in the roads to be maintained and/or in the amount of required deposit for road maintenance. Required deposits for road maintenance are listed in Section 4 and in the sample contract. Maintenance specifications are in the sample contract.

10. INAPPLICABLE STANDARD PROVISIONS. See sample contract.

11. SPECIAL PROVISIONS. See sample contract.

12. SET-ASIDE SALES. Not Applicable.

13. LOG EXPORT AND SUBSTITUTION RESTRICTIONS. Not Applicable.

14. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE REVIEW. If the total bid value plus required deposits for this contract exceeds \$10 million, before award, the Forest Service shall request an equal employment opportunity compliance review of the high bidder to determine compliance with the provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967 and Executive Order No. 12086 of October 5, 1978.

15. AWARD. The Contracting Officer is required to make a determination of bidder responsibility as stated in Title 36, Section 223.101, of the Code of Federal Regulations.

To determine a purchaser to be responsible, a Contracting Officer must find that:

- a. The purchaser has adequate financial resources to perform the contract or the ability to obtain them;
- b. The purchaser is able to perform the contract within the contract term taking into consideration all existing contracts and Governmental business commitments;
- c. The purchaser has a satisfactory performance record on timber sale contracts. A prospective purchaser that is or recently has been seriously deficient in contract performance shall be presumed not to be responsible, unless the Contracting Officer

determines that the circumstances were beyond the purchaser's control and were not created through improper actions by the purchaser or affiliate, or that the purchaser has taken appropriate corrective action. Past failure to apply sufficient tenacity and perseverance to perform acceptably under a contract is strong evidence that a purchaser is not a responsible contractor. The Contracting Officer shall consider the number of contracts involved and extent of deficiency of each in making this evaluation;

d. The purchaser has a satisfactory record of integrity and business ethics;

e. The purchaser has or is able to obtain equipment and supplies suitable for logging the timber and for meeting the resource protection provisions of the contract;

f. The purchaser is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Bidders, by signing the bid form, certify that, to the best of bidder's knowledge the bidder will meet the requirements in 36 CFR 223.101, determination of purchaser responsibility, and, if awarded this contract, that bidder will complete the timber sale contract and any modifications thereof in accordance with its terms including requirements to purchase, cut, and remove included timber.

16. FALSE STATEMENTS ACT. Bidders, by signing the bid form, certify that they are aware that bidder is subject to the penalties prescribed in 18 U.S.C. 1001, Chapter 47, Fraud and False Statements (P.L. 104-45). The Act states "whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both."

17. DAMAGES. This contract shall be terminated for breach pursuant to paragraph 16, 19, and/or 21 of the bid form and the terms of the sample contract if: 1) bidder fails to execute a timber sale contract, furnish a downpayment, or furnish a satisfactory performance bond within 30 days of the award letter's date; or 2) bidder is found to have violated the False Statements Act in making any statement or certification on the bid form including not meeting purchaser responsibility requirements, and bidder has made a false statement. The bid guarantee shall be retained, in whole or in part, by the Forest Service to satisfy any damages that may be assessed.

18. SUSPENSION AND DEBARMENT CERTIFICATION. Non-procurement debarments and suspensions are governed by the Government-wide common rules (7 CFR 3017).

These rules require each timber sale purchaser, to submit a certification for itself, its principals, and its affiliates when bidding on sales. The bidder must designate its status regarding debarment, suspension, and other matters as specified on the bid form. The bidder, by signing the bid form, certifies this status. An explanation for not submitting a certification may be submitted. The Contracting Officer will determine whether the explanation provides sufficient reason for permitting participation in the bidding. Also, as a timber sale purchaser enters into transactions with subcontractors, these subcontractors must certify their eligibility. The certification titled "Subcontractor Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion" must be provided to subcontractors, but completed certifications are not required to be submitted with bid forms. Purchaser must keep these subcontractor certification forms on file for review by the Forest Service, if requested.

The certification forms and instructions for subcontractor transactions are provided as an addendum to the bid form.

19. OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) LOGGING REGULATIONS. Conduct of operations on this timber sale is subject to inspection for compliance with the logging operations regulations at 29 CFR 1910.266 by OSHA. This standard is applicable to the entire logging industry wherever logging operations occur. Information is available to assist purchasers to ensure compliance with the logging operations regulations during conduct of this timber sale from the U.S. Department of Labor, Occupational Safety and Health Administration, OSHA, 443 Lafayette RD, N St. Paul, MN 55155, 651-282-5772.

20. GENERAL. Corporations submitting an offer under this solicitation must include form AD-3030-FS, Representations Regarding Felony Conviction and Tax Delinquent Status For Corporate Applicants. Copies of this form may be obtained from the Forest Service office shown on page 1 of this prospectus or electronically at:
<http://www.ocio.usda.gov/policy-directives-records-forms/forms-management/approved-computer-generated-forms>.

Within the Estimated Quantities of Species listed in AT2: Aspen pulpwood species includes 813 Ccf of quaking aspen, 275 Ccf of

bigtooth aspen and 6 Ccf of balsam poplar, Hardwood pulpwood species includes 422 Ccf of white birch, 385 Ccf of maple, 99 Ccf of basswood, 84 Ccf of ash, 43 Ccf of oak and 3 Ccf of elm, Hardwood sawtimber species includes 116 Ccf of white birch, 79 Ccf of basswood, 38 Ccf of ash and 16 Ccf of oak, Balsam Fir pulpwood species includes 184 Ccf of fir and 15 Ccf of spruce, Pine sawtimber species includes 960 Ccf of red pine, 20 Ccf of white pine and 11 Ccf of jack pine and Pine pulpwood species includes 225 Ccf of red pine, 63 Ccf of jack pine and 5 Ccf of white pine. Green biomass cubic volume (grn bio cv) estimated quantities listed in AT2 includes 625 Ccf of primarily red maple and other mixed hardwood, 395 Ccf of primarily quaking aspen and other mixed aspen, 153 Ccf of primarily red pine and other mixed pine and 150 Ccf of primarily balsam fir and lesser amounts of spruce.

In order expedite the determination of volume in salvage blown down and damaged timber grn bio cv, quantity estimates were determined by using comparison cruise data with an off the top 50% reduction for breakage/quality degrade and salvage area estimates were determined from aerial photography and GIS. In order to account for timber value loss to salvage blown down and damaged timber, negative adjustments for timber market, quality, risk and logging costs have been made and are reflected in advertised rates for grn bio cv products. Included grn bio cv was comparison cruised sale-as-a-whole and spread out across the sale on a per acre basis. In addition, there is within the sale area an unestimated volume of Mixed Hardwood grn bio cv, and Mixed Conifer grn bio cv that the bidder may agree to remove at a fixed rate.

The Prescribed Harvest Types of this sale are comprised of approximately 115 acres of pine thinning in payment units 11, 19, 21 and 23, 473 acres of hardwood thinning in payment units 1, 6, 7, 9, 14, 15, 20, 25, 27, 29, 30, 31, 32, 33, 34 and 35, 78 acres of shelter wood/seed tree cuts in payment units 2, 4, 13, 16, 18, 24 and 28, 53 acres of stand clearcutting in payment units 3, 5, 8, 12, 17, 22 and 26 and 33 acres of group selection cuts in payment unit 36.

Operating Requirements: Payment units 1, 6, 14, 16, 25, 26, 27 operations are permitted during the period of October 1st thru February 14th only (eagle nest location). Payment unit 23 (southern unit) operations are permitted during the period of September 1st thru February 28th only (goshawk post fledging zone). Payment units 15 and 35 operations are permitted during the period of frozen ground conditions only (soils). Payment unit 34 operations are permitted during the period of frozen ground conditions only from October 1st thru February 14th (soils and eagle nest location). Payment unit 29 operations are permitted during the period of frozen ground conditions only (soils and access). Payment units 7 and 28 operations are permitted during the period of frozen ground conditions only (access). Payment unit 4 operations are permitted during the period of October 15th thru June 1st only (visuals). Payment units 2, 3, 30, 32 and 33 hauling operations are restricted on identified trails during the period of December 1st thru March 31st on Friday's p.m., weekends and federal holidays (snowmobile trail).

Slash Disposal: SDZ - All slash generated by Purchasers operations in ALL Payment Units as indicated on the Sale Area map as "SDZ", shall be lopped and scattered so as to lie within 30" (inches) of the ground. SDZ(1) - All slash generated by Purchasers operations within 33' (feet) along roads, boundaries and other ownerships as indicated on the Sale Area Map as "SDZ(1)", shall be completely removed.

Biomass Statement: The harvest of a percentage of slash generated by Purchasers operations (as green biomass cubic volume) is available by option prior to contract award in payment units 2, 4, 6, 7, 9, 12, 13, 14, 15, 16, 18, 20, 24, 25, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36. The Forest Service must be made aware of the Purchasers desire to add this material to the timber contract as "Timber Subject to Agreement" prior to contract award.

The Market-Related Contract Term Addition Producer Price Index listed in AT17 of the sample contract can be changed by mutual agreement prior to contract award. Contact the Contracting Officer or the District Office if you wish to do so.

Additional information concerning this sale may be obtained from the District Ranger's Office, Deer River Ranger District, Deer River, Minnesota or the Forest Supervisor's Office, Cass Lake, Minnesota.

The policy of the United States Department of Agriculture, Forest Service, prohibits discrimination on the basis of race, color, national origin, age, religion, sex, disability, family status, and/or political affiliation. Persons believing they have been discriminated against in any Forest related activity should write to: Chief, Forest Service, USDA, PO Box 96090, Washington, DC 20090-6090.

VERSION: 06.12.2015
VOLUME LIBRARY VERSION:

TC24: STAND TABLE FOR SALE 31302 -- ESTIMATED NUMBER OF TREES
FOR PRIMARY PRODUCT ONLY - BY 2" DIAMETER CLASS
(12-inch class = 11.0 - 12.9 inches; 14-inch class = 13.0 - 14.9 inches, and so on.)
CRUISE#: 31302 SALE#: 31302
SALENAME: Schoolhouse
RUN DATE & TIME: 10/13/2015 10:03:34 AM
04.15.2015

SPC PROD U OF M	105 ALL ALL	12 ALL ALL	125 ALL ALL	129 ALL ALL	316 ALL ALL	318 ALL ALL	375 ALL ALL	541 ALL ALL	543 ALL ALL	544 ALL ALL
1-4	0	0	0	0	0	0	0	0	0	0
6	795	1975	788	5	1892	0	1255	0	610	248
8	448	1017	1377	16	2149	48	1441	0	244	130
10	18	409	791	50	797	42	1059	15	42	49
12	20	108	920	30	231	0	662	6	86	9
14	18	0	382	0	0	0	208	6	65	27
16	0	0	385	0	135	0	56	0	0	0
18	0	0	176	9	0	0	9	0	0	0
20	0	0	209	3	0	0	0	0	0	0
22	0	0	76	3	0	0	0	0	0	0
24	0	0	16	3	0	0	0	0	0	0
26	0	0	9	0	0	0	0	0	0	0
28	0	0	0	0	0	0	0	0	0	0
30	0	0	9	0	0	0	0	0	0	0
TOTALS	1298	3509	5136	119	5204	90	4691	26	1047	464

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SALENAME: Schoolhouse
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04.15.2015

SPC PROD U OF M	741 ALL ALL	743 ALL ALL	746 ALL ALL	823 ALL ALL	832 ALL ALL	833 ALL ALL	94 ALL ALL	95 ALL ALL	951 ALL ALL	972 ALL ALL	TOTALS
1-4	0	0	0	0	0	0	0	0	0	0	0
6	0	56	674	43	0	61	15	0	112	0	8530
8	0	149	1251	187	43	139	15	0	556	0	9250
10	14	281	1068	89	0	0	19	22	286	42	5051
12	0	287	726	23	7	24	0	0	159	0	3297
14	0	295	605	23	0	18	0	0	96	0	1742
16	13	65	389	13	0	0	0	0	67	0	1122
18	0	25	0	0	0	0	16	0	29	0	263
20	0	9	68	0	0	0	0	0	0	0	289
22	0	0	0	0	0	0	0	0	0	0	79
24	0	0	0	0	0	0	0	0	0	0	19
26	0	0	0	0	0	0	0	0	0	0	9
28	0	0	0	0	0	0	0	0	0	0	0
30	0	0	0	0	0	0	0	0	0	0	0
TOTALS	26	1166	4782	377	50	242	64	22	1306	42	29659