FOREST PRODUCT SALE PROSPECTUS

Sale Name :	Ho Ho Bough Resale	**Type of Sale :**	Forest Product
National Forest :	Willamette	**Ranger District :**	Detroit
Bidding Method :	Sealed Bid	**Bid Guarantee :**	$500.00

Location of Bid Opening : Supervisor's Office

Date : 08/23/2011 **Time :** 01:00 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 forest product sale and make their own estimates. Forest product sale Contract 2400-3P will be used. Inspect the sale area and the sample contract before submitting a bid. Obtain the appraisal, other information on the forest product, 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.

Fifty percent or more of the forest product in this sale is included forest product that remained uncut upon termination of a previous contract with Linda McCain P.O. Box 1865 Redmond, Oregon 97756. Title 36, Section 223.86, of the Code of Federal Regulations prohibits consideration of a bid for this sale from the previous purchaser or from any person currently affiliated with the previous purchaser. Bidders certify, by signing the bid form, that the bidder is not the purchaser or third party who failed to complete the original contract and that the bidder is not an affiliate of this person.

Weighted Average Stumpage Rate Bidding:

Prospective purchasers must submit bids in terms of the weighted average stumpage rate. The bid form states minimum acceptable rates and estimated quantities of forest product together with the minimum acceptable weighted average rate. The advertised minimum acceptable weighted average rate is only for the biddable species, as listed on the bid form in the upper section of block 14. It does not include any non-biddable, fixed rate species listed in the lower section of block 14 titled "Required Removal at Fixed Rate. Only the Fixed Rate Applies." The bidder should enter the offer on the bid form only in terms of weighted average stumpage. The Forest Service shall establish bid rates by species in the contract by multiplying each species' minimum acceptable bid rate by the bid increase percentage. Such rates will be rounded to the nearest cent. The bid increase percentage is the bidder's weighted average bid rate divided by the minimum acceptable weighted average rate. The total amount for stumpage is the volume of each biddable species multiplied by its bid rate, plus the volume of each fixed rate species multiplied by its fixed rate.

3. LOCATION AND DESCRIPTION OF FOREST PRODUCT. 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 located approximately 13 miles west of Detroit Ranger Station off Highway 22 to Road 2202 Monument Peak Rd. Follow 2202 Rd for approximately 13 miles to the sale area.

4. FOREST PRODUCT QUANTITIES AND RATES. The quality, size, cut per acre, and product suitability of the forest product 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 forest product 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 Minimum Acceptable Rates per Unit of Measure

							Required Deposits	
Species	**Product**	**Unit of Measure**	**Estimated Quantities**	**Average DBH**	**Minimum Acceptable Bid Rates**	**Base Rates**	**Slash Disposal**	**Road Maintenance**
Noble Fir and Other Coniferous Species	Limb/Bough	Ton	48.00	N/A	$100.00	$100.00	$0.00	$0.00
	TOTAL	Ton	48.00				$0.00	$0.00

The minimum acceptable weighted average bid rate is $100.00 per Ton for the biddable species. It does not include any non-biddable, fixed rate species listed on the bid form in the lower section of block 14 titled "Required Removal at Fixed Rate. Only the Fixed Rate Applies." The total amount for stumpage is the volume of each biddable species multiplied by its bid rate, plus the volume of each fixed rate species multiplied by its fixed rate.

This rate has been established by appraisal, with a cost allowance for the roads specified by the contract, if any. Required deposits for slash disposal and road maintenance are in addition to the advertised rates for forest product.

5. PERIOD OF CONTRACT. The normal operating season covers the period between 09/01 and 12/15. Contract termination date is 07/31/2014. 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 forest product sale are the same as, or nearly the same as, conditions existing on other forest product 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.

6. PAYMENT. Payment for forest product and any required deposits for slash disposal or road maintenance are required in advance of cutting. Purchaser may 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 Standard Provision 9.

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 forest product 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 $500.00 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 forest product 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 harvesting the forest product 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 forest product sale contract and any modifications thereof in accordance with its terms including requirements to purchase, cut, and remove included forest product.

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 forest product 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 forest product 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 forest product 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 forest product 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 forest product sale from the U.S. Department of Labor, Occupational Safety and Health Administration, OSHA, Federal Office Building 1220 Southwest 3rd Avenue, Room 640, Portland, Oregon 97204, (503) 326-2251.

20. GENERAL.

Provision BP6.1 - Representatives - Purchaser shall designate in writing, a Contracting Officer approved English speaking representative that will be required to be on-the-ground at all times during harvest operations and who is authorized to receive notices in regard to performance under this contract as well as take related actions.

Provision BP6.2 - Improvements - A written permit from the Forest Service will be required prior to any camping during harvesting of the sale area.

Provision BP6.31 - Operating Schedule - Purchaser shall, before commencing operations, provide in writing an annual Operating Schedule of anticipated major activities and needs for harvesting.

Provision BP6.33 - Safety - A Traffic Control Plan & Specifications are required prior to start of operations.

Special Provision CP6.315# - Sale Operation Schedule - All operations are restricted for the Friday before and the first weekend of General Cascade Buck rifle and General Cascade Bull Elk hunting seasons. All helicopter operations are restricted the Friday before and

the entire week of General Cascade Bull Elk hunting season.

Special Provision CP6.41# - Harvest Method - Boughs will be harvested following the requirements stated in CP2.3#, CP6.24#, CP6.41# and as shown on the Sale Area Map.

When multiple sales are offered on the same date, successful bidders will have the option to withdraw submitted sealed bids on any subsequent sales that bids have not yet been opened. Prior to opening bids for each subsequent sale, the Forest Service will announce the option.

This sale is being trapped for the European Pine Shoot Moth for the purpose of exporting Western White Pine Boughs out of the State of Oregon.

The Decision Memo for Special Forest Product Sales was signed on 04/11/2011 and may be reviewed at the Detroit Ranger District office.

The USDA is an equal opportunity provider and employer.