TIMBER SALE PROSPECTUS

Sale Name :	Three Bears Salvage Scale	**Type of Sale :**	Scaled
National Forest :	Ouachita	**Ranger District :**	Womble
Bidding Method :	Sealed Bid	**Bid Guarantee :**	$700.00

Location of Bid Opening : Forest Supervisor's Office, Attn: Timber Mgmt., Room 238D, P.O. Box 1270, Hot Springs, AR 71902

Date : 07/19/2011 **Time :** 11:20 AM

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 2400-6 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.

Total Sale Value Bidding:

Prospective purchasers must submit bids in terms of the minimum acceptable total sale value. The bid form states minimum acceptable bid rates and estimated quantities of timber, together with the minimum acceptable total sale value. The advertised minimum acceptable total sale value 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 the total sale value. 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 total sale value bid rate divided by the minimum acceptable total sale value. 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 TIMBER. Refer to the sample contract and sale area map attached to the sample contract for legal location of sale area, location of subdivisions, 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 0.5 air miles north of Bear, Arkansas in Compartments 1603 and 1606. The Sale Area includes about 198 acres of which an estimated 103 are marked and/or designated for cutting. The method of cut is salvage cutting.

This is a scaled sale with measurement by weight. The following listing of Included Timber by method of designation is for information only. Refer to the sample contract for specific requirements.

All trees meeting utilization standards listed in A2 within Designation by Damage Class Subdivisions 1 and 2 (D X DAM as show on Sale Area Map) that are designated for cutting are described as follows: Tree tops and pieces completely broken off from the stem and trees lying on the ground. Other trees to be cut are/will be designated with blue paint at about eye level and below stump height and will include trees such as snags, those root sprung or with excessive lean, and/or with less than 3 healthy limbs.

All trees meeting utilization standards listed in A2 within Individual Trees, Cut Tree Marked Subdivision 3 (CTM as shown on Sale Area Map) that are designated for cutting are marked with Blue paint at about eye level and below stump height. Trees shall be cut so as to leave paint visible on the stump.

All subdivision boundaries are marked with orange paint.

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 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
Southern Yellow Pine	Sawtimber	Ton	4,331.00	N/A	$1.51	$.09	$0.00	$0.00
	TOTAL	Ton	4,331.00				$0.00	$0.00

The minimum acceptable total sale value bid for advertised timber is $6,539.81. 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.

The bid rate for species and unit of measure are assigned under procedures for average bid premium bidding, as noted in this prospectus. 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 timber.

Timber Subject to Agreement

Species	Product	Unit of Measure	Fixed Rates	Slash Disposal Deposits	Road Maintenance Deposits
Hardwoods	Sawtimber	Ton	$1.51	$0.00	$0.00

5. PERIOD OF CONTRACT. The normal operating season covers the period between 03/01 and 11/30. Contract termination date is 11/30/2011. 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.

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.

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 $4,000.00 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, U.S. Dept of Labor OSHA, 10810 Executive Center Drive, Danville Bldg, Suite 206 Little Rock, AR 72211, 501-224-1841.

20. GENERAL.

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

Pre-operations Meeting: The Purchaser or its representative shall have a pre-operations meeting with the Forest Service Representative before operations begin. This meeting is to provide each party an opportunity to discuss the details of the contract, billing procedures, logging plans, roads to be used for hauling and other matters pertinent to the sale.

Erosion Control Requirements: There are an estimated 5.79 acres to which the Purchaser shall apply erosion control measures in accordance with the specifications listed in the contract, where soil disturbance by Purchaser's operations will result in soil loss from erosion. Areas to be treated shall be designated by the Forest Service and include an estimated 2.7 miles of temporary roads and skid trails and 6 log landings. Refer to the sample contract for specific requirements.

Slash Disposal Requirements: Purchaser shall remove all logging slash and other debris resulting from Purchaser's operations from cleared pipeline and power line rights-of-way, road surfaces, shoulders, and drainage ditches, trails, and from protected streamcourses shown on the Sale Area Map. Refer to the sample contract for specific requirements.

Streamcourse Protection Requirements: Culverts, bridges, or fords shall be required where temporary roads or skid roads cross protected streamcourses shown on the Sale Area Map. All vehicles are prohibited within a orange marked boundary along either side of streamcourses designated on the Sale Area Map. Vehicles will be allowed to enter streamcourses only at locations designated by the Forest Service, or as essential to construction or removal of culverts or bridges. Refer to the sample contract for specific requirements.

Requirements for Protection of Improvements: The Purchaser shall protect and take responsibility for promptly repairing any damage caused to the following improvements located within or adjacent to the Sale Area: fences, utility lines, and buried water/sewer/cable lines The Purchaser shall not begin operations until making all necessary arrangements to protect these improvements. Refer to the sample contract for specific requirements.

Requirements for Protection of Threatened and Endangered Species Habitat, Cultural Resource Sites, and Cave Resources: The location of areas that require special measures for the protection of plants or animals listed as threatened or endangered under the Endangered Species Act of 1973, the location of known historic or prehistoric sites, such as settler or Indian artifacts, buildings, objects, and properties related to American history, architecture, archaeology, or culture, and the location of cave resources are identified on the Sale Area Map or on the ground. The Contract contains measures needed to protect such areas, but if they prove inadequate, or if other such areas or species are discovered, the Forest Service may either delay or interrupt Purchaser's operations, and/or cancel or unilaterally modify this Contract to provide additional protection, regardless of when such facts become known. Either party shall promptly report to the other the discovery of any other areas. Refer to the sample contract for specific requirements.

Safety: Traffic control signs will be placed at agreed locations designated at the pre-operations meeting prior to hauling or as shown on the Sale Area Map. These signs must be maintained during hauling.

Volume Determination: Subdivisions 1 & 2: The volume of Included Timber was determined by taking 10 variable radius plots per Subdividion using a 10 BAF prism. Plots were located in similar timber along the edge of each Subdivision. An ocular estimate of the percentage of blown down timber was recorded for the blown down area adjacent to each plot. This estimate was used to reduce the volume derived from the plot data. Defect was estimated by using a transect line in the blown down area to pick up the first blown over or damaged tree encountered for a minimum of 25 sample trees for these subdivisions. The average percent defect was used to reduce the volume derived from the plot data.
Subdivision 3: The volume of Included Timber was determined using a 100% cruising with defect measured.
Use of these methods does not allow a determination of sampling error for the sale as a whole.

This is a weight scale sale. All timber removed from the Sale Area must be weighed for payment puposes. Weighing of National Forest products is to be done within the scaling zone established by the Forest Supervisor, which includes mills across a wide area in Arkansas, south of the Arkansas River.

Weighing Services: A "Weighing Services Agreement" approved by the Forest Supervisor must be executed at each facility providing weighing services prior to haul of any timber. Scales used to weigh National Forest products for payment purposes must be a currently certified scale in accordance with State law and must meet Forest Service requirements. A list of Forest Serivce requirements can be found in the Sample Contract in provision B6.814. Prospective bidders are encouraged to determine if they have, or have access to, an acceptable weighing facility within the scaling zone prior to bidding.

Provision B6.842 Product Identification is included in this contract. Before transporting logs from a log deck the Purchaser shall paint brand loads with an assigned brand and paint color as described in the Accountablility Agreement.

Provision B6.841 Route of Haul isincluded in this contact. A Hauling Plan of Operations must be completed and approved by the Contracting Officer prior to hauling of timber. This plan specifies the haul route that must be adhered to, destination, logging contractors, description of log trucks and other accountablilty items.

Provision B6.84 Accountability is included in this contract. The Forest Service shall issue load removal receipts to the Purchaser. The Purchaser shall assign a competent individual at the landing to complete removal receipts and attach them to each load of product removed from the Sale Area. Removal receipts shall be returned to the Forest Service at periodic intervals or as agreed to in the Accountability Agreement.

Liability for Loss: Deterioration or loss of value of salvage timber is not an unexpected event and the Purchaser shall bear the loss except for deterioration due to delay or interruption that qualifies for Contract Term Adjustment under contract provision B8.33.

Timber Subject to Agreement: Hardwood sawimber will be included into this contract upon agreement with the Purchaser and upon agreement to pay the same rate per Ton as Bid for the pine sawtimber.

Temporary Road Construction: There is an estimated 1.42 miles of temporary road construction in the sale. The location and clearing widths of all temporary roads and landings shall be agreed to and all timber within the clearing limits shall be paid for before construction is started. The Purchaser will be required to place an estimated 80 cubic yards of gravel or crushed stone on Temporary Roads at locations designated by Forest Service. These locations include approaches to surfaced roads, streamcourse crossings, steep grades, or at moist sites and fills over culverts. Refer to the sample contract for specific requirements.

Directional Felling Objectives: Methods used shall result in felling trees away from fences and utility lines as shown on the Sale Area Map.

This sale is in urgent need of harvesting, an extension or contract term adjustment may be granted on other Forest Service sale(s) to the purchaser of this sale.

a. The specific geographic tributary area that would apply for the granting of extensions or adjustments on existing sales is the Ouachita National Forest.

b. Purchaser must show how logging this sale will impact operations on existing sales.

c. Specific classes of sales that would not receive consideration for extension or adjustment are salvage or insect damage sales.

d. The calculation of the number of days of contract term adjustment or extension a purchaser would receive would depend upon a case-by-case review and reflect the time lost by logging the sale urgently requiring harvesting.

If you are interested in seeing the timber or discussing the conditions of the sale, please contact the TMA, Clay Van Horn, in Mount Ida, AR, telephone 870-867-2101 (ext. 105).