TIMBER SALE PROSPECTUS

Sale Name :	Jones Creek	**Type of Sale :**	Premeasured
National Forest :	Ouachita	**Ranger District :**	Poteau
Bidding Method :	Sealed Bid	**Bid Guarantee :**	$29,800.00

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

Date : 09/08/2011 **Time :** 11:00 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 2400-6T 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 located approximately 6 air miles south of Bates, Arkansas in Compartments 1245 and 1258. The sale area includes about 2,317 acres of which an estimated 973 acres are marked and/or designated for cutting. The methods of cut include about 3 acres of clearing for road rights-of-ways, 133 acres of shelterwood and 837 acres of thinning.

This is a premeasured timber sale. The following listing of Included Timber by method of designation is for information only. Refer to the sample contract for specification information.

All trees meeting utilization standards listed in AT2 within Individual Tree, Cut Tree Marked Payments 1-22 (CTM as shown on Sale Area Map) that are designated for cutting have been marked with paint at about eye level and below stump height. Trees to be cut within Payments Units 1, 4, 6, 7, 9, 11, 12, 15, 17, 19, 20 and 21 are marked with blue paint. Trees to be cut within Payment Units 2, 3, 5, 8, 10, 13, 14, 16 and 18 are marked with yellow paint. Trees to be cut in Payment Unit 22 are marked with green paint. Trees shall be cut so as to leave paint visible on the stump.

Payment Unit Boundaries are marked with orange paint except for Payment Unit 22 which is delineated by trees marked with green paint within the flagged road rights-of-ways.

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.

Road Construction Costs. The advertised rate does not include the estimated cost of specified road construction. The estimated road construction cost has been included in the appraisal as a cost that the purchaser will incur. The purchaser will be responsible for the road construction cost and WILL NOT receive credit towards stumpage costs for this expense, i.e., THIS SALE DOES NOT INCLUDE PURCHASER CREDIT and bidders should consider the cost of road construction when developing their bids.

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

							Required Deposits	
Species	Product	Unit of Measure	Estimated Quantities	Average DBH	Advertised Rates	Base Rates	Slash Disposal	Road Maintenance
Southern Yellow Pine	Sawtimber	CCF	7,900.00	N/A	$36.81	$6.75	$0.00	$0.94
Softwood - Other	Pulpwood	CCF	1,289.00	N/A	$5.00	$5.00	$0.00	$0.94
	TOTAL	CCF	9.189.00				$0.00	$8.637.66

Estimated Knutson-Vandenberg deposit for sale area improvement work in a total amount of $236,896.00 is included in total timber value.

5. PERIOD OF CONTRACT. The normal operating season covers the period between 03/01 and 11/30. Contract termination date is 10/31/2015. 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 05/02/2014 , the purchaser shall have paid for, or in lieu thereof, deposited cash in the 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 07/16/2014 , 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.

If a qualified bidder elects to have the Forest Service construct specified roads, the contract shall provide for collection of not less than the full estimated cost of the roads stated in this prospectus, in addition to the current contract rate value and required deposits. Contract FS-2400-6T provides for collecting the estimated public works road construction cost as each payment unit is released for cutting, at a rate accelerated on 80 percent of the estimated volume.

If bidder elects the road option, payment for right-of-way timber will be made in advance of cutting. The timber will be decked by the road contractor and will be made available to the purchaser when notified by Forest Service of location and availability. If purchaser and road contractor agree, purchaser may cut and remove right-of-way timber as part of the specified road construction.

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 $30,000.00 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. The Forest Service has determined that the following National Forest System roads shall be constructed or paid for, in whole or in part, by the timber sale purchaser. Sufficient information to permit a prospective bidder to calculate the likely cost to be incurred for road construction is available at the Forest Supervisor's Office. See the sample contract for verification of specific details and information concerning construction specifications. CONSTRUCTION ESTIMATES AND INFORMATION CONTAINED HEREIN, TOGETHER WITH RELATED SPECIFICATIONS, ARE NOT GUARANTEED. The following roads are those that Forest Service considers necessary to remove the timber from this sale.

Road Number	Road Name	Traffic Service	Approximate Miles/Kilometers	Estimated Road Construction Cost	Type of Work *
32C Ext.	UPPER JONES	D	0.74 / 1.19	$47,685.00	C
32C	UPPER JONES	D	1.44 / 2.32	$72,906.00	R
89	WALKER MOUNTAIN	C	2.17 / 3.49	$94,704.00	R

* C = Construction
R = Reconstruction

The required specified road completion date for all roads is 10/31/2012. If provision C(T)5.13# - Road Completion Date has different dates for projects, this is the final road completion date.

Total estimated construction cost allowed in appraisal is $231,203.00

A bidder qualifying as a small business concern may elect to have the Forest Service construct the specified roads listed above. Completion dates for construction apply whether construction is performed by the purchaser or by the Forest Service. If the bidder elects Forest Service construction, it is the Forest Service's intent to perform construction through CONTRACT. The Forest Service shall not award the timber sale contract unless either it receives a satisfactory road construction bid or, if it fails to receive such a bid within 120 days of opening timber sales bids, the bidder agrees to perform road construction.

If purchaser elects Forest Service construction, the total estimated public works construction cost that would require to be paid in addition to current contract rates is $215,295.00. See provision C(T)4.12#- Amount Payable for Timber in the sample contract for

additional information.

The following changes will be made to the sample contract when the Forest Service constructs specified roads:

A(T)3 - Timber Designations: "Specified Road Clearing" will be changed to "Construction Clearing" C(T)2.323.

A(T)7 - Change the title to "Permanent Roads To Be Constructed by Forest Service."

A22 or AT19 - Make the following changes in A22 or AT19:

Add	C(T)2.323 - Construction Clearing.
Add	C(T)4.12# - Amount Payable for Timber.
Add	C(T)8.41 - Limitation of Performance by Other Than Purchaser.

The estimated road construction cost includes the cost of road reconstruction engineering services, pursuant to Public Law 88-657, 78 Stat. 1089, 16 U.S.C. 532-537. Refer to provision C(T)5.213# - Deposit for Reconstruction Engineering Services in the sample contract for additional information.

Purchaser shall make a cash deposit in the amount $15,908.00 for engineering services completed by Forest Service in preparation of this contract. The Forest Service shall complete reconstruction related engineering services on the following schedule:

Road or Facility No.	Termini From -To (MP or Sta.)	Engineering Services Completion Date
32C	0 - 1.44	10/31/2012
89	0 - 2.17	10/31/2012

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.

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 15.6 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 5.0 miles of temporary roads and skid trails and 44 log landings. Refer to the sample contract for specific requirements.

Temporary Road Construction: There is an estimated 2.0 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. 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. In Payment Units as shown on the Sale Area Map with the symbol "ST" the Purchaser shall remove slash from within 10 feet of the boles of trees left for seeding or shelter purposes. In Payment Units as shown on the Sale Area Map with the symbol "SW" the Purchaser shall remove all slash within 10 feet of red-cockaded woodpecker (RCW) cavity trees and then lop and scatter the slash to lie within 2 feet of the ground. To reduce the short-term fire hazard created by logging slash, all flammable debris such as dead twigs, needles, leaves, leaf litter, and similar materials within 10 feet of RCW cavity trees shall be removed by hand raking to mineral soil. RCW cavity trees are identified as described in CT2.3#. 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 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. The following are Red Cockaded Woodpecker (RCW) Protection Measures:

1. No logging or road construction/reconstruction activity will be allowed within 200 feet of active RCW clusters during nesting season which is typically from April 1 to July 31.
2. No logging or road construction/reconstruction activities will be allowed from one (1) hour before sunset to one (1) hour after sunrise year round within 200 feet of active RCW clusters.
3. Use directional felling to avoid RCW reserve trees.
4. Logging decks will not be allowed with active RCW clusters.

Directional Felling Objectives: Methods used shall result in felling trees away from RCW reserve trees as shown on the Sale Area Map.

The Forest Service has appraised local material for crushed aggregate from a private source in T3N, R31W, Section 21 (Sliger Pit). Forest Service has not obtained any commitment for price, quantity, or when or if, such material would be available. Bidders must make their own determination of price, availability, quantity, and time material will be available.

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.

Road Maintenance: As part of road maintenance requirements the Purchaser shall perform prehaul on 3.38 miles and during and after haul road maintenance on 5.56 miles of Forest Service roads. In addition, the Purchaser will be required to make a deposit of $0.94 per CCF for performance of road maintenance by the Forest Service on Roads 32 and 89. The Purchaser will be required to furnish tickets to the Forest Service for the amount of surface course material placed as part of prehaul maintenance. The Purchaser will be required to

furnish and spread a total of 300 cubic yards of pit run aggregate (4" max.) on roads P45 (200 C.Y.) and P68 (100 C.Y.). As part of after haul maintenance the Purchaser will be responsible for seeding 1.30 miles on road P68 and installing an earthen berm closure device on road 32C. Refer to the sample contract for specific requirements.

Schedule of Release of Payment Units: Unless otherwise agreed to in writing, no more than 4 payment units may be operated at one time.

Requirements for Protection of Special Areas: Payment Unit 19 and the north segment of Payment Unit 11 have a limited operating season of April thru November unless otherwise agreed to in writing by the Contracting Officer. Refer to the sample contract for specific requirements.

If you are interested in seeing the timber or discussing the conditions of the sale, please contact the TMA in Waldron, Arkansas, telephone 479-637-4174.