

TIMBER SALE PROSPECTUS

Sale Name :	Gemmill Multiproduct	Type of Sale :	Scaled
National Forest :	Shasta-Trinity	Ranger District :	Yolla Bolla
Bidding Method :	Sealed Bid	Bid Guarantee :	\$1,800.00

Location of Bid Opening : Redding, California

Date : 09/26/2011

Time : 09:00 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 2400-6 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.

The Gemmill Multiproduct timber sale is located on the Yolla Bolla Ranger District within the Shasta-Trinity National Forest. To access the sale from the Wildwood County Road, head East on Forest Service road 30N04 and travel approximately 3/4 miles to the west side boundary of the sale area. Units are located North on 30N04 and East on 29N07. Access to the sale area from Highway 36 approximately 1/4 mile east of the intersection with Wildwood Road take Forest Service Road 30N01 approximately 1/8 mile to the Southern end of the sale area. The sale is located in T29N, R10W, sections 4-6, and 8; T30N, R10W, sections 21, 28-33; T30N, R11W, sections 25 and 36.

This is a scaled sale sold by the Ton with 100% weight scaled. There is an estimated 26,222 tons of sawtimber and 6,339 tons of biomass products within the sale. In addition, there are several units that biomass product will be timber subject to agreement.

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 Minimum Acceptable Rates
per Unit of Measure**

Species	Product	Unit of Measure	Estimated Quantities	Average DBH	Minimum Acceptable Bid Rates	Base Rates	Required Deposits	
							Slash Disposal	Road Maintenance
Combined Softwood	Sawtimber	Ton	26,222.00	N/A	\$0.64	\$0.59	\$3.03	\$0.09
Required Removal at Fixed Rates								
Combined Softwood	Grn Bio Cv	Ton	6,339.00	N/A	\$0.12	\$0.10	\$3.03	\$0.09
	TOTAL	Ton	32,561.00				\$98,659.83	\$2,930.49

The minimum acceptable total sale value bid for advertised timber is \$16,782.08. 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. Purchasers are responsible for the cost of specified road construction. Specified road construction costs ARE NOT available to use as credit for the payment of stumpage, i.e., THIS SALE DOES NOT INCLUDE PURCHASER CREDIT.

Timber Subject to Agreement

Species	Product	Unit of Measure	Fixed Rates	Slash Disposal Deposits	Road Maintenance Deposits
Other Softwood	Grn Bio Cv	Ton	\$0.12		\$0.09

5. PERIOD OF CONTRACT. The normal operating season covers the period between 05/15 and 10/15. Contract termination date is 10/31/2014. 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 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 10/21/2013, 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 07/31/2014, 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-2400-6 provides for collecting the estimated public works road construction cost as timber is scaled, 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 \$22,000.00 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 *
30N01	BROWNS CREEK	C	2.39 / 3.85	\$13,828.00	R
30N15	CHANHELULLA GU	C	2.9 / 4.67	\$23,120.00	R
29N10	GOODS MOUNTAIN	C	2.46 / 3.96	\$21,762.00	R
29N07C	HALL CITY CREEK	C	0.39 / 0.63	\$20,789.00	R
29N07	HALL CITY CREEK	C	4 / 6.44	\$37,925.00	R
29N65	HALL CITY RIDGE	C	0.87 / 1.4	\$16,959.00	R
30N37	KNOB	D	0.85 / 1.37	\$4,550.00	R
30N16	MIDAS SADDLE	C	1.25 / 2.01	\$7,125.00	R
30N16A	MIDAS SADDLE	D	0.65 / 1.05	\$5,571.00	R
30N16	MIDAS SADDLE	C	2.4 / 3.86	\$13,680.00	R
30N04	POTATO CREEK	C	2.87 / 4.62	\$28,689.00	R

* C = Construction
R = Reconstruction

The required specified road completion date for all roads is 10/11/2012. 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 \$193,998.00

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 90 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 \$193,998.00. 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.

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. The contract requires domestic processing of included timber except for species declared to be surplus, and prohibits the use of such included timber in substitution for unprocessed private timber exported. The bidder, by signing the bid for advertised timber, certifies compliance with the applicable prohibitions against export and substitution prescribed in the Forest Resources Conservation and Shortage Relief Act of 1990, as amended (16 U.S.C. 620, et seq.) with each bid.

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, California Department of Industrial Relations, 1515 Clay Street, Suite 1901, Oakland, California 94612.

20. GENERAL.

The specified road package includes installing critical dips; however this portion of the specified road reconstruction will be completed after the removal of products in order to accommodate chip vans. Due to the delay in a portion of the specified road work, the performance bond has been increased an additional \$19,750.00 to account for the work being delayed, rounded to the next \$1,000.00, as specified under number 7. Performance Bond of the Prospectus.

This sale includes, but is not limited to the following provisions. Prospective bidders are encouraged to review the sample contract, sale area map, specified road package, and any other related documents on file at the Shasta-Trinity National Forest Headquarters Office in Redding or the Hayfork Ranger District Office in Hayfork.

This timber sale contract has been designed for Third Party Scaling and includes C6.815 - Third Party Scaling Services. Under this provision, the Purchaser shall bear and administer the cost of scaling services.

The Forest Service has appraised the local material source from Redding, California. 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 would be available. The Forest Service has designated a material source for RIP RAP ONLY on National Forest Lands, as shown on the Specified Road drawings in the sample contract.

Several units have been designated as Timber Subject to Agreement for biomass removal due to Chip Van accessibility. Please refer to the sample contract and sale area map.

Road maintenance and surface replacement deposits are required. Road maintenance is \$0.09 per ton and surface replacement deposits are \$0.96 per ton. Haul outside of the normal operating season is by written agreement only and rates are subject to be tripled for winter haul. Refer to the sample contract.

There are Wetland Protection measures identified on the Sale Area Map. Requirements are specified in provisions listed with the sample contract. Site specific Cultural Resource areas are shown on a separate cultural resource area map.

There are separate maps that identify long term and short term landing locations, and serpentine soils.

The sample contract contains sale operations schedules which addresses various restrictions for Northern Spotted Owls, Northern Goshawk, and wet weather operations; however these restrictions may be lifted upon approval of the Forest Service. In addition, there are restrictions for the Aquatic Period of Operations, Water Drafting, and coordination of work related to the P.G. & E. Gas Pipeline Easement.

Machine piling of landings is required with handpiling and SCAT 18 requirements within the designated harvest units.

Special erosion control requirements are needed for landings, skid trails, and temporary roads within the sale area.

Protection of reserve trees is required. Trees are identified as described in C2.3# of the sample contract and units are indicated on the sale area map. Provision C6.32# is a companion provision for liquidated damages due the government upon purchaser operations causing damage to any reserve tree.

The specified fire precaution (C7.2#, 10/2010) and emergency precautions (C7.22#, 10/210) provisions have been revised in 2010. Prospective bidders are encouraged to review the provisions.

The Small Business Administration (SBA) for Surety Bond Guarantee (SBG) Program regulations have been amended to allow SBA to guarantee bid and performance bonds for qualified small businesses on timber sale contracts administered by the U.S. Forest Service. For further information on this program contact the Small Business Administration.

A Pre-Award Waiver Release and Limitation of Liability Agreement will be required in order to award the sale. Prospective bidders are encouraged to contact Jerry van Hees, at (530) 841-4519, as to the changes this agreement has to the limited remedies in cases of suspension, modification, or termination due to litigation.

The Project Activity Level (PAL) an industrial operations fire precaution system, will be used for this sale. The "Friend Mountain Remote Area Weather Station" will be used to calculate the Project Activity Level. The normal operating season is May 15 to October 15. The expected Days per Month at each PAL value for the "Normal Operating Season" is shown in the following table:

Project Activity Level 2011

Station/SIG/Unit:	PAL Area 4 SFMU				Years Analyzed: 2000-2010	
	A	B	C	D	Ev	E
Month	Expected Days per Month at each PAL Level					
April	22	6	2	0	0	0
May	13	7	7	3	1	0
June	5	6	12	6	1	0
July	0	1	12	12	6	0
August	0	1	7	12	9	1
September	0	3	8	8	9	2
October	7	6	10	4	4	0
November	19	7	3	1	0	0

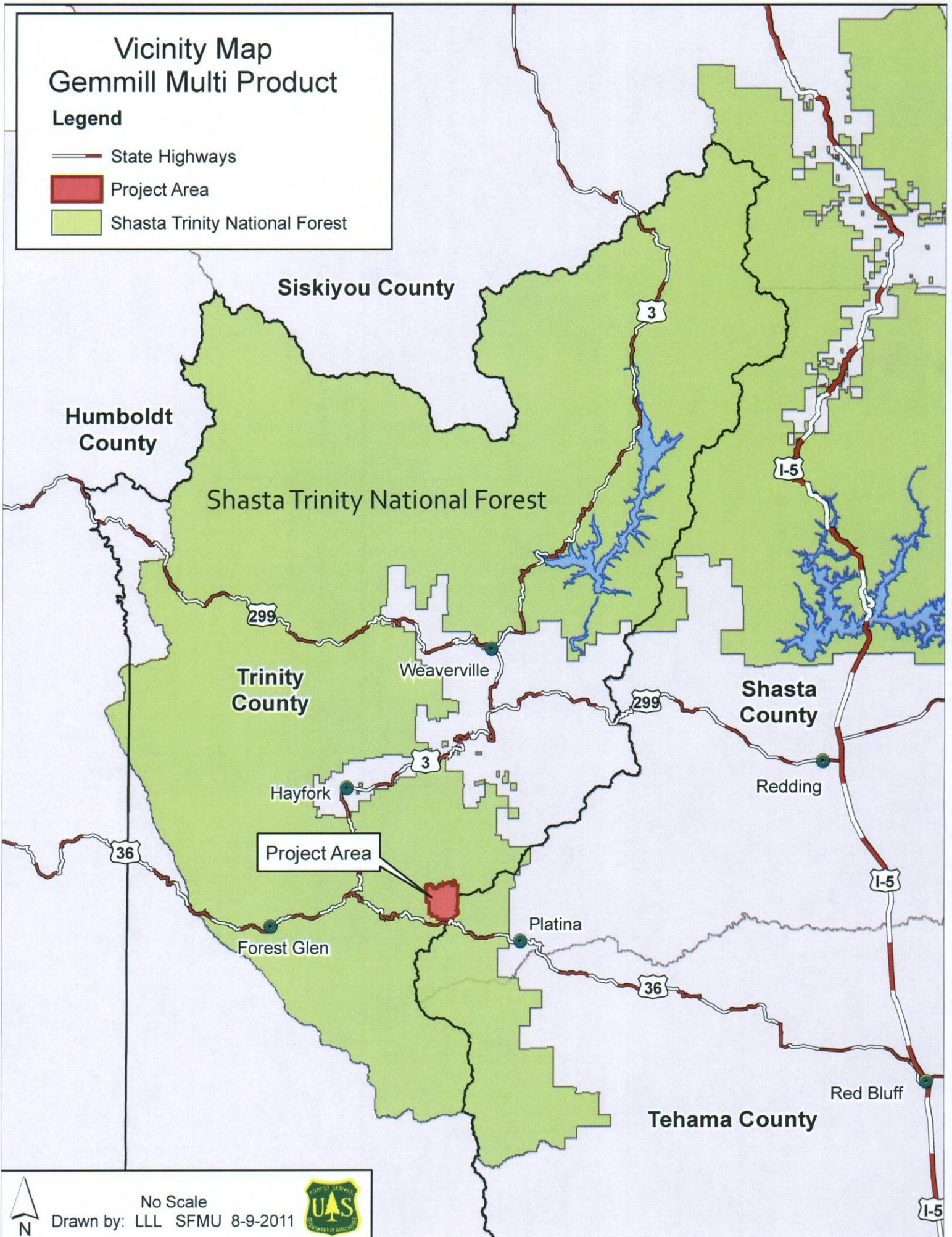
NATIONAL FOREST TIMBER FOR SALE
SHASTA-TRINITY NATIONAL FOREST

The Gemmill Multiproduct Sale is located within T29N R10W Sections 4,5,6,8 T30N R10W Sections 21,28,29,30,31,32,33 T30N R11W Sections 25,36 Mt. Diablo Meridian. The Forest Service will receive sealed bids in public at Redding, California at 9:00 AM local time on 09/26/2011 for an estimated volume of 26222 ton of Combined Softwood sawtimber marked or otherwise designated for cutting. In addition, there is within the sale area an estimated volume of 6339 ton of Combined Softwood grn bio cv that the bidder agrees to remove at a fixed rate. In addition, there is within the sale area an unestimated volume of Other Softwood grn bio cv that the bidder may agree to remove at a fixed rate. Sale contains specified roads with an estimated public works construction cost of \$193,998.00. Bidders qualifying as small business concerns under the Small Business Act may, when submitting a bid, elect for the Forest Service to build permanent roads. Additional information concerning this option is in the prospectus. The Forest Service reserves the right to reject any and all bids. Interested parties may obtain a prospectus from the office listed below. A prospectus, bid form, and complete information concerning the timber, the conditions of sale, and submission of bids is available to the public from the Hayfork Ranger District, Shasta-Trinity Headquarters, or the Shasta-Trinity website. The USDA is an equal opportunity provider and employer.

Vicinity Map Gemmill Multi Product

Legend

- State Highways
- Project Area
- Shasta Trinity National Forest



No Scale
Drawn by: LLL SFMU 8-9-2011

