# TIMBER SALE PROSPECTUS

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| **Sale Name :** | Silvertip Roadside Hazard SBA | **Type of Sale :** | Scaled |
| **National Forest :** | Plumas | **Ranger District :** | Feather River |
| **Bidding Method :** | Sealed Bid | **Bid Guarantee :** | $4,700.00 |

**Location of Bid Opening :** Feather River Ranger District Office 875 Mitchell Ave. Oroville, CA

**Date :** 01/24/2012 **Time :** 10:00 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.

This is a small business set-aside sale. The Forest Service shall readvertise the sale without restriction on the size of bidders if no self-certifying, qualified small business concern makes a valid bid.

**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 Silvertip Roadside Hazard SBA Sale is 240 acres and is located approximately 16 miles south of Quincy CA, in the Plumas National Forest, along Forest Road 22N60. The sale is northeast of the Little Grass Valley Resevoir and the legal description is T 22N, R9E,

Sections 12, 13, 14, 22, 23 and 27 MDM. The sale is approximately 8 miles along the 22N60 Road (Silvertip Road) and comprised of dead and dying trees that pose a threat to forest visitors, employees and facilities. All hazard trees within the Silvertip Roadside Hazard SBA Sale have been identified by Plumas National Forest personnel according to the "Plumas National Forest Roadside/Facility Hazard Tree Abatement Action Plan". All designated cut trees are marked with green paint. The sale is scaled and meets a maximum sampling error of 20 percent.

**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** |
| Douglas Fir | Sawtimber | CCF | 0.20 | N/A | $34.14 | $3.00 | $7.34 | $4.98 |
| Lodgepole Pine | Sawtimber | CCF | 3.20 | N/A | $42.56 | $1.00 | $7.34 | $4.98 |
| Ponderosa Pine | Sawtimber | CCF | 16.50 | N/A | $35.91 | $5.00 | $7.34 | $4.98 |
| Sugar Pine | Sawtimber | CCF | 57.50 | N/A | $31.73 | $5.00 | $7.34 | $4.98 |
| White Fir | Sawtimber | CCF | 1,001.60 | N/A | $41.03 | $3.00 | $7.34 | $4.98 |
| **Required Removal at Fixed Rates** | | | | | | | | |
| Incense Cedar | Sawtimber | CCF | 45.20 | N/A | $58.08 | $5.00 | $7.34 | $4.98 |
| | **TOTAL** | CCF | 1,124.20 | | | | $8,251.63 | $5,598.52 |

The minimum acceptable total sale value bid for advertised timber is $43,655.66. 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 |
|---|---|---|---|---|---|
| Cull Logs Combined | Cull Logs | CCF | $0.50 | $7.34 | $4.98 |

**5. PERIOD OF CONTRACT**. The normal operating season covers the period between 06/01 and 10/31. Contract termination date is 10/31/2013. 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.

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 $5,000.00 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 purchaser will be required to make a lump sum payment of $11168 for use of cooperative roads. Refer to provision C(T)4.219# Cost Share Road Deposits in the sample contract for additional information.

**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**. Preferential award of this sale to a self-certifying, qualified small business concern is authorized by section 15 of the Small Business Act of 1958. All bidders shall designate their small business status as specified on the bid form. The bidder, by signing the bid for advertised timber, certifies its small business status and agrees to the provisions of the sample contract including disposal and record keeping. In the absence of any bids from a self-certifying qualified small business concern, the sale will be readvertised without restriction on the size of bidders under 36 CFR 223.103.

The high bidder's size status is subject to verification by the Small Business Administration (SBA). A small business that does not

qualify for the program must obtain a recertification of size from SBA before self-certifying again for small business set-aside sales.

The bidder, by signing the bid form, agrees not to sell more than 30 percent of the advertised sawtimber quantities included in this sale to firms not qualifying as small businesses under section 15 of the Small Business Act. Volume distribution requirements do not apply if the sale is readvertised under 36 CFR 223.103 and is awarded without restrictions to bidder size.

**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 estimated equivalent MBF And Green Tons for the CCF material shown in the timber quantities of this prospectus are:
Sawtimber:
Ponderosa Pine-16.5 CCF, 12.4 MBF, 62.8 Tons
Sugar Pine- 57.5 CCF, 37.9 MBF, 235.1 Tons
White Fir- 1,001.6 CCF, 666.8 MBF, 4,010.0 Tons
Incense Cedar- 45.2 CCF, 25.3 mbf, 188.7 Tons
Douglas-Fir- 0.2 CCF, 0.1 MBF, 0.9 Tons
Lodgepole Pine- 3.2 CCF, 2.1 MBF, 14.9 Tons

Totals - 1,124.2 CCF, 744.6 MBF, 4,512.4 Tons

The Project Activity Level (PAL-west side), an industrial operations fire precaution, will be used for this sale. Call 1-800-847-7766 for PAL-West information. The Challenge Remote Automated Weather Station will be used to calculate the PAL. The normal operating season is from June 1 to Oct 31. The expected days per month at each PAL value for the season are calculated in the following table.

Project Activity Level Climatology

| Project Activity Level Climatology | | | | | | | |
|---|---|---|---|---|---|---|---|
| Station/SIG/Unit | | Challenge RAWS | | | Years Analyzed | | 2006 - 2010 |
| | [illegible] | [illegible] | C | D | Ev | E | Total Days |
| June | 1 | 4.2 | 13.4 | 5.4 | 3 | 0 | 136 |
| July | 0 | 0.4 | 12.4 | 11 | 6.4 | 0 | 151 |
| August | 0 | 0.8 | 5 | 9.2 | 11.2 | 0.6 | 154 |
| September | 0 | 2.4 | 7.6 | 9 | 10 | 0.4 | 147 |
| October | 2.4 | 6.8 | 12 | 3.4 | 0.6 | 0 | 126 |
| | | | | | | | 665 |

Road maintenance deposits- Purchaser shall make required deposits for deferred surface replacement of $4.98 per CCF. Pursuant to C5.32#.

Purchaser shall make required deposits for slash disposal of $7.34 per CCF.

Cost Share Road Deposits (04/04)- Pursuant C4.219#, the purchaser will be required to make a lump sum payment of $11,168 for use of cooperative roads (Chimney Rock Tie Road). Payment shall be made in advance of road use.

Scaling- 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. This Sale will be conventional (100%) log scale.

C6.41# DIRECTIONAL FELLING: trees shall be felled from all control areas, streamcourse protection zones (RHCAs/SMZs), meadows, springs, survey monuments, and improvements such as gates, culverts, water tanks and private property lines. Hazard trees that are a tree length and a half from meadows shown on Sale Area Map shall be felled away from meadow.

Roadside signs and/or workers for traffic control will be provided when operations affect road travel by forest visitors. Roads closures for operations cannot exceed 30 minutes. (B6.33#)

Operations may occur when soil is dry; that is, soil moisture in the upper 8 inches is not sufficient to allow a soil sample to be squeezed and hold its shape, or will crumble when the hand is tapped. Operations may also occur when the ground is frozen to a depth of 5 inches, or snow depth is at least 18 inches or machine compacted to 8 inches. (C6.315#)

Sale Administrator will not agree to landings, decks, or slash piles that are visible from centerline of Pacific Crest Trail (PCT) in subdivision 4. (B6.422)

Stumps within Subdivision 1 shall be cut to a maximum of 6 inches high side or above any natural obstructions. (SAM, A6)

Purchaser shall treat all stumps over 14 inches stump diameter with a borate compound registered by EPA in the State of CA for prevention of annosus root disease. (C6.41#)

If new Threatened, Endangered, or Forest Service Sensitive (TES) species are listed or discovered, or nesting TES are found within 0.25 mile of activities, a limited operating period will be implemented as recommended by a qualified biologist and determined by Contracting Officer. (B6.24)

A 30-day comment period was conducted consistent with the October 19th, 2005 order issued by the U.S. District Court for the Eastern District of California in Case No. CIV f-638JKS. A notice was published in the Schedule of Planned Activities (SOPA) on 9/29/2009. No comments were received. This sale is authorized under the Silvertip Hazard Tree Project Decision Memo.

Control areas exist within the Sale Area and will be protected during operation. (C6.24#)

If unanticipated cultural resources are identified during project activities, all work shall stop in that area until the District Archaeologist assesses the situation. (B6.24#)

In Sale area, there is old yellow paint on small trees. Ignore all yellow paint. All cut trees in Sale area are marked with green paint. (C2.35#)

No hauling or snow removal shall occur during the period of November 1 to April 15 due to the La Porte Area Snowmobile System unless otherwise agreed. (C6.315#)

Bids are to be submitted to the Feather River Ranger District, located at 875 Mitchell Ave., Oroville, CA 95965.

Perspective bidders are strongly encouraged to carefully read and understand the prospectus and entire contract for required work to be accomplished.

The Surety Bond Guarantee (SBG) Program regulations have been amended to allow SBA to guarantee bid and performance bonds for timber sale contracts. Under these contracts, the small business or principal pays the obligee an agreed amount to harvest the lumber or other forest products, such as biomass. A bond is often required to ensure compliance with contract terms and conditions that are associated with forest management, including the protection of natural resources, erosion control, and road maintenance. This change

applies to contracts administered by the U.S. Forest Service and other public and private entities.

The United States Department of Agriculture (USDA) prohibits discrimination in its programs on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. Persons with disabilities who require alternative means of communication of program information should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).