

TIMBER SALE PROSPECTUS

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|---|---------------------------|--------------------------|---------------|
| Sale Name : | Bloomer Sunset Aspen SSTS | Type of Sale : | Scaled |
| National Forest : | Plumas | Ranger District : | Feather River |
| Bidding Method : | Sealed Bid | Bid Guarantee : | \$5,000.00 |
| Location of Bid Opening : Oroville, CA | | | |

Date : 01/07/2014**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 sale is set aside for small business firms with 25 or fewer employees. 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 Bloomer Sunset Aspen Special Salvage Timber Sale is located in Butte and Plumas Counties of the state of California and is within the Feather River Ranger District of the Plumas National Forest. The project area comprises approximately 104 acres of tractor ground

and 7 acres of skyline ground. The sale is located in three geographically distinct locations: around Bloomer Hil Lookout (T.21N., R.5E., Section 30), Sunset Hill Lookout (T.19N., R6E., Section 9), and approximately 4 miles southwest of Bucks Lake (T.23N., R.7E., Sections 10 and 15; and T.23N., R.6E., Section 27 MDM). The sale consists of 61 acres of overstory removal and 51 acres of thinning.

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 | 10,286.34 | N/A | \$4.21 | \$1.07 | \$0.66 | \$0.00 |
| | TOTAL | Ton | 10,286.34 | | | | \$6,788.98 | \$0.00 |

The minimum acceptable total sale value bid for advertised timber is \$43,305.49. 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 |
|--------------------|-----------|-----------------|-------------|-------------------------|---------------------------|
| Cull Logs Combined | Cull Logs | Ton | \$0.20 | \$0.00 | |

Estimated Knutson-Vandenberg deposit for sale area improvement work in a total amount of \$6,000.00 is included in total timber value.

5. PERIOD OF CONTRACT. The normal operating season covers the period between 06/01 and 10/31. 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.

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 08/16/2015, 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 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 * |
|-------------|-------------------|-----------------|------------------------------|----------------------------------|----------------|
| 21N39 | Bloomer Hill Road | D | 0.5 / 0.8 | \$7,304.91 | R |

* C = Construction
R = Reconstruction

The required specified road completion date for all roads is 09/02/2015. 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 \$14,610.27

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 \$7,305.36 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 |
|----------------------|----------------------------------|---|
| 21N39 | 0 - .5 | 09/02/2015 |

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. Firms eligible for such preferential bidding must have 25 or fewer employees and must certify their status in accordance with instructions enclosed with 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.

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.

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 CCF volumes for the Green Ton material in the timber quantities of this Prospectus are:

SAWTIMBER

| | | | |
|------------------|---------------|------------|--------------|
| Ponderosa Pine - | 2156.96 Tons | 328.33 MBF | 631.60 CCF |
| Sugar Pine - | 905.38 Tons | 128.58 MBF | 238.48 CCF |
| White/Red Fir - | 4,254.58 Tons | 664.87 MBF | 1,167.86 CCF |
| Douglas-fir - | 1,383.10 Tons | 249.78 MBF | 419.79 CCF |
| Incense Cedar - | 1,093.39 Tons | 171.97 MBF | 356.97 CCF |
| Lodgepole - | 492.94 Tons | 84.64 MBF | 105.85 CCF |

TOTAL - 10,286.35 Tons 1,628.15 MBF 2,947.55 CCF

The Project Activity Level (PAL-West Side), an industrial operations fire precaution, will be used for this sale. Call 1-800-847-7766 for daily PAL-West information or visit <http://www.plumasdispatch.com>. The Pike County Remote Automated Weather Station (RAWS) will be used to calculate the PAL. The fire precautionary period is from May 1 to December 1. The expected days per month at each PAL value are calculated in the following table:

Project Activity Level Climatology

Station/SIG/Unit Challenge RAWS Years Analyzed 2006 - 2010
Expected Days at Each Level

| | A | B | C | D | Ev | E |
|-----------|-----|-----|------|------|------|-----|
| June | 1.0 | 4.2 | 13.4 | 5.4 | 3.0 | 0.0 |
| July | 0.0 | 0.4 | 12.4 | 11.0 | 6.4 | 0.0 |
| August | 0.0 | 0.8 | 5.0 | 9.2 | 11.2 | 0.6 |
| September | 0.0 | 2.4 | 7.6 | 9.0 | 10.0 | 0.4 |
| October | 2.4 | 6.8 | 12.0 | 3.4 | 0.6 | 0.0 |

Slash Disposal: Purchaser shall make required deposits for slash disposal of \$0.66 per TON (A4b).

Surface Replacement: Purchaser shall make required deposits for surface replacement of \$0.40 per TON (C5.35#).

Purchaser shall be responsible for obtaining any and all necessary road Encroachment Permits from appropriate counties as needed for performance of this contract.

Purchaser shall treat stumps of all live trees equal to or greater than 14 inches stump diameter within Subdivisions 01, 02, 03, and 04 with a borate compound registered with the Environmental Protection Agency in the State of California for prevention of annosus root disease (C6.41#).

Subdivisions 3A, 3B, 3C, and 10 have a Limited Operating Period. No operations shall occur from October 15 (or 72 hours of continuous rain, whichever comes first) through June 1 annually for Sierra Yellow Legged Frog protection, unless surveys are conducted and no individuals are found (C6.315#).

National Forest System Road 23N18 is part of the Bucks Lake Snowmobile Trail system. No operations shall occur on this road when snow level has accumulated to 15 inches in depth (C6.315#).

This sale has Individual Tree Mark (ITM), where trees to be cut are designated with Blue paint, Leave Tree Mark (LTM), where leave trees are designated with White paint and are NOT Included Timber, and Overstory Removal Subdivisions, where all trees that meet utilization standards are designated Included Timber. There are within the Sale Area previously marked trees that have been marked over with Black paint and are NOT Included Timber. Orange boundary trees are not Included Timber (C2.35#).

This Timber Sale Contract has been designated for Third Party Scaling and includes C6.815 Third Party Scaling Services. Under this provision Purchaser shall bear and administer the cost of scaling services.

This is a Special Salvage Timber Sale (SSTS) Program sale (C8.74).

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

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

A 30-day comment period was conducted consistent with the October 19, 2005 order issued by the U.S. District Court for the Eastern District of California in Case No. CIV f-638JKS. Legal notices were published in the Oroville Mercury Register on September 26, 2012 and March 14, 2013. This sale is authorized under the Decision Memos for the Bloomer Lookout and Sight Enhancement Project signed on April 22, 2013, the Sunset Lookout and Sight Enhancement Project signed on April 22, 2013, and the Granite Aspen Enhancement Project signed on November 7, 2012.

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 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.

Waiver of Liquidated Damages:

This is to notify the prospective bidders of the Bloomer Sunset Aspen Special Salvage Timber Sale that a "pre-award waiver, release, and limitation of liability agreement", as described in B8.341 - Termination by Forest Service and B8.342 - Termination by Purchaser, shall be required prior to the award of this contract.

Corporations submitting an offer under this solicitation must include form AD-3030-FS Representations Regarding Felony Conviction and Tax Delinquent Status For Corporate Applicants.

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).