DISCUSSION CHECK LIST FOR NEW TIMBER SALE BIDDERS

I. BEFORE SUBMITTING A BID

- Review the sale closely on the ground and make your own estimate of product quality, defect, your own volume recovery estimate, and product value as well as how you plan to log sale.
- Provide to bidder information on cubic measure (means chips, sawdust, and lumber, not just lumber) and how to convert to board feet (International 1/4 Inch) if requested
- If you can't make minimum bid, consider not submitting a bid
- First time sale, suggest a green sale versus salvage sale
- Don't bid on a huge sale; start with a small sale to get the feel of working on a Forest Service timber sale

II. REVIEW PRE-SALE INFORMATION

- Review detailed cruise information at the District Office and request cruise information for your review (examples of relevant cruise reports may include: A2, A5, UC5)
- Review sample contract, specified road package, timber sale appraisal and timber sale report (contractual and temporary developments planned for)
- BEFORE bidding; be sure you understand all contractual requirements BEFORE submitting a bid
- You can ask the Contracting Officer (CO) for clarification

III. BID PREPARATION

- Bid on page 1(Item 14) is by rate per unit of measure for each bid item (species/product); bid cannot be for less than advertised price or it will be rejected. Bid must be in $ / Ccf.
- Read Instructions to Bidder; questions, ask the CO if clarification is needed
- Read the bid form thoroughly and complete checked boxes in 16b; if you are a Small Business, you can consider turning specified road construction back to the Government if it is costed out at more than $50,000. However, you will not be awarded contract immediately and may have to pay more money •••discuss with CO before checking box •••once you check it, you CAN'T UNCHECK IT.
- Complete box 28, and be sure to sign and date your bid, include Tax ID number, business address and phone so we can reach you.
- Submit proper bid deposit w/bid; check with CO if unsure

IV. DETERMINATION OF PURCHASER RESPONSIBILITY

- As a new apparent high bidder, CO will require a Determination of Purchaser Responsibility (DPR); will request access to financial information and have it reviewed by FS auditor in Albuquerque, NM. Must either a) have adequate resources; b) ability to obtain; or c) a mix have and obtain adequate resources commensurate with other financial contractual obligations for first year of sale. Must be found responsible. If not, refer to SBA for consideration of Certificate of Competency (COC); second financial review. If SBA issues a COC, Contracting Officer will award sale to you.
- Timeline, w/in 90 days after bid opening- you have 30 days to furnish requested financial info. Auditor has 30 days to complete once all data is provided.
- Your bid is firm for 90 days.

V. FINANCIAL REQUIREMENTS OF CONTRACT

- Performance Bond – 10% of bid value rounded to next $ 1000 (can use corporate surety, Letter of Credit (LOC), cash, savings account or CD in trust, or negotiable securities) – upfront requirement when executing contract;
- Cash Down Payment (CDP) – 10% of advertised value, plus 20% of the overbid (bid premium) – upfront requirement when executing contract; frozen on account until 25% of Included Timber paid for, cut, and removed.
- Stumpage Payments – cash in advance of cutting or use of Payment Bond (monthly billing for cut, 15 days to pay) plus road maintenance deposits, if required.
- Payments are required to be posted in “Lockbox” no later than the due date listed on the bill for collection. Payments can be remitted by: mail, courier, Fedwire, or online at www.pay.gov using a credit card or bank account ACH transactions.
- Periodic Payment(s) may be required at points in contract.
- Specified Roadwork – costed out against value of timber in appraisal. May require payment if segments or work deleted, or FS pays if more work required.