

**Forest Service Handbook
Service Wide (WO)
Washington, DC**

Forest Service Handbook 2409.18 – Timber Sale Preparation Handbook

Chapter 50 – Final Package Preparation, Review and Offering (Gate 4)

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Superseded Directive: Final Package Preparation, Review and Offering (Gate 4), 2409.18-2013-1

Approved by: Christopher French, Deputy Chief National Forest System.

Date approved: May 28, 2024

Responsible Staff: Forest Management, Rangelands Management, and Vegetation Ecology (FMRMVE)

Digest: Following is an explanation of the changes throughout the directive by section.

Chapter 50 - Retitles chapter from “Final Package Preparation, Review, Appraisal and Offering – Gate 4” to “Final Package Preparation, Review and Offering (Gate 4)”. Revises, reorganizes, adds and retitles captions, and updates entire chapter. Noteworthy changes are as follows:

Section 50.2 - Establishes new caption titled “Objectives”.

Section 50.3 - Establishes new caption titled “Policy”.

Section 50.5 - Establishes new caption titled “Definitions”.

Section 51 - Retitles section from “Activities at Gate 4” to “Deposited Funds and Associated Charges”. Includes material formerly in section 52. Activities at Gate 4 formerly in section 51 are described in FSM 2430.

Section 52 - Retitles section from “Deposited Funds” to “Timber Sale Contracts”. Includes material formerly in section 53. Material formerly in section 52 pertaining to deposited funds moved to section 51.

Section 52.91 - Establishes criteria for use of color in sale area maps. Updates sale area map exhibits.

Section 53 - Retitles section from “Timber Sale Contract” to “Prospectus”. Includes information formerly in section 56.2. Each of the 20 sections of the prospectus are shown in the Table of Contents to facilitate locating pertinent information. Information pertaining to timber sale contracts formerly in this section moved to section 52.

Section 53.63 - Changes engineer’s estimated construction repayment rate to 70% of sale volume.

Section 53.20b - Adds information to include in a prospectus for sales that will not be eligible to receive a Market-Related Contract Term Addition.

Section 54 - Retitles section from “Forest Permits” to “Notification of Sale Offering”. Information pertaining to forest permits formerly in this section moved to 2409.18_80. Adds direction authorizing Regional Foresters to establish criteria for web sites used to post information about sale offerings and procedures for notifying prospective bidders of sales that are about to be advertised.

Section 54.2 - Clarifies terms “published” and “publication” to include posting on an official public facing Forest Service web site approved by the Regional Forester.

Section 54.29 - Establishes code, caption, and sets forth direction for cancelling an advertisement.

Section 55 - Retitles section from “Other Requirements” to “Timber Sale Bid Preparation”. Includes information formerly in section 58. Information in subsections moved as follows:

Section 55.1 - Retitles caption from “Performance Bonds in Timber Sales” to “Sealed Versus Auction Bidding”. “Performance Bonds in Timber Sales” moved to new section 52.5.

Section 55.2 - Retitles caption from “Sale Area Boundary” to “Bid Package”. Establishes new procedure for bidders to include a unique identification number when submitting a sealed bid. “Sale Area Boundary” moved to new section 52.91a.

Section 55.3 - Retitles caption from “Rates” to Preparation and Use of Bid Forms on Advertised Sales”. “Rates” moved to new section 52.8.

Section 55.4 - Retitles caption from “Discount of Payment Rates for Early Harvest” to “FS-2400-42a Advertisement and Short Form Bid”. “Discount of Payment Rates for Early Harvest” moved to new section 52.82.

Section 56 - Retitles section from “Appraisal and Prospectus” TO “Special Situations”. Information pertaining to appraisals formerly in this section moved to 2409.18_40. Information pertaining to prospectuses formerly in this section moved to section 53.

Section 56.1 - Retitles section from “Appraisal” to “Procedure When Sale Outgrows Original Authorized Size”. Includes information formerly in section 57.6.

Section 56.2 - Retitles section from “Prospectus” to “Resale of Timber from Uncompleted Contracts”. Includes information formerly in section 57.7.

Section 56.3 - Establishes new caption titled “Timber Property Sales”. Includes information formerly in 2409.18_89.

Section 57 - Retitles section from “Advertisement” to “Tracking and Reporting Gate 4”. Includes information formerly in section 59. Clarifies that the Gate 4 Timber Sale Report consists of a written narrative and the certification produced by TIM.

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50.2 - Objectives

Gate 4 activities include preparing the:

1. Appraisal and appraisal report including associated cost determinations (ch. 40).
2. Plans supporting collection of deposited funds (sec. 51) including:
 - a. Sale Area Improvement Plan(s) and narratives for Cooperative Work, Knutson-Vandenberg (CWKV and CWK2), and Sale Area Improvement (K-V) Map,
 - b. Brush Disposal (BD) Treatment Plan and BD Map,
 - c. Salvage Sale Fund Plan for salvage sales and sales with a salvage component,
 - d. Road maintenance plan, and
 - e. Timber Sale Pipeline Restoration Fund (TSPRF).
3. Sample contract including Sale Area Map and road package for sales with specified roads.
4. Logging Plan Map for use in preparing the appraisal and as an aid to sale administration. (This map is not part of the contract.).
5. Prospectus.
6. Prospective bidder letter.
7. Advertisement.
8. Bid for Advertised Timber using form FS-2400-14TV, FS-2400-14UR, FS-2400-14WA, or FS 2400-42a, and any associated attachments to the bid forms.
9. Review of the completed sale package.

Gate 4 activities for an Integrated Resource Timber Contract (IRTC) follow a similar path as those described in this chapter for standard timber sales but there are differences in some of the terminology, procedures and information associated with stewardship work. Refer to FHS 2409.19, ch. 60 and the Stewardship Contracts User Guide for instructions in preparing a contract package and offer for a stewardship contract. Links to the guide are on the Washington Office, Forest Management home page on the Forest Service Web Portal (FSWeb).

Gate 4 concludes with the offering of the completed sale package through advertisement or notice of availability in the case of a deficit sale.

50.3 - Policy

All timber sale contracts, prospectuses, advertisements and bid forms are produced through the Timber Information Manager (TIM) program and, unless noted otherwise, shall not be produced outside of TIM.

Convertible and non-convertible products may not be sold in the same contract.

Only one unit of measure may be used in an individual timber sale contract regardless of the number of different species or products it may include.

50.5 - Definitions

Convertible Products. Term used for forest products that can be converted into a board foot or cubic foot unit of measure. Examples include sawtimber, posts, poles, firewood, pulpwood.

Downpayment. Cash payment required when a timber sale contract is executed (Title 36, Code of Federal Regulations, section 223.49 (36 CFR 223.49).

Forest Product Financial System (FPFS). The central accounting repository for producing all accounting and statistical data for timber sales.

Integrated Resource Timber Contract (IRTC). A form of Stewardship Contract combining the sale of property (timber) and procurement of services where the value of timber sold exceeds the cost of services procured. An IRTC may also be referred to as an Integrated Resource Contract, Stewardship Contract or Stewardship End Results Contract.

Lump Sum Sale. Premeasured sale where the entire value of the sale is paid in one payment at time of release for cutting (36 CFR 223.49).

Non-convertible. Term used for forest products that cannot be converted into a board foot or cubic foot unit of measure. Examples include Christmas trees, boughs, mushrooms, transplants, seeds, and cones.

Normal Operating Season (NOS). The period beginning and ending on the dates stated in the contract corresponding to the period when the Purchaser can customarily expect to operate without interruptions or delays caused by adverse weather or inoperable ground conditions.

Premeasured Sale. A sale where the volume of timber is measured (cruised) for payment purposes prior to felling. May also be referred to as a tree measurement sale.

Scaled Sale. A sale where the volume of timber is determined for payment purposes by scaling after felling.

Scaling. The determination of the gross and net volume of logs by the customary commercial units for the product involved; volume may be expressed in terms of board feet, cords, cubic feet, tons, linear feet, or number of pieces.

Stewardship Contract. A contract carried out in accordance with the regulations at Title 36, Code of Federal Regulations, Part 223 Subpart I – Stewardship End Result Contracting Projects.

Timber Information Manager (TIM). A program maintained by Natural Resource Manager (NRM) that provides a process-oriented, integrated application supporting the Timber Sale and Forest Products Permits business at the field level while capturing information that is needed for service-wide reporting needs.

51 - Deposited Funds and Associated Charges

Determine fund deposits, as appropriate, under the various authorities listed at FSM 2401 and FSH 2409.19 including:

1. Cooperative Work, Knutson-Vandenberg, Sale Area Projects (CWKV),
2. Cooperative Work, Knutson-Vandenberg, Regional Projects (CWK2),
3. Salvage Sale Fund (SSF),
4. Brush Disposal (BD), and
5. Timber Sale Pipeline Restoration Fund (TSPRF).

Any deposits that will be made to CWKV, CWK2, SSF, BD, and TSPRF must be supported by the appropriate plan (FSH 2409.19). The approving Line Officer will set priorities for the funds using guidance in FSH 2409.19 when deposits may be made to more than one fund on the same timber sale. Except for BD, the contract does not display the amount of deposited funds to be collected as they are included in the payment rates for timber or other forest products. BD is collected as an associated charge and is displayed in the contract as such.

51.1 - Knutson-Vandenberg Plan for Sale Area Improvement

See FSM 2430, FSM 2470, FSM 6510, and FSH 2409.19 for direction addressing sale area improvement plans under the Knutson-Vandenberg authorities including CWKV and CWK2. Required reforestation is included as a base rate cost when appraising regular program sales (ch. 40).

51.2 - Brush Disposal

Prepare Brush Disposal Treatment Plans and any supporting documents in accordance with the direction provided in FSM 2430 and FSH 2409.19, chapter 40. The appraised rates for timber (ch. 40) include the brush disposal work to be performed by the Purchaser and the deposits that will be collected as an associated charge (sec. 51.2) for work that will be performed by the Forest Service.

51.3 - Salvage Sale Program

Refer to FSH 2409.19, chapter 70 for Objectives, Policies, Responsibilities, definitions, and other information pertaining to the Salvage Sale Program including appropriate uses of salvage sale funds.

51.4 - Timber Sale Pipeline Restoration Fund

Refer to FSH 2409.19, chapter 50 for Objectives, Policies, Responsibilities, definitions, and other information pertaining to the Timber Sale Pipeline Restoration Fund including appropriate uses of TSPRF.

51.5 - Associated Charges

Timber sale contracts can include a variety of associated charges the Purchaser is required to pay in either lump-sum amounts or a rate per unit of measure paid in addition to the payment rates for timber or other forest products. Associated charges are calculated with the appraisal or may be established programmatically for sales that are not appraised. Applicable associated charges are displayed in the sample contract and prospectus and may be collected for:

1. **Slash Disposal** (16 USC 490). Deposits for slash disposal (BD) to be performed by the Forest Service are displayed as a rate per unit of measure in Division A/AT of FS-2400-6/6T contracts, and on page 1 of FS-2400-3S/3T and FS-2400-4 contracts. Deposits for slash disposal are not collected on FS-2400-2 contracts.
2. **Road Maintenance** (16 USC 537). Deposits for recurrent and deferred road maintenance to be performed by the Forest Service are displayed as rates per unit of measure in applicable special provisions in the FS-2400-3S/3T/3P, and FS-2400-6/6T contracts. Road maintenance deposits are displayed on page 1 of the FS-2400-2 contract. Road maintenance deposits are displayed in a Special Condition in FS-2400-4 contracts.
3. **Contract Scaling** (16 USC 572a). On sales where the Forest Service has entered into a contract with a third party to perform scaling services, the Purchaser is required to

make deposits at a rate per load specified in a special contract provision included in contract forms FS-2400-3S and FS-2400-6.

4. **Cost Share Roads.** Deposits for use of cost share roads are displayed as a lump sum amount in the applicable special provision in FS-2400-3S/3T/3P and FS-2400-6/6T contracts. In FS-2400-4 contracts they are lumped in with other applicable associated charges displayed on page 1 of the contract. Deposits for cost share roads are displayed in a Regional special condition added to FS-2400-2 contracts.
5. **Reconstruction Engineering Services.** Deposits for reconstruction engineering services to be performed by the Forest Service after contract award are displayed as a lump sum amount in the applicable special provision in FS-2400-6/6T contracts.
6. **Actual Reconstruction.** Deposits for actual reconstruction work to be performed by the Forest Service are displayed as a lump sum amount in the applicable special provision in FS-2400-6/6T contracts.

52 - Timber Sale Contracts

A sample contract is prepared at Gate 4. Refer to FSM 2432 for a description of the timber sale preparation gates. The sample contract includes all information that will appear in the final contract known prior to advertising the sale. Additional information obtained during bidding (Gate 5) is added at time of award (Gate 6) when the final contract is produced.

Close coordination is needed when preparing the appraisal and sample contract to assure that appropriate appraisal allowances are made for associated charges and work the Purchaser will be required to perform under the terms of the contract. Conversely, information generated by the appraisal is needed to complete the sample contract.

A timber sale contract provides for the implementation of land management objectives identified in the forest plan and the Timber Sale Project Design developed during Gate 2. All contracts must be prepared in TIM following the instructions in the TIM Contracts User Guide available on the Natural Resource Manager site on the FSWeb. Based on sale characteristics entered in contract initialization form (ADVR101), TIM will display the contract types compatible with those characteristics. If more than one contract type is displayed, use the criteria listed in section 52, exhibit 01 to help in selecting the most appropriate contract type for the sale conditions. If stewardship contracts are an option refer to FSM 2409.19, chapter 60 for a similar display of the characteristics and guidance in selecting the appropriate stewardship contract or agreement form. Regional Foresters may issue additional direction for preparation and use of individual contract forms. The ADVR101 form must be completed prior to any other Gate 4 processing. The following timber sale contract forms listed in order of complexity must be prepared in TIM:

1. FS-2400-2 Contract For Sale of Decked Timber.
2. FS-2400-4 Forest Products Contract and Cash Receipt.
3. FS-2400-3S Timber Sale Contract (Applicable to timber sales to be scaled after felling).
4. FS-2400-3T Timber Sale Contract (Applicable to sales to be measured before felling).
5. FS-2400-3P Forest Products Contract (Applicable to the sale of nonconvertable products).
6. FS-2400-6 Timber Sale Contract (Applicable to timber sales to be scaled after felling).
7. FS-2400-6T Timber Sale Contract (Applicable to sales to be measured before felling).
8. FS-2400-13 Integrated Resource Timber Contract (Applicable to Stewardship sales with measurement of products after harvest).
9. FS-2400-13T Integrated Resource Timber Contract (Applicable to Stewardship sales with measurement of products before harvest).

Reference copies of these contracts are available on the Washington Office, Forest Management site on the FSWeb to be used as an aid in preparing contracts but shall not be used to create a contract for a sale.

After entering the selected contract type in the ADVR101 form, TIM will populate fields based on information entered in previous gates and will guide the user through a series of screens where additional information needed to complete the sample contract, prospective bidders' letter, prospectus and bid form will be entered. Information used in multiple places and documents is only entered once where it is first required. TIM will use that information wherever it occurs in other documents thus insuring consistency between documents.

Only contracts and solicitation documents prepared in TIM will be used for the sale or disposal of timber or forest products. Prepare the contract accurately following the TIM Contracts User Guide and screens in TIM to accomplish the intentions of the approved planning documents. Address the following activities when preparing the final package for advertisement:

1. Review information in the Timber Sale Summary prepared in Gate 3 and verify that there are no unresolved conflicts between the decision made pursuant to the National Environmental Policy Act (NEPA) of 1970, as amended (16 U.S.C. 4321 et seq.) and sale area layout. The responsible Line Officer shall document any conflicts and how they were resolved.

2. Verify that non-recurring contract special provisions submitted to the Regional Forester for approval during Gate 3 have been approved and entered in TIM (FSM 2404.15b).
3. Review agreements such as road use, rights-of-way, and others that may apply in order to verify that they have been properly executed and to identify constraints that need to be incorporated in the contract such as a right-of-way reversion date. Complete, correct or revise incomplete or inadequate agreements.
4. Complete and assemble the sample contract using TIM. The sample contract must meet all objectives, requirements, and constraints of the approved plans and be complete except for information that will be obtained during bidding (Gate 5) and award (Gate 6). Note that TIM doesn't produce special provision fill-in tables. These are produced outside of TIM and inserted into the contract. Tables used in national special provisions are available in the reference copies of contracts on the Washington Office, Forest Management site on the FSWeb. Do not alter or reformat these tables.
5. Verify continuity and consistency with other sale documents and agreements and within the contract's various parts.
6. Review the NEPA documents for special requirements or mitigating measures that require special contract provisions to be included in the sample contract.
7. Review the official file for accuracy and completeness. Check documents for complete dates (mm/dd/yyyy) and organize the file in chronological or reverse chronological order. If multiple working copies of documents are retained in the file, definitively identify the official copy used to prepare the final package; otherwise, purge the file of duplicate copies and unused or extraneous data. Missing or incomplete dates and ambiguity over which documents are the final documents when there are multiple copies of similar documents can be a significant problem when assembling claim files, appeal files, litigation reports, and discovery requests years later when a contract is the subject of litigation.
8. A plan-in-hand field review of the final timber sale package prior to advertisement is recommended. Document the review and any follow-up actions needed prior to finalizing the pre-sale package. The review should include representatives from the NEPA interdisciplinary team, sale preparation, engineering (if a road package is included), sale administration, and a Line Officer. The review should focus on the portions of the sale that have the greatest potential for environmental impacts such as road locations, stream crossings, sensitive wildlife areas, cultural resource areas, and so forth. The benefits of this review cannot be overemphasized. Upon award the terms of the contract govern all activities on the ground. Correcting omissions or errors after award generally requires modifying the contract which can be time consuming and

costly to prepare and can result in disputes, litigation, and possible contract cancellation if Purchaser is unwilling to accept the changes.

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52 - Exhibit 01

Contract/Permit Use Matrix

	CONTRACTS				PERMITS	
Type of Use	Complex, Large Sales	Simple, Small Sales	Simple, Low-Value Sales	Decked Logs ^{1/}	Charge	Free Use
Form FS-2400	6/6T	3S/3T/3P	4	2	1	8
Use for premeasured sales	Yes	Yes	Yes	Yes	Yes	Yes
Use for scaled sales	Yes	Yes	No	No	No	No
Use for sale of standing trees	Yes	3S/3T	Yes	No ^{1/}	Yes	Yes
Use for sale of log products	Yes	3S/3T	Yes	Yes	No ^{2/}	No ^{2/}
Use for sale of special forest products	No	3P	Yes	No	Yes ^{3/}	No
Use for convertible forest products	Yes	3S/3T	Yes	Yes	Yes	Yes
Use for non-convertible forest products	No	3P	Yes	No	Yes	Yes
Use with incompletely marked sales	Yes	No	No	No	No	No
Use for timber settlement ^{4/}	Yes	Yes	Yes	Yes	No	Yes
Use for free use	No	No	No	No	No	Yes ^{5/}
Use for administrative use ^{6/}	Yes	Yes	Yes	Yes	No	Yes
Maximum sale volume	No limit	2000 CCF	N/A ^{7/}	No limit ^{1/}	N/A ^{7/}	N/A ^{8/}
Maximum advertised product value	No limit	No limit ^{9/}	\$10,000 ^{27/}	No limit	N/A	N/A
Maximum unadvertised direct sale product value	\$10,000	\$10,000	\$10,000	\$10,000	\$1,000 ^{10/}	\$200 ^{11/}
Maximum period of sale or permit	10 Years ^{28/}	1 Year ^{12/}	1 Year	1 Year	1 Year	1 Year
Advertise sales ^{13/}	Yes	Yes	Yes	Yes	No	No
Unadvertised direct sales permitted ^{4/ 13/}	Yes	Yes	Yes	Yes	Yes	Yes
Award sales on total value basis ^{14/}	Yes	Yes	Yes	Yes	No	No
Post bids	Yes	Yes	Yes	Yes	No	No
Number of payment units or subdivisions	No limit	No limit	1	1	1	N/A
Payment at fixed rates	Yes	Yes	Yes	Yes	Yes	N/A
Payment at escalated rates ^{15/}	Yes	No	No	No	No	No
Associated charges (road maintenance, scaling, and slash deposits)	Yes	Yes	Yes	Yes ^{16/}	Yes	No
KV/SSF/BD fund plans allowed ^{17/}	Yes	Yes	Yes	Yes ^{17/}	Yes	No
Payment is refundable	Yes	Yes	Yes	Yes	No	No
Report of timber sale (FS-2400-17) required ^{18/}	Yes	Yes	Yes	Yes	No	No
Appraisal required (FS-2400-17) ^{19/}	Yes	Yes	Yes	Yes	No	No
Down payment required ^{20/}	Yes	Yes	No	No	No	No
Periodic payments required	Yes	No ^{29/}	No	No	No	No

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52 - Exhibit 01--Continued

Type of Use	CONTRACTS				PERMITS	
	Complex, Large Sales	Simple, Small Sales	Simple, Low-Value Sales	Decked Logs ^{1/}	Charge	Free Use
Form FS-2400	6/6T	3S/3T/3P	4	2	1	8
Additional timber allowed	Yes	Yes	Yes	Yes	No	No
Performance bond required	Yes	Yes ^{21/}	Yes ^{21/}	Optional	No	No
Type of performance bond	Any	Any	Cash ^{22/}	Cash ^{22/}	No	No
Use of payment guarantee allowed	Yes	Yes	No	No	No	No
Contract modification allowed	Yes	Yes	Yes	No	Yes ^{23/}	Yes ^{23/}
Contract term extension	Yes	No	Yes ^{24/}	No	No	No
Market-related contract term addition	Yes	No	No	No	No	No
Contract term adjustment	Yes	Yes	No	Yes	No	No
Scheduled rate redetermination	Yes	No	No	No	No	No
FPFS statement of account	Yes	Yes	Yes	Yes	No	No
Timber subject to agreement	Yes	Yes	No	Yes	No	No
SBA set-aside contracts	Yes	Yes	No	No	No	No
SSTS set-aside contracts	Yes	Yes	No	No	No	No
Use of normal operating seasons	Yes	Yes	No	No	No	No
Specified road work	Yes	No	No	No	No	No
Temporary road construction	Yes	Yes	No	No	No	No
Catastrophic damage provisions	Yes	Yes ^{30/}	No ^{25/}	No ^{25/}	No	No
Default damage provisions	Yes	Yes	Yes	Yes	No	No
3rd Party agreements allowed	Yes	No	No	No	No	No
Cooperative agreements allowed	Yes	Yes	No	No	No	No
Special requirements allowed	Yes	Yes	Yes ^{26/}	Yes ^{26/}	Yes ^{26/}	Yes ^{26/}
Export requirements west of 100th meridian	Yes	Yes	Yes	Yes	No	No
Painting and branding west of 100th meridian	Yes	Yes	Yes	Yes	No	No
Tripartite or bipartite land exchange provisions	Yes	No	No	No	No	No

The information in exhibit 01 has been condensed. In the event of a conflict with information in exhibit 01, including footnotes and text in sections 53.1 - 54.22, the section text takes precedence.

1/ Use the FS-2400-2 contract for the sale of decked saw logs, pulp, poles, or other forest products; for a timber settlement with an associated special use permit (sec. 52.1); for disposal of recovered timber theft materials; and roadside salvage. Do not use this contract for standing timber except for removing damaged trees immediately adjacent to decked material.

2/ Permits must not be used for log products west of the 100th meridian. Use of permits for log products is optional east of the 100th meridian.

3/ Products on charge permits may be resold.

52 - Exhibit 01--Continued

4/ There is a \$10,000 limit on unadvertised direct sales to an individual or other entity (such as a company or partnership) per fiscal year, except for timber settlement contracts (FSM 2432.47b).

5/ Products on free use permits may not be resold (36 CFR 261.6(f)) (2462.3).

6/ Grant administrative use of forest products using tree measurement contract forms or permit form 2400-8 as appropriate (2463.1).

7/ The limit to use is based on value.

8/ Free use to individuals is restricted by value, except in Alaska where it is restricted by volume of 10 MBF or equivalent in CCF of sawlogs or 25 cords of wood annually (36 CFR 223.10).

9/ The maximum advertised dollar value for the FS-2400-3P contract is \$100,000.

10/ \$1000 max to individual.

11/ A maximum value of \$200 annually in free use may be granted to individuals by Forest Officers. Refer to FSM 2404.28 for higher limits within authority of Forest Supervisor and Regional Forester. See the regulations at 36 CFR 223.5 through 223.11 for other provisions.

12/ Form FS-2400-3P is limited to a 3-year contract length. Contract forms FS-2400-3S/3T are limited to 1-year contract length and no extensions are permitted.

13/ Advertise sales when there is evidence of competitive interest or the appraised contract value is equal to or greater than \$10,000 (36 CFR 223.80), or greater than \$500 in Federal Sustained-Yield Units (36 CFR 223.117).

14/ Solicit bids on forms FS-2400-14UR (unit rate), FS-2400-14WA (weighted average), FS-2400-14TV (total value), or Advertisement and Short Form Bid FS-2400-42a (unit rate).

15/ Except for situations described in FSM 2431.37, Forest Service sales of sawtimber that exceed 1-year in contract length in the western United States should provide for stumpage rate adjustment.

16/ The only associated charge that may be collected with the FS-2400-2 contract is road maintenance (sec. 52.1).

17/ Individual KV, SSF, and BD fund collection plans are allowed for use with all contract forms. District-wide Salvage Sale plans are allowed for FS-2400-4 and FS-2400-2 contracts, and FS-2400-1 permits.

18/ The Report of Timber Sale side of the FS-2400-17 form generated by TIM is required for contracts with advertised product values equal to or greater than \$2,000. The forms are optional for contracts with advertised product values less than \$2,000.

52 - Exhibit 01--Continued

19/ Other methods may be used for small sales where detailed appraisal is not warranted (2409.18, chapter 40).

20/ Downpayment is not required for settlement or lump sum sales (sec. 52.6).

21/ A performance bond is required when appraised product values total \$2,000 or greater and is optional when appraised product values total less than \$2,000 unless the Contracting Officer determines one is needed to protect the interests of the government. A performance bond is normally not needed for timber settlement sales (FSM 2464 and sec. 52.5).

22/ The performance bond must be cash or the equivalent, such as bank or postal money order, personal check, credit card (where applicable), official bank check, or certified check (sec. 52.1 and 52.2).

23/ The Forest Officer may make pen and ink changes to such items as the permit area description or vehicle information; but, changes to the name, address, permittee identification, and product designation or termination date are not allowed.

24/ The FS-2400-4 contract may be extended, but not to exceed a total contract term of 1-year (sec. 52.2).

25/ Use the mutual cancellation authority at 36 CFR 223.116 to cancel FS-2400-4 and FS-2400-2 contracts with catastrophic damage; or either mutually modify contracts or allow contract operations to proceed without modification.

26/ Special requirements may only be added in the space provided for "Other Conditions." The FS-2400-4 contract form is limited to four pages. Permit forms FS-2400-1 and FS-2400-8 are limited to a total of 10 "Other Conditions." FS-2400-2 is limited to three pages.

27/ Including timber property value, if any (sec. 56.3). There is no set dollar limit for settlement sales. Refer to FSM 2404.28, exhibit 01 for limits on timber settlement authority.

28/ Pursuant to 36 CFR 223.31 contracts may have a contract period greater than 10 years upon a finding by the Chief that better utilization of forest resources (consistent with the provisions of the Multiple-Use Sustained Yield Act of 1960) will result.

29/ 36 CFR 223.50 requires periodic payments for timber sales with more than 1 full normal operating season (NOS). Include periodic payments in FS-2400-3P contracts with more than 1 full NOS. Do not include periodic payments in FS-2400-3(S)(T) contracts. Refer to section 52.7.

30/ Contract can be terminated but not modified for catastrophe.

52.1 - FS-2400-2 Contract for Sale of Decked Timber

Contract form FS-2400-2 may be used for the sale of decked timber remaining from a previous sale or from felled material decked along roads or in landings when only authorization to load and haul timber is required.

The contract is limited to three pages, including additional “Other Conditions.” Collection of Salvage Sale funds (SSF) is authorized when the material being sold is salvage (FSH 2409.19, ch. 70). Collections may be made into an individual SSF Plan or into a District-wide SSF Plan. The only associated charges such as road maintenance.

52.11 - Criteria for Use

General guidelines for using contract form FS-2400-2 are in the contract/permit matrix (sec. 52, exhibit 01). In addition to those guidelines, do not use this contract for sales with:

1. Standing trees except for minor quantities of damaged trees immediately adjacent to the material authorized to be removed under the contract.
2. Contract periods of over 1-year. The contract length cannot be for more than 1-year and may not be extended even if the original contract period was less than 1-year.
3. A need for equipment to operate off existing roads and landings.

The only associated charge that may be collected with a FS-2400-2 contract is road maintenance. Road maintenance deposits are displayed in the FS-2400-2 contract as a rate per unit of measure and a total amount by species/product group. Road maintenance deposits are in addition to payment rates for included timber. Deposits for SSF can be collected for sales covered under a District-wide SSF Plan.

All contracts must be prepared within TIM following instructions in the TIM Contracts User Guide.

If a sale using a FS-2400-2 contract is advertised, prepare a sample contract. After entering the Gate 4 information for direct sales, proceed to Gate 6 to finalize the contract in TIM.

In addition to those in the TIM User Guide, the following instructions apply:

Purchaser’s Name and Complete Address. Obtain the Purchaser’s name and complete address and enter them into TIM. For advertised sales, transfer into TIM the Purchaser’s name and complete address from Bid for Advertised Timber, forms FS-2400-14UR, FS-2400-14TV, and FS-2400-14WA, or form FS-2400-42a Advertisement and Short-Form Bid.

Removal Receipt Numbers. The space provided for listing removal receipt numbers is for optional use. The receipt numbers can be entered via TIM along with other information such as Purchaser's name and award date at time of award. Receipt numbers may also be added to hard copies in pen and ink when the receipts are issued. Completing this field is not necessary for TIM to print the final contracts.

Other Conditions. Regions and Forests may prepare standard "Other Conditions" to be programmed within TIM to be printed on every contract or certain individual contracts as needed. Ranger Districts may create additional "Other Conditions" at the time of contract issuance, but total contract length is limited to three pages, and font size must not be less than "Arial 8." Other Conditions created by Regions, Forests and Districts shall not change or make inapplicable General Conditions. For sales west of the 100th meridian including convertible products, TIM will print the Domestic Processing requirements as an "Other Condition."

Sale Area Map. A Sale Area Map is optional for the FS-2400-2 contract. If included, add the following statement in Other Conditions: "Sale Area Map attached hereto and made a part hereof." Prepare the Sale Area Map following the direction in section 52.91.

Signatures. Signatures are not added until time of award, refer to chapter 70 of this handbook.

52.2 - FS-2400-4 Forest Products Contract and Cash Receipt

The FS-2400-4 contract is intended for use on small, non-complex, premeasured sales not requiring resource protection and operational measures found in the more complex FS-2400-3T, FS-2400-3P or FS-2400-6T contracts. FS-2400-4 contracts may be used for the sale of decked timber requiring resource protection or operational requirements not available in the FS-2400-2 contract. FS-2400-4 contracts can be used for sales of either convertible timber products or non-convertible forest products.

52.21 - Criteria for Use

General guidelines for using contract form FS-2400-4 are in the contract/permit matrix (sec. 52, exhibit 01). In addition to the guidelines in exhibit 01, do not use this contract for sales with:

1. Special protection needs for cave resources, heritage resources, or threatened, endangered, or sensitive species habitat.
2. Both convertible and non-convertible products in a single contract.

The contract is limited to four pages, including Other Conditions but not the Sale Area Map. Choose a different contract form for complex sales that require additional pages of Other Conditions.

52.22 - Contract Preparation

All FS-2400-4 contracts must be prepared in TIM following instructions in the TIM Contracts User Guide and criteria listed in section 52, exhibit 01. Washington Office and Regional “Other Conditions” approved for use are selected from the pull-down menu in TIM. Refer to section 52.5 for sales that will require a performance bond.

Reference copies of the FS-2400-4 contract are available on the FSWeb, Washington Office, Forest Management site as an aid in preparing contracts but shall not be used to create a contract for a sale.

Regional Foresters are not authorized to edit or supersede General Conditions and national “Other Conditions” in whole or in part, without approval of the Washington Office, Director of Forest Management (FSM 2404.15b). Regional Foresters may supplement “General Conditions” with Regional “Other Conditions” to meet management objectives for individual sale areas (FSM 2404.15b). When preparing Regional “Other Conditions” to supplement contract form FS-2400-4, Regions must follow guidelines in section 52.42c for Division C/CT provisions, except the number should include “OC” for “Other Condition.”

Sales of convertible timber products west of the 100th meridian must follow regulations governing the export of timber and include the WO-Other Condition contract provision addressing the Forest Resources Conservation and Shortage Relief Act of 1990, as amended. General safety practices and other informational documents are optional. If used, they must be attached to the contract.

The contract requires a Sale Area Map to be attached. Prepare a Sale Area Map following the direction in section 52.91.

If a sale using a FS-2400-4 contract will be offered with competitive bidding, prepare a sample contract including the information known at time of advertisement. For direct sales, after entering the Gate 4 information proceed to Gate 6 to finalize the contract in TIM.

In addition to those in the TIM User Guide, the following instructions apply to data entry during Gate 6 for the contract:

Tax Identification Number (TIN). The TIN is a number provided to a business by the Internal Revenue Service or is an individual Purchaser’s social security number (SSN). This information collection is authorized by the Office of Management and Budget (OMB) and is required to be furnished prior to awarding the contract. Other

identification numbers are unacceptable for this contract. For advertised sales, transfer the Purchaser's TIN or SSN from the bid form. Personal identification information (PII) must be protected (FSM 6680).

Vehicle Information. Information on a Purchaser's primary vehicles is optional and includes make, model, year, color, license plate number, and State of registration. This information is generally requested on small, direct sales of forest products. The Purchaser may refuse to provide this information and still be awarded a contract. If provided, enter this information into TIM.

Removal Receipt Numbers. Optional. If removal receipts are required for the contract, enter the beginning number and the last number of the assigned load tickets into TIM and select "Other Condition 3." TIM will print this information into the "Other Conditions" block.

Product Quantity Removal Record. Optional if Removal Receipts are assigned, otherwise mandatory. If the Purchaser is required to complete this section, "Other Condition 2" must be selected in TIM. Product removal table will be printed by TIM into the "Other Conditions" and "Remarks" blocks. This table will not print on the contract if this option is not chosen.

Other Conditions. Select appropriate "Other Conditions" needed for the contract from a list stored in TIM. Regions and Forests may prepare standard "Other Conditions" to be programmed within TIM to be printed on every contract or individual contracts. Ranger Districts may create additional "Other Conditions" at the time of contract issuance, but total contract length is limited to four pages, and font size must not be less than "Arial 8."

Signatures. At least two copies of the contract must be printed from TIM. The Purchaser and the Contracting Officer shall sign and date both copies when the contract is executed (Gate 6, ch. 70 of this handbook). Keep one for the Forest Service file and give the other to the Purchaser.

52.3 - FS-2400-3S, FS-2400-3T, FS-2400-3P Timber Sale Contract Forms

Contract forms FS-2400-3S and FS-2400-3T are intended for use on sales of timber that are generally larger and more complex than those using a FS-2400-4 contract (sec. 52.2) or FS-2400-2 contract (sec. 52.1), but smaller and less complex than sales using a FS-2400-6 or FS-2400-6T contract form (sec. 52.4). The contract use matrix in sec. 52 exhibit 01 shows the principal differences between these contracts and can be used as an aid in selecting the right contract form for a specific sale.

Forms FS-2400-3S and FS-2400-3T are used for scaled or premeasured sales of convertible timber products respectively. Form FS-2400-3P is for sales of non-convertible forest products. Premeasured and scaled material shall not be sold in the same contract. Only one unit of measure may be used in an individual timber sale contract regardless of the number of different species or products it may include (sec. 50.3).

52.31 - Criteria for Use

General guidelines for using contract forms FS-2400-3S, FS-2400-3T, and FS-2400-3P are in the contract/permit matrix (sec. 52, ex. 01).

52.32 - Contract Preparation

All FS-2400-3 contracts must be prepared in TIM following instructions in the TIM Contracts User Guide and criteria listed in section 52, exhibit 01. Washington Office and Regional special provisions approved for use are selected from the pull down menu in the TIM. Regional Foresters may supplement standard provisions with approved special provisions in order to meet management objectives (FSM 2404.15b). Standard provisions shall not be made inapplicable unless directed to do so in the instructions for an approved special provision included in the contract.

Reference copies of the various FS-2400-3 contracts are available on the FSWeb, Washington Office, Forest Management site as an aid in preparing contracts but shall not be used to create a contract for a sale.

Contract forms FS-2400-3S, FS-2400-3T, and FS-2400-3P consist of Specific Conditions stated on page 1; Standard Provisions organized into Parts, Sections, Subsections, and Items; and Special Provisions as follows:

1. **Page 1 - Specific Conditions.** TIM enters information for contract forms FS-2400-3S, FS-2400-3T, and FS-2400-3P based on data entered by users into TIM in Gates 1 through 4. Instructions in section 52.42a for the FS-2400-6/6T Specific Conditions apply to FS-2400-3 contracts with similarly titled Specific Conditions. All fill-in items on the printed format appear on page 1 of the contract. The numbers in parentheses on page 1 refer to standard provisions. Based on user input TIM produces the correct page 1 and the correct standard provisions for the type of contract selected.
2. **B, BT, BP - Standard Provisions.** Standard provisions in FS-2400-3S contracts are numbered according to the following scheme: Part B1.0, Section B1.1, Subsection B1.11 and Item B1.111. In FS-2400-3T contracts the numbers are preceded with BT and in FS-2400-3P contracts the numbers are preceded by BP. Instructions in section 52.42b for the FS-2400-6/6T standard provisions apply to the various FS-2400-3 contracts with similarly titled provisions.

Standard provision B/BT/BP1.1 reference an attached Sale Area Map. Prepare a Sale Area Map following the direction in section 52.91.

3. **C, CT, CP - Special Provisions.** Special provisions follow the same numbering convention as standard provisions. Special provisions tailor the contract to meet the management objectives of individual sales. Instructions for special provisions in section 52.42c for FS-2400-6/6T contracts apply to the various FS-2400-3 contracts with similarly titled special provisions.

52.4 - FS-2400-6 and FS-2400-6T Timber Sale Contract Forms

Contract forms FS-2400-6/6T are intended for use whenever the size, complexity or length of a timber sale exceeds the capabilities of the other timber sale contract forms listed in sec. 52, exhibit 01, and the sale does not include stewardship work. Use contract forms FS-2400-13/13T for timber sales that include stewardship work (FSH 2409.19, ch. 60).

52.41 - Criteria for Use

General guidelines for using contract forms FS-2400-6/6T are in the contract/permit matrix (sec. 52, ex. 01).

Use contract form FS-2400-6 for sales where timber volume is measured after felling (scaled) for payment purposes. Use contract form FS-2400-6T for sales where timber volume is cruised prior to felling (tree measurement) for payment purposes. Sale of timber by tree measurement is the national standard (FSM 2442.03).

Use contract forms FS-2400-6/6T for sales that require construction or reconstruction of specified roads, sales that require provisions not included in other contract forms, and sales with an initial contract period of more than 1-year.

52.42 - Contract Preparation

All FS-2400-6/6T contracts must be prepared in TIM following instructions in the TIM Contracts User Guide and criteria listed in section 52, exhibit 01. Washington Office and Regional special provisions approved for use are selected from a pull-down menu in TIM. Regional Foresters may supplement standard provisions with special provisions to meet management objectives (FSM 2404.15b). Standard provisions shall not be made inapplicable unless directed to do so in the instructions for an approved special provision included in the contract.

Reference copies of the FS-2400-6/6T contracts are available on the FSWeb, Washington Office, Forest Management site as an aid in preparing contracts, but shall not be used to create a contract for a sale.

Contract forms FS-2400-6/6T consist of three divisions: A/AT - Specific Conditions, B/BT - Standard Provisions, and C/CT - Special Provisions. Add a sale area map, drawings and specifications for developments such as specified roads (if any), and other attachments as may be required by division C/CT.

52.42a - Division A/AT

Division A/AT contains the basic, normal, and specific conditions in a timber sale and provides specific instructions for implementation.

Each numbered specific condition of division A/AT corresponds to a standard provision in division B/BT. Because of this relationship, direction for the standard provisions of division B/BT in FSH 2409.15 - Timber Sale Administration handbook include instructions for the corresponding section, subsection, or item of specific conditions in division A/AT. Follow the instructions in the TIM Contracts User Guide while preparing this section of the contract. TIM completes Division A/AT as follows:

1. **A/AT1 Location and Area.** TIM completes these fields based on information entered in Gate 4. Acres entered are the gross sale acres in the Sale Area Boundary. The legal description shall include all sections in which the Sale Area lies, the Principal Meridian, and the name of the County and State in which the sale is located following the legal description.
2. **A/AT2 Volume Estimates and Utilization Standards.** TIM completes these fields based on cruise information entered in Gates 3 and 4. Enter the product and species groups as they are shown on the appraisal side of form 2400-17. Show the volume in the Estimated Quantity column for the specific product being offered. In the far-right hand column under "Piece Required to be Removed," Regions may choose to use either "Merchantability Factor" or "Net Scale as a percent of Gross Scale." Regions shall make this decision for all types of contracts and the decision applies Region-wide. Regional Foresters may approve exceptions to this column heading on a sale-by-sale basis. Request assistance from the Regional TIM coordinator when processing a contract that differs from the Region's standard, as this is a complex change in the program.
3. **A/AT3 Timber Designations.** TIM completes these fields based on information entered in Gate 4.
4. **A/AT4 Timber Payment Rates.** TIM completes the information in A/AT4a for species and products to be paid for at escalated rates and in A/AT4b for species and products to be paid for at flat rates. In tree measurement sales TIM completes AT4c Schedule of Payment Units. TIM obtains the information for these tables based on information entered in Gate 3 and the appraisal (Gate 4). Policy and further direction can be found in FSM 2431.3.

- a. **AT4c-Schedule of Payment Units.** Only used in tree measurement contracts. Verify that Payment Unit numbering corresponds to that found on the Sale Area Map. Unless there is no right-of-way timber, a payment unit must be established for specified roads whether the volume is significant or not.
5. **A/AT5 Indices Used in Quarterly Adjustment.** For sales subject to stumpage rate adjustments (escalation), TIM completes this field from information entered from the Appraisal (ch. 40). Be sure the appropriate index and the date of the index are displayed.
6. **A/AT6 High Stumps.** TIM completes this field from information entered in Gate 4. Verify that areas requiring a different maximum stump height than the normal for the sale are properly listed; for example, along a visual corridor requiring a lower than normal stump height.
7. **A/AT7 Specified Roads.** For sales with specified roads, TIM completes the fields in this section from information provided in the engineering road package prepared in Gate 4. A Specified Road Package which includes the Specifications, Drawings, and Schedule of Items will be attached when a contract requires construction or reconstruction of specified roads.
8. **A/AT8 Forest Service Engineering Completion Schedule.** For sales with specified roads, TIM completes the fields in this section from information provided in the engineering road package prepared in Gate 4. Dates when work is to be completed by the Forest Service are stated in A/AT8; for example, construction staking.
9. **A9 Scaling Instructions and Specifications.** TIM completes this field from a default value that can be updated in Gate 4. In all new contracts enter the name and date of governing scaling instructions, such as, “FSH 2409.11a, National Forest Cubic Log Scaling Handbook” or “FSH 2409.11, National Forest Log Scaling Handbook.” These become a part of the timber sale contract when listed in A9. The trim allowances shown in A9 should be the maximum permissible under the contract.
10. **A10 Scaling Services.** TIM completes this field from information entered in Gate 4. Refer to FSH 2409.15, section 23.11 for additional instructions on what to include when completing this field. Since logs from several timber sales or National Forests may be scaled at a scaling site, scaling requirements are enforced through the Yard Scaling Agreement, rather than the contract. The preferred location is a non-exclusive site if available. If a non-exclusive site is not available then enter in A10 “Purchaser’s millyard per written agreement”, or for total weight sales enter “State certified scale per written agreement” (FSH 2409.15 sec. 23.12).

11. **A11 Minimum Scaling Volume.** TIM completes this field from information entered in Gate 4. Refer to FSH 2409.15, section 23.11 for additional instructions on what to include when completing this field.
12. **A12/AT9 Fire Precautionary Period.** TIM completes this field from site specific default values that can be updated in Gate 4. The fire precautionary period may vary by geographic location or vegetation types within a Forest. The Forest Supervisor generally establishes these periods.
13. **A13/AT10 Purchaser Responsibility to Furnish Crews and Equipment for Initial Fire Suppression.** Calculate this value following regional guidelines and enter amount into TIM.
14. **A14/AT11 Purchaser's Obligation per Operations Fire.** Calculate this following State or Regional guidelines, whichever has precedence, and enter amount into TIM.
15. **A15/AT12 Termination Date.** TIM completes this field from information entered in Gate 4. When establishing the termination date, estimate how long it will take a Purchaser of normal efficiency to complete all contractual requirements within the normal operating season(s), considering factors such as volume, yarding methods, any limitations on when the Purchaser can operate addressed in the planning documents, any limitations imposed in right-of-way agreements, and any other sale specific factors that may affect operations. The estimated time required to build specified roads included in the engineering road package must also be considered. Sales with significant limitations on when the Purchaser can operate should be carefully reviewed to ensure adequate time for completing the contract and that the appraisal considers the costs associated with the number of times the Purchaser will need to move in and out attributed considering the restrictions. Discuss termination dates with the Contracting Officer when conditions are present that may be out of the ordinary. Salvage sales should generally be no more than 1-2 years in length in order to minimize timber deterioration. Short sale timeframes should be noted in the prospectus. Refer to FSM 2431.14 for direction pertaining to maximum length of sales.
16. **A16/AT13 Normal Operating Season.** TIM completes this field from information entered in Gate 4. During the NOS the Purchaser can customarily expect to operate without interruptions or delays of 10 or more consecutive days caused by adverse weather or inoperable ground conditions. Do not include times when conditions would generally preclude operations in the area of the sale such as spring break-up or annual periods of heavy precipitation. Do not include periods when NEPA requirements preclude operations unless those restrictions only pertain to a small portion of the sale area. Some contracts may include a split operating season with two separate NOS periods. For example, when operations are expected to occur during the summer for

some of the sale but require frozen ground conditions for other parts of the sale. Since the contract allows for adjustments in the contract term for interruptions or delays in scheduled operations exceeding 10 consecutive days during the NOS that are beyond the control of the Purchaser, care should be taken to not include times within the NOS when operations are prohibited or unlikely to be permitted. Also, although purchasers are authorized to conduct operations outside the NOS, unless specifically prohibited by terms in individual contracts, or when ground conditions are such that excessive damage may occur, do not consider time outside of the NOS when establishing the termination date (paragraph 15 above).

17. **A17/AT14 Performance Bond.** TIM completes this field as a part of the sale award process in Gate 6 based on information and rules programmed into the application. The formula for calculating the minimum bond is in sec. 52.5. The value may be overridden within the Gate 4, Prospectus and Bid Information screen, if the Contracting Officer determines a larger bond is needed to protect the interests of the government (sec. 52.5).
18. **A18/AT15 Downpayment.** TIM completes this field as a part of the sale award process in Gate 6 based on information and rules programmed into the application (sec. 52.6). The formula programmed into TIM for calculating the downpayment is displayed in the prospectus (sec. 53.61).
19. **A19/AT16 Periodic Payment Amounts.** TIM completes this field as a part of the sale award process in Gate 6 based on information and rules programmed into the application (52.7). The formula programmed into TIM for calculating the periodic payment amount(s) is displayed in the prospectus (sec. 53.62).
20. **A20/AT17 Market-Related Contract Term Addition Price Index.** TIM completes this field based on information entered in Gate 4. Refer to FSH 2409.15, section 31.2 for instructions on determining the appropriate index.
21. **A21/AT18 Inapplicable Standard Provisions.** TIM completes this field based on information and rules programmed into the application. Verify that a standard provision made inapplicable by a non-recurring special provision has been listed; enter manually if it is not. Do not list any standard provision as inapplicable unless directed to do so in the instructions for a special provision that will be included in the contract.
22. **A22/AT19 List of Special Provisions.** Special provisions added to the contract must be available in a TIM drop down menu. TIM completes this field based on user input and rules programmed into the application.

52.42b - Division B/BT

Division B/BT contains standard contract provisions. Editing of standard provisions is not authorized. When superseded by an approved special provision, standard provisions are made inapplicable by listing in A22/AT18. Following the instructions in section 52.42c, Special Provisions may be added to the contract.

Instructions for implementing division B/BT standard provisions are set forth in FSH 2409.15 and should be reviewed when developing the sample contract. Contractual limitations and obligations associated with certain provisions can affect how sales are prepared and appraised. For example, direction on incompletely marked timber in a sale under B/BT2.36 is found in FSH 2409.15, section 22.18. Likewise, FSH 2409.15, chapter 60 contains operational requirements that may need to be addressed both on the ground and in the development of the contract. An example is discussed in section 66.221 - B/BT6.221 Protection of Improvements Not Owned by Forest Service, where presale activities would involve coordination with utility companies for protection of their infrastructure during timber sale activities.

During development of the sample contract, review the B/BT and C/CT provisions in conjunction with explanations and procedures addressed in FSH 2409.15 to ensure management requirements are addressed and that the contract is implementing the NEPA decision.

52.42c - Division C/CT

Division C/CT contains special provisions needed to tailor the timber sale contract to meet the management objectives of individual sale areas. Refer to FSH 2409.15 for additional direction and explanations on the use of special provisions.

Regional Foresters shall develop a system to ensure that only currently approved provisions are included in the TIM dropdown menus. Three basic types of special provisions exist.

1. **National Special Provisions.** The Washington Office, Director, Forest Management, issues needed special provisions that apply nationwide. Some national special provisions update or remedy deficiencies in division B/BT; others apply to conditions that occur infrequently and, therefore, do not warrant inclusion in division B/BT. Regional Foresters are not authorized to edit wording of national special provisions or supersede standard or national special provisions, in whole or in part, without approval of the Washington Office, Director of Forest Management (FSM2404.14).
2. **Regional Special Provisions.** Regional Foresters may develop and distribute Regional special provisions that have continuing application within their Region. All continuing Regional special provisions must be reviewed by the Washington Office, Director, Forest Management, before provisions may be included in TIM (FSM 2404.15b). Regional

special provisions provide contractual language to provide environmental protection and to meet management objectives. Regions must prepare provisions in compliance with the following guidelines to assure standardization and compatibility with TIM:

- a. All provisions must identify the Region and have a number, title, and date. Provision numbers must start with C, CT or CP depending on the contract form. The provision number should relate as closely as possible to a Division B/BT provision. For example, if the provision addresses slash disposal, it would include 6.7 in the number. All provisions that have fill-in values must be identified with “#” at the end of the provision number. Underline the Region, provision number and provision title. Use the following title format: Region number, hyphen, Provision number, space, hyphen, space, capitalized title, period, double space, (mm/yy), double space, provision text begins. For example:

R7-CT6.71# - MACHINE PILING. (09/19) Provision text.

- b. All provisions, including those with tables and charts, must be portrait orientation and not greater than 80 characters in width. Font size for tables and charts must be no smaller than Arial 8.
- c. No more than 10 fill-ins per provision are permitted. Tables count as one fill-in.
- d. Capitalize all contractually defined terms. Contractually defined terms are listed on page 1 of division B/BT.
- e. Do not include conditional instructions in the provision proper (example: include this paragraph if third party deposits are required). Alternatively include a paragraph in the provision and use N/A as a fill-in value (example: third party deposits in the amount of N/A are required).
- f. Do not include user notes in the text of the provision. When user notes are needed, include them in the provision instructions. When including tables, ensure user notes are removed before inserting into the contract.
- g. Do not use capitalization, bolding, or highlighting to emphasize text within the body of the provision. However, TIM will underline fill-in values and text to show what has been added.
- h. Do not make documents such as silvicultural prescriptions or guides to identifying legacy trees a part of the contract by reference.
- i. Instructions must clearly identify:

- (1) The type(s) (for example, scaled, tree measurement, and/or forest product) of contracts that special provisions may be used for.
 - (2) Standard provision(s) made inapplicable. Approval by Washington Office, Director, Forest Management required when making a standard provision inapplicable (FSM 2404.15b).
 - (3) Companion provisions, if any.
 - (4) Whether the provision is mandatory, optional, or conditionally mandatory.
 - (5) Description of each of the fill-ins. Identify whether the fill-in will be a written description or numeric value. For numeric values, identify the unit of measure and the method of determining the fill-in value. If the values can be derived from information that exists within TIM, then TIM determines the information.
 - (6) Authority for use (for example, only for use on the Bear National Forest).
- j. Spell check final provisions.
- k. **FS-2400-2 and FS-2400-4 Contracts.** Follow the same procedures described above in paragraphs a through j, except replace CT in the provision number with OC for Other Condition.
3. **Non-recurring Special Provisions.** These provisions are developed to meet management objectives on a specific sale area. District Rangers or Forest Supervisors may request use of special provisions from the Regional Forester. The Regional Forester's authorization is limited to a specific sale. Follow the editorial guidelines for Regional special provisions under paragraphs 2a through k except identify provisions with the month, day, and year of preparation. Enter non-recurring special provisions in TIM and list them in the prospectus.

52.5 - Performance Bonds in Timber Sales

Timber sale contracts may require a Purchaser to furnish a performance bond for satisfactory compliance with its terms (36 CFR 223.35). The purpose of a performance bond is to protect the interests of the Government in the event the Purchaser fails to complete all requirements of the contract.

1. Except for timber settlement sales, require a performance bond for each contract with an advertised value of timber or forest products equal to or greater than \$2,000 (FSM 2456.1).

2. Performance bonds are optional for timber settlement sales. Conditions in special use permits associated with timber settlement sales generally protect the interests of the government without the need for an additional performance bond.
3. A performance bond for sales less than \$2000 may be required when Contracting Officer determines a bond is needed to protect the interests of the Government; for example, a sale removing less than \$2000 of timber in a campground where the cost to repair potential damage to improvements is high.
4. TIM defaults to 10 percent of the bid value, rounded up to the nearest \$100 when the stumpage bid value of the contract does not exceed \$10,000, and rounded up to the nearest \$1,000 when bid value exceeds \$10,000. The value may be overridden within the Gate 4, Prospectus and Bid Information screen, in TIM. Determine the minimum penal sum of the performance bond based on the standards contained in FSM 2456.1 and paragraph 5 in this section.
5. A performance bond based solely on contract bid value of timber or forest products may not adequately cover possible damages to the Government on a specific sale. The minimum amount of a performance bond must be sufficient to cover work required of the Purchaser after completion of a logging season. Such work includes, but is not limited to, soil erosion control measures, fire line construction, snag felling, brush disposal, closing temporary roads, and road maintenance. For deficit sales, sales with unusual requirements, sales with high logging costs such as helicopter logging, and sales where possible damages to the Government exceed the amount computed upon bid value, timber sale contracting officers shall require higher performance bond amounts. Reasons for higher performance bonds should be well documented in the presale files.
6. Reference FSH 6509.11k, chapter 80, for additional instructions on performance bonds for timber sales.
7. State in the prospectus the method of determining the amount of the performance bond and the minimum performance bond required. The amount of the performance bond is determined at time of award (Gate 6) and is not displayed in the sample contract prepared at Gate 4.

52.6 - Downpayment in Timber Sales

Except as noted below, timber sale contracts shall include provisions that require the Purchaser to make a downpayment in cash at the time the timber sale contract is executed (36 CFR 223.49). The minimum downpayment must be equivalent to 10 percent of the total advertised value of each sale, plus 20 percent of the total bid premium, and then rounded up to the next \$100. TIM prints this information in the prospectus (sec. 53.61) and bid form (sec. 55.32). The

downpayment amount cannot be calculated until the amount of the bid is known. When preparing the sample contract, the amount of the downpayment is left blank.

The Chief may approve, before advertisement of a sale, that another downpayment rate is necessary to achieve management objectives (36 CFR 223.49(g)). Based on information provided by the user and rules programmed into the application, TIM automatically enters information in block 20 of the bid form showing which method will be used to calculate the downpayment amount.

A downpayment is not required for settlement sales or for FS-2400-2 and FS-2400-4 contracts when a lump-sum payment (sec. 50.5) is made at time of award. The Contracting Officer will notify the high bidder of the amount necessary for this payment when awarding the contract (ch. 70).

Refer to 36 CFR 223.49 for additional information pertaining to downpayments.

52.7 - Periodic Payments in Timber Sales

Except for lump-sum sales (sec. 50.5), each contract of more than one full normal operating season (NOS) shall provide for periodic payments (36 CFR 223.50). Contracts not exceeding one full NOS do not require a periodic payment. Contract forms FS-2400-3S/3T and FS-2400-6/6T include blanks for specifying either one or two normal operating seasons. Contracts exceeding one full NOS, but not exceeding two full normal operating seasons, will only require an initial periodic payment. Contracts exceeding two full normal operating seasons will require an initial periodic payment and an additional periodic payment. Time outside of the NOS is not considered.

1. **Contracts with a single NOS.** The following examples are for a contract with a single NOS of June 15-October 31:
 - a. A contract awarded on June 1, 2019 and terminating on December 31, 2019 would include, but not exceed, one full NOS (06/15/19 to 10/31/19). The contract would not require a periodic payment.
 - b. A contract awarded on June 1, 2019 and terminating on December 31, 2020 would include, but not exceed, two full normal operating seasons (6/15/19 to 10/31/19 and 6/15/20 to 10/31/20). Since it would not exceed two full normal operating seasons it would require just an initial periodic payment.
 - c. A contract awarded on June 1, 2019 and terminating on September 30, 2021 would include two full normal operating seasons (6/15/19 to 10/31/19 and 6/15/20 to 10/31/20) and a portion of a third NOS (6/15/21 to 9/30/21). The contract exceeds

two full normal operating seasons and would require an initial and an additional periodic payment.

2. **Contracts with a split NOS.** Some contracts include two normal operating season periods within a 12-month period. For the purpose of determining the need for periodic payments, use starting date of the first NOS and ending date of the second NOS as one full NOS. For example, if the first NOS period is from 06/01 to 10/15, and the second NOS period is from 12/15 to 03/15, consider the period from 06/01 to 03/15 to be one full NOS. Determine periodic payment(s) as follows:
 - a. A contract awarded on June 1, 2019 and terminating on December 31, 2020 would include one full NOS (06/01/19 to 03/15/20) and a portion of a second NOS (06/01/20 to 12/31/20). The contract would require an initial periodic payment.
 - b. A contract awarded on June 1, 2019 and terminating on March 31, 2021 would include, but not exceed, two full normal operating seasons (06/01/19 to 03/15/20 and 06/01/20 to 03/31/21). Since it would not exceed two full normal operating seasons, it would require just an initial periodic payment.
 - c. A contract awarded on June 1, 2019 and terminating on September 30, 2021 would include two full normal operating seasons (06/01/19 to 03/15/20 and 06/01/20 to 03/15/21) and a portion of a third NOS (06/01/21 to 09/30/21). The contract exceeds two full normal operating seasons and would require an initial and an additional periodic payment.

Consider the expected contract award date when determining which NOS period to list first and which to list second in the contract, as this can affect the number of periodic payment(s) and when they will be due.

3. For contracts without specified roads requiring an initial periodic payment, the due date is calculated as the midpoint between the award date and the termination date. TIM will make that calculation as a part of the sale award process at Gate 6.
4. For contracts with specified roads requiring an initial periodic payment, the due date is calculated as the midpoint between the road completion date and the termination date. TIM will make that calculation as a part of the Gate 4 process and enter the date in the sample contract and section 6 of the prospectus (sec. 53.62). For contracts with specified roads it is possible for an additional periodic payment to be due earlier than or in the same business month as the initial payment. When that occurs only an initial periodic payment will be required, but TIM will enter the date it calculated for the additional periodic payment.

5. For contracts without specified roads requiring an additional periodic payment, the due date is calculated as the midpoint of the last normal operating season or 12 months from the initial periodic payment, whichever date is first. TIM will make that calculation as a part of the sale award process at Gate 6.
6. For contracts with specified roads requiring an additional periodic payment, the due date is calculated as the midpoint of the last normal operating season or 12 months from the initial periodic payment, whichever date is first. TIM will make that calculation as a part of the Gate 4 process and enter the date in the sample contract and section 6 of the prospectus (sec. 53.62).
7. Notice of the periodic payment requirement(s) including how the periodic payment amount(s) will be calculated is in section 6 of the prospectus (sec. 53.62). The periodic payment amount(s) cannot be calculated until the amount of the bid is known. When preparing the sample contract, the periodic payment amounts are left blank.

Contract forms FS-2400-2 and FS-2400-4 do not specify a normal operating season and are not subject to periodic payment requirements.

Refer to 36 CFR 223.50 for additional information pertaining to periodic payments.

52.8 - Rates of Payment

Rates are used in describing various aspects of timber sale preparation and planning and in the contracts. Rates are applied on a per unit of measure basis. The most commonly used rates, briefly described, are as follows:

1. **Minimum Permissible Rate.** The lowest rate the Forest Service charges for timber and convertible products. It is the minimum deposit to the U. S. Treasury and is sometimes referred to as the minimum return to the National Forest Fund.
2. **Minimum Rates.** Minimum rates are the lowest rate for which the Forest Service may sell timber even if an appraisal indicates a lower rate. The Chief establishes minimum rates (36 CFR 223.61). Minimum rates published in FSM 2431.31 include the minimum permissible rate. Regional Foresters may establish minimum rates higher than the national minimum rates.
3. **Base Rates.** Base rates are the lowest rates of payment for timber included in the contract and must be paid in cash. Base rates are displayed in the sample contract prepared in Gate 4, in the following contract forms: FS-2400-3S/3T and FS-2400-6/6T. Base rates are not displayed in FS-2400-2, FS-2400-3P or FS-2400-4 contracts. Refer to FSM 2431.32 for additional information pertaining to Base Rates.

4. **Standard Rates.** Standard rates are established by the Regional Forester or Forest Supervisor. Standard Rates are established for Ranger Districts, Forests, or appraisal zones for use in situations where detailed appraisals are not justified. Refer to FSM 2431.33 for additional information pertaining to Standard Rates.
5. **Minimum Advertised Rates.** Are rates established by policy as the minimum prices for timber and must be equal to or greater than the minimum rates.
6. **Advertised Rates.** Advertised rates are the minimum acceptable bid rates for timber, exclusive of required deposits. These rates are those indicated by appraisal, with a cost allowance made for construction of specified roads but shall never less than base rates. They are the starting point for competitive bidding by prospective timber purchasers and are also known as the “minimum acceptable bid rates” (36 CFR 223.63). Advertised rates are displayed in the sample FS-2400-6/6T contract prepared in Gate 4. Advertised rates are not displayed in FS-2400-2, FS-2400-3S/3T/3P, or FS-2400-4 contracts.
7. **Bid Premium Rates.** The amounts by which a Purchaser’s bid is in excess of Advertised Rates. Bid premium rates are constant during the contract except as provided in:
 - a. B/BT3.31 Rate Redetermination for Environmental Modification
 - b. B/BT3.32 Rate Redetermination after Catastrophic Damage
 - c. B/BT3.33 Rate Redetermination for Market ChangeBid Premium Rates are not entered until Gate 5.
8. **Bid Rates.** Bid rates are the rates bid by Purchaser (exclusive of required deposits for slash disposal, road maintenance, and contract scaling) and are the sum of advertised rates and bid premium rates. Bid rates are not entered until Gate 5.
9. **Required Deposits.** Deposits that Purchaser may be required to pay for slash disposal, road maintenance and contract scaling, cost share roads, reconstruction engineering services, and actual reconstruction are addressed in section 51.5 - Associated Charges.

Follow the instructions in the TIM Contracts User Guide for entering payment rates in the sample contract.

52.81 - Payment When Purchaser Elects Government Road Construction

Pursuant to 36 CFR 223.41, each contract having provisions for construction of specified roads with a total estimated construction cost of \$50,000 or more shall include a provision to ensure that if the Purchaser elects government road construction, the Purchaser shall pay, in addition

to the price paid for the timber, an amount equal to the estimated cost of the roads. Notice of this requirement is included in sections 6 and 8 of the prospectus (sec. 56.63 and 56.8).

52.82 - Discounting Payment Rates for Prompt Harvest

The authority for discounting timber payment rates for prompt harvest is documented in FR Vol. 59, No. 22, Feb. 2, 1994. Include a statement in the prospectus when discounting payment rates for early harvest (36 CFR 223.83(13) and FSM 2431.36). Use the most current version of C4.13# Discount Payment Rates for Prompt Harvest, which may need to be resurrected from the list of superseded provisions. The procedure and contract special provision is only available for scaled sales. Approval from the Washington Office, Director, Forest Management is required prior to initiating this procedure. Use the following guidelines in establishing discounted rates:

1. Discounting of payment rates for early harvest may only be authorized for scaled sales.
2. Discount rates are a percentage factor based upon a combination of the interest rate being paid on money being borrowed by Treasury at the time of advertisement and the length of time before the sale termination date that material is cut and scaled, up to a maximum discount of 25 percent.
 - a. Do not discount material scaled during the 12 months prior to the sale termination date.
 - b. Apply a discount factor or 50 percent of the Treasury rate stated in the advertisement for material scaled 13 to 24 months prior to the sale termination date.
 - c. Apply a discount factor or 100 percent of the Treasury rate stated in the advertisement for material scaled 25 to 36 months prior to the sale termination date.
 - d. Apply a discount factor or 150 percent of the Treasury rate stated in the advertisement for material scaled 37 to 48 months prior to the sale termination date.
 - e. Apply a discount factor or 200 percent of the Treasury rate stated in the advertisement for material scaled 49 to 60 months prior to the sale termination date.
 - f. Apply a discount factor or 250 percent of the Treasury rate stated in the advertisement for material scaled 61 to 72 months prior to the sale termination date.

- g. Make no discount factor exceeding 25 percent of bid rates.
 - h. Do not apply a discount factor that reduces the minimum charge below that needed to ensure cost recovery of small business opted road construction to be done by Forest Service or that reduces the minimum charge below base rates.
 - i. Do not apply a discount rate that reduces the minimum charge for a combination of species, product, and unit of measure listed in the timber sale contract below the advertised rate for that combination (36 CFR 223.60). That is, limit the maximum discount to the bid premium shown for each appraisal group listed.
3. Include notice in the prospectus when a contract includes discount of payment rates for early harvest (36 CFR 223.83).

Use the Current Value of Funds Rate from Treasury at time of sale advertisement as the basis for computing the discount factor. Round the results of the discount factor times the Current Value of Funds Rate to the nearest whole percentage. Round fractions of 0.50 and below downward, round 0.51 and above upward. Specify and do not change the Current Value of Funds Rate stated in the advertisement.

Calculate discounts based on individual species, product, and unit of measure. For example, ponderosa pine sawtimber scaled 37 months before the termination date would be discounted 150 percent. If the Current Value of Funds Rate is 3 percent, 150 percent of 3 percent is 4.5 percent, which is rounded down to 4 percent for the ponderosa pine in the example.

For every cutting projection, use the discounted rates in effect at the time of the projection, except when the projection enters a period during which a lower discount rate applies. In that case, make the projection by considering the lower discount and therefore by using a higher payment rate. Value timber removed from the sale area and stored in decks for deferred scaling purposes at the discounted rate at time of removal, except when scaling is not to occur within the current discount period. To ensure adequate financial coverage of deck values, sale administrators must note when the discount rate changes.

Exhibit 01 shows an example of a sale that contains discount provisions. It illustrates the determination of the discount periods and factors and the computation of discounted rates of payment.

Enter the discount in the schedule attached to special provision C4.13# Discount Timber Payment Rates for Prompt Harvest, as shown in exhibit 02.

The schedule may be adjusted at the end of each Normal Operating Season to reflect Contract Term Adjustment pursuant to B8.21, provided that at least 30 calendar days are granted for time lost during the preceding Normal Operating Season. Such adjustments will be used to revise

discount time periods in subsequent Normal Operating Season(s). Discount rates in effect at the end of Normal Operating Season(s) will be used during the adjusted time period in the subsequent Normal Operating Season(s) and no discount rate shall apply to timber Scaled within 12 calendar months of the adjusted Termination Date.

52.82 - Exhibit 01

Sale Containing Discount Provision

Sale Information:

Bid Date: September 8, 2016

Termination Date: December 31, 2020

Species: Douglas-fir -Advertised	\$ 40.00
Bid	\$ 60.00
Pine -Advertised	\$ 35.00
Bid	\$ 37.00
Hemlock -Advertised	\$ 25.00
Bid	\$ 25.00

Current Value of Funds Rate stated in sale advertisement - 3 percent.

Discount Periods:

<u>Period No.</u>	<u>Dates</u>
1	September 8 - December 31, 2016
2	January 1 - December 31, 2017
3	January 1 - December 31, 2018
4	January 1 - December 31, 2019
5	January 1 - December 31, 2020

<u>Period No.</u>	<u>Computation</u>	<u>Discount</u>
5	-----	No discount
4	50% of 3% = 1.5 rounded to	1%
3	100% of 3% = 3.0	3%
2	150% of 3% = 4.5 rounded to	4%
1	200% of 3% = 6.0	6% (maximum, 25%)

Computation of discount payment rates (either tentative or flat) by period is illustrated as follows:

Discount		Discounted Species Rate		
<u>Period</u>	<u>Discount</u>	<u>Douglas-fir</u>	<u>Pine</u>	<u>Hemlock</u>
1	6%	\$56.40 <u>1/</u>	\$35.00 <u>2/</u>	\$25.00 <u>3/</u>
2	4%	57.60	35.52	25.00
3	3%	58.20	35.89	25.00
4	1%	59.40	36.63	25.00
5	0%	60.00	37.00	25.00

1/ \$60.00 bid rate minus 6% of \$60.00.

2/ \$37.00 bid rate minus 6% of \$37.00 equals \$34.78. The discounted rate cannot be below the advertised rate; therefore, the advertised rate of \$35.00 is the discount rate.

3/ There is no bid premium on this species; therefore, there can be no discounted rate.

52.82 - Exhibit 02

Discount Schedule (C4.13#)

Species and Product	Unit of Measure	Time Period (Dates Inclusive)		Discounted Rates	
				Flat	Tentative
DF Sawlogs	CCF	9/8/16	12/31/16		\$56.40
		1/1/17	12/31/17		57.60
		1/1/18	12/31/18		58.20
		1/1/19	12/31/19		59.40
Pine Sawlogs	CCF	9/8/16	12/31/16		\$35.00
		1/1/17	12/31/17		35.52
		1/1/18	12/31/18		35.80
		1/1/19	12/31/19		36.63
Hemlock Sawlogs	CCF	9/8/16	12/31/16	\$25.00	
		1/1/17	12/31/17	25.00	
		1/1/18	12/31/18	25.00	
		1/1/19	12/31/19	25.00	

52.83 - Minimum Charge for Small Sales

This is a charge established by the Chief and is designed to partially offset the cost of processing very small sales. The minimum charge for small sales can be found in FSM 2431.34.

52.9 - Other Contract Documents

Contracts may require inclusion of additional documents prepared outside of TIM, such as, but not limited to, those in the following sections.

52.91 - Sale Area and Permit Area Maps

Contract forms FS-2400-3S/T/P, FS-2400-4, and FS-2400-6/6T require a Sale Area Map (SAM). Contract forms FS-2400-13/13T require a Contract Area Map (CAM). SAMs are optional for contract form FS-2400-2. All references to the SAM in this section pertain to the CAM unless noted otherwise. Permit forms FS-2400-1 and FS-2400-8 may include an optional Permit Area Map (PAM). When creating a PAM, use standard map symbols displayed in exhibit 03 but change references to match permit conditions. The term “provision” in this section means “condition” for contract forms FS-2400-2 and FS-2400-4 and permit forms FS-2400-1 and FS-2400-8. Information and features that must be displayed on these maps are stated in standard

and special provisions in these contracts. Refer to exhibits 01 through 04 for examples of a Sale Area Map and appropriate map symbols. A FS-2400-13/13T CAM should use the same symbols and provision references as those in exhibit 04 for a FS-2400-6/6T, except reference to sale area boundary is changed to contract area boundary.

Development of the SAM begins in Gate 3, where maps are needed for the appraisal; Knutson-Vandenberg plan; brush disposal or slash treatment plan; logging plan; proposed locations of temporary roads; location of invasive species; and any other appropriate need. These auxiliary maps shall not be included in the contract unless specifically referenced in a contract provision.

The SAM must be complete, accurate, and readily understandable by designated representatives of the Purchaser and the Forest Service. Where practical, use geographic information system (GIS) technology to prepare high quality, legible maps. Sale Area Maps shall not be produced using hardware or software not owned by or licensed to the Forest Service.

As a part of a contract modification, the SAM may need to be modified, therefore, archive the SAM and all associated layers used to complete the final SAM on official Forest Service electronic storage systems so the map can be retrieved and duplicated or modified during the life of the contract. Show file location on the SAM.

The SAM should be consistent with the following:

1. Adjust map scale so the SAM is readily readable. A map scale of 4 inches = 1 mile (1:15,840) is the preferred scale for the SAM. A map scale of 2.64 inches = 1 mile (1:24,000) is the smallest acceptable size. An appropriately sized map should be created so that all items included on the map are legible and easily visible without the need to enlarge the map in order to distinguish symbols. Maps, properly labeled as supplements to the SAM, may use other scales to show sale vicinity, specified roads, rock sources, or other contractual features outside the sale area or to provide greater detail for areas within the sale area.
2. For ease in photocopying and to accommodate color blind users, the SAM included in the official contract should be produced in black and white. If color is used to emphasize features, map symbols must be easily distinguishable between different items when the map is reproduced in black and white. Avoid using colors that do not reproduce well on black and white copiers. The use of color as the only identifier between map symbols is not permitted; for example, blue verses red as the only difference between two lines displaying different features. If color is used for the official SAM included in the contract, any versions of the SAM used when modifying the contract must be produced in color. Color may be used to enhance supplemental maps such as logging plans, BD plans and KV plans that are not part of the official contract,

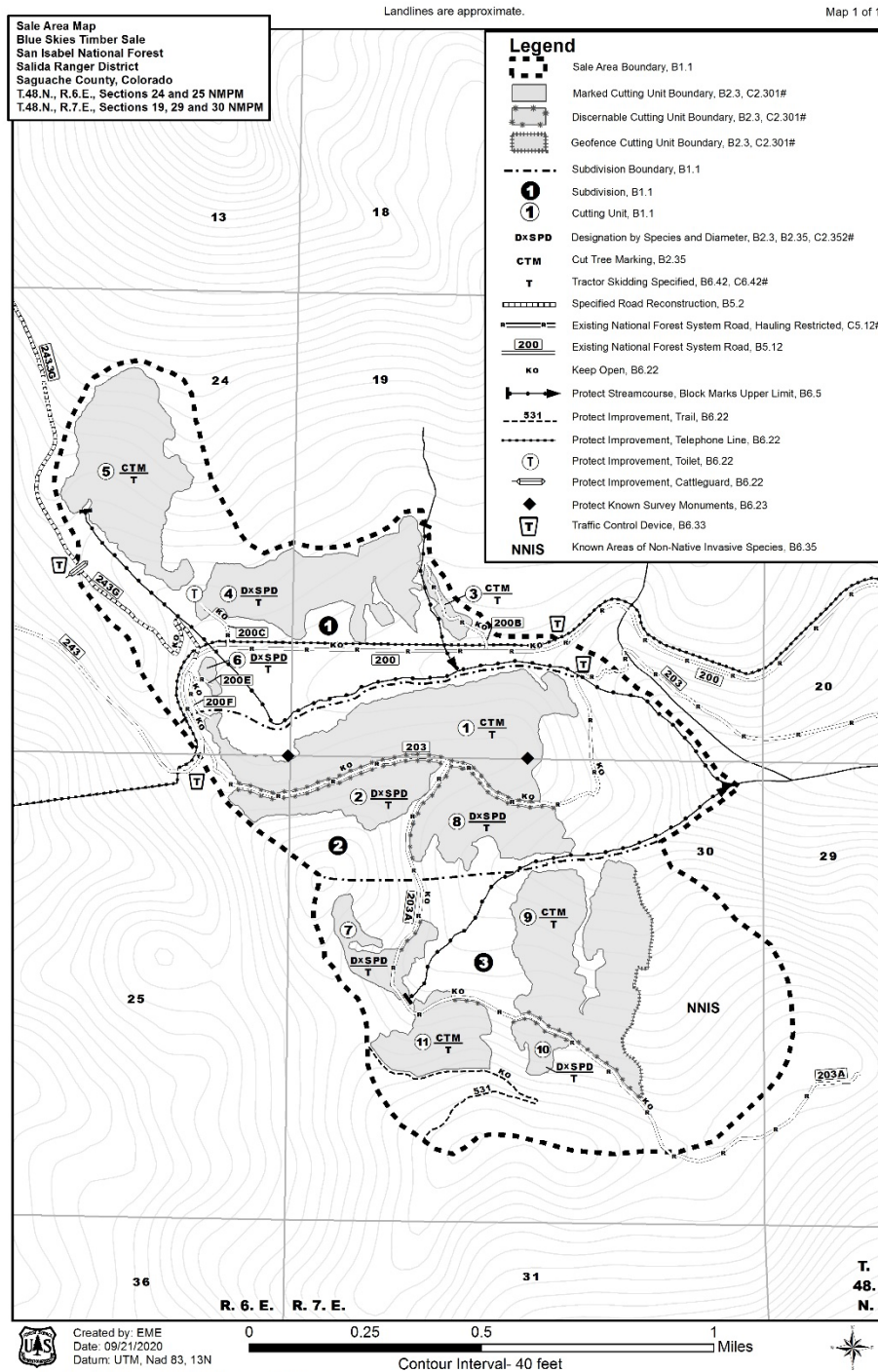
but map symbols that are easily distinguished when produced in black and white must still be used.

3. Identify the sale name, Ranger District, and National Forest on the SAM. Include a scale bar, township, range, section designations, Principal Meridian and north arrow to orient the map. Do not display map scale numerically such as 1:15,840 or 4 inches equal 1 mile, as these values may become distorted when maps are reproduced. Include topographic and natural or manmade features as appropriate, such as roads, buildings, fence lines, streams, private lands, lakes, or ponds. Contour lines should be included when topographical variations are such that inclusion will assist the Purchaser in avoidance of interior features such as steep slopes and where ridges are used for discernable boundaries. Contour lines should be shaded so they do not interfere with other contractual map features.
4. The SAM may consist of one or more sheets. Title each sheet “Sale Area Map” including the sale name and number the sheets consecutively; for example, “Sheet 1 of 3” and so forth. Date each sheet (mm/dd/yyyy) and include the drafter’s initials and electronic file designation.
5. Any contract provision containing the statement “shown on the Sale Area Map” must have the requisite information shown on the SAM if the feature occurs in the sale area. Failure to show an item on the SAM may invalidate the contract requirements for that item. To assure no item is missed use the find feature to search the sample contract B/BT and C/CT provisions for references to the text “shown on Sale Area Map.”
6. Use common GIS map symbols as shown in exhibit 04 whenever contract provisions require a feature to be displayed on the SAM. Use common GIS map symbols developed by the Region for features described in regional special provisions not included in exhibit 04. Do not include restrictions or requirements not required by specific contract provision.
7. The legend must be neat, clear, reproducible, and understandable. The legend must include all symbols used on the map. The legend must not include symbols not on the map. All symbols associated with specific contract provisions must include the applicable provision number(s) in the legend (exhibits 01 through 04). Only identify provisions included in the contract.
8. Protect all features on National Forest System roads, such as gates, bridges and cattle-guards, by identifying the road feature to be protected on the SAM and by adding the reference B/BT6.22 in the legend by the symbol for the improvement to be protected. All improvements subject to potential damage by the Purchaser’s operations must be shown on the SAM as features to be protected.

9. To avoid discrepancies between the contract and map, requirements stated in provisions should not be duplicated on the SAM. For example, to show how timber is designated, reference the provision number(s) but do not include additional information such as species, size, or paint color.
10. A table on the SAM may identify special areas that are subject to specified contract provisions (exhibit 04). This can reduce the need to use special symbols and reduce clutter on the SAM.













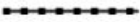




52.91 - Exhibit 01

Sample Sale Area Map



52.91 - Exhibit 02

Sample Legend

Legend	
	Sale Area Boundary, B1.1
	Marked Cutting Unit Boundary, B2.3, C2.301#
	Discernable Cutting Unit Boundary, B2.3, C2.301#
	Geofence Cutting Unit Boundary, B2.3, C2.301#
	Subdivision Boundary, B1.1
	Subdivision, B1.1
	Cutting Unit, B1.1
DxSPD	Designation by Species and Diameter, B2.3, B2.35, C2.352#
CTM	Cut Tree Marking, B2.35
T	Tractor Skidding Specified, B6.42, C6.42#
	Specified Road Reconstruction, B5.2
	Existing National Forest System Road, Hauling Restricted, C5.12#
	Existing National Forest System Road, B5.12
KO	Keep Open, B6.22
	Protect Streamcourse, Block Marks Upper Limit, B6.5
	Protect Improvement, Trail, B6.22
	Protect Improvement, Telephone Line, B6.22
	Protect Improvement, Toilet, B6.22
	Protect Improvement, Cattleguard, B6.22
	Protect Known Survey Monuments, B6.23
	Traffic Control Device, B6.33
NNIS	Known Areas of Non-Native Invasive Species, B6.35







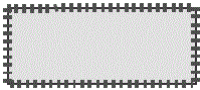

52.91 - Exhibit 03

Sample Table: Skidding, Yarding and Designation Methods



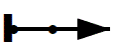
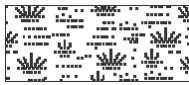



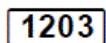
Sub-division	Cutting Unit #	Skidding or Yarding Method Specified B6.42	Designation Method
1	10, 11, 30 12	Skyline Skyline	Clearcut, B2.31 Leave Tree Marked, B2.35
2	15, 15 14, 16 17	Tractor Tractor Tractor	Designation by Prescription, C2.355# Designation by Spacing, C2.351# Designation by Species & Diameter, C2.352#
3	18. 19 20	Tractor Tractor	Clearcut, B2.31 Cut Tree Marked, B2.35
4	21, 48 47, 59	Skyline Skyline	Designation by Species & Diameter, C2.352# Designation by Spacing, C2.351#
5	23, 31 22, 27, 28 29	Tractor Tractor Tractor	Designation by Prescription, C2.355# Designation by Spacing, C2.351# Leave Tree Marked, B2.35

52.91 - Exhibit 04

National Standard Sale Area Map Symbols








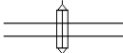
Title Shown in Legend ^{1/}			
Symbol	FS-2400-6 FS-2400-6T	FS-2400-3S FS-2400-3T FS-2400-3P	FS-2400-2 FS-2400-4
	Sale Area Boundary, B/BT1.1	Sale Area Boundary, B/BT/BP1.1	Sale Area Boundary, GC1.0
	Subdivision or Payment Unit Boundary, B/BT1.1	Subdivision or Payment Unit Boundary, B/BT/BP1.1	Not Applicable (Lump Sum Sales)
	Subdivision or Payment Unit Number, B/BT1.1	Subdivision or Payment Unit Number, B/BT/BP1.1	Not Applicable
	Incompletely Marked Subdivision or Payment Unit, B/BT2.3, B/BT 2.36	Not Applicable	Not Applicable
	Marked Cutting Unit Boundary, B/BT2.3, C/CT2.301#	Marked Cutting Unit Boundary, B/BT2.3, C/CT2.301# Harvest Unit Boundary, BP1.1, BP2.3	Cutting Unit Boundary, GC1.0
	Discernable Cutting Unit Boundary, B/BT2.3, C/CT2.301#	Discernable Cutting Unit Boundary, B/BT2.3, C/CT2.301#	Not Applicable
	Geofenced Cutting Unit Boundary, B/BT2.3, C/CT2.301#	Geofenced Cutting Unit Boundary, B/BT2.3, C/CT2.301#	Not Applicable
	Cutting Unit Number, B/BT1.1	Cutting Unit Number, B/BT1.1 Harvest Unit Number, BP1.1	Cutting Unit Number GC1.0
CC	Clearcutting Unit, B/BT2.31	Clearcutting Unit, B/BT2.31	Designation, WO-OC2.3# ^{8/}
OR-15"	Overstory Removal Unit, B/BT2.33	Overstory Removal Unit, B/BT2.33	Designation, WO-OC2.3# ^{8/}
UR-7"	Understory Removal Unit, B/BT2.34	Understory Removal Unit, B/BT2.34	Designation, WO-OC2.3# ^{8/}
DxSPA	Designation by Spacing, C/CT2.351	Designation by Spacing, C/CT2.351	Designation, WO-OC2.3# ^{8/}
DxSPD	Designation by Species and Diameter, C/CT2.352#	Designation by Species and Diameter, C/CT2.352#	Designation, WO-OC2.3# ^{8/}
DxDAM	Designation by Damage Class, C/CT2.353#	Designation by Damage Class, C/CT2.353#	Designation, WO-OC2.3# ^{8/}
DxROW	Designation by Row Spacing, C/CT2.354#	Designation by Row Spacing, C/CT2.354#	Designation, WO-OC2.3# ^{8/}

52.91 - Exhibit 04--Continued


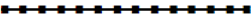
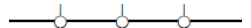
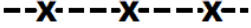
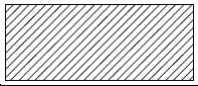

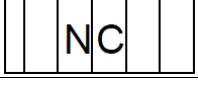

Title Shown in Legend ^{1/}			
Symbol	FS-2400-6 FS-2400-6T	FS-2400-3S FS-2400-3T FS-2400-3P	FS-2400-2 FS-2400-4
DxP	Designation by Prescription, C2.355#	Designation by Prescription, C2.355#	Not Applicable [/]
CTM	Individual Trees, Cut Tree Marking, B/BT2.35	Individual Trees, Cut Tree Marking, B/BT2.35	Designation, WO-1#
LTM	Individual Trees, Leave Tree Marking, B/BT2.35	Individual Trees, Leave Tree Marking, B/BT2.35	Designation, WO-1#
	Reserve Trees, C/CT2.3#, C/CT6.32#	Reserve Trees, C/CT2.3#, C/CT6.32#	Reserve Trees, WO-9#
SMA	Special Measures Area, B/BT6.24, C/CT6.24#	Special Measures Area, B/BT/BP6.24, C/CT6.24#	Not Applicable
LSH	Lower Stump Height, B/BT6.412	Lower Stump Height, B/BT6.412	Not Applicable
	Protect Known Survey Monument, B/BT6.23	Protect Known Survey Monument, B/BT/BP6.23	Protect Known Survey Monument, GC20
	Protect Streamcourse, Block Marks Upper Limit, B/BT6.5	Protect Streamcourse, Block Marks Upper Limit, B/BT/BP6.5	Protect Streamcourse, Block Marks Upper Limit, WO-7
SMZ	Streamside Management Zone, C/CT6.5#	Not Applicable	Not Applicable
	Wetlands Protection, B/BT6.62, C/CT6.62#	Wetlands Protection, B/BT/BP6.62, C/CT/CP6.62#	Wetlands Protection, WO-11
	Meadow Protection, B/BT6.61	Meadow Protection, B/BT/BP6.61	Not Applicable
S/Y ^{2/}	Skidding or Yarding Method Specified, B/BT6.42	Skidding or Yarding Method Specified, B/BT6.42	Not Applicable
	Helicopter Landing, B/BT6.42	Not Applicable	Not Applicable
NNIS	Known Areas of Non-Native Invasive Species, B/BT6.35	Known Areas of Non-Native Invasive Species, B/BT/BP6.35	Known Areas of Non-Native Invasive Species, WO-14
KO ^{3/}	Keep Open, B/BT6.22	Keep Open, B/BT/BP6.22	Keep Open, GC20
	Traffic Control Device, B/BT6.33	Traffic Control Device, B/BT/BP6.33	Not Applicable
	Road or Trail Number	Road or Trail Number	Road or Trail Number

Forest Service Handbook 2409.18 – Timber Sale Preparation Handbook
Chapter 50 – Final Package Preparation, Review and Offering (Gate 4)

52.91 - Exhibit 04--Continued

Title Shown in Legend ^{1/}			
Symbol	FS-2400-6 FS-2400-6T	FS-2400-3S FS-2400-3T FS-2400-3P	FS-2400-2 FS-2400-4
	Existing National Forest System Road, B/BT5.12	Existing National Forest System Road, B/BT/BP5.12	Existing National Forest System Road, GC20
	Specified Road Construction, B/BT5.2, A/AT7	Not Applicable	Not Applicable
	Specified Road Reconstruction, B/BT5.2, A/AT7	Not Applicable	Not Applicable
	Specified Bridge, B/BT5.2, A/AT7	Not Applicable	Not Applicable
	Material Sources, C/CT5.221#	Not Applicable	Not Applicable
	Specified Terminus, B/BT5.2, A/AT7	Not Applicable	Not Applicable
P ^{4/}	Existing Road, Use Prohibited, C/CT5.12#	Existing Road, Use Prohibited, C/CT/CP5.12#	Existing Road, Use Prohibited, WO-10
R ^{4/}	Existing Road, Hauling Restricted, C/CT5.12#	Existing Road, Hauling Restricted, C/CT/CP5.12#	Existing Road, Hauling Restricted, WO-10#
U ^{4/}	Existing Road, Unsuitable for Hauling Prior to Reconstruction, C/CT5.12#	Not Applicable	Not Applicable
X ^{4/}	Existing Road, Hauling Prohibited, C/CT5.12#	Existing Road, Hauling Prohibited, C/CT/CP5.12#	Existing Road, Hauling Prohibited, WO-10#
A ^{4/}	Existing Road, Public Use Restriction, C/CT5.12#	Existing Road, Public Use Restriction, C/CT/CP5.12#	Existing Road, Public Use Restriction, WO-10#
W ^{4/}	Existing Road, Regulation Waiver, C/CT5.12#	Existing Road, Regulation Waiver, C/CT/CP5.12#	Existing Road, Regulation Waiver, WO-10#
----- ^{5/ 6/}	Temporary Road, B/BT6.63	Temporary Road, B/BT/BP6.63	Not Applicable
RO ^{6/}	Temporary Roads to Remain Open, B/BT6.631	Temporary Roads to Remain Open, B/BT/BP6.631	Not Applicable
PI ^{7/}	Protect Improvement, B/BT6.22	Protect Improvement, B/BT/BP6.22	Protect Improvement, GC20
	Protect Improvement – Gate, B/BT6.22	Protect Improvement – Gate, B/BT/BP6.22	Protect Improvement – Gate, GC20
	Protect Improvement, Cattleguard, B/BT6.22	Protect Improvement, Cattleguard, B/BT/BP6.22	Protect Improvement, Cattleguard, GC20

52.91 - Exhibit 04--Continued

Title Shown in Legend ^{1/}			
Symbol	FS-2400-6 FS-2400-6T	FS-2400-3S FS-2400-3T FS-2400-3P	FS-2400-2 FS-2400-4
	Protect Improvement, Railroad, B/BT6.22	Protect Improvement, Railroad, B/BT/BP6.22	Protect Improvement, Railroad, GC20
	Protect Improvement, Telephone Line, B/BT6.22	Protect Improvement, Telephone Line, B/BT/BP6.22	Protect Improvement, Telephone Line, GC20
	Protect Improvement, Powerline, B/BT6.22	Protect Improvement, Powerline, B/BT/BP6.22	Protect Improvement, Powerline, GC20
	Protect Improvement, Fence, B/BT6.22	Protect Improvement, Fence, B/BT6.22	Protect Improvement, Fence, GC20
	Private Ownership	Private Ownership	Private Ownership
	Identified Claim, Purchaser's Rights Limited, B/BT1.2	Identified Claim, Purchaser's Rights Limited, B/BT/BP1.2	Not Applicable
	Rights Limited, No Cutting B/BT1.2	Rights Limited, No Cutting B/BT1.2	Not Applicable
	Lake or Pond	Lake or Pond	Lake or Pond

^{1/} If C/CT/CP provisions supersede or supplement the referenced B/BT/BP provisions, correct the title shown in the legend.

^{2/} Identify Regional special provision in legend. Replace S/Y with the Regional map symbol for the specified skidding or yarding method if designated in the provision. Refer to example in exhibit 01.

^{3/} Place **KO** symbol adjacent to or overlaying roads and trails to be kept open. Refer to example in exhibit 01.

^{4/} Overlay roads subject to the restriction with the appropriate letter at approximately equal intervals. Refer to example in exhibit 01.

^{5/} Temporary roads are generally not shown on the SAM. But, temporary roads to remain open pursuant to B/BT6.631 must be shown on the SAM.

^{6/} Place the **RO** symbol adjacent to or overlaying temporary roads to remain open.

^{7/} Improvements requiring protection, including but not limited to: cattle guards, fences, gates, waterlines, water tanks, guzzlers, power lines, pipelines, toilets, picnic tables, permanent signs and railroads must be shown on the sale area map. When identifying the feature in the legend, reference B/BT/BP6.22. Refer to examples in exhibit 01.

^{8/} Not applicable in FS-2400-2 contracts.

52.91 - Exhibit 04--Continued

B - Standard Provisions	Contract Form FS-2400-6 & FS-2400-13
BT - Standard Provisions	Contract Form FS-2400-6T & FS-2400-13T
C - Special Provisions	Contract Form FS-2400-6 & FS-2400-13
CT - Special Provisions	Contract Form FS-2400-6T & FS-2400-13T
B - Standard Provisions	Contract Form FS-2400-3S
BT - Standard Provisions	Contract Form FS-2400-3T
BP - Standard Provisions	Contract Form FS-2400-3P
C - Special Provisions	Contract Form FS-2400-3S
CT - Special Provisions	Contract Form FS-2400-3T
CP - Special Provisions	Contract Form FS-2400-3P
GC - General Conditions	Contract Form FS-2400-2, FS-2400-4
OC - Other Conditions	Contract Form FS-2400-2, FS-2400-4

52.91a - Sale Area Boundary

Where feasible, establish the sale area to coincide with discernable features, such as roads, trails, ridges (if contour lines are displayed), and streams. Except as noted below, sale area boundaries must include areas subject to provisions in the timber sale contract, such as:

1. Areas where additional tree cutting may occur, that is: minor blowdown, landings, skid roads, campsites, and areas adjacent to cutting units and roads (except as noted herein).
2. Areas where equipment is expected to operate.
3. Areas requiring protection provisions in the contract.

The sale area boundary will generally not include portions of specified road construction or reconstruction that extend outside the area encompassing the cutting units in the sale.

FSM 2477, FSM 6510, and FSH 2409.19 provide for use of Knutson-Vandenberg funds on the sale area for silvicultural and resource activities designed to protect or improve the future productivity of the renewable resources. This authorization requires careful design of sale areas to include logical, necessary, and desirable sale area improvement activities. Do not extend sale area boundaries beyond the areas of the harvest activities for the purpose of qualifying work for Knutson-Vandenberg expenditures. In areas with discernable features, such as roads and trails in close proximity to the cutting area, use such features as the sale area boundary. Where discernable features are not available, sale area boundaries should be within approximately one-quarter mile of the actual cutting and should be marked on the ground when necessary to separate more than one sale.

52.91b - Subdivisions and Payment Unit Boundaries

For a lump sum sale consisting of a single cutting unit, the sale area boundary, subdivision or payment unit boundary and cutting unit boundary will generally be the same. To avoid clutter, the three coinciding boundaries may be depicted by a single symbol. When this occurs, it is still necessary to reference the contract provision for each by the map symbol in the legend since each one has a specific meaning in the contract.

For sales consisting of more than one cutting unit, a single sale area boundary should encompass all cutting units and all leave areas between the cutting units. Consider breaking a sale up into separate smaller sales if it is not practical to have a single sale area boundary encompassing all cutting units. The entire sale area should then be divided into subdivisions for a scale sale and payment units for a tree measurement sale such that no area within the sale area is excluded from being within a subdivision or payment unit (sec. 52.91, exhibit 01). Acceptance of all contractual requirements is by cutting unit, subdivision or payment unit. Having the entire sale area divided into subdivisions or payment units facilitates removing

geographically contiguous portions of the sale area upon completion of work pursuant to B/BT6.36. Additional reasons for having subdivisions or payment units covering all the area within the sale area include:

1. It facilitates adding volume outside of cutting units on tree measurement sales by establishing payment rates for all trees within the sale area.
2. It avoids the “Swiss cheese” effect when eliminating subdivision or payments that coincide with cutting units.
3. Catastrophic damage provisions in the contract cease to apply to subdivisions and payment units following acceptance and elimination from the sale area.
4. Purchaser’s liability and responsibility for fires is reduced upon elimination of subdivisions or payment units from the sale area.
5. Forest Service can proceed with post-sale treatments such as burning and tree planting in the area(s) eliminated without risk of interfering with Purchaser’s operations.
6. Upon completion and acceptance, Forest Service can offer other timber sales within the area(s) eliminated.

Subdivisions and payment units may include more than one cutting unit. To facilitate sale scheduling and reduce the need to subdivide payment units pursuant to BT1.1, the volume in cutting units within a payment unit should not exceed the estimated amount of timber expected to be cut in 60 days. Consider the number of normal operating season days and limited operating season restrictions when making this estimate. Also, when grouping two or more cutting units into a subdivision or payment unit, consider logging methods and roads needed to access the cutting units. It’s generally undesirable to include cutting units requiring substantially different yarding methods (for example tractor and skyline) in a single payment unit due to the financial implications of how payment units are paid for and timing issues a Purchaser must address in scheduling those different operations.

For tree measurement sales, specified roads should be in one or more payment units consisting of just the right-of-way for the specified road(s). Where specified roads go through cutting units the right-of-way volume should always be included in the specified road payment unit and not the payment unit the cutting unit is in.

52.91c - Map Criteria for Site Specific Special Protection Measures

B/BT6.24 states that areas needing special measures for the protection of plants, animals, cultural resources, and/or cave resources will be shown on Sale Area Map and/or identified on the ground. C/CT6.24# is then included in the contract when these criteria exist and there is a

need to mark on the ground locations where there is potential for disturbance or other timing restrictions are needed. Areas needing special protection not physically identified on the ground and only shown on the Separate Resource Map (SAM) must be clearly identifiable from the map alone.

When archeological and/or cave resources exist within the sale area that are required to be identified on the ground for protection, a separate map protected from disclosure under the Freedom of Information Act 5 USC 552 et seq. will need to be produced. Show areas needing protection as Special Measures Area (SMA) using the generic symbol on the Sale Area Map as shown in exhibit 04.

Label this map as Sale Area Map ____ of _____, Cultural/Cave Resources, with a notation on the map that it is exempt from disclosure under the Freedom of Information Act, 5 USC 552 et seq. Complete the fill-in section of the provision with relevant information; for example, the boundaries of cultural resource areas are flagged with blue and white flagging and a white painted stump mark and white stripe at DBH facing outward toward the cutting unit.

Identification of these areas on the ground is important if they are to be avoided during sale operations. Office records of the contract should ensure that such a map, if produced, is clearly identifiable, noting that it should not be reproduced or distributed without approval

52.92 - Drawings and Specifications (Road Package)

Review the engineering specified road package to ensure consistency of the construction and maintenance requirements with the resource objectives identified in the Timber Sale Summary prepared in Gate 3. Focus on the following points:

1. Ensure that the appropriate engineer and Line Officer approve all special project specifications and have signed the plans.
2. Coordinate all specifications, plans, drawings, and included options with other contract requirements to assure that they meet resource objectives.
3. Determine that the road construction completion dates meet the requirements of the National Forest Management Act (36 CFR 223.47) and any other timing requirements such as an expiration date on a right-of-way agreement.
4. When establishing the contract term (sec. 52.42a), consider the length of time needed to award a public works contract for sales where the estimated specified road construction costs are greater than \$50,000 (sec. 42.5) or that include roads to be constructed to a higher standard than needed for the sale (FSM 2432.34a).

Identify the road specifications used in specific condition A/AT7 when a timber sale contract requires construction or reconstruction of specified roads.

53 - Prospectus

The prospectus attracts interest in a timber offering, directs attention to new and changed procedures, furnishes information in addition to that contained in the advertisement or prospective bidder letter, and enables prospective bidders to decide whether they should investigate the sale further. The prospectus is prepared as a product of TIM from information provided by the user following the TIM Contracts User Guide. Do not edit or modify a prospectus produced by TIM. Based on this information and rules programmed into the application, TIM enters all the required information in the appropriate format and location in the document. Refer to the Stewardship Contracts User Guide on the Washington Office, Forest Management site on the FSWeb for instructions on preparing a prospectus for a stewardship contract.

A prospectus is required for all advertised sales. Only the Washington Office, Director, Forest Management, shall make changes or modifications to the format of sections 1 through 19. Paragraph numbers and titles that are inapplicable for a sale must be included and marked “Not Applicable.” Section 20 is available for Regions, Forests, or Districts to add additional information for a specific sale offering. Regions and Forests may prepare standard formats for the information to be added to section 20 that may be programmed within TIM.

Statements in bold type, references in parentheses, and footnotes in exhibit 01 and in sections 53.1 through 53.20 indicate additional instructions or optional wording that may be used for preparing the prospectus. The instructions, optional wording not used, and footnotes will not be printed in the prospectus prepared in TIM.

Based on information provided by the user and rules programmed into the application, TIM enters information in the appropriate format and location in the prospectus. Exhibit 01 shows just the title section of the prospectus. Sections 53.1 through 53.20 address the rest of the information to include in the prospectus. Taken together, exhibit 01 and sections 53.1 through 53.20 comprise the prospectus.

53 - Exhibit 01

TIMBER SALE PROSPECTUS

(Substitute “forest product” for “timber” on non-convertible forest product sales.)

Sale Name: _____ Type of Sale: ^{1/} _____

National Forest: _____ Ranger District: _____

Bidding Method: ^{2/} _____ Bid Guarantee: \$ _____

Location of Bid Opening: Office: _____

Address: _____

Date: _____ Time: _____

Forest Service Web Site: ^{3/} _____

^{1/} For type of sale enter Premeasured, Scaled or Forest Product.

^{2/} For bidding method enter Sealed or Oral Auction.

^{3/} Enter “Not Applicable” if sale information is not available on a Forest Service web site.

53.1 - Section 1 Introduction

TIM will produce the following introduction in all prospectuses:

1. INTRODUCTION. This prospectus furnishes prospective bidders with information not contained in the published advertisement and is designed to enable bidders to decide whether 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. If 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 form **(FS-2400-6, FS-2400-6T, FS-2400-3S, FS-2400-3T, FS-2400-3P, or FS-2400-4)** 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 and web site listed above and in the named attached advertisement.

53.2 - Section 2 Bidding

Direction for selecting the appropriate bidding method is in FSM 2431.4. Direction pertaining to the small business set-aside program is in FSM 2439. Direction pertaining to the bid guarantee is in section 55.31. Direction pertaining to re-advertising a no-bid SBA set-aside sale is in FSM 2432.63a. Direction pertaining to the resale of timber from uncompleted contracts is in section 56.2. Complete section 2 of the prospectus as follows:

2. BIDDING. This is a **(SEALED BID or ORAL AUCTION)** sale. Bidders must submit sealed **(Substitute “initial” for “sealed” for oral auction sales.)** bids on prepared forms obtained from Forest Service offices listed above and in the attached advertisement. Sealed bids may be returned in pre-printed envelopes obtained from Forest Service offices listed above and in the attached advertisement or in envelopes prepared by the bidder. Envelopes prepared by the bidder must include the following information: (a) Bid for National Forest Timber sale, (b) Name of the Timber Sale, and (c) Date and time of the bid opening. Bidders may also add a unique 5-digit alpha-numeric bid identification number created by the bidder for one time use on this sale and known only by the bidder. Bid identification numbers should not be re-used. The bid identification number will facilitate returning an unopened bid a bidder wishes to withdraw or in returning unopened bids to the appropriate bidder in event all bids are rejected prior to bid opening.

Bid 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, cashier's 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. Bidders are encouraged to seek pre-approval by the bond-approving officer prior to bid opening when using an irrevocable letter of credit for the bid guarantee.

(Exclude: "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," when bid form FS-2400-42a is used. Exclude: "Bidders are encouraged to seek pre-approval by the bond-approving officer prior to bid opening when using an irrevocable letter of credit for the bid guarantee." when bid form FS-2400-42a is used.) The bid guarantee will be returned to each bidder whose bid is not accepted.

(Add for Small Business Timber Sale Set-Aside Program sales.)

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

(Add for Special Salvage Timber Sale Program sales.)

This sale is set aside for small business firms with 25 or fewer employees. The Forest Service shall re-advertise the sale without restriction on the size of bidders if no self-certifying, qualified small business concern submits a responsive bid.

(Include the following language if this is a resale of timber from an uncompleted contract subject to the provisions of 36 CFR 223.86. Refer to sec. 57.3)

Fifty percent or more of the timber in this sale is included timber that remained uncut upon termination of a previous contract with (Name of Purchaser or Third Party at Time of Termination). Title 36, Section 223.86, of the Code of Federal Regulations prohibits consideration of a bid for this sale from the previous Purchaser or from any person currently affiliated with the previous Purchaser. Bidders certify, by signing the bid form, that the bidder is not the Purchaser or third party who failed to complete the original contract, and that the bidder is not an affiliate of this person.

(For use when weighted average stumpage rate bidding will be required on the sale.)

Weighted Average Stumpage Rate Bidding:

Prospective purchasers shall submit bids in terms of the weighted average stumpage rate. The bid form states minimum acceptable bid rates and estimated quantities of timber, together with the minimum acceptable weighted average rate. The advertised

minimum acceptable weighted average rate 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 “Only the Fixed Rate Applies” and “Fixed Rate.” The bidder should enter the offer on the bid form only in terms of weighted average stumpage. **(Add for oral auction sales:** The Forest Service shall conduct oral auction bidding only in terms of weighted average stumpage.) 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 weighted average bid rate divided by the minimum acceptable weighted average rate. 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.

(For use when total sale value bidding will be required on the sale.)

Total Sale Value Bidding:

Prospective purchasers shall 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 “Only the Fixed Rate Applies” and “Fixed Rate.” The bidder should enter the offer on the bid form only in terms of the total sale value. **(Add for oral auction sales:** The Forest Service shall conduct oral auction bidding only in terms of 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.

53.3 - Section 3 Location and Description of Timber

Complete section 3 of the prospectus as follows:

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 **(substitute “subdivision” for “payment unit” for scaled sales)**, 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.

(Enter the general location, routes of access, acreage of sale, harvest unit acres by method, and other special information. In addition, enter a brief description of how the timber is designated for harvest and any special logging requirements. Include statements about the status of designating the timber; for example: “This is a pre-marked sale.” If the sale is incompletely marked include the statement: “This sale includes incompletely marked timber. A representative sample of the timber to be designated has been marked prior to advertisement.” If the sale includes designation by prescription, include the statement: “This sale includes timber designated by prescription.” If the sale includes designation by description, include the statement: “This sale includes timber designated by description.” (Combine these into a single sentence if the sale includes both methods.)

53.4 - Section 4 Timber Quantities and Rates

Rates and required deposits are calculated in the appraisal following the procedures in chapter 40. Section 4 of the prospectus includes the information pertaining to timber quantities, and rates of payment for timber including associated deposits (sec. 51) for road maintenance, slash disposal, contract scaling services, use of cost share roads, reconstruction engineering services, and actual reconstruction of roads performed by the Forest Service. Complete section 4 of the prospectus as follows:

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.

(Add if there are specified roads in the sale.)

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 road construction costs.

THE MINIMUM ACCEPTABLE BID RATE IS STATED IN THE ATTACHED BID FORM. THESE RATES ARE EFFECTIVE AT THE TIME OF ADVERTISEMENT.

(Show volumes as “estimated.” Also, show the estimated quantities of each product, such as posts, poles, and pulpwood in common units of measure. If one of the blocks or columns is not applicable, enter NA. For sales of non-convertible products, the Average DBH column is “NA,” and for contract forms FS-2400-3P and FS-2400-4 the Base Rates column is “NA.”)

(Include the following table for unit rate bidding sales for timber and forest products.)

Estimated Quantities and Rates per Unit of Measure

Species	Product	Unit of Measure	Estimated Quantities	Average DBH	Advertised Rates	Base Rates	Required Deposits	
							Slash Disposal	Road Maintenance
Only the Fixed Rate Applies.					Fixed Rate			
TOTAL								

(Use the following table for sales with timber and forest products when species rates are determined by weighted average stumpage rate or total sale value bidding.)

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
Only the Fixed Rate Applies.					Fixed Rate			
TOTAL								

(Add for sales with weighted average bidding.)

The minimum acceptable weighted average bid rate is \$_____ per (Unit of Measure) for the biddable species. It does not include any non-biddable, fixed rate species listed on the bid form in the lower section of block 14 titled “Only the Fixed Rate Applies” and “Fixed Rate.” 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.

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, road maintenance, contract scaling services, use of cost share roads, reconstruction engineering services and actual

reconstruction of roads performed by the Forest Service, if applicable, are in addition to the advertised rates for timber.

(Add if there are specified roads in the sale: Purchasers are responsible for the cost of specified road construction.)

(Add for sales with total sale value bidding.)

The minimum acceptable total sale value bid for advertised timber is \$_____. It does not include any non-biddable, fixed rate species listed on the bid form in the lower section of block 14 titled “Only the Fixed Rate Applies” and “Fixed Rate.” 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, road maintenance, contract scaling services, use of cost share roads, reconstruction engineering services and actual reconstruction of roads performed by the Forest Service, if applicable, are in addition to the advertised rates for timber.

(Add if there are specified roads in the sale: Purchasers are responsible for the cost of specified road construction) **(Add if there are required deposits for actual reconstruction to be performed by Forest Service:** except for actual reconstruction to be performed by the Forest Service).

(Add for sales with escalation provisions. Refer to FSM 2431.37 Stumpage Rate Adjustment for additional direction.)

This sale contains contract provisions for stumpage rate adjustments (escalation). Tentative bid rates for timber, except (Species and Product), apply; subject to quarterly adjustment during the contract period.

(Add for sales with timber subject to agreement.)

This sale includes unestimated quantities of species and products that may be purchased at fixed rates plus required deposits upon written agreement after sale award. Timber subject to agreement will not be considered when determining the high bid for this sale.

Timber Subject to Agreement

Forest Service Handbook 2409.18 – Timber Sale Preparation Handbook
Chapter 50 – Final Package Preparation, Review and Offering (Gate 4)

Species	Product	Units of Measure	Fixed Rates	Slash Disposal Deposits	Road Maintenance Deposits

(Add for all deficit sales.)

This is a deficit sale. The appraised stumpage rates have been increased by \$_____ **(TIM calculates the total adjustment necessary to increase appraised rates to base rates and enters that amount here.)** to reach base rates. **(Add for deficit sales with an estimated road construction cost of \$50,000 or more:** Provision C(T)4.12# applies to the timber sale contract for opted specified roads. This provision requires that the stumpage rates paid by the small business Purchaser include the full estimated public works construction or reconstruction costs of the specified roads included in the contract in addition to the current contract rates.)

(Add for sales that will have a scheduled rate redetermination. Refer to sec. 44.61 of this handbook for instruction on calculating the date to enter.)

The Forest Service will redetermine rates as of _____ (Date) _____. The volume that the Purchaser shall **(Include for scaled sales:** cut and have scaled,) **(Include for premeasured sales:** pay for and have released for cutting,) as shown on the timber sale statement of account before rates developed from a scheduled rate redetermination can become effective is _____ (Volume) (Unit of Measure).

(Include the following for sales where Knutson-Vandenberg deposits are to be collected. Refer to FSH 2409.19 for instruction on calculating K-V.)

Estimated Knutson-Vandenberg deposit for sale area improvement work in a total amount of \$_____ is included in total timber value. This includes a total of \$_____ for essential reforestation and a total of \$_____ for K-V other work.

53.5 - Section 5 Period of Contract

Refer to guidance in section 52.42a when completing section 5 of the prospectus as follows:

5. PERIOD OF CONTRACT. (Use the following sentence for contract form FS-2400-3(S)(T)(P) and contract form FS-2400-6(T): The normal operating season covers the period between _____ and _____.) (If the normal operating season has two periods, include the following phrase: and between _____ and _____.)

(Use the following sentence for all contract form FS-2400-6(T) sales and for FS-2400-4 contracts with an initial contract term less than 1-year.)

The contract termination date is _____. Extensions of this contract may be granted only when the Purchaser has met conditions specified in the contract.

(Use the following sentence for all contract form FS-2400-3(S)(T)(P) sales, FS-2400-2 sales and for FS-2400-4 contracts with an initial contract term of 1-year.

The contract termination date is _____. Extensions of this contract are not authorized.

53.6 - Section 6 Payments

Section 6 of the prospectus includes information pertaining to payment requirements for timber (sec. 52.8), associated charges (sec. 51.5), downpayments (sec. 52.6) and periodic payments (sec. 52.7). Complete section 6 of the prospectus as follows:

6. PAYMENTS. (Use the following paragraph for contract form FS-2400-6(T).)
Payment for timber and any required deposits for slash disposal or road maintenance are required in advance of cutting. The Purchaser may provide an acceptable payment guarantee prior to cutting. The Purchaser shall make advance deposits in accordance with provision B(T)4.212 - Advance Deposits. **(Add the following for contract forms FS-2400-6 that include required deposits for scaling services:** Deposits for scaling services are required in advance of scaling. Refer to sample contract provision C6.816# - Scaling Deposits.) **(Add for contracts that include required deposits for use of cost share roads:** Deposits for use of cost share roads are required. Refer to sample contract provision C(T)4.219# - Cost Share Road Deposits.) **(Add for contracts that include required deposits for reconstruction engineering services:** Deposits for reconstruction engineering services are required. Refer to sample contract provision C(T)5.213# - Deposits for Reconstruction Engineering Services.) **(Add for contracts that include required deposits for actual reconstruction:** Deposits for actual reconstruction are

required. Refer to sample contract provision C(T)5.214# - Deposits for Actual Reconstruction.) Required deposits must be paid in cash.

(Use the following paragraph for contract form FS-2400-3(S)(T)(P).)

Payment for timber and any required deposits for slash disposal or road maintenance are required in advance of cutting. Purchaser may provide an acceptable payment guarantee prior to cutting. The Purchaser shall make advance deposits in accordance with Standard Provision B(S)(T)(P)4.212 - Advance Deposits. **(Add the following for contract form FS-2400-3(S) that includes required deposits for scaling services:** Deposits for scaling services are required. Refer to sample contract provision C6.816# - Scaling Deposits). **(Add for contracts that include require deposits for use of cost share roads:** Deposits for use of cost share roads are required. Refer to sample contract provision C(T)4.219# - Cost Share Road Deposits.) Required deposits must be paid in cash.

(Use the following paragraph for contract form FS-2400-4.)

Payment in cash for timber and any required deposits for slash disposal and/or road maintenance are required by the time the contract is required to be executed.

53.61 - Downpayment

Section 52.6 provides direction pertaining to downpayments.

(Use the following paragraph in Section 6 of the prospectus for contract form FS-2400-3(S)(T)(P) and contract form FS-2400-6(T).)

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. Only cash may be used for this purpose. The Contracting Officer will notify the high bidder of the amount necessary for this payment. In no case may the downpayment be less than 10 percent of the total advertised value plus 20 percent of the bid premium rounded up to the next \$100. 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 may not 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.

53.62 - Periodic Payments

Except for lump-sum sales each contract of more than one full normal operating season as defined in section 52.7 shall provide for periodic payments.

(For sales with no specified roads, add the following in Section 6 of the prospectus when an initial periodic payment is required.)

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.

(Add the following in Section 6 of the prospectus for sales with no specified roads and a contract term exceeding 2 full normal operating seasons as defined in section 53.7.)

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.

(For sales with specified roads, add the following to Section 6 of the prospectus when an initial periodic payment is required, unless there is an additional payment and it falls earlier than or in the same business month as the initial payment (sec. 53.7).)

By (Date) , the Purchaser shall have paid for, or in lieu thereof, deposited cash in the higher 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.

(In addition, for sales with specified roads, add the following to Section 6 of the prospectus when an initial and additional periodic payment is required.)

By (Date) , 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.

53.63 - Cost Recovery for Turn-Back Roads

Section 52.81 provides direction pertaining to cost recovery for turn-back roads.

(Add the following two paragraphs to section 6 of the prospectus when the estimated road construction cost is \$50,000 or more.)

If a qualified bidder elects to have the Forest Service construct specified roads, the contract must 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. **(For scaled sales, use the following sentence:** Contract form FS-2400-6 provides for collecting the estimated public works road construction cost as timber is scaled, at a rate accelerated on 70 percent of the estimated volume.) **(For premeasured sales, use the following sentence:** contract form 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 70 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.

53.64 - Roads Constructed to Higher Standard than Needed for Sale

Direction for procedures when Forest Service intends to have specified roads constructed to a standard higher than that needed for the sale are at FSM 2434. Refer to the engineering road package for the Purchaser's share of the estimated road construction cost (ch. 40).

(Add the following two paragraphs to section 6 of the prospectus when the Forest Service intends to supplement specified road construction cost to a standard higher than that needed for the sale.)

As authorized by Public Law 88-657, section 4, 16 U.S.C. 535, the contract requires construction of some or all segments of road number(s) _____ to a design standard higher than that needed to log this sale. The Purchaser may elect Forest Service road construction of these road segments. If a bidder elects to have the Forest Service construct these road segments, the contract must provide for collection of **(Enter the Purchaser's share of the estimated road construction cost.)** \$_____, which is the Purchaser's share of the road construction cost, in addition to the current contract rate value and required deposits. The contract will provide for collecting the Purchaser's share of the estimated road construction cost as timber is paid for, at a rate accelerated on 80 percent of the estimated volume. See provision C(T)4.12# – Amount Payable for Timber in the sample contract for additional information.

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.

53.7 - Section 7 Performance Bond

Section 7 of the prospectus includes information pertaining to performance bond requirements. Direction pertaining to performance bond requirements is in section 52.5 Performance Bonds in Timber Sales. Complete section 7 of the prospectus as follows:

7. PERFORMANCE BOND. (Use the following when a performance bond is required (sec. 52.5), otherwise section is “Not Applicable.”) 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; rounded up to the nearest \$1,000 when the total bid value exceeds \$10,000; or \$_____ ^{1/} whichever is greater. **(Exclude the following sentence for contract form FS-2400-4:** If an irrevocable letter of credit is used to secure the performance bond, the termination of the letter of credit must be at least 1-year past the contract termination date.)

(^{1/} TIM defaults to 10 percent of the advertised sale value, rounded as stated. The value may be overridden within Gate 4, Prospectus and Bid Information screen. Also see sec. 52.5.)

53.8 - Section 8 Specified Roads

Section 8 of the prospectus includes information pertaining to specified roads. See FSM 2432.34, FSM 7700, and chapter 40 of this handbook for principal direction on road policies as applied to timber sales. Complete section 8 of the prospectus as follows:

8. SPECIFIED ROADS. (Use if there are specified roads in the sale, otherwise this section is “Not Applicable.”) The Forest Service has determined that the following National Forest System roads must 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 **(add the following if the sample contract including the road package is posted online:** or online at the web site identified at the beginning of this prospectus). 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.

Forest Service Handbook 2409.18 – Timber Sale Preparation Handbook
Chapter 50 – Final Package Preparation, Review and Offering (Gate 4)

Road Number	Road Name	Traffic Service Level	Approximate Miles/Kilometers	Estimated Road Construction Cost	Type of Work *

(Enter all roads, or portions, planned for reconstruction as separate segments, followed by the designation “R” or “C” for reconstruction or construction.)

* C = Construction

R = Reconstruction

(Add the following paragraph if the estimated road construction cost is \$50,000 or more, the Forest Service intends to supplement the specified road construction cost to a standard higher than that needed for the sale, or the road must be completed by a specific date to meet Forest Service needs.)

The required specified road completion date for all roads is _____. If provision C(T)5.13# – Road Completion Date has different dates for different road segments, this is the completion date for the road segment with the latest completion date. See sample contract for road segments that may require an earlier completion date.

Total estimated road construction cost allowed in appraisal is **(If the Forest Service intends to supplement specified road construction costs to a standard higher than that needed for the sale, enter only the Purchaser’s share of the road construction cost.)** \$

(Use the following three paragraphs when the estimated road construction cost is \$50,000 or more.)

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 a public works contract. The Forest Service shall not award the timber sale contract unless it either receives a satisfactory road construction bid or, if it fails to receive such a bid within 120 days of opening timber sale bids, the bidder agrees to perform road construction.

If Purchaser elects Forest Service construction, the total estimated public works construction cost that the Purchaser will pay in addition to current contract rates is \$ _____. 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.

(Use the following three paragraphs when the Forest Service intends to supplement specified road construction costs to a standard higher than that needed for the sale.)

The Purchaser may elect Forest Service road construction of some or all segments of road number(s) _____. Completion dates for construction apply whether construction is performed by the Purchaser or the Forest Service. If the bidder elects Forest Service construction, it is the Forest Service’s intent to perform construction through a public works contract. The Forest Service shall not award the timber sale contract unless it either 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 Purchaser’s share of the road construction cost that will be paid in addition to current contract rates is **(Enter the Purchaser’s share of the total estimated road construction cost.)** \$_____.

See provision C(T)4.12# – Amount Payable for Timber in the sample contract for additional information. If the Purchaser elects to construct higher standard road segments for road number(s)_____, the Forest Service shall pay the Purchaser \$_____ in cash and/or materials.

(Include the following paragraphs if the Purchaser will be required to make deposits for reconstruction engineering services (DRES).)

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 \$_____ 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

(Include the following paragraphs if the Purchaser will be required to make deposits for actual reconstruction (DAR) costs.)

The estimated public works construction cost includes the cost of road reconstruction work to be completed by the Forest Service, pursuant to Public Law 88-657, 78 Stat. 1089, 16 U.S.C. 532-537. Refer to provision C(T)5.214# – Deposit for Actual Reconstruction in the sample contract for additional information.

Purchaser shall make a cash deposit in the amount of \$_____ for reconstruction work to be completed by Forest Service following award. The Forest Service shall complete reconstruction work on the following schedule:

Road or Facility No.	Termini From - To (MP or Sta.)	Reconstruction Completion Date

(Add the following two paragraphs for deficit sales when the Forest Service will contribute funds to road construction.)

If the bidder elects to perform road construction, the Forest Service may provide contributed funds to partially offset the difference between appraised value and advertised value. The contributed funds may be in the form of materials needed in construction of specified roads in the sale and/or cash. The maximum value of cash and/or materials that the Forest Service may provide to offset the deficit is \$_____. The Forest Service shall decrease the amount of contribution by an amount equal to the bid premium. This change will occur during preparation of the contract for signature.

If the high bidder elects to have the Forest Service build the road, the Forest Service will not offset the deficit with contributed funds (cash and/or materials).

53.9 - Section 9 Road Maintenance

Section 9 of the prospectus includes information pertaining to road maintenance. See FSM 2432.34a and chapter 40 of this handbook for principal direction on road maintenance as applied to timber sales. Section 9 of the prospectus is as follows:

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.

53.10 - Section 10 Inapplicable Standard Provisions

Section 10 of the prospectus addresses standard provisions made inapplicable by inclusion of special provision(s) in the contract. Do not make any standard provision inapplicable unless directed to do so by the instructions for an approved special provision. Inapplicable standard provisions are not listed in the prospectus. Section 10 simply refers readers to the sample contract as follows:

10. INAPPLICABLE STANDARD PROVISIONS. (This section is "Not Applicable" for contract form FS 2400-4.) See sample contract.

53.11 - Section 11 Special Provisions

Section 11 of the prospectus addresses special provisions needed to tailor the contract to meet the management objectives of individual timber sales. Special provisions are best viewed in the context of the sample contract and should not be listed in the prospectus. An exception to this is that non-recurring special provisions needed for one time use on an individual sale may be highlighted by listing in section 20 of the prospectus. Section 11 refers readers to the sample contract as follows:

11. SPECIAL PROVISIONS. (Substitute "OTHER CONDITIONS" for contract form FS-2400-4.) See sample contract.

53.12 - Section 12 Set-Aside Sales

Section 12 of the prospectus includes information pertaining to small business set-aside sales. See FSM 2490 and chapter 90 of this handbook for direction pertaining to set-aside sales. Complete section 12 of the prospectus as follows:

12. SET-ASIDE SALES. (Enter “Not Applicable” if this sale does not have preferential award to small business. Include the following statement for SBA Timber Sale Set-Aside Program 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.

(Include the following statement for Special Salvage Timber Sales Program sales for firms with 25 or fewer employees.)

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.

(Include the following paragraphs for all sales with preferential award to small businesses.)

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.

(Include the following statement for SBA Timber Sale Set-Aside Program sales.)

The bidder, by signing the bid form, agrees not to sell more than **(30 Percent for Regions 1-6, 8, and 9; or 50 Percent for Region 10)** 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 re-advertised under 36 CFR 223.103 and is awarded without restrictions to bidder size.

53.13 - Section 13 Log Export and Substitution Restrictions

Section 13 of the prospectus includes information pertaining to log export and substitution restrictions. See FSM 2455 for direction pertaining to log export and substitution restrictions. Complete section 13 of the prospectus as follows:

13. LOG EXPORT AND SUBSTITUTION RESTRICTIONS. (Add for sales containing log products west of the 100th meridian, otherwise the section is “Not Applicable.” Use this paragraph in Regions 1 through 6.)

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.

(Use the following paragraphs for Region 10.)

LOG EXPORT RESTRICTIONS. The Code of Federal Regulations (36 CFR 223.201) provides that unprocessed timber from National Forest System lands in Alaska may not be exported from the United States or shipped to other States without the consent of the Regional Forester. This requirement is necessary to ensure the development and continued existence of an adequate woods processing capacity in Alaska for the sustained utilization of timber on National Forests that are geographically isolated from other processing facilities.

- a. There is an estimated _____ CCF of western red cedar in this sale. Western red cedar is appraised for domestic Alaska markets. If there is no local demand and the domestic Alaska value is less than the appraised value of \$_____ per CCF, the Regional Forester may authorize export of surplus western red cedar at the request of the timber sale Purchaser, under the conditions set forth in C(T)4.131#.

For western red cedar volume determined surplus to Alaska needs, _____ percent must be initially offered to the contiguous 48 States. The remaining surplus can be directly exported to foreign markets.

A stumpage price increase will be applied to western red cedar authorized for export to the contiguous 48 States of \$_____ per CCF and \$_____ per CCF for foreign market export, as provided in C(T)4.132#.

- b. There is an estimated _____ CCF of spruce and hemlock utility logs in this sale. Utility is appraised for domestic Alaska markets. If there is no local demand and the

domestic Alaska value is less than the appraised value of \$_____ per CCF, the Regional Forester may authorize export of surplus spruce and hemlock utility grade logs at the request of the timber sale Purchaser, under the conditions set forth in C(T)4.133#. As long as domestic Alaska and export rates are at base rates for spruce and hemlock utility logs, no stumpage price increase will be applied for volume approved for export.

c. There is an estimated _____ CCF of Alaska yellow cedar in this sale, all of which was appraised for export. Upon Purchaser's request to the Regional Forester, an export permit will be issued for this volume. Should the timber sale purchaser elect to domestically process Alaska yellow cedar in Alaska, the Purchaser may apply for an Alaska yellow cedar stumpage rate adjustment, as provided in provision C(T)4.13#.

53.14 - Section 14 Equal Employment Opportunity Compliance Review

Section 14 of the prospectus includes information pertaining to Equal Employment Opportunity Compliance Review. See FSH 2409.18, chapters 60 and 70 for information and direction pertaining to Equal Employment Opportunity Compliance Review. Section 14 of the prospectus is as follows:

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.

53.15 - Section 15 Award

Section 15 of the prospectus includes information pertaining to awarding the contract. See chapter 70 for information and direction pertaining to awarding timber sale contracts. Complete section 15 of the prospectus as follows:

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.

(Use the following paragraph for sales that use bid forms FS-2400-14UR, FS-2400-14TV, FS-2400-14WA, Bid for Advertised Timber.)

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.

53.16 - Section 16 False Statements Act

Section 16 of the prospectus includes information pertaining to the False Statements Act, 18 U.S.C. 1001. Section 16 of the prospectus is as follows:

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."

53.17 - Section 17 Damages

Section 17 of the prospectus includes information pertaining to damages associated with bidder's failure to comply with terms in the Contracting Officer's award letter or the bidder is found to have violated the False Statements Act. Complete section 17 of the prospectus as follows:

17. DAMAGES. This contract shall be terminated for breach pursuant to paragraph 16, 19, and/or 21 of the bid form and **(Exclude: "paragraph 16, 19, and/or 21 of the bid form and" if bid forms FS-2400-14UV, FS-2400-14TV, FS-2400-14WA are not used) 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 the time period specified in the Contracting Officer's award letter; 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.**

53.18 - Section 18 Suspension and Debarment Certification

Section 18 of the prospectus includes information pertaining to suspension and debarment certification. Section 18 of the prospectus is as follows:

18. SUSPENSION AND DEBARMENT CERTIFICATION. Non-procurement debarments and suspensions are governed by the OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (2 CFR 180), and the policies and procedures for nonprocurement debarment and suspension specific to USDA and the Forest Service (2 CFR 417).

These rules require each timber sale Purchaser, to submit form AD-1047 Certification Regarding Debarment, Suspension, and Other Responsibility Matters Primary Covered Transactions for themselves, their principals, and their affiliates when requested by the Contracting Officer. The bidder shall designate their 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 shall certify their eligibility. Form AD-1048 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tiered Transactions must be provided to subcontractors, but completed certifications are not required to be submitted with bid

forms. Purchaser shall keep these subcontractor certification forms on file for review by the Forest Service, if requested.

53.19 - Section 19 Occupational Safety and Health Administration (OSHA) Regulations

Section 19 of the prospectus includes information pertaining to Occupational Safety and Health Administration (OSHA) Logging Regulations. Complete section 19 of the prospectus as follows:

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, **(Insert local address and telephone number of OSHA.)**

53.20 - Section 20 General

Section 20 of the prospectus includes other information pertaining to the sale not addressed in the preceding sections. Complete section 20 of the prospectus as follows:

20. GENERAL. (Add other information, such as show-me trips, right-of-way easements, and other information unique to the specific sale offering that isn't included in the sample contract. Other than identifying non-recurring contract provisions it is recommended to instruct bidders to refer to the sample contract rather than listing or paraphrasing information in special provisions. Regional Foresters may issue additional instructions.)

53.20a - Sales in Urgent Need of Harvesting

During preparation of a sale in urgent need of harvesting, the approving officer shall decide whether to grant contract term adjustment on other Forest Service sales to the operator who is awarded this sale. Indicators of a sale in urgent need of harvesting are in sec. 32.13.

(If applicable, add the following to section 20 of the prospectus for a sale in urgent need of harvesting.)

This sale is in urgent need of harvesting. A contract term adjustment may be granted on other Forest Service sale(s) to the Purchaser of this sale subject to the following:

- a. The specific geographic tributary area that will apply for the granting of adjustments on existing sales is **(List geographic area: other National Forests may be used upon written agreement by the Forest Supervisor(s))**.
- b. The Purchaser shall show how logging this sale will impact operations on existing sales.
- c. Specific classes of sales that will not receive consideration for an adjustment are **(List, such as salvage or insect damage sales or sales within the wildland-urban interface)**.
- d. The calculation of the number of days of contract term adjustment a Purchaser may receive will depend upon a case-by-case review and reflect the time lost by logging the sale urgently requiring harvesting.

53.20b - Sales Not Eligible for MRCTA

The market-related contract term addition regulations at 36 CFR 223.52 exclude adding contract time to sales or portions of sales for reasons specified in the regulation.

(Add the following paragraph to section 20 of the prospectus for a sale that is not eligible to receive a Market-Related Contract Term Adjustment due to urgent need for harvesting.)

The timber in this sale has been designated as in urgent need of removal. A Market-Related Contract Term Addition will not be authorized for this sale.

(Add the following paragraph to section 20 of the prospectus for a sale not designated in urgent need of harvesting but where timber deterioration or resource damage may result from delaying harvesting.)

Timber deterioration or resource damage may result from delaying harvest in **(list units or state all)**. A Market-related Contract Term Addition will not be authorized for these units.

(Add the following paragraph to section 20 of the prospectus for a sale that includes a required completion date. This may be for environmental reasons stated in the NEPA decision, an expiration date on a right-of-way agreement, a road completion date for future needs, and so forth.)

The contract requires the following operations **(describe the operations)** in **(list individual cutting units or payment units or state all cutting units or all payment units; if listing subdivisions change units to subdivisions)** to be completed by **(enter date)**.

This date shall not be adjusted under a Market-related Contract Term Addition. **(Repeat these sentences if contract requires more than one completion date.)**

(Add the following paragraph to section 20 of the prospectus where timber is designated by diameter and delay may change the treatment as a result of trees growing into or out of the specified diameter range.)

The trees in **(list units or state all)** units are designated by diameter and delay may change the treatment as a result of trees growing into or out of the specified diameter range. A Market-related Contract Term Addition will not be authorized for these units.

53.20c - Sales that are the Subject of Litigation

FSM 2432.31a provides direction for sales that are the subject of litigation.

(Add the following to section 20 of the prospectus for a sale that is the subject of litigation.)

This sale is the subject of litigation. The Forest Service may withhold award until the litigation is resolved. If the litigation is not resolved within 90 days of the bid date, the apparent high bidder may be provided an opportunity to extend its firm offer per item 21 of the bid form. At any time prior to the expiration of the firm offer, and any extension thereof, the apparent high bidder may request in writing to have the contract awarded upon first entering into a Pre-Award Waiver, Release and Limitation of Liability Agreement. Upon receipt of such request the Forest Service will determine whether it's in the Government's best interest to enter into a Pre-Award Waiver, Release and Limitation of Liability Agreement. An example of a Pre-Award Waiver, Release and Limitation of Liability Agreement form FS-2400-0076 may be obtained from this office.

53.20d - Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants

The Consolidated Appropriations Act, 2019, Pub. L. 116-6, Division E, Title VII, sections § 744 and 745, as amended and/or subsequently enacted for U.S. Department of Agriculture (USDA) agencies and offices requires corporations to submit form AD-3030 regarding corporate felony convictions and corporate federal tax delinquencies when submitting an offer.

(Add the following to section 20 of all prospectuses.)

Corporations submitting an offer under this solicitation must include form AD-3030 Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants. Form AD-3030 is available online at <https://www.usda.gov/forms/electronic-forms> or from this office. "Corporation" means

any entity that has filed articles of incorporation in any of the 50 states, the District of Columbia, or the various territories of the United States of America.

54 - Notification of Sale Offering

The Regional Forester shall establish criteria for web sites that will be used to post information about sale offerings and procedures for notifying prospective bidders of sales that are about to be advertised. The objective is to make information about sale offerings readily available to a wide range of prospective bidders and concerned citizens. When posting information about a sale offering on an approved web site in lieu of publishing a legal advertisement in the paper of record (sec. 54.2), include the following information in pdf format:

1. Prospective Bidder Letter (sec. 54.1).
2. Prospectus (sec. 53).
3. Advertisement (sec. 54.2).
4. Sample contract (sec. 52) including the road package, if applicable.
5. Sale Area Map.
6. Bid Package (sec. 55.2) including:
 - a. Bid form
 - b. Instructions for preparing envelope for bid submission.
7. Any of the following optional information:
 - a. Cruise report.
 - b. Appraisal.
 - c. GPS data for any features whose location is defined by GPS coordinates.
 - d. Any other information that would be available if requested.

Documents should show the date they were posted on the web site and if updated or corrected, the date the revised document was posted. If it becomes necessary to make any material changes to the advertisement, bid form or sample contract, the revised documents must clearly show the date they were posted, and the bid opening date must be extended to allow bidders a full 30 days to evaluate the revised offering.

TIM uses the same information used to prepare the appraisal and sample contract to prepare the prospective bidders' letter, prospectus, advertisement and bid form. By using a single-entry point for data and information that is used in multiple documents TIM insures consistency between the documents.

54.1 - Prospective Bidder Letter

Bidder notifications may be by direct mailing, email, posting on approved web sites, or a combination of methods pursuant to Regional procedures. The Contracting Officer is responsible for checking the System for Award Management (SAM) to ensure that individuals appearing as an "exclusion" on SAM are removed from mailing lists for new sales during the period of their debarment, suspension, or voluntary exclusion (FSH 2409.18a, sec. 04.8).

The prospective bidder letter must be posted on an approved web site and/or delivered to persons who asked to receive notice of sale offerings, following Regional procedures, on or before the date of advertisement. The prospective bidder letter provides only a minimum amount of information to interested persons and notice that a complete bid package is available upon request, and, if posted, on the web the link to where it can be found. The prospective bidder letter is prepared as a product of TIM from information provided by the user and is signed by the Line Officer with the authority to sign the Gate 4 certification (sec. 57.1). Based on this information and rules programmed into the application, TIM enters all the required information in the appropriate format and location in the document. Exhibit 01 displays an example of a prospective bidder letter generated by TIM. Statements in bold type, references in parentheses, and footnotes on exhibit 01 indicate additional instructions or optional wording that may be used for preparing the prospective bidder letter. The instructions, optional wording not used, and footnotes will not be printed in the prospective bidder letter prepared in TIM. Do not edit or modify prospective bidder letters produced by TIM.

54.1 - Exhibit 01

Sample of Prospective Bidder Notice Generated by Timber Information Manager (TIM)



United States
Department of
Agriculture

Forest
Service

(Name of Forest Service
Unit)

(Address of Forest
Service Unit)

File Code:

Date:

(Name of Prospective Bidder)
(Address of Prospective Bidder)

Dear Prospective Bidder:

On ____ (Date) ____, at ____ (Time) ____, **(sealed bids) (initial bids for oral auction)** will be opened in the ____ (Office Name and Address) ____ for the ____ (Name of Timber Sale) _____. This sale is located in ____ (Legal Location) _____. Timber sale Contract (forms FS-2400-3S, FS-2400-3T, FS-2400-3P, FS-2400-4, FS-2400-6, or FS-2400-6T) will be used. The termination date for this sale is (Termination Date). **(Include if set-aside:** This is a small business set-aside sale.)

(Include the following language if this is a resale of timber from an uncompleted contract subject to the provisions of 36 CFR 223.86.)

Fifty percent or more of the timber in this sale is included timber that remained uncut upon termination of a previous contract with (name of Purchaser or third party at time of termination). Title 36, Section 223.86, of the Code of Federal Regulations prohibits consideration of a bid for this sale from the previous Purchaser or from any person currently affiliated with the previous Purchaser. Bidders certify, by signing the bid form, that the bidder is not the Purchaser or third party who failed to complete the original contract and that the bidder is not an affiliate of this person.

(Include if there are specified roads.)

There are ____ miles (____ kilometers) of specified road reconstruction, ____ miles (____ kilometers) of specified road construction, ____ specified road bridge(s), ____ specified terminal facilities, ____ specified landing(s), and ____ specified other facilities. A specified road construction cost of \$____ has been allowed in the appraisal for this work.

(Included for premeasured sales: The estimated quantities in this contract have been determined prior to felling for payment purposes.) **(Include for scaled sales:** The estimated quantities in this contract will be scaled after felling to determine volume for payment purposes.)

54.1 - Exhibit 01—Continued

If you wish further information on this sale, the prospectus and bid form, please write or call the _____ **(Name of Office or Offices and Complete Address and Telephone Number of Each Office)**. **(Add if information about the sale is available online:** Additional information about this sale is also available at (web address).)

Sincerely,

NAME

(Title of Line Officer with authority to certify Gate 4.)

Enclosure **(Include a copy of the sale area map - Optional.)**

54.2 - Advertisement

Begin advertising only after obtaining Line Officer approval of the sample contract. In the context of this section the terms “published” and “publication” mean to make available to the general public by methods including: (a) printed as a legal advertisement in the paper of record where the sale is located, (b) posting on an official public facing Forest Service web site approved by the Regional Forester, (c) other method approved by the Regional Forester, or (d) a combination of approved methods. Refer to FSM 2432.47 for direction pertaining to advertisements.

Sample contracts (sec. 52) and bid packages (sec. 55.2) prepared in TIM must be carefully inspected for omissions and errors caused by data entry mistakes. The Contracting Officer should review the sample contract, SAM, bid package and other contract preparation documents prior to advertisement, and advise the responsible Line Officer if errors or potential problems are identified. The Line Officer signing the Gate 4 Timber Sale Report is the responsible official certifying that the sale complies with regulations and Forest Service Manual and Handbook requirements (sec. 57 and FSM 2404).

Correct any material errors found after advertisement with a correction notice and, if applicable, a new bid package. Notify prospective bidders using the same procedures as the original offering. Depending on the significance of the error, consider cancelling the sale and re-offering it at a later date.

54.21- Preliminary Advertisement

If, in sales of Regional or general interest, advertising would preclude adequate on-the-ground examination because of time of season, consider preliminary advertisement. Enter available data, but do not enter the last date for the receipt of bids or appraised prices. For preliminary advertisement for complex sales or special interest sales, the period of publication of the regular advertisement may be shortened to not less than 30 days. The preliminary advertisement is not prepared as part of TIM. A preliminary advertisement should include the following:

Preliminary Advertisement

Sale of National Forest Timber

The Forest Service intends to advertise timber designated for cutting in the following proposed timber sale area(s) on the (Name) National Forest prior to (Date). The (Name) sale contains (Total Sale Acres) acres more or less within (Describe Sale Location). This sale contains an estimated volume of (Amount) hundred cubic feet of timber designated for cutting.

(Repeat for each sale.)

This advance notice is to afford interested parties time to examine the sale area(s) prior to winter. Interested parties may obtain information and maps about the sale area(s) from the District Ranger, (Location) or Forest Supervisor, (Location). The final advertisement will contain final minimum stumpage rates, bidding provisions, and other sale conditions.

54.22 - Regular Advertisement

Published advertisements for sales of ordinary interest must include the minimum requirements of 36 CFR 223.82. Timber Information Manager (TIM) prepares the advertisement and enters all required fill-in items.

The advertisement must be clear, concise and include only essential details. Include additional information in the prospectus. Distribute a copy of the published advertisement with the bid package (sec. 55.2).

The USDA Department Regulation No. 4300-3 establishing the Equal Opportunity Public Notification Policy, requires nondiscrimination statements to be included in the issuance of public notices and publications. At the end of all advertisements TIM will include the nondiscrimination statement: "The USDA is an equal opportunity provider and employer."

Advertisements for sales of unusual interest that are published in trade journals, as well as normal publication, may include some information ordinarily included in the prospectus. Prepare these advertisements in accordance with instructions issued by the Regional Forester. These instructions are not part of TIM.

Exhibit 01 is an example of the advertisement that is generated by TIM. Directions in bold type, references in parentheses, and footnotes are additional instructions that TIM follows for preparing the advertisement but do not appear in the printed document. Do not edit or revise a regular advertisement produced by TIM.

54.22 - Exhibit 01

Sample of Timber Sale Advertisement Generated by Timber Information Manager (TIM)

NATIONAL FOREST TIMBER FOR SALE ^{1/} **(NAME) NATIONAL FOREST**

The (Name) Sale is located within (Legal Location). The Forest Service will receive (sealed and oral) ^{2/} bids in public at (Location of Bid Opening) at (Time) local time on (Date) for an estimated (Enter total volume and unit of measure of either timber or forest products) (or enter total volume and unit of measure by product for either timber or forest products.) marked or otherwise designated for cutting. **(Add for sales that include required removal of estimated amounts at fixed rates:** In addition, there is within the sale area an estimated volume of (Species, Product, and Unit of Measure) that the bidder agrees to remove at a fixed rate.) **(Add for sales that provide for optional removal of additional material:** In addition, the sale area contains an unestimated volume of (Species, Product, and Unit of Measure) that the bidder may agree to remove.) **(Add for sales set aside for preferential award to small business:** This is a small business set-aside sale. If no self-certifying small business concern makes a valid bid, the Forest Service will readvertise this sale without restrictions on bidder size.) **(Add for sales set aside for preferential award to small business for special salvage timber sales:** This sale is set aside for small business firms with 25 or fewer employees. If no small business concern makes a valid bid, the Forest Service will readvertise this sale without restrictions on bidder size.) **(Add for sales with estimated road construction costs of \$50,000 or more:** Sale contains specified roads with an estimated public works construction cost of \$ ^{3/}. 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.) **(Add if sale includes contributed funds or material to partially offset the difference between appraised value and advertised value:** The Forest Service may provide contributed funds for specified roads to partially offset the difference between appraised value and advertised value. Additional information concerning this option is in the prospectus.) **(Add if sale requires road construction to a design standard higher than that needed to log the sale:** This sale requires road construction to a design standard higher than that needed to log the sale. The purchaser may elect to have the Forest Service perform the construction. 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 location 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 (List office and/or web site where bid packages may be obtained.). The USDA is an equal opportunity provider and employer.

^{1/} Substitute "Products" for "Timber" for forest product sales.

^{2/} Strike this phrase and substitute "sealed" for sealed bid only sales.

^{3/} The estimated public works construction cost to be entered is the full engineer's estimate of the cost to build the road with a public works contractor, not the Purchaser's estimated road construction cost in the appraisal.

54.23 - Procedures

Supply a double-spaced copy of the advertisement to each publication that will be publishing a printed version of the advertisement. TIM can send the advertisement as an e-mail to publications accepting electronic copies of advertisements. This e-mail document can then be converted into an appropriate format for the publication. TIM prints both single- and double-spaced advertisements. Keep an original copy of each advertisement in the official contract folder.

Units advertising sales on approved web sites rather than publishing in a newspaper must post a single-spaced version of the advertisement and include the date it's posted.

54.24 - Date Determination for Bid Opening

The date of bid opening must be a minimum of 30 full days after the first publication of the advertisement, unless a shorter time is authorized pursuant to 36 CFR 223.81. When calculating 30 full days do not include the day the ad was first published or the day of the bid opening. For example, if only the minimum period of 30 days is necessary, the bid opening date must ordinarily be the day after the same date of the following month, if the first insertion is in a 30-day month. Proper adjustments must be made if the period includes the last days of February or if the first insertion is in a 31-day month. If the final date falls on a Saturday, Sunday, or holiday (Federal, State, or local), establish the date of bid opening as the next business day. If the advertisement is to appear in more than one publication, ensure that the same final date appears in all. An advertisement does not have to appear more than once. The following is an example of an advertising scheduling:

Date of First Appearance of Advertisement	Date of Bid Opening
July 9 (31-day month)	August 9
September 9 (30-day month)	October 10
February 9 (29-day month)	March 11
February 9 (28-day month)	March 12

54.25 - Extension of Advertising Period

An advertisement may contain a statement to the effect that, upon the request of any responsible person desiring additional time for the examination of the timber, the final date for receiving bids may be postponed for a specified period.

1. Use this statement if competition seems improbable or if full publicity might not result during the normal advertising period.

2. As a general rule, advertise long enough to avoid the necessity for extensions of the bidding period.
3. If such a need develops, the advertisement period may be extended even if the original advertisement did not provide for extension.
 - a. To accomplish such an extension, give notice of the extension through the same media used to carry the original advertisement(s). The notice need not repeat the details of the previous advertisement, but it should refer to the previous advertisement and should set forth the pertinent facts regarding the extension. TIM does not generate a notice extending the advertising period.
 - b. Publish the extension notice before the originally scheduled bid date; preferably, sufficiently in advance to avoid inconvenience to prospective bidders. It may appear less than 30 days in advance of the rescheduled bid date. If the Forest Service cancels bidding before the bid date or rejects all bids on or after the bid date, any re-advertisement must be for a minimum of an additional 30 days.

54.26 - Checking Advertisement and Correcting Mistakes

At least two individuals should check all advertisements prior to submitting for publication in a newspaper or posting on an approved web site. Correcting errors after printing or posting may result in having to reschedule bid opening dates and incur the additional expense of publishing a correction. As soon after the advertisement appears in print, check it against the typed copy of the advertisement to determine if there are typographical errors or material mistakes.

A material mistake incorrectly states the amount, kind, or location of the timber; the appraised price or prices; the date, time, or place for the receipt of bids; or any other major condition of the sale.

The officer authorized to approve the sale shall exercise judgment as to what constitutes a material mistake. For example, failure to list one section that contains a relatively minor timber volume may not constitute a material error, because prospective bidders have an opportunity to detect the omission by examination of the sample contract and bid form. Regional Foresters shall obtain advice from the Regional attorney if questions arise regarding whether an error in an advertisement is a material error.

1. If this check discloses a material mistake, determine if the error was in the advertisement sent to the publication or one made by the publisher. Unlock Gate 4 in TIM to make the needed changes (also changing the bid date) and publish a corrected advertisement with the date for receiving bids to be no less than 30 days after publication of the corrected advertisement. If the error was caused by the publisher there should be no additional charge for publishing the correction.

2. Correct typographical errors that do not constitute a material mistake in subsequent publications, but do not change the original bid opening date. If such error was caused by the publisher there should be no additional charge for publishing the correction.

54.27 - General Notice Advertisement

When it is desirable, include multiple small sale offerings, as listed in the periodic sale program, in one advertisement. In this case, state the advertised price and other essential information for each sale. TIM does not support multiple sales offered in one advertisement.

Advertisements for multiple sales will need to be created outside of TIM but must include all required information. Under some conditions, an advertisement may list two or more sales in an area and offer to receive bids for any or all of them. In event that there are no valid bids during the advertising period, make the timber available for prompt sale without re-advertisement (36 CFR 223.85).

54.28 - Informal Bids

Solicit informal bids on short-notice sales (36 CFR 223.81) by any of the following means, alone or in combination, and document in official sale folder:

1. Publish advertisements in the local newspaper of record or by posting on an approved Forest Service web site (sec. 54).
2. Post notices in public places.
3. Distribute copies of notices to potentially interested parties.

54.29 - Cancelling Advertisement

Cancellation of an advertised contract results in loss of time and money for both the Government and potential bidders; therefore, the decision to cancel an advertisement should be fully documented with the reasons for cancellation or postponement. The Contracting Officer shall notify potential bidders of the cancellation using the same procedures as the initial advertisement (sec. 54.23). Include information on the estimated date when the sale will be re-advertised, if known. Refer to section 61.1 for additional guidance on cancellation of a bid opening.

55 - Timber Sale Bid Preparation

55.1 - Sealed Versus Auction Bidding

Offer competitive sales of National Forest System timber through either sealed bid or sealed bid followed by oral auction. Review the specific exceptions provided in 36 CFR 223.88 before

selecting the bidding method. Request use of sealed bidding exclusively (FSM 2404.23) where noncompetitive bid patterns are identified and where it would not adversely affect the economic stability of communities whose economies are dependent on such National Forest materials (The National Forest Management Act of 1976, as amended (16 U.S.C. 472a).

1. Use local criteria in deciding upon the method of bidding.
2. Use the same bidding system for set-aside sales as for open sales.

55.2 - Bid Package

A bid package includes the advertisement (sec. 54.2), prospectus (sec. 53), bid form (sec. 55.3) and an envelope for submitting a bid. The bid package is sent to prospective bidders when requested in response to the sale advertisement (sec. 54.2) and/or may be available for downloading from an approved Forest Service web site (sec. 54).

Envelopes for submitting bids must display the following information on the outside of the envelope:

1. Bid for National Forest Timber Sale
2. Name of the timber sale
3. Date and time of the bid opening
4. Bid identification number followed by a blank. The Bidder has the option of entering a random 5-digit alpha-numeric number generated by the bidder for the specific bid. The number can be used to identify the bidder who submitted the bid in event of a need to return the bid unopened. For example: If a bidder asks to withdraw a bid prior to bid opening, providing the unique bid identification number will allow the Forest Service to find the bid without having to open other bids while searching for the bid being withdrawn. Do not ask a bidder for the identification number used on a bid unless it is needed to return an unopened bid, or to verify receipt of a bid at the request of the bidder.

Allow prospective bidders to inspect the sample contract, sale area map, road package if sale includes specified roads, cruise report, appraisal, and other documentation at the office listed in the advertisement and prospectus (36 CFR 223.83) or on the approved web site. Provide copies of specific sale documents to prospective bidders when requested. Maintain a record of the copies provided to individual bidders so that updated copies can be provided in event changes are made to any documents previously distributed.

55.3 - Preparation and Use of Bid Forms on Advertised Sales

Use Bid for Advertised Timber forms FS-2400-14UR (Unit Rate), FS-2400-14TV (Total Value), and FS-2400-14WA (Weighted Average), for all formally advertised sales (sec. 57) made using contract forms FS-2400-6(T), FS-2400-3(S)(T)(P), and FS-2400-4. Forms FS-2400-14UR, FS-2400-14TV, and FS-2400-14WA are created in TIM with data entered by the user and rules programmed into the application. Reference copies of the bid forms are available on the ORMS Forms Management SharePoint site but shall not be used to create the bid form when advertising a sale.

The following instructions in sections 55.31 through 55.35 apply to completion of these forms in TIM.

55.31 - Bid Guarantee

An acceptable bid guarantee must accompany all sealed bids for sales in which the advertised value of the timber or forest products exceeds \$10,000 and for sales of lesser amounts when they are formally advertised. Include a bid guarantee amount on the bid form if a performance bond is required for the sale (48 CFR 28.101-1). Informal advertisement requires a bid guarantee only when needed to protect the Government's interests or when a performance bond is required for the sale.

The default value in TIM for the required amount of a bid guarantee is equal to 10 percent of the advertised value (FSM 2431.43). For advertised sales, TIM will round the bid guarantee up to the next \$100. TIM automatically enters the amount of the bid guarantee in the Prospective Bidder Letter (sec. 54.1), the Prospectus (sec. 53) and the bid form.

55.32 - Downpayment Information in Block 20

Refer to section 52.6 for information pertaining to downpayment requirements. Based on information provided by the user and rules programmed into the application, TIM enters information in block 20 of the bid form showing which method will be used to calculate the downpayment amount.

55.33 - General

One of the FS-2400-14 Bid for Advertised Timber forms must be used for all sales when the advertisement is published (sec. 57) and to document confirmation of an oral bid. Use these forms to document bid for a negotiated sale or a direct sale of a previously advertised sale sold pursuant to 36 CFR 223.85. TIM uses a different Page 1 for "Unit Rate Bidding" (form FS-2400-14UR), "Total Sale Value Bidding" (form FS-2400-14TV), and "Weighted Average Bidding" (form FS-2400-14WA). Refer to section 53.2 for information on how the different bidding methods

are applied. The following information will not be printed on the form by TIM when it is not applicable:

1. Block 18. ROAD CONSTRUCTION OPTION
2. Block 24. CERTIFICATION OF COMPLIANCE WITH EXPORT AND SUBSTITUTION RESTRICTIONS
3. Block 25. SMALL BUSINESS SET-ASIDE SALE
4. Block 26. SPECIAL SALVAGE SALE TIMBER SALE PROGRAM SET-ASIDE SALE
5. Block 27. CERTIFICATION OF NON-AFFILIATION
6. Instruction 11. ROAD COMPLETION DATE
7. Instruction 12. ELECTION OF ROAD OPTION AND CERTIFICATE OF SMALL BUSINESS STATUS
8. Instruction 13. ELECTION OF ROAD OPTION
9. Instruction 15. CERTIFICATION OF COMPLIANCE WITH EXPORT RESTRICTIONS

55.34 - FS-2400-14 (UR, TV and WA) Bid Forms Page 1

TIM will complete the appropriate version of the FS-2400-14 bid form based on data entered by the user and rules programmed into the application. Follow the instructions in the TIM Contracts User Guide and the additional information below.

Block 10 - Name of Newspaper. Complete for all sales (name of newspaper where sale was advertised) prior to advertisement. If sale advertisement is posted on an approved Forest Service web site (sec. 54) in lieu of publishing in a newspaper, enter the web site.

Block 18 - Road Construction Option 1/. TIM includes the appropriate option or makes block 18 N/A based on rules programmed into the application. Include in sales with specified road work with a road construction cost of \$50,000 or greater. Include substitute block "a" when sale contains specified roads to a higher standard than is needed to remove timber and the specified road construction cost is \$50,000 or greater. Include substitute block "b" when sale contains specified roads to a higher standard than is needed to remove timber and the specified road construction cost is less than \$50,000. Bidder checks the box prior to submitting bid when selecting the option or leaves it blank if not selecting the option.

Block 19 - Contract, Downpayment, and Bond. TIM includes in all sales. Enter 30 days in the blank for the number of days the Purchaser has to execute the contract. Enter the current value of funds rate percent at the time of advertisement in the blank for late downpayments.

Block 25 - Small Business Set-Aside (SBA) Sale 2/. TIM includes in all SBA sales. TIM includes substitute Block for Region 10. See FSM 2490 and chapter 90 of this handbook for direction pertaining to set-aside sales.

NOTES:

1/ TIM will substitute the following block "a" when sale contains specified roads to a higher standard than is needed to remove timber and the specified road construction cost is \$50,000 or greater:

18. ROAD CONSTRUCTION OPTION:

☐ X Box if Bidder is a small business and wishes to have Forest Service construct all specified roads.

☐ X Box if Bidder wishes to have Forest Service construct only the higher standard segments of the specified roads listed in instruction 13.

You may not change an election once made. Failure to mark box constitutes agreement to build roads. Election may not be changed subsequent to time set for opening bids (See also instructions 11 and 13).

TIM will substitute the following block "b" when sale contains specified roads to a higher standard than is needed to remove timber and the specified road construction cost is less than \$50,000:

18. ROAD CONSTRUCTION OPTION:

☐ X Box if Bidder wishes to have Forest Service construct only the higher standard segments of the specified roads listed in instruction 13.

You may not change an election once made. Failure to mark box constitutes agreement to build roads. Election may not be changed subsequent to time set for opening bids (See also instructions 11 and 13).

2/ TIM will substitute for sales in Region 10.

25. SMALL BUSINESS SET-ASIDE SALE: This is a small business set-aside sale. Section 15 of the Small Business Act of 1958 authorizes award of this sale to a qualified small business as stated in 13 CFR 121.507. If the Contracting Officer or another interested party questions the representation of the high bidder within 5 working days of bid opening, the Contracting Officer may defer award of this sale pending consideration by the Small Business Administration.

In addition to certifying Bidder's small business status, small businesses awarded set-aside sales will also be required to execute SBA Form 723, Small Business Certification, which is required on every preferential sale of set-aside timber at the time the sale contract is executed. The Small Business Administration certification

confirms the representation of the size status of the firm, provides assurance that the firm will maintain records of all sales or exchanges of sawtimber from this sale for 3 years, and acknowledges the possible penalties for violating the foregoing.

The Bidder certifies, by signing this bid form, that it is a small business concern within the terms of definitions listed below:

(a) In sales of National Forest timber, a small business is a concern that is primarily engaged in the logging or forest products industry, is independently owned and operated, is not dominant in its field of operation, and together with its affiliates, does not employ more than 500 persons.

(b) In sales of National Forest timber with any part to be resold, a small business is a concern that meets the requirements of item (a), above, and agrees that it will not sell or exchange more than 50 percent of the advertised sawtimber quantities to a concern that does not qualify as small business.

(c) In sales of National Forest timber not to be resold for manufacture into lumber and timbers, a concern is a small business when it meets the requirements of item (a) above, and it agrees that in manufacturing lumber or timbers from National Forest timber, it will do so only with its own facilities or those of concerns that qualify as small businesses.

55.35 - FS-2400-14 (UR, TV and WA) Forms Bidding Instructions

Each of the FS-2400-14 bid forms include instructions to bidders pertaining to the bidding process and preparation of bids. The instructions are self-explanatory. Section 55.3 includes instructions for obtaining reference copies of the bid forms with instructions.

Pursuant to section 16 of instructions, bidders agree that form AD-1047 Certification Regarding Debarment, Suspension and Other Responsibility Matters – Primary Covered Transactions shall be completed by the Purchaser and provided to the Contracting Officer upon request. Include form AD-1047 with the bid form.

55.4 - FS-2400-42a Advertisement and Short Form Bid

1. Use form FS-2400-42a Advertisement and Short Form Bid for soliciting and receiving informal bids on sales with an appraised value of \$10,000 or less (36 CFR 223.80) unless the form does not adequately state the conditions that the bidder must meet. Form FS-2400-42a is created in TIM with data entered by the user.

This form may be used for sales with a shorter advertising period (less than 30 days) made on any of the contract forms except in any of the following cases (36 CFR 223.81 and FSM 2432.47b(5)):

- a. When soliciting bids by published advertisement (sec. 55.3).
- b. When soliciting bids by posting notice in public places or by distributing notices to potentially interested parties and the form does not adequately state the conditions that the bidder must meet.
- c. When soliciting bids for set-aside sales.

When these exceptions apply, receive bids on forms FS-2400-14UR, FS-2400-14TV, and FS-2400-14WA, as appropriate.

- 2. Enter information in TIM to complete Advertisement and Short Form Bid, FS-2400-42a. TIM completes the form based on user inputs. Enter 30 days in the blank for the number of days the Purchaser has to execute the contract unless the Regional Forester establishes a different number of days for signing a contract in emergency situations or the timber is sold for administrative use (36 CFR 223.81).
- 3. Include form AD-1047 Certification Regarding Debarment, Suspension and Other Responsibility Matters Primary Covered Transactions.

56 - Special Situations

56.1 - Procedure When Sale Outgrows Originally Authorized Size

See FSM 2432.64 and the procedures below for direction on sales that outgrow their originally authorized size.

56.2 - Resale of Timber from Uncompleted Contracts

See FSM 2431.5 for direction on the resale of timber from uncompleted contracts.

56.21 - Process

Section 223.86 of Title 36 of the Code of Federal Regulations encourages completion of timber sales within the contract period. The regulation precludes any Purchaser or affiliate who fails to complete a contract by the termination date or who has had a sale terminated for breach from repurchasing the remaining timber unless the Regional Forester approves an exception before advertising the resale. The report for the resale must fully document the exception and the public interest involved in the decision to consider the original Purchaser's bid.

Inform ineligible bidders, as well as other potential bidders, of the restrictions imposed on such resales. The prospectus for any resale must include mandatory language declaring the original Purchaser or its affiliates ineligible to bid. Appropriate language (sec. 53.2) is automatically included when the applicable information is entered into TIM. When bidding excludes the original Purchaser, ensure that prospective bidders have certified that they are not affiliated with the original Purchaser. Whenever such a bid limitation applies, TIM will include Block 27 - Certification of Non-affiliation in the Bid for Advertised Timber forms FS-2400-14UR, FS-2400-14TV, and FS-2400-14WA. When entering information in TIM, ensure that the name entered is the exact version of the name of the Purchaser of the original sale. If the sale involved a third party, enter the name of the third party exactly as shown on the third-party agreement.

56.22 - Applicability

In determining the applicability of 36 CFR 223.86 to a resale offering, consider both the circumstances of the original sale and the conditions of the resale.

When a Purchaser fails to complete a contract by the termination date, promptly reoffer the remaining timber under the original conditions in order to mitigate damages (FSH 2409.15, sec. 37). Base decisions to revise the sale on multiple-use, environmental, or other valid considerations. Do not revise the sale merely to circumvent the limitations of the regulation.

56.23 - Resale Within Sustained Yield Units

If it becomes necessary to resell timber within a sustained yield unit, the approving officer shall review the policy statement for the unit to determine whether to invite competition. When inviting competition, and if the sale meets the criteria listed in the regulation, do not consider bids from the original Purchaser. If no alternative exists to reselling to the original Purchaser, then the bid limitation does not apply.

A need to resell timber from uncompleted contracts in a sustained yield unit indicates a need to review the sale program to ensure that it meets the Purchaser's capacity and proper sale design.

56.24 - Resale After Refusal of Extension for Environmental Considerations

The Contracting Officer may refuse to extend a sale in order to permit revision that would prevent environmental or resource damage, even though a Purchaser establishes eligibility for an extension under the extension policy (FSM 2453). Under such circumstances, the limitation on bid consideration (sec. 56.21) does not apply.

When not extending a sale because of environmental considerations, document the decision so there is no doubt about the original Purchaser's status regarding a subsequent resale.

56.25 - Sale Procedure

Follow normal bidding procedures and use the same method of bidding under which the sale was originally purchased. TIM will ensure that Block 27 - Certificate of Non-affiliation, is included in the bid forms FS-2400-14UR, FS-2400-14TV, and FS-2400-14WA.

56.3 - Timber Property Sales

Timber property sales are sales of timber partially or wholly processed into products either by direct Forest Service expenditures or by the expenditures of others that result in the timber having value in excess of standard stumpage value. Timber property value is generally attributed to costs associated with felling, bucking, skidding, loading, and hauling, depending on the status of the timber at the time of appraisal. Normal appraisal allowances are not made for timber that has been partially processed. Examples include the sale of:

1. Logs cut in clearing rights-of-way across National Forest System land or ski areas,
2. Logs in the resale of a defaulted contract, or
3. Seized material cut in trespass (FSM 2466).

Handle sales with timber property in a manner similar to commercial sales using one of the timber sale contract forms. Appraisal procedures for timber property sales are in chapter 40. Timber property value is displayed on the FS-2400-17. Timber property value is included as a part of the base rate listed in the contract but is not referenced by name in the contract and is not displayed as a separate charge on the statement of account or the contract. When harvest volume is reported, the Forest Products Financial System multiplies that quantity times the TPV Rate and deposits that amount to the TIMPRP job code automatically. These are general fund receipts (Treasury) that cannot be used by the Forest Service.

See FSM 2420 and chapter 40 of this handbook for information and direction on timber appraisals.

57 - Tracking and Reporting Gate 4

The date of advertisement or offering, or the notice of availability in the case of a deficit sale, and completion of the TIM certification “Timber Sale Report” signed by the appropriate Line Officer completes the requirements for this gate. The Timber Sale Report prepared in Gate 4, consists of two-components: (a) a narrative document discussed in section 57.1 below, and (b) a certification document titled “Timber Sale Report” printed from TIM and signed by the responsible Line Officer. By signing the Timber Sale Report produced by TIM the Line Officer certifies that all documents in the report and requirements for the timber sale have been completed in accordance with regulations and Forest Service Manual and Handbook

requirements and standards related to timber sales; the environmental documentation and NEPA decision have been reviewed; no significant new information or changed circumstances relating to the environmental impacts of this proposed action exist that require a correction, supplement, or revision to the documentation or decision; and advertisement should proceed.

57.1 - Documentation

As discussed in section 57 above, the Timber Sale Report consists of two components, both titled “Timber Sale Report”. The first component is a written narrative document aggregating the details from the Gate 4 activities in addition to information gleaned from the Timber Sale Summary prepared in Gate 3. The narrative includes information from Gates 1 through 4 to facilitate transferring information from the sale preparation team to the sale administration team. In addition, it provides the necessary information to support the timber sale appraisal and to populate the Timber Information Manager (TIM) which will produce the sample contract, prospectus, advertisement and bid form. The contents of the narrative Timber Sale Report include, but are not limited to, the items described below. Reference the location in the contract where the information is inserted to assist in the information transfer.

1. Environmental document name.
2. Decision document name and date.
3. Volume summary table including:
 - a. Total gross and net volumes and unit of measure; A/AT2.
 - b. Species gross and net volumes, product and unit of measure.
 - c. Species groups gross and net volumes, product, unit of measure and average diameter (dbh); A/AT2.
 - d. Individual payment unit volume by species group net volumes, product and unit of measure (if premeasurement); AT4c.
 - e. Timber subject to agreement by species groups gross and net volumes, product, unit of measure and average diameter (dbh); A/AT2 and C/CT2.11#.
4. Total Sale Area gross acreage; A/AT1:
 - a. Net acreage by treatment type; A/AT3.
 - b. Individual payment unit acreage (if premeasurement); AT4c.

5. Appraisal Calculations (Refer to Chapter 40 of this handbook) by species group, product and unit of measure including:
 - a. Base Period Information.
 - b. Base Period Price by species group; A/AT4a.
 - c. Stump-to-Truck calculation, including average skid distance.
 - d. Haul cost calculation including average haul distance calculation by road class.
 - e. Road maintenance cost calculation, including road maintenance class and required deposit calculation.
 - f. Slash cost calculation, including brush disposal deposit from BD Plan; A/AT4a or A/AT4b.
 - g. Total slash disposal deposit by payment unit (if premeasurement); AT4c.
 - h. Environmental protection calculation.
 - i. Temporary road cost calculation, including estimated mileage.
 - j. Rollback factor by species group.
 - k. Specified road cost calculation, including table of road numbers, names, design classes, mileages, and construction or reconstruction; total public works estimate; Purchaser estimate; deposit for reconstruction engineering services (DRES); and actual reconstruction engineering deposit calculation (DAR); A/AT7, C/CT5.213#, C/CT5.214#, C/CT5.32#.
 - l. Base rate by species group.
 - m. Indicated advertised rate by species group.
 - n. Adjustments to eliminate deficit calculation by species group.
 - o. Advertised rate by species group; A/AT4a or A/AT4b.
 - p. Total payment unit payment (if premeasurement); AT4c.
 - q. Base index name and value by species group; A/AT5 and A/AT4a.
6. Important contract data including:

- a. Determination of fire precautionary period; A12/AT9.
 - b. Determination of Purchaser fire responsibility for suppression and reinforcement; A13/AT10.
 - c. Calculation of Purchaser fire obligation; A14/AT11.
 - d. Calculation of termination date; A15/AT12.
 - e. Determination of normal operating season; A16/AT13.
 - f. Calculation of minimum performance bond and periodic payment date(s); prospectus.
 - g. Determination of market-related contract term addition producer price index; A20/AT17.
7. Mitigation measures and other requirements from the environmental document including:
- a. Road use restrictions; C/CT5.12#.
 - b. Operation restrictions; C/CT6.24#.
 - c. Reserve trees; C/CT2.3#, C/CT6.32#.

Attach the Logging Plan, Harvest Layout Notes and other documents needed to transfer sale preparation knowledge to the sale administration team. Retain the sample bid, advertisement, prospectus, engineering estimates, appraisal, sample contract, trust fund plans, and any other documentation prepared as part of this gate and attach them to the Gate 4 certification report generated by TIM and signed by the Line Officer. Secure all documentation in the official sale file.

57.2 - Sale Tracking and Reporting

TIM tracks and reports the accomplishment of Gate 4. Gate 4 is locked when the final certification report has been printed. The sale information stored in TIM is used in Gates 5 and 6.