

required removal under this timber sale contract. Utilization is down to a 4.0 inch top and a 9 foot piece.

Boundaries of harvest units are identified with three ORANGE stripes on boundary trees, middle stripe facing the unit, with ORANGE stump marks.

This sale has been divided into 2 payment units. Units 1 and 4 are in one payment unit and units 2 and 3 are in the other payment unit.

The sale area is accessed from Wallace, Idaho by proceeding north on county road #456 to Dobson Pass. Turn left at Dobson Pass and proceed on the #424 road for approximately 1.4 miles to the #429 road and the edge of the Sale Area at unit 3. All units are located along the #429 road.

This sale will require skyline yarding systems. Average skyline yarding distance is 650 feet with a maximum reach of 800 feet. Guy anchors are limiting above half of unit 2 and all of unit 3. An appraisal allowance was made for installation of 7 tipping plate guy anchors to provide the main anchor directly behind the set.

4. TIMBER QUANTITIES AND RATES. The quality, size, cut per acre, and product suitability of the timber are estimates based on detailed cruise information on file and available for inspection at the Forest Service offices listed above and in the advertisement. **VOLUME QUANTITIES LISTED HEREIN ARE MADE AVAILABLE WITH THE UNDERSTANDING THAT VALUES SHOWN ARE FOREST SERVICE ESTIMATES AND ARE NOT GUARANTEED.** For these reasons, bidders are urged to examine the timber sale area and make their own estimates. **THE MINIMUM ACCEPTABLE BID RATE IS STATED IN THE ATTACHED BID FORM. THESE RATES ARE EFFECTIVE AT THE TIME OF ADVERTISEMENT.**

**Estimated Quantities and Minimum Acceptable Rates
per Unit of Measure**

							Required Deposits	
Species	Product	Unit of Measure	Estimated Quantities	Average DBH	Minimum Acceptable Bid Rates	Base Rates	Slash Disposal	Road Maintenance
Grand fir	Sawlog	ccf	150	10.1	\$25.41	\$18.01	\$20.72	\$0.54
Douglas-fir	Sawlog	ccf	135	12.2	\$27.71	\$18.01	\$20.72	\$0.54
Lodgepole Pine	Sawlog	ccf	116	11.0	\$25.41	\$18.01	\$20.72	\$0.54
White Pine	Sawlog	ccf	28	11.8	\$37.64	\$23.01	\$20.72	\$0.54
Larch	Sawlog	ccf	14	10.4	\$27.71	\$18.01	\$20.72	\$0.54
Hemlock	Sawlog	ccf	7	10.2	\$25.41	\$18.01	\$20.72	\$0.54
Combined sps.	Non-saw	ccf	32		\$1.00	\$1.00	\$0.00	\$0.54
Total	Sawlog		450					
	Non-Saw		32					

Species groupings in the timber sale contract are Grand fir/Hemlock/Alpine fir/Lodgepole pine, Douglas-fir/Larch/Spruce, and White pine/Cedar/Ponderosa pine. The average defect for the sale is 16 percent. A 35% cull and breakage factor was added to dead Douglas-fir in unit 1 to account for saprot defect. **The cruise was run using INGY volume equation to estimate the volume.**

The minimum acceptable bid for advertised timber is \$12,151.64 for the sale-as-a-whole. The bid rate for species and unit of measure are assigned under procedures for average bid premium bidding as noted in this prospectus. The bid rate is based upon the pricing procedures provided by the timber sale contract. This rate has been established by appraisal, with a cost allowance for the roads

specified by the contract, if any. Required deposits for slash disposal and road maintenance are in addition to the advertised rates for timber.

Estimated Knutson-Vandenberg deposit for sale area improvement work in a total amount of \$8,156.70 is included in total timber value.

5. PERIOD OF CONTRACT. The normal operating season covers the period between June 1 and October 31. Contract termination date is August 31, 2005.

The purchaser must submit a general operating plan to the Contracting Officer for approval before operations begin or within 60 days of sale award, whichever is earlier. The plan must show how the purchaser plans to complete the contract by the termination date. In addition to the general operating schedule, the purchaser must submit an annual schedule of operations before commencing operations. This schedule will include the anticipated major activities and needs for harvest. This annual schedule of operations does not require concurrence of the Forest Service.

6. PAYMENT. Payment for timber and any required deposits for slash disposal or road maintenance are required in advance of cutting. Purchaser may transfer purchaser credit into the contract, or provide an acceptable payment guarantee prior to cutting. Payment for required deposits must be a cash payment. At advertised rates, the transfer in purchaser credit limit is \$ 0. The purchaser shall make advance deposits in accordance with CT4.221 - Advance Deposits.

The high bidder whose bid is accepted shall, at the time the contract is signed and returned by the bidder, make a downpayment pursuant to Title 36, Section 223.49, of the Code of Federal Regulations. The Contracting Officer will notify the high bidder of the amount necessary to make this payment. In no case shall the downpayment be less than 10 percent of the advertised value plus 20 percent of the bid premium. The bidder may use transferred-in purchaser credit to meet this requirement. After receipt of the downpayment and a satisfactory performance bond and upon execution of the timber sale contract, the Forest Service will return the bid guarantee. A cash bid guarantee may be applied to the downpayment at the request of the purchaser. The purchaser cannot apply the amount deposited as a downpayment to cover other obligations due on the sale until stumpage value representing 25 percent of the total bid value of the sale is shown on the timber sale account to have been charged and paid for on the statement of account.

By September 30, 2004, the purchaser shall have paid for, or in lieu thereof, deposited cash in the amount of: (1) 50 percent of the total estimated bid premium, or (2) 35 percent of the total estimated sale value at bid date, exclusive of required deposits, rounded up to the next \$100. Purchaser credit transferred in may be used to meet this requirement. Transferred-in purchaser credit cannot be subsequently transferred to another sale unless the credit is replaced by cash.

7. PERFORMANCE BOND. A performance bond is required. The penal sum of the bond will be 10 percent of the total bid value of the sale, rounded up to the nearest \$100 when the total bid value is \$10,000 or less; and rounded up to the nearest \$1,000 when the total bid value exceeds \$10,000 or \$7,000.00 whichever is greater. If an irrevocable letter of credit is used to secure the performance bond, the termination of the letter of credit must be at least 12 months past the contract termination date.

8. SPECIFIED ROADS. The Forest Service has determined that the following forest development roads shall be constructed or paid for, in whole or in part, by the timber sale purchaser. Sufficient information to permit a prospective bidder to calculate the likely cost to be incurred for road construction is available at the Forest Supervisor's Office. See the sample contract for verification of specific details and information concerning construction specifications. CONSTRUCTION ESTIMATES AND INFORMATION CONTAINED HEREIN, TOGETHER WITH RELATED SPECIFICATIONS, ARE NOT GUARANTEED. The following roads are those that Forest Service considers necessary to remove the timber from this sale.

Road Number	Road Name	Traffic Service Level	Approximate Miles	Estimated Road Construction Cost	Type of Work C or R*
N/A					

* C = Construction
R = Reconstruction

Total estimated road construction cost allowed in appraisal is \$ 0.00 .

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 above and in the sample contract. Maintenance specifications are in the sample contract.

10. INAPPLICABLE STANDARD PROVISIONS. See sample contract.

11. SPECIAL PROVISIONS. See sample contract.

12. FINANCIAL ASSISTANCE. The Small Business Administration (SBA) may be able to assist small business concerns in financing construction of specified roads listed in the sample timber sale contract. Such SBA assistance, if available, may be in the form of guaranteed bank loans or direct participation SBA loans. Applicants must meet SBA size and eligibility requirements. **APPLICANTS ALSO MUST MEET CREDIT REQUIREMENTS OF SBA AND/OR A LOCAL BANK. APPROVAL OF LOAN ASSISTANCE RESTS WITH SBA AND IS CONTINGENT ON AVAILABILITY OF LOCAL FUNDS OR SBA FUNDS. FAILURE TO BE ELIGIBLE OR TO OBTAIN A LOAN IN NO WAY AFFECTS REQUIREMENTS OF BID FOR ADVERTISED TIMBER SALE OR THE TIMBER SALE CONTRACT.** If requested by the purchaser, the timber sale contract can provide repayment of direct SBA loans through the Forest Service as the timber is cut.

13. SET-ASIDE SALES. This is not a SBA set-aside sale.

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

15. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE REVIEW. If the total bid value plus required deposits for this contract exceeds \$10 million, before award, the Forest Service shall request an equal employment opportunity compliance review of the high bidder to determine compliance with the provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967.

16. AWARD: The Contracting Officer is required to make a determination of bidder responsibility as stated in Title 36, Section 223.101, of the Code of Federal Regulations.

To determine a purchaser to be responsible, a Contracting Officer must find that:

- a. The purchaser has adequate financial resources to perform the contract or the ability to obtain them;
- b. The purchaser is able to perform the contract within the contract term taking into consideration all existing contracts and Governmental business commitments;
- c. The purchaser has a satisfactory performance record on timber sale contracts. A prospective purchaser that is or recently has been seriously deficient in contract performance shall be presumed not to be responsible, unless the Contracting Officer determines that the circumstances were beyond the purchaser's control and were not created through improper actions by the purchaser or affiliate, or that the purchaser has taken appropriate corrective action. Past failure to apply sufficient tenacity and perseverance to perform acceptably under a contract is strong evidence that a purchaser is not a responsible contractor. The Contracting Officer shall consider the number of contracts involved and extent of deficiency of each in making this evaluation;
- d. The purchaser has a satisfactory record of integrity and business ethics;
- e. The purchaser has or is able to obtain equipment and supplies suitable for logging the timber and for meeting the resource protection provisions of the contract;
- f. The purchaser is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Bidders, by signing the bid form, certify that to the best of bidder's knowledge 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.

17. 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."

18. DAMAGES. This contract shall be terminated for breach pursuant to paragraph 16, 19, and/or 21 of the bid form and the terms of the sample contract if: 1) bidder fails to execute a timber sale contract, furnish a downpayment, or furnish a satisfactory performance bond within 30 days of the award letter's date; or 2) bidder is found to have violated the False Statements Act in making any statement or certification on the bid form including not meeting purchaser responsibility requirements, and bidder has made a false statement. The bid guarantee shall be retained, in whole or in part, by the Forest Service to satisfy any damages that may be assessed.

19. SUSPENSION AND DEBARMENT CERTIFICATION. Non-procurement debarments and suspensions are governed by the Government-wide common rules (7 CFR 3017).

These rules require each participant, in this case the timber sale purchaser, to submit a certification for itself, its principals, and its affiliates when bidding on sales. The bidder must designate its status regarding debarment, suspension, and other matters as specified on the bid form. The bidder, by signing the bid form, certifies this status. An explanation for not submitting a certification may be submitted. The Contracting Officer will determine whether the explanation provides sufficient reason for permitting participation in the bidding.

Also, as a participant enters into covered lower tier transactions, these lower tier participants must certify their eligibility. The lower tier certification titled Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Transactions must be provided to the lower tier participant, but completed certifications are not required to be submitted with bid forms. Purchaser must keep these lower tier certification forms on file for review by the Forest Service, if requested.

The certification forms and instructions for lower tier transactions are provided as an addendum to the bid form.

20. 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, 1150 N. Curtis Road, Suite 201, Boise, Idaho 83706-1234.

21. GENERAL.

Under Provision CT5.31# - Purchaser will be responsible for road maintenance on the #429 and #424 roadways. This includes T-103 dust abatement during log haul commensurate with use.

Under Provision CT6.10 - Prior to commencement of work, a prework conference will be held to discuss contract terms and work performance requirements.

Under Provision CT6.351 - Purchaser will be required to wash off-road equipment prior to moving into the sale area.

Under Provision CT6.316# - No operations during the winter recreational period 12/1 to 3/31. Log haul and road maintenance operations will be prohibited during weekends and holidays. This restriction will be in effect at 4:00 pm on the day prior to the weekend or holiday. No yarding operations in units 2, 3, and 4 during the period 4/1 to 6/30 to minimize damage to residual timber.

Under Provision CT6.41# - Purchaser is required to use flagpersons when felling timber with potential to reach forest roadways for public safety.

Under Provision CT6.601# - Purchaser will be required to seed and fertilize landings.

Under Provision CT6.7 – Purchaser will be required to cut limbs and tops prior to yarding in unit 1. Purchaser will be required to slash regeneration over 6 feet in unit 1. Purchaser will be required to perimeter snag unit 1. Purchaser will be required to construct hand fireline around the perimeter of unit 1. Purchaser will be required to lop and scatter logging slash in units 2, 3, and 4. Purchaser will be required to slash regeneration over 16 feet in a portion of unit 4. Purchaser will be required to do leave tree protection on cedar and white pine residual trees in unit 1 and grand fir, lodgepole pine, and white pine residual trees in a northern half of unit 4 below the road. This will be approximately 3 and 22 trees respectively. Purchaser will be required to pile and cover landing slash. Purchaser will clean system roads in Unit 4.