

NOTICE TO PROSPECTIVE TIMBER SALE PURCHASERS

The timber sale contract for Northwest Oregon Sale No. ORN05-TS18-513, Pedal Power, scheduled for Thursday, September 13, 2018, has been revised to include updated appraised timber values. These changes have reduced the total purchase price and bid deposit. Please refer to the updated contract package when bidding.

NORTHWEST OREGON DISTRICT  
UPPER WILLAMETTE FIELD OFFICE

PARCEL NO.: 1  
SALE DATE: September 13, 2018

Contract No.: ORN05-TS18-513, Pedal Power  
Lane County, Oregon: O&C Oral Auction

Bid Deposit Required: \$109,400.00  
SBA Sale

All timber designated for cutting on S1/2SW1/4 Section 31, T.17S. R.1W. Lots 2-4,  
SW1/4NW1/4 Section 1, T.18S. R.2W. Willamette Meridian

Estimated Volume 32' Log (MBF)	Species	Estimated Volume 16' Log (MBF)	Appraised Price per MBF	Estimated Volume Times Appraised Price
2,469	Douglas fir	2,941	\$323.50	\$951,413.50
393	Grand fir	477	\$200.60	\$95,686.20
80	Bigleaf Maple	95	\$97.20	\$9,234.00
57	Incense-cedar	73	\$237.60	\$17,344.80
43	Western hemlock	51	\$192.30	\$9,807.30
16	Western redcedar	20	\$493.80	\$9,876.00
3,058	Totals	3,657		\$1,093,361.80

NORTHWEST OREGON DISTRICT  
UPPER WILLAMETTE FIELD OFFICE

**TIMBER SALE NOTICE  
LUMP SUM  
EUGENE MASTER UNIT  
SBA SALE**

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APPRAISED PRICES are calculated by determining market value through the analytical appraisal method. The minimum bid increment will be \$0.10 per MBF or multiples thereof.

LOG EXPORT RESTRICTIONS: All timber offered for sale hereunder is restricted from export from the United States in the form of unprocessed timber and is prohibited from being used as a substitute for exported private timber.

NOTE: The volume for this timber sale has been calculated using 16 foot eastside Scribner rules, and the 32 foot log volumes are estimates derived from the 16 foot volumes.

CRUISE INFORMATION: Volume for all Douglas-fir, grand fir, western redcedar, big leaf maple, western hemlock and incense-cedar in the Regeneration Harvest Area was variable plot cruised. Plot data is then used to calculate v-bar and basal area per acre using the **National Cruise Processing Program**. The basal area in the Regeneration Harvest Area was determined with a Relaskop using a 40 BAF and a total of 174 plots; 170 sample trees were randomly selected on these plots to determine v-bar. All right-of-way volume was 100% cruised. A map showing the location of the sample trees is available at the Springfield Interagency Office.

With respect to merchantable Douglas-fir (sample) trees: The average tree is 17.2" DBHOB; the average log contains 78 bd. ft.; the total gross merchantable volume is approximately 3,063 MBF; and 96% recovery is expected.

CUTTING AREA: Approximately 90 acres must be regeneration harvested and approximately 2 acres of right-of-way must be clearcut.

ACCESS: Access to the sale is provided by:

1. A public road;
2. BLM existing roads;
3. BLM roads to be constructed.

ROAD MAINTENANCE: The Purchaser shall pay to the BLM a rockwear fee of \$2,585.36. See the Exhibit D map for specifications of road maintenance responsibility. Only the map page of the Exhibit D is included in the Prospectus. Refer to the contract file for the full Exhibit D.

**In addition to the quantities shown below, 150 cubic yards (truck measure) of maintenance rock (gradation to be determined by Authorized Officer) is required. Additional road reinforcement (rocking) may be required for wet weather haul and will be at the Purchaser's expense.**

ROAD CONSTRUCTION:

Spurs A, C, E, and E1.

Length: 21.53 Stations

Class: SN-16

Special Requirements: Operations limited to periods of dry weather. Culvert replacement on streams shall be done between June 1 and October 31 (both days inclusive). Purchaser shall fabricate and install a gate on Spur A.

ROAD RENOVATION:

Road Nos. 18-2-1 Segs. A &amp; B, and 18-2-1.1

Length: 102.53 Stations

Class: SN-16

Special Requirements: Culvert replacement on streams shall be done between June 1 and October 31 (both days inclusive). Purchaser shall fabricate and install a gate on Road No. 18-2-1.1. Purchaser shall sand and paint the gate on Road No. 18-2-1.

ROAD IMPROVEMENT:

Road No. 18-2-1 Seg. C

Length: 29.65 Stations

Class: SN-16

Special Requirements: Operations limited to periods of dry weather.

Rock Source: Commercial – Springfield Vicinity

Estimated Rock Quantities (CY truck measure)

<u>3/4" Minus</u>	<u>1-1/2" Minus</u>	<u>3" Minus</u>	<u>6" Minus</u>
450	3,318	4,077	99

CULVERTS:

<u>Diameter:</u>	<u>Length:</u>	<u>Number:</u>
18"	640'	19
24"	80'	2
30"	80'	2
36"	40'	1

**Total Estimated Exhibit C Road Costs (construction, renovation, and improvement): \$228,582.17**

ROAD DECOMMISSIONING:

Spur C and 18-2-1 Seg. C

Barriers: 2

Estimated Cost of Decommissioning: \$1,162.33

Special Requirements in Road Decommissioning: Operations limited to periods of dry weather. Purchaser shall waterbar Road No. 18-2-1 Segment C.

DURATION OF CONTRACT: Duration of the contract will be **24 months** for cutting and removal of timber.

SPECIAL PROVISIONS: The contract will contain special provisions regarding road construction, road renovation, road improvement, road maintenance, logging methods, prevention of erosion, logging residue reduction, snag creation, and submission of a written logging plan specifying landing locations and logging schedule.

Under Sec. 26 of the timber sale contract, ground-based logging and mechanized felling will be prohibited during periods of excessive soil moisture. This will normally limit ground-based logging and mechanized felling to July, August, and September.

**A revised Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and/or to modify or terminate the contract when necessary to: (1) Comply with the Endangered Species Act or to prevent incidental take of northern spotted owls in accordance with management direction in the Record of Decision (ROD) and Resource Management Plan (RMP), or; (2) Comply with a court order, or; (3) Protect species which were identified for protection in accordance with management direction established in the ROD and RMP.**

OTHER SPECIAL REQUIREMENTS:

1. **In Section 1, at the terminus of Road No. 18-2-1.1, timber affected by target shooting bullets has been addressed and accounted for in the final cruise report. Severe areas were sampled and trees with signs of bullet holes were defected.**
2. No felling, yarding, or loading is permitted in or through the Reserve Area.
3. All trees within the posted and painted Special Right-of-Way of Spur A shall be cut and decked along the Right-of-Way boundary and shall be retained on site.
4. Trees marked with pink paint and a "W" are wildlife trees and shall be left on site if felled for safety or operational reasons.
5. The Purchaser shall be required to clean logging, road, decommissioning, and slash piling equipment prior to entry on BLM lands.
6. Notification and coordination with Springfield Utility Board (541-746-8451) shall be required prior to the commencement of harvest operations along the western property boundary.
7. In the use of BPA Transmission Right-of-Way, the Purchaser shall comply with the following conditions:
  - (aa) Prior to the start of all cutting and yarding operations, the Purchaser shall contact and meet with a BPA representative and the Authorized Officer.
  - (bb) Keep passage open to at least one vehicle width on all BPA access roads to allow for maintenance of powerlines, as determined by the Authorized Officer.
  - (cc) No log decking, storage of logs, storage and transportation of flammable materials, or fueling of vehicles shall occur within the BPA Transmission Right-of-Way.
  - (dd) No loading of log trucks shall be allowed within the BPA Transmission Right-of-Way. All equipment, including log trucks, shall not be loaded to a height greater than 14 feet above the road bed when traveling under the powerlines.
8. Prior to removal of any timber over Spur A and Road No. 18-2-1.1, except right-of-way timber, the installation of two gates is required. Additionally, the gate at mile post 0.10 on Road No. 18-2-1 shall be sanded and painted.
9. Road No. 18-2-1 provides access for adjacent landowners to their properties and is a public road. It shall remain clear of trees, rocks, dirt, and other debris where it passes through T. 18 S., R. 2 W., Section 1. Flaggers will be required during active timber falling and yarding operations within two tree-lengths of Road No. 18-2-1 where it passes through Section 1, and the road will only be blocked for up to 20 minutes at a time.
10. During culvert installations and replacements the Purchaser shall keep Road No. 18-2-1 open from 5:00 pm to 7:00 am to allow access to homes. The Purchaser shall coordinate closures with homeowners prior to culvert installation/replacement.
11. Dust abatement (watering) is required near residences on Road No. 18-2-1 Segs. A and B, in accordance with specifications listed in the Exhibit D.
12. Skyline logging with hand-felling is required in the Special Yarding Area shown on Exhibit A.
13. The Purchaser shall provide a map of requested skyline and skid trail locations a minimum of seven (7) working days in advance of cutting to obtain approval of the locations from the Authorized Officer.
14. Felling may be done with specialized ground based equipment (feller-buncher) on slopes up to 50% during periods of dry weather (typically July 1 to September 30).
15. No tailhold or guyline agreements exist with the adjacent private landowners. Purchaser must tailhold and guyback within BLM property.
16. Upon completion of yarding, Purchaser shall create snags out of 90 reserve trees by topping or girdling.
17. The Purchaser shall pile and cover all slash within 25 feet of Spurs A, E, and E1, and Road Nos. 18-2-1 and 18-2-1.1, and machine and hand pile slash within the Regeneration Harvest Area as directed by the Authorized Officer.
18. At the completion of yarding, the Purchaser shall decompact the entire skid trail prism to a depth of 18 inches with decompaction equipment.
19. Whole tree yarding, or yarding with tops attached, will be required, unless directed otherwise by the Authorized Officer.
20. In accordance with Section 14 of this contract, privately owned fences shall be protected and any damage will be the responsibility of the Purchaser.
21. The Purchaser shall be required to spread BLM-provided seed and mulch at culverts and designated areas.
22. The Purchaser will be required to file a Notification of Operations with the Oregon Department of Forestry office for all harvest operations and road construction, renovation, and improvement on BLM lands.

OPTIONAL CONTRIBUTION: The Purchaser will have the option of performing pile burning and mop-up or contributing \$5,298.30 in lieu thereof. The option must be declared prior to contract execution. Piling and covering are not included in the Optional Contribution and will remain the responsibility of the Purchaser.

NARRATIVE DESCRIPTION OF HOW TO GET TO SALE AREA:

To Regeneration Harvest Area: From Springfield, proceed east on Highway 126 for approximately 1 mile and turn south onto S. 79<sup>th</sup> Street. There is a gate on BLM land that is open. In the event that it is closed, there are no locks on the gate and prospective bidders may continue to the sale area. Follow the timber sale signs south for approximately 0.5 mile to the sale area.

## Legal Description of Contract Area

Land Status	County	Township	Range	Section	Subdivision	Meridian
O&C	Lane	17S	1W	31	S1/2SW1/4	Willamette
O&C	Lane	18S	2W	1	Lots2-4, SW1/4NW1/4	Willamette

## Species Totals

Species	Net	Gross Merch	Gross	# of Merch Logs	# of Cull Logs	# of Trees
Douglas Fir	2,941.0	3,063.0	3,063.0	39,314	4	7,021
Grandfir	477.0	503.0	508.0	4,368	34	744
Bigleaf Maple	95.0	111.0	123.0	3,595	250	1,496
Incense-cedar	73.0	81.0	82.0	606	5	129
Western Hemlock	51.0	56.0	58.0	838	5	211
Western Redcedar	20.0	22.0	28.0	235	34	75
<b>Totals</b>	<b>3,657.0</b>	<b>3,836.0</b>	<b>3,862.0</b>	<b>48,956</b>	<b>332</b>	<b>9,676</b>

## Cutting Area Acres

Regeneration Harvest Acres	Partial Cut Acres	Right of Way Acres	Total Acres	Net Volume per Acre
90.0	0.0	2.0	92.0	39.8

**Logging Costs**

Stump to Truck	\$396,857.45
Transportation	\$138,096.00
Road Construction	\$228,582.17
Maintenance/Rockwear	\$12,925.81
Road Use	\$0.00
Other Allowances	\$33,266.81
<b>Total:</b>	<b>\$809,728.24</b>
<b>Total Logging Cost per MBF:</b>	<b>\$221.42</b>

**Utilization Centers**

Location	Distance	% of Net Volume
Seneca Sawmill	24.0 miles	100 %

**Profit & Risk**

Basic Profit & Risk	9 %
Additional Risk	3 %
<b>Total Profit &amp; Risk</b>	<b>12 %</b>

**Tract Features**

<b>Quadratic Mean DBH</b>	17.1 in
<b>Average GM Log</b>	78 bf
<b>Average Volume per Acre</b>	39.8 mbf
<b>Recovery</b>	95 %
<b><u>Net MBF volume:</u></b>	
<b>Green</b>	3,657.0 mbf
<b>Salvage</b>	0 mbf
<b>Export</b>	0 mbf
<b><u>Ground Base Logging:</u></b>	
<b>Percent of Sale Volume</b>	55 %
<b>Average Yarding Slope</b>	20 %
<b>Average Yarding Distance</b>	200 ft
<b><u>Cable Logging:</u></b>	
<b>Percent of Sale Volume</b>	45 %
<b>Average Yarding Slope</b>	65 %
<b>Average Yarding Distance</b>	250 ft
<b><u>Aerial Logging:</u></b>	
<b>Percent of Sale Volume</b>	0 %
<b>Average Yarding Slope</b>	0 %
<b>Average Yarding Distance</b>	0 ft

**Cruise**

<b>Cruise Completed</b>	July 2018
<b>Cruised By</b>	K.Cranmer, B.Dotson
<b>Cruise Method</b>	VP, 100%

## Stumpage Computation

Species	# of Trees	Net Volume	Pond Value	(-) Profit & Risk	(-) Logging Costs	(+) Marginal Log Value	Appraised Price/MBF	Appraised Value
Douglas Fir	7,021	2,941.0	\$619.26	\$74.31	\$221.42	\$0.00	\$323.50	\$951,413.50
Grandfir	744	477.0	\$479.53	\$57.54	\$221.42	\$0.00	\$200.60	\$95,686.20
Bigleaf Maple	1,496	95.0	\$362.10	\$43.45	\$221.42	\$0.00	\$97.20	\$9,234.00
Incense-cedar	129	73.0	\$521.57	\$62.59	\$221.42	\$0.00	\$237.60	\$17,344.80
Western Hemlock	211	51.0	\$470.15	\$56.42	\$221.42	\$0.00	\$192.30	\$9,807.30
Western Redcedar	75	20.0	\$812.80	\$97.54	\$221.42	\$0.00	\$493.80	\$9,876.00
<b>Totals</b>	<b>9,676</b>	<b>3,657.0</b>						<b>\$1,093,361.80</b>

**Percent of Volume By Log Grade**

Species	No. 1 & 2 Peeler	No. 3 Peeler	Special Mill	No. 2 Sawmill	No. 3 Sawmill	No. 4 Sawmill	Camp Run
Douglas Fir			1.0 %	63.0 %	33.0 %	3.0 %	

Species	Peeler	No. 1 Sawmill	Special Mill	No. 2 Sawmill	No. 3 Sawmill	No. 4 Sawmill	Camp Run
Grandfir				79.0 %	20.0 %	1.0 %	

Species	No. 1 Sawmill	No. 2 Sawmill	No. 3 Sawmill	No. 4 Sawmill			Camp Run
Western Redcedar				100.0 %			

Species							
Bigleaf Maple					100.0 %		

Species	Peeler	No. 1 Sawmill	Special Mill	No. 2 Sawmill	No. 3 Sawmill	No. 4 Sawmill	Camp Run
Western Hemlock				53.0 %	43.0 %	4.0 %	

Species	No. 1 Sawmill	No. 2 Sawmill	No. 3 Sawmill	No. 4 Sawmill	No. 5 Sawmill	No. 6 Sawmill	Camp Run
Incense-cedar						100.0 %	

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

**TIMBER or  
TIMBER AND OTHER WOOD PRODUCTS**

**DEPOSIT AND BID FOR**

**VEGETATIVE RESOURCES  
(Other Than Timber)**

Parcel No. 1
Name of Bidder
Contract Number ORN05-TS18-513
Sale Name Pedal Power
Sale Notice (dated) 8/15/2018
BLM District Northwest Oregon District

<input type="checkbox"/> Sealed Bid for Sealed Bid Sale	<input checked="" type="checkbox"/> Written Bid for Oral Auction Sale
Time for opening sealed bids <input type="checkbox"/> a.m. <input type="checkbox"/> p.m.	Sale commences 10:00 <input checked="" type="checkbox"/> a.m. <input type="checkbox"/> p.m.
On (date) Place	On (date) 9/13/2018 Place 3106 Pierce Pkwy, Suite E Springfield, Oregon

In response to the above dated Sale Notice, the required deposit and bid are hereby submitted for the purchase of designated timber/vegetative resource on the tract specified above.

Required bid deposit is \$109,400.00 and is enclosed in the form of:  
 cash  money order  cashier's check  certified check  bank draft  
 bid bond of corporate surety on approved list of the United States Treasury  guaranteed remittance approved by the authorized officer.

IT IS AGREED That the bid deposit shall be retained by the United States as liquidated damages if the bid is accepted and the undersigned fails to execute and return the contract, together with any required performance bond and any required payment within 30 days after the contract is received by the successful bidder. It is understood that no bid for less than the appraised price on a unit basis per species will be considered. If the bid is rejected the deposit will be returned.

**BID SCHEDULE – LUMP SUM SALE**

*NOTE: Bidders should carefully check computations in completing the Bid Schedule*

BID SUBMITTED					ORAL BID MADE	
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE
Douglas-fir	MBF	2,941	X	=	X	=
Grand fir	MBF	477	X	=	X	=
Bigleaf maple	MBF	95	X	=	X	=
Incense-cedar	MBF	73	X	=	X	=
Western hemlock	MBF	51	X	=	X	=
Western redcedar	MBF	20	X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
			X	=	X	=
TOTAL PURCHASE PRICE						

If sale contract is executed, undersigned is liable for total purchase price even though the quantity cut, removed, or designated for taking is more or less than the total estimated volume or quantity shown above. Undersigned certifies bid was arrived at by bidder or offeror independently, and was tendered without collusion with any other bidder or offeror. In submitting or confirming this bid, undersigned agrees to the foregoing provisions, applicable regulations, and certifies that he is authorized to act as, or on behalf of, the bidder.

Bid submitted on *(date)*

*(Check appropriate box, sign in ink, and complete the following)*

<input type="checkbox"/> Signature, if firm is individually owned	Name of firm <i>(type or print)</i>
<input type="checkbox"/> Signatures, if firm is a partnership or L.L.C.	Business address, include zip code <i>(type or print)</i>
<input type="checkbox"/> Corporation organized under the state laws of	<i>(To be completed following oral bidding)</i>
Signature of Authorized Corporate Signing Officer	I HEREBY confirm the above oral bid By <i>(signature)</i>
Title	Date

Submit bid, in *duplicate*, to qualify for either an oral auction or sealed bid sale together with the required bid deposit made payable to the Department of the Interior – BLM.

Oral Auction – Submit to Sales Supervisor prior to closing of qualifying period for tract.

**Sealed Bid** – Send to District Manager, who issued the sale notice, in a sealed envelope marked on the outside:

- (1) "Bid for Timber" or
- (1a) "Vegetative Resources Other Than Timber"
- (2) Time bids are to be opened
- (3) Legal description

## NOTICES

The Privacy Act and 43 CFR 2.48(d) require that you be furnished with the following information in connection with the information required by this form.

**AUTHORITY:** 38 FR 6280 and 43 CFR 5442.1

**PRINCIPAL PURPOSE:** To qualify an oral auction bidder, and then if successful, to bind bidder to certain contract conditions.

**ROUTINE USES:** To determine that an individual is qualified to participate in oral auction bidding, and, as surety that bidder will fulfill contract requirements.

**EFFECT OF NOT PROVIDING INFORMATION:** Filing this deposit and bid information is necessary only when an individual wishes to participate in a sealed or auction bid sale for timber or vegetative resources.

(Continued on page 3)

(Form 5440-9, page 2)

## INSTRUCTIONS TO BIDDERS

1. **AUTHORITY** – Timber located on the revested Oregon and California Railroad Grant Lands and on the reconveyed Coos Bay Wagon Road Grant Lands is administered and sold pursuant to authority of the Act of August 28, 1937 (50 Stat. 874; 43 U.S.C. 1181a); timber located on other lands and other vegetative resources on all public lands of the United States under jurisdiction of the Bureau of Land Management are administered and sold pursuant to authority of the Act of July 31, 1947 (61 Stat. 681), as amended, by the Act of July 23, 1955 (69 Stat. 367; 30 U.S.C. 601 et. seq.). Regulations of the Secretary of the Interior governing sale of timber are codified in 43 CFR Group 5400.

2. **QUALIFICATIONS OF BIDDERS** – A bidder for sale of timber/vegetative resources must be either (a) a citizen of the United States, (b) a partnership composed wholly of such citizens, (c) an unincorporated association composed wholly of such citizens, or (d) a corporation authorized to transact business in the State in which the timber/vegetative resource is located.

3. **INSPECTION OF TIMBER/VEGETATIVE RESOURCES** – Bidder is invited, urged, and cautioned to inspect the timber/vegetative resource prior to submitting a bid. By executing the timber/vegetative resource sale contract, bidder warrants that the contract is accepted on the basis of his examination and inspection of the timber/vegetative resource and his opinion of its value.

4. **DISCLAIMER OF WARRANTY** – Government expressly disclaims any warranty of the fitness of the designated timber/vegetative resource for any purpose of the bidder; all timber/vegetative resources are to be sold “As Is” without any warranty of merchantability by Government. Any warranty as to the quantity or quality of timber/vegetative resource to be sold is expressly disclaimed by Government.

5. **BIDS** – Sealed or written bids for not less than the advertised appraised price, per timber/vegetative resource must be submitted in duplicate to the District Manager who issued *Timber/Vegetative Resource Sale Notice*.

(a) **Sealed Bid Sales** – Bids will be received until time for opening which is set out in the Notice. Enclose both copies of bid with required bid deposit in a sealed envelope marked on the outside *Bid for Timber/Vegetative Resources*, time bid is to be opened, tract number, and legal description of land on which timber/vegetative resource is located. In event of a tie, the high bidder shall be determined by lot from among those who submitted the tie bids.

(b) **Auction Sales** – Submission of the required bid deposit and a written bid is required to qualify for oral bidding. Oral bidding shall begin from the highest written bid. No oral bid will be considered which is not higher than the preceding bid. In the event there is a tie in high written bids, and no oral bidding occurs, the bidder who was the first to submit his bid deposit and written bid shall be declared the high bidder. If the officer conducting the sale cannot determine who made the first submission of high tie written bids, the high bidder shall be determined by lot. High bidder must confirm his bid, in writing, immediately upon being declared high bidder.

(c) Except as otherwise provided in 43 CFR 5442.2, bids will not be considered in resale of timber/vegetative resource remaining from an uncompleted contract from any person or affiliate of such person who failed to complete the original contract because of (1) cancellation for the purchaser’s breach or (2) through failure to complete payment by expiration date.

(d) When it is in the interest of the Government to do so, it may reject any and all bids and may waive minor deficiencies in bids or in sale advertisement.

6. **BID FORMS** – All sealed, written bids, and confirmation of oral bids shall be submitted on forms provided by Government.

(a) **Lump Sum Sales** – Bids shall specify (1) Bureau of Land Management estimated volume, (2) price per unit, and (3) total purchase price. Estimated volume and price per unit are to be used for administrative and appraisal purposes only. Upon award of contract, high bidder shall be liable for total purchase price, including any adjustment which may be made as a result of reappraisal if an extension of time is granted, even though quantity of timber/vegetative resource actually cut, removed, or designated for taking is more or less than the estimated volume or quantity listed.

(b) **Timber Scale Sales** – Bids must state price per thousand board feet that will be paid for each species. High bidder will be determined by multiplying bid price per thousand board feet per species by Bureau of Land Management

estimate of volume of each species. Purchaser shall be liable for purchase price of all merchantable timber sold under contract even though all such timber is not actually cut and removed prior to expiration of time for cutting and removal as specified in contract.\*

7. **BID DEPOSIT** – All bidders must make a deposit of not less than the amount specified in the *Timber/Vegetative Resource Notice*. Deposit may be in the form of cash, money orders, bank drafts, cashiers or certified checks made payable to the Department of the Interior – BLM, bid bonds of a corporate surety shown on the approved list of the United States Treasury Department\*, or any approved guaranteed remittance approved by the Contracting Officer. Upon conclusion of bidding, the bid deposit of all bidders, except high bidder, will be returned. The cash deposit of the successful bidder may be applied toward the required sale deposit and/or the purchase price. Cash not applied to the sale deposit or the purchase price, or a corporate surety bid bond, will be returned at the time the contract is signed by the Government.

8. **AWARD OF CONTRACT** – Government may require high bidder to furnish such information as is necessary to determine the ability of bidder to perform the obligation of contract. Contract will be awarded to high bidder, unless he is not qualified or responsible or unless all bids are rejected. If high bidder is not qualified or responsible or fails to sign and return the contract together with required performance bond and any required payment, contract may be offered and awarded to the highest bidders qualified, responsible, and willing to accept the contract.

9. **TIMBER/VEGETATIVE RESOURCE SALE CONTRACT** – To be executed by purchaser, has been prepared by Government, and may be examined in the District Manager’s office.

10. **PERFORMANCE BOND** –

(a) A performance bond in an amount of not less than 20 percent of total purchase price is required, but the amount of the bond shall not be in excess of \$500,000, except when the purchaser opts to increase the minimum bond to permit cutting prior to payment as provided in 43 CFR 5451.2, or in the event the purchaser is a holder of an unresolved default the bond may be increased as provided in 43 CFR 5450.1(b). Performance bond may be (1) bond of a corporate surety shown on approval list issued by the United States Treasury Department and executed on an approved standard form, (2) personal surety bond executed on an approved standard form if Government determines principals and bondsmen are capable of carrying out the terms of the contract, (3) cash bonds, (4) negotiable securities of the United States, or (5) any guaranteed remittance approved by the Contracting Officer.

(b) If purchaser elects to cut timber without skidding or yarding it to a loading point or removing it prior to the payment of the second or subsequent installments, Government shall require an increase in amount of performance bond initially required by an amount equal to the value of timber to be cut. Such increase must be on a bond rider form supplied by Government and be approved, in writing, by Government prior to cutting timber covered by the bond increase. This increased amount of bond shall be used to assure payment for timber cut in advance of payment.\*

11. **PAYMENT BOND** – If purchaser elects to (a) cut and remove timber, or (b) remove timber already cut which has been secured by an increased performance bond as provided in paragraph 10(b) above, before payment of the second or subsequent installments, Government shall require a payment bond on a form supplied by Government. Purchaser shall obtain written approval from Government of payment bond prior to cutting and/or removal of timber covered by the bond. Payment bond shall be used to assure payment for timber cut and/or removed in advance of payment.\*

12. **PAYMENT OF PURCHASE PRICE** – For sales of \$500 or more, Government may allow payment by installments. Except as discussed in paragraphs 10 and 11 above, no part of any timber/vegetative resource sold may be severed, cut, or removed unless advance payment has been made as provided in contract.

13. **LIQUIDATED DAMAGES** – Within thirty (30) days from receipt of *Timber/Vegetative Resources Sale Contract*, the successful bidder shall sign contract and return it to Government, together with required bond and any required payment. If successful bidder fails to comply within the stipulated time, his bid deposit shall be retained by Government as liquidated damages.

14. **NINETY-DAY SALES** – If no bid is received within time specified in the advertisement of sale and if Government determines that there has been no significant rise in the market value of timber/vegetative resource, it may, in its discretion, keep the sale open, not to exceed ninety (90) days.

15. **UNAUTHORIZED USE OF GOVERNMENT PROPERTY** – A sale may be refused to high bidder who has been notified that he has failed to make satisfactory arrangements for payment of damages resulting from unauthorized use of, or injury to, property of the United States.

16. **EQUAL OPPORTUNITY CLAUSE** – This contract is subject to the provisions of Executive Order No. 11246 of September 24, 1965, as amended, which sets forth the nondiscrimination clauses. Copies of this order may be obtained from the District Manager. 43 CFR 60-1.7(b) requires that the Equal Opportunity *Compliance Report Certification* will be completed by prospective contractors. Certification may be obtained from District Manager.

17. **LOG EXPORT** – All timber offered for sale except as noted in the *Timber Sale Notice* is restricted from export from the United States in the form of unprocessed timber and cannot be used as a substitute for exported private timber. For the purpose of this contract, unprocessed timber is defined as: (1) any logs except those of utility grade or below, such as sawlogs, peeler logs, and pulp logs; (2)

cants or squares to be subsequently remanufactured exceeding eight and three quarters (8-3/4) inches in thickness; (3) split or round bolts or other roundwood not processed to standards and specifications suitable for end product use; or (4) western red cedar lumber which does not meet lumber of American Lumber Standards Grades of Number 3 dimensions or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 common or better. Timber manufactured into the following will be considered processed: (1) lumber and construction timbers, regardless of size, manufactured to standards and specifications suitable for end product uses; (2) chips, pulp and pulp products; (3) green or dry veneer and plywood; (4) poles and piling cut or treated for use as such; (5) cants, squares, and lumber cut for remanufacture of eight and three quarters (8-3/4) inches in thickness or less; or (6) shakes and shingles. In event purchaser wishes to sell any or all of timber restricted from export in the form of unprocessed timber, the buyer, exchanges, or recipient shall be required to comply with contractual provisions relating to “*unprocessed timber*”. Special reporting, branding and painting of logs may be included in contract provisions.\*

18. **DETAILED INFORMATION** – Detailed information concerning contract provisions, bid, performance bond forms, tract location maps, and access conditions may be obtained from the District Manager. All persons interested in bidding on the products listed are encouraged to familiarize themselves with all such detailed information.