

This Advertisement includes:

Date Mailed:  
6/27/2018

1. Savage Murph Timber Sale TS18-06

Sale Date:  
7/26/2018

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
District Office  
3040 Biddle Road  
Medford, Oregon 97504

<https://www.blm.gov/or/resources/forests/>

TIMBER SALE NOTICE

NOTICE IS HEREBY GIVEN that the Bureau of Land Management will offer for sale timber as described herein for oral auction, pursuant to Instructions to Bidders, as stated on Form No. 5440-9, attached. Written and oral bids will be received by the District Manager, or his representative, at the Bureau of Land Management Interagency Office, 2164 NE Spalding Ave, Grants Pass, Oregon, telephone (541)618-2200. The timber sale will commence at 9:00 a.m. on Thursday, July 26, 2018, at the Grants Pass Interagency Office, 2164 NE Spalding Ave, Grants Pass, Oregon.

THIS TIMBER SALE NOTICE does not constitute the decision document for purposes of protest and appeal of a forest management decision. Consistent with 43 CFR Subpart 5003 – Administrative Remedies, the notice of a timber sale, when published as a legal ad in a newspaper of general circulation shall constitute the decision document for purposes of protest and appeal. Protests may be filed with the Contracting Officer within 15 days of the publication of the aforementioned decision document in the newspaper. The regulations do not authorize the acceptance of protests in any form other than a signed, written hard copy that is delivered to the physical address of the advertising BLM office. (No e-mail or fax protests will be accepted.) It is anticipated that the decision document will be published in the Grants Pass Daily Courier and the Medford Mail Tribune on or about June 28, 2018. BLM does not warrant publication on this exact date. All parties considering protest of the timber sale decision document are encouraged to review the aforementioned newspapers to ensure accurate knowledge of the exact publication date.

**A WRITTEN BID on Form 5440-9 at not less than the appraised price on a unit basis per species and the required minimum bid deposit shall be required to participate in oral bidding for each tract.**

**APPRAISED PRICES are determined by analytical appraisal methods unless otherwise noted on individual timber sale notices.**

**THE SUCCESSFUL BIDDER, as a condition of award, will be required to complete and/or sign the following forms:**

- 1. Form 5430-11, a certification that the bid was arrived at by the bidder or offeror independently, and was tendered without collusion with any other bidder or offeror.**
- 2. Form 5450-17, Export Determination.**

**A PERFORMANCE BOND in an amount not less than 20 percent of the total purchase price will be required for all contracts of \$2,500 or more, but the amount of the bond shall not be in excess of \$500,000, except when the Purchaser opts to increase the minimum bond as provided in 43 CFR 5451.2. A minimum performance bond of not less than \$500 will be required for all installment contracts less than \$2,500.**

**QUALIFIED SMALL BUSINESS concerns may apply to the Small Business Administration for a loan to provide financing for access road construction required under the terms of qualifying timber sale contracts and necessary contract changes will be made. Approval of loan applications rests with the Small Business Administration and may be contingent upon availability of funds. Applicants for such loans shall notify the Bureau of Land Management of their intention to apply for such loan.**

**LOG EXPORT AND SUBSTITUTION: All timber sales, including timber from Federal rights-of-ways, shall be subject to the restrictions relating to the export and substitution of unprocessed timber from the United States in accordance with P.L. 94-165 and 43 CFR 5400 and 5424 as amended.**

**LOG EXPORT AND SUBSTITUTION RESTRICTIONS: Excepting Port-Orford-cedar, 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.**

**ADDITIONAL INFORMATION concerning each timber sale tract described herein is available at the Medford Interagency Office. A copy of the timber sale contract is also available for inspection at the Medford Interagency Office.**

**THE VOLUMES LISTED herein are estimates only, based on 16-foot taper breaks,**

which must be taken into consideration if comparisons are made with volume predictions based on other standards. The volumes based on 32-foot taper breaks are shown for comparison purposes. No sale shall be made for less than the total purchase price, without regard to the amount bid per unit, even though quantity of timber actually cut or removed or designated for taking is more or less than the estimated volume or quantity so listed.

**INSTALLMENT PAYMENTS** may be authorized for sales of \$500 or more. Required installments will be determined by BLM. For sales under \$500,000, installments will not be less than 10% of the total purchase price. For sales of \$500,000 or more, installment payments shall be \$50,000.

A **SALE DEPOSIT** equal to an installment is required prior to approval of the contract. This deposit must be made in cash or by check payable to the Department of Interior - BLM.

**AN IRREVOCABLE LETTER OF CREDIT (ILC)** may be used in place of bid bonds, performance bonds, and payment bonds. ILC 's must be approved by the Authorized Officer prior to use and are subject to certain limitations. Contact the District Office for further information.

**THE PURCHASER** is given no authority to enter upon or cross any private lands or to use any privately-owned property or improvements unless such rights are specifically covered in the contract stipulations. If the Purchaser desires to make any use of private property which is not specifically authorized by the contract, they must make the necessary prior-arrangements for such use with the landowner.

**PRIOR TO STARTING** any operations, the Purchaser or their designated representative will be required to meet with the Authorized Officer or their representative and the Contract Administrator for a prework conference. If a subcontractor is to be involved in the operation, the subcontractor must also be represented at the conference. If more than one subcontractor is to be involved in the operation, it may be necessary to have more than one prework conference unless all subcontractors can be present at one conference.

**PRIOR TO THE AWARD** of any timber sale, the Bureau of Land Management may require the high bidder to furnish such information as is necessary to determine the ability of the bidder to perform the obligations of the contract. The following information is required for first time high bidders bidding as:

1. Individuals
  - a. A Citizenship Affidavit, Form 5450-9.
  - b. A certified Financial Statement prepared no earlier than 60 days

prior to the sale date.

**2. Partnerships or Unincorporated Associations**

- a. A Citizenship Affidavit, Form 5450-9, for each member of the partnership or association.
- b. A copy of the partnership agreement, or if no formal partnership agreement, a letter showing the nature of the business conducted by the partnership, the partnership term, and the name of the partner or partners authorized to execute timber sale contracts and performance bonds on behalf of the partnership.
- c. A certified Financial Statement prepared no earlier than 60 days prior to the sale date.

**3. Corporations**

- a. A certified copy of the articles of incorporation and by-laws.
- b. A certified copy of the resolution of the board of directors authorizing the officers to sign timber sale contracts and performance bonds on behalf of the corporation.
- c. An original certificate from the Corporation Commissioner authorizing the corporation to transact business in the State of Oregon.
- d. A certified Financial Statement prepared no earlier than 60 days prior to the sale date.

Those bidders who have demonstrated poor performance, including recent contract defaults, may be required to provide additional performance assurances in the form of advanced payment and/or an increased performance bond as a condition for award of contract. These extraordinary requirements may be required on a case-by-case basis.

**PREAWARD QUALIFICATIONS.** The higher bidder may be required to furnish information to determine the ability to perform the obligations of the contract. If the high bidder is determined not qualified, responsible, or refuses to respond within five (5) days of a request for information pertaining to qualifications, the contract may be offered and awarded for the amount of the high bid to the highest of the bidders who is qualified, responsible, and willing to accept the contract.

**OTHER.** 43 CFR Chapter 11 (10-1-92 Edition), Subpart 5442 - Bidding Procedure. § 5442.3 Rejection of Bids; Waiver of Minor Deficiencies. When the Authorized

**Officer determines it to be in the interest of the Government to do so, he may reject any or all bids and may waive minor deficiencies in the bids or the timber sale advertisement. (38 FR 6280, March 8, 1973).**

**ENVIRONMENTAL ASSESSMENT.**

**An environmental assessment (DOI-BLM-OR-M070-2016-0001) was prepared for Savage Murph Timber Sale, and a Finding of No Significant Impact has been documented for this project. This document is available for inspection as background for this sale at the Grants Pass Interagency Office.**

# PROSPECTUS

Lump Sum Sale

GRANTS PASS RESOURCE AREA  
JOSEPHINE MASTER UNIT  
JACKSON MASTER UNIT

Medford Sale # ORM07-TS-18-06

July 26, 2018 (DES)

#1. Savage Murph Timber Sale,  
Josephine and Jackson Counties, O&C

BID DEPOSIT REQUIRED: \$29,600.00

All timber designated for cutting in SW1/4NE1/4, SE1/4NW1/4, E1/2SW1/4, NW1/4SE1/4, SE1/4SE1/4 Sec. 17, E1/2NE1/4, SW1/4NE1/4 Sec. 20, SW1/4 Sec.21, T.37 S., R 4 W., W1/2NE1/4 Sec. 14, W1/2NE1/4, SE1/4NW1/4, E1/2SW1/4, W1/2SE1/4 Sec. 23, NE1/4, NE1/4NW1/4 Sec. 26, T.37 S., R 5 W., Willamette Meridian.

Approx. Number Merch. Trees	Est. Volume MBF 32' Log	Species	Est. Volume MBF 16' Log	Appr. Price Per MBF*	Est. Volume Times Appraised Price
9,888	1,055	Douglas-fir	1,286	\$228.00	\$294,365.40
350	26	Ponderosa pine	35	\$40.40	\$1,414.00
10,238	1,081	<b>Totals</b>	1,321		\$295,779.40

\*Stumpage values have been determined by market value estimates and analytical appraisal methods were used to compute the appraised price. Additional information concerning the appraised price is available at the Medford District Office.

\*\*The purchase of biomass material is optional. If the Puchaser chooses to purchase biomass/firewood, then it will be modified into the timber sale contract and a fair market price will be established at that time.

**TIMBER AUCTION LOCATION** – The timber auction will be held at the Grants Pass Interagency Office, located at 2164 NE Spalding Avenue Grants Pass, Oregon, at 9 a.m. on Thursday, July 26, 2018.

Bidders will be restricted to bidding on a unit (MBF) rate of the Douglas-fir volume. All other species will be sold at appraised price per unit (MBF). The minimum bid increment will be \$0.10 per MBF.

**CRUISE INFORMATION** – The Douglas-fir have been cruised using the 3P sampling method to select sample trees. Maps showing the location and description of these sample trees are available at the Grants Pass Interagency Office. The sample trees have been measured, utilizing the VOLT system of measurement, and the volume expanded to a total sale volume. The volume of all other species in this sale has been derived from individual tree measurements taken during a 100% cruise using form class tables for estimating board foot volume of trees in 16-foot logs. Five (5) sugar pine trees were included in the ponderosa pine strata for cruise value purposes.

Approximately 0 trees which are considered to be nonmerchantable are designated for cutting. With respect to merchantable trees of all conifer species: the average tree is 13.0 inches DBHOB; the average gross merchantable log contains 45 bd. ft.; the total gross volume is approximately 1,546 M bd. ft; and 85% recovery is expected. (Average DF is 13.1 inches DBHOB; average gross merchantable log DF contains 45 bd. ft.)

LOG EXPORT AND SUBSTITUTION RESTRICTIONS - All timber sold to the Purchaser under the terms of the contract, except exempted species, is restricted from export under the United States in the form of unprocessed timber and is prohibited from use as a substitute for exported private timber.

The BLM has revised the log export restrictions special provision to reduce the log branding and painting requirements. The new requirements include branding of one end of all logs with a scaling diameter of over 10 inches. All loads of 11 logs or more, regardless of the diameter of the logs, will have a minimum of 10 logs branded on one end. All logs will be branded on loads of 10 logs or less. One end of all branded logs will be marked with yellow paint. At the discretion of the Contracting Officer, the Purchaser may be required to brand and paint all logs. The Purchaser shall bear any increased costs for log branding and painting.

CUTTING AREA – six (6) units containing one hundred ninety-one (191) acres must be partial cut, one (1) temporary route right-of-way must be clear-cut, and one (1) existing road right-of-way must be clear-cut.

CUTTING TIME - Contract duration will be thirty six (36) months for cutting and removal of timber.

ACCESS - Access to the sale area is available via a public road system through the contract area; via existing BLM roads; via Right-of-Way and Road Use Agreement M-660 with Murphy Timber Investments and via Right-of-Way and Road Use Agreement M-660 with AP Timber. Among other conditions, Right-of-Way and Road Use Agreement M-660 with Murphy Timber Investments requires, but is not limited to: road maintenance to be completed by the Purchaser and completion of an agreement between the Purchaser and Permittee. The Permittee has indicated they require a rockwear obligation of \$172.26. Among other conditions, Right-of-Way and Road Use Agreement M-660 with AP Timber requires, but is not limited to: road maintenance to be completed by the Purchaser and completion of an agreement between the Purchaser and Permittee. The Permittee has indicated they require a rockwear obligation of \$7.42.

ROAD MAINTENANCE - The Purchaser will be required to maintain all of the roads which he constructs plus 15.67 miles of existing BLM and private road. The Purchaser will be required to pay a rockwear fee of \$2,566.62 for the use of these roads listed in the contract.

ROAD CONSTRUCTION - The contract will require the Purchaser to renovate 827.38 stations of existing road, and construct/decommission 21.0 stations of temporary route. Additional information is available in the timber sale prospectus.

SOIL DAMAGE PREVENTION - Pursuant to Section 26 of Form 5450-25, Timber Sale Contract, the Purchaser shall not conduct mechanical ground based harvesting, ground based yarding, skid trail and landing rehabilitation, road construction, temporary route construction, temporary route reconstruction, or temporary route and landing decommissioning in all Harvest Units between October 15 of one calendar year and May 15 of the following calendar year both days inclusive. Purchaser may request in writing, a conditional waiver of this restriction. If soil moisture conditions are dry, as determined by the inability of a soil sample taken at four (4) to six (6) inches to maintain form when compressed and by the inability of soil moisture at the surface to be readily displaced, causing ribbons and ruts along equipment tracks, the Contracting Officer may approve a conditional waiver. If impacts to soil resulting from said conditional waiver are not acceptable as determined by the Authorized Officer, the waiver will be revoked.

Pursuant to Section 26 of Form 5450-25, Timber Sale Contract, the Purchaser shall not conduct any haul on natural surface and rocked roads on the Contract Area between October 15 of one calendar year and May 15 of the following calendar year, both days inclusive. Purchaser may request in writing, a conditional waiver of this restriction. If the Authorized Officer determines that hauling would not result in road damage or the transport of sediment to nearby stream channels based on soil moisture conditions or rain events, Contracting Officer may approve a conditional

waiver for hauling. If soil moisture conditions or rain events are anticipated to cause impacts to roads or stream water quality resulting from said conditional waiver are not acceptable as determined by the Authorized Officer, the waiver will be revoked.

**EQUIPMENT REQUIREMENTS** - A yarding tractor not greater than 9 feet wide as measured from the outer edges of standard width shoes and equipped with an integral arch and a winch for lining logs seventy-five (75) feet. A harvester with a self leveling cab and an arm capable of reaching at least 20 feet, equipped with a synchronized winch system capable of tethering 1,800 feet on slopes up to 70%. A forwarder with a self leveling cab and an arm capable of reaching at least 20 feet, equipped with a synchronized winch system capable of tethering 1,800 feet on slopes up to 70%. Forwarders shall be capable of minimal ground pressure, not to exceed 6 pounds per square inch (PSI). Steel tracks and/or chains for bogie wheels may be required to minimize ground pressure. The winch system shall be capable of passing through a block mid-span to keep the forwarder perpendicular to the contours where possible. In addition, a research variance form must be obtained by Oregon OSHA prior to operations on slopes over 50%. A minimum two hundred (200) flywheel horsepower tractor with mounted rippers no more than thirty six (36) inches apart and capable of ripping to a depth of eighteen (18) inches will be required for decommissioning temporary routes, utilized skid roads and forwarder trails within Riparian Reserves and access to harvest units.

**SLASH DISPOSAL** - Slash disposal will consist of handpile and cover, handpile burn and mop-up, machine pile and cover, machine pile burn and mop up, cover and burn landing decks, and underburning as described in SD-5 of the Special Provisions. An option to buyout of slash disposal is included in SD-5 of the Special Provisions.

**MACHINE PILE AND BURN** all slash reachable from designated skidtrails, the 37-5-14.0 and the 37-5-14.2 roads located in or adjacent to harvest unit 14-5, all slash reachable from the 37-4-4.1 associated with harvest unit 17-5, all slash generated within Temp Route 20-5 and associated landing, all slash reachable from the forwarder trails in the eastern portion of harvest unit 21-13, and all slash along the ridgetop portion of harvest unit 23-7. **HAND PILE AND BURN** all slash located in harvest unit 17-5 and the western portion of harvest unit 21-13. Perform **BROADCAST BURNING** on the eastern portion of harvest unit 23-7. **MACHINE PILE AND BURN LANDING DECK** in harvest unit 14-5. A post logging assessment shall be conducted to determine treatment needs in all units. The initial appraisal prescribed fifty-four and one-half (54.50) acres of hand pile, cover, burn, and mop-up handpiles, forty-three (43) acres of machine pile, cover, burn, and mop-up machine piles, one quarter (0.25) acres of pile, cover, burn, and mop-up landing decks, one thousand eight hundred-forty (1,840) feet of fire line construction, one (1) acre of fuels pullback, and twenty-one (21) acres of broadcast burning.

**CONTRACT TERMINATION** - A 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 comply with the Endangered Species Act, or comply with a court order. This contract provision limits the liability of the Government to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area. An occupied Northern Spotted Owl site near harvest unit 17-5 restricts harvest of this unit until surveys determine the site is unoccupied, at least two (2) years from the sale date.

**PERFORMANCE BOND** - A performance bond in the amount of 20% of the total purchase price will be required.

**OTHER** -

1. No extension of time beyond the normal 30 days will be granted for completing bonding and contract signing requirements.



2. In tractor harvest unit 14-5 shown on Exhibit A, all trees designated for cutting shall be felled and whole tree yarded or yarded with tops attached except when excessive stand damage occurs as determined by the Authorized Officer.
4. A harvester, feller-processor, or feller-buncher with purpose built carriers with boom-mounted felling heads and a boom with a minimum lateral reach of twenty (20) feet may be used in the ground based units. See the Savage Murph Special Provisions for full ground based harvesting restrictions.
5. Forwarder trails that are hydrologically connected; or are perpendicular to and within one hundred eighty five (185) feet of streams shown on Exhibit A shall be water-barred and shall have slash placed over them prior to winter rain events to protect water quality.
6. No tree felling, yarding, burning, heavy equipment use or muffled blasting within harvest units 17-5 and 20-5 shown on Exhibit A shall be conducted between March 1 and June 30 of the same calendar year, both days inclusive. This restriction will not apply if it can be shown from Northern Spotted Owl protocol surveys conducted in accordance with accepted standards, as approved by the Contracting Officer, that Northern Spotted Owl nesting and/or fledging activities are not occurring during the time of harvest. An occupied Northern Spotted Owl site near harvest unit 17-5 restricts harvest of this unit until surveys determine the site is unoccupied, at least two (2) years from the sale date.
7. The License Agreement fees and conditions listed in the Prospectus are pending and are not final. Final fees are dependent on final signed License Agreements.

#### NARRATIVE DESCRIPTION OF HOW TO GET TO THE TIMBER SALE AREA –

To access harvest units 14-5, 23-7 and 26-7: From Grants Pass, take highway 99 southbound. Turn right on Savage Creek Rd. Travel approximately 5 miles up Savage Creek Rd. Harvest unit 14-5 is on the left. Continue 1 mile and turn right on 37-5-23.1 road to harvest unit 23-7. Harvest unit 26-7 is accessible by foot from the end of the 37-5-23.1 road. A BLM key is required to access harvest units 23-7 and 26-7.

To access harvest units 17-5 and 20-5 : From Grants Pass, take Interstate 5 southbound. Take exit 48 to Rogue River. Turn left on Highway 99. Travel south to Birdseye Creek Rd. Turn right and travel 6.5 miles on Birdseye Creek Rd. Harvest unit 17-5 is on the left, below the road, and accessible by foot. To access harvest unit 20-5 travel 1 mile back down Birdseye Creek Rd. and turn right on 37-4-9.1 road. Travel 0.75 miles until the road is burmed on the left. Access is by foot on the 37-4-17.2 road (burmed) to Temp Route 20-5, approximately 1.5 miles, to harvest unit 20-5. Units are accessible via BLM roads.

To access harvest unit 21-13: From Grants Pass, take Interstate 5 southbound. Take exit 48 to Rogue River. Turn left on Highway 99. Travel south to Fooths Creek Rd. Turn right and travel approximately 3.5 miles to Right Fork Fooths Creek Rd. Travel 6.5 miles on Right Fork Fooths Creek Rd. Harvest unit 21-11 is on the left. A BLM key is required to access Fooths Creek Rd.

ENVIRONMENTAL ASSESSMENT - An environmental assessment DOI-BLM-OR-M070-2016-0001-EA was prepared for this sale, and a Finding of No Significant Impact has been documented. This document is available for inspection as background for this sale at the Medford District Office.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

DEPOSIT AND BID FOR  **TIMBER\***  
 **VEGETATIVE RESOURCE**  
(Other Than Timber)

LUMP SUM SALE

Name of Bidder
Tract Number ORM07-TS-18-06
Sale Name Savage Murph
Sale Notice (dated) 6/28/2018
BLM District Medford

<input type="checkbox"/> Sealed Bid for Sealed Bid Sale	<input checked="" type="checkbox"/> Written Bid for Oral Auction Sale
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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 tracts specified above.

Required bid deposited is **\$29,600.00** and is enclosed in the form of  cash  money order  bank draft  
 cashier's check  certified check  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	1,286	X	=\$	X	=
Ponderosa pine	MBF	35	X	=\$	X	=
<b>Total</b>		<b>1,321</b>	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						

(Continued on reverse)

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	
Signature of Authorized Corporate Signing Officer	<i>(To be completed following oral bidding)</i> I HEREBY confirm the above oral bid By <i>(signature)</i>
Title	Date
Submit bid, in <i>duplicate</i> , 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” (2) Vegetative Resource Other Than Timber (3) Time bids are to be opened (4) Legal description

### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

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

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

**ROUTINE USE:** 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.

## 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 Resource*, 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 Authorized 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 Authorized 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 Resource 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.

\*Applies to Timber Only

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 dimension 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.

