This Advertisement includes:

Date Mailed: 8/17/2017

(Order of Auction)

- 1. Pickett Hog Timber Sale 17-07
- 2. Oh Henry Timber Sale 17-02
- 3. Shady Elk Timber Sale 17-05
- 4. Squishy Bug Timber Sale 17-12

Sale Date: 9/14/2017

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
District Office
3040 Biddle Road
Medford, Oregon 97504
www.blm.gov/or/districts/Medford/timbersales/index.php

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 her representative, at the Bureau of Land Management Interagency Office, 2164 NE Spalding Ave. Grants Pass, Oregon, telephone 541-471-6500 The timber sale will commence at 9:00 a.m. on Thursday, September 14, 2017, at the Grants Pass Interagency Office, 2164 NE Spalding Ave., Grants Pass, Oregon.

THIS TIMBER SALE NOTICE does <u>not</u> 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 Medford Mail Tribune and The Daily Courier newspapers on or about August 18, 2017. 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 <u>prior</u> 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 ASSESSMENTS.

An environmental assessment (DOI-BLM-OR-M070-2016-0001-EA) was prepared for Pickett Hog Timber Sale TS17-07, and a Finding of No Significant Impact has been documented. An environmental assessment (DOI-BLM-ORWA-M070-2016-

0001-EA) was prepared for Oh Henry Timber Sale TS17-02, and a Finding of No Significant Impact has been documented. An environmental assessment (DOI-BLM-ORWA M050-2017-0001-EA) was prepared for Shady Elk Timber Sale TS17-05, and a Finding of No Significant Impact has been documented. A categorical exclusion (DOI-BLM-ORWA-M060-2017-0002-CX) was prepared for Squishy Bug Salvage Timber Sale TS17-12, and a Finding of No Significant Impact has been documented for each environmental assessment. These documents are available for inspection as background for these sales at the Medford Interagency Office.

PROSPECTUS

Lump Sum Sale

GRANTS PASS RESOURCE AREA JOSEPHINE MASTER UNIT

Medford Sale # ORM07-TS-2017.0007 September 14, 2017 (LLS)

#1. Pickett Hog Timber Sale, Josephine County, O&C

BID DEPOSIT REQUIRED: \$46,600.00

All timber designated for cutting in NE1/4, E1/2NW1/4, SE1/4 Sec. 7, N1/2NE1/4, SW1/4NE1/4, E1/2NW1/4, NE1/4SW1/4, NW1/4SE1/4 Sec. 29, T.34 S., R 7 W., W1/2NE1/4 Sec. 11, NE1/4SW1/4, S1/2SW1/4, N1/2SE1/4, SW1/4SE1/4 Sec. 20, NE1/4SW1/4, S1/2SW1/4, NW1/4SE1/4 Sec. 22, SW1/4NE1/4, S1/2NW1/4, W1/2SW1/4, Sec. 27, NE1/4SE1/4 Sec. 28, S1/2NE1/4, E1/2NW1/4, N1/2SE1/4, SW1/4SE1/4 Sec. 29, SW1/4NE1/4, SE1/4SW1/4, NW1/4SE1/4 Sec. 30, NW1/4NE1/4, NE1/4NW1/4 Sec. 31, T.35 S., R 7 W., Lot 16 T. 36 S., R. 7W., 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
17,427	2,767	Douglas-fir	3,441	\$134.10	\$461,438.10
610	92	Ponderosa Pine	118	\$28.90	\$3,410.20
207	13	Sugar Pine	16	\$28.80	\$460.80
128	4	Incense-cedar	5	\$61.10	\$305.50
18,372	2,876	Totals	3,580		\$465,614.60

^{*}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.

<u>TIMBER AUCTION LOCATION</u> – 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, September 14, 2017.

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.

<u>CRUISE INFORMATION</u> – 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.

^{**}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.

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 15.6 inches DBHOB; the average gross merchantable log contains 62 bd. ft.; the total gross volume is approximately 4,135 M bd. ft; and 87% recovery is expected. (Average DF is 15.8 inches DBHOB; average gross merchantable log DF contains 62 bd. ft.)

<u>LOG EXPORT AND SUBSTITUTION RESTRICTIONS</u> - 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.

<u>CUTTING AREA</u> – Twenty one (21) units containing three hundred eighteen (318) acres must be partial cut and eight (8) temporary route rights-of-way must be clear-cut.

<u>CUTTING TIME</u> - 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-2000EA with Perpetua Forest Company; via Right-of-Way and Road Use Agreement M-605 with Weyerhaeuser Company; via Right-of-Way and Road Use Agreement M-1395 with Arthur Lindh. Among other conditions Right-of-Way and Road Use Agreement M-2000EA with Perpetua Forest Company requires, but is not limited to: road maintenance to be completed by the Purchaser and completion of an agreement between the Purchaser and Permitee. The Permitee has indicated they require a rockwear obligation of \$208.88. Among other conditions Right-of-Way and Road Use Agreement M-605 with Weyerhaeuser Company requires, but is not limited to: completion of an agreement between the Purchaser and Permitee. Among other conditions Right-of-Way and Road Use Agreement M-1395 with Arthur Lindh requires, but is not limited to: completion of an agreement between the Purchaser and Permitee.

ROAD MAINTENANCE - The Purchaser will be required to maintain all of the roads which he constructs plus 25.40 miles of existing BLM and private road. The BLM will maintain 8.33 miles of existing BLM roads. The Purchaser will be required to pay a maintenance and rockwear fee of \$14,254.62 for the use of these roads listed in the contract.

<u>ROAD CONSTRUCTION</u> - The contract will require the Purchaser to renovate 1,341.13 stations of existing road, and construct/decommission 137.45 stations of temporary routes. Additional information is available in the timber sale prospectus.

<u>SOIL DAMAGE PREVENTION</u> - Pursuant to Section 26 of Form 5450-4, 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 5450-4, 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.

<u>EQUIPMENT REQUIREMENTS</u> - 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 skyline yarder with a medium (42-54 foot) tower; capable of one-end suspension with a minimum lateral yarding capability of seventy-five (75) feet while maintaining a fixed position during inhaul; capable of multi-span; and capable of an external yarding distance of one thousand five hundred fifty (1,550) feet slope distance. 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 and utilized skid roads within Riparian Reserves and regeneration harvest units.

<u>SLASH DISPOSAL</u> - Slash disposal will consist of lop and scatter, selective slashing, handpile and cover, hadpile 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.

LOP AND SCATTER all slash in units 20-2, 29-1NB, 29-1C, and 29-5A concurrently with normal felling operations. MACHINE PILE AND BURN all slash reachable from designated skidtrails located in Harvest Units 7-1A, 11-5, 20-2, 22-3, 29-1NA, 29-1NB, 29-1C, 29-1D, 29-5B, 30-2, and 31-4. HAND PILE AND BURN all slash located in units 3-4, 7-1B, 7-1C, 7-2, 11-5, 20-2, 22-2, 27-1SA, 27-3, 29-1NA, 29-1NB, 29-1C, 29-1D, 29-4, 29-5A, 29-5B, 29-5D, 30-2, and 31-4. Perform BROADCAST BURNING on units 11-5, 27-1SA, and 29-4. Perform SELECTIVE SLASHING in units 3-4, 7-1B, 7-2, 11-5, 22-2, 22-3, 27-1SA, 27-3, 29-4, and 30-2; All trees between one (1) inch and eight (8) inches D.B.H.O.B. shall be felled and spaced following logging. Space live conifers twenty (20) feet by twenty (20) feet, and space live hardwoods and shrubs forty (40) feet by forty (40) feet. A post logging assessment shall be conducted to determine treatment needs in all units. The initial appraisal prescribed one hundred eighty five (185) acres of selective slashing, forty five (45) acres of lop and scatter, two hundred nine (209) acres of hand pile, cover, burn, and mop-up handpiles, sixty three (63) acres of machine pile, cover, burn, and mop-up machine piles, twenty four (24) acres of pile, cover, burn, and mop-up landing decks, eleven thousand five hundred feet (11,500) fire line construction, seventy five (75) acres of fuels pullback, and seventy five (75) acres of broadcast burning.

<u>CONTRACT TERMINATION</u> - 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.

<u>PERFORMANCE BOND</u> - 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 cable yard and hand felled ground based harvest units 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 boommounted felling heads and a boom with a minimum lateral reach of twenty (20) feet may be used in the ground based units. See the Pickett Hog Special Provisions for full ground based harvesting restrictions.
- 5. Cable corridors 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 unit 29-1NB 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.
- 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 units 7-1A, 7-1B, 7-1C and 7-2: From Grants Pass, take Interstate 5 northbound. Take exit 71 to Sunny Valley. At off ramp turn right onto I-5 Frontage Rd (Lariat dr.), turn left onto Leland Rd, then right on Lower Grave Creek Rd, once you cross the bridge over Grave creek turn left at the stop sign and stay on Lower Grave Creek Rd. After several miles turn left on Angora Creek Rd. Units are accessible via BLM roads.

To access units 11-5, 29-1C, 29-1D, 29-1NA, 29-1NB: From Grants Pass, take Interstate 5 northbound. Take exit 61 to Merlin. At off ramp turn left onto Merlin Road, Merlin Road will become Galice Road. Travel several miles and turn right onto Hog Creek Road (35-7-11). Units are accessible via BLM roads.

To access all other units: From Grants Pass, take Interstate 5 northbound. Take exit 61 to Merlin. At off ramp turn left onto Merlin Road, Merlin Road will become Galice Road, turn left onto Robertson Bridge Road. Go over Robertson Bridge and turn right at the stop sign onto Or-260 (Picket Creek Road), turn left onto West Pickett Creek Road. Units are accessible via BLM roads.

<u>ENVIRONMENTAL ASSESSMENT</u> - 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.

Form 5440-9 (December 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

Name of Bidder	
Tract Number	
ORM07-TS-2017.0007	
Sale Name	
Picket Hog	
Sale Notice (dated)	
8/18/2017	
BLM District	
Medford	

LUMP SUM SALE

Sealed Bid for Sealed Bid Sale	X Wri	itten Bid for Oral Auction Sale						
In response to the above dated Sale Notice, the required deposit and bid are hereby submitted for the purchase of designated imber/vegetative resource on the tract specified above.								
Required bid deposited is \$ 46,600.00 and is enclosed in the for	m of \Box	□ cash □ money order □ bank draft □						
cashier's check \Box certified check \Box bid bond of c	orporate s	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 U undersigned fails to execute and return the contract, together wi within 30 days after the contract is received by the successful bidd on a unit basis per species will be considered. If the bid is rejected	th any red er. It is u	quired performance bond and any required payment understood that no bid for less than the appraised price						

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	3,441	X \$134.10	= \$461,438.10	Х	=
Ponderosa Pine	MBF	118	X \$28.90	= \$3,410.20	Х	=
Sugar Pine	MBF	16	X \$28.80	= \$460.80	х	=
Incense cedar	MBF	5	X \$61.10	= \$305.50	Х	=
Total		3,580				
		TOTAL PUF	RCHASE PRICE	\$465,614.60		

(Continued on reverse)

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)
Signature, if firm is individually owned	Name of firm (type or print)
Signatures, if firm is a partnership or L.L.C.	Business address, include zip code (type or print)
Corporation organized under the state laws of	(To be completed following oral bidding)
Signature of Authorized Corporate Signing Officer	I HEREBY confirm the above oral bid By (signature)
	7 (48)
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.	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
Oral Auction – Submit to Sales Supervisor prior to closing of qualifying period for tract.	(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 bondsman 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.

PROSPECTUS

Scale Sale

GRANTS PASS RESOURCE AREA JOSEPHINE MASTER UNIT

Medford Sale #ORM07-TS-2017.0002 September 14, 2017 (SQF)

#2. Oh Henry Timber Sale, Coos & Douglas Counties, O&C BID DEPOSIT REQUIRED: \$167,300.00

All timber designated for cutting in W½SW¼, SE¼SW¼ Sec. 27, E½NE¼, E½SE¼ Sec. 33, W½NW¼, SW¼SW¼ Sec. 35, T. 31 South, R. 9 West; Lot 2, Lot 3, Lot 4, SW¼NE¼, S½NW¼, N½SW¼, SE¼SW¼, W½SE¼ Sec. 2, Lot 1, Lot 2, Lot 3, Lot 4, SW¼NE¼, S½NW¼, NE¼SW¼, S½SW¼, SE¼ Sec. 3, S½SW¼, S½SE¼ Sec. 5, Lot 6 Sec. 6, Lot 1, Lot 2, W½NE¼, SE¼NE¼, NE¼SE¼, S½SE¼ Sec. 7, NE¼, NE¼NW¼, SW¼NW¼, SW¼, SE¼ Sec. 8, NW¼, SW¼, SE¼ Sec. 9, N½NE¼, SW¼NE¾, NE¼NW¼, S½NW¼, N½SW¼, SW¼SW¼ Sec. 10, W½NW¼, NW¼SW¼ Sec. 15, NE¾NW¼ Sec. 16, NW¼NW¼ Sec. 17, NE¼ Sec. 18, T. 32 South, R. 9 West; Lot 2, Lot 3, Lot 4, S½NE¼, E½SW¼, SE¼ Sec. 1, T. 32 South, R. 10 West 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
48,753	6,804	Douglas-fir	8048	\$207.30	\$1,668,350.40
2,227	56	Western Hemlock	95	\$37.10	\$3,524.50
18	5	Sugar Pine	6	\$31.20	\$187.20
13	.9	Incense-cedar	1	\$163.10	\$163.10
51,011	6,769.8	Totals	8,150		\$1,672,225.20

^{**}The purchase of biomass material is optional. If the Purchaser 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.

<u>TIMBER AUCTION LOCATION</u> – The timber auction will be held at the Grants Pass Interagency Office, located at 2164 NE Spalding Ave., Grants Pass, Oregon, at 9 a.m. on Thursday, September 14, 2017.

<u>CRUISE INFORMATION</u> - The timber in all units, except for the roadside and helicopter units (31-9-35.1, 32-9-3.0, 32-9-16.1, 32-9-16.2, 1-5, and 39 acres of 1-11B), has been cruised using the PCMTRE sampling method to select sample trees. The Douglas-fir in the roadside and helicopter units has been cruised using the 3P sampling method to select sample trees. The sample trees have been measured, utilizing the VOLT system of measurement, and the volume expanded to a total sale volume. Maps showing the location and description of these sample trees are available at the Grants Pass Interagency Office.

The volume of all other species in the roadside and helicopter units has been derived from individual tree measurements taken during a 100% cruise using form class tables for estimating

^{*}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.

board foot volume of trees in 16-foot logs. Approximately 0 trees which are considered to be non-merchantable are designated for cutting. Approximately 0% of the 8,150 M bd. ft sale volume is salvage material. With respect to merchantable trees of all conifer species: the average tree is 13.6 inches DBHOB; the average gross merchantable log contains 52 bd. ft.; the total gross volume is approximately 8,922 M bd. ft; and 91% recovery is expected. (Average DF is 13.7 inches DBHOB; average gross merchantable log DF contains 52 bd. ft.)

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.

<u>LOG EXPORT AND SUBSTITUTION RESTRICTIONS</u> - 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.

<u>CUTTING AREA</u> – Forty five (45) units containing six hundred seventy six (676) acres must be partial cut and four (4) right-of-way units containing thirty two (32) acres of roadside management. Twenty four (24) right-of-ways (temporary routes and tractor-cable swing routes) containing five (5) acres 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 through the contract area; an existing BLM road; Right-of-Way and Road Use Agreement M-605 with Weyerhaeuser Timber Company; Right-of-Way and Road Use Agreement M-605 with Cow Creek of Umpqua Tribe (CCUT). Among other conditions, the Right-of-Way and Road Use Agreement M-605 with Weyerhaeuser Timber Company requires: road maintenance to be completed by the Purchaser; completion of an agreement between the Purchaser and Permitee; arbitration of conditions of road use; the Permitee has indicated they will ask for a road use fee of at least \$0.60 per MBF per Mile. Among other conditions, the Right-of-Way and Road Use Agreement M-605 with Cow Creek of Umpqua Tribe (CCUT) requires: road maintenance to be completed by the Purchaser; completion of an agreement between the Purchaser and Permitee; arbitration of conditions of road use; the Permitee has indicated they will ask for a road use fee of at least \$0.60 per MBF per Mile.

ROAD MAINTENANCE - The Purchaser will be required to maintain all of the roads which they construct plus 25.64 miles of existing BLM/private road. BLM will maintain 37.25 Miles of BST road. The Purchaser will be required to pay a maintenance fee of \$0.92 and rockwear fee of \$0.60 per MBF per mile, approximately a total of \$170,231.19 for the use of these roads.

<u>ROAD CONSTRUCTION</u> - The contract will require the Purchaser to construct/improve **125+14** stations of road. Additional information is available in the timber sale prospectus.

<u>SOIL DAMAGE PREVENTION</u> - Pursuant to Section 26 of Form 5450-26, Timber Sale Contract, no mechanical ground based harvesting, ground based yarding, skid trail and landing rehabilitation, machine piling, temporary route construction, temporary route reconstruction, temporary route decommissioning, or non-emergency road maintenance shall be conducted in

units 1-11A, 1-11B, 2-1, 2-1B, 2-2, 3-1, 3-3, 3-4A, 3-4B, 3-12A, 6-16, 7-27, 8-1, 8-7, 8-7A, 8-8, 8-36, 9-5, 9-5A, 9-5B, 9-5C, 9-13, 10-2, 15-11B, 16-2, 18-7, 27-8, 33-1, 33-18, 33-28, 35-4, 35-8, 31-9-35.1, 32-9-3.0, 32-9-16.1, and 32-9-16.2 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 5450-26, Timber Sale Contract, no haul on all natural surface and hydrologically connected rocked roads 31-9-35.1, 32-9-2.0, 32-9-7.0, 32-9-10.0, and 32-9-16.1 shall be conducted 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.

Pursuant to Section 26 of Form 5450-26, Timber Sale Contract, no haul shall be conducted from units 1-5, 1-11A, and 1-11B between October 15 of one calendar year and May 15 of the following calendar year, both days inclusive due to infected Port-Orford cedar in the watershed. 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.

Pursuant to Section 26 of Form 5450-26, Timber Sale Contract, the Purchaser shall, prior to October 15 of the same operating season, winterize and rehabilitate temporary routes, landings, hydrologically connected corridors and skidtrails and other areas of exposed soils by properly installing and/or using water bars, berms, sediment basins, gravel pads, hay bales, small dense woody debris, seeding and/or mulching, to reduce sediment runoff and divert runoff water away from stream channels, headwalls, slide areas, high landslide hazard locations or steep erodible fill slopes as directed by the Authorized Officer.

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 purpose built mechanical harvester with boom-mounted single-grip felling head (a head that can hold and fully suspend the tree after it is cut); boom must have a lateral reach of twenty (20) feet or more; the purpose-built carrier may be of the articulated, rubber-tired design, or the zero-clearance tail swing leveling track-mounted design. A skyline varder with a large (50-70 foot) tower: capable of one-end suspension with a minimum lateral yarding capability of seventy-five (75) feet while maintaining a fixed position during inhaul; capable of multi-span; and capable of an external yarding distance of one thousand eight hundred sixty (1,860) feet slope distance. A helicopter equipped with a dropline with a minimum length of two hundred (200) feet. 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 and utilized skid roads within Riparian Reserves. A tank truck or engine of three hundred (300) gallons or more capacity with five hundred (500) feet of 11/2 inch hose (must be adequate length to reach two hundred (200) feet beyond active work sites), six (6) 1½ inch wyes, six (6) 1½ inch to 1 inch

reducers, three (3) 1½ inch nozzels and three (3) 1 inch nozzles will be required for fire prevention and control. Each fire engine/tank truck shall be equipped with a pump capable of delivering a minimum of forty (40) gallons per minute (gpm) water flow at one hundred fifty (150) pounds per square inch (psi) engine pressure through fifty (50) feet of 1½ inch fire hose. The pump may be either power take off driven or truck-mounted auxiliary engine driven, or portable.

<u>SLASH DISPOSAL</u> - Slash disposal will consist of a combination of: lop and scatter; selective slashing; machine pile & cover machine piles; hand pile & cover hand piles; pile & cover landing decks; burn & mop up hand piles, machine piles, and landing decks as described in SD-5 of the Special Provisions.

Lop and scatter all slash in units 7-5, 7-28, 9-5A, 27-34, 33-18, and 33-28 concurrently with normal felling operations. Lop and scatter all slash located beyond one hundred (100) feet of roads where the road coincides with a harvest unit boundary in the cable portion of unit 2-1B concurrently with normal felling operations. Lop and scatter all slash located beyond two hundred (200) feet of roads where the road coincides with a harvest unit boundary in all cable portions of units 1-11A, 1-11B, 3-1, 3-5, 3-8A, 3-12, 3-18, 9-5B, 10-2, 10-4A, 10-5, 16-2, and 35-4 concurrently with normal felling operations. Lop and scatter all slash located outside of machine and hand pile treatment areas in all cable portions of units 3-8, 8-1, 8-8, 15-11B, 18-7, and 33-1 concurrently with normal felling operations.

Selectively slash all hardwood trees between one (1) inch and ten (10) inches D.B.H.O.B. in units 2-2 and 10-2B.

Machine pile, cover, burn & mop up all slash cut within fifteen (15) feet on each side of roads in roadside management units 31-9-35.1, 32-9-3.0, 32-9-16.1, and 32-9-16.2. Machine pile, cover, burn & mop up all slash situated in ground-based yard portion of units 1-11A, 2-1, 2-1B, 3-1, 3-3, 3-4A, 3-4B, 6-16, 7-27, 8-1, 8-7, 8-7A, 8-36, 9-5, 9-5C, 9-13, 18-7, 27-8, 33-1, 35-4, and 35-8, and all slash resulting from temporary route construction and reconstruction for units 1-11B, 3-1, 3-12A, 8-1, 8-8, 9-13, 10-2, 15-11B, 16-2, 18-7, 33-1, 33-18, 33-28, and 35-4.

Hand pile, cover, burn & mop up all slash situated in units 3-12A and 10-4B. Hand pile, cover, burn & mop up all slash (following the selective slashing treatment) in units 2-2 and 10-2B. Hand pile, cover, burn & mop up all slash situated within one hundred (100) feet of roads where the road coincides with a harvest unit boundary in the cable portion of unit 2-1B. Hand pile, cover, burn & mop up all slash situated within two hundred (200) feet of roads where the road coincides with a harvest unit boundary in all cable portions of units 1-11A, 1-11B, 3-1, 3-5, 3-8A, 3-12, 3-18, 7-27, 8-36, 9-5B, 9-13, 10-2, 10-4A, 10-5, 16-2, and 35-4. Hand pile, cover, burn & mop up all slash situated within one hundred (100) feet of road 31-9-35.0 and within two hundred (200) feet of road 32-9-3.0 where the road coincides with a harvest unit boundary in the cable portion of unit 3-8. Hand pile, cover, burn & mop up all slash situated within one hundred (100) feet of road 32-9-16.2 and within two hundred (200) feet of road 32-9-8.4 where the road coincides with a harvest unit boundary in the cable portion of unit 8-1. Hand pile, cover, burn & mop up all slash situated within one hundred (100) feet of road 32-9-16.1 and within two hundred (200) feet of the temporary route where the road/route coincides with a harvest unit boundary in the cable portion of unit 8-8. Hand pile, cover, burn & mop up all slash situated within one hundred (100) feet of road 32-9-3.0 and within two hundred (200) feet of road 32-9-16.4 where the road coincides with a harvest unit boundary in the cable portion of unit 15-11B. Hand pile, cover, burn & mop up all slash situated within one hundred (100) feet of road 32-9-7.0 and within two hundred (200) feet of road 32-9-8.4 where the road coincides with a harvest unit boundary in the cable portion of unit 18-7.

<u>CONTRACT TERMINATION</u> - 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, or protect occupied marbled murrelet sites

in accordance with the Standards and Guidelines of the Medford District Record of Decision (ROD) and Resource Management Plan (RMP). 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.

<u>PERFORMANCE BOND</u> - 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 the helicopter yard units 1-5 and 1-11B, cut all trees within fifty nine (59) feet of predesignated leave trees identified with a double band of orange paint at breast height according to Designation by Description (DxD) marking guidelines described in Exhibit E and as shown on Exhibit A.
- 3. No operations for units 1-11A, 2-1, 2-1B, 2-2, 3-1, 3-12, 7-27, 8-1, 10-2, 10-4A, 10-4B, 16-2, 18-7, 27-8, 27-34, 33-18, 33-28, 35-4, and part of unit 3-8 that is north of the MAMU seasonal restriction line as shown on Exhibit A shall be conducted between April 1 to August 5 of the same calendar year, both days inclusive.
- 4. No operations for units 1-11A, 2-1, 2-1B, 2-2, 3-1, 3-12, 7-27, 8-1, 10-2, 10-4A, 10-4B, 16-2, 18-7, 27-8, 27-34, 33-18, 33-28, 35-4, and part of unit 3-8 that is north of the MAMU seasonal restriction line as shown on Exhibit A shall be conducted from two (2) hours before sunset of one day through two (2) hours after sunrise the following day between August 6 to September 15 of the same calendar year, both days inclusive.
- 5. No operations for units 2-1B, 2-2, 3-1, 3-12, 3-18, 10-2, 27-34 as shown on Exhibit A shall be conducted between March 1 and June 30 or until two (2) weeks after the fledging period of the same calendar year, both days inclusive. This restriction may be extended until September 30 during the year of harvest if the operations would cause a nesting northern spotted owl to flush. 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 year and/or time of harvest.
- 6. The Purchaser shall repair damage to any asphalt at his expense, as directed by the Authorized Officer.
- 7. The Purchaser shall as directed by the Authorized Officer rehabilitate all ground based skid trails utilized within two hundred (200) feet of streams, all temporary routes, the cable-tractor swing route in units 2-1B, 8-1, 16-2, and 18-7, and all landings outside of the road prism.
- 8. The Purchaser shall hand construct waterbars and lop and scatter activity slash on cable corridors within the areas that contain fragile soils in units 3-1, 3-8, 33-1, and the cable yard portion of 1-11B as shown on Exhibit A and as directed by the Authorized Officer.
- 9. In addition to the standard equipment washing prior to entry onto BLM lands, the Purchaser shall pressure wash all logging, construction, chipping, grinding, shredding, rock crushing, and transportation equipment after operating in units 1-11A and 1-11B in order to prevent the spread of Phythophthora lateralis. Washing shall occur off BLM lands and shall be accomplished prior to re-entry onto BLM lands and between sale locations as directed by the Authorized Officer. Cleaning shall be defined as removal of all dirt, grease, plant parts.

10. 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 - From I-5 take Exit 80 to Glendale, proceed down Glendale Valley Road (Hwy. 313) toward Glendale. Turn right onto Azalea-Glen Road, then turn left onto Reuben Road (Hwy. 27). Proceed for 15 miles and take a left onto Cow Creek Road. Follow Cow Creek Road for 0.2 miles and turn left onto West Fork Cow Creek Road, which becomes BLM Road #32-8-1.1. Follow BLM Road #32-8-1.1 for 11.4 miles and turn left onto Walker Prairie Road (BLM Road #31-9-35). All units can be accessed from the Walker Prairie Road (BLM Road #31-9-35).

<u>ENVIRONMENTAL ASSESSMENT</u> - An environmental assessment (DOI-BLM-ORWA-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.

Form 5440-9 (December 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

Name of Bidder
Tract Number
ORM07-TS-2017.0002
Sale Name
Oh Henry
Sale Notice (dated)
9/14/2017
BLM District
Medford

SCALE SALE

				Wiculoid			
Sealed Bid for	Sealed Bid Sale	X	Written Bid for Or	al Auction Sale			
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 deposite	Required bid deposited is \$ 167,300.00 and is enclosed in the form of \Box cash \Box money order \Box bank draft \Box						
cashier's check	\square certified check \square bid bond of	corpo	rate surety on appro	oved list of the	United S	States Treas	sury
☐ 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 – SCALE SALE NOTE: Bidders should carefully check computations in completing the Bid Schedule

TVO T.E. Bladdid directing directing directing the Bladdine till delingting the Bladdine directing						
BID SUBMITTED					ORAL	BID MADE
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE
Douglas-fir	MBF	8,048	X \$207.30	= \$1,668,350.40	Х	=
Western Hemlock	MBF	95	X \$37.10	= \$3,524.50	Х	=
Sugar Pine	MBF	6	X \$31.20	= \$187.20	Х	=
Incense-cedar	MBF	1	X \$163.10	= \$163.10	Х	=
Total		8,150		\$1,672,225.20		
		TOTAL PUR	RCHASE PRICE			

(Continued on reverse)

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)						
e of firm (type or print)						
ness address, include zip code (type or print)						
(To be completed following oral bidding)						
REBY confirm the above oral bid						
ignature)						
· ·						
d Did. Condar District Manager and described in the state of the state						
d Bid – Send to District Manager, who issued the sale notice, in a sealed pe marked on the outside:						
(1) "Bid for Timber"						
(2) Vegetative Resource Other Than Timber						
(3) Time bids are to be opened(4) Legal description						
i						

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 bondsman 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 the purpose 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.

PROSPECTUS

LUMP SUM SALE

BUTTE FALLS RESOURCEAREA JACKSON MASTER UNIT

Medford Sale # ORM05- TS-2017.0005 September 14, 2017 (TG)

#3 Shady Elk (5900) Jackson County, O&C, P.D.

BID DEPOSIT REQUIRED: \$58,700.00

All timber designated for cutting in E½SE¼, Sec. 11, NW¼SW¼, Sec. 12, N½NW¼, Sec. 13, N½NE¼, SE¼NE¼, Sec. 23, E½SE¼, Sec. 26, NW¼NE¼, SW¼NE¼, NE¼NW¼, NW¼SE¾, Sec. 27, T32S., R1W, SE¼, Sec. 3, Govt. Lot 2, Sec. 10, SW¼NW¼, Sec. 13, SE¼NW¼, N½SW¼, Govt. Lot 3, 4, N½SE¼, Govt. Lot 1, 2, Sec. 14, NE¼NE¼, Sec.23, T33S., R1W, Govt. Lot 6, 7, 8, 9, Sec. 7, SE¼NW¼, E½SW¼, E½SE¼, Sec. 11, W½, NW¼SE¼, Sec. 13, Govt. Lot 4, Sec. 30, N½NE¼, NE¾NW¼, Sec. 31, E½NE¼, NE¼SE¾, Sec.35, T32S., R1E, E½NE¼, NE¼SE¼, Sec. 21, SE¼NE¼, Sec. 35, T33S., R1E, N½NE¼, Sec. 32, T32S., R2E, 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
27,183	4,077	Douglas-fir	5,102	\$108.40	\$553,056.80
2,589	442	White Fir	584	\$42.80	\$24,995.20
933	159	Ponderosa Pine	196	\$30.50	\$5,978.00
528	37	Incense-cedar	47	\$49.80	\$2,340.60
135	16	Sugar Pine	20	\$29.40	\$588.00
31,368	4,731	Totals	5,949		\$586,958.60

^{*}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.

<u>CRUISE INFORMATION</u> - Douglas-fir, White fir, Ponderosa Pine, Incense Cedar and Sugar Pine have been cruised using the 3-P sampling methods to select sample trees. Maps showing the location and description of these sample trees are available at the Medford District Office. The sample trees have been measured using the volt system of measurement, and the volume expanded to a total sale volume.

With respect to merchantable DF trees: the average tree is 14.4 inches DBHOB; the average gross merchantable log contains 56 bd. ft.; the total gross volume is approximately 6,831 M bd. Ft. and 87% recovery is expected.

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.

<u>LOG EXPORT AND SUBSTITUTION RESTRICTIONS</u> All timber sold to the Purchaser under the terms of the contract, except exempted species, is restricted from export from 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 Thirty Five (35) units containing six hundred ninety one (691) acres must logged.

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 public roads and through the contract area using BLM Roads and Right-of-way and Road Use Agreement M-M660I with Hancock Timberlands X, Inc., via Right-of-way and Road Use Agreement M-M660J with AP Timber, LLC, via Right-of-way and Road Use Agreement M-M660K with System Global, LLC, via Right-of-way and Road Use Agreement M-M660L with Murphy Timber Investments, and via Right-of-Way and Road Use Agreement M-2000D with Juniper Properties.

Among other conditions, agreement M-660I with Hancock Timberlands X, Inc. requires completion of a license agreement between the Purchaser and Hancock Timberlands X, Inc., road maintenance to be performed by the Purchaser or BLM and an estimated payment of a road surface replacement fee of \$161.77. Among other conditions, agreement M-660J with AP Timber, LLC requires completion of a license agreement between the Purchaser and AP Timber, LLC, road maintenance to be performed by the Purchaser or BLM and an estimated payment of a road surface replacement fee of \$161.57. Among other conditions, agreement M-660K with System Global, LLC requires completion of a license agreement between the Purchaser and System Global, LLC and road maintenance to be performed by the Purchaser or BLM. Among other conditions, agreement M-660L with Murphy Timber Investments requires completion of a license agreement between the Purchaser and Murphy Timber Investments, road maintenance to be performed by the Purchaser or BLM and an estimated payment of a road surface replacement fee of \$237.23. Among other conditions, agreement M2000D with Juniper Properties, requires completion of a license agreement between the Purchaser and Juniper Properties and road maintenance to be performed by the Purchaser or BLM.

<u>ROAD MAINTENANCE</u> – The Purchaser will be required to maintain all the temp routes and existing decommissioned roads he constructs/reconstructs plus 20.38 miles of existing BLM and private roads. The BLM will maintain the approximately 40.86 miles of existing BLM and private roads.

<u>ROAD CONSTRUCTION</u> – The contract will require the Purchaser to construct 3.70 stations of temporary roads and reconstruct 53.86 stations of roads.

<u>SOIL DAMAGE PREVENTION:</u> Pursuant to Section 26 of Form 5450-3, Timber Sale Contract, the Purchaser shall not operate or cause to have operated on the contract area any tractor-type logging equipment when soil moisture content at six (6) inch depth exceeds twenty five (25) percent by weight as determined by the oven dry method.

EQUIPMENT REQUIREMENTS

- 1. A yarding tractor not greater than 9 feet in track width equipped with a integral arch and winch system capable of lining logs at least 75 feet.
- 2. Track log loader with sufficient boom reach and swing torque to yard tree length material to roadside with one end free of ground (unit 35-1).
- 3. A tractor equipped with winged-toothed rippers.
- 4. A skyline yarder capable of one end suspension of logs during in-haul and with a minimum lateral yarding capability of 75 feet while maintaining a fixed position of the carriage during lateral in-haul.
- 5. A helicopter equipped with a dropline with a minimum length of 150 feet and capable of lifting logs vertically to a height above adjacent trees without horizontal movement.

<u>SLASH DISPOSAL</u> Perform logging residue reduction and site preparation work on approximately three hundred sixty six (366) acres of harvest area as directed by the Authorized Officer.

<u>CONTRACT TERMINATION</u> 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;
- 2. Comply with a court order, or;
- 3. Protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP. 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.

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. This contract includes an additional special provision to ensure the Purchaser understands he/she is required to conduct all operations in compliance with Contract Section 12 (Purchaser's Contractual Responsibilities for Liability) and Contract Section 29 (Safety and Health) and the Special Provisions included in Section 42 of this Contract.
- 3. Purchaser shall be responsible for complying with all county, state, and federal laws and regulations that relate to the execution of this contract (See Sec. 29 of contract).
- 4. Directional falling is required
- 5. There are daily and seasonal restrictions in place on this sale.
- 6. Cleaning of equipment to eliminate noxious weed seeds is required prior to move-in of equipment onto federal lands.
- 7. Log hauling on road 32-1E-11.0 and use of the low water ford across Sugar Pine Creek shall be conducted between June 15 and September 15 of the same calendar year and all log hauling will need to be completed in one (1) season.
- 8. Dust abatement is required.
- 9. Helicopter landing 14-1L has special construction provisions attached (see Section 42, L-32).
- 10. There are slash treatment and pile placement requirements in place for this sale (see SD-1 in the contract)
- 11. Purchaser should be aware there are logging residue reduction costs assessed under SD-1. Refer to the appraisal for total assessed costs of logging residue reduction.

NARRATIVE DESCRIPTION OF HOW TO GET TO THE TIMBER SALE AREA

From the town of Shady Cove, Proceed northeast on highway 62 approximately 5 miles to the junction of Highways 62 and Elk Creek Road. Turn left onto Elk Creek Road and proceed north into the sale area.

<u>ENVIRONMENTAL ASSESSMENT</u> – An environmental assessment (DOI-BLM-ORWA M050-2017-0001-EA) was prepared for this sale, and a Finding of No Significant Impact has been documented for this environmental assessment. This document is available for inspection as background for this sale at the Medford District Office.

Form 5440-9 (December 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

Name of Bidder	
Tract Number	
ORM05-TS-20	17.0005
Sale Name	
Shady Elk	
Sale Notice (date	ed)
9/14/2017	
BLM District	
Medford	

LUMP SUM SALE

			Wedford		
	Sealed Bid for Sealed Bid Sale	Х	Written Bid for Oral Auction Sale		
	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.				
Requi	Required bid deposited is \$58,700.00 and is enclosed in the form of \Box cash \Box money order \Box bank draft \Box				
cashie	r's check \Box certified check \Box bid bond of c	orpo	rate surety on approved list of the United States Treasury		
□ gu	□ guaranteed remittance approved by the authorized officer.				
under withir	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						BID MADE
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE
Douglas-fir	MBF	5,102	X \$108.40	= \$553,056.80	х	=
White Fir	MBF	584	X \$42.80	= \$24,995.20	Х	=
Ponderosa Pine	MBF	196	X \$30.50	= \$5,975.00	Х	=
Incense-cedar	MBF	47	X \$49.80	= \$2,340.60	Х	=
Sugar Pine	MBF	20	X \$29.40	= \$588.00	Х	=
Total		5,949		\$586,958.60		
		TOTAL PUF	RCHASE 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)						
Signature, if firm is individually owned	Name of firm (type or print)					
Signatures, if firm is a partnership or L.L.C.	Business address, include zip code (type or print)					
Corporation organized under the state laws of Signature of Authorized Corporate Signing Officer	(To be completed following oral bidding) I HEREBY confirm the above oral bid By (signature)					
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.	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					
Oral Auction – Submit to Sales Supervisor prior to closing of qualifying period for tract.	(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 bondsman 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.

PROSPECTUS

SCALE SALE

ASHLAND RESOURCE AREA JACKSON MASTER UNIT

Medford Sale # ORM06-TS-2017.0012 September 14, 2017 (LM)

#4 Squishy Bug Salvage, Jackson County, O&C.

BID DEPOSIT REQUIRED: \$6,800

All timber designated for cutting in S½ SW¼, SW¼ SE¼ Section 27, W½ NE¼, E½ NW¼, N½ SW¼, SE¼ SW¼, W½ SE¼ Section 34, T. 38 S., R. 2 W., W½ NW¼, NW ½ SW¼, Section 25, N½ NE¼, SE½ NE¼, W½ SE¼, Section 26, E½ NE¼, Section 35, SW¼ NW¼ Section 36, T. 38 S., R. 3 W., SW¼ Section 2, LOT 5, LOT 6, SW¼ NW¼, NW¼ SW¼ Section 3, SE¼ NE¼, NE¼ SE¼ Section 4, S½ NE¼, E½ NW¼, N½ SE¼, E½ SE¼ Section 7, SE¼ SE¼ Section 8, S½ SE¼, NW¼ SE¼, S½ SW¼ Section 9, LOT 4, S½ SW¼ Section 10, SW¼ NW¼ Section 11, LOT 1, W½ NE¼, E½ NW¼, N½ NW¼ Section 15, NE½ Section 17, T. 39 S., R. 2 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
5,203	796	Douglas-fir	1,023	\$66.20	\$67,722.60
5,203	796	Totals	1,023	\$66.20	\$67,722.60

^{*}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 Interagency Office.

<u>TIMBER AUCTION LOCATION</u> – The timber auction will be held at the Grants Pass Interagency Office, located at 2164 NE Spalding Ave, Grants Pass, Oregon, at 9:00 a.m. on September 14th 2017.

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

<u>CRUISE INFORMATION</u> – All tree species have been cruised using the Variable Plot Cruise method. The sample trees have been measured, and the volume expanded to a total sale volume. With respect to merchantable trees of all conifer species: the average tree is 17.6 inches DBHOB; the average gross merchantable log contains 74 bd. ft.; the total gross volume is approximately 1387 M bd. ft.; and 74% recovery is expected. (Average DF is 17.6 inches DBHOB; average gross merchantable log DF contains 74 bd. ft.).

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

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

^{**}Minimum stumpage values were used to compute the appraised price (10% of pond value).

The 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 - 42 unit(s) containing 200 acres may be cut.

CUTTING TIME - Contract duration will be twelve (12) months for cutting and removal of timber.

<u>ACCESS</u> – Access to the sale area is available via State, County, and BLM roads.

ROAD MAINTENANCE - The Purchaser will be required to maintain 0.39 miles of existing road listed in Exhibit D Section 3100. BLM will maintain 23.67 miles of roads listed in Exhibit D Section 3100. The Purchaser will be required to pay a maintenance fee of \$1.35 per MBF per mile for the use of Aggregate surfaced roads; Purchaser will be required to pay a maintenance fee of \$0.92 per MBF per mile for the use of bituminous surfaced roads.

<u>SOIL DAMAGE PREVENTION</u> - Pursuant to Section 26 of Form 5450-3, Timber Sale Contract, the Purchaser shall not operate or cause to have operated on the contract area any tractor-type logging equipment when soil moisture content is high as determined by the Authorized Officer. The Purchaser shall construct motor vehicle barricades on all primary skid roads which intersect any haul roads; water bar and decommission all skid roads; and mulch and seed fill slopes on the newly constructed landings fill slope.

<u>EQUIPMENT REQUIREMENTS</u> - LOGGING: A yarding tractor not greater than twelve (12) 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 skyline yarder capable of one-end suspension with a minimum lateral yarding capability of seventy-five (75) feet while maintaining a fixed position during inhaul.

<u>SLASH DISPOSAL</u> - Slash disposal will consist of covering landing piles, lop and scatter treatments on one hundred eighteen (118) acres, and hand-piling treatments on eighty two (82) acres.

<u>CONTRACT TERMINATION</u> - 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, or protection through survey and manage and/or protection buffers in accordance with the Standards and Guidelines of the Medford District Record of Decision (ROD) and Resource Management Plan (RMP). 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.

<u>PERFORMANCE BOND</u> - A performance bond in the amount of 20% of the total purchase price will be required.

OTHER -

- No extension of time beyond the normal 30 days will be granted for completing bonding and contract signing requirements.
- 2. BLM haul roads and harvest operations are seasonally restricted. Some variations of the restricted dates are possible depending on weather conditions.
- 3. Existing concrete barricades displaced for access shall be restored to their original condition prior to logging operations.

4. The Purchaser shall provide two (2) flaggers to control traffic on the Sterling Mine Ditch Trail where it passes adjacent to units 9-1, 9-3, 9-5, 9-6, and 9-7 whenever felling, bucking and yarding operations are in progress on that area.

NARRATIVE DESCRIPTION OF HOW TO GET TO THE TIMBER SALE AREA – From Jacksonville Oregon, proceed south on Applegate Street for Sterling Creek Road for approximately 2 miles to Sterling Creek Road. Turn southeast on Sterling Creek Road and proceed for approximately 8 miles to road 39S-2W-8.0. Turn left to access units in the Armstrong Demming area. To access units in section T39S-2W-7, continue southwest on Sterling Creek road approximately a quarter mile to road 39S-2W-7. To access units in Bishop Creek from Jacksonville proceed South west on the Medford Provolt HWY for approximately 5 miles to Bishop Creek Rd. Turn left on Bishop Creek Rd and in approximately 1.5 miles turn right onto road 38S-3W-26. To access units of the Griffin/Anderson side proceed southwest on Griffin Lane for approximately 2 miles to Anderson Butte Rd. Proceed southwest on Anderson Butte Road for approximately 3 miles to road 38S-2E-26. Take a right on road 38S-2E-26 and proceed south.

<u>ENVIRONMENTAL ASSESSMENT</u> – A categorical exclusion (MO60-2017-0002-CX) was prepared for this sale. This document is available for inspection as background for this sale at the Medford Interagency Office.

Form 5440-9 (December 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

DEPOSIT AND BID FOR VEGETATIVE RESOURCE (Other Than Timber)

Name of Bidder
Tract Number
ORM06-TS-2017.0012
Sale Name
Squishy Bug
Sale Notice (dated)
9/14/2017
BLM District
1

	SCALE SALE			BLM District Medford	
	Sealed Bid for Sealed Bid Sale		х	Written Bid for Oral Auction Sale	
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 deposited is \$ 6,800.00 and is enclosed in the form of \square cash \square money order \square bank draft \square cashier's check \square certified check \square bid bond of corporate surety on approved list of the United States Treasury \square guaranteed remittance approved by the authorized officer.					
under withi	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 – SCALE SALE NOTE: Bidders should carefully check computations in completing the Bid Schedule

NOTE. Bluders should carefully check computations in completing the Blu Schedule							
	ORAL BID MADE						
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE	
Douglas-fir	MBF	1,023	X \$66.20	= \$67,722.60	х	=	
Total		1,023					
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)					
Signature, if firm is individually owned	Name of firm (type or print)				
Signatures, if firm is a partnership or L.L.C.	Business address, include zip code (type or print)				
Corporation organized under the state laws of Signature of Authorized Corporate Signing Officer	(To be completed following oral bidding) I HEREBY confirm the above oral bid By (signature)				
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.	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				
Oral Auction – Submit to Sales Supervisor prior to closing of qualifying period for tract.	(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 bondsman 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.