

This Advertisement includes:

Date Mailed:
March 26, 2014

(Order of Auction)

1. Brimstone Salvage ORM07-TS-14-05 (SBA Set Aside, Scale Sale)

Sale Date:
April 24, 2014

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 his representative, at the Bureau of Land Management Medford Interagency Office, 3040 Biddle Road, Medford, Oregon, telephone (541) 618-2200. The timber sale will commence at 9:00 a.m. on Thursday, April 24, 2014, at the Medford Interagency Office, 3040 Biddle Road, Medford, Oregon.

THIS TIMBER SALE NOTICE does not constitute the decision document for purposes of protest and appeal of a forest management decision. Consistent with 43 CFR Subpart 5003 – Administrative Remedies, the notice of a timber sale, when published as a legal ad in a newspaper of general circulation shall constitute the decision document for purposes of protest and appeal. Protests may be filed with the Contracting Officer within 15 days of the publication of the aforementioned decision document in the newspaper. The regulations do not authorize the acceptance of protests in any form other than a signed, written hard copy that is delivered to the physical address of the advertising BLM office. (No e-mail or fax protests will be accepted.) It is anticipated that the decision document will be published in the Grants Pass Daily Courier and the Medford Mail Tribune on or about March 27, 2014. 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.

***FOR SET-ASIDE TRACTS**, the bidder must not have been determined by the Small Business Administration to be ineligible for preferential award of set-aside sales and must accompany his deposit with a self-certification statement that he is qualified as a small business concern as defined by the Small Business Administration in its regulations, Title 13, Chapter I, Part 121 as amended, of the Code of Federal Regulations. The Form 5430-1, Self Certification Statement, must be completed prior to awarding the contract. The successful bidder will be required to sign SBA Form 723, 'Small Business Certification Required on all Preferential Sales of Set-Aside Timber' at the time he signs the timber sale contract.

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

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

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

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

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

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

LOG EXPORT AND SUBSTITUTION RESTRICTIONS: Excepting Port-Orford-cedar, all timber offered for sale hereunder is restricted from export from the United States in the form of unprocessed timber and is prohibited from being used as a substitute for exported private timber.

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

THE VOLUMES LISTED herein are estimates only, based on 16-foot taper breaks, which must be taken into consideration if comparisons are made with volume predictions based on other standards. The volumes based on 32-foot taper breaks are shown for comparison purposes. No sale shall be made for less than the total purchase price, without regard to the amount bid per unit, even though quantity of timber actually cut or removed or designated for taking is more or less than the estimated volume or quantity so listed.

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

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

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

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

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

in the operation, it may be necessary to have more than one prework conference unless all subcontractors can be present at one conference.

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

1. Individuals

- a. A Citizenship Affidavit, Form 5450-9.
- b. A certified Financial Statement prepared no earlier than 60 days prior to the sale date.

2. Partnerships or Unincorporated Associations

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

3. Corporations

- a. A certified copy of the articles of incorporation and by-laws.
- b. A certified copy of the resolution of the board of directors authorizing the officers to sign timber sale contracts and performance bonds on behalf of the corporation.
- c. An original certificate from the Corporation Commissioner authorizing the corporation to transact business in the State of Oregon.

- d. A certified Financial Statement prepared no earlier than 60 days prior to the sale date.

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

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

OTHER. 43 CFR Chapter 11 (10-1-92 Edition), Subpart 5442 - Bidding Procedure. § 5442.3 Rejection of Bids; Waiver of Minor Deficiencies. When the Authorized Officer determines it to be in the interest of the Government to do so, he may reject any or all bids and may waive minor deficiencies in the bids or the timber sale advertisement. (38 FR 6280, March 8, 1973).

ENVIRONMENTAL ASSESSMENTS.

A categorical exclusion DOI-BLM-OR-M070-2014-002-CX was prepared for this sale. This document is available for inspection as background for this sale at the Medford District Office.

PROSPECTUS

DXP SCALED-SALE

****SBA SET ASIDE****

GRANTS PASS RESOURCE AREA
JOSEPHINE MASTER UNIT

Medford Sale # ORM07- TS14-05
April 24, 2014 (JCJ)

Brimstone Salvage, (5900) Josephine County, O&C

BID DEPOSIT REQUIRED: \$71,600.00

All timber designated for cutting in SE¼NW¼, NE¼SW¼, S½ SW¼ Section 13, NE¼, E½NW¼, SW¼, NW¼SE¼ Section 23, SE¼NW¼, NE¼SW¼ Section 27, T. 34 S., R. 7 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
10,399	2,421	Douglas-fir	2,882	\$246.90	\$711,565.80
706	95	Sugar pine	111	\$23.70	\$2,630.70
81	71	Ponderosa pine	84	\$19.90	\$1,671.60
11,186	2,587	Totals	3,077		\$715,868.10

*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.

**This is an SBA Set-Aside timber sale. Bidding is limited to small business concerns as defined by the Small Business Act, §3, 72 Stat. 384, 15 U.S. Code 632, and the regulations of the Small Business Administration, Title 13, Code of Federal Regulations, Part 121, as amended.

TIMBER AUCTION LOCATION – The timber auction will be held at the Medford Inter-agency Office, located at 3040 Biddle Rd., Medford, Oregon, at 9:00 a.m. on Thursday, April 24, 2014.

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

CRUISE INFORMATION - The Timber has been cruised using the PCMTRE sampling method to select sample trees. The Douglas-fir in the Roadway units and Right of Way units have been cruised using the BLM 100% sampling method to cruise trees.

The sample trees have been measured, utilizing the VOLT system of measurement, and the volume expanded to a total sale volume. The volume of Roadway units and Right of Way units have 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.

Maps showing the location and description of the plots are available at the Grants Pass Interagency Office.

With respect to merchantable trees of all conifer species: the average tree is 17.0 inches DBHOB; the average gross merchantable log contains 110 bd. ft.; the total gross volume is approximately 3,860 M bd. ft; and 80% recovery is expected. With respect to merchantable DF trees: the average tree is 17.1 inches DBHOB; the average gross merchantable log contains 110 bd. ft.; the total gross volume is approximately 3,625 M bd. ft; and 80% recovery is expected.

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

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

CUTTING AREA – Thirteen (13) units containing one hundred thirty six (136) acres of salvage and two (2) right-of-ways must be cleared containing one (1) acre.

CUTTING TIME - Contract duration will be eighteen (18) months for cutting and removal of timber.

ACCESS – Access to the sale area is available via an existing BLM road; via Right-of-Way and Road Use Agreement M-1538 with Josephine County Forestry; via Right-of-Way and Road Use Agreement M-660 dated October 5, 1962 with Hancock Timberland X Inc.; and via Right-of-Way and Road Use Agreement dated April 19, 1960 with Oregon Department of Forestry. Among other conditions, Agreement M-1538 with Josephine County Forestry requires completion of an agreement between the Purchaser and Permittee. Among other conditions, Agreement M-660 with Hancock Timberland X Inc. requires payment of a road use fee of \$222.19, road maintenance and rockwear fee of \$96.85, and completion of an agreement between the Purchaser and Permittee. Among other conditions, the Agreement with Oregon Department of Forestry dated April 19, 1960 requires completion of an agreement between the Purchaser and Permittee.

ROAD MAINTENANCE - The Purchaser will be required to pay a road rockwear fee of \$0.49 per thousand board feet log scale per mile for the use of these roads as shown in Section 42(C)(4). The Purchaser will be required to maintain all of the temporary roads which he constructs plus 16.68 miles of existing road. BLM will maintain 10.95 miles of roads listed in Section 42(C)(3). The Purchaser will be required to pay a road maintenance fee of \$0.71 per thousand board feet log scale per mile for the use of these roads.

ROAD CONSTRUCTION AND RENOVATION - The contract will require the Purchaser to renovate 16.68 miles of existing road and construct 0.31 miles of temporary routes. Additional information is available in the timber sale prospectus. All temporary route construction, decommissioning, and barricade construction shall occur during the dry season of a single calendar year.

SOIL DAMAGE PREVENTION - Pursuant to Section 26 of Form 5450-4, Timber Sale Contract, the Purchaser shall not conduct mechanical ground-based harvesting, ground-based yarding, skyline based yarding, skid trail and landing rehabilitation, temporary route construction, temporary route reconstruction, or temporary route decommissioning in Timber Sale 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 wetting

winter rains have not occurred; the weather forecast is monitored daily; all winterization actions can reasonably occur prior to the season ending storm event; 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 rills and ruts along equipment tracks, then 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 rocky 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, the Contracting Officer may approve a conditional waiver for hauling. If soil moisture conditions or rain events are anticipated to cause impacts to roads or stream water quality resulting from said conditional waiver are not acceptable as determined by the Authorized Officer, the waiver will be revoked.

EQUIPMENT REQUIREMENTS – A yarding tractor not greater than 9 feet wide as measured from the outer edges of standard width shoes and equipped with an integral arch and a winch for lining logs seventy-five (75) feet. A 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.

SLASH DISPOSAL - Slash disposal within the harvest units will consist of a combination of lop and scatter, hand pile and cover hand piles, hand pile burn, and cover and burn landing decks as described in SD-5 of the Special Provisions. Lop and scatter areas of high slash concentration within units. Hand pile and cover slash located in harvest units where a main road and/or ridgeline coincides with a harvest unit boundary. A post logging assessment shall be conducted to determine treatment needs in all units. The initial appraisal prescribed one hundred twenty two (122) acres of lop and scatter, fifteen (15) acres of hand pile and cover hand piles, fifteen (15) acres of hand pile burn and mop up, and thirty (30) acres of cover and burn landing piles.

CONTRACT TERMINATION - A Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and/or to modify or terminate the contract when necessary to comply with the Endangered Species Act, or comply with a court order. This contract provision limits the liability of the Government to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area.

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. Tractor and cable yarding operations would be restricted to the dry season. See special provision L-18 and seasonal restriction matrix for more information.
3. Delivered log lengths shall not exceed 41 feet.
4. A portion of units 23-1, 23-6, 23-15A, and 23-15B will be cable yarded from swing trails.
5. All leave trees will be selected by the Purchaser through Designation by Prescription (DxP) criteria as outlined in Exhibit E, except for the roadway clearing unit 34-7-23.1

which has already been blue marked (for cut tree removal). Unit 23-1 has orange marked trees that must be retained and are addressed in Exhibit E.

NARRATIVE DESCRIPTION OF HOW TO GET TO THE TIMBER SALE AREA – From Grants Pass, Oregon travel North on 7th street enter I-5 North, to exit 61 Merlin, travel the Merlin Galice Road, approximately 5 miles to Hugo Road, turn right on Hugo Road, travel approximately 3 miles to Quartz Creek Road BLM number 35-6-8 approximately 7.50 miles to Unit 23-8B to the start of the units on the eastside of the sale. To reach the unit on the west side of the sale continue on the Merlin Galice Road to approximately mile post 7, turn right on Hog Creek Road BLM number 35-7-11, travel 6.85 miles to the junction of BLM road 34-7-27.3 travel approximately 0.20 miles to Unit 27-24. To locate the rest of the units see Exhibit C2 sheet 1 and see Exhibit A, Brimstone Salvage Sale Location Map, and Grants Pass Resource Area transportation maps for more detailed information on roads and unit locations.

ENVIRONMENTAL ASSESSMENT - A categorical exclusion DOI-BLM-OR-M070-2014-002-CX was prepared for this sale. This document is available for inspection as background for this sale at the Medford District Office.