This Advertisement includes:

Date Mailed: November 21, 2012

(Order of Auction)

1. London Peak ORM07-TS-13-02

Sale Date: December 20, 2012

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 and subject to Notice of Requirement for Certification of Nonsegregated Facilities, Form No. 1140-4, attached. <u>Written and oral bids will be received by the District Manager, or his representative, at the Bureau of Land Management Grants Pass Interagency Office, 2164 NE Spalding Road, Grants Pass, Oregon, telephone (541) 471-6600. This is not a public meeting and is an invitation to bid only. Therefore, only those persons bidding on timber sales will be allowed to attend this auction. <u>The timber sale will</u> commence at 9:00 a.m. on Thursday, December 20, 2012, at the Grants Pass Interagency Office, 2164 NE Spalding Road, Grants Pass, Oregon.</u>

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 Grants Pass Daily Courier on or about November 21, 2012 and the Medford Mail Tribune on or about November 22, 2012. 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 1140-6, 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 1140-7, Equal Opportunity Affirmative Action Program Representation, for all contracts over \$10,000.00.
- 3. Form 1140-8, Equal Opportunity Compliance Report Certification.
- 4. 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. <u>Partnerships or Unincorporated Associations</u>
 - 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. <u>Corporations</u>
 - 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 <u>Rejection of Bids; Waiver of Minor Deficiencies</u>. 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.

The London Peak timber sale was analyzed under the Speaking Coyote Project EA (DOI-BLM-OR-M070-2012-0002-EA) and the Decision Documentation for the Speaking Coyote Timber Sale includes the London Peak TS.

Form 1140-4 (June 1974)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NOTICE OF REQUIREMENT FOR CERTIFICATION OF NONSEGREGATED FACILITIES

Bidders and offerors are cautioned as follows: by signing this bid or offer or entering into this contract or lease, as the case may be, the bidder, offeror, or contractor will be deemed to have signed and agreed to the provisions of the Certification of Non-segregated Facilities in this solicitation. The certification provides that the bidder or offeror does not maintain or provide for his employees facilities which are segregated on a basis of race, color, religion, sex, or national origin, whether such facil-ities are segregated by directive or on a de facto basis. The certification also provides that he will not maintain such segregated facilities. Failure of a bidder or offeror to agree to the Certification of Nonsegregated Facilities will render his bid or offer nonresponsive to the terms of solicitations involving awards of contract exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause.

In accordance with 41 CFR 60, as amended May 19, 1967, and Executive Order No. 11246 of September 24, 1965, as amended, this notification will be included in all notices of invitations for bid, lease, offers, and requests for proposal where prospective nonexempt contracts may exceed \$10,000.

GPO 858 – 825

PROSPECTUS

DXD SCALED-SALE

GRANTS PASS RESOURCE AREA JOSEPHINE MASTER UNIT

Medford Sale #ORM07-TS-13-02 December 20, 2012 (LS)

#1. London Peak, Josephine County, O&C

BID DEPOSIT REQUIRED: \$13,800.00

All timber designated for cutting in Lot 5,6,7,10 SE1/4NW1/4, W1/2SE1/4, SE1/4SE1/4 Section 27, T. 33 S., R. 6 W., Willamette Meridian.

Approx. Number Merch. Trees	Est. Volume MBF 32' Log	Est. Volume CCF	Species	Est. Volume MBF 16' Log	Appr. Price Per MBF*	Est. Volume Times Appraised Price
11,842	1,030	2,303	Douglas-fir	1,196	\$115.10	\$137,659.60
11,842	1,030	2,303	Totals	1,196		\$137,659.60

*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 Road, Grants Pass, Oregon, at 9:00 a.m. on Thursday, December 20, 2012.

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 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 these sample trees are available at the Grants Pass Interagency Office.

With respect to merchantable DF trees: the average tree is 11.5 inches DBHOB; the average gross merchantable log contains 33 bd. ft.; the total gross volume is approximately 1,288 M bd. ft; and 93% recovery is expected.

<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> – Four (4) units containing ninety-one (91) acres of partial cut, three (3) right-ofway units containing three (3) acres of clear-cut and one (1) roadway units containing three (3) acres of roadway clearing.

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

<u>ACCESS</u> - Access to the sale area is available via an existing BLM road; via Memorandum of Understanding between the BLM and Oregon Department of Forestry and License Agreement LA-523 with the Oregon Department of Forestry; via Right-of-Way and Road Use Agreement M-768 with Lone Rock Timber Company; via Right-of-Way and Road Use Agreement M-2000EA with Perpetua Forests Company. Among other conditions, Agreement LA-523 with Oregon Department of Forestry requires Purchaser to perform road maintenance and an estimated payment of a surface replacement fee of \$11.22 and completion of an agreement between the Purchaser and Permittee. Among other conditions, Agreement M-768 with Lone Rock Timber Company requires Purchaser to perform road maintenance and completion of an agreement between the Purchaser and Permittee. Among other conditions, Agreement M-2000EA with Perpetua Forests Company requires Purchaser to perform road maintenance and completion of an agreement between the Purchaser and Permittee. Among other conditions, Agreement M-2000EA with Perpetua Forests Company requires Purchaser to perform road maintenance and completion of an agreement between the Purchaser and Permittee.

<u>ROAD MAINTENANCE</u> - The Purchaser will be required to maintain all of the roads which he constructs plus 4.18 miles of existing BLM, Oregon Department of Forestry, and private roads. The Purchaser will be required to pay a rockwear fee of \$0.51 per MBF per mile for the use of these roads.

<u>ROAD CONSTRUCTION</u> - The contract will require the Purchaser to construct 33+79 stations of road of which 8+81 stations will be constructed on Oregon Department of Forestry property and reconstruct 4+22 stations . 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, 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 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 roadway clearing operations in the sale 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 moisture conditions on the road are deemed acceptable and do not result in continuous mud splash or tire slide, fines being pumped through road surfacing from the subgrade, road drainage causing a visible increase in stream turbidities, surface rutting, surface ribboning, or any condition that would result in water being chronically routed into tire tracks or away from designed road drainage during precipitation events, Contracting Officer may approve a conditional waiver. If moisture conditions on the road 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 forty (40) foot tower capable of spanning nine hundred sixty one (961) feet, with lateral yarding capability of seventy five (75) feet, with one end suspension of logs during inhaul, and capable of multi-span. A yarding tractor will not exceed nine (9) feet in width and must be capable of bull-lining seventy five (75) 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 skid roads. A mechanical harvester with a single-grip felling head capable of reaching and cutting fifteen (15) feet slope distance from the road surface, capable of cutting and processing trees up to twenty four (24) inches at diameter breast height. A piece of equipment capable of chipping or masticating vegetation up to twenty (15) feet slope distance from the edge of the road.

<u>SLASH DISPOSAL</u> - Slash disposal within the Commercial Thin harvest units will consist of lop and scatter, hand pile and cover hand piles, and cover 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 within one hundred (100) feet of roads 33-6-26 and 33-6-27 where the road coincides with a commercial thin harvest unit. A post logging assessment shall be conducted to determine treatment needs in all units. The initial appraisal prescribed twenty five (25) acres of lop and scatter, twenty one (21) acres of hand pile and cover hand piles, and ten (10) acres of cover landing piles. Slash disposal within the Roadway Clearing Units will consist of approximately three (3) acres of biomass removal and/or chipping. See Exhibit C-11 for further details.

<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.
- All leave trees will be selected by the Purchaser through Designation by Description (DxD) criteria as outlined in Exhibit E, except for the roadway clearing units which have already been blue marked (for cut tree removal). Unit 27-3 has orange marked trees that must be retained and are addressed in Exhibit E.
- 3. This contract contains provisions (L-26M) requiring that prior to falling and removal of trees in Sale Units as shown on Exhibit A, the Purchaser shall conduct a sample mark as outlined in Exhibit E. Sample area size shall be approximately one-half (½) acre. Identification of leave trees may be done by flagging or paint as approved by the Authorized Officer. Additional marking may be required based on the results of the sample mark. Upon acceptance of the sample mark by the Authorized Officer, the Purchaser may proceed with operations.
- 4. Purchaser should be aware that Logging residue reduction costs listed under SD-5 are in addition to costs associated with treating the slash from the roadway clearing units as assessed under Exhibit C-11. Refer to the appraisal for total assessed costs of logging residue reduction.
- 5. Delivered log lengths shall not exceed 41 feet.
- 6. A temporary route is to be built over State lands to access unit 27-1. It is estimated that 20 mbf of timber will be removed. The purchaser agrees to by this timber from the State for five thousand four hundred eighty seven and 20/100's dollars (\$5,487.20).

<u>NARRATIVE DESCRIPTION OF HOW TO GET TO THE TIMBER SALE AREA</u> – From Grants Pass, take Interstate 5 northbound. Take exit 76 to Wolf Creek. At the off ramp take a left and travel a few hundred feet and turn left onto Bridge Lane. Follow for approximately two miles. Turn right onto the 36-6-26 road. All timber sale units can be accessed by the 36-6-26 Road.

<u>ENVIRONMENTAL ASSESSMENT</u> - An environmental assessment DOI-BLM-M070-2012-0002-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.

OR110-5409-11 (2008)