UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Northwest Oregon District Office 1717 Fabry Road, S.E. Salem, Oregon 97306

Outer Limits Timber Sale ORN01-TS-2017.0401 Date: July 26, 2017

PROSPECTUS

THIS IS A PROSPECTUS ONLY. ATTACHMENTS MAY NOT INCLUDE ALL EXHIBITS REFERRED TO IN THE CONTRACT. THE COMPLETE CONTRACT, INCLUDING ALL EXHIBITS, IS AVAILABLE FOR INSPECTION AT THE NORTHWEST OREGON DISTRICT OFFICE.

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, in the timber sale room at the District Office, 1717 Fabry Road, S.E., Salem, Oregon. Written bids and deposits will be accepted beginning at 8:30 a.m. and the timber sale oral auction will commence at 9:00 a.m., on Wednesday, August 23, 2017.

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. It is anticipated that the decision document will be published in the Stayton Mail on or about July 26, 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 newspaper(s) to ensure accurate knowledge of the exact publication date.

AN ENVIRONMENTAL ASSESSMENT was prepared for each timber sale tract, and a Finding of No Significant Impact has been documented. These documents are available for inspection as background for each timber sale tract at the Northwest Oregon District Office.

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

THE SUCCESSFUL BIDDER, as a condition of award, will be required to sign 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. Also, Form 5450-17, Export Determination must be completed by the successful bidder. To expedite procedure, this form should be completed and submitted with the written bid.

THE VOLUMES LISTED herein are estimates only. The sale volumes listed are 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 advertised appraised price. The Purchaser shall be liable for the total purchase price, without regard to the amount bid per unit, even though the quantity of timber actually cut or removed or designated for taking is more or less than the estimated volume or quantity so listed.

THIS TIMBER SALE has been cruised based upon Eastside Scribner board foot measure. The minimum bid figures shown by species are dollars per thousand board feet (MBF). The minimum bid increment will be \$0.10 per MBF.

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. 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 SBA 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 SBA and may be contingent on availability of funds. Applicants for such loans shall notify BLM of their intention to apply for a loan.

PRE-AWARD QUALIFICATIONS. The high 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 fifteen (15) 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.

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 5420, 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. 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.

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

ADDITIONAL INFORMATION concerning this timber sale tract is available at the above District Office. A copy of the timber sale contract is also available for inspection at the District Office. The prospectus for this/these sale(s) is also available online at: https://www.blm.gov/or/resources/forests/index.php. The prospectus includes maps and tables that cannot be made Section 508 compliant. For help with its data or information, please contact the Northwest Oregon District Office at 503-375-5646.

Attachments:

Form 5450-17

Form 5430-11

Form 5440-9

TIMBER SALE NOTICE

SALE DATE: August 23, 2017

NORTHWEST OREGON DISTRICT CASCADES FIELD OFFICE SALEM SUSTAINED YIELD UNIT

CONTRACT NO. ORN01-TS-2017.0104, OUTER LIMITS TIMBER SALE: LINN COUNTY, OREGON: O&C: ORAL AUCTION: BID DEPOSIT REQUIRED: \$117.600.00.

All timber designated for cutting on: S1/2NW1/4, SE1/4, Sec. 17; SW1/4NE1/4, S1/2NW1/4, N1/2SW1/4, SE1/4SW1/4, N1/2SE1/4, SW1/4SE1/4, Sec. 29, T. 10 S., R. 4 E., W.M.

THIS TIMBER SALE HAS BEEN CRUISED BASED UPON EASTSIDE SCRIBNER MEASURE.

Minimum bid figures shown by species are dollars per thousand board feet (MBF). The minimum bid increment will be \$0.10 per MBF.

					Estimated
Approx. No.	Est. Vol.		Est.	Appraised	Volume Times
Merchantable	MBF		Vol.	Price	Appraised
Trees	32' Log	Species	MBF	Per MBF	Price
			16' Log		
12,417	2,543	Douglas-fir	3,147	\$297.80	\$937,176.60
7,561	1,020	western hemlock	1,284	\$175.00	\$224,700.00
96	40	noble fir	47	\$207.50	\$9,752.50
49	6	western red cedar	7	\$582.20	\$4,075.40
20,123	3,609	Totals	4,485		\$1,175,704.50

<u>LOG EXPORT AND SUBSTITUTION RESTRICTIONS</u>: All timber offered for sale hereunder is restricted from export from the United States in the form of unprocessed timber and also prohibited from substitution of exported private timber.

<u>CRUISE INFORMATION</u>: The timber volumes for the Partial Cut and Regeneration Harvest Areas were based on a variable plot cruise for estimating the board foot volume of trees. Plots were measured with a 20 basal factor for Partial Cut Area and Regeneration Harvest Area. The Right-of-Way volume is based on a 3P cruise for estimating the board foot volume of trees. Approximately 0% of the total sale volume is salvage material. With respect to merchantable trees of all species; the average tree is 14.6 inches DBHOB; the average log contains 55 bd. ft.; the total gross volume is approximately 4760 MBF; and 94% recovery is expected.

<u>CUTTING AREA</u>: Seven units totaling approximately 134 acres comprise the Harvest Areas, of which 127 acres are Partial Cut and 7 acres are Regeneration Harvest. Approximately 1 acre of right-of-way will be cut. Acres shown on Exhibit A have been computed using a Trimble Global Positioning System receiver. Acreage was calculated based on Global Positioning System traverse procedures including differential correction.

DURATION OF CONTRACT: Will be 36 months for cutting and removal of timber.

<u>LOCATION</u>: All directions originating from the town of Gates, Oregon.

Access to the units as follows:

- Drive South on Horeb Road for approximately 0.4 miles
- Turn Right on Gates School Road for approximately 1.2 miles
- Turn left on to 10-3E-2.0 (Monument Peak Road) for approximately 4.2 miles to jct. of NRC 800 Road

To Units 1 and 2

- From the jct. of 10-3E-2.0 (Monument Peak Road) and NRC Road 800, continue South on 10-3E-2.0 (Monument Peak Road) for approximately 1.6 miles to Unit 1
- From Unit 1, continue and additional 0.7 miles on 10-3E-2.0 (Monument Peak Road) to Unit 2

To Units 3-7

- From the jct. of 10-3E-2.0 (Monument Peak Road) and NRC Road 800, continue Southwest on NRC Road 800 for approximately 1.2 miles
- Turn left (East) onto South Rock Creek Road for approximately 4.4 miles
- Turn left (East) onto Halfway Cabin Road for approximately 1.5 miles to Unit 3
- Continue on BLM Road 10-4E-28.2 (continuation of Halfway Cabin Road) for approximately 0.7 miles to Unit 4
- Continue on BLM Road 10-4E-28.2 for approximately 0.7 miles and stay left onto BLM Road 10-4E-28.3 for 0.3 miles until it is not drivable to the west half of Unit 5
- Walk in along the 10-4E-28.3 for approximately 0.1 miles to Unit 6
- Continue walking along the 10-4E-28.3 road for another 0.1 miles to Unit 7

For overview of the sale area please refer to the Contract Location Map.

ACCESS AND ROAD MAINTENANCE:

A gate key is not required for access.

Purchaser maintenance shall include frequent blading and shaping of road surface; ditch, culvert, and catch basin cleaning; removal of minor slides and other debris. Roads shall be left in a condition to withstand adverse weather at the end of the seasonal operations.

A license agreement with Oregon State Department of Forestry (ODF) shall be entered into for hauling timber. ODF controlled roads will be user maintenance.

Purchaser will maintain all Bureau of Land Management (BLM) controlled roads. A BLM rockwear fee of \$1,830.34 shall be paid prior to hauling.

<u>ROAD CONSTRUCTION AND RENOVATION</u>: The purchaser will be required to do all work set forth below. The purchaser shall supply all materials unless otherwise indicated.

Road Construction:

Road P1 = 10-4E-17.03, 715 feet, 14-foot subgrade no ditch,

Surfacing - dirt with 25 LCY crushed rock at entrance, Depth 4 inches, Usable width 12 feet.

Road P2 = 10-4E-17.04, 680 feet, 14-foot subgrade no ditch,

Surfacing - dirt with 12 LCY crushed rock at entrance, Depth 4 inches, Usable width 12 feet.

<u>Renovation</u>: 2.30 miles including but not limited to brushing, rocking, replacing culverts, adding culvert cleaning ditch and culverts, clearing and grubbing.

Estimated Quantities:

Clearing:

0.60 acres of new construction

1.00 acre of road renovation

0.25 acres of waste area construction

Excavation:

1,050 cubic yards of common 585 cubic yards of end haul

Culverts:

264 feet of 24 inch CMP 14 gage 110 feet of 30 inch CMP 14 gage 80 feet of 36 inch CMP 14 gage 50 feet of 42 inch CMP 14 gage 55 feet of 60 inch CMP 10 gage 6 culvert markers, 6 feet steel fence post

Aggregate Material:

Ouantity

430 loose cubic yards	Pit Run rock – for ODF road only
482 loose cubic yards	3 inch minus crushed rock – BLM roads
500 loose cubic yards	3 inch minus crushed rock - maintenance rock
90 loose cubic yards	3/4 inch minus crushed rock - culvert bedding
30 loose cubic yards	Rip Rap – from BLM source
50 loose cubic yards	Rip Rap – for splash pads located on site

Description

Rock Sources:

<u>Halfway Cabin Pit</u> - is located on Oregon Department of Forestry (ODF) and Pit Run rock from this location will *only* be used on ODF road renovation (10-4E-28.2 Segment B).

<u>BLM rock source</u> - is located at M.P. 0.74 on road 10-4E-28.2, which will be used for slope protection for two culverts (both on ODF)

Rip Rap material (Splash Pad) – located on site of culvert installation.

Commercial Rock source - will be used for all other rock needed for sale.

Miscellaneous Items:

Right-of-way Debris Disposal:

Debris shall be disposed of by scattering downhill of road prism.

In-water work window is: July 15 – October 15

OTHER:

All equipment shall be washed before entering BLM land.

SPECIAL ATTENTION ITEMS:

Sec. 41.a-e. - Reserved timber

Sec. 42.i-m. - Seasonal restrictions

Sec. 42.o. - Safety

Sec. 42.p. - Any required construction and renovation of roads shall be completed and accepted prior to the removal of any timber, except right-of-way timber, over that said road.

Sec 42.u.4. - Purchaser must contact ODF 24 hours prior to operations on road 10-4E-28.2, B.

DESIGNATION AND SALE OF ADDITIONAL TIMBER (Sec. 42.c.)

This contract contains provisions for the sale and removal of certain additional timber necessary to facilitate safe and efficient Purchaser operations. These provisions include:

-The designation and sale of additional timber, such as corridor and guyline trees, at contract price, as necessary to facilitate safe and efficient logging. Such trees may be felled and removed when they are painted by the Authorized Officer;

-Sale of additional timber volume at current fair market value where the species and/or size of trees are not representative of the forest stand(s) being thinned;

-Government reservation of trees previously marked for cutting (replacement) when the Authorized Officer determines that it is necessary in order to maintain stand densities consistent with objectives set forth in management prescriptions;

-The use of unilateral modifications executed by BLM for such additional timber and replacement timber;

-Revocation of the purchaser's right to cut additional timber if the Authorized Officer determines that trees have been cut and removed that were not previously marked and approved for cutting and removal by the Authorized Officer; and,

Seasonal Restriction Matrix

Seasonal Restriction	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
No falling, yarding, road construction, or burning in Units 1 and 2. (Owls-42.i.)*												
No logging or road building activities in 5 and 6. (Raptors-42.j.)*												
No falling in Regeneration Harvest Area in Unit 1. (Migratory Birds-42.k)**												
No ground-based equipment operations, road work, or haul on natural surfaced roads. (42.1)**												
No in-stream work. (42.m)												

Operations Restricted
No Restrictions

^{*}May be waived if no Owls or Raptors are found after surveys.

^{**}Seasonal restrictions may be shortened or extended as determined by Authorized Officer.

TIMBER SALE CONTRACT SPECIAL PROVISIONS

Sec. 41.

RESERVED

- a. All timber on the Reserve Area shown on Exhibit A and all orange painted trees which are on or mark the boundaries of the Reserve Area.
 - b. All trees marked with orange paint in the Timber Sale Area shown on Exhibit A.
- c. All snags greater than fifteen (15) inches diameter at breast height outside bark in Partial Cut Area and Regeneration Harvest Area shown on Exhibit A which do not present a safety hazard as determined by the Authorized Officer. Such snags felled for safety reasons shall be retained on site.
- d. All hardwoods greater than seven (7) inches diameter at breast height in Partial Cut and Regeneration Harvest Areas.
- e. All existing down logs greater than twenty (20) inches diameter on the large end and greater than twenty (20) feet long in Partial Cut Area and in the Regeneration Harvest Area which do not present a safety hazard as determined by the Authorized Officer.

Sec. 42. Special Provisions -

LOGGING

- a. Before beginning operations on the contract area for the first time or after a shutdown of seven (7) or more days, the Purchaser shall notify the Authorized Officer in writing of the date they plan to begin operations. The Purchaser shall also notify the Authorized Officer in writing if they intend to cease operations for any period of seven (7) or more days.
- b. Prior to the commencement of operations the Purchaser shall obtain from the Authorized Officer written approval of a written operations and logging plan commensurate with the terms and conditions of the contract, which shall include measures needed to ensure protection of the environment and watershed. A pre-work conference between the Purchasers authorized representative and the Authorized Officer must be held at a location designated by the Authorized Officer before the logging plan will be approved. All logging shall be done in accordance with the plan developed by this provision.
- c. Before cutting and removing any trees necessary to facilitate logging in the Partial Harvest Area and Regeneration Harvest Area as shown on Exhibit A, the Purchaser shall identify the location of skid roads, cable yarding roads; tailhold, tieback, guyline, lift, intermediate support and danger trees; and the clearing limits of landings on the ground in a manner approved by the Authorized Officer at the pre-work conference and documented in the logging plan required in Sec. 42.b. Said Purchaser identification of trees to be cut and removed does not constitute authority to proceed with cutting and removal. In addition, before proceeding the following conditions must be met:
 - 1. All skid roads and/or cable yarding roads upon which timber is identified by the Purchaser to be cut and removed in accordance with this special provision must be necessary for the safe and expeditious removal of timber sold under this contract and shall be limited to

the minimum width necessary for yarding of logs with a minimum of damage to reserve trees. However, unless otherwise approved in writing by the Authorized Officer, the width of each skid road and/or cable yarding road shall be limited to twelve (12) feet.

- 2. The Purchaser may immediately cut and remove additional timber to clear skid roads, cable yarding roads and landings; and provide tailhold, tieback, guyline, lift and intermediate support trees: and clear danger trees when the trees have been marked with a paint color to be designated by the Authorized Officer above and below stump height by the Authorized Officer and thereby approved for cutting and removal by the Authorized Officer. The volume of the timber to be sold will be determined by the Authorized Officer in accordance with Bureau of Land Management prescribed procedures. No timber may be cut or removed under terms of this provision unless sufficient installment payments have been made in accordance with Sec. 3.(b) of the contract or sufficient bonding has been provided in accordance with Sec. 3.(d) of the contract.
- 3. The Purchaser agrees that sale of this additional timber shall be accomplished by a unilateral modification of the contract executed by the Contracting Officer and that such timber shall be sold at the unit prices shown in Exhibit B of this contract unless: the value of the timber must be reappraised subject to the terms for contract extension set forth in Sec. 9 of the contract; or, the Authorized Officer determines that the species of trees are not listed in Exhibit B of this contract or any tree that exceeds thirty-six (36) inches diameter at breast height shall be appraised and sold by bilateral modification of the contract at current fair market value in accordance with Sec. 8 of the contract.
- 4. This authorization for the Purchaser to cut and remove additional timber prior to the execution of a modification may be withdrawn by the Contracting Officer if the Authorized Officer determines that the Purchaser has cut and removed any tree not previously marked and approved for cutting by the Authorized Officer, which under Sec. 10 of the contract constitutes a violation of the contract and under Sec. 13 of the contract may constitute a trespass rendering the Purchaser liable for damages under applicable law.
- 5. If authorization is withdrawn, the Contracting Officer shall issue a written notice to the Purchaser that the sale of additional timber under this special provision is no longer approved. In this case, the Purchaser shall inform the Authorized Officer at least one (1) working day prior to the need for cutting and removing any additional timber and execute a bilateral modification prior to cutting for such additional approved timber at the unit prices shown in Exhibit B of the contract or in accordance with Sec. 8 or Sec. 9 of the contract as determined by the Authorized Officer in accordance with this provision. The Contracting Officer may issue a written order to the Purchaser to suspend, delay or interrupt any or all contract work for the period of time deemed necessary and appropriate for the Government to safely measure and mark additional timber.
- 6. The Government may reserve trees previously designated for cutting and removal by applying orange paint as replacements for additional trees cut and removed for skid roads and/or cable yarding roads when the Authorized Officer determines such reservation is necessary to maintain stand densities consistent with objectives set forth in the management prescriptions. This may include the replacement of trees damaged by storm events, or insects or disease. The volume of this timber to be reserved will be determined by the Authorized Officer in accordance with Bureau of Land Management prescribed procedures and the value

shall be based on the unit prices shown in Exhibit B of the contract. The Purchaser agrees that the Total Purchase Price shall be reduced accordingly through unilateral modification of the contract executed by the Contracting Officer.

- d. In the Partial Cut Area shown on Exhibit A, all trees designated for cutting and removal shall be felled and cut into log lengths not to exceed forty (40) feet plus trim before being yarded unless otherwise approved in writing by the Authorized Officer.
- e. At harvest unit landings, all logs including hardwoods more than eight (8) inches in diameter at the large end and exceeding eight (8) feet in length shall be decked or windrowed at the location designated by the Authorized Officer except logs sold and removed from the contract area. If a log or piece of log meeting or exceeding the above specifications is bucked and left in place, all portions of that log shall be yarded and decked at the designated location.
- f. In the Partial Cut Area—Ground-Based Yarding Area shown on Exhibit A, all yarding shall be done by equipment capable of transporting the leading end of logs clear of the ground and operated entirely on designated skid roads. Before felling and yarding any timber, except skid road right-of-way timber, in the Partial Cut Area—Ground-Based Yarding Area the Purchaser shall locate and construct designated skid trails as follows:
 - 1. Mark the location of designated skid roads on the ground in a method approved by the Authorized Officer.
 - 2. Space designated skid roads at a minimum of one hundred and fifty (150) feet apart unless otherwise agreed to in writing by the Authorized Officer.
 - 3. Ground-based operations shall be limited to slopes of thirty five (35) percent or less, and existing skid roads should be used to the greatest extent possible and be located perpendicular to the slope to minimize road cutting.
 - 4. Obtain approval from the Authorized Officer of the location of all designated skid roads.
 - 5. Limit width of each skid road to a maximum of twelve (12) feet.
- g. In the Partial Cut Area and Regeneration Harvest Area Skyline Yarding, shown on Exhibit A, uphill yarding shall be done with a skyline type cable system and carriage capable of lateral yarding up to seventy five (75) feet from a fixed position on the skyline unless otherwise approved by the Authorized Officer. The leading end of all logs shall be transported free of the ground during in-haul yarding. The rigging of tail or lift trees shall be required outside the Partial Cut Area shown on Exhibit A where necessary to meet this requirement. The minimum distance between skyline corridors shall be one hundred fifty (150) feet unless otherwise approved by the Authorized Officer. The Purchaser shall directionally fall trees into lead with the lateral yarding or yarding in-haul directions.
- h. Excessive damage to the Reserve timber, as determined by the Authorized Officer, will result in suspension of operation until mitigation measures are in place to prevent further damage as directed by the Authorized Officer.

- i. No falling, yarding, road construction, or burning in Units 1 and 2 between March 1st and July 15th both days inclusive due to spotted owl breeding and nesting season. Restrictions may be waived if surveys indicate owls are not present.
- j. No logging or road building activities in Units 5 and 6 between March 1st and July 31st both days inclusive for raptor nesting and breeding. Restrictions may be waived if surveys indicate raptors are not present.
- k. No timber falling shall be conducted in the Regeneration Harvest Area in Unit 1 between April 15th and July 31st both days inclusive due to nesting migratory birds.
- 1. No road construction, road stabilizing, skidding or hauling on natural surface roads shall be conducted between November 1st of one calendar year and May 31st of the following calendar year both days inclusive. This may be shortened or extended as determined by Authorized Officer.
- m. No in-stream work shall be conducted between October 15th of one calendar year and July 15th of the following calendar year both days inclusive to protect water quality.
- n. Excessive damage to the Reserve timber, as determined by the Authorized Officer, will result in suspension of operation until mitigation measures are in place to prevent further damage as directed by the Authorized Officer.

SAFETY

o. Purchaser's operations shall facilitate BLM's safe and practical inspection of Purchaser's operations and BLM's conduct of other official duties on Contract Area. Purchaser has all responsibility for compliance with safety requirements for Purchaser's employees, contractors and subcontractors.

In the event that the Authorized Officer identifies a conflict between the requirements of this contract or agreed upon methods of proceeding hereunder and State or Federal safety requirements, the contract may be modified. If the cost of such contract modification is of a substantial nature (\$2,000.00 or more), the Purchaser may request, in writing, an adjustment in the total contract purchase price specified in Section 2 of the timber sale contract, as amended, to compensate for the changed conditions.

Unless otherwise specified in writing, when operations are in progress adjacent to or on roads and/or trails in the harvest unit area, Purchaser shall furnish, install, and maintain all temporary traffic controls that provide the road or trail user with adequate warning of and protection from hazardous or potentially hazardous conditions associated with its operations. Purchaser shall prepare a Traffic Control Plan, which the Purchaser has determined is compliant with state and local OSHA and Transportation standards no later than the pre-work meeting and prior to commencing operations. Traffic control devices shall be appropriate to current operating and/or weather conditions and shall be covered or removed when not needed. Flaggers and devices shall be as specified in state OSHA and Transportation standards for logging roads or the "Manual on Uniform Traffic Control Devices for Streets and Highways" (MUTCD) published by the U.S. Department of Transportation - Federal Highway Administration. Included in the Traffic Control Plan, Purchaser shall note traffic control device locations on a Purchaser produced copy of the contract Exhibit "A" Map.

ROAD CONSTRUCTION, RENOVATION, MAINTENANCE, AND USE

- p. The Purchaser shall construct Spurs P1 and P2, renovate roads 10-4E-17.1, 10-4E-28.2 and 10-4E-28.3, and decommission Spurs P1 and P2 in strict accordance with plans and specifications shown on Exhibit C and D, which is attached hereto and made a part hereof. Any required construction or renovation of structures and roads shall be completed and accepted, in accordance with Section 18, prior to the removal of any timber, except right-of-way timber, over that road.
- q. The Purchaser is authorized to use the roads shown on Exhibit E for the removal of Government timber sold under the terms of this contract and/or the hauling of rock as required in Exhibit C, provided that the Purchaser pay the required rockwear obligation described in Section 42.s. Any road shown on Exhibit E requiring construction, improvement, or renovation in Exhibit C of this contract, shall be maintained by the Purchaser until receiving written acceptance of the construction, improvement, or renovation from the Contracting Officer. The Purchaser shall pay current Bureau of Land Management rockwear fees for the sale of additional timber under modification to the contract.
- r. With the prior written approval of the Authorized Officer, the Purchaser may arrange for cooperative maintenance with other users of State of Oregon roads; Halfway Cabin, South Rock Creek, NRC 800 and Monument Peak, included in Section 42.u. of this contract; provided, that such cooperative arrangement shall not relieve the Purchaser of his liability for the maintenance and repair of such roads resulting from wear or damage, in accordance with this contract. The Purchaser shall furnish the Authorized Officer a copy of any cooperative maintenance agreements entered into with other users on these roads.
- s. The Purchaser shall pay the Government a rockwear fee of One thousand eight hundred thirty and 34/100 dollars (\$1,830.34) for the transportation of timber included in this contract price and for the transportation of any mineral material over said roads. The above maintenance amount is for the use of 1.94 miles of road or less. If the total rockwear fee does not exceed five hundred and no/100 dollars (\$500.00), the Purchaser shall pay such amount in full prior to use of such roads. If the total rockwear fee exceeds five hundred and no/100 dollars (\$500.00), the Authorized Officer shall establish an installment schedule of payments of the rockwear obligations.
- t. The Purchaser shall perform any required road repair and maintenance work on roads identified as Purchaser maintenance, under the terms of Exhibit D, Road Maintenance Specifications, of this contract, which is attached hereto and made a part hereof.
- u. In the use of Roads 10-4E-28.2 B Part, Halfway Cabin, South Rock Creek, NRC 800 and Monument Peak, the Purchaser shall comply with the conditions of Right-of-Way Agreement No. OR 56542 dated April 19, 1960 between United States of America and State of Oregon. The conditions include:
- 1. User maintenance by the Purchaser on roads listed above and renovate road 10-4E-28.2 B Part.
- 2. Purchaser shall provide comprehensive liability insurance under this agreement in the amounts of \$1,000,000/\$1,000,000/\$1,000,000

- 3. Prior to the use of said roads, the Purchaser shall furnish the Authorized Officer a properly signed copy of the executed License Agreement.
- 4. Prior to cutting any timber within the Right-of-Way of Road 10-4E-28.2 B Part, Purchaser shall notify Oregon Department of Forestry, North Cascade District Office, 503-859-2151 at least 24 hours prior to severance of said timber.
- v. The Purchaser agrees that if they elect to use any other private road, which is the subject of a right-of-way agreement with the Government for the removal of Government timber sold under the terms of this contract, Purchaser shall request and agree to the modification of this contract to provide for such use and for allowances for amortization of the Government's share of the capital investment of any such road.

ENVIRONMENTAL PROTECTION

- w. In order to prevent the spread of noxious weeds, the Purchaser shall pressure wash all earth disturbing equipment and logging equipment prior to entry onto BLM lands as directed by the Authorized Officer. Cleaning shall be defined as removal of all dirt, grease, plant parts and material that may carry noxious weed seeds. Equipment shall be inspected by the Authorized Officer at a site approved by the Authorized Officer to verify that the equipment had been reasonably cleaned prior to entry onto BLM lands.
- x. In additions to the requirements set forth in Sec. 26 of this contract, he Purchaser shall cover skid trails with logging slash and debris, install water bars or comparable erosion control measures, and block entrances or other created access points on the contract areas shown on Exhibit A as directed by the Authorized Officer. This work shall be completed within fifteen (15) days after completion of log hauling from each landing.
- y. The Purchaser shall immediately discontinue specified construction or harvesting operations upon written notice from the Contracting Officer that:
 - (1) threatened or endangered plants or animals protected under the Endangered Species Act of 1973, as amended, may be affected by the operation, and a determination is made that consultation or re-initiation of consultation is required concerning the species prior to continuing operation, or;
 - when, in order to comply with the Endangered Species Act, or to prevent incidental take of northern spotted owls in accordance with management direction in the Record of Decision (ROD) and Resource Management Plan (RMP), the Contracting Officer determines it may be necessary to modify or terminate the contract, or;
 - (3) federal proposed, federal candidate, Bureau sensitive or State listed species protected under BLM Manual 6840 Special Status Species Management have been identified, and a determination is made that continued operations would affect the species or its habitat, or;
 - (4) other active raptor nests have been discovered, and a determination is made that continued operations under this contract would adversely affect the present use of the discovered nesting area by the raptor, or;

- (5) when, in order to comply with a court order, which enjoins operations on the sale or otherwise requires the Bureau of Land Management to suspend operations, or;
- (6) when, in order to comply with a court order, the Contracting Officer determines it may be necessary to modify or terminate the contract, or;
- (7) species have been discovered which were identified for protection through survey and manage and/or protection buffer standards and guidelines, or management direction established in the ROD and RMP, and the Contracting Officer determines that continued operations would affect the species or its habitat, or;
- (8) when, in order to protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines, or management direction established in the ROD and RMP, the Contracting Officer determines it may be necessary to modify or terminate the contract.

Those operations necessary for a safe removal of personnel and equipment from the contract area and those directed by the Contracting Officer, which are required in order to leave the contract area in an acceptable condition, will be permitted. Discontinued operations may be resumed upon receipt of written instructions and authorization by the Contracting Officer.

During any period of suspension, the Purchaser may withdraw performance and payment bond coverage aside from that deemed necessary by the Authorized Officer to secure cut and/or removed timber for which the Bureau of Land Management has not received payment, and/or unfulfilled contract requirements associated with harvest operations that have already occurred and associated post-harvest requirements.

In the event of a suspension period or a combination of suspension periods that exceed a total of 30 days, the First Installment held on deposit may be temporarily reduced upon the written request of the Purchaser. For the period of suspension extending beyond 30 days, the First Installment on deposit may be reduced to five (5) percent of the First Installment amount listed in Section 3.b. of the contract. Any First Installment amount temporarily reduced may be refunded or transferred to another BLM contract at the request of the Purchaser. However, if the Purchaser has outstanding debt owing the United States, the Contracting Officer must first apply the amount of First Installment that could be refunded to the debt owed in accordance with the Debt Collection Improvement Act, as amended (31 USC 3710, et seq.). Upon Purchaser's receipt of a bill for collection and written notice from the Contracting Officer lifting the suspension, the Purchaser shall restore the First Installment to the full amount shown in Section 3.b. of the contract within 15 days after the bill for collection is issued, subject to Section 3.j. of the contract. The Purchaser shall not resume contract operations until the First Installment amount is fully restored.

In the event of a suspension period or a combination of suspension periods that exceed a total of 30 days, the unamortized Out-of-Pocket Expenses for road or other construction required pursuant to Exhibit C of the contract shall be refunded or transferred to another BLM contract at the request of the Purchaser. Upon written notice from the Contracting Officer lifting the suspension, the Purchaser shall reimburse the Government the amounts refunded or transferred. The Purchaser may choose to pay this reimbursement at once or in installments payable at the same time as payments

are due for the timber under the contract and in amounts approximately equal to the expenses associated with the timber for which payment is due.

In the event that operating time is lost as a result of the incorporation of additional contract requirements, or delays due to Endangered Species Act consultation with the U.S. Fish and Wildlife Service or U.S. National Marine Fisheries Service, or court-ordered injunctions, the Purchaser agrees that an extension of time, without reappraisal, will constitute a full and complete remedy for any claim that delays due to the suspension hindered performance of the contract or resulted in damages of any kind to the Purchaser.

The Contracting Officer may determine that it is necessary to modify the contract or terminate the cutting and removal rights under the contract in order to comply with the Endangered Species Act, prevent incidental take of northern spotted owls in accordance with the ROD and RMP, protect species that have been discovered which were identified for protection through survey and manage and/or protection buffer standards and guidelines or management direction established in the ROD and RMP, or comply with a court order. Following the issuance of a written notice that cutting and removal rights will be terminated, the Purchaser will be permitted to remove timber cut under the contract, if allowed by the Endangered Species Act, if able to proceed without causing incidental take of northern spotted owls in accordance with the ROD and RMP, consistent with survey and manage and/or protection buffer standards and guidelines or management direction established in the ROD and RMP, or court order requirements necessitating the modification or termination.

In the event the contract is modified or cutting and removal rights are terminated under this subsection, the Purchaser agrees that the liability of the United States shall be limited to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area. This calculation of liability shall utilize actual Purchaser costs and Government estimates of timber volumes. At the Authorized Officer's request, the Purchaser agrees to provide documentation of the actual costs incurred in the performance of the contract. In addition, the Purchaser shall be released from the obligation to pay the contract price for any timber which is not authorized to be removed from the contract area.

The Purchaser specifically and expressly waives any right to claim damages, other than those described in the preceding paragraphs, based on an alleged breach of any duty to the Purchaser, whether express or implied, in regard to the manner in which the Government defended the litigation which resulted in the court order affecting the operation of the contract. This waiver also extends to any claims based on effects on the operation of the contract that arise from litigation against another agency. Furthermore, the Purchaser specifically acknowledges and agrees that a court ruling that the Government violated the Administrative Procedures Act cannot be interpreted, in itself, to mean that the Government had not acted reasonably in regard to its duties to the Purchaser under this contract.

FIRE PREVENTION

z. Primarily for purposes of fire prevention and control, the Purchaser shall, prior to the operation of power driven equipment in construction or logging operations under this contract during fire season or periods of fire danger, prepare a fire prevention and control plan to the satisfaction of the Authorized Officer. Purchaser shall take such measures for prevention and suppression of fire on the contract area and other adjacent Government lands used or traversed by Purchaser in connection with operations as are required by applicable laws and regulations. However, when in the opinion of the

Authorized Officer, weather and other conditions affecting fire incidence and control make special precautions necessary to protect the contract area and said Government lands, Purchaser shall take such additional or other fire prevention and control measures as may be required by the Authorized Officer. The Purchaser shall comply with Oregon Department of Forestry Industrial Fire Precaution Level (IFPL) I fire season requirements. At IFPL II and III, additional fire prevention and control provisions may be added as determined by the Authorized Officer and specified in written instructions to the Purchaser to mitigate dry fuel and weather conditions.

LOGGING RESIDUE REDUCTION

- aa. In addition to the requirements of Sec. 15 of this contract, and notwithstanding the Purchasers satisfactory compliance with State laws and regulations regarding offsetting or abating the additional fire hazard created by this operation and the States willingness to release the Purchaser from liability for such hazard, the Purchaser shall remain responsible to the Government for performance of the following hazard reduction measure(s) required by this contract: Perform logging residue reduction and site preparation work on approximately sixteen and one half (16.5) acres of harvest area within harvest units. The required work shall consist of any treatment or combination of treatments, as determined by the Authorized Officer and specified in writing by the Contracting Officer. The number of acres of each treatment shall be determined by the Authorized Officer. Prior to commencement of any operation under this Section of the contract, a slash disposal and pre-work conference between the purchaser's representative and the Authorized Officer must be held at a location designated by the Authorized Officer. All slash disposal shall be done in accordance with the plans developed at this pre-work conference. Slash, as defined for this section, shall mean all material (brush, limbs, tops, unmerchantable stems, and chunks) severed or knocked over as a result of purchasers operations under the terms of this contract.
 - 1. Excavator pile and burn slash within 25 feet of roads 10-3E-2 and 10-4E-28.2 in Units 1, 2, 3, and 4. Slash shall be piled by an excavator equipped with a hydraulic thumb. Finished piles shall be tight and free of dirt.
 - a. Unmerchantable logs greater than sixteen (16) inches on the small end shall be left in place, or positioned so that they will not be burned.
 - b. Machine piles shall be located as far as possible from green trees, snags, or unit boundaries to minimize damage.
 - c. Machine piles shall be kept free of dirt and other non-wood debris and constructed as compactly as possible. There should be an adequate supply of finer fuels located within and under the covered area of the pile to ensure ignition of the larger fuels.
 - d. A 10-foot by 10-foot cover of four (4) millimeter polyethylene shall cap each machine pile to maintain a dry ignition point. The cover shall be firmly fixed to each pile to hold it in place. Plastic shall be held in place with woody debris or tied with rope or twine. The plastic must be secured so that it is held in place during strong wind conditions. The Purchaser is required to furnish the covering materials. Covering shall be completed as directed by the Authorized Officer.
 - e. Cutting Areas shall be piled during the same season that they are logged.

- 2. Pile and burn landing slash within thirty (30) feet of the edge of each landing, all tops, broken pieces, limbs and debris more than one (1) inch in diameter at the large end and longer than three (3) feet in length shall be piled within fifteen (15) days of completion of hauling logs from that landing. Landing piles shall be kept free of dirt and located adjacent to roads at least twenty (20) feet from any Reserve Tree and/or as directed by the Authorized Officer. Upon completion of landing piling, the Purchaser shall prepare the landing piles for burning by securely covering each landing pile by securely covering each pile with .004 inch thick polyethylene plastic film at least 20 feet wide. Landing piles shall be 75 percent covered with the covering extending three-quarters of the way down all sides. The plastic shall be oriented southwest to northeast. Pieces of burnable material shall be placed on top of the plastic to secure it from moving and to prevent it from blowing off during strong wind episodes. The Purchaser is required to furnish the covering materials. The timing of this covering work shall be in accordance with instructions from the Authorized Officer. No landing debris shall be dozed off the landing and covered with dirt. Debris which has been buried and is determined to be the source of holdover fire shall be excavated by the Purchaser, at the Purchaser's expense, with a tractor and/or hydraulic excavator as directed by the Authorized Officer. If the structure of the landing piles will not permit adequate consumption of piled debris by burning, the Purchaser shall re-pile them at the direction of the Authorized Officer.
- bb. Notwithstanding the provisions of Sec. 15 of this contract, the Government shall assume all obligations for disposal or reduction of fire hazards created by Purchaser's operations on Government lands, except for burning and mop-up assistance as required herein and measures required in Section 42(v). The Purchaser shall, under supervision of the Authorized Officer or designated representative, assist in preparing units for burning, burning, mop-up, and patrol by furnishing, at the Purchaser's own expense, the services of personnel and equipment on each unit as shown below:
 - 1. For Igniting, Burning, and Mop-up of Piles on Units:
 - a. One work leader(s) Firefighter Type 1 (FFT1) qualified according to National Wildfire Coordinating Group (NWCG) Wildland Fire Qualifications System guide, PMS 310-1) to supervise crew and equipment operations, and to serve as Purchaser's representative.
 - b. Two-person crew Firefighter Type 2 (FFT2) qualified according to National Wildfire Coordination Group (NWCG) Wildland Fire Qualifications System guide, PMS 310-1, with sufficient fuel for burning, three (3) drip torches, one (1) power saw, and one (1) backpack pump, one (1) tool for each crew member.
 - c. The crew shall arrive on the project area with radios capable of inter-crew communications and communication with a BLM representative at a ratio of one (1) radio per every five (5) crew members.
 - d. All ignition personnel will be directly supervised by a BLM representative.

Aircraft and pilots used for Logging Residue Reduction or the suppression of escaped fires from Logging Residue Reduction operations, shall be acquired from a list of aircraft and pilots approved (i.e., carded for these specific activities) by the Office of Aircraft Services or the U.S. Forest Service. This list is available

from BLM District Offices upon request. All listed personnel shall be physically fit, experienced and fully capable of functioning as required.

All listed personnel shall be physically fit, experienced and fully capable of functioning as required. In addition, all listed personnel shall be qualified according to the National Wildfire Coordinating Group (NWCG) Wildland Fire Qualification System Guide, PMS-310-1 and provide documentation of these qualifications. On the day of ignition all listed personnel shall be fluent in speaking and understanding English, clothing shall consist of long pants and long sleeved shirts, and be of approved aramid fabric (NomexTM or equivalent), as well as being free of diesel fuel oil. All personnel shall wear lug sole boots with minimum eight (8) inch tall uppers that provide ankle support, approved hardhats and leather gloves. Personnel who do not meet these requirements or do not have proper clothing and personal protective equipment (PPE) will not be allowed to participate. All listed tools and equipment shall be in good usable condition. All power-driven equipment shall be fully fueled and available for immediate use. During periods of use under this subsection, the Purchaser shall provide fuel and maintenance for all such power-driven equipment.

Except as provided hereafter for fire escapement, the Purchaser shall continue the required assistance in mop up on each cutting unit shown on Exhibit A for seventy-two (72) hours, as directed by the Authorized Officer within a five (5) day period commencing at 8:00 a.m. the day following the completion of ignition in that unit, or until released from such service by the Government, whichever occurs first.

In event of a fire escapement, the Purchaser's personnel and equipment shall, under supervision of the Authorized Officer, take action to control and mop up the escaped fire until released from such service by the Government. If it becomes necessary to use furnished personnel and equipment for the suppression of a fire which escapes from the prescribed fire area for a period beyond the remainder of the day in which the fire escapes, then the Government shall, at its option: (1) reimburse the Purchaser for such additional use of personnel and equipment at wage rates shown in the current Administratively Determined Pay Rates for the Western Area and at equipment rates shown in the current Oregon-Washington Interagency Fire Fighting Equipment Rental Rates schedule until the Purchaser is released from such service by the Government; or (2) release the Purchaser from additional suppression work and assume responsibility for suppressing the escaped fire.

In situations where an escaped fire is controlled and contained by an adequate fire break (i.e., trail, road, stream, rock formation, etc.), the Government may permit the Purchaser to remove personnel for that day; provided that all mop up work on the escaped fire is included with mop up work on the prescribed fire area. In such an event, the Purchaser must sign a statement of agreement to complete mop up work on all escaped fire areas concurrently with mop up work on the prescribed fire area.

In case of injury to personnel or damage to equipment furnished as required by this subsection, liability shall be borne by the Purchaser, unless such injury or damage is caused by Government negligence.

Time is of the essence in complying with this provision. In the event the Purchaser fails to provide the personnel and equipment required herein, the Purchaser shall be responsible for all additional cost incurred by the Government in disposing of slash including but not limited to the wages and other costs of providing federal employees and others as substitute labor force, the cost of providing substitute equipment and appropriate additional overhead expenses. If the Purchaser's failure results in a deferral of burning and new conditions necessitate additional personnel and equipment to accomplish the planned burn, the Purchaser also shall be responsible for such additional costs.

LOG EXPORT RESTRICTIONS

cc. 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 being 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 or specifications or suitable for end-product uses; or (4) western red cedar lumber which does not meet lumber of American Standards Grades of Number 3 dimension or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 Common or better. Thus, 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 remanufacturing of eight and three-quarters (8-3/4) inches in thickness or less; (6) shakes and shingles.

Substitution will be determined under the definition found in 43 CFR 5400.0-5(n).

The Purchaser is required to maintain and upon request to furnish the following information:

- 1. Date of last export sale.
- 2. Volume of timber contained in last export sale.
- 3. Volume of timber exported in the past twelve (12) months from the date of last export sale.
- 4. Volume of Federal timber purchased in the past twelve (12) months from the date of last export sale.
- 5. Volume of timber exported in succeeding twelve (12) months from date of last export sale.
- 6. Volume of Federal timber purchased in succeeding twelve (12) months from date of last export sale.

In the event the Purchaser elects to sell any or all of the timber sold under this contract in the form of unprocessed timber, the Purchaser shall require each party buying, exchanging, or receiving such timber to execute a "Certificate as to Nonsubstitution and the Domestic Processing of Timber". The original of such certification shall be filed with the Authorized Officer. Additionally, when the other party is an affiliate of the Purchaser, the Purchaser will be required to update information under item (2) of Form 5450-17 (Export Determination) and file the form with the Authorized Officer.

In the event an affiliate of the Purchaser has exported private timber within twelve (12) months prior to purchaser or otherwise acquiring Federal timber sold under this contract, the Purchaser shall, upon request, obtain from the affiliate information in the form specified by the Authorized Officer and furnish the information to the Authorized Officer.

Prior to the termination of this contract, the Purchaser shall submit to the Authorized Officer Form 5460-15 (Log Scale and Disposition of Timber Removed Report) which shall be executed by the Purchaser. In addition, the Purchaser is required under the terms of this contract, to retain for a three-year period from the date of termination of the contract the records of all sales or transfer of logs involving timber from the sale for inspection and use of the Bureau of Land Management.

Unless otherwise authorized in writing by the Contracting Officer, the Purchaser shall brand clearly and legibly one end of all logs with a scaling diameter (small end inside bark) of over 10 inches, prior to the removal of timber from the contract area. All loads of 11 logs or more will have a minimum of 10 logs clearly and legibly branded on one end regardless of the diameter of the logs. All logs will be branded on loads of 10 logs or less. One end of all branded logs to be processed domestically will be marked with a 3 square inch spot of highway yellow paint. The Purchaser will stop trucks for accountability monitoring at mutually agreed upon locations when notified by the Authorized Officer.

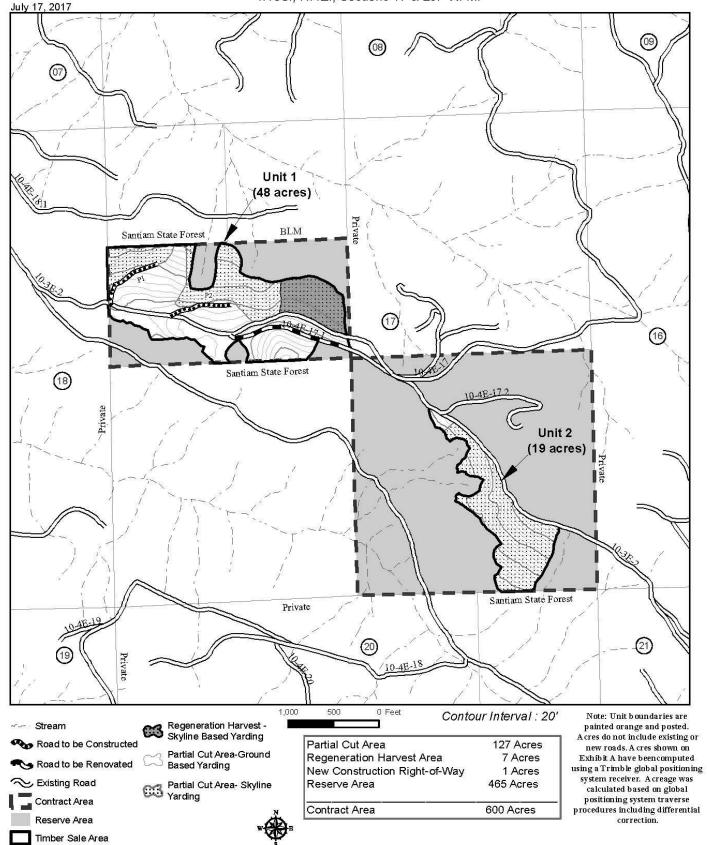
If multiple trailers (mule trains) are used, each bunked load shall be considered an individual load, and these guidelines will apply to each bunked load. If a flatbed stake trailer is used, each bundle will be treated as a separate load.

At the discretion of the Contracting Officer, the Purchaser may be required to brand and paint all logs. Any increased cost for log branding and painting shall be the responsibility of the Purchaser.

In the event of the Purchaser's noncompliance with this subsection of the contract, the Authorized Officer may take appropriate action as set forth in Section 10 of this contract. In addition, the Purchaser may be declared ineligible to receive future awards of Government timber for a period of one year.

TIMBER SALE CONTRACT MAP - Contract No. ORN01-TS-2017.0104

T.10S., R.4E., Sections 17 & 29. W. M.

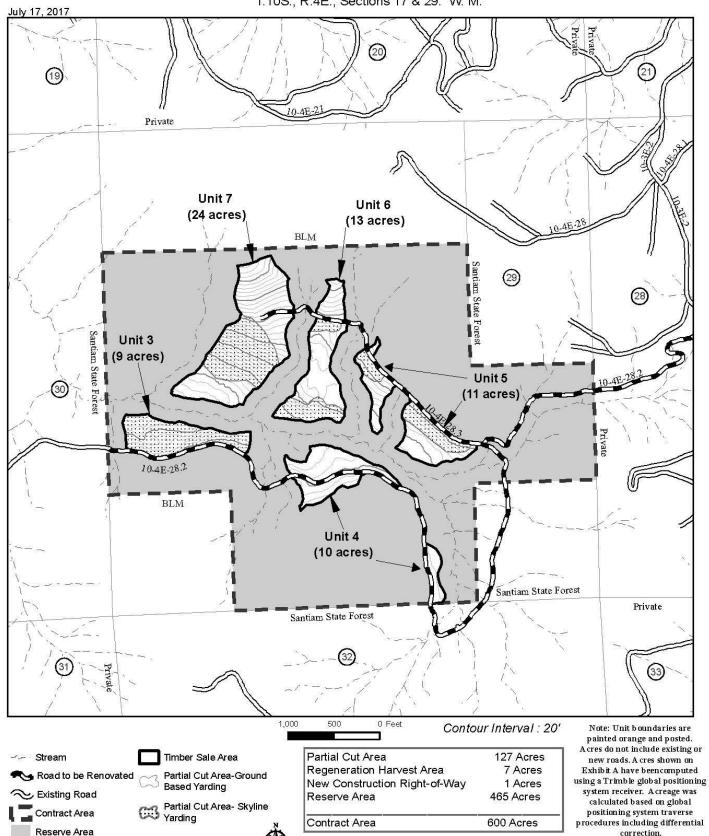


United States Department of the Interior **BUREAU OF LAND MANAGEMENT** Northwest Oregon District - Oregon

Exhibit A **Outer Limits** Sheet 2 of 2

TIMBER SALE CONTRACT MAP - Contract No. ORN01-TS-2017.0104

T.10S., R.4E., Sections 17 & 29. W. M.



Form 5450-3a (February 1986)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Contract No.
ORN01-TS-2017.0104
Outer Limits

EXHIBIT B / PRE-SALE

5450-3

The following estimates and calculations of value of timber sold are made solely as an administrative aid for determining: (1) adjustments made or credits given in accordance with Secs. 6, 9, or 11; (2) when payments are due; and (3) value of timber subject to any special bonding provisions. The value of timber will be determined by multiplying the value per acre as shown below, times the amount of acreage as determined by the Authorized Officer, which has been cut or removed or designated for taking. Except as provided in Sec. 2, Purchaser shall be liable for total purchase price even though quantity of timber actually cut or removed or designated for taking is less than the estimated volume or quantity shown. Cutting areas are shown on **Exhibit A.**

SPECIES	ESTIMATED VOLUM (Units Spec		ANTITY		PRICE PER UNIT	ESTIMATED VOLUME OR QUANTITY X UNIT PRICE
Douglas Fir		3,14	47.0	MBF	\$297.80	\$937,176.60
Western Hemlock		1,28	34.0	MBF	\$175.00	\$224,700.00
Noble Fir		2	47.0	MBF	\$207.50	\$9,752.50
Western Redcedar			7.0	MBF	\$582.20	\$4,075.40
TOTALS			4,485.0	MBF		\$1,175,704.50
The apportionment of the total purch	ase price is as follows:					
<u>Unit 1</u>						
Douglas Fir	673.0 MBF	Χ	\$297.80	=	\$200,419.40	
Western Hemlock	805.0 MBF	X	\$175.00	=	\$140,875.00	
Noble Fir	30.0 MBF	X	\$207.50	=	\$6,225.00	
Western Redcedar	4.0 MBF	X	\$582.20	=	\$2,328.80	
Total	1512.0 Mbf				\$349,848.20	÷ 48.0 acres = \$7,288.50/Acre
<u>Unit 2</u>						
Douglas Fir	775.0 MBF	X	\$297.80	=	\$230,795.00	
Western Hemlock	63.0 MBF	X	\$175.00	=	\$11,025.00	
Total	838.0 Mbf				\$241,820.00	÷ 19.0 acres = \$12,727.37/Acre
Unit 3						
Douglas Fir	206.0 MBF	X	\$297.80	=	\$61,346.80	
Western Hemlock	50.0 MBF	X	\$175.00	=	\$8,750.00	
Noble Fir	2.0 MBF	X	\$207.50	=	\$415.00	
Total	258.0 Mbf				\$70,511.80	÷ 9.0 acres = \$7,834.64/Acre
<u>Unit 4</u>						
Douglas Fir	229.0 MBF	X	\$297.80	=	\$68,196.20	
Western Hemlock	56.0 MBF	X	\$175.00	=	\$9,800.00	
Noble Fir	2.0 MBF	X	\$207.50	=	\$415.00	
Total	287.0 Mbf				\$78,411.20	÷ 10.0 acres = \$7,841.12/Acre

Form 5450-3a (February 1986)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Contract No.
ORN01-TS-2017.0104
Outer Limits

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5450-3

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<u>Unit 5</u>				
Douglas Fir	288.0 MBF	Χ	\$297.80 =	\$85,766.40
Western Hemlock	67.0 MBF	X	\$175.00 =	\$11,725.00
Noble Fir	3.0 MBF	Χ	\$207.50 =	\$622.50
Total	358.0 Mbf			\$98,113.90 ÷ 11.0 acres = \$8,919.45/Ad
Unit 6				
Douglas Fir	333.0 MBF	Χ	\$297.80 =	\$99,167.40
Western Hemlock	78.0 MBF	Χ	\$175.00 =	\$13,650.00
Noble Fir	3.0 MBF	Χ	\$207.50 =	\$622.50
Western Redcedar	2.0 MBF	Χ	\$582.20 =	\$1,164.40
Total	416.0 Mbf			\$114,604.30 ÷ 13.0 acres = \$8,815.72/Ad
Unit 7				
Douglas Fir	586.0 MBF	Χ	\$297.80 =	\$174,510.80
Western Hemlock	139.0 MBF	Χ	\$175.00 =	\$24,325.00
Noble Fir	6.0 MBF	Χ	\$207.50 =	\$1,245.00
Total	731.0 Mbf			\$200,080.80 ÷ 24.0 acres = \$8,336.70/Ad
Unit RW1				
Douglas Fir	57.0 MBF	Χ	\$297.80 =	\$16,974.60
Western Hemlock	26.0 MBF	Χ	\$175.00 =	\$4,550.00
Noble Fir	1.0 MBF	Χ	\$207.50 =	\$207.50
Western Redcedar	1.0 MBF	Χ	\$582.20 =	\$582.20
Total	85.0 Mbf			\$22,314.30 ÷ 1.0 acres = \$22,314.30/Ac

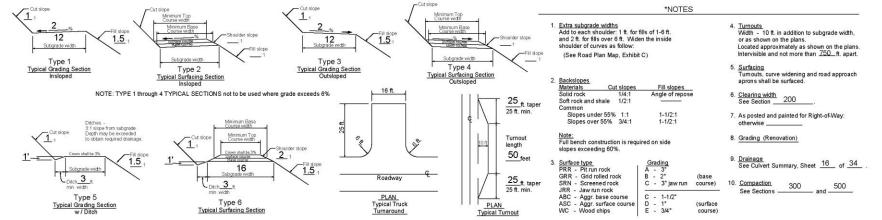
EXHIBIT C

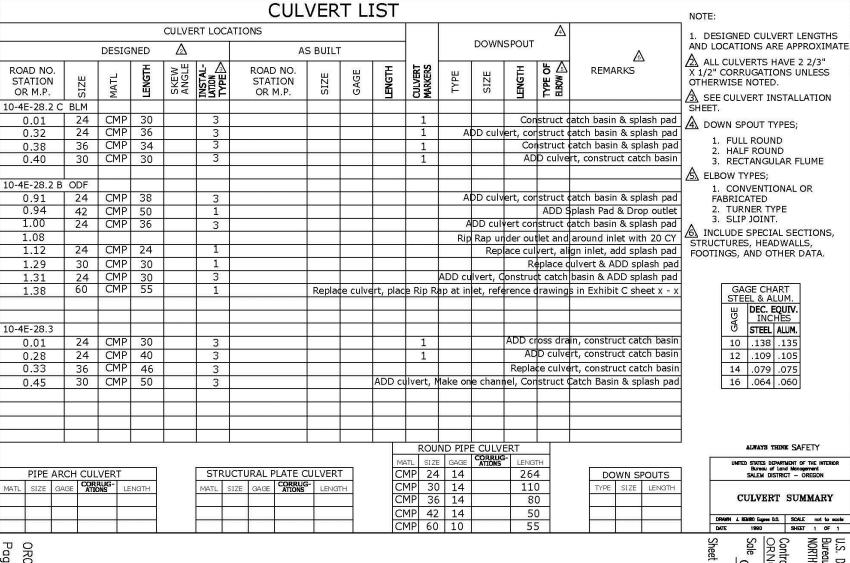
Contract No. ORN01-TS-2017.0104

Sheet _8 of __34

150: ROAD PLAN AND DETAIL SHEET

			I G	L IYPE	ALIGNMENT	ROAD (*1 8		GRAD	DIENT		LEAR /IDTH		2				SURFA	CING (*5)					
ROAD NUMBER	STATION OR MILE POST	TO STATION OR MILE POST	LENGTH mi. or sta.	TYPICAL CTION TYPE	Minimum Radius of	Subgrd.	Ditah	Maximum		Beyo		Existing		BA	SE COUR	SE			SURFA	ACE COU	RSE		REMARKS
			H E	SECT	Curve	Subgra.	Ditch	Favorable		Top Cut	Toe_	L R	Minimum Width	Comp. Depth	Surface Type (*3)	Grading Size (*3)		Minimum Width	Comp. Depth	Surface Type (*3)	Grading Size (*3)	No. of Lifts	
P1=10-4E-17.03	0+00	7+15	7+15	3		12	0	0	13				16	4"	ABC	A	1				New	Construct	ion, rock entrance w/25 LCY, material source
		-																				is ODF	t -keep stumps and replace back in location
P2=10-4E-17.04	0+00	6+80	6+80	3		12	0	17	0				14	4"	ABC	Α	1						New Construction, rock entrance w/12 LCY
10-4E-17.1	0.00	0.21	0.21	3		12	0						14	4"	ABC	А	1						Renovate, rock with 225 LCY
10-4E-28.2 B	0.96	1.49	0.53	1,3,5		14	0 -1																430 LCY and use only on this section of roac
												+	ł.				JISU UCC A	vaceruip a	L 141.F. 1.2	30 10 101			ection material from BLM Source at M.P 0.74
				\vdash									İ						3"	Е	ABC		ulvert bedding, @ MP 1.38 6" deep (47 LCY)
																			VARIES	С	PRR		Place 30 LCY at M.P. 1.20 for spring area
																			VARIES	С	PRR	M.P. 300 I	CY, Culverts 24"=10 LCY, 30" & 42"=20 LCY
10-4E-28.2 C	0.00	0.96	0.96	1,3,5		14	0 -1									Renov	vate, repla	ce & instal	l culverts,	spot rock	over pipe	s w/20 LC	Y ea., construct waste area-location on map,
																			at M.	. 0.74 ro	ad will nee	d to be w	dened and use material for slope protection
																			3"	Е	ABC		Culvert bedding w/18 LCY
																			VARIES	Α	ASC		Spot rock w/40 LCY (commercial source)
10-4E-28.3	0.00	0.60	0.60	1,3		12	0					+							Rer	ovate, cle	earing and	arubbina	replace & new culvert installs w/20 LCY ea.,
																			3"	Е	ABC		Culvert bedding w/25 LCY
																0.0			VARIES	Α	ASC		Spot rock w/20 LCY (commercial source)
				\vdash							-	_											
												_	1	1								1	-





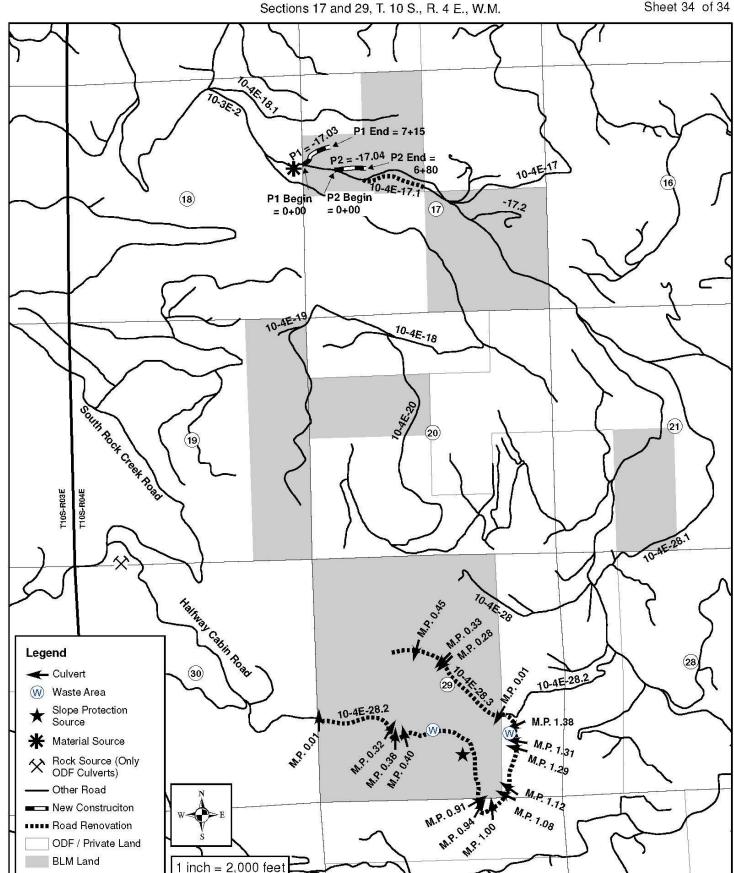
Page OR080 5430 - 17약 S

Bureau of Land Management
NORTHWEST OREGON DISTRICT Contract No. ORN01-TS-Outer Limits 16 -2017.0104

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UNITED STATES DEPARTMENT OF THE INTERIOR Bureau of Land Management ROAD PLAN MAP

EXHIBIT C Outer Limits ORN01-TS-2017.0104 Sheet 34 of 34

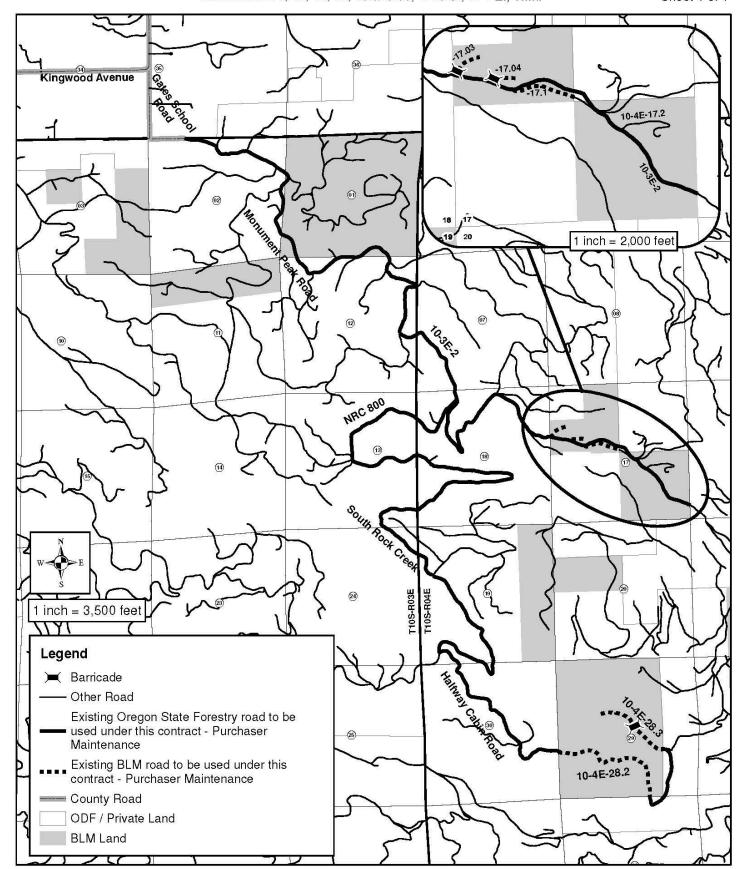


UNITED STATES DEPARTMENT OF THE INTERIOR

Bureau of Land Management ROAD USE AND MAINTENANCE MAP

Sections 1, 2, 3, 10, 11, 12, 13, 14 and 24, T. 10 S., R. 3 E., W. M. and Sections 7, 17, 18, 19, 29 and 30, T. 10 S., R. 4 E., W.M.

EXHIBIT E Outer Limits ORN01-TS-2017.0104 Sheet 1 of 1



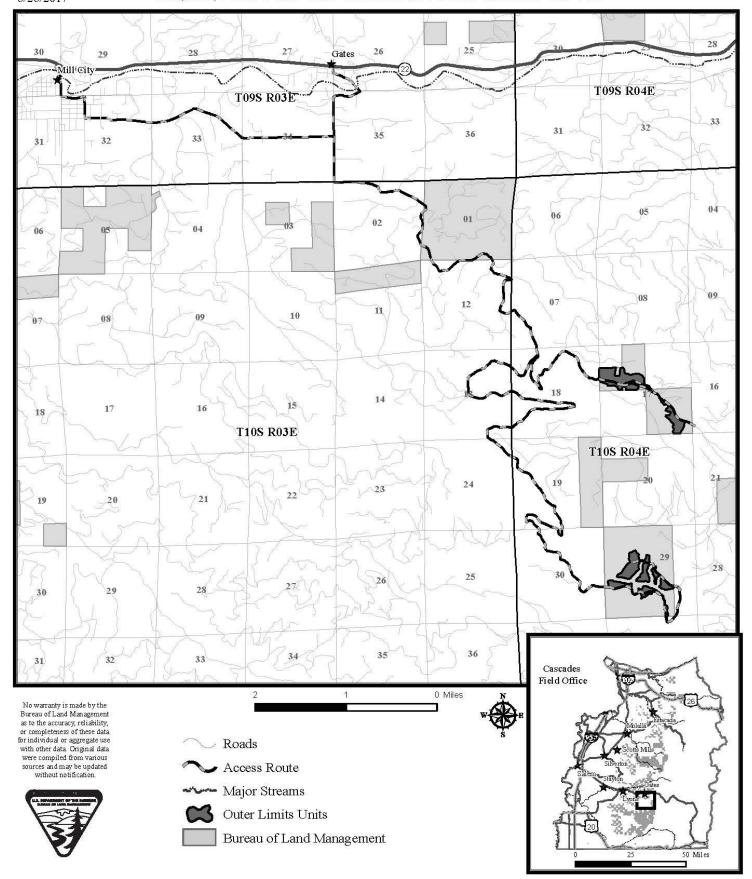
United States Department of the Interior BUREAU OF LAND MANAGEMENT

OUTER LIMITS CONTRACT LOCATION MAP

Contract No. ORN01-TS-2017.0104

6/26/2017

T.10S, R.4E, Section 17 & 29 W. M. - NORTHWEST OREGON DISTRICT - OREGON



Information for Timber Sale Notice, Prospectus, Sec. 41 & 42 Outer Limits Timber Sale ORN01-TS-2017.0104

Approx # of trees	Est Volume MBF 32'	Species	Est Volume MBF 16'	Appraised \$/MBF	Appraised Price
12,417	2,543.0	Douglas Fir	3,147.0	\$297.80	\$937,176.60
7,561	1,020.0	Western Hemlock	1,284.0	\$175.00	\$224,700.00
96	40.0	Noble Fir	47.0	\$207.50	\$9,752.50
49	6.0	Western Redcedar	7.0	\$582.20	\$4,075.40
20,123	3,609.0		4,485.0		\$1,175,704.50

CRUISED BY:	M.Rainey
CRUISE COMPLETED:	December 2016
COMBINED SAMPLING ERROR:	9.25 %

CRUISE DESIGN/METHOD Description:

timber sale units were cruised using PCMTREE variable plot sampling method Row were cruised using a 3P sampling method

TRACT FEATURES

ALL SPECIES

14.6	INCHES
55	BD FT
4,760	MBF
94	%
0	MBF
0	MBF
	55 4,760 94 0

Dominant Species: Douglas Fir

QM DBH	15.4	INCHES
GM Log	57	BD FT
Recovery	94	%
Salvage	0	MBF

Admin Scale Allowance			\$1	0.00	\$/MBF
	TOTAL ADMII	TOTAL ADMIN. SCALE Allowance			
EXPORT VOLUME (LE-1)		Port Orford Cedar		0	MBF
Reserve Tree Paint Color		Reserve Tree Count			
		0			
Harvest Tree Paint Color		Harvest Tree Count			
		0			

Legal Description of Contract Area

Land Status	County	Township	Range	Section	Subdivision	Meridian
O&C	Linn	105	4 E	17	S1/2NW1/4, SE1/4	Willamette
O&C	Linn	105	4 E	29	SW1/4NE1/4, S1/2NW1/4, N1/2SW1/4, SE1/4SW1/4, N1/2SE1/4, SW1/4SE1/4	Willamette

Species Totals

Species	Net	Gross Merch	Gross	# of Merch Logs	# of Cull Logs	# of Trees
Douglas Fir	3,147.0	3,325.0	3,333.0	58,043	74	12,417
Western Hemlock	1,284.0	1,346.0	1,367.0	27,562	195	7,561
Noble Fir	47.0	52.0	52.0	587	0	96
Western Redcedar	7.0	8.0	8.0	207	0	49
Totals	4,485.0	4,731.0	4,760.0	86,399	269	20,123

Cutting Area Acres

Regeneration Harvest Acres	Partial Cut Acres	Right of Way Acres	Total Acres	Net Volume per Acre
7.0	127.0	1.0	135.0	33.2

	Logging Co	sts	Tract Feature	S
Stump to Tru	ıck	\$707,152.52	Quadratic Mean DBH	14.6
Transportati	on	\$177,412.50	Average GM Log	55
Road Constru	uction	\$93,507.64	Average Volume per Acre	33.2 m
Maintenance	e/Rockwear	\$31,157.06	Recovery	94
Road Use		\$0.00	Net MBF volume:	
Other Allowa	ances	\$5,225.00	Green	4,485.0 m
Total:		\$1,014,454.72	Salvage	0 m
Total Logging Cost per MBF:		\$226.19	Export	0 m
TOTAL LOSSING	g cost per wibi .	7220.13	Ground Base Logging:	
	11222		Percent of Sale Volume	51
	Utilization Ce	nters	Average Yarding Slope	25
Location	Distance	% of Net Volume	Average Yarding Distance	300
Lyons, OR	22.0 miles	100 %	Cable Logging:	
			Percent of Sale Volume	49
	Profit & Ri	sk	Average Yarding Slope	50
			Average Yarding Distance	425
Basic Profit 8	& Risk	10 %	Aerial Logging:	
Additional Ri	sk	0%	Percent of Sale Volume	0
Total Profit 8	& Risk	10 %	Average Yarding Slope	0

-		•
		100
	ш	ise

Average Yarding Slope

Average Yarding Distance

Cruise Completed December 2016 **Cruised By** M.Rainey **Cruise Method**

timber sale units were cruised using PCMTREE variable plot sampling method Row were cruised using a 3P sampling method

0 ft

Stumpage Computation

Species	# of Trees	Net Volume	Pond Value	(-) Profit & Risk	(-) Logging Costs	(+) Marginal Log Value	Appraised Price/MBF	Appraised Value
Douglas Fir	12,417	3,147.0	\$582.24	\$58.22	\$226.19	\$0.00	\$297.80	\$937,176.60
Western Hemlock	7,561	1,284.0	\$445.76	\$44.58	\$226.19	\$0.00	\$175.00	\$224,700.00
Noble Fir	96	47.0	\$481.82	\$48.18	\$226.19	\$0.00	\$207.50	\$9,752.50
Western Redcedar	49	7.0	\$898.24	\$89.82	\$226.19	\$0.00	\$582.20	\$4,075.40
Totals	20,123	4,485.0						\$1,175,704.50

Percent of Volume By Log Grade

Species	No. 1 & 2 Peeler	No. 3 Peeler	Special Mill	No. 2 Sawmill	No. 3 Sawmill	No. 4 Sawmill	Camp Run
Douglas Fir				55.0 %	41.0 %	4.0 %	

Species	Peeler	No. 1 Sawmill	Special Mill	No. 2 Sawmill	No. 3 Sawmill	No. 4 Sawmill	Camp Run
Western Hemlock				39.0 %	56.0 %	5.0 %	

Species	Peeler	No. 1 Sawmill	Special Mill	No. 2 Sawmill	No. 3 Sawmill	No. 4 Sawmill	Camp Run
Noble Fir				72.0 %	25.0 %	3.0 %	

Species	No. 1 Sawmill	No. 2 Sawmill	No. 3 Sawmill	No. 4 Sawmill	Camp Run
Western Redcedar			43.0 %	57.0 %	

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08/23/2017

Form 5430-11 (November 2011) (formerly 1140-6)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

INDEPENDENT PRICE DETERMINATION CERTIFICATE

Timber Sale Number
ORN01-TS-2017.0104
Timber Sale Name
Outer Limits
Sale date

Bidder or Offeror (Name)

Address (include zip code)

- A. By submission of this bid or proposal, each bidder or offeror certifies, and in the case of a joint bid or proposal, each party thereto certifies as to its own organization, that in connection with this sale:
- The prices in this bid or proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices, with any other bidder or offeror or with any competitor;
- 2. Unless otherwise required by law, the prices which have been quoted in this bid or proposal have not been knowingly disclosed by the bidder or offeror and will not knowingly be disclosed by the bidder or offeror prior to opening, in the case of a bid, or prior to award, in the case of a proposal, directly or indirectly to any other bidder or offeror or to any competitor; and
- 3. No attempt has been made or will be made by the bidder or offeror to induce any other person or firm to submit or not to submit a bid or proposal for the purpose of restricting competition.
- B. Each person signing this bid or proposal certifies that:
- 1. He is the person in the bidder's or offeror's organization responsible within that organization for the decision as to the prices being bid or offered herein and that he has not participated, and will not participate, in any action

contrary to A. 1 through 3 above; or

- 2. (i) He is not the person in the bidder's or offeror's organization responsible within that organization for the decision as to the prices being bid or offered herein but that he has been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated, and will not participate, in any action contrary to A. 1 through 3, above, and as their agent does hereby so certify; and
- (ii) He has not participated, and will not participate, in any action contrary to A. 1 through 3, above.
- C. This certification is not applicable to a foreign bidder or offeror submitting a bid or proposal for a contract which requires performance or delivery outside the United States, its possessions, and Puerto Rico.
- D. A bid or proposal will not be considered for award where A. 1, 3, or B., above, has been deleted or modified. Where A. 2, above, has been deleted or modified, the bid or proposal will not be considered for award unless the bidder or offeror furnishes with the bid or proposal a signed statement which sets forth in detail the circumstances of the disclosure and the head of the agency, determines that such disclosure was not made for the purpose of restricting competition.

(Authorized Signature of Bidder)

Name and Title (type or print)

INSTRUCTIONS

Submit a properly completed and signed original copy of this form, with offers or bids for sales of all government-owned property to Bureau of Land Management as follows:

- A. Include with sealed bids, written quotations and written offers.
- B. At auction, at close of bidding and before award of spot bid sale.

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OR LAND MANAGEMENT

EXPORT DETERMINATION

FORM APPROVED OMB No. 1004-0058 Expires: May 31, 2013

Location of facility where Federal Timber is expected to be processed

INSTRUCTIONS

Timber sale applicant forwards information to Contracting Officer.

Contracting Officer.					
In c	ompliance with requirements of 43 CFR 5424	1, DI We hereby submit the following information:			
(1)	Have you exported private timber from land Yes No (If "Yes," give date of last exp a. Export (date)				
(2)	Provide names of affiliates * who have export the last 12 months and date of last export sal	ted private timber from lands tributary to the above processing facility within es.			
	a. Affiliate	Export date			
	b. Affiliate	Export date			
	c. Affiliate	Export date			
	*See 43 CFR 5400.0-5				
Nan	ne of Firm				
Sign	nature of Signing Officer	Title Date			

NOTICES

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

AUTHORITY: 43 CFR Part 5420 permit collection of the information requested by this form.

PRINCIPAL PURPOSE: The BLM uses the information in this form to determine whether Federal timber has been substituted for exported unprocessed private timber.

ROUTINE USES: Timber sale purchaser provides information regarding their export of private timber.

EFFECT OF NOT PROVIDING INFORMATION: Submission of the requested information is required to obtain or retain a benefit. Failure to submit all of the requested information or to complete this form may result in delay or preclude the BLM's acceptance of your form.

The Paperwork Reduction Act requires us to inform you that:

The BLM collects this information to determine whether Federal timber has been substituted for exported private timber in accordance with 43 CFR 5421.1 and 5424.0-6(e).

You do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: The estimated public reporting burden for this form is 1 hour per response for a majority of responses, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. You may submit comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management (1004-0058), Bureau Information Collection Clearance Officer, 1849 C Street, N.W., Room 2134 LM, Washington, D.C. 20240.

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Form 5440-9 (November 2011)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

☑ TIMBER or TIMBER AND OTHER WOOD PRODUCTS

DEPOSIT AND BID FOR

■ VEGETATIVE RESOURCES (Other Than Timber)

Name of Bidder	
Tract Number ORN01-TS-2017.0104	
Sale Name Outer Limits	
Sale Notice (<i>dated</i>) 07/26/2017	
BLM District Northwest Oregon	
ia in pan a	

☐ Sealed Bid for Seal	☑ Written	☑ Written Bid for Oral Auction Sale				
Time for opening sealed bids		m. p .m.	Sale comm	ences 09:00	☑ a.m. □ p.m.	
On (date)	Place		On (date)	08/23/2017	Place 171	17 Fabry Rd SE, Salem, O
	ove dated Sale Notice, the arce on the tract specified		posit and bid are	e hereby sub	mitted for th	ne purchase of designated
	\$117,600.00 cashier's check certical certical carrier can approve list of the carrier					y the authorized officer.

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

BID SCHEDULE - LUMP SUM SALE

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

BID SUBMITTED					ORAL BID MADE	
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE
Douglas-fir	MBF	3,147	Х		Х	=
western hemlock	MBF	1,284	х	H	Х	=
noble fir	MBF	47	X	=	Х	=
western red cedar	MBF	7	Х	===	Х	=
			х	1=1	Х	=
			Х	:=:	Х	=
			Х		Х	=
8			х	:=:	Х	=
			X		X	=
			X	:=:	Х	=
			X		X	E
			X	(=)	X	=
			X		X	E
2			Х	H	X	=
			Х	ren	Х	=
			X	H	X	E
		TOTAL PURC	HASE 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. Oral Auction – Submit to Sales Supervisor prior to closing of qualifying period for tract.	Sealed Bid – Send to District Manager, who issued the sale notice, in a sealed envelope marked on the outside: (1) "Bid for Timber" or (1a) "Vegetative Resources Other Than Timber" (2) Time bids are to be opened (3) Legal description				

NOTICES

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

AUTHORITY: 38 FR 6280 and 43 CFR 5442.1

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

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

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

(Continued on page 3) (Form 5440-9, page 2)

- 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.
- BIDS Sealed or written bids for not less than the advertised appraised price, per timber/vegetative resource must be submitted in duplicate to the District Manager who issued Timber/Vegetative Resource Sale Notice.
- (a) Sealed Bid Sales Bids will be received until time for opening which is set out in the Notice. Enclose both copies of bid with required bid deposit in a sealed envelope marked on the outside Bid for Timber/Vegetative Resources, time bid is to be opened, tract number, and legal description of land on which timber/vegetative resource is located. In event of a tie, the high bidder shall be determined by lot from among those who submitted the tie bids.
- (b) Auction Sales Submission of the required bid deposit and a written bid is required to qualify for oral bidding. Oral bidding shall begin from the highest written bid. No oral bid will be considered which is not higher than the preceding bid. In the event there is a tie in high written bids, and no oral bidding occurs, the bidder who was the first to submit his bid deposit and written bid shall be declared the high bidder. If the officer conducting the sale cannot determine who made the first submission of high tie written bids, the high bidder shall be determined by lot. High bidder must confirm his bid, in writing, immediately upon being declared high bidder.
- (c) Except as otherwise provided in 43 CFR 5442.2, bids will not be considered in resale of timber/vegetative resource remaining from an uncompleted contract from any person or affiliate of such person who failed to complete the original contract because of (1) cancellation for the purchaser's breach or (2) through failure to complete payment by expiration date.
- (d) When it is in the interest of the Government to do so, it may reject any and all bids and may waive minor deficiencies in bids or in sale advertisement.
- 6. BID FORMS All sealed, written bids, and confirmation of oral bids shall be submitted on forms provided by Government.
- (a) Lump Sum Sales Bids shall specify (1) Bureau of Land Management estimated volume, (2) price per unit, and (3) total purchase price. Estimated volume and price per unit are to be used for administrative and appraisal purposes only. Upon award of contract, high bidder shall be liable for total purchase price, including any adjustment which may be made as a result of reappraisal if an extension of time is granted, even though quantity of timber/vegetative resource actually cut, removed, or designated for taking is more or less than the estimated volume or quantity listed.
- (b) Timber Scale Sales Bids must state price per thousand board feet that will be paid for each species. High bidder will be determined by multiplying bid price per thousand board feet per species by Bureau of Land Management

- estimate of volume of each species. Purchaser shall be liable for purchase price of all merchantable timber sold under contract even though all such timber is not actually cut and removed prior to expiration of time for cutting and removal as specified in contract.**
- 7. BID DEPOSIT—All bidders must make a deposit of not less than the amount specified in the Timber/Vegetative Resource Notice. Deposit may be in the form of cash, money orders, bank drafts, cashiers or certified checks made payable to the Department of the Interior—BLM, bid bonds of a corporate surety shown on the approved list of the United States Treasury Department*, or any approved guaranteed remittance approved by the Contracting Officer. Upon conclusion of bidding, the bid deposit of all bidders, except high bidder, will be returned. The cash deposit of the successful bidder may be applied toward the required sale deposit and/or the purchase price. Cash not applied to the sale deposit or the purchase price, or a corporate surety bid bond, will be returned at the time the contract is signed by the Government.
- 8. AWARD OF CONTRACT Government may require high bidder to furnish such information as is necessary to determine the ability of bidder to perform the obligation of contract. Contract will be awarded to high bidder, unless he is not qualified or responsible or unless all bids are rejected. If high bidder is not qualified or responsible or fails to sign and return the contract together with required performance bond and any required payment, contract may be offered and awarded to the highest bidders qualified, responsible, and willing to accept the contract.
- 9. TIMBER/VEGETATIVE RESOURCE SALE CONTRACT To be executed by purchaser, has been prepared by Government, and may be examined in the District Manager's office.
- 10. PERFORMANCE BOND-
- (a) A performance bond in an amount of not less than 20 percent of total purchase price is required, but the amount of the bond shall not be in excess of \$500,000, except when the purchaser opts to increase the minimum bond to permit cutting prior to payment as provided in 43 CFR 5451.2, or in the event the purchaser is a holder of an unresolved default the bond may be increased as provided in 43 CFR 5450.1(b). Performance bond may be (1) bond of a corporate surety shown on approval list issued by the United States Treasury Department and executed on an approved standard form, (2) personal surety bond executed on an approved standard form if Government determines principals and 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 Contracting Officer.
- (b) If purchaser elects to cut timber without skidding or yarding it to a loading point or removing it prior to the payment of the second or subsequent installments, Government shall require an increase in amount of performance bond initially required by an amount equal to the value of timber to be cut. Such increase must be on a bond rider form supplied by Government and be approved, in writing, by Government prior to cutting timber covered by the bond increase. This increased amount of bond shall be used to assure payment for timber cut in advance of payment.*
- 11. PAYMENT BOND—If purchaser elects to (a) cut and remove timber, or (b) remove timber already cut which has been secured by an increased performance bond as provided in paragraph 10(b) above, before payment of the second or subsequent installments, Government shall require a payment bond on a form supplied by Government. Purchaser shall obtain written approval from Government of payment bond prior to cutting and/or removal of timber covered by the bond. Payment bond shall be used to assure payment for timber cut and/or removed in advance of payment.*
- 12. PAYMENT OF PURCHASE PRICE—For sales of \$500 or more, Government may allow payment by installments. Except as discussed in paragraphs 10 and 11 above, no part of any timber/vegetative resource sold may be severed, cut, or removed unless advance payment has been made as provided in contract.
- 13. LIQUIDATED DAMAGES Within thirty (30) days from receipt of *Timber/Vegetative Resources Sale Contract*, the successful bidder shall sign contract and return it to Government, together with required bond and any required payment. If successful bidder fails to comply within the stipulated time, his bid deposit shall be retained by Government as liquidated damages.

- 14. NINETY-DAY SALES If no bid is received within time specified in the advertisement of sale and if Government determines that there has been no significant rise in the market value of timber/vegetative resource, it may, in its discretion, keep the sale open, not to exceed ninety (90) days.
- 15. UNAUTHORIZED USE OF GOVERNMENT PROPERTY A sale may be refused to high bidder who has been notified that he has failed to make satisfactory arrangements for payment of damages resulting from unauthorized use of, or injury to, property of the United States.
- 16. EQUAL OPPORTUNITY CLAUSE This contract is subject to the provisions of Executive Order No. 11246 of September 24, 1965, as amended, which sets forth the nondiscrimination clauses. Copies of this order may be obtained from the District Manager. 43 CFR 60-1.7(b) requires that the Equal Opportunity Compliance Report Certification will be completed by prospective contractors. Certification may be obtained from District Manager.
- 17. LOG EXPORT All timber offered for sale except as noted in the *Timber Sale Notice* is restricted from export from the United States in the form of unprocessed timber and cannot be used as a substitute for exported private timber. For the purpose of this contract, unprocessed timber is defined as: (1) any logs except those of utility grade or below, such as sawlogs, peeler logs, and pulp logs; (2)
- cants or squares to be subsequently remanufactured exceeding eight and three quarters (8-3/4) inches in thickness; (3) split or round bolts or other roundwood not processed to standards and specifications suitable for end product use; or (4) western red cedar lumber which does not meet lumber of American Lumber Standards Grades of Number 3 dimensions or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 common or better. Timber manufactured into the following will be considered processed: (1) lumber and construction timbers, regardless of size, manufactured to standards and specifications suitable for end product uses; (2) chips, pulp and pulp products; (3) green or dry veneer and plywood; (4) poles and piling cut or treated for use as such; (5) cants, squares, and lumber cut for remanufacture of eight and three quarters (8-3/4) inches in thickness or less; or (6) shakes and shingles. In event purchaser wishes to sell any or all of timber restricted from export in the form of unprocessed timber, the buyer, exchanges, or recipient shall be required to comply with contractual provisions relating to "unprocessed timber". Special reporting, branding and painting of logs may be included in contract provisions.*
- 18. DETAILED INFORMATION Detailed information concerning contract provisions, bid, performance bond forms, tract location maps, and access conditions may be obtained from the District Manager. All persons interested in bidding on the products listed are encouraged to familiarize themselves with all such detailed information.

(Form 5440-9, page 4)