



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Northwest Oregon District Office
1717 Fabry Road SE, Salem, Oregon 97306
<http://www.blm.gov>



Date: February 27, 2017
Sale Name: Quarry 5
Contract No.: ORS04-TS-2017.0402
Sale Date: March 15, 2017

PROSPECTUS **CORRECTION NOTICE**

PLEASE NOTE CHANGES TO APPRAISED PRICE AND REQUIRED BID DEPOSIT

The original appraisal had transportation costs to Longview, WA. The actual manufacturing center for appraisal is Vancouver, WA. This change resulted in a price difference from the original appraisal. Attached is the updated Prospectus Timber Sale Notice page with new prices and required bid deposit.

This also changes the following documents in the Prospectus: Timber Sale Appraisal Summary Sheets 3 & 4, and Exhibit B.

Additionally, the Exhibit F Map, Designation by Prescription Map, did not show all cutting units. This has been corrected.

Attached are all the corrected replacement sheets for the Quarry 5 Prospectus.

If you have any questions please contact Brian Christensen either by email at bchristensen@blm.gov or by phone at 503-815-1119.

CORRECTED TIMBER SALE NOTICE

THIS IS A SCALE SALE

SBA SET-ASIDE SALE

THIS IS A SMALL BUSINESS SET-ASIDE SALE FOR PREFERENTIAL BIDDING BY SMALL BUSINESS CONCERNS AS DEFINED BY THE SMALL BUSINESS ADMINISTRATION.

NORTHWEST OREGON DISTRICT
TILLAMOOK FIELD OFFICE
COLUMBIA MASTER UNIT

Sale Date: March 15, 2017

CONTRACT NO.: ORN04-TS-2017.0402, Quarry 5 Timber Sale, Scale Sale
COLUMBIA COUNTY, OREGON: O&C: **ORAL AUCTION**: BID DEPOSIT REQUIRED: **\$228,700.00**.

All timber designated for cutting on: W½NE¼, SE¼NE¼, W½, SE¼, Sec. 5, T. 4 N., R. 3 W., WM., Oregon

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.

Approx. No. Merchantable Trees	Est. Vol. MBF 32' Log	Species	Est. Vol. MBF 16' Log	Appraised Price Per MBF	Estimated Volume Times Appraised Price
17,331	5,212	Douglas-fir	6,694	\$303.80	\$2,033,637.20
1,166	199	western red cedar	271	\$476.30	\$129,077.30
513	220	grand fir	270	\$202.90	\$54,783.00
5,773	138	red alder	195	\$162.90	\$31,765.50
1,108	125	western hemlock	159	\$178.50	\$28,381.50
25,891	5,894	Totals	7,589		\$2,277,644.50

Product	Unit of Measure	Number of Units	Appraised Price per Unit	Estimated Volume Times Appraised Price
Clean Chips	Green Tons	1,740	\$5.00	\$8,700.00
	Total	1,740		\$8,700.00

Total Appraised Value: \$2,286,344.50

LOG EXPORT AND SUBSTITUTION RESTRICTIONS: 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.

CRUISE INFORMATION: The timber volumes for the partial cut units were based on a variable plot cruise for estimating the board foot volume of trees. Plots were measured using a 20 basal area factor (BAF) for partial cut units. None of the total sale volume is salvage material. For merchantable Douglas-fir trees the average DBHOB is 17.5 inches; the average gross merchantable log contains 83 bf; the total gross volume is approximately 6,941 MBF; and 96% recovery is expected. The Right-of-Way volume is based on a 100% cruise for estimating the board foot volume of trees.

CUTTING AREA: Four (4) units totaling approximately two hundred forty-six (246) acres, of which, one hundred forty (140) acres shall be partial cut and one hundred three (103) acres shall be regeneration harvest. In addition, approximately three (3) acres of right-of-way shall be cut. Acres shown on Exhibit A have been computed using a Trimble Pro XH Global Positioning System receiver. Acreage was calculated based on Global Positioning System traverse procedures including differential correction.

DURATION OF CONTRACT: Contract length will be thirty-six (36) months for cutting and removal of timber.

**UNITED STATES DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT (BLM)**

EXHIBIT B

SCALE SALE PURCHASE PRICE SCHEDULE AND MEASUREMENT SPECIFICATIONS

I. Total Actual Purchase Price – In accordance with Sections 2 and 3 of the contract, the Purchaser agrees to pay the Government for the forest products sold under the contract in accordance with the following schedule and measurement requirements. Forest products sold are comprised of *Merchantable Timber, Other Timber, Other Forest Products, Remaining Volume, and Defect Caused by Abnormal Delay* as defined in this Exhibit. In the event an Extension of Time is approved, the prices per measurement unit are subject to readjustment (refer to Section 9 of the contract).

Schedule of Products, Species, Measurement Units, and Prices		
Species	Measurement Units	Price Per Measurement Unit
Merchantable Timber:		
Douglas-fir	MBF	\$303.80
western red cedar	MBF	\$476.30
grand fir	MBF	\$202.90
red alder	MBF	\$162.90
western hemlock	MBF	\$178.50
Other Wood Products:		
Clean Chips	Green Tons	\$5.00

II. Merchantable Timber – All timber which can be cut into logs, which equal or exceed the following specifications, shall be considered merchantable timber. Purchaser shall pay for same in accordance with Section 3 of the contract at the prices per measurement unit shown in Section I of this Exhibit.

Schedule of Minimum Merchantable Log Specifications			
Species and Products	Length	Diameter (inside bark at small end)	Net Scale
All	16 Feet	6 inches	20 bf

III. Other Timber – If Purchaser elects to remove any logs which do not meet the above minimum merchantable log specifications in Section II of this Exhibit, are not designated as other forest products in Section I of this Exhibit, and have not been reserved to the Government in Section 41 of the contract, such logs shall be scaled for their merchantable content as provided herein and be paid for in accordance with Sections 2 and 3 of the contract and the prices per measurement unit in Section I of this Exhibit. If

any timber is of a species or size not listed in Section II of this Exhibit (above) or is of a quality different from merchantable timber described herein, the Authorized Officer shall establish volumes and values in accord with BLM prescribed procedures.

IV. Deterioration Caused by Abnormal Delay – Scaling deductions made for rot, checks, or other deterioration resulting from abnormal delay in scaling caused by Purchaser shall be recorded separately and charged to the Purchaser in accordance with Section 3.(e). of the contract.

V. Remaining Volume – *Remaining volume* is defined in Section 3.(e). of the contract. The remaining volume of any forest products sold under the contract, and any deterioration due to abnormal delay shall be determined as provided in Section 3.(e). of the contract. Purchaser shall pay for same in accordance with Section 3 of the contract at the prices per measurement unit shown in Section I of this Exhibit. To maximize utilization, the Purchaser shall buck logs to variable merchantable lengths. If the Purchaser fails to buck logs to variable merchantable lengths, the Contracting Officer may measure unyarded log segments and bill the Purchaser for their value.

The Contracting Officer may determine during operations that the amount of remaining volume found is excessive and/or preventing the attainment of BLM treatment objectives. Upon such determination as directed in writing by the Contracting Officer, the Purchaser shall restring cable yarding lines, re-traverse ground-based yarding areas, and/or re-fly aerial yarding areas; and yard, remove, and present for scaling the material which would otherwise be designated as remaining volume.

VI. Scaling

A. Scaling Service – Log scaling services shall be provided and performed by Government scalers or parties under contract to BLM, as determined by the Contracting Officer. Purchaser shall notify the Authorized Officer three (3) days prior to commencing any hauling, including any hauling shutdowns longer than two (2) days, and at the earliest opportunity when ceasing hauling operations performed under the contract.

A Scaling Authorization must be completed and approved by the Authorized Officer prior to beginning operations. A Yard Scaling Agreement must be completed for each utilization facility that will receive logs from the sale, which must be scaled, and executed by the Purchaser, Scale Site Owner, and Contracting Officer prior to the delivery of any logs to that facility. Government scalers or contract scalers are authorized to collect scale data from all loads.

B. Log Rule and Measurement

All logs shall be scaled according to the Eastside Scribner Log Rules found in the Northwest Log Rules Eastside and Westside Log Scaling Handbook in the Official Rules for Log Scaling and Grading Bureaus developed by the Northwest Log Rules Advisory Group dated July 1, 2003 (reprinted June 1, 2006). The Contracting Officer may elect to utilize sample scaling in lieu of 100 percent scaling of log loads. The sample log scaling procedures, including sample design and number of log sorts, will be determined by the Authorized Officer in accordance with BLM prescribed procedures.

C. Log Presentation – Purchaser shall present logs so that they may be scaled in an economical and safe manner in accordance with the Yard Scaling Agreement(s) required in Section VI.A. of this Exhibit.

D. Check Scale – Government scalers will conduct check scales as set forth below:

1. Check scale shall include at least 200 logs or at least 50 MBF.
2. Utilize a sample that will accurately represent the species and defect associated with the sale.
3. For complex scaling situations, conduct the appropriate analysis to determine sample size. Increase the number of logs check scaled if sample size analysis deems it necessary.
4. Use the following standards to determine the proficiency of individual Government scalers or scalers under contract to BLM:
 - a. Gross Scale. A variance of one point five percent (1.5%) in gross scale is the standard unless otherwise justified.
 - b. Net scale. The allowable variance is as follows:

Check Scaler's Percent Defect in Logs	Scalers Allowable Variance
0-10 percent	2 percent
over 10 percent	.2 x percent defect to a maximum of 5 percent

5. Determinations as to volume of timber made by a Government check scaler in conformance with the standards as set forth herein shall be final. All loads check scaled by Government scalers will be identified with the check scaler's initials legibly marked or painted in the face of the first log in each load. When such checks show a variance in scale in excess of acceptable standards, in two or more consecutive check scales, an adjustment to the volume reported as scaled will be made by BLM. Such adjustments will be made based on the difference between available Government check scales and the original scale during the period covered by the unsatisfactory check scales. Unless otherwise approved in writing by the Contracting Officer, the volume to which this difference will be applied will be 50 percent of the volume scaled between the last satisfactory check and the first unsatisfactory check, 100 percent of the volume scaled during the unsatisfactory check, and 50 percent of the volume between the last unsatisfactory check scale and the next satisfactory check scale.

E. Accountability

1. All logs will be painted and branded at the landing and accounted for in accordance with Section 42.bb of the contract. Each truck driver shall obtain a load receipt and a

BLM scaler receipt from the Log Truck Ticket Book issued by the Authorized Officer and comply with the instructions specified on the cover of said book. All log/load tickets will be marked with the Exhibit A unit number using a permanent marker or indelible stamp as directed by the Authorized Officer. While products are in transit, the truck driver shall display the load receipt and BLM scaler receipt on the bunk or wing log at the front of the load on the driver's side, or as directed by the Authorized Officer in the case of other forest products. All forest products on each load shall be delivered to the destination listed on the load receipt. The BLM scaler receipt shall be surrendered at the location of BLM scaling, the unloading location, or as requested by BLM.

2. The Purchaser shall not haul forest products from the contract area on weekends, Memorial Day, Fourth of July, Labor Day, Thanksgiving, Christmas, and New Year's holidays; or outside the hours of 4:00 am to 8:00 pm daily, unless otherwise approved in writing by the Authorized Officer or designated in the Approved Logging Plan.

3. The Purchaser shall furnish BLM a map showing the route which shall be used to haul forest products from the forest product sale area to the scaling location(s). Such route shall be the most direct haul route between the two points, unless another route is approved by BLM. The route of haul may be changed only with advance notice to the Authorized Officer and approval by BLM. The haul route map shall be attached to the Scaling Authorization.

4. All log loads will be scaled at scale locations listed on the Scaling Authorization as approved by the Authorized Officer. The Purchaser shall ensure that all scale site owners listed on the Scaling Authorization enter into a Yard Scaling Agreement before requesting BLM approval of the Scaling Authorization. Areas for scaling BLM logs will be designated on the ground and identified on the yard map as required in the Yard Scaling Agreement.

5. Any removal of logs from loaded trucks prior to their arrival at the delivery point as required by the contract shall be considered a willful trespass and render the Purchaser liable for damages under applicable law. Any payment made for purchase of such logs shall be deducted from the amount due because of trespass.

F. Scaling Lost Forest Products – The value of forest product loads represented by missing load tickets shall be equal to the highest value load for the month in which the lost load is hauled regardless of where the highest value load is scaled. If no loads have been scaled in that month, value will be determined from the closest month in which loads were scaled.

(VII.) Estimated Volumes and Values – The following volume estimates and calculations of value of forest products sold are made solely as an administrative aid for determining payment amounts, when payments are due, the value of forest products subject to any special bonding provisions, and other purposes specified in various portions of the contract. The cutting areas are shown on Exhibit A of the contract.

A. Forest Product Volume Removed from Contract Area – The total volume of removed forest products shall be determined using the Government's records of scaled volumes of forest products skidded or yarded monthly, or a shorter period if agreed to by the Purchaser and Government, to loading points or removed from the contract area.

B. Forest Products Not Yet Removed from Contract Area – The value of forest products which have not been removed will be determined by multiplying the value per acre as shown below times the amount of acreage subject to the purpose of the value determination, as determined by the Authorized Officer. The estimated volume and value per acre used for determining payment amounts may be modified by the Authorized Officer based upon scale report data on forest product volume removed from the contract area.

Total Estimated Purchase Price and/or Schedule of Volumes and Values for Forest Products Not Yet Removed from Contract Area					
Cutting Area		Total Estimated Volume (MBF)		Total Estimated Purchase Price	
Cutting Area Number	Exhibit A Acres	Volume per Acre	Total Volume	Value per Acre	Total Value
Unit 1	146	35.7	5208	\$10,744.22	\$1,568,656.00
Unit 2	39	23	897	\$6,823.24	\$266,106.30
Unit 3	51	23.7	1210	\$7,067.40	\$360,437.60
Unit 4	7	28	196	\$8,392.60	\$58,748.20
Right-of-way	3	26	78	\$7,898.80	\$23,696.40
Clean Chips	0	0	1740 Green Tons	0	\$8,700.00
Sale Total	246	-----	7,589 MBF	-----	\$2,286,344.50

Logging Costs

Stump to Truck	\$677,155.03
Transportation	\$409,752.00
Road Construction	\$161,889.00
Maintenance/Rockwear	\$40,725.00
Road Use	\$985.00
Other Allowances	\$54,519.44
Total:	\$1,345,025.47
Total Logging Cost per MBF:	\$177.23

Utilization Centers

<u>Location</u>	<u>Distance</u>	<u>% of Net Volume</u>
Vancouver, WA.	46.0 miles	100 %

Profit & Risk

Basic Profit & Risk	8 %
Additional Risk	3 %
Total Profit & Risk	11 %

Tract Features

Quadratic Mean DBH	16.3 in
Average GM Log	87 bf
Average Volume per Acre	30.8 mbf
Recovery	91 %
<u>Net MBF volume:</u>	
Green	7,589.0 mbf
Salvage	0 mbf
Export	0 mbf
<u>Ground Base Logging:</u>	
Percent of Sale Volume	97 %
Average Yarding Slope	25 %
Average Yarding Distance	400 ft
<u>Cable Logging:</u>	
Percent of Sale Volume	3 %
Average Yarding Slope	50 %
Average Yarding Distance	325 ft
<u>Aerial Logging:</u>	
Percent of Sale Volume	0 %
Average Yarding Slope	0 %
Average Yarding Distance	0 ft

Cruise

Cruise Completed	November 2016
Cruised By	SALMON
Cruise Method	
PCMTRE & 100%	

Stumpage Computation

Species	# of Trees	Net Volume	Pond Value	(-) Profit & Risk	(-) Logging Costs	(+) Marginal Log Value	Appraised Price/MBF	Appraised Value
Douglas Fir	17,331	6,694.0	\$540.45	\$59.45	\$177.23	\$0.00	\$303.80	\$2,033,637.20
Western Redcedar	1,166	271.0	\$734.30	\$80.77	\$177.23	\$0.00	\$476.30	\$129,077.30
Grandfir	513	270.0	\$427.13	\$46.98	\$177.23	\$0.00	\$202.90	\$54,783.00
Red Alder	5,773	195.0	\$382.16	\$42.04	\$177.23	\$0.00	\$162.90	\$31,765.50
Western Hemlock	1,108	159.0	\$399.64	\$43.96	\$177.23	\$0.00	\$178.50	\$28,381.50
Totals	25,891	7,589.0						\$2,277,644.50

Other Wood Products

Product	Unit of Measure	# of Units	\$/Unit	Appraised Value
Clean Chips	Green Tons	1740	\$5.00	\$8,700.00
Totals				\$8,700.00

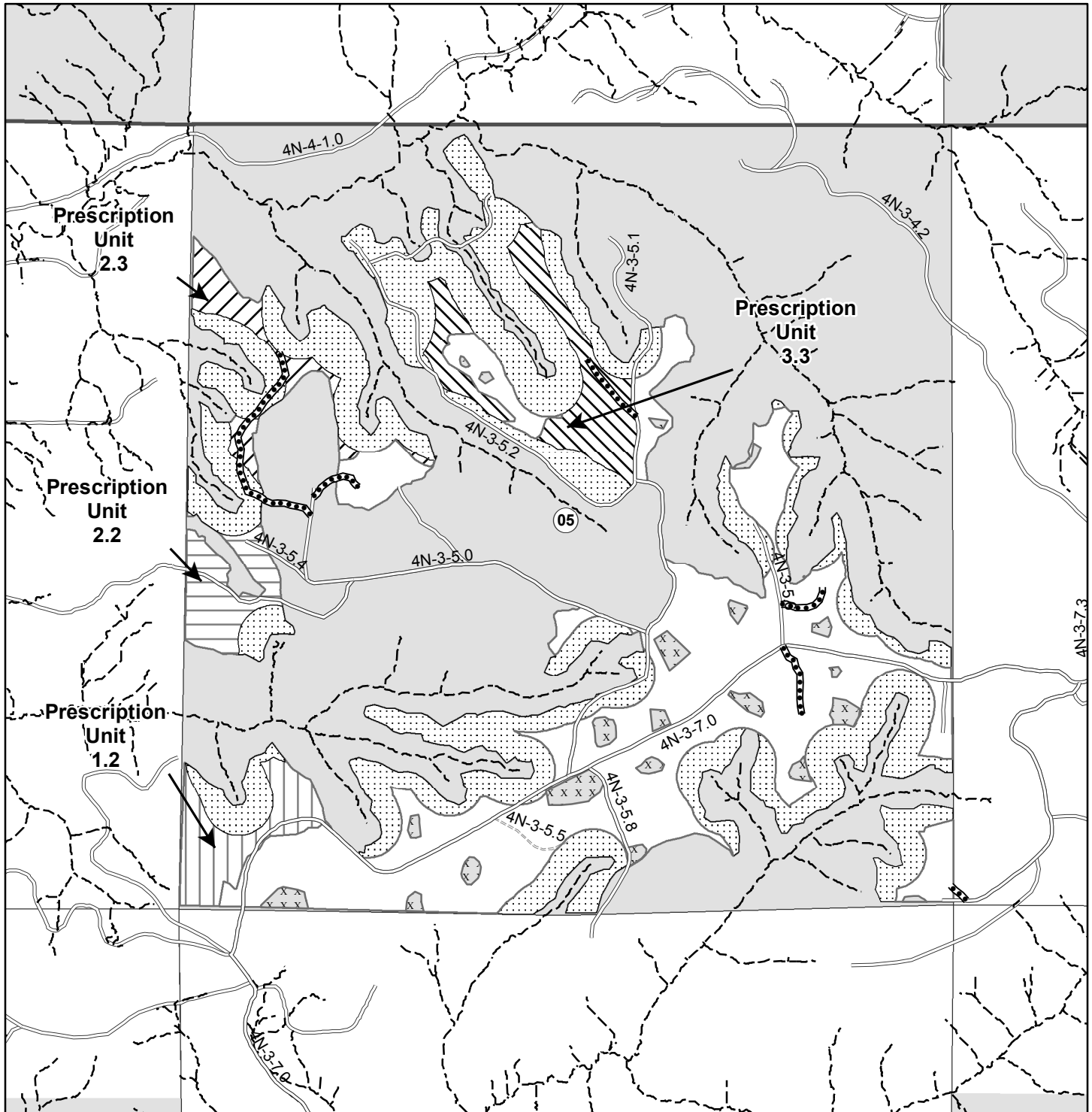
Total Appraised Value: \$2,286,344.50



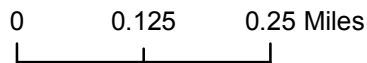
2/21/2017

T. 4N. R. 3W, Section 5 W. M. - NORTHWEST OREGON DISTRICT - OREGON

Designation by Prescription Map



- | | |
|---------------------------|---------------------------|
| Prescription Units | Road to be constructed |
| Unit 1.2 | Other Roads |
| Unit 2.2 | Leave Islands |
| Unit 2.3 | Riparian Reserve Area |
| Unit 3.3 | Regeneration Harvest Area |
| Streams | Bureau of Land Management |



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Date: 2/21/2017 crs