Tillamook Resource Area 4610 Third Street Tillamook, Oregon 97141

Sale Date: August 24, 2011

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 TILLAMOOK RESOURCE AREA 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 and subject to Notice of Requirement for Certification of Nonsegregated Facilities, Form No. 1140-4, 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. The timber sale will commence at 9:00 a.m., on Wednesday, August 24, 2011.

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 McMinnville News-Register newspaper on or about July 29, 2011. 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 area available for inspection as background for each timber sale tract at the Salem 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 for each tract.

THE SUCCESSFUL BIDDER, as a condition of award, will be required to sign Form 1140-6, a certification that the bid was arrived at by the bidder or offeror independently, and was tendered without collusion with any other bidder or offeror. Form 1140-8, Equal Opportunity Compliance Report Certification, must be completed by the successful bidder. Form 1140-7, Equal Opportunity Affirmative Action Program Representation, must also be completed by the successful bidder for all contracts over \$10,000. 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.

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. Scribner board foot volumes by species are displayed for informational purposes.

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

<u>CONTRACT TERMINATION:</u> A revised Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and /or to modify or terminate the contract when necessary to:

- 1. Comply with the Endangered Species Act, or;
- 2. Comply with a court order, or;
- 3. Protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Salem District Record of Decision (ROD) and Resource Management Plan (RMP), or;
- 4. Protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP.

This contract provision limits the liability of the Government to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area.

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

Attachments:

Form 1140-4

Form 5450-17

Form 5440-9

TIMBER SALE NOTICE THIS IS A SCALE SALE

SALE DATE: August 24, 2011

SALEM DISTRICT
TILLAMOOK RESOURCE AREA
COLUMBIA MASTER UNIT

ORS000-TS11-104, Cruiser Fly Timber Sale, Scale Sale

TILLAMOOK COUNTY, OREGON: O&C: ORAL AUCTION: BID DEPOSIT REQUIRED: \$4,400.00

All timber designated for cutting on: E ½SW¼, W½SE¼, Sec. 19, T2S, R6W

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. Vol.		Est. Vol.	Appraised	Volume Times
Merchantable	MBF	CCF		MBF	Price	Appraised
Trees	32' Log		Species	16' Log	Per MBF	Price
7,538	827	2,037	Douglas-fir	1,052	\$ 41.30	\$43,447.60
7,538	827	2,037	Totals	1,052		

<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 volume for the partial cut unit was 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 13.5 inches; the average gross merchantable log contains 40 bf; the total gross volume is approximately 1,081 MBF; and 97% recovery is expected.

<u>CUTTING AREA</u>: One (1) unit totaling approximately 53 acres shall be partial cut. Acres shown on Exhibit A have been computed using a Trimble Geo XT Global Positioning System receiver and GIS.

<u>CONTRACT TERMINATION</u>: A revised Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and /or to modify or terminate the contract when necessary to:

- 1. Comply with the Endangered Species Act, or;
- 2. Comply with a court order, or;
- 3. Protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Salem District Record of Decision (ROD) and Resource Management Plan (RMP), or;
- 4. Protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP.

This contract provision limits the liability of the Government to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area.

<u>DURATION OF CONTRACT</u>: Will be 12 months for cutting and removal of timber. All operations shall be completed between May 31, 2012 and October 15, 2012.

<u>LOCATION</u>: From Tillamook, take Trask River Road approximately 11 miles, then left onto Toll Road for approximately 10 miles to the sale area, (approximately 2 miles east of Murphy's Camp).

ACCESS AND ROAD MAINTENANCE: Prospective bidders may obtain a key for the gate from the Tillamook Field office or the Salem District Office, Monday through Friday from 7:45 a.m. to 4:30 p.m. Access is provided by County, Weyerhaeuser Company, ODF, and Bureau of Land Management, (BLM) controlled roads.

In the use of Weyerhaeuser Company controlled portions of Toll Road (#2-5-29), as shown on Exhibit D, the Purchaser will be required to enter into a license agreement which requires: (a) road maintenance and surface replacement fees in the amount of \$16,465.90 (b) road use fee in the amount of \$2,104.00 (c) provide proof of insurance with limits of \$1,000,000/\$1,000,000/\$1,000,000 and a performance bond of \$5,000.00. Prior to the use of said road, the Purchaser shall furnish the Authorized Officer a copy of the executed license agreement.

The Purchaser will also be required to enter into a timber sale contract with Weyerhaeuser for timber needed for the construction of the landing on Weyerhaeuser land within 30 days of award of contract. The purchase price will be Weyerhaeuser's appraised price at time of sale.

BLM controlled portions of Toll Road (#2-5-29), as shown on Exhibit D, will be maintained by Weyerhaeuser Company and the Purchaser will be required to pay road maintenance and surface replacement fees to Weyerhaeuser. These maintenance and surface replacement fees are included in the above amounts to be paid to Weyerhaeuser.

Alternate access is available but will require a contract modification, contact District personnel for more detailed information.

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

The Purchaser will be required to enlarge the helicopter landing shown on Exhibit A. The size of the landing will be determined by the Purchaser and may require the removal of Weyerhaeuser timber.

OTHER:

At the end of logging operations the Purchaser will be required to decommission the helicopter landing. Which will include constructing waterbars for drainage and placing clearing debris as needed.

SPECIAL ATTENTION ITEMS:

- Sec. 40.b. This is a Designation by Prescription sale, no trees are painted. Residual conifer Basal Area shall be 110-130 square feet per acre. (see Exhibit F)
- Sec. 41.p. Seasonal Restrictions. All Operations shall be completed between May 31, 2012 and October 16, 2012.

Seasonal Restriction Matrix

	Ja	n	Fe	eb	M	ar	\mathbf{A}	pr	M	ay	Ju	ne	Ju	ıly	Aı	ug	Se	pt	0	ct	N	ov	D	ec
Activity																								
Ground yarding																								
Helicopter yarding																								
Felling																								
Hauling																								

^{*}Restricted Times are Shaded

TIMBER SALE CONTRACT SPECIAL PROVISIONS

RESERVED

- <u>Sec. 40.</u> TIMBER RESERVED FROM CUTTING The following timber on this contract area is hereby reserved from cutting and removal under the terms of this contract and is retained as the property of the Government.
- a. All timber on the reserve area(s) shown on Exhibit A and all painted orange and posted trees which are on or mark the boundaries of the reserve areas shown on Exhibit A.
- b. Except within skid roads, or landings within the boundary of the partial cut areas shown on Exhibit A:
 - 1. All conifers, other than Douglas-fir, and all hardwoods.
 - 2. All trees greater than or equal to 20 inches DBHOB.
 - 3. Trees required to meet the residual tree requirements set forth in Exhibit F attached hereto and made a part hereof.
- c. All snags and dead and down trees in the partial cut areas shown on Exhibit A, unless approved by the Authorized Officer. Snags that are knocked over or felled during logging shall be left on site.

Sec. 41. Special Provisions

LOGGING

- a. Periodic Payment and First Installment Adjustment
- 1. Notwithstanding the provisions of Sec. 3(b), the amount of the first installment may be reduced by the Government when the Contracting Officer requests the Purchaser to interrupt or delay operations for a period expected to last more than thirty (30) days during the operating season. Such interruption or delay must be beyond the Purchaser's control. Operating Season shall be defined, for this purpose, as the time of year in which operations of the type required are normally conducted and not specifically restricted under the contract. The first installment may be reduced to five (5) percent of the installment amount listed in Sec. 3(b), during the delay period. The Purchaser must request such a reduction in writing. When the Contracting Officer notifies the Purchaser that operations may proceed, the Purchaser shall have fifteen (15) days after such notification to return the first installment to the full value specified in Sec. 3(b). Failure to return the first installment to the full value within the allotted time will be considered a material breach of contract. No timber shall be cut or removed from the contract area until the first installment is restored to the full amount.

- 2. Notwithstanding the provisions of Sec. 3(b), adjustments in the due dates for periodic payments may be made by the Government if the Contracting Officer interrupts or delays contract operations for a period expected to last at least thirty (30) days, and the interruption or delay is beyond the Purchaser's control. Any adjustment made shall provide the Purchaser with an equal amount of operating time as would have been available without the delay. The Purchaser shall request such adjustment in writing before the due date for a periodic payment contained in Sec. 3(b).
- 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 assure protection of the environment and watershed. A pre-work conference between the Purchaser's authorized representative and the Authorized Officer's representative must be held at a location designated by the Authorized Officer before the logging plan will be approved. The Purchaser shall provide a minimum of seven (7) days' notice when requesting the scheduling of a pre-work conference.
- c. Before beginning operations on the contract area for the first time or after a shutdown of fourteen (14) or more days, the Purchaser shall notify the Authorized Officer in writing of the date he plans to begin operations. This written notification must be received by the Authorized Officer no less than fourteen (14) days prior to the date the Purchaser plans to begin or resume operations. The Purchaser shall also notify the Authorized Officer in writing if he intends to cease operations for any period of seven (7) or more days.
- d. All trees designated for cutting shall be cut so that the resulting stumps shall not be higher than twelve (12) inches measured from the ground on the uphill side of the trees.
- e. In the Partial Cut Areas shown on Exhibit A, all trees designated for cutting shall be felled and cut into log lengths not to exceed forty (40) feet plus trim before being yarded.
 - f. No trees may be felled across or into the reserve areas designated on Exhibit A.
- g. In the Partial Cut Area Helicopter Yarding shown on Exhibit A, yarding shall be done with a helicopter. All logs shall be transported free and clear of the ground during yarding. All landings shall be a minimum of 200' from all streams and approved by the Authorized Officer prior to use.
- h. In the "Partial Cut Area Ground-Based areas" shown on Exhibit A, equipment shall not exceed a ground pressure rating of 8 p.s.i. (pounds per square inch), and shall be tracked-mounted, have a boom mounted cutting head or grapple and be approved by the Authorized Officer. Yarding shall be done so that the lead-end of the log is lifted fully off the ground. Skid roads shall be spaced no closer than 150 feet unless otherwise agreed to by the Authorized Officer. Ground based skidding equipment shall not operate off of existing skid roads within 240 feet of streams. Excavation on designated skid roads shall be limited to a maximum cut of one foot unless authorized by the Authorized Officer. All trees that must be removed to facilitate construction of these skid roads shall be felled prior to falling operations in the remainder of this area. The Purchaser shall directionally fall trees into the lead with the skidding direction and winch or carry to these skid roads. All equipment operated off of skid roads shall operate on a continuous layer of slash. No more than 2 passes over the same ground shall be permitted.

- i. Before cutting and removing any trees necessary to facilitate logging in the Partial Cut Areas shown on Exhibit A, the Purchaser shall identify the location of skid roads, and danger trees on the ground in a manner approved by the Authorized Officer at the pre-work conference and documented in the Logging Plan. 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 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 contact 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 skid roads shall be limited to twelve (12) feet.
 - 2. If the Authorized Officer determines that the Purchaser has cut and removed any reserve tree not approved for cutting by the Authorized Officer, which under Section 10 of the contract constitutes a violation of the contract and under Section 13 of the contract may constitute a trespass rendering the Purchaser liable for damages under applicable law.
 - 3. 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 mark additional timber.
 - m. No yarding or loading is permitted in or through the reserve area, shown on Exhibit A, unless approved by the Authorized Officer.
- j. Prior to attaching any logging equipment to a reserve tree, the Purchaser shall obtain written approval from the Authorized Officer and shall take precautions to protect the tree from damage as directed in writing by the Authorized Officer.
- k. Excessive damage to reserve timber, as determined by the authorized officer, will result in suspension of yarding operations until corrective measures to prevent further damages have been approved by the authorized officer.

SEASONAL RESTRICTIONS

l. All felling, yarding, hauling, and landing construction shall be completed between May 31, 2012 and October 16, 2012, unless otherwise approved by the Authorized Officer.

ROAD CONSTRUCTION, IMPROVEMENT, RENOVATION, MAINTENANCE AND USE

m. The Purchaser shall construct a natural surfaced helicopter log landing at the location shown on exhibit A. Clearing limits for the landing are not marked on the ground. Purchaser will responsible for determining the clearing limits, which will need to be approved by the Authorized Officer prior to construction.

- n. Any required construction shall be completed and accepted prior to the removal of any timber, except right-of-way timber, over that road.
- o. Within 30 days of completion of yarding and hauling operations, the Purchaser shall decommission the helicopter log landing by waterbarring, blocking and placing clearing debris on decommissioned surface.
- p. The Purchaser is authorized to use the roads listed below and shown on Exhibit E which are under the jurisdiction of the Bureau of Land Management 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 comply with the conditions set forth in Section 41 aa. and pay the required rockwear obligation described in Section 41 z. The Purchaser shall pay current Bureau of Land Management rockwear fees for the sale of additional timber under modification of the contract.

Road No. and Segment	Length	Road	Road Surface	Maintenance
	Miles Used	Control	Type	Responsibility
2-5-29 G	0.05	BLM	Natural	Weyerhaeuser
2-5-29 J	1.61	BLM	Natural	Weyerhaeuser
2-5-29 O	0.18	BLM	Natural	Weyerhaeuser

- q. The Purchaser shall also pay to the Government a road maintenance obligation for rockwear in the amount of (\$0.00). Weyerhaeuser will be responsible for the maintenance of BLM controlled segments and payment will be made to Weyerhaeuser as described in Section 41 r.
- r. In the use of roads listed below and shown on Exhibit E, the Purchaser will be required to enter into a license agreement with Weyerhaeuser. Prior to commencement of operations, the Purchaser shall furnish to the Authorized Officer a copy of the required executed license agreement. These conditions include: The Purchaser shall pay Weyerhaeuser \$2,104.00 for road use fees and \$16,465.90 for road maintenance fees for the transportation of timber over Weyerhaeuser controlled roads and BLM controlled roads as described in Section 41 p. and q. included in the contract price over roads listed below. Provide proof of insurance with limits of \$1,000,000/\$1,000,000/\$1,000,000 and provide a performance bond in the amount of \$5,000.00.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type	Maintenance Responsibility
2-5-29 A-F	7.48	Weyerhaeuser	Crushed Rock	Weyerhaeuser
2-5-29 H-I	0.78	Weyerhaeuser	Crushed Rock	Weyerhaeuser
2-5-29 K-N	1.87	Weyerhaeuser	Crushed Rock	Weyerhaeuser
2-5-29 P portion	0.07	Weyerhaeuser	Crushed Rock	Weyerhaeuser

s. The Purchaser also 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

- t. If in connection with operations under this contract the Purchaser, his contractors, subcontractors, or the employees of any of them, discover, encounter, or become aware of any objects or sites of cultural value on the contract area such as historical or prehistorical ruins, graves or grave markers, fossils, or artifacts, the Purchaser shall immediately suspend all operations in the vicinity of the cultural value and notify the Authorized Officer of the findings. Operations may resume at the discovery site upon receipt of written instructions and authorization by the Authorized Officer.
- u. In addition to the requirements set forth in Section 25 of this contract, the Purchaser shall power wash all road construction and ground-based logging equipment including loaders and mechanically propelled brush cutters, prior to entry onto BLM lands each work season, or before returning to BLM lands after leaving it. Equipment shall be inspected by the Authorized Officer at a site approved by the Authorized Officer to verify that the equipment has been reasonably cleaned prior to entry onto BLM lands.
- v. The Purchaser shall immediately discontinue specified construction or timber 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 reinitiation of consultation is required concerning the species prior to continuing operation, or;
 - when, in order to comply with the Endangered Species Act (or to protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Salem District 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 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 established in the ROD and RMP, the Contracting Officer determines it may be necessary to modify or terminated 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.h. 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 terminate the cutting and removal rights under the contract in order to comply with the Endangered Species Act, protect occupied marbled murrelet sites 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 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, marbled murrelet occupied site protection in accordance with the ROD and RMP, survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, or court order requirements necessitating the modification or termination.

In the event 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.

MISCELLANEOUS

w. Immediately following ground-based yarding activities, the Purchaser shall construct water bars and block skid trails as designated by the Authorized Officer.

FIRE PROTECTION

x. Primarily for purposes of fire prevention and control, the Purchaser shall comply with the following provisions when operating at Oregon Department of Forestry Industrial Fire Precaution Level (IFPL) I (Closed Fire Season). 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.

- (1) Prior to the operation of power-driven equipment in construction or logging operations under this contract during the closed fire season or periods of fire danger, prepare a fire prevention and control plan to the satisfaction of the Authorized Officer.
- (2) Provide and maintain in good working order, and immediately available on the contract area, the following equipment for use during closed fire season or periods of fire danger:
- (a) Fire fighting tools shall be kept at each landing or at such other place at the Authorized Officer shall designate whenever people are working on the contract area. All fire fighting tools shall be kept in a sturdily constructed box which shall be painted red and lettered on the front or top in large letters "For Fire Only." The box shall have a hinged lid and a hasp by which the lid can be sealed. One (1) box may serve two landings, not over six hundred (600) feet apart. When filled, the box shall not weigh over two hundred (200) pounds. The fire tools shall be in good condition, be tight on strong handles, and have sharp cutting edges. There shall be not less than four (4) tools in each box or less than one (1) tool for each man working on the contract area. Three-fourths (3/4) of all fire tools shall be shovels, hazel hoes, or other scraping tools. The fire tools shall be used only for fighting fire.
- (b) At each landing or such other place as the Authorized Officer shall designate during periods of operation, one (1) tank truck of one thousand (1000) gallons or more capacity, or multiple engines equal to 1000 gallons capacity, with five hundred (500) feet of 1½ inch hose, one thousand (1000) feet of 1 inch hose, one (1) 1½ inch gated wye, one (1) 1 inch gated wye, two (2) 1½ to 1 inch reducers, and three (3) 1 inch nozzles. The tank truck or smaller engines shall be equipped with a pump capable of delivering a minimum of forty (40) pounds per square inch (psi) engine pressure through fifty (50) feet of 1½ inch hose. The pump may be either a power take off (PTO), or a truck-mounted auxiliary engine. All equipment shall be acceptable to the Authorized Officer and shall conform to the standards set forth in Oregon Revised Statutes 477.645 through 477.670 and any rule promulgated pursuant to these statutes. All hose couplings shall have the standard thread adopted by the BLM (1½ inch National Hose Thread (NH), 1 inch National Pipe Straight Hose Thread (NPSH) or be provided with suitable adapters. At the close of each working day, all bulldozers, tank trucks, and/or engines shall be filled with fuel and made ready for immediate use. All tank trucks, and /or engines and portable tanks shall be filled with water and made available for immediate use.
- (c) Two (2) backpack pumps at each landing and one (1) at each tail block, or any other block, all to be kept full of water and in good operating condition.
- (d) A chemical fire extinguisher of at least eight (8) ounces minimum capacity of a type approved by the Oregon State Forester and a size 0 or larger shovel shall be carried during the closed fire season or periods of fire danger by each falling crew and each bucker using a power saw on the contract area. Such fire extinguisher shall be filled and in effective operating condition and shall at all times be immediately available to the operator when the saw is being fueled or the motor of the saw is running. Any fueling of a power saw shall be done in an area which has first been cleared of all flammable material. Power saws shall be moved at least twenty (20) feet from the place of fueling before the engine is started. Each power saw shall be equipped with an exhaust system and a spark arresting device which are of types approved by the Oregon State Forester.

- (e) Where blocks and cables are used on the contract area during periods of fire danger, the Purchaser shall remove all flammable material at least ten (10) feet from the place where the tail or any other block shall hang when the cable is tight. Such clearings shall be inspected periodically by the Purchaser and shall be kept free of flammable material.
- (f) During Oregon Department of Forestry Regulated Use Closure, no smoking shall be permitted outside of closed vehicles.

LOGGING RESIDUE REDUCTION

y. Immediately upon completion of harvest, logging slash at all landings, will be treated as follows: See Exhibit E attached hereto and made a part hereof.

LOG EXPORT RESTRICTION

z. 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 and specifications suitable for end-product uses; or (4) western redcedar lumber which does not meet lumber of American Lumber Standards Grades of Number 3 dimension or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 Common or better. 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 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 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 purchasing 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 Authorized Officer, the Purchaser shall, prior to the removal of timber from the contract area, brand with Purchaser's registered log brand at least one end of each log, bolt, or other roundwood and identify each of these by painting with highway yellow paint.

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.

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 5 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 logs will be marked with a 3 square inch spot of 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 costs for log branding and painting shall be the responsibility of the Purchaser.

EQUAL OPPORTUNITY IN EMPLOYMENT

aa. Certification of Nonsegregated Facilities, Form 1140-3, is attached hereto and made a part hereof.

United States Department of the Interior BUREAU OF LAND MANAGEMENT TIMBER SALE CONTRACT MAP

Contract No. TS11-104 Cruiserfly Timber Sale Exhibit A Page 1 of 1

July 15th, 2011

T. 2S, R.6W, Section 19 W.M. - SALEM DISTRICT - OREGON

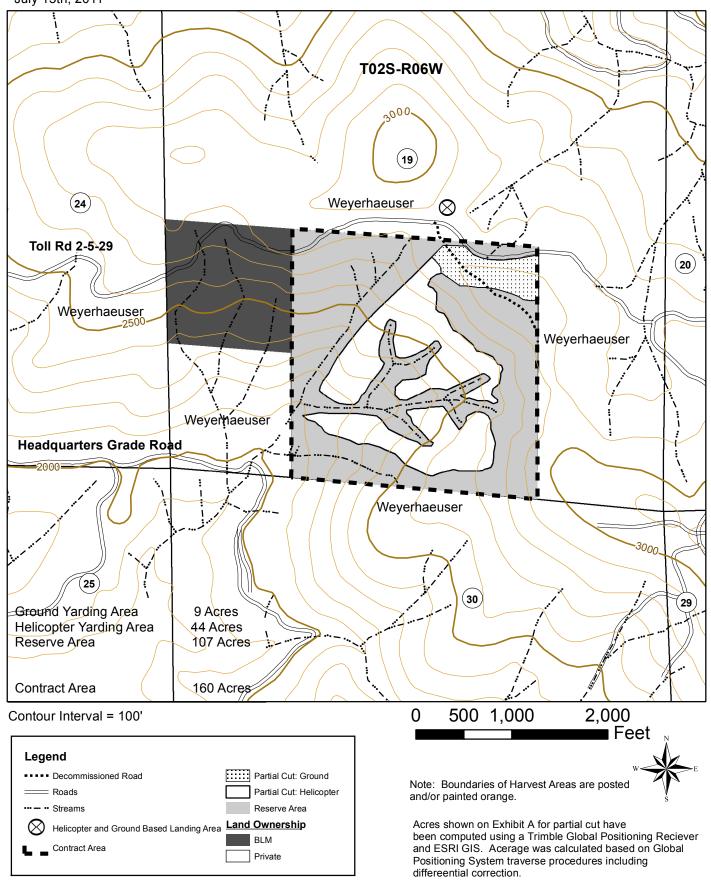


EXHIBIT B SCALE SALE PURCHASE PRICE SCHEDULE AND MEASUREMENT SPECIFICATIONS

I. **Total Actual Purchase Price** - In accordance with Section 3.(d). of the contract, the Purchaser agrees to pay the Government for the timber sold under the contract in accordance with the following schedule and measurement requirements. Timber sold is comprised of Merchantable Timber, Merchantable Timber Remaining, and Other Timber as defined below. 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 Species, Measurement Units, and Prices							
Species	Measurement Unit	Price Per Measurement Unit					
Douglas-fir	MBF	Insert Final Bid Price					

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 Sec. 3 of the contract at the unit prices shown in Section I of this Exhibit.

Schedule of Minimum Material Specifications							
Species and Products	Length	Diameter (inside bark at small end)	Net Scale				
All Species	8 feet	5 inches	33 1/3% of gross volume of any log segment				

If Purchaser elects to remove any logs which do not meet the above minimum log specifications and which have not been reserved to Government in Sec. 40 of the contract, such logs shall be scaled for their merchantable content as provided herein and be paid for in accordance with Sec. 2 and 3 of this contract and the value in Section 1 of this Exhibit.

III. **Merchantable Timber Remaining - Measurement Requirements** - The remaining volume of any merchantable sold timber on the contract area shall be determined as provided in Section 3.(e). of the contract. Purchaser shall pay for same in accordance with Sec. 3 of the contract at the unit prices shown in Section I of this Exhibit.

IV. Scaling

- A. **Log Rule and Measurement** All logs shall be scaled according to the Northwest Log Rules Eastside Log Scaling Handbook, as amended, or supplemented by BLM before the first advertisement date of the sale. A Scaling Authorization Form (OR 5300-18) must be completed prior to beginning of operations. Log scaling procedures including sample design shall be determined by the Contracting Officer in accordance with standard BLM sampling methods.
- B. **Scaling Service** Log scaling services shall be provided and performed by BLM personnel or parties under contract to BLM.
 - 1. All logs shall be scaled and volumes determined by BLM or a certified contract scaler.
 - 2. The BLM scaler or contract scaler is designated to collect Eastside MBF scale data from all loads.
- C. Other Timber 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 Standard BLM methods.

- D. **Defect Caused by Abnormal Delay** Scaling deductions made for rot, check or other defect resulting from abnormal delay in scaling caused by Purchaser shall be recorded separately and charged to the Purchaser in accordance with Section 3. of the contract.
- E. **Log Presentation** Purchaser shall present logs so that they may be scaled in an economical and safe manner in accordance with the Memorandum(s) of Agreement for Yard Scaling required in Section IV.G.5. of this Exhibit.
- F. Check Scale The Government shall conduct check scales as set forth in the following section.

Normally a check scale shall include at least 200 short logs (20 feet or less) or at least 100 multiple-segment logs. Sample the species and defect situation as fairly as possible. Individually analyze more complex scaling situations and increase the number of logs check scaled if necessary.

The following standards shall be used to determine the proficiency of individual scalers.

<u>Gross Scale</u>. A variance of one and one half $(1\frac{1}{2})$ percent in gross scale is the standard unless otherwise justified.

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

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 BLM shall 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 shall be made by BLM. Such adjustments shall be made based on the difference between available BLM check scales and the original scale during the period covered by the unsatisfactory check scales. Unless otherwise approved in writing by the Authorized Officer, the volume to which this difference shall be applied shall 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.

G. Accountability

- 1. Purchaser shall notify the Authorized Officer seven (7) days prior to starting or stopping of hauling operations performed under the contract.
- 2. All logs shall be painted and branded at the landing and accounted for in accordance with Sec. 41.z 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. 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. All logs on each load shall be delivered to the destination listed on the woods receipt. The BLM scaler receipt shall be surrendered at the location of BLM scaling, the unloading location, or as requested by BLM.

- 3. The Purchaser shall not haul logs 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 a.m. to 8:00 p.m. daily, unless otherwise approved in writing by the Authorized Officer or designated in the Approved Logging Plan (Refer to Section 41.b of the contract).
- 4. The Purchaser shall furnish BLM a map showing the route which shall be used to haul logs from the timber sale area to the scaling location. 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 and approval by BLM. The haul route map shall be attached to the Approved Logging Plan.
- 5. All loads shall be scaled at scale locations listed on the Scaling Authorization (Form OR 5300-18) as approved by the Authorized Officer. The Purchaser shall ensure that all scale site owners listed on the Scaling Authorization enter into a Memorandum of Agreement for Yard Scaling before requesting BLM approval of the Scaling Authorization. Areas for scaling BLM logs shall be designated on the ground and identified on the yard map as required in the Memorandum(s) of Agreement for Yard Scaling.
- 6. Any removal of logs from loaded trucks before being accounted for and/or scaled 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 amount due because of trespass.
- 7. In the event that BLM logs arrive at the log yard after daily scaling operations, an Overnight Load Control Record, Exhibit B page 5, will be completed by the Scale Site Authorized Representative. Before any BLM loads are released for scaling the BLM contract scaler or a BLM authorized representative shall complete the record and attach the form to the load receipt.
- H. **Scaling Lost Products** The value of lost loads 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 shall be determined from the closest month in which loads were scaled.
- V. **Estimated Volumes and Values -** The following volume estimates and calculations of value of timber sold are made solely as an administrative aid for determining payment amounts, when payments are due, the value of timber 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. **Merchantable Timber Volume Removed from Contract Area** The total volume of removed timber shall be determined using the Government's records of scaled volumes of timber 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. Merchantable Timber Not Yet Removed from Contract Area The value of merchantable timber which has not been removed shall 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:

Total Estimated Purchase Price And/Or Schedule of Volumes and Values for

Merchantable Timber Not Yet Removed from Contract Area

Cutti	ng Area	Total Estin	nated Volume (IBF)	Total Estimated Purchase Price		
Cutting Area	Approximate	Volume	Total	Value	Total	
Number	Number of Acres	Per	Volume	Per	Value	
		Acre		Acre		
Unit 1	53	19.85	1052	\$ 853.51	\$ 45,236.00	
Sale Total	53	19.85	1052	\$ 853.51	\$ 45,236.00	

Cruiser Fly Timber Sale ORS080-TS11-104 Exhibit B Page 5 of 5

	OVERNIGHT LOAD CONTROL RECORD							
Log	Log Delivery Location							
Tir	Timber Sale							
1	Time and Date Load Delivered							
2	Sale Name							
3	Load Receipt No.							
4	Number of Logs							
5	Signature of Person Receiving the Load							
6	Date and Time Load Released							
7	Signature of Person Releasing the Load							

Inctma	ctions:
msuu	cuons.

- 1. Designated individual fills out the heading and lines 1 through 5 (including FULL SIGNATURE in ink on line 5.)
- 2. Contractor or BLM scaler shall fill out lines 6 and 7 (including FULL SIGNATURE in ink) when loads are released for scaling, otherwise the BLM and/or yard owner shall be required to sign.
- 3. Unless otherwise agreed, scaler shall attach this form to the Load Receipt.

	OVERNIGHT LOAD CONTROL RECORD						
Lo	g Delivery Location						
Tiı	mber Sale						
1	Time and Date Load Delivered						
2	Sale Name						
3	Load Receipt No.						
4	Number of Logs						
5	Signature of Person						
	Receiving the Load						
6	Date and Time Load Released						
7	Signature of Person						
	Releasing the Load						

Instructions:

- 1. Designated individual fills out the heading and lines 1 through 5 (including FULL SIGNATURE in ink on line 5.)
- 2. Contractor or BLM scaler shall fill out lines 6 and 7 (including FULL SIGNATURE in ink) when loads are released for scaling, otherwise the BLM and/or yard owner shall be required to sign.
- 3. Unless otherwise agreed, scaler shall attach this form to the Load Receipt.

LLORS00000-TS11-104 Cruiserfly Timber Sale EXHIBIT C Page **1** of **9**

U.S. DEPARTMENT OF THE INTERIOR Bureau of Land Management SALEM DISTRICT – OREGON TIMBER SALE CONTRACT Road Specifications

		Length (Stations and Miles)						
Road Number and Segment	Class SN-	New Construction	Improvement	Renovation				
Helicopter Landing Construction	N/A	Purchaser Determined						

TABLE OF CONTENTS

Section	Sheet	Description
	1	Cover Sheet / Table of Contents
100	2 - 5	General
200	6	Clearing and Grubbing
300	6 - 7	Excavation and Embankment
1800	8 - 9	Soil Stabilization

GENERAL - 100

101 - Pre-work Conference(s):

A pre-work conference will be held prior to the start of new construction, reconstruction, and decommissioning operations. The Purchaser shall request the conference at least 48 hours prior to the time it is to be held. The conference will be attended by the Purchaser and/or his representative(s), subcontractor(s) and/or his or their representative(s) and the Authorized Officer and/or his representative(s).

The purpose will be to review the required work, exhibits and specifications, and to establish a work schedule and a list of the Purchaser's representative(s) and subcontractor(s).

102 - Definitions:

<u>AASHTO</u> - American Association of State Highway and Transportation Officials. Current editions of tests and specifications.

ASTM - American Society for Testing and Materials.

<u>Base Course</u> - Surfacing structure consisting of crushed gravel or stone, crushed sandstone, pit-run rock, etc., to provide support and, in the event no surface course is placed, the running surface for traffic load.

BLM - Bureau of Land Management

Borrow - Excavated material required for embankments and other portions of the work.

<u>Curve Widening</u> - Widening required on inside of curves to accommodate long log and equipment hauling trucks.

<u>Embankment</u> - A structure of soil, aggregate, or rock material placed on a prepared ground surface and constructed to subgrade.

<u>End-Haul</u> - Excavated material moved, other than by dozer, to an embankment or waste area to prevent sidecasting material outside of the road prism.

<u>Excess Excavation</u> - Material from the roadway in excess of that needed for construction of the designed roadway (waste).

<u>Grading</u> - Leveling to grade, shaping and smoothing of a road subgrade; the shaping of roadside ditches as to grade and contour. In some instances includes smoothing of the cut bank.

Overhaul - Distance excavated material is transported in excess of the distance included in the cost for excavation.

Pioneer Road - Temporary construction access built along the route of the project.

LLORS00000-TS11-104 Cruiserfly Timber Sale EXHIBIT C Page **3** of **9**

<u>Piping</u> - The process by which soil particles are washed in or through pore spaces in drains and filters or poorly compacted fill/backfill material.

<u>Plans</u> - The approved drawings, or exact reproductions thereof which show the locations, character, dimensions, and details of the work to be done.

<u>Purchaser</u> - The individual, partnership, joint venture, or corporation contracting with the Government under the terms of a Timber Sale Contract and acting independently or through their, or its agents, employees, or contractors.

<u>Reasonably Close Conformity</u> - Compliance with reasonable and customary manufacturing and construction tolerances where working tolerances are not specified.

<u>Roadbed</u> - The graded portion of the road within top and side slopes, prepared as a foundation for the pavement structure and shoulders.

Road Centerline - Longitudinal center of roadbed.

<u>Road Renovation</u> - Work done to an existing road which restores it to its original design.

<u>Roadway</u> - The portion of a road within limits of construction. Usually from the toe of the fill slope to a point where the cut slope intersects natural ground line. Synonym - road prism.

<u>Scarification</u> - The process of loosening or breaking up of the surface layer of soil or road, usually to a specified depth.

<u>Shoulder</u> - The portion of the roadbed contiguous with the traveled way designed for accommodation of stopped vehicles, safety, and lateral support of base and surface courses.

Spalls - Flakes or chips of stone.

<u>Specifications</u> - A general term applied to all directions, provisions, and requirements pertaining to performance of the work.

<u>Specific Gravity</u> - The ratio of the density of a material to the density of water obtained by weighing known volumes of both items in air. A specific gravity less than one implies that the material will float.

<u>Structures</u> - Bridges, culverts, catch basins, retaining walls, under-drains, flumes, splash pads, downspouts, and other project features which may be involved in the work and not otherwise classified in these specifications.

<u>Sub-base</u> - Reinforcement of the subgrade with large particles of pit-run or crushed stone. Usually confined to roads having wet subgrades or subgrades with weak support characteristics.

LLORS00000-TS11-104 Cruiserfly Timber Sale EXHIBIT C Page **4** of **9**

<u>Surface Course</u> - Top layer of a road structure consisting of finely crushed gravels or asphalt designed to provide a smooth running surface for traffic load.

<u>Subgrade</u> - The top surface of a roadbed upon which the traveled way and shoulders are constructed.

<u>Timber</u> - Standing trees, downed trees, or logs which can be measured in board feet.

<u>Traveled Way</u> - The portion of the roadbed used for the movement of vehicles, exclusive of shoulders.

<u>Typical Cross Sections</u> - Cross-sectional plane of a typical roadway; showing natural ground line and designed roadway in relation to cut and fill, through cut, and through fill.

<u>Turnaround</u> – Extra widening of the roadbed at specified dimensions to allow for empty log truck turnaround.

<u>Turnout</u> - Extra widening of the roadbed at appropriate intervals on single-lane roads for passing purposes.

102a - Tests Used in These Specifications:

AASHTO T 11	Quantity of rock finer than No. 200 sieve.
AASHTO T 27	Sieve analysis of fine and coarse aggregate using sieves with square openings; gradation.
AASHTO T 89	Liquid limit of material passing the No. 40 sieve. Water content at which the soil passes from a plastic to a liquid state.
AASHTO T 90	Plastic limits and plasticity index of soil. a. Plastic limit - lowest water content at which the soil remains plastic. b. Plasticity index - range of water content, within which the material is in a plastic state. Numerical difference between the liquid and plastic limits of the soil.
AASHTO T 96	Resistance to abrasion of small size coarse aggregate by use of the Los Angeles machine.
AASHTO T 99	Relationship between soil moisture and maximum density of soil. Method A - 4" mold, soil passing a No. 4 Sieve. 25 blows/layer & 3 layers. Method D - 6" mold, soil passing a 19.00mm (3/4 inches) sieve. 56 blows/layer & 5 layers.
AASHTO T 176	Shows relative portions of fine dust or claylike materials in

soil or graded aggregate.

AASHTO T 180	(OSHD 106-71) moisture density relationship of soil same as AASHTO T 99 proctor but uses a 10-lb rammer & 18-in drop.					
AASHTO T 191	Sand Cone. Density of soil in place: For subgrade use 6-inch or 12-inch cone. For rock surfacing for 1-1/2-inch minus to 3-inch minus use 12-inch cone.					
AASHTO T 205	Rubber balloon. Density of soil in place. Use for compacted or firmly bonded soil.					
AASHTO T 210	Durability of aggregates based on resistance to produce fines.					
AASHTO T 224	Correction for coarse particles in the soil.					
AASHTO T 238	Determination of density of soil and soil-aggregates in place by nuclear methods.					
AASHTO T 248	Reducing field samples of aggregate to testing size by mechanical splitter, quartering, or miniature stockpile sampling.					
<u>DES. E-12</u>	Determination of relative density of cohensionless soils.					
<u>DMSO (dimethyl sulfide)</u> - Determines volume of expanding clays in aggregates.						

- Compaction equipment shall meet the following requirements.
- 103f <u>Vibratory Roller.</u> The drum diameter shall be not less than 48 inches, the drum width not less than 58 in 1500, and 1600 vibrations per minute (VPM), corresponding to engine speeds of 1575, 1690, and 1800 RPM. The centrifugal force developed shall be 7 tons at 1600 RPM. It shall be activated by a power unit of not less than 25 horsepower.

The vibratory roller shall be self-propelled or drawn by a vehicle of sufficient horsepower to enable the unit to travel through a loose layer of material at a speed ranging from 0.9 mile to 1.8 miles per hour, as directed by the Authorized Officer. The towing vehicle and roller or self-propelled unit meeting the above requirements shall be considered a vibratory roller unit.

Usually associated with marine basalts.

- 103g <u>Vibratory Compactor</u>. Vibratory compactors shall consist of multiple or gang-type compacting units or pads with a minimum variable width of 2 feet. It shall be self-contained and capable of compacting material as required.
- 103i Other. Compaction equipment approved by the Authorized Officer.

CLEARING AND GRUBBING - 200

- This work shall consist of clearing, grubbing, removing and disposing of vegetation, debris, surface objects, and protruding obstructions within the clearing limits in accordance with these specifications and conforming to the lines, grades, dimensions and typical cross sections as shown on the plans and as posted.
- 203b Standing trees and snags to be cleared shall be felled within the limits established for clearing (unless otherwise authorized).
- Logs from private timber cleared within the limits established, as shown on the plans and as staked on the ground, shall be purchased by the Purchaser from the land owner before removal from the right-of-way area. Prior to removal of logs, the Purchaser shall furnish to the Authorized Officer a copy of a sales agreement between the Purchaser and the timber owner.
- Grubbing shall consist of the removal and disposal of stumps, roots, and other wood material embedded in the ground and protruding obstacles remaining as a result of the clearing operation. Undisturbed stumps, roots and other solid objects which will be a minimum of 4 feet from embankments or 4 feet from ditchline on cutslope surfaces are excepted.
- Clearing and grubbing debris, resulting from landing construction, waste area construction, or new "full-bench" road construction shall be placed at disposal sites and shall not be covered with excavated material. Locations of disposal sites will be determined by the Authorized Officer.
- Disposal of clearing and grubbing debris, except that mentioned above, shall be by scattering outside of established clearing limits in an area and in a manner acceptable to the Authorized Officer.
- 213 No clearing or grubbing debris shall be left lodged against standing trees.

EXCAVATION AND EMBANKMENT - 300

- This work shall consist of excavating, overhaul, placement of embankments, leveling, ditching, grading, outsloping, crowning and scarification of the subgrade, compaction, disposal of excess, unsuitable, and slide materials, and other earth-moving work in accordance with these specifications and conforming to the lines, grades, dimensions, and typical cross sections shown on the plans.
- 303 Suitable material removed from the excavation shall be used in the formation of embankment subgrade, shoulders, slopes, and for other purposes as shown on the plans.
- Embankment construction shall consist of the placement of excavated and borrowed materials, backfilling, leveling, grading, compaction, and other earth-moving work necessary for the construction of the roadway and landings in accordance with these specifications and

conforming to the lines, grades, dimensions, and typical cross sections shown on the plans.

- 305b Embankment materials shall be placed in successive parallel layers on areas cleared of stumps, cull logs, brush, muck, sod, roots, frozen material and other deleterious materials, except as provided under Subsection 204. Roadway embankments of earth material shall be placed in horizontal layers not exceeding 8 inches in depth.
- The final subgrade, including landings, shall be compacted to full width with compacting equipment conforming to the requirements of Subsections 103f and 103i. Minimum compaction shall be 1 hour of continuous compacting for each 6 stations of road or a fraction of as measured along the center line of the constructed road.
- Compaction of embankment layers placed as specified under Subsection 305b above shall be accomplished by using compacting equipment conforming to the requirements of Subsections 103f, 103g, or 103i. Compaction shall be accomplished by routing construction equipment over full width of embankment structures.
- When heavy clays, muck, clay shale, or other deleterious material for forming the roadbed is encountered in cuts at subgrade, it shall be excavated to a minimum depth of 2 feet below the subgrade elevation and the excavated area backfilled with a selected borrow material approved by the Authorized Officer. The backfill material shall be uniformly moistened or dried to the optimum moisture content suitable for maximum density in accordance with the requirements of subsection 306e. Unsuitable material shall be disposed of as directed by the Authorized Officer.
- 317 Selected borrow shall consist of talus material, finely broken rock, gravel, or other material of granular or favorable characteristics from sources shown on the plans.
- Ditches shall conform to the slope, grade, dimensions, and shape of the required cross section shown on the plans. Roots, stumps, rocks, and other projections shall be removed to form smooth, even slopes.
- Excess excavated, unsuitable, or slide materials shall not be disposed of on areas where the material will encroach on a stream course or other body of water. Such materials shall be disposed of in accordance with Subsection 321c.
- End-dumping will be permitted for the placement of excess materials under Subsection 321 in designated disposal areas or within areas approved by the Authorized Officer. Watering, rolling, and placement in layers is not required. Materials placed shall be sloped, shaped, and otherwise brought to a neat and sightly condition acceptable to the Authorized Officer.
- Excavated material shall not be allowed to cover boles of standing trees to a depth in excess of 0.5 feet on the uphill side.
- The finished grading shall be approved by the Authorized Officer in segments or for the total project. The Purchaser shall give the Authorized Officer 3 days notice prior to final inspection of the grading operations.

SOIL STABILIZATION - 1800

- This work shall consist of seeding on designated cut, fill, borrow, disposal, and special areas in accordance with these specifications and as shown on the plans. This work is not required for road acceptance under Section 18 of this contract. Grass seed will be furnished by the Government.
- 1802a Soil stabilization work consisting of seeding shall be performed on all areas of disturbed soil on new road construction, road renovation, landings, borrow sites, and disposal sites in accordance with these specifications and as shown on the plans. The seed shall be spread at a rate of 60 pounds/acre, (to be determined by the Authorized Officer based on visual observation of trial applications).
- Soil stabilization work as specified under Subsection 1802a shall be performed during the following seasonal periods:

From: August 1 To: October 15

The Authorized Officer may modify the above seasonal dates to conform to existing weather conditions and changes in the construction schedule.

- 1809 Mulch materials conforming to the requirements of Subsections 1809d and 1809e shall be furnished by the Purchaser and applied in accordance with Subsection 1813.
- 1809d Straw mulch shall be from oats, wheat, rye, or other approved grain crops which are free from noxious weeds, mold, or other objectionable materials. Straw mulch shall be in an air-dry condition and suitable for placing with power spray equipment.
- Grass straw mulch shall be from perennial grass or, if specified, an annual rye grass, from which the seed has been removed. The straw shall be free from Bentgrass, Canada Thistle, Tansy Ragwort, Skeleton weed, and other noxious weed seed. The Purchaser shall furnish the Authorized Officer with a copy of the seed certification from each field from which he obtained the grass straw. The grass straw shall be from fields which have passed the current year's field inspection of the Oregon Grass Seed Certification program, or from fields certified by the County Agent, or by seed companies purchasing the seed.
- Mulch material shall be delivered to the work area in a dry state. Material found to be wet will not be accepted. Material to be used in the mulching operation may be stockpiled along the road designated for treatment provided that it be maintained in a dry state and has the approval of the Authorized Officer.
- Bulk mulching material required under these specifications shall be delivered to the work area
 bound either by twine, string, or hemp rope. Wire binding will not be permitted.

LLORS00000-TS11-104 Cruiserfly Timber Sale EXHIBIT C Page 9 of 9

- The Purchaser shall furnish and apply to the disturbed soils that are wet and/or within 50 feet each side of "live stream" locations a mixture of grass seed and straw mulch material at the application rate of 6 pounds seed/acre and 3000 pounds straw mulch/acre (to be determined by the Authorized Officer based on visual observation of trial applications).
- 1815 The Purchaser may reduce the application rate on partially covered slopes and no application on areas already well stocked with grass or on rock surfaces.
- 1816b Dry Method Blowers, mechanical seeders, seed drills, landscape seeders, cultipacker seeders, fertilizer spreaders or other approved mechanical seeding equipment may be used when seed is to be applied in dry form.
- 1826 Twine, rope, sacks, and other debris resulting from the soil-stabilization operation shall be picked up and disposed of to the satisfaction of the Authorized Officer.

EXHIBIT F

Designation by Prescription Scale Timber Sale Requirements

I. Cutting Operations

- A. In the required logging plan, the Purchaser shall provide a list of fallers who will be conducting the cutting operations.
- B. The Purchaser shall notify the Authorized Officer at least 48 hours in advance of replacement or addition of a timber faller.
- C. Approved Cutting Areas No yarding of cut timber will be allowed until the cutting operations have been approved in writing by the Authorized Officer.

II. Selection Criteria

- A. Residual tree spacing shall be varied to preserve the largest diameter and tallest dominant or co-dominant conifer trees, and increase the variation in the overstory tree canopy while maintaining a residual stand density structure within the following limits:
 - 1. Residual conifer basal area per acre shall be at least 110 square feet and not more than 130 per acre for the sale area.
 - 2. All conifer trees greater than twenty (20) inches DBHOB shall be reserved from cutting unless otherwise approved in writing by the Authorized Officer.
 - 3. Conifers less than eight (8) inches DBHOB and all hardwoods shall not be counted when calculating the residual tree basal area listed above.
- B. Acceptable residual trees are conifers having a live crown ratio of at least 30 percent, and not leaning more than 10 degrees from vertical.

III. Compliance Inspection

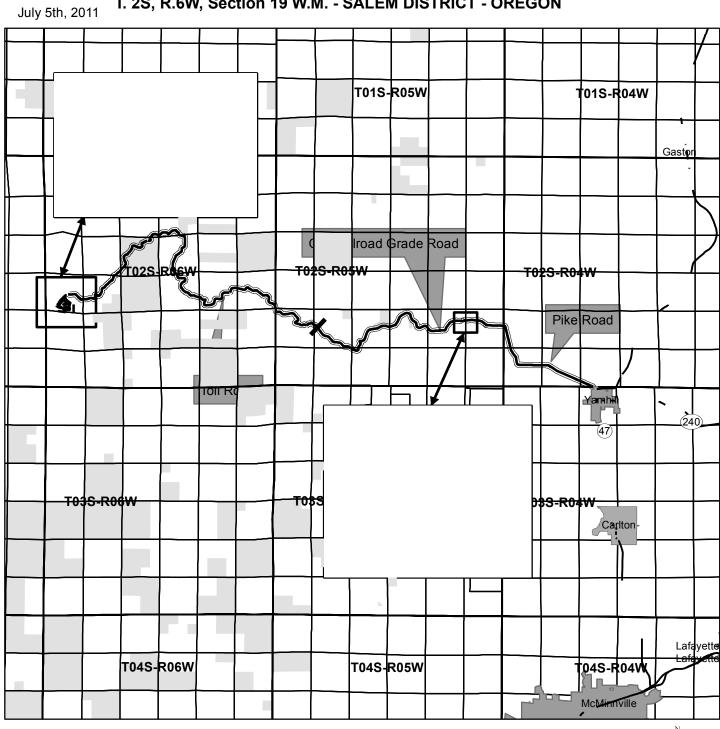
- A. Compliance inspection by the government will consist of visual observation of on-going cutting operations and collecting plot data after the trees have been cut. Non-compliance with the Selection Criteria shall constitute a contract violation which may result in a suspension of operations as provided in Section 10 of the contract. Plot records may include:
 - 1. Diameter and species of both cut trees (stumps) and residual trees to determine initial and residual basal area per acre.
 - 2. The selection of residual trees and the work quality.
- B. The approval level for the residual conifer basal area target for each unit shall be considered met if the average residual conifer basal area of all plots measured during one inspection is within fifteen (15) percent of the residual conifer basal area target. If this requirement falls below the approval level, a written warning will immediately be issued to the Purchaser.

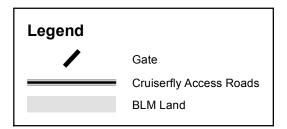
C. If the Purchaser does not comply with the Designation By Prescription "Selection Criteria" of this Exhibit to the satisfaction of the Authorized Officer after a written warning has been issued, the Authorized Officer may suspend harvesting operations until corrective measures, as specified in writing by the Authorized Officer, have been taken by the Purchaser. Such corrective measures may include but are not limited to:

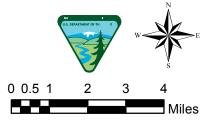
- 1. Replacement of faller(s) by the Purchaser.
- 2. Approval of fallers by the Authorized Officer based on fallers' satisfactory completion of a BLM test plot.

United States Department of the Interior BUREAU OF LAND MANAGEMENT PROJECT LOCATION MAP

T. 2S, R.6W, Section 19 W.M. - SALEM DISTRICT - OREGON







Form 5440-9 July 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

DEPOSIT AND BID FOR

☐ VEGETATIVE RESOURCE (Other Than Timber)

LUMP SUM SALE

FORM APPROVED 0MB NO.1004-0113 Expires: July 31. 1992

Tract Number

ORS000-TS-104

Sale Name

CRUISER FLY

Sale Notice (dated)

AUGUST 24, 2011

					BLM District				
						SALEM			
☐ Sealed Bid for Sealed Bid Sale			☐ Written Bi	id for Ora	al Auction Sa	ale			
In response to the above dated Sal timber/vegetative resource on the			and bid are here	by submi	tted for the p	purchase of design	ated		
Required bid deposited is \$4,400.00 and is enclosed in the form of \Box cash \Box money order \Box bank draft \Box cashier's check \Box certified check \Box bid bond of corporate surety on approved list of the United States Treasury \Box guaranteed remittance approved by the authorized officer.									
to execute and return the contract, received by the successful bidder.	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.								
NOTI	BID SCHEDULE - LUMP SUM SALE NOTE: Bidders should carefully check computations in completing the Bid Schedule								
	BID SUB	MITTED			ORAL BID MADE				
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTA	L VALUE	UNIT PRICE	TOTAL VALUE		
Douglas-fir	MBF	:	x=	:		x	=		
	_MBF	<u> </u>	x=	:		x	=		
	_MBF	:	x=			X	=		
	_MBF	:	x=	<u> </u>		x	=		
	MBF	:	x=	=		X	=		
	_MBF	<u> </u>	x=	<u> </u>		x	=		
	_MBF	<u> </u>	x=	=		X	=		
	MBF	:	x=			X	=		
	MBF	. <u> </u>	x=			X	=		
	MBF MBE	· :	x=			X	=		
	MBF MBF	·	x=			x			
	MBF		x =			х	=		
	MBF		x=			x	=		
		TOTAL PURC	CHASE 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	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 duplicate, 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" (2) Vegetative Resource Other Than Timber (3) Time bids are to be opened (4) Legal description						

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et. seq.) requires us to inform you that:

This information is being collected to obtain data relevant to the operation of this timber sale contract.

This information will be used to administer our timber sale program.

Response to this request is required to obtain a benefit.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 38 FR 6280 and 43 CFR 5442.1

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

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

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

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 1 hr. 15 mm. per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 18 and C Streets, N.W. Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0113), Washington, D.C. 20503.

INSTRUCTIONS TO BIDDERS

- Lands and on the reconveyed Coos Bay wagon Road Grant Lands is administered and sold specified in the Timber/Vegetative Resource Notic. Deposit may be in the form of cash, pursuant to authority of the Act of August 28, 1937 (50 Stat. 874; 43 U.S.C.
- 118la); timber located on other lands and other vegetative resources on all public lands of the United States under jurisdiction of the Bureau of Land Management are administered and sold pursuant to authority of the Act of July 31, 1947(61 Stat. 681), as amended, by the Act of July 23, 1955(69 Stat. 367; 30 U.S.C.601 et. seq.). Regulations of the Secretary of the Interior governing sale of timber are codified in 43 CFR Group 5400.
- 2. QUALIFICATIONS OF BIDDERS A bidder for sale of timber/vegetative resources must be either (a) a citizen of the United States, (b) a partnership composed wholly of such citizens, (c) an unincorporated association composed wholly of such citizens, or (d) a corporation authorized to transact business in the State in which the timber/vegetative resource is located.
- 3. INSPECTION OF TIMBER/VEGETATIVE RESOURCES Bidder is invited, urged, and cautioned to inspect the timber/vegetative resource prior to submitting a bid. By executing the timber/vegetative resource sale contract, bidder warrants that the contract is accepted on the basis of his examination and inspection of the timber/vegetative resource and his opinion of its value.
- 4. DISCLAIMER OF WARRANTY Government expressly disclaims any warranty of the fitness of the designated timber/vegetative resource for any purpose of the bidder; all timber/vegetative resources are to be sold "As Is" without any warranty of merchantability by Government. Any warranty as to the quantity or quality of timber/vegetative resource to be sold is expressly disclaimed by Government.
- 5. BIDS Sealed or written bids for not less than the advertised appraised price, per timber/vegetative resource must be submitted in duplicate to the District Manager who issued Timber/Vegetative Resource Sale Notice.
- (a) Sealed Bid Sales Bids will be received until time for opening which is set out in the Notice. Enclose both copies of bid with required bid deposit in a sealed envelope marked on the outside Rid for Timber/Vegetative Resource. time bid is to be opened, tract number, and legal description of land on which timber/vegetative resource is located. In event of a tie, the high bidder shall be determined by lot from among those who submitted the tie
- (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 CER 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 hoard 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. *

- 1. AUTHORITY Timber located on the revested Oregon and California Railroad Grant 7. BID DEPOSIT All bidders must make a deposit of not less than the amount money orders, bank drafts, cashiers or certified checks made payable to the Department of the Interior-BLM, bid bonds of a corporate surety shown on the approved list of the United States Treasury Department*, or any approved guaranteed remittance approved by the Authorized Officer. Upon conclusion of bidding, the bid deposit of all bidders, except high bidder, will be returned. The cash deposit of the successful bidder may be applied toward the required sale deposit and/or the purchase price. Cash not applied to the sale deposit or the purchase price, or a corporate surety bid band, will be returned at the time the contract is signed by the Government.
 - 8. A WARD 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 5150. l(b). Performance bond may be (1) bond of a corporate surety shown on approval list issued by the United States Treasury Department and executed on an approved standard form, (2) personal surety bond executed on an approved standard form if Government determines principals and bondsman are capable of carrying Out the terms of the contract, (3) cash bonds, (4) negotiable securities of the United States, or (5) Any guaranteed remittance approved by the Authorized Officer.
- (b) If purchaser elects to cut timber without skidding or yarding it to a loading point or removing it prior to the payment of the second or subsequent installments, Government shall require an increase in amount of performance bond initially required by an amount equal to the value of timber to be cut. Such increase must be on 5 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 cot and/or removed in advance of payment.
- 12. PAYMENT OF PURCHASE PRICE For sates of \$500 or more, Government may allow payment by installments. Except as discussed in paragraphs 10 and II above, no part of any timber/vegetative resource sold may be severed, cut, or removed unless advance payment has been made as provided in contract.
- 13. LIQUIDATED DAMAGES Within thirty (30) days from receipt of Timber Vegetative Resource Sale Contract, the successful bidder shall sign contract and return it to Government, together with required bond and any required payment. If successful bidder fails to comply within the stipulated time, his bid deposit shall be retained by Government as liquidated damages.
- 14. NINETY-DAY SALES If no bid is received within time specified in the advertisement of sale and if Government determines that there has been no significant rise in the market value of timber/vegetative resource, it may, in its discretion, keep the sale open, not to exceed ninety (90) days.
- 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.

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: (I) any logs except those of utility grade or below, such as sawlogs. peeler logs, and pulp logs; (2) cants or squares to be subsequently remanufactured exceeding eight and three quarters (8-3/4) inches in thickness; (3) split or round bolts or other roundwood not processed to standards and specifications suitable for end product use; or (4) western red cedar lumber which does not meet lumber of American Lumber Standards Grades of Number 3 dimension

or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 common or better. Timber manufactured into the following will be considered processed. (I) 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, hid, 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.

US GOVERNMENT PRINTING OFFICE: 1990-832-998

NOTICE OF REQUIREMENT FOR CERTIFICATION OF NONSEGREGATED FACILITIES

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

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

OMB CLEARANCE NO. 1004-0058 EXPIRES MAY 31, 1983

Location of facility where Federal Timber is expected to be processed.

EXPORT DETERMINATION

INSTRUCTIONS

Timber sale applicant forwards information to authorized officer.

In compliance with requirements of 43 CFR 5424, □I □We hereby submit the following information:						
(1) Have you exported private timber from lands tributary to the a □Yes □No (If Yes, give date of last export sale.) a. Export (date)	above processing facility w	rithin the last 12 months?				
(2) Provide names of affiliates* who have exported private timber facility within the last 12 months and date of last export sale.	r from lands tributary to th	e above processing				
a. Affiliateb. Affiliatec. Affiliate	_ Export date					
*See 43 CFR 5424.0-5						
Name of Firm						
Signature of Signing Officer	Title	Date				

(See statement on reverse) Form 5450-17 (June 1981)

The Bureau of Land Management collects this information pursuant to the law(see 43 CFR 5400.0-3(c)).

The Bureau of Land Management uses the information to determine whether Federal timber has been substituted for exported private timber (see 43 CFR 5400.0-5(n) and 5424.0-6(c)(2)).

A Bureau of Land Management timber purchaser is obligated to report this information under provisions of the above-numbered contract (see 43 CFR 5424.1).

Timber - Sale - Summary

Legal Description

Forest Type	Township	Range	Section	Subdivision
	28	6W	19	E1/2 SW1/4, W1/2 SE1/4,

			Ä			Cutting	g Volume (16' MBF)							
Unit	DF										Total	Regen	Partial	I	ROW
	1,052										1,052	0	53		,
Totals	1,052		NA RIVORI						•	100 N - 500	1,052	0	53	-	
	Logging (Costs per 16' l	MBF								Profit &	Risk			
Stump to Truck \$ 292.81			Total Prof	it & R	isk			10	%						
Transportati					2.28			Basic Prof	ît & R	lisk	7 % + Additi	onal Risk	3 %		
Road Constr				\$	2.69			Back Off					5	%	
Road Amort	tization			S	2.00						Tract Fea	tures			
Road Mainte	enance			\$ 1	5.65			Avg Log		Dougla	ns-fir : 40 bf		All : 40 bf		
Other Allow	vances :							Recove	īv		ıs-fir : 97 %		All : 97 %		
Equip	pment Washing	1	$\neg \uparrow$	\$ 0.14				Salvage Douglas-fir: 0 %				All:0%			
Misc				\$ 0.71				Avg Volume (16' MBF per Acre)					20		
A. A. A.	er Bars/ Berms			\$ 0.09	\dashv			Avg Yarding Slope						60	%
	Total Other Allo	wanas :			0.94			Avg Yarding Distance (feet)				1,	000		
	Total Other And	wantes.						Avg Age						45	
								Volume C						0	%
								Volume G		ki				17	%
								Volume A						83	%
								Road Cons						0.00	
								Road Impi						0.00	
								Road Rene						0.00	
								Road Deco	omissi	on Static	ons Cruis	· 0		,,00	
								Cruised By	v		Ciuis		Mario Salı	non	
								Date D	,				12/01/2		
Total Logg	ing Costs per 16'	MDE		s	396.38			Type of C	ruise				Variable	Plot	
rotar Logg	ing Cusis per 10			6	390.36			County, St					Tillamook,	OR	
Center #1:	Willamina	Utilization C	enters	50	Miles			country, co							
Center #2 0 Miles			Net Volume				lume		053						
Weighted distance to Utilization Centers 50		i			Green (16' MBF) Salvage (16' MBF)				1,	052					
•		Length of Co	ntract					Saivage (1	o ME	or)				U	
Cutting and	l Removal Time			12	Months			Douglas-fir Peeler						0	
-	roperty Removai	Гіте		ī	Months			Export Volume						0	
	(C) (E)														

\$526.00

Scaling Allowance (\$0.50 per 16' MBF)

Stumpage Summary

Stumpage Computation	(16'	MBF)
Stampage Compatation	(10	******

Species	Trees	Net Volume	Pond Vaiue	(-) Profit & Risk	(-) Logging Cost	(+) Marginal Log Value	(-) Back Off	Appraised Price	Appraised Value
DF	7,538	1,052	\$ 412.69	\$ 41.27	\$ 396.38		\$(1.25)	\$ 41.30	\$ 43,447.60
Totals	7,538	1,052				_			\$ 43,447.60

Log Code by Percent

Species	Code #1	Code #2	Code #3	Code #4	Code #5	Code #6
Douglas-fir				37.0	52.0	11.0

Marginal Log Volume

Species	Grade #7	Grade #8		
Douglas-fir				

Appraised By:

Date:

Area Approval By:

Date:

District Approval By:

Date: