



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Wyoming State Office

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IN REPLY REFER TO:

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January 12, 2009

Instruction Memorandum No. WY-2009-013

Expires:

To: Field Managers
Attn: District/Zone Foresters

From: State Director

Subject: Update of Wyoming Minimum Price List for Forest and Vegetative Products,
Management of the 9120 Road Maintenance Account, and Forest Products Special
Stipulations

Program Area: Forestry

Purpose: This minimum forest and vegetative product price list updates and replaces the Wyoming Bureau of Land Management (BLM) Instruction Memorandums (IM) WY-2007-010 and WY-2007-010, Change 1. The list shows both hundred cubic feet (CCF) and thousand board feet (MBF) pricing schemes along with their average conversion factors. A minimum pricing schedule is included for biomass and other forest and vegetative products such as posts, poles, Christmas trees, berries, wildings, etc. This IM also establishes a standard BLM Wyoming Forest Product Cutting Permit Special Provisions to be included with each Personal Use Vegetative or Mineral Material Negotiated Cash Sale Contract (Form 5450-5). Direction is given for managing the 9120 Road Maintenance Account.

Policy/Action: The prices shown in Attachment 1 are minimum prices for forest product sales. Fair market value may be determined, as required by regulation, using any of the accepted appraisal methods listed below. However, where it is determined that fair market value is less than the minimum product price shown on the attached list; the product can be sold for less than the minimum product price. Authorized Officers may use the minimum price listing schedule as a basis to sell forest products when no market data exists to conduct an appraisal. Appraisal information must be documented in the official case file for the project.

Acceptable Appraisal Methods:

1. A comparative product sales analysis, or
2. A residual value analysis, whereby costs of obtaining and transporting the product to the market place are subtracted from the selling price at the market, including profit and risk.

Forest and vegetative product sales, including biomass, where the total value of the sale is \$2,499.00 or less, may be made using the Vegetative or Mineral Material Negotiated Cash Sale Contract (Form 5450-5). (This form may not be used for any stewardship contracting authority projects.) This is a cash sale contract and must be paid in full prior to issuance of the contract. Installments, payments, or bonding are not permitted with this form.

The 9120 Road Maintenance Subactivity funds are derived from the sale of forest products and are only to be used for the repair, maintenance, or closing of roads that service forest product harvest areas. This Subactivity is to be managed by the Zone Forester. Roads servicing forest product harvest areas that require maintenance will be evaluated and prioritized annually by the District/Zone Forester and District/Zone Engineer. The listing will be submitted to the appropriate Field Office management staff to be included either in the force account project list, or to be contracted out for completion.

The Authorized Officer may determine when it is appropriate to collect road maintenance fees on sales of forest or vegetative products, including biomass, when using Form 5450-5. When collected, the minimum road maintenance fee will be 20 percent of the total value of the product(s) being sold. This figure will be rounded to the nearest whole dollar. Fees collected for road maintenance will be deposited to the 9120 account for that Field Office. (Note: The collection of "Material Site Reclamation" fees is only appropriate when selling minerals, it is not appropriate when selling forest products).

Each Personal Use purchaser of a Vegetative Sale permit will sign the attached Forest Product Cutting Permit Special Provisions document. Personal use (as defined by CFR43-5400.0-5 Definitions) will use the form unaltered. Commercial Use (as defined by CFR43-5400.0-5 Definitions) permits will have a notation in the notes section to exclude Item #2 of the Special Provisions. A copy will be filed with the Field Office copy of the 5450-5 form. The person purchasing the permit will have a signed copy of these Special Provisions in their possession when gathering forest products on BLM lands covered under the permit. Only those delegated the authority via a Delegation of Authority (BLM form 1203-2) may execute the 5450-5.

Electronic Form 5400-24 is an acceptable alternative to using Form 5450-5 for the sale of forestry and vegetative products. This form automatically enters the sale into the Timber Sale Information System (TSIS). Anyone using this form must be on the user database in TSIS.

Timeframe: Effective immediately.

Budget Impact: This may reduce the time associated with issuance of small special forest product permits.

Background: The existing price list is from 2007 and the IM is expired. This IM reflects new prices and continues the standardized statewide special provisions stipulation document to the vegetative sales permit process.

Manual/Handbook Sections Affected: 43 CFR Subpart 5400 – Sales of Forest Products and 43 CFR 8365.1-5 Property and resources. This IM provides for establishment of a minimum acceptable price schedule for commonly used forest products from Wyoming forest and range lands.

Coordination: This IM was coordinated with the BLM Wyoming zone foresters in each of the four zones.

Contact: If you have questions pertaining to the sale of forest products or the 9120 Subactivity, please contact Bob Means, Forestry Program Lead at (307) 775-6287.

Signed by:
Donald A. Simpson
Acting State Director

Authenticated by:
Pamela D. Hernandez
Wyoming Central Files

2 Attachments:

- 1 - January 2009 Forest/Vegetative Product Minimum Price List (2 pp.)
- 2 - Forest Product Personal Use Cutting Permit Special Provisions (2 pp.)

Distribution

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