

INTEGRATED RESOURCE TIMBER CONTRACT PROSPECTUS

Stewardship Contract Name: SNOW-WAY Method of Measure: Weight Scale

National Forest: IDAHO PANHANDLE Ranger District: BONNERS FERRY

Method: Best Value

Location to Receive Bids: Forest Supervisor's Office

Address: 3815 Schreiber Way

Coeur d'Alene, ID 83815

Date: August 5, 2008 Time: 10:00 am

1. **INTRODUCTION.** This prospectus furnishes prospective bidders with information not contained in the published advertisement and is designed to enable bidders to decide whether or not to further investigate this Stewardship Project. The prospectus is not a legally binding document, but is offered to provide general information about a Stewardship Project. The prospectus does not include descriptions, estimates, and other data that are contained in the sample contract, unless otherwise stated. In the event that the prospectus contains an error or contradicts the sample contract, the contract governs. Bidders are urged to examine the sample contract and make their own estimates. Integrated Resource Contract form 2400-13 will be used. Inspect the contract area and the sample contract before submitting a bid. Obtain the appraisal, other information on the timber and stewardship projects, and conditions of bidding at Forest Service offices listed above and in the named attached advertisement.

2. **BIDDING.** This is a BEST VALUE Stewardship Contract. Bidders must submit sealed bids on prepared forms they can obtain from Forest Service offices listed above and in the attached advertisement. The forms include instructions for bidding and submission of the required certifications. **THE BIDS WILL NOT BE PUBLICLY OPENED.**

The bidder is required to submit a technical and price proposal and comply with all other provisions stated on the bid form. The proposal should be practical and be prepared simply and economically, providing a straightforward, concise delineation of what it is the bidder will do to satisfy the requirements of the contract. Upon contract award, this technical proposal will become a binding part of the contract. See Instructions to Bidders attached to the BID FOR INTEGRATED RESOURCE CONTRACT for instructions for preparation of technical proposals and evaluation factors for award.

Total Sale Value Bidding:

Bidders must submit bids for the timber in terms of the minimum acceptable total sale value. The bid form states minimum acceptable bid rates and estimated quantities of timber, together with the minimum acceptable total sale value. The advertised minimum acceptable total sale value is for the biddable species, as listed on the bid form in the upper section of block 14. The bidder should enter the bid on the bid form only in terms of the total timber value. The Forest Service shall establish bid rates by species in the contract by multiplying each species' minimum acceptable bid rate by the bid increase percentage. Such rates will be rounded to the nearest cent. The bid increase percentage is the bidder's total sale value bid rate divided by the minimum acceptable total sale value. The total amount for stumpage is the volume of each biddable species multiplied by its bid rate, plus the volume of each fixed rate species multiplied by its fixed rate.

Stewardship Projects

Bidders must submit bids for all mandatory and optional stewardship projects. The bidder should enter the bid on the bid form in both the rate per unit and the total bid for each item. Upon completion and acceptance of the stewardship projects the bidder will earn stewardship credits that can be applied to stumpage above base rates. Stewardship credits may not be used for deposits for slash disposal or road maintenance.

3. LOCATION AND DESCRIPTION OF TIMBER AND STEWARDSHIP PROJECTS. Refer to the sample contract and contract area map attached to the sample contract for legal location of contract area, location of cutting units, the acreage of contract area, the cutting unit acreage, and location of stewardship work activities.

THE FOLLOWING GENERAL LOCATION, ROUTES OF ACCESS, ACREAGES, AND OTHER SPECIAL LOCATION DATA DO NOT SUPERSEDE THE CONTRACT AREA MAP OR SAMPLE CONTRACT.

The contract area is 1685 acres in size and is located in sections 26-29 and 33-35, T62N, R1W; and sections 2 and 3, T61N, R1W, of the Boise Meridian, Boundary County, Idaho. The project area lies within the Snow Creek and Myrtle Creek drainages. The project area is located approximately 8 miles west of Bonners Ferry, accessed by Snow Creek Rod 402. Harvest is planned on 626 acres.

4. QUANTITIES AND RATES. The quality, size, cut per acre, and product suitability of the timber are estimates based on detailed cruise information on file and available for inspection at the Forest Service offices listed above and in the advertisement. VOLUME QUANTITIES LISTED HEREIN ARE MADE AVAILABLE WITH THE UNDERSTANDING THAT VALUES SHOWN ARE FOREST SERVICE ESTIMATES AND ARE NOT GUARANTEED. For these reasons, bidders are urged to examine the contract area and make their own estimates.

Road Construction Costs. The advertised rate does not include the estimated cost of specified road construction. The estimated road construction cost has been included in the appraisal as a cost that the contractor will incur. The contractor will be responsible for the road construction cost and WILL NOT receive credit towards stumpage costs for this expense, i.e., THIS CONTRACT DOES NOT INCLUDE STEWARDSHIP CREDIT FOR THE CONSTRUCTION OF SPECIFIED ROADS and contractors should consider the cost of specified road construction when developing their bids.

THE MINIMUM ACCEPTABLE BID RATE FOR THE MANDATORY TIMBER CUTTING UNITS IS STATED IN THE ATTACHED BID FORM. THESE RATES ARE EFFECTIVE AT THE TIME OF ADVERTISEMENT.

Mandatory Estimated Quantities and Minimum Acceptable Rates per Unit of Measure

Species	Product	Unit of Measure	Estimated Quantities	Average DBH	Minimum Acceptable Bid Rates	Base Rates	Required Deposits	
							Slash Disposal	Road Maintenance
Combined Softwood	Saw-timber	Ton	24465	9.7"	\$2.47	\$0.00	\$4.96	\$0.36
Combined Softwood	Non-saw-timber	Ton	6860	NA	\$2.47	\$0.00	\$4.96	\$0.36
	TOTAL	Ton	31325					
Optional Units								
Combined Softwood	Saw-timber	Ton	6964	10"	\$1.98	\$0.00	N/A	N/A

The minimum acceptable total value bid for advertised timber is \$ 77,370.28 for the Mandatory Timber Cutting Units. If the contractor elects to bid the optional cutting units, the minimum acceptable total value bid for the optional units is \$ 13,788.72. It does not include any fixed rate species listed on the bid form in block 14 titled "Only the Fixed Rate Applies." The total amount for stumpage is the volume of each species multiplied by its advertised rate, plus the volume of each fixed rate species multiplied by its fixed rate.

The bid rate for species and unit of measure are assigned under procedures for distribution of "bid premium," as noted in this prospectus. This rate has been established by appraisal, with a cost allowance for the roads specified by the contract, if any. Required deposits for slash disposal and road maintenance are in addition to the advertised rates for timber.

Contractors are responsible for the cost of specified road construction. Specified road construction costs ARE NOT available to use as credit for the payment of stumpage.

Stewardship Project Information

Project Number (a)	Project Description (b)	Unit of Measure (c)	Estimated Quantity (d)
Mandatory Stewardship Projects			
1	Skid Trail/Road Decompaction	Acres	0.6
2	Road Decommissioning	Miles	0.3
3	Leave Tree Protection	Acres	250
4	Slashing	Acres	113
5	Machine Slash Piling	Acres	123
Optional Stewardship Projects			
6	Slashing	Acres	178
7	Machine Slash Piling	Acres	153
8	Leave Tree Protection	Acres	315
9	Noxious Weed Treatment	Miles	5.5

All of the mandatory stewardship projects, as shown in A.4.3 of the sample contract, shall be performed. Optional stewardship projects, as shown in A.4.3 of the sample contract, shall be performed when authorized in writing by Contracting Officer. Such authorization may be for all or a portion of the quantity shown. Optional stewardship projects may be selected and authorized in any order. Upon written request of Contractor, additional stewardship projects shall be considered and authorized; however, Contracting Officer shall not be obligated to authorize additional stewardship projects if three or more authorized optional stewardship projects or any of the mandatory stewardship projects remain uncompleted. Contracting Officer shall not be obligated to authorize additional stewardship projects at any time if Contracting Officer determines that there is insufficient value of remaining designated timber to cover the value of additional stewardship projects

5. **PERIOD OF CONTRACT.** The normal operating season covers the period between June 15 and October 31 for units G2,G4,G7H,G7S,E8 and the road work and between December 1 and March 31 for units G1,G3,G5,G6,G8,G10,G11 and E3.

The contract termination date is December 31, 2013. Extensions of this contract may be granted only when the contractor has met specified conditions.

The technical proposal is a binding part of the contract. The contractor must also submit an annual operating schedule before commencing operations. This schedule will include the anticipated major activities and needs for harvest. This annual operating schedule of operations does not require concurrence of the Forest Service.

6. PAYMENT. Payment for timber and any required deposits for slash disposal or road maintenance are required in advance of cutting. Contractor may earn stewardship credits or provide an acceptable payment guarantee prior to cutting. “Stewardship Credits” are credits that are earned and established when work described in K-G.9# - Stewardship Projects of the sample contract has been performed and accepted. Stewardship Credits shall be earned at the bid rate as shown in the awarded contract. Earned Stewardship Credits may be used to pay for Included Timber value in excess of Base Rates and Required Deposits. **Base Rates and Required Deposits must be paid in cash.**

7. PERFORMANCE BOND. A performance bond is required. The penal sum of the bond will be \$ 20,000.00. If an irrevocable letter of credit is used to secure the performance bond, the termination of the letter of credit must be at least 12 months past the contract termination date.

8. SPECIFIED ROADS. The Forest Service has determined that the following National Forest System roads shall be constructed or paid for, in whole or in part, by the timber sale Contractor. Sufficient information to permit a prospective bidder to calculate the likely cost to be incurred for road construction is available at the Forest Supervisor’s Office. See the sample contract for verification of specific details and information concerning construction specifications. CONSTRUCTION ESTIMATES AND INFORMATION CONTAINED HEREIN, TOGETHER WITH RELATED SPECIFICATIONS, ARE NOT GUARANTEED. The following roads are those that Forest Service considers necessary to remove the timber from this sale.

Road Number	Road Name	Traffic Service Level	Approximate Miles	Estimated Road Construction Cost	Type of Work *
402	Snow Creek	C	5.5	\$63,962.00	*R
402A	Snow Creek A	D	0.9	\$ 3,634.60	*R
2190	Kootenai Ridge	D	3.2	\$16,544.75	*R

* C = Construction
R = Reconstruction

The required specified road completion date for all roads is October 31, 2009. If provision K-F.1.3# – Road Completion Date has different dates for projects, this is the final road completion date.

Total estimated road construction cost allowed in appraisal is \$ 84,141.35 .

A bidder qualifying as a small business concern may elect to have the Forest Service construct the specified roads listed above. Completion dates for construction apply whether construction is performed by the Contractor or by the Forest Service. If the bidder elects Forest Service construction, it is the Forest Service's intent to perform construction through contract. The Forest Service shall not award the timber sale contract unless either it receives a satisfactory road construction bid or, if it fails to receive such a bid within 120 days of opening timber sales bids, the bidder agrees to perform road construction.

If Contractor elects Forest Service construction, the total estimated public works construction cost that contract provision K-E.1.2# would require to be paid in addition to current contract rates is \$ 88,835.00.

9. ROAD MAINTENANCE. Contractor shall perform or pay for road maintenance work, commensurate with contractor's use, on roads controlled by Forest Service, and used by contractor in connection with this contract. Road maintenance requirements are based on the predicted haul route. Any change in the contractor's actual haul route may necessitate a change in the roads to be maintained and/or in the amount of required deposit for road maintenance. Required deposits for road maintenance are listed in K-F.3.1# - Road Maintenance Requirements of the sample contract.

10. INAPPLICABLE STANDARD PROVISIONS. See sample contract.

11. SPECIAL K PROVISIONS. See sample contract.

12. FINANCIAL ASSISTANCE. The Small Business Administration (SBA) may be able to assist small business concerns in financing construction of specified roads listed in the sample stewardship contract. Such SBA assistance, if available, may be in the form of guaranteed bank loans or direct participation SBA loans. Applicants must meet SBA size and eligibility requirements. **APPLICANTS ALSO MUST MEET CREDIT REQUIREMENTS OF SBA AND/OR A LOCAL BANK. APPROVAL OF LOAN ASSISTANCE RESTS WITH SBA AND IS CONTINGENT ON AVAILABILITY OF LOCAL FUNDS OR SBA FUNDS. FAILURE TO BE ELIGIBLE OR TO OBTAIN A LOAN IN NO WAY AFFECTS REQUIREMENTS OF BID FOR ADVERTISED TIMBER OR THE STEWARDSHIP CONTRACT.** If requested by the contractor, the stewardship contract can provide repayment of direct SBA loans through the Forest Service as the timber is cut.

13. SET-ASIDE SALES. Not Applicable

14. LOG EXPORT AND SUBSTITUTION RESTRICTIONS.

The contract requires domestic processing of included timber except for species declared to be surplus, and prohibits the use of such included timber in substitution for unprocessed private timber exported. The bidder, by signing the bid for advertised timber, certifies compliance with the applicable prohibitions against export and substitution prescribed in the Forest Resources Conservation and Shortage Relief Act of 1990, as amended (16 U.S.C. 620, et seq.) with each bid.

15. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE REVIEW. If the total contract value for this contract exceeds \$10 million, before award, the Forest Service shall request an equal employment opportunity compliance review of the contractor to determine compliance with the provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967 and Executive Order No. 12086 of October 5, 1978.

16. AWARD. The Contracting Officer is required to make a determination of contractor responsibility as stated in Title 36, Section 223.101, of the Code of Federal Regulations.

To determine a contractor to be responsible, a Contracting Officer must find that:

- a. The contractor has adequate financial resources to perform the contract or the ability to obtain them;
- b. The contractor is able to perform the contract within the contract term taking into consideration all existing contracts and Governmental business commitments;
- c. The contractor has a satisfactory performance record on similar type contracts. A prospective contractor that is or recently has been seriously deficient in contract performance shall be presumed not to be responsible, unless the Contracting Officer determines that the circumstances were beyond the contractor's control and were not created through improper actions by the contractor or affiliate, or that the contractor has taken appropriate corrective action. Past failure to apply sufficient tenacity and perseverance to perform acceptably under a contract is strong evidence that a contractor is not a responsible. The Contracting Officer shall consider the number of contracts involved and extent of deficiency of each in making this evaluation;
- d. The contractor has a satisfactory record of integrity and business ethics;
- e. The contractor has or is able to obtain equipment and supplies suitable for completing the requirements of the contract;
- f. The contractor is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Bidders, by signing the bid form, certify that, to the best of bidder's knowledge, the bidder will meet the requirements in 36 CFR 223.101, determination of contractor responsibility, and if awarded this contract, that bidder will complete the contract and any modifications thereof in accordance with its terms including requirements to purchase, cut, and remove included timber or forest products and complete stewardship projects by the termination date.

17. FALSE STATEMENTS ACT. Bidders, by signing the bid form, certify that they are aware that bidder is subject to the penalties prescribed in 18 U.S.C. 1001, Chapter 47, Fraud and False Statements (P.L. 104-45). The Act states “whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both.”

18. DAMAGES. This contract shall be terminated for breach if: 1) Contractor fails to execute this stewardship contract or furnish a satisfactory performance bond by the date required in the award letter, if required; or 2) bidder is found to have violated the False Statements Act in making any statement or certification on the bid form including not meeting responsibility requirements, and bidder has made a false statement.

19. SUSPENSION AND DEBARMENT CERTIFICATION. Non-procurement debarments and suspensions are governed by the Government-wide common rules (7 CFR 3017).

These rules require each contractor, to submit a certification for itself, its principals, and its affiliates when submitting a bid on stewardship contracts. The bidder must designate its status regarding debarment, suspension, and other matters as specified on the bid form. The bidder, by signing the bid, certifies this status. An explanation for not submitting a certification may be submitted. The Contracting Officer will determine whether the explanation provides sufficient reason for permitting participation in the competition. Also, as a contractor enters into transactions with subcontractors, these subcontractors must certify their eligibility. The certification titled “Subcontractor Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion” must be provided to subcontractors, but completed certifications are not required to be submitted with the bid. Contractor must keep these subcontractor certification forms on file for review by the Forest Service, if requested.

The certification forms and instructions for subcontractors’ transactions are provided as an addendum to the bid form.

20. OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) REGULATIONS. Conduct of operations on this contract is subject to compliance with all OSHA requirements related to the various work activities. Inspection by OSHA may include inspection for compliance with the logging operations regulations at 29 CFR 1910.266. This standard is applicable to the entire logging industry wherever logging operations occur. Information is available to assist contractors to ensure compliance with the logging operations regulations during conduct of this contract from the U.S. Department of Labor, Occupational Safety and Health Administration, OSHA Boise Area Office, 1150 North Curtis Road, Suite 201 Boise, ID 83706.

21. GENERAL.

Contractors should include as a consideration of bid the cost of performance bonds when submitting a price proposal for this contract.

The following changes will be made to the sample contract when the Forest Service constructs specified roads:

A.3 - Timber Designations: “Specified Road Clearing” will be changed to “Construction Clearing”
K-C.3.2.3.

A.7 - Change the title to “Permanent Roads To Be Constructed by Forest Service.”

A.22 - Make the following changes in A.22:

- Add K-C.3.2.3 - Construction Clearing
- Add K-E.1.2# - Amount Payable for Timber
- Add K-I.4.1 - Limitation of Performance by Other Than Purchaser.

- In order to prevent the spread of noxious weeds into the sale area, contractor shall be required to clean off-road logging and construction equipment prior to entry on to the sale area. Contractor shall treat noxious weeds along Road 402 by spraying 2 applications of herbicides, prehaul and post haul.
- There is an existing cost share agreement on Road 402. Liability insurance will be required.
- Much of this sale lies in the Pack River Grizzly Bear Occupancy Area. No spring helicopter logging, from April 1 - June 14, will apply to unit G7H, and optional units G2 and G4 for grizzly bear management. All tractor harvesting shall occur in the winter, during the grizzly bear denning period (November 16 – March 31).
- Skyline yarding is required on units G7S and E8. Unit E3 will be a skyline swing system, using a snow road and tractor to swing logs to a landing site.
- Tractor logging shall only occur when one or more of the following conditions exist: 18 inches of settled snow, 4 inches of frozen ground, 24” snow layer, or an adequate slash mat. Any skid trails excavated shall be fully recontoured after use by the contractor.

- Wet areas or elk wallows (units G1, G10) have been omitted from cutting units and marked with an orange-painted boundary. Road reconstruction activities in perennial streams shall only take place from July 15 – September 15, to minimize erosion.
- Skyline yarding requires full suspension as much as possible across any Riparian Habitat Conservation Areas (RHCA); designated as Streamside Management Zones (SMZ) on the map. In addition, no ground-based equipment is allowed in the SMZ. Units G3 and G10 currently exceed soil quality standards; therefore, skid trails no longer needed in the long term will be rehabilitated after use (including scarification, decompaction and incorporating organic debris, seeding and weed control). This will be done as a stewardship project.
- Hauling will be restricted on weekends and holidays for safety reasons, due to residential and recreational use of the haul route.
- Protect Ponderosa Pine and Larch >20” dbh reserve trees in units G1, G2, G6, G7H, and G7S. Contractor shall be charged \$2500 for each reserve tree cut, damaged or destroyed.
- Along Roads 402 and 2190, in all cutting units, whole trees shall be yarded to landings within 150’ of system roads and private property. This will include whole tree yarding in all of units G5, G8, and G11.
- The majority of acres being treated under this project require that the tops and limbs of sawtimber greater than 7.0 inch dbh be removed before skidding takes place. Areas not requiring limbing and lopping of tops are identified on the contract area map and under K-G.7# of the Integrated Resource Contract.
- Log unit G6 before G7H to utilize same landings. Log units G6, G7H and G7S within three consecutive seasons to facilitate underburning.

INSTRUCTIONS FOR THE PREPARATION OF TECHNICAL AND PRICE PROPOSALS

(a) - General Instructions. Proposals submitted shall be furnished in the following format with the numbers of copies as specified below.

(1) - The proposal must include a technical proposal and price proposal. Each of the parts shall be separate and complete so that evaluation of one may be accomplished independently from evaluation of the other. The technical proposal must not contain reference to cost.

(2) - Bidders must submit a proposal that meets all requirements specified in the sample contract.

(3) - The Government will evaluate proposals in accordance with the evaluation criteria set forth in the Instructions to Bidders that is attached to the bid form.

(4) - Bidders shall submit their proposals in the following format and the quantities specified:

(a) 1 copy of the completed, signed bid form FS-2400-14BV provided by the Forest Service for this contract.

(b) 3 copies of the technical proposal

(b) Technical Proposal Instructions. Technical proposals will be evaluated to determine the ability of the contractor to meet the requirements of the Government. Refer to Instructions to Bidders that is attached to the bid form for Technical Proposal Instructions.

EVALUATION, NEGOTIATION AND AWARD PROCESS

Refer to Item 5 Evaluation and Award of Contract in the Instructions to Bidders that is attached to the bid form.

POSTAWARD DEBRIEFING OF BIDDERS

- (a)
 - (1) A bidder, upon its written request received by the agency within 3 days after the date on which that bidder has received notification of contract award in shall be debriefed and furnished the basis for the selection decision and contract award.
 - (2) To the maximum extent practicable, the debriefing should occur within 5 days after receipt of the written request.
 - (3) A bidder that was notified of exclusion from the competition, but failed to submit a timely request, is not entitled to a debriefing.
 - (4)
 - (i) Untimely debriefing requests may be accommodated.
 - (ii) Government accommodation of a request for delayed debriefing, or any untimely debriefing request, does not automatically extend the deadlines for filing protests. Debriefings delayed could affect the timeliness of any protest filed subsequent to the debriefing.
- (b) Debriefings of successful and unsuccessful bidders may be done orally, in writing, or by any other method acceptable to the contracting officer.
- (c) The contracting officer should normally chair any debriefing session held. Individuals who conducted the evaluations may provide support.
- (d) At a minimum, the debriefing information shall include:
 - (1) The Government's evaluation of the significant weaknesses or deficiencies in the bidder's proposal, if applicable;
 - (2) The overall evaluated cost or price (including unit prices) and technical rating, if applicable, of the successful bidder and the debriefed bidder, and past performance information on the debriefed bidder;
 - (3) A summary of the rationale for award;
- (e) The debriefing shall not include point-by-point comparisons of the debriefed bidder's proposal with those of other bidders. Moreover, the debriefing shall not reveal any information prohibited from disclosure by Federal Acquisitions Regulations 24.202 or exempt from release under the Freedom of Information Act (5 U.S.C. 552) including:
 - (1) Trade secrets;
 - (2) Privileged or confidential manufacturing processes and techniques;
 - (3) Commercial and financial information that is privileged or confidential, including cost breakdowns, profit, indirect cost rates, and similar information; and
 - (4) The names of individuals providing reference information about a bidder's past performance.
- (f) An official summary of the debriefing shall be included in the contract file.