

TIMBER SALE PROSPECTUS

Sale Name :	South Drive Inn	Type of Sale :	Premeasured
National Forest :	Allegheny	Ranger District :	Marienville
Bidding Method :	Sealed Bid	Bid Guarantee :	\$27,200.00

Location of Bid Opening : District Ranger's Office, 131 Smokey Lane, Marienville, PA 16239

Date : 04/09/2009

Time : 02:00 PM

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 the sale. The prospectus is not a legally binding document, but is offered to provide general information about a sale. The contract does not include descriptions, estimates, and other data in this prospectus, 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 timber sale and make their own estimates. Timber sale Contract 2400-6T will be used. Inspect the sale area and the sample contract before submitting a bid. Obtain the appraisal, other information on the timber, and conditions of sale and bidding at Forest Service offices listed above and in the named attached advertisement.

2. BIDDING. This is a Sealed Bid sale. 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. A bid guarantee must be included with the bid in the form of cash, a bid bond on form FS-6500-13 (4/82) or later, certification of annual bid bond allocation on form FS-6500-13a (4/82) or later, an irrevocable letter of credit, a certified check, bank draft, cashiers check, official bank check, or bank or postal money order payable to the Forest Service, USDA in the amount specified above and in the bid form. The bid guarantee shall be returned to each bidder whose bid is not accepted.

3. LOCATION AND DESCRIPTION OF TIMBER. Refer to the sample contract and sale area map attached to the sample contract for legal location of sale area, location of payment units, location of cutting units, the acreage of sale area, and the cutting unit acreage.

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

The South Drive Inn Timber Sale Area is located approximately 3 miles east of Kane, Pa., on the north side of SR 6, along FR 186 and includes 1030 gross acres. Cutting will be confined to approximately to 192 acres.

Individual Tree CT 2.355#

All trees designated for Cut Tree Mark (CTM), as shown on sale area map, are designated for cutting with paint at dbh and the stump. Color designations are shown on sale area map and special provision CT 2.355#.

4. TIMBER 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 timber sale 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 purchaser will incur. The purchaser will be responsible for the road construction cost and WILL NOT receive credit towards stumpage costs for this expense, i.e., THIS SALE DOES NOT INCLUDE PURCHASER CREDIT and bidders should consider the cost of road construction when developing their bids.

THE MINIMUM ACCEPTABLE BID RATE IS STATED IN THE ATTACHED BID FORM. THESE RATES ARE EFFECTIVE AT THE TIME OF ADVERTISEMENT.

Estimated Quantities and Rates per Unit of Measure

Species	Product	Unit of Measure	Estimated Quantities	Average DBH	Advertised Rates	Base Rates	Required Deposits	
							Slash Disposal	Road Maintenance
Black Cherry	Sawtimber	CCF	827.00	15.7	\$319.25	\$147.23	\$0.00	\$0.66
Hardwood - Other	Sawtimber	CCF	27.00	13.5	\$12.00	\$12.00	\$0.00	\$0.66
Red Maple	Sawtimber	CCF	104.00	13.6	\$52.24	\$43.54	\$0.00	\$0.66
Sugar Maple	Sawtimber	CCF	6.00	12	\$81.18	\$47.86	\$0.00	\$0.66
Softwood - Other	Pulpwood	CCF	4.00	8.9	\$1.90	\$1.90	\$0.00	\$0.66
Hardwood - Other	Pulpwood	CCF	800.00	8.9	\$1.90	\$1.90	\$0.00	\$0.66
	TOTAL	CCF	1.768				\$0.00	\$1,166.88

Estimated Knutson-Vandenberg deposit for sale area improvement work in a total amount of \$127,979.00 is included in total timber value.

5. PERIOD OF CONTRACT. The normal operating season covers the period between 05/15 and 03/01. Contract termination date is 10/31/2013. Extensions of this contract may be granted only when the purchaser has met specified conditions.

If an appeal or lawsuit is filed challenging the decision to award this contract or upon determination by the Regional Forester that conditions existing on this timber sale are the same as, or nearly the same as, conditions existing on other timber sale(s) in appeal or litigation, Contracting Officer may delay award or reject all bids. If delay in award is for 30 days or more during Normal Operating Season after bid opening, Contracting Officer shall, upon award, adjust the contract term to include additional calendar days in one or more Normal Operating Seasons equal to the time award is delayed during Normal Operating Season.

The purchaser must submit a Plan of Operations to the Contracting Officer for approval before operations begin or within 60 days of sale award, whichever is earlier. The plan must show how the purchaser plans to complete the contract by the termination date. In addition to the Plan of Operations, the purchaser must submit an annual Operating Schedule before commencing operations. This schedule will include the anticipated major activities and needs for harvest. This annual Operating Schedule 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. Purchaser may provide an acceptable payment guarantee prior to cutting. Payment for required deposits must be a cash payment. The purchaser shall make advance deposits in accordance with B(T)(P)4.212 - Advance Deposits.

The high bidder whose bid is accepted shall, at the time the contract is signed and returned by the bidder, make a downpayment pursuant to Title 36, Section 223.49, of the Code of Federal Regulations. The Contracting Officer will notify the high bidder of the amount necessary to make this payment. In no case shall the downpayment be less than 10 percent of the total advertised value and 20 percent of the bid premium. After receipt of the downpayment and a satisfactory performance bond and upon execution of the timber sale contract, the Forest Service will return the bid guarantee. A cash bid guarantee may be applied to the downpayment at the request of the purchaser. The purchaser cannot apply the amount deposited as a downpayment to cover other obligations due on the sale until stumpage value representing 25 percent of the total bid value of the sale is shown to have been cut, removed, and paid for on the statement of account.

By 10/16/2011, the purchaser shall have paid for, or in lieu thereof, deposited cash in the amount of: (1) 50 percent of the total

estimated bid premium, or (2) 35 percent of the total estimated sale value at bid date, exclusive of required deposits, rounded up to the next \$100.

By 10/07/2012, the purchaser shall have paid for, or in lieu thereof, deposited cash in the amount of 75 percent of the total estimated sale value at bid date, exclusive of required deposits, rounded up to the next \$100.

7. PERFORMANCE BOND. A performance bond is required. The penal sum of the bond will be 10 percent of the total bid value of the sale, rounded up to the nearest \$100 when the total bid value is \$10,000 or less; and rounded up to the nearest \$1,000 when the total bid value exceeds \$10,000. In no case will the performance bond be less than \$28,000.00. If an irrevocable letter of credit is used to secure the performance bond, the termination of the letter of credit must be at least 6 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 purchaser. 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.

Specified Roads

Road Number	Road Name	Termini		Traffic Service Level	Approximate Kilometers	Approximate Miles	Estimated Cost	Type of Work *
		From	To					
FR 460	Gladwater	0	1.8	C	1.8	1.12	\$24,446.50	R
FR 461	Greendale	0	1.3	C	1.3	0.81	\$16,420.00	R
FR 186	Kinglad	0	1.8	C	1.8	1.12	\$3,981.00	R

* C = Construction
R = Reconstruction

The latest specified road completion date is 09/30/2009. If provision C(T)5.13# - Road Completion Date has different dates for projects, this is the final road completion date.

Total estimated construction cost allowed in appraisal is \$54,247.50

The estimated road construction cost includes the cost of road reconstruction engineering services, pursuant to Public Law 88-657, 78 Stat. 1089, 16 U.S.C. 532-537. Refer to C(T)5.213# - Deposit for Reconstruction Engineering Services in the sample contract for additional information.

Purchaser shall make a cash deposit in the amount \$9,400.00 for engineering services completed by Forest Service in preparation of this contract. The Forest Service shall complete reconstruction related engineering services on the following schedule:

Deposits for Reconstruction Engineering Services

Road or Facility Number	Termini From -To (MP or Station)	Engineering Services Completion Date
FR 186	0 1.8	02/09/2009
FR 460	0 1.8	02/09/2009
FR 461	0 1.3	02/09/2009

9. ROAD MAINTENANCE. Purchaser shall perform or pay for road maintenance work, commensurate with purchaser's use, on roads controlled by Forest Service, and used by purchaser in connection with this sale. Road maintenance requirements are based on the predicted haul route. Any change in the purchaser'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 Section 4 and in the sample contract. Maintenance specifications are in the sample contract.

10. INAPPLICABLE STANDARD PROVISIONS. See sample contract.

11. SPECIAL 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 timber sale 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 SALE OR THE TIMBER SALE CONTRACT.** If requested by the purchaser, the timber sale 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. Not Applicable.

15. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE REVIEW. If the total bid value plus required deposits for this contract exceeds \$10 million, before award, the Forest Service shall request an equal employment opportunity compliance review of the high bidder 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 bidder responsibility as stated in Title 36, Section 223.101, of the Code of Federal Regulations.

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

- a. The purchaser has adequate financial resources to perform the contract or the ability to obtain them;
- b. The purchaser is able to perform the contract within the contract term taking into consideration all existing contracts and Governmental business commitments;
- c. The purchaser has a satisfactory performance record on timber sale contracts. A prospective purchaser 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 purchaser's control and were not created through improper actions by the purchaser or affiliate, or that the purchaser has taken appropriate corrective action. Past failure to apply sufficient tenacity and perseverance to perform acceptably under a contract is strong evidence that a purchaser is not a responsible contractor. The Contracting Officer shall consider the number of contracts involved and extent of deficiency of each in making this evaluation;
- d. The purchaser has a satisfactory record of integrity and business ethics;
- e. The purchaser has or is able to obtain equipment and supplies suitable for logging the timber and for meeting the resource protection provisions of the contract;
- f. The purchaser 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 purchaser responsibility, and, if awarded this contract, that bidder will complete the timber sale contract and any modifications thereof in accordance with its terms including requirements to purchase, cut, and remove included timber.

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 pursuant to paragraph 16, 19, and/or 21 of the bid form and the terms of the sample contract if: 1) bidder fails to execute a timber sale contract, furnish a downpayment, or furnish a satisfactory performance bond within 30 days of the award letter's date; 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 purchaser responsibility requirements, and bidder has made a false statement. The bid guarantee shall be retained, in whole or in part, by the Forest Service to satisfy any damages that may be assessed.

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 timber sale purchaser, to submit a certification for itself, its principals, and its affiliates when bidding on sales. The bidder must designate its status regarding debarment, suspension, and other matters as specified on the bid form. The bidder, by signing the bid form, 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 bidding. Also, as a timber sale purchaser 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 bid forms. Purchaser must keep these subcontractor certification forms on file for review by the Forest Service, if requested.

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

20. OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) LOGGING REGULATIONS. Conduct of operations on this timber sale is subject to inspection for compliance with the logging operations regulations at 29 CFR 1910.266 by OSHA. This standard is applicable to the entire logging industry wherever logging operations occur. Information is available to assist purchasers to ensure compliance with the logging operations regulations during conduct of this timber sale from the U.S. Department of Labor, Occupational Safety and Health Administration, OSHA, 1128 State ST, STE 200 Erie, PA 16501, (814) 461-1492.

21. GENERAL.

U. S. Department of Agriculture Quarantines: Quarantines of forest products against the spread of emerald ash borer (Butler, Lawrence, Allegheny, and Beaver Counties), pine shoot beetle (entire state) and gypsy moth (entire state) are now in effect in Pennsylvania. Timber from this sale comes from within the quarantined area for gypsy moth and pine shoot beetle. The buyer is responsible for understanding and complying with all applicable quarantines. Please contact the regional office of U.S. Department of Agriculture, P.O. Box 1554, Williamsport, PA 17701, telephone 570-322-5784 or see their website: http://www.aphis.usda.gov/plant_health/plant_pest_info/index.shtml for further information on regulations, inspections, and certification to move regulated articles out of quarantined areas.

Equipment Cleaning: This sale contains standard provision BT6.35 - Equipment Cleaning. Off road equipment used on this sale (such as skidders, forwarders, and construction equipment) shall be free of noxious weeds of concern, and free of soil, seeds, vegetative matter, or other debris that could contain or hold such seeds, prior to moving onto the Sale Area, and for subsequent moves to other payment units on sale. An appraisal adjustment has been made for the cleaning of such equipment. The Sale Area Map depicts units infested with specific noxious weed species of concern. Maps of known locations are available for inspection at the Forest Supervisor's office in Warren, PA. A list of noxious weeds of concern to the Forest Service is available for inspection at the same location.

Road Bonding: State and Township roads are subject to weight limit restrictions and may require bonding. Bonding of Township or State roads is the responsibility of Purchaser.

Protect Survey Monuments.

Showing: No formal showing is planned for this sale. If prospective bidders have any questions regarding the sale they should contact the Marienville Ranger District at 814-927-6628. Office hours are 8:00 am - 4:30 pm, Monday - Friday, except holidays.

Protect Improvement. There are oil and gas wells and pipelines across the Sale Area.

Temporary Developments: It is estimated that the Purchaser will have to construct 3 landings, reconstruct 3 landings, install and maintain 4 logging and traffic control signs, and plow snow on Forest Roads. All temporary development costs have been considered in the advertised minimum rates.

Seed, Lime, Fertilize, and Mulch Requirements: The estimated total area to be treated is approximately 3 acre(s).

Harvest Schedule: Only 4 Payment Units will be open at any one time unless changed by written agreement between the Purchaser and the Forest Service Representative.

Operating Restrictions: Within Payment Units 1, 2, 3, and 4, cutting and skidding is permitted only during the period of May 15 to September 30 and December 15 to March 1 (group II soils).

Cutting and skidding within 100 feet of FR 186 in payment units 2 and 4, and hauling on FR 186 is prohibited during the established Allegheny Snowmobile Season, Saturday, Sunday, and Legal Holidays.

Skidding and Yarding Requirement: Within Payment Units 1, 2, 3 and 4, skidding equipment must stay on approved skid trail locations. Trees will be directionally felled to the lead and products yarded to approved skid trails by cable.

Slash Disposal: All slash resulting from Purchaser's operations shall be removed within 50 feet of FR 186 and lopped and scattered to lie within 3 feet of the ground for an additional 50 feet in payment units 2 and 4..

Information regarding this offering can be found on the Allegheny National Forest website under Timber Sale Contracting Information at: www.fs.fed.us/r9/forests/allegheny/Contracting and Timber Sale Contracting Information

Other: The South Drive Inn Timber Sale does not use the new taper equations for volume estimation.

Sale Value: Total sale value based on advertised rates is \$ 271,791.39