

PROSPECTUS

Hnpishmn Logging Unit

COEUR D'ALENE INDIAN RESERVATION

THIS TIMBER IS NOT SUBJECT TO EXPORT RESTRICTIONS OR SUBSTITUTION LAWS

INTRODUCTION

Coeur d'Alene Tribal Forestry offers for sale by sealed bid, in accordance with 25 CFR 163 an estimated 1,770 MBF of merchantable timber and 400 tons of Mixed Fir Species tonwood on the Hnpishmn Logging Unit. Bids will be opened at the Coeur d'Alene Tribal Forestry Office, 402 Anne Antelope Avenue, Plummer, Idaho 83851 on May 18, 2016. No bids will be accepted after 10:00 AM local time, except as allowable by TERO Ordinance and CDA Resolutions 346 (2003) and 279 (2004). Only bids from entities that have a current Coeur d'Alene Tribal Business license will be accepted.

This prospectus is furnished to acquaint you with some of the requirements and features of this logging unit. If its wording or meaning disagrees with the contract, the contract is final and binding. We urge you to discuss complete contractual obligations with the forestry staff at the Coeur d'Alene Tribal Forestry Office in Plummer, Idaho. Arrangements may be made there for examination of the sale unit. No guarantee is made of the forest products volume or quality mentioned herein. You are urged to make your own independent estimates to determine your bidding decisions. Each bidder must be prepared to assume full responsibility for the success of the operation under contract terms at the price bid.

BIDDING PROCEDURES

Acceptable bids must be submitted in duplicate, on forms provided, in a sealed envelope marked outside "Proposal for Timber, Hnpishmn Logging Unit" and sent to the Superintendent, Coeur d'Alene Agency, P.O. Box 287, Plummer, ID 83851, or hand delivered to the Coeur d'Alene Tribal Forestry Building, 402 Anne Antelope Avenue, Plummer, ID 83851. Each bid must state the price per net thousand board feet (MBF), Scribner Decimal C log scale that will be paid for sawlogs cut and scaled. Minimum bid prices for the Hnpishmn Logging Unit are:

Ponderosa Pine Sawlogs	\$195.00 per MBF
Douglas-fir and Other Species Sawlogs	\$250.00 per MBF
Mixed Fir Species – tonwood (log diameters 4 to 5.5 inches—non-biddable)	\$23.00 per TON

The Hnpishmn Logging Unit contains minor and/or unestimated amounts of the following products that are not biddable items. These include:

Western Redcedar Sawlogs	\$500.00 per MBF
All Species—Pulp and Other Products	\$2.00 per TON
Blue-stained Pine Sawlogs	\$10.00 per MBF

Bidders must also submit a completely signed copy of their Tribal Business license to expedite the award process. Indian preference will apply as per TERO Ordinance. Bidders claiming Indian Preference Logging certification must submit verification of Indian Preference Logging Contractor status to be considered for Indian Preference.

PERIOD OF CONTRACT

The contract provides that all the timber designated for cutting will be hauled and scaled on or before October 15, 2016. All other contract obligations will be completed by October 31, 2016.

Increased stumpage rates can be expected on volume hauled and scaled after October 15, 2016, if an extension is granted.

LOCATION

The contract area is located southwest of DeSmet, Idaho. It is accessed by taking US Highway 95 to DeSmet, Idaho then driving 0.8 miles west on the DeSmet Road to the King Valley Road. Tribal Allotment 189 is 0.5 miles south. Tribal Allotment 299 is 2.5 miles south, and Allotment 301 is 2.75 miles south. Each allotment borders the King Valley Road. The eastern portion of Tribal Allotment 299 is accessed from the Pole Camp Road, a native surface road that comes off the King Valley Road at the two mile mark. The sale area is approximately 50 miles south of Coeur d'Alene, Idaho. The entire area is located in Benewah County, Idaho. Approximately 276 acres are to be cut within the 400 acre logging unit.

Mileage to Area Wood Product Processing Facilities

Bennett Lumber Products in Princeton, Idaho	30
Boise Cascade, Kettle Falls, Washington	142
Boise Cascade, Arden, Washington	123
Idaho Forest Group, Chilco, Idaho	63
Idaho Forest Group, LaClede, Idaho	102
Idaho Forest Group, Lewiston, Idaho	71
Potlatch Lumber Company, St. Maries, Idaho	37
Stimson Timber Company, Plummer, Idaho	17
Stimson Timber Company, St. Maries, Idaho	38
Swan Lake Fiber Company, St. Maries, Idaho	38
Thompson River Lumber Company, Thompson Falls, Montana	197

SPECIAL CONSIDERATIONS

No cutting shall be allowed prior to June 30 unless the Purchaser agrees to and performs special slash disposal tactics. Tribal Forestry shall approve tactics required to limit infestation by pine engraver beetles (*Ips pini*). These tactics may include burning or chipping slash at landings, or other special treatment. Operations other than cutting shall be at the discretion of the Officer in Charge to provide security for wildlife and to prevent damage to roads.

TIMBER CRUISE SUMMARY

Cruise volume in areas marked to cut was estimated by measuring every cut tree diameter at breast height (DBH) to the nearest one-inch diameter class with a Biltmore stick and using Forest Projection and Planning System (FPS) software to predict heights and to calculate gross volume per tree. Defect, total height and taper heights were subsampled and used to calculate net volume. Approximately 11, 225 trees are marked for cutting.

Tables 1, 2, and 3 below display volume by allotment per species and other information. PP designates ponderosa pine; DF is Douglas-fir; GF is grand fir; WL is western larch.

Table 1: Harvest Volume By Allotment

Allotment Number	Total Acreage	Acreage to be logged	Total Sawlog Volume (MBF)	Volume (MBF)		Cut Volume per Acre (board feet)	Logs per MBF
				PP	DF&OS		
A301	80	79	360	340	20	4,800	14.6
T189	160	99	520	510	10	5,400	13.0
T299	160	107	890	390	500	8,300	21.7
Total	400	285	1,770	1,240	530	6,200	17.7

Table 2: Volume by Small End Log Diameter and Species

Diameter	MBF Volume by Species by one-inch Log Diameter Class								All Species	
	DF	Percent	GF	Percent	PP	Percent	WL	Percent	Total	Percent
5	40	10	24	14	54	4	3	18	122	6
6	35	8	14	8	45	3	2	12	96	5
7	48	12	13	8	54	4	2	10	117	6
8	28	7	12	7	59	5	2	12	101	5
9	56	14	20	12	69	5	1	8	146	8
10	44	11	18	11	91	7	1	8	155	8
11	36	9	11	7	103	8	1	6	151	8
12	10	2	4	2	57	4	2	9	73	4
13	29	7	8	5	74	6	0	2	111	6
14	12	3	6	4	82	6	1	3	101	5
15	16	4	7	4	88	7	1	4	112	6
16	12	3	5	3	98	8	0	1	114	6
17	5	1	5	3	46	4	1	6	57	3
18	8	2	3	2	85	7	0	0	95	5
19	6	1	5	3	43	3	0	1	54	3
20	29	7	13	8	248	19	0	0	290	15
Total	412	100	169	100	1295	100	18	100	1895	100

Only Douglas-fir, grand fir, and western larch 5" volume was used to estimate Mixed Fir Species tonwood.

Small quantities less than 1 MBF of lodgepole pine and western redcedar have been marked for cutting. Lodgepole pine will be purchased at the rate for Douglas-fir and Other Species Sawlogs. Western redcedar will be charged at rates specified below and in the timber sale contract.

Table 3. Estimated volume and minimum acceptable bid

Product	Estimated Amount	Minimum Bid
Ponderosa Pine Sawlogs	1,240 MBF	\$195.00 per MBF
Douglas-fir and Other Species Sawlogs	530 MBF	\$250.00 per MBF
Western redcedar Sawlogs	<1 MBF	\$500.00 per MBF
Mixed Fir Species Tonwood	400 Tons	\$ 23.00 per TON (non-biddable)

Dead Douglas-fir or western larch cannot be removed as Pulp & other products or for firewood. Any dead Douglas-fir and western larch logs that are skidded to the landing and do not meet sawlog or Mixed Fir Species tonwood specifications shall be piled separately at the landing and not removed.

TIMBER MARKING

Within the logging unit, trees are designated for cutting by paint marks at eye level and below stump height. All trees designated for cutting are to be cut and tested for merchantability.

Trees are marked for CUT with the following colors of paint:

Blue: Tribal Allotments 189 and 299

Yellow: Allotment 301

Additional timber may be designated for cutting during the life of the contract. The purchaser will be required to cut and pay for any additional timber designated for cutting.

ROAD CONSTRUCTION AND MAINTENANCE

Existing roads can be used to access most of the contract area. Road work needed is minimal and consists of repair of an eroding rolling dip and also blading occasional rutted sections. A load of rock will need to be applied, and the dip reconstructed. Approximately 3 miles of haul roads will need blading and smoothing and rolling dips and cross drains established upon completion of operations.

Roads must be maintained while in use as directed by the Officer in Charge. Road work required of the purchaser is expected to consist primarily of maintaining satisfactory drainage on roads. Construction of cross ditches and removal of any material that would impede runoff will be required prior to cessation of operations or periods of heavy runoff. If warranted, dust abatement measures will be required around residences or in the interests of safety. At the completion of logging, necessary maintenance and repairs to un-surfaced roads and cleaning of cattle guards must be completed by the purchaser.

After final road maintenance, approximately 3 miles of secondary haul roads, spur roads, landings, and exposed skid trails shall be seeded with an approved grass and fertilizer mix provided by the purchaser.

LOGGING RESTRICTIONS

The season of operation is restricted to the months of June through October. Before operations commence on the ground, a written plan detailing landing location and proposed skid trail locations shall be prepared and approved by the Officer in Charge. This plan shall become a part of the logging plan.

A gate across the Pole Camp Road must be kept closed to contain cattle.

Operations may be suspended for such periods as the Officer in Charge may deem necessary to avoid excessive damage when ground conditions are unfavorable.

No operation of felling or skidding equipment will be allowed within delineated Riparian Management zones. In Tribal Allotment 299, this requirement will make necessary the establishment of 5 separate landing locations. Operation of equipment within 25 feet of any intermittent stream must have prior approval of the Officer in Charge. All stream crossings must be designated and approved in advance in writing by the Officer in Charge. Rock, culverts, log corduroy, PVC pipe bundles, or a similar acceptable substitute may be required. Acceptable substitute requirements:

1. Must be able to allow unimpeded runoff passage during storm events
2. Must maintain stream bank stability
3. Must maintain integrity of stream bottom

Operation of skidding equipment will only be permitted on dry or frozen soils. Liquidated damages may be assessed for unauthorized stream crossings, soil damage from unauthorized skid trail and/or landing construction, and soil loss resulting from improper water bar installation. The amounts will be set at \$500.00 for each unauthorized stream crossing and at ten cents per square foot of soil damaged or lost by improper skid trail, landing, or water bar installation.

SCALING PROVISIONS

Scaling shall be by third party scaling service authorized to scale Indian logs (or by USDA Forest Service scalers at approved sites), except that waste material shall be scaled by Tribal Forestry. Third party scaling by the consuming mill may be authorized by the Approving Officer through approval of a Consumer Scale Authorization and Third Party Scaling Agreement with the consuming mill(s). If the Purchaser is the consuming mill, an Addendum to the Consumer Scale Authorization must be approved, requiring that an independent producer (logging sub-contractor) must cut and skid the timber to be scaled and that the basis for payment between the two parties will be based on scale.

The planned scaling frequency is 100 percent.

Logs that become blue-stained due to negligence on the part of the purchaser shall be considered green sawlogs for payment purposes. Blue-stained sawlogs are defined as logs showing blue stain in both ends of the scaling cylinder.

SLASH AND CULL TREE DISPOSAL

Whole tree skidding of trees is required except as directed by the Officer in Charge to protect established regeneration. Slash depth remaining after skidding must be no higher than three feet and no closer than three feet from residual trees. Excessive slash remaining in the unit such as broken branches shall be piled, lopped and scattered, or treated through other methods as directed by the Officer in Charge. Damaged conifer regeneration shall be cut. Slash remaining from previous harvest operations or from insect, wind, or other damage shall be re-piled with current harvest slash. Landing slash shall be compactly piled, free of dirt, and at a distance from live trees where no damage will occur during pile burning. Cull logs skidded into landings must be compactly decked, separated from slash and not burned.

Directional falling and pre-designated skid trails shall be utilized to minimize damage to established regeneration.

The purchaser will not be responsible for burning. A payment in the amount of \$90 dollars will be required from the purchaser to cover the cost to the Tribe of burning piles.

The purchaser shall obtain and furnish a copy of the Certificate of Slash Disposal Compliance from the Idaho Department of Lands to the Coeur d'Alene Tribal Forestry Department before beginning operations.

DEPOSIT WITH BID

A deposit with bid, in the amount of TWELVE THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$12,500.00) in the form of cashier's check, bank draft, or postal money order, payable to the Bureau of Indian Affairs, must accompany each sealed bid. The deposit of the apparent high bidder and of others who submit written requests to have their bids considered for acceptance will be retained pending acceptance or rejection of bids. Deposits of the unsuccessful bidders will be returned.

NOXIOUS WEEDS

Skidding equipment shall be washed seasonally prior to move-in. Washing shall be sufficient to remove weed seeds from the equipment. The Officer in Charge additionally may require washing of skidding equipment prior to movement to a different location.

UTILIZATION

Timber shall be cut to fully utilize the merchantable material and to yield the maximum stumpage value. Timber cut into lengths or products of lesser value shall be scaled as if cut to yield the maximum value of products covered by the contract. The purchaser shall ensure that all merchantable material that is designated to be cut is removed from the sale. All waste in improper long butts, tops, broken and partially sound logs, missed logs or trees, and trees designated for cutting that are not removed shall be scaled by Tribal Forestry and paid for by the purchaser.

PAYMENT FOR TIMBER

The purchaser shall pay for timber **in advance of cutting** through advance payments and advance deposits in a form acceptable to the Approving Officer. Payments and deposits are due on the date specified in the written requests from the BIA/Tribe.

ADVANCE PAYMENT

An advanced payment equal to 25% of the contract stumpage value is due within 30 days from the date of the Allotment 301 subsidiary contract approval and before cutting begins. This advance payment shall be credited against the timber of this allotment as the timber is cut and scaled at the contract stumpage rates. Advance payments are not refundable.

ADVANCE DEPOSIT

The contract requires that timber will be paid for in advance of being cut. This shall be accomplished by maintaining an account of advance deposits, which the Purchaser will pay into at regular intervals during the course of operations to maintain a minimum balance. The minimum advance deposit and minimum balance shall be calculated based on the bid rate and expected monthly production of the purchaser.

After the bid has been accepted by the Approving Officer, a required Log Plan meeting will be held with the Purchaser to determine the specifics of the planned harvest operation. The Advance Deposit will then be calculated by multiplying the average volume of the monthly production during the Purchaser's usual or average planned season of operations by the bid price for all sawlogs and products of the estimated volume.

Refunds of any surplus account balance shall be made to the purchaser upon closure of the sale.

PERFORMANCE BOND

A performance bond in the amount of \$35,000 shall be furnished by the Purchaser within 30 days of the acceptance of the bid, and shall be retained for the duration of the contract to ensure satisfactory performance by the Purchaser. The bond may be in the form of a cashier's check, or other form acceptable to the Approving Officer.

FINANCIAL STATEMENT

Before officially accepting the bid, the Coeur d'Alene Tribe may require a financial statement from a corporation, partnership, or individual who has not previously purchased timber from the Coeur d'Alene Tribe.

TRIBAL EMPLOYMENT RIGHTS ORDINANCE (TERO)

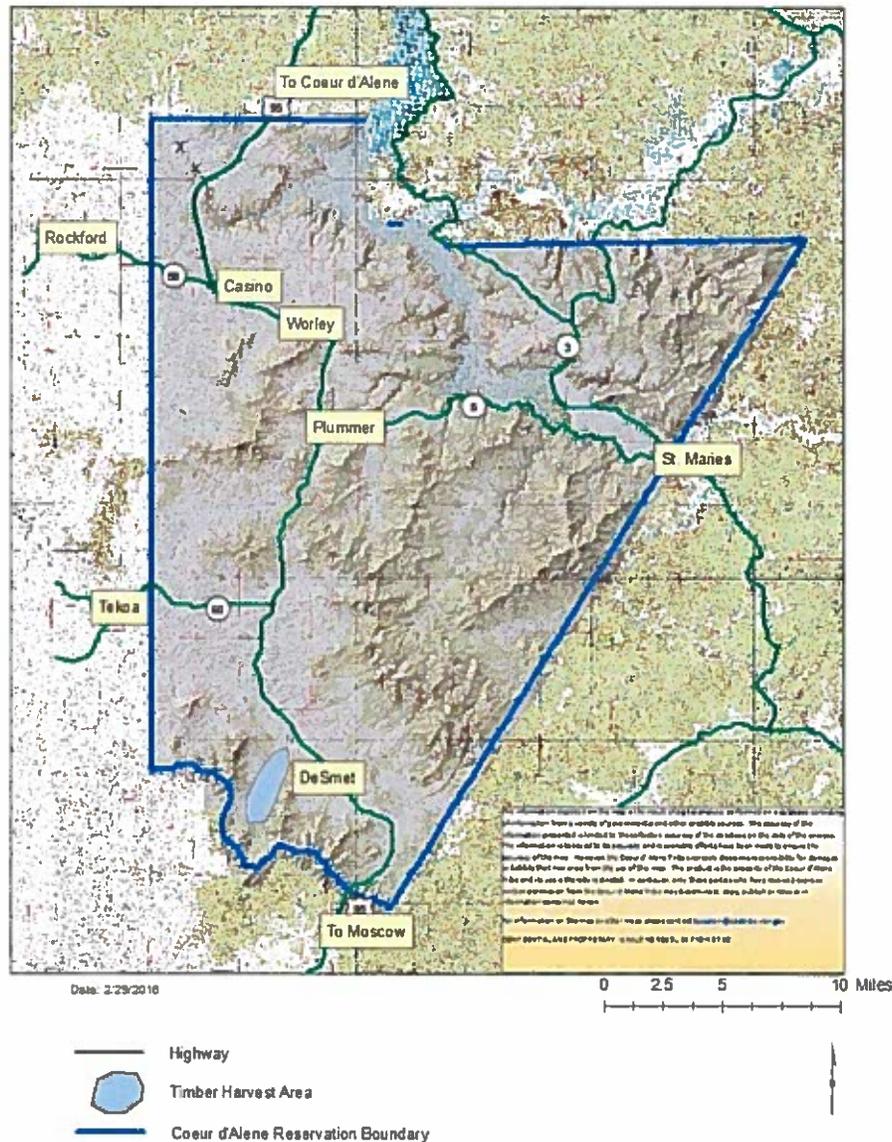
Coeur d'Alene Tribal Forestry operates under an Indian preference labor ordinance. The Tribal Employment Rights Ordinance (TERO) requires that Indian subcontractors be given preference for hiring. Before bidding, prospective bidders should contact the following office to obtain full information regarding qualifications, availability and other requirements for Indian subcontractors to claim TERO preference. All bidders are required to obtain a Coeur d'Alene Tribal Business license prior to submitting a bid. Business licenses can be obtained from the TERO office indicated below. The purchaser and any subcontractors will be required to submit a TERO compliance plan to the TERO director for approval and provide a notification to proceed to Tribal Forestry each season.

Coeur d'Alene Tribal Employment Rights Office (TERO)
 P. O. Box 408, 850 A Street
 Plummer, ID 83851
 Telephone: (208) 686-6107

CONCLUSION

Additional Information may be obtained from Kurt Mettler at the Coeur d'Alene Tribe Forestry Department, 402 Anne Antelope Road, P. O. Box 408, Plummer, ID 83851 at (208) 686-1315. Prospectus, sample contract, and bid forms may be obtained by contacting the Forestry office or online from the Tribal website under natural resources/forestry at www.cdatribe-nsn.gov.

Vicinity Map



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