Commonwealth of Pennsylvania  
Department of Conservation and Natural Resources  
Bureau of Forestry

PROSPECTUS

Loyalsock State Forest Timber Stumpage Sale 20-2016BC06  
Sugar Camp Spur

The Department offers for sale the following FSC certified sawtimber and pulpwood stumpage on 64 acres located Loyalsock Road, Sugar Camp Spur, Forks Township, Sullivan County, Pennsylvania. The bid opening date is Wednesday, December 14, 2016.

VOLUME COMPUTATIONS:

<table>
<thead>
<tr>
<th>SPECIES</th>
<th>*MBF</th>
<th>SPECIES</th>
<th>**HCF</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Ash</td>
<td>301.872</td>
<td>Northern Hardwood (pulpwood)</td>
<td>94</td>
</tr>
<tr>
<td>White Ash (dead)</td>
<td>9.590</td>
<td>Conifer (pulpwood)</td>
<td>5</td>
</tr>
<tr>
<td>Black Cherry</td>
<td>6.866</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>4.863</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>323.191</td>
<td><strong>Total</strong></td>
<td>98</td>
</tr>
</tbody>
</table>

*MBF equals 1000 Board Feet  
**HCF equals 100 Cubic Feet of solid peeled wood. Multiply the total HCF by 1.47 to convert to standard rough cords. Multiply the total HCF hardwood volume by 2.9 to obtain a rough estimate of hardwood tons. Multiply the total HCF softwood volume by 2.2 to obtain a rough estimate of softwood tons.

Sawtimber volumes are based on the Girard Form Class Volume Tables utilizing the International 1/4 Inch Log Rule. Sawtimber volumes for blocks 1, 2, 3, 4 and 5 were 100% tallied. Pulpwood volumes for blocks 1, 2, 3, 4 and 5 were 10% tallied.

The species, quality, and block volumes may vary from said estimates. Volumes and quality are not guaranteed. No volume adjustments will be made. Bidder should bid on his own estimate of merchantable volume and log quality. No logs will be scaled.

Topwood smaller than 4 inches diameter inside bark on cutting block(s) all is reserved. Topwood is the upper portion of a felled tree not normally merchantable for any product other than fuelwood because of size, taper, or other defect.

EXPIRATION OF CONTRACT:

This contract will expire on Thursday, May 31, 2018.

TOUR OF THE SALE AREA:

Prospective bidders should meet at Intersection of Route 154 and Loyalsock Road on Wednesday at 9:00 AM, prevailing local time, November 30, 2016, for a conducted tour of the sale area at which time other details of the contract will be explained.

This and other prospectuses may be found on the WEB @  
http://www.dcnr.state.pa.us/forestry/stateforestmanagement/timbersales/availabletimbersales/index.htm
TIMBER CRUISING:

The approved products for marking trees by prospective buyers are chalk, paint sticks and marking crayons. Prospective buyers may not use the same color of paint as the bureau in each block unless otherwise authorized in writing by the district forester.

BIDS:

The bid form and envelope may be secured from Bureau of Forestry, 6735 Route 220, Dushore, PA 18614-8101, Telephone (570) 946-4049. The outer envelope in which bid is mailed must be clearly marked that it contains a bid for this sale. Sealed, signed bids must reach Pennsylvania Department of Conservation and Natural Resources, Bureau of Legal Services, 7th Floor, Rachel Carson State Office Building, 400 Market Street, Harrisburg, PA 17101-2301 before public opening and reading of bids at 2:00 PM, prevailing local time, Wednesday, December 14, 2016. A certified, cashier's, treasurer's check or official check or bank, postal or express money order payable to the Commonwealth of Pennsylvania for $2,500.00 to guarantee execution of the contract must accompany the bid. PERSONAL CHECK OR PERSONAL MONEY ORDER WILL NOT BE ACCEPTED AS BID DEPOSIT. Also a permanent bid bond on file with the Bureau of Legal Services is acceptable.

Bid deposits not held on file as permanent bid bonds will be handled as follows: Bid deposits will be returned to the unsuccessful bidders immediately following bid opening. The successful bidder's bid deposit will be returned when the contract is executed and a satisfactory performance deposit is furnished as required in the performance deposit section of this prospectus. The successful bidder has the option to apply his bid deposit to the performance deposit or initial payment.

The Department will not consider lump sum bids of less than $25,470.00. This is the Department's estimated minimum valuation for the timber after a deduction of $6,067.00 for the Department's estimated cost of construction, improvement and seeding of haulroads. Road and seeding cost estimates are not guaranteed. Bidders should do their own assessment of costs when considering their bid.

The Department reserves the right to reject any or all bids and to waive any informalities, defects, or irregularities in the bids.

PERFORMANCE DEPOSIT:

The successful bidder must furnish as guarantee for performance of their bid commitment a corporate surety bond or a certified, cashier's or treasurer's check or official check or bank, postal or express money order payable to the Commonwealth of Pennsylvania.

PERSONAL CHECK OR PERSONAL MONEY ORDER WILL NOT BE ACCEPTED FOR PERFORMANCE DEPOSIT. Negotiable securities, including letter of credit, bank savings account or bank investment certificate may be furnished in lieu of the above. The amount of the required performance deposit will be calculated in accordance with the following table:

<table>
<thead>
<tr>
<th>BID VALUE</th>
<th>PERFORMANCE DEPOSIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $50,000</td>
<td>25% of the sum of the bid value plus the Department's estimated road and seeding costs (in the prospectus)</td>
</tr>
<tr>
<td>$50,000 to $250,000</td>
<td>20% of the sum of the bid value plus the Department's estimated road and seeding costs (in the prospectus)</td>
</tr>
<tr>
<td>$250,000 to less than $2.5 million</td>
<td>15% of the sum of the bid value plus the Department's estimated road and seeding costs (in the prospectus)</td>
</tr>
<tr>
<td>$2.5 million or more</td>
<td>10% of the sum of the bid value plus the Department's estimated road and seeding costs (in the prospectus)</td>
</tr>
</tbody>
</table>

CURRENCY:

All bids, bid deposits, performance deposits, sales tax and other payments related to this project will be in United States dollars only.

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SALES TAX:

The Department will collect sales tax only for the timber that the buyer will consume for his own use and not sell or process for sale to others.

EXECUTION OF CONTRACT:

The successful bidder will be required to execute the Department's Tree Estimate Timber Stumpage Sale Contract. The buyer must furnish a satisfactory performance deposit by the date specified in the cover letter, which will accompany the contract when it is mailed to the buyer for execution. The contract may be examined in the forest district office.

If the highest qualified bidder fails to execute the contract or provide a satisfactory performance deposit, the bidder will be considered in default and will forfeit his bid deposit to the Department as liquidated damages and the timber will be offered to the other qualified bidders in the order of descending bids, or negotiated or re-advertised as appropriate. The consequence of such a default may also subject the bidder to further sanctions under the statewide Contractor Responsibility Program in accordance with Management Directive 215.9 Amended, as issued by the Governor's Office. Such Contractor Responsibility action may result in finding the Bidder non-responsible in subsequent timber sales and preclude an award to the Bidder in those sales.

PAYMENT FOR TIMBER DAMAGES:

The value of timber damaged by buyer will be computed as stated under Paragraph 10, entitled Timber Damage, of the Tree Estimate Timber Stumpage Sale Contract.

CUTTING BLOCK:

This sale is divided into five (5) blocks. The order of cutting blocks is optional, except haulroad first, which is block 1. Before logging operations may be started on any cutting block, the stumpage on that block must be paid in full. The buyer has the option to make lump sum payment for all blocks prior to the start of logging operations. Logging operations, including cleanup, must be concluded to the satisfaction of the Department on one block before logging operations may be started on another block unless modified in writing by the Department. Payment for the last cutting block to be purchased must be made by certified, cashier's or treasurer's check; or postal, bank, or express money order payable to the Commonwealth of Pennsylvania. Certified funds may be required for other payments at the discretion of the district forester.

FELLING OF TREES:

All trees marked with yellow or red paint must be felled. Dead trees may be felled at the option of the buyer on block(s) 2, 3, 4, 5. All sale boundary and block line trees marked with a band of blue paint at DBH and a spot of blue paint below stump height are reserved and must not be felled. Save trees marked with a spot of blue paint at DBH and below stump height must not be felled. Trees must be felled in accordance with the attached Summary of Trees to be Felled or Reserved by Cutting Block.

CULL TREES:

One hundred and forty four (144) cull trees marked with an 'X' above stump height must be felled. The buyer may utilize felled cull trees without charge.

LOGGING RESTRICTIONS:

The following are prohibited: The use of equipment that in the opinion of the District Forester results in abnormal damage to the residual stand. Tree length skidding is prohibited for the entire sale unless in the opinion of the district forester damage to the residual stand is kept at a minimum. Whole tree harvesting is prohibited for the entire sale. Cutting and logging operations are prohibited from March 15 to May 31 on cutting block(s) 2, 3, 4, 5 unless authorized in writing by the District Forester. Hauling is prohibited.

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from March 15 to May 31 Loyalsock Road, unless authorized in writing by the District Forester. Buyer must provide a minimum of 6 timber mats which will be necessary to skid in portions of blocks 2 and 5. A copy of the E & S plan (attachment D on the contract) must be kept on site during logging and road construction operations.

TOPS AND SLASH:

No tops or slash shall be left on any transmission pipeline right-of-way, or drainage ditch leading from a culvert, water bar, intercepting dip or break in berm of road, or in, on, or within 25 feet of a State Forest boundary line, stream, spring seep, dam, lake, trail or within 100 feet of a railroad, building campsite, or officially designated park, picnic area, vista or forest monument. Tops and slash must be removed 25 feet from roads unless otherwise authorized in writing by the district forester.

Tops and slash within 100 feet of improved State Forest roads or public highways, or within the boundaries of officially designated State Parks, picnic areas, vistas, or forest monuments shall be lopped to a diameter of 3 inches and scattered evenly over the ground.

Tops and slash must be cleared from a 10 foot designated deer fence corridor blocks 2, 3, 5.

HAUL ROADS:

Buyer must improve 0.8 miles of secondary haul road for this sale. Buyer must grade, crown and ditch haul road. Buyer must clear right-of-way. This includes all trees marked in red outside the running surface and ditch line of the haul road. Trees and brush outside the ditch line of the haul road must be cleared with chainsaws or similar type of equipment. Buyer must purchase, deliver and spread 60 tons #3 stone. Buyer must purchase, deliver and spread 140 tons #3 minus stone. Buyer must install, use and remove 7 temporary 10” x 20’ well casings. Buyer must grade, crown and ditch haul road as specified by the district forester. Any materials used for Haul Road improvement and/or construction must be approved prior to use and applied as directed by the district forester. All materials specified for haul road construction and maintenance except items specifically noted as temporary will become the property of the Commonwealth. Plowing of State Forest Roads is prohibited unless authorized in writing by the district forester. With the following exceptions the successful bidder may use all State Forest Roads that lead into and/or within the sale area: Hauling is prohibited from March 15 to May 31 on Loyalsock Road unless otherwise authorized in writing by the district forester.

All State Forest Roads must be kept passable at all times for use by passenger automobiles except during periods when roads are covered with ice or snow or following other extreme weather related events. The Department does not guarantee the successful bidder the use of roads maintained by the Pennsylvania Department of Transportation (PENNDOT), townships, or other agencies or owners. Buyer must contact the PENNDOT posted highway coordinator and officials of other said roads for possible weight or other restrictions that would prevent use.

SEEDING SALE AREAS:

Approximately 2 acres of disturbed areas must be prepared for seeding and and seeded for this sale. Prior to sale termination the buyer must prepare seedbed by applying the following material(s): 2 tons agricultural lime, 400 lbs. 10-20-20 fertilizer. Before sale termination the buyer must spread on a prepared seedbed the following material: 20 lbs. Ladino white clover with inoculent. Seed must be raked in after it is applied.

SAFETY:

The Buyer, his employees and sub-contractors are required to perform all logging operations in a safe manner as required by applicable laws and regulations. The Department expects the Buyer to ensure that logging crewmembers dress in protective attire and perform their duties with equipment in accordance with standards established by the logging industry and the Occupational Safety and Health Administration (OSHA).
LOGGER CERTIFICATION:

On-site crew leaders for all logging crews working on this sale must be trained under the Pennsylvania Sustainable Forestry Initiative. Information relating to this training may be found on the Internet at www.sfiofpa.org. Each crew leader operating on the sale must present a valid PA SFI Core Level Training card as proof of training to the District Forester prior to beginning logging operations on the sale. Comparable training from other states may be accepted in lieu of Pennsylvania Sustainable Forestry Initiative training.

ENVIRONMENTAL PROTECTION:

The Buyer must take whatever precautions are necessary, in the opinion of the district forester, to prevent soil erosion, water pollution and any other conditions detrimental to the environment on state and private land, and must correct immediately at his/her own expense to the satisfaction of the Department any conditions detrimental to the environment which result from the operation of this sale.

SAWMILL SETS:

Sawmill sets for this sale are not permitted.

EXTENSION OF EXPIRATION DATE OF CONTRACT:

The expiration date of this contract may be extended at the discretion of the Department. When the district forester suspends sale operation in writing for any reason other than buyer non-compliance, the contract can be extended at no cost to the buyer for a period equal to the period of suspension. If for any other reason an extension beyond the contract expiration date becomes necessary, the buyer must submit a written request 30 days prior to contract expiration date to the district forester stating the period of extension requested in months and reasons why the contract cannot be completed by the expiration date.

For each month of the requested extension period, the buyer will pay to the Department five (5) percent of the value of all cutting blocks not released by the district forester. Payment in full for each extension in the form of a certified, cashier's, treasurer's or official check, or postal or express money order payable to the Commonwealth of Pennsylvania must accompany the request for extension. If the extension is granted and sale operations are completed prior to the end of the extension period, no refunds will be made.

If sale operations have not been completed by the contract expiration date and the Department has not approved a contract extension, all sales related activities will be suspended. If an extension is subsequently approved, the buyer must make payment as outlined above to include the period of suspension.

U. S. DEPARTMENT OF AGRICULTURE QUARANTINES:

Quarantines of forest products against the spread of emerald ash borer (entire state), pine shoot beetle (entire state) and gypsy moth (entire state) are now in effect in Pennsylvania. 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.

GREEN CERTIFICATION STATEMENT:

Cert. # SCS-FM/COC-00011N  FSC 100% indicates that the timber in this timber stumpage sale comes from a forest that is well managed according to strict environmental, social and economic standards. This forest has been independently inspected and evaluated by Scientific Certification Systems according to the principles and criteria for forest management agreed and approved by the Forest Stewardship Council.

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NON-DISCRIMINATION CLAUSE:

The Commonwealth of Pennsylvania is an Equal Opportunity Employer and requires conformance with Title 16 Pennsylvania Code, Chapter 49, Contract Compliance Regulations.

ADDITIONAL RESTRICTIONS:

Buyer must provide a minimum of 6 timber mats which will be necessary to skid in portions of blocks 2 and 5.
## Summary of Trees to be Felled or Reserved by Cutting Block

<table>
<thead>
<tr>
<th>BLOCK NUMBER</th>
<th>TREATMENT</th>
<th>BLOCK ACRES</th>
<th>CUT TREES (must be felled)</th>
<th>LEAVE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>PAINTED</td>
<td>UNPAINTED</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>RED PAINT</td>
<td>YELLOW PAINT</td>
</tr>
<tr>
<td>1</td>
<td>HAUL ROAD</td>
<td>2</td>
<td>R</td>
<td>Y</td>
</tr>
<tr>
<td>2</td>
<td>SALVAGE</td>
<td>25</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>3</td>
<td>SALVAGE</td>
<td>9</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>4</td>
<td>SALVAGE</td>
<td>3</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>5</td>
<td>SALVAGE</td>
<td>25</td>
<td>Y</td>
<td>Y</td>
</tr>
</tbody>
</table>

1. All trees marked with yellow or red paint must be felled.
2. All trees larger (or between) the listed DBH value(s) should be cut with the exception of species listed under special instructions.
3. Dead cull trees marked only below stump height with a spot of yellow paint may be felled at the option of the buyer.