

**BARKLEY COMMUNITY FOREST CORPORATION
BARKLEY COMMUNITY FOREST LIMITED PARTNERSHIP**

LICENCE CFA K3S

TIMBER SALE TENDER 2020-03

17 JANUARY 2021

BY ZOLTAN SCHAFER, RPF

Timber Sale Tender 2020-03
Harvest and Purchase of Standing Timber
Cutting Permit 10 Block OZ 4 & CP 11 Blocks
SB15/16A/18

The Barkley Community Forest Limited Partnership (BCFLP) is the corporate entity entrusted to operate the Barkley Community Forest. Shareholder Partners of the BCFLP are the District of Ucluelet and Toquaht Nation. The BCFLP is administered by a local Board of Directors and managed by a local General Manager.

The BCFLP is seeking tenders from B.C. entities interested in purchasing standing timber from the Community Forest Lands. The BCFLP and its Board has a mandate to manage this tenure in a way that is both economically sustainable and provides positive benefits to the community. These benefits include water quality, recreation, local employment, local use of forest products and non-timber forest products while maintaining a high level of forest stewardship including high utilization and low levels of waste post-harvest.

The BCFLP is requesting interested parties to present tenders to harvest and purchase approximately **40,000 m³** of wood. **The agreement is from February 1, 2021-October 31, 2021.** All work is to be completed **by October 31, 2021.** **Any extensions to the agreement must be approved in writing and may be granted in specific circumstances.** Please see the attached Information Package for specifications.

Your bid proposal should consider the following:

1. End use of logs or customers for the logs produced.
2. Access to, or relationships with, competent and experienced BC Safe Certified logging and road contractors.
3. Lump sum bid
4. The expertise and benefits your company can provide to ensure the maximum financial benefit to the BCFLP while ensuring its mandates are met.
5. Methods and assurances on how your company could meet the goals of the BCFLP regarding:
 - utilizing local employment
 - maximum utilization of wood within the Port Alberni area
6. Any other information you wish to provide, i.e. references etc.

The General Manager of the BCFLP, Zoltan Schafer, R.P.F. may provide clarification if required on the information package provided by phoning (250)720-1177 however any additional information requested must be in writing by email at zolie_schafer@telus.net or by phoning (250) 720-1177. All clarifications impacting the bidding process will be shared with all interested parties.

Please submit your bid using the **Bid Tender Offer Form** no later than **January 28, 2021** at **@ 3:00pm.**

The BCFLP makes no commitments because of this Timber Sale Tender and may, because of submissions received, accept, or reject a bid at their sole discretion.

TIMBER SALE TENDER

Cutting Permit 10 Block OZ 4 (K3S/010) & Cutting Permit 11 Blocks SB15/16A/18

1. Harvesting:

Approximately **40,000 m3 (70.8 ha)** of second growth (approximately 2% Cedar, 63% Hemlock/Balsam and 32% Fir). **The bidder should walk the blocks and review the attached cruise reports (Harvest and Cruiser Call grade) to verify the volume they intend to harvest and offer with their bid.**

Block OZ 4 is designated clear-cut and there are no Wildlife Tree Retention Areas inside however there are Timber Leave Areas in the blocks as per the Harvest Map and SOP instructions. This block is designated 60% grapple and 40% ground based with mechanical falling and some hand falling. **R/W has been removed for this block**

Blocks SB15/16A/18 is all ground based with mechanical falling and some hand falling. Major fish streams are present inside and outside some of these blocks with special falling and yarding prescriptions (FSZ) as outlined on the Harvest Maps and SOP's. Sections of the boundaries will require some form of pruning as per the assessment either during falling or post-harvest. **R/W has not been removed from the blocks**

There are no CMT's, cultural values, terrain or visual concerns for these blocks noted from the assessments and reports completed by qualified professionals for these cutblocks. Unidentified features found as per the SOP's provided at the preworks must be reported to BCFLP General Manager and work stopped until resolved. Refer to the Harvest Maps for streams and fall/yard away prescriptions, designated crossings and FSZ special prescriptions.

Any changes to the approved Site and Harvest Plans must be approved in writing by the General Manager.

All harvesting must comply with all regulations, approved cutting permits, site plans and assessments.

Fire hazard abatements will be conducted upon completed of harvesting and deactivation which may result in burning and disposing of roadside debris by the successful bidder.

All trails must be rehabilitated and follow SOP's attached at the preworks to ensure the blocks adhere to approved site deg limits in the site plans.

The General Manager will provide at the preworks meeting all Harvest Maps, SOPS, CP and Road Use documents and other assessments required for the sale.

2. Roads- All roads for this sale have been constructed by the licensee. The bidder will be responsible for all maintenance and deactivation of these roads as per the approved deactivation plan and maps.

3. Road Maintenance:

The successful bidder will be responsible for road maintenance for all roads under approved road permits and road Use agreements held under BCFLP for the duration of the contract.

4. Completion:

All harvesting and logging cleanup to be completed by **October 31, 2021 unless a written extension is granted by BCFLP upon request in writing from the successful bidder...** All unharvested timber on the approved harvest area will become the property of BCFC upon expiry of the agreement.

5. Waste and Residue Province of BC:

On completion of harvesting or on expiry of this agreement, the Licensee (BCFLP) will engage a certified waste and residue surveyor to complete a waste and residue survey on the cut blocks. BCFLP will pay the costs of completing the survey.

The Purchaser will be responsible to pay the Licensee:

- (i) For Waste and Residue (W/R) as follows:
 - (a) Payment of all waste and residue survey results payable as invoiced by the Province of BC under HBS which meets the Province of BC standards (waste manual amendment #2 approved December 15, 2019).

- (ii) Current Province of BC waste and residue policy includes:
 - a) Allowance benchmark of 10M3 per hectare of avoidable waste as non-billable.
 - b) These cut blocks are not in the fibre recovery zone (single stumpage)

6. Waste and Residue Billing BCFLP (Penalty)

In addition to billing by the Province of BC, the purchaser will pay to the Licensee (BCFLP)

- (i) A penalty in the amount of **\$5/per m3** for all avoidable waste (W/R) for the blocks as per the waste and residue survey results approved under the current approved Province of BC manual. This billing will apply to the same volume billed by the Province under section 5 and will include the 10m3 waste benchmark allowance.

7. Tendered Bid:

This timber sale is being sold on a lump sum basis. BCFC requires that the total amount of the upset rate plus the bonus bid must be paid to BCFC regardless of the final volume of timber removed and scaled from the timber sale. As noted previously, the Purchaser must do

adequate due diligence to determine the volume and grade of timber they believe will be officially scaled from the sale. Adjustments after the sale agreement is signed will not be made.

The total volume is shown to be approximately 40 000m³ of merchantable timber as described in the attachments to this tender.

The purchaser will pay the BCFC the amounts equal to the sum of the minimum upset rate and any bonus bid shown in Table 1 of this tender in accordance with schedule for payments to BCFC for the total bid as described in Section 9 of this tender.

The upset rate and the bonus bid do not include stumpage payable to the Province of BC arising from the scale of logs from the timber sale. The Purchaser should be aware that stumpage to the Province of BC is due on all timber removed and scaled and this may exceed the estimated 40 000m³. Stumpage rates for both cutting permits and right of way timber are statutory rates and are shown in a supporting document in the tender package. The statutory rates may be changed once each year by the Province of BC. The purchaser will pay Scale and Royalty Invoices issued by Province of BC within 30 days of receiving copies of this invoice from the Province of BC or BCFC. The purchaser will pay all interest charges levied by the Province of BC for any invoices not paid in the required time.

The upset rate and bonus bid also does not include charges for waste as laid out in Section 5 and 6 of this tender.

The Purchaser must have all timber removed from the timber sale area(s) scaled at an approved scale site by a licenced scaler in the Province of BC . All scale results must be submitted to the Province of BC as described in Provincial legislation.

8. Security Deposit:

The BCFLP will require a security deposit, at time of contract award, in the sum of **\$75,000** for this sale. The amount will be returned upon successful completion of all works. The deposit will be used for payment of works not completed or payments not made by the contractor. The deposit will not be returned if the contractor defaults on the contract.

9. Payment Schedule

The BCFLP will require a 25% payment based on the awarded total lump sum bid which is the upset rate plus the bonus bid for this sale (payable on signing of the agreement). A payment schedule for the remaining volume will be set up in 3 equal payments for the term of this agreement which is May 30, 2021, August 31, 2021 and October 31, 2021 or payment in full on completion of harvesting of all timber under this agreement. This is to ensure BCFLP receives payments regardless of logging and scaling timelines during the term of the agreement.

The BCFLP will require monthly scale reports once scaling begins

10. Other Info:

- Cutting Permit 10 and 11 are approved and will be provided
- Road Use Agreement for Barkley FSR is approved under BCFLP
- Final site plan and other assessments will be supplied at the preworks
- Harvest Preworks Instructions with SOP's will be supplied in the final package
- The successful bidder is responsible for all harvesting costs as well as all site rehabilitation in the form of ditch cleaning, debris piling, deactivation and burning
- The successful bidder will be responsible for road maintenance, which is grading, brushing, culverts, and minor road repairs as per the signed road use agreement
- **The licensee (BCFC) will be responsible for planting and silviculture costs**

BARKLEY COMMUNITY FOREST
LIMITED PARTERSHIP

Contract Name/Project: Harvest and Purchase of Standing Timber
Location: Block OZ4 CP 10
BLOCKS SB15/16A/18 CP 11

Deadline for Submissions: (3:00pm PST) January 28, 2021

Sealed Tender Submissions submitted in person or by mail to:
Chairman of the Board BCFLP Office, 1971 Peninsula RD PO Box 707 Ucluelet, B.C.
V0R 3A0
Attention Zoltan Schafer, RPF General Manager

NAME OF BIDDER (the bidder):	
Business Address:	
Telephone Number:	FAX Number:
Email Address:	
WCB #:	BCFSC Certification:
Identify how you may maximize local employment and support First Nations participation and/or attach your plan:	

1. IN ACCORDANCE WITH THE FOLLOWING PROVISIONS:

a) This ***Tender is irrevocable for 30 days*** following the tender closing date.

If the Purchaser revokes this Tender within 30 days following the tender closing date, or fails to execute the agreement within the period specified in the agreement award letter:

i. the BCFLP may pursue any remedy available to it at law or in equity.

b) if this Tender is accepted, the purchaser will provide the BCFLP with proof of insurance coverage required in the agreement.

c) the successful purchaser will be designated as the owner under the Workers Compensation Act Part 3 in respect to any workplaces associated under this agreement. The bidder as the owner may appoint a third-party contractor as prime contractor for any workplace under this agreement that is a multi-employer workplace for the purposes of WCA Part 3 Section 118. All third-party contractors must be registered with the BC Forest Safety Council and be registered as an independent form under the Workers Compensation Act.

d) the successful purchaser will ensure that each member of the workforce who will perform the Work in Canada under the agreement is either a Canadian citizen, a permanent resident of Canada, or holds a valid employment visa from the Government of Canada.

Table 1 Tendered Prices: BCFC Timber Sale 2020-03

For approximately 40 000m3 of second growth timber from Barkley Community Forest Cutting Permit 10, Block Oz 4 and Cutting Permit 11, Blocks SB15/SB16A and SB 18 and R/W as shown in the Appendices attached to the tender package.

The purchaser has reviewed and understands the terms and conditions of this tender and supporting information.

The purchaser agrees to pay the BCFC the following amounts for the rights to the timber described in this tender:

1) The minimum upset rate required by BCFC of \$1 902 460.00.

Plus

2) An additional lump sum bonus bid of _\$_____.

(specified in total dollars rounded to the nearest dollar)

The minimum upset rate of \$1 902 460.00 and the bonus bid amount will be payable to the BCFC as per the schedule in Section 9 of this agreement.

Signature of Purchaser or Purchaser`s Authorized Representative

Printed Name of Person Signing _____

Company to be named in final agreement: _____

Date: _____

Appendices

Appendix A – Overview Map of the Operating Area

Appendix B – CP 10 and CP 11 Approved Document's

Appendix C- Approved Site Plan Blocks OZ 4, SB15, SB16A and SB 18

Appendix D – Harvest Maps for OZ 4, SB15, SB16A and SB 18

Appendix E- Cruise Compilations for CP 10 and CP 11

Appendix F- Stumpage Rates Community Tenure with waste targets

Appendix G- FSR road use agreement