NOTICE OF TIMBER SALE

(R)

SALE NAME/NO.: Quartz Creek Combination

341-02-11

AUCTION DATE/TIME:

August 21, 2001, starting at 2:00 p.m.

AUCTION LOCATION:

Oregon Department of Forestry Astoria District Headquarters

92219 Highway 202 Astoria, Oregon 97103

(4 miles SE of Astoria on Highway 202) (503) 325-5451 FAX (503) 325-2756

DISTRICT/UNIT OFFICE (MAILING ADDRESS FOR BIDS): Oregon Department of Forestry Astoria District Headquarters

92219 Highway 202 Astoria, Oregon 97103

(503) 325-5451 FAX (503) 325-2756

HARVEST TYPE:

Areas 1, 2, 3, and 4: 947 acres of "automark" partial cut commercial thinning harvest consisting of good quality 55-year-old Douglas-fir and hemlock. Volume to be removed in Areas 1, 3, and 4 is approximately 13 MBF/acre. Area 2 timber type is similar to Areas 1, 3, and 4, with timber removal at approximately 18 MBF/acre. Areas 5 and 6: 77 acres of regeneration harvest consisting of good quality 55-year-old Douglas-fir and hemlock, with a small component of spruce and hardwood. Volume to be removed is approximately 30 MBF/acre. Area 7 (in-sale R/W): 52 acres of the same timber description as Areas 5 and 6, including a component of

red cedar. Volume to be removed is 1.683 total MBF.

SALE LOCATION:

Portions of Sections 13, 14, 15, 22, 23, and 24, T4N, R7W, Clatsop County, Oregon.

DIRECTIONS TO TIMBER

SALE AREA:

Areas 1 through 7 can be accessed via Highway 26. At Milepost 27 (summitelevation sign) turn south onto Quartz Creek Road; proceed ¾ mile on Quartz Creek

Road; you are at the east boundary of Area 1.

APPRAISED VOLUMES AND QUALITY:

AVG TOTAL SPECIES DBH MBF			GRADES BY MBF																
			1P	2P	3P	Р	SM	18	2S	3S	48	58	6S	SEL	SC	UT	CR	WRM	PLP
Douglas-fir	17"	10,592							6,742	3,284	566								
W Hem. / fir	15"	6,410							1,583	4,154	673								
Sitka Spruce	11"	7									7								
W Red Cedar	11"	1									1								
Hardwoods	16"	32									32								
Sale Total	-	17,042																	

There is no project amortization. ODF will **not** reduce the price of a species to amortize the project work. Instead ODF will credit PURCHASER's timber account in the amount of \$778,102 after the project work is completed and accepted, as described in the section titled, "Credit for Project Work."

The timber sale areas contain negligible volumes of other logs to be paid for at the prices in Section 44.

PERFORMANCE SECURITY: 20% of bid value (unknown) or the total value of the project work (\$779,000),

whichever is greater. Actual bond amount will be rounded up to an even \$1,000 unit.

EXPIRATION DATE: September 30, 2004 BID METHOD: Sealed Bids

BID DEPOSIT: \$429,900 SALE TYPE: Recovery/BOF – 100%

INSURANCE: \$500,000 Commercial General Liability; \$500,000 Automobile Liability;

\$500,000 Logger's Broad Form

HARVEST METHOD: Area 1: 77% cable varding and 23% ground-based varding.

Area 2: 73% cable yarding and 27% ground-based yarding. Area 3: 54% cable yarding and 46% ground-based yarding. Area 4: 59% cable yarding and 41% ground-based yarding.

Area 5: 100% ground-based yarding.

Area 6: 72% cable yarding and 28% ground-based yarding.

Area 7: 100% ground-based yarding.

PROJECTS: Project No. 1: Approximately 9 miles of new road construction and 3 miles of road

improvement. Project No. 2: Rock crushing 59 MCY and stockpile development at

THIS STATE TIMBER SALE CONTRACT REQUIRES THAT PURCHASER COMPLY

the Sterling Ranch Quarry. Project No. 3: Rock guarry test drilling.

FEES: None.

THREATENED AND ENDANGERED SPECIES INFORMATION:

WITH ALL LAWS, INCLUDING THE ENDANGERED SPECIES ACT (ESA). BECAUSE OF THE LACK OF SUITABLE HABITAT, THE DEPARTMENT OF FORESTRY (ODF) HAS NOT SURVEYED THE SALE AREA SHOWN IN EXHIBIT "A" FOR MARBLED MURRELETS. ODF HAS SURVEYED THE SALE AREA SHOWN IN EXHIBIT "A" FOR NORTHERN SPOTTED OWLS. NORTHERN SPOTTED OWLS WERE NOT DETECTED IN SURVEY AREAS WITHIN OR ADJACENT TO THIS SALE. ODF WILL CONTINUE CONDUCTING THREATENED OR ENDANGERED SPECIES SURVEYS IN OR AROUND THE SALE AREA DURING THE LIFE OF THIS CONTRACT. ODF DOES NOT GUARANTEE THAT THREATENED OR ENDANGERED SPECIES WILL NOT BE FOUND IN OR NEAR THE SALE AREA. IN THE EVENT A THREATENED OR ENDANGERED SPECIES IS FOUND, ODF MAY TAKE STEPS, INCLUDING CONTRACT ALTERATION OR TERMINATION AS PROVIDED IN SECTION 32 OF THE CONTRACT, IF ODF BELIEVES THOSE STEPS ARE NECESSARY TO PROTECT. THE INTERESTS OF STATE. PURCHASER SHOULD TAKE

APPROPRIATE STEPS TO BE CERTAIN THAT NO ESA VIOLATIONS OCCUR.

THREATENED AND ENDANGERED SPECIES INFORMATION: (Cont'd)

PROSPECTIVE PURCHASERS ARE ENCOURAGED TO CONTACT THE ODF WILDLIFE INFORMATION COORDINATOR (503-945-7374) FOR FURTHER INFORMATION OR QUESTIONS RELATIVE TO THREATENED OR ENDANGERED SPECIES SURVEY INFORMATION.

SPECIAL REMARKS:

SEASONAL RESTRICTIONS APPLY - SEE SECTION 39.

Timber sale acreage was determined by mapping timber sale areas on an ortho photograph and using ArcView to calculate acres.

A minimum of 40% of the estimated bid value shall be paid by September 30, 2003, unless otherwise approved in writing by STATE (see Section 42, "Payment Schedule").

No felling, except for Area 7 (in-sale R/W), shall be allowed prior to August 31, 2002 to allow for the completion of additional Northern Spotted Owl surveys, unless otherwise approved in writing by STATE (see Section 39, "Seasonal Restrictions," and Section 57, "Felling").

71 total hours of slash piling in Areas 5 and 6 (refer to slash disposal provision).

SALE OBJECTIVES:

This sale is aligned with the objectives of the NWO Forest Management Plan. The Plan presents guiding principles, a forest vision, and resource management goals.

Guiding Principles (in part) – To secure the greatest permanent value of these lands to the state, the State Forester shall maintain these lands as forest lands and actively manage them in a sound environmental manner to provide sustainable timber harvest and revenues to the state, counties, and local taxing districts. This management focus is not exclusive of other forest resources but must be pursued with a broader management context.

See inside front cover of Auction Schedule booklet for disclaimer regarding all governmental regulatory actions.

SALE NAME: Quartz Creek Combination

COUNTY: Clatsop CONTRACT NO.: 341-02-11

TIMBER SALE NAME: Quartz Creek Combination

TIMBER SALE NO.: 341-02-11

OPENING DATE: August 21, 2001

FORM OF PROPOSAL

The undersigned agrees to accept and perform all of the above terms and conditions as stated in the form of contract for the above-cited timber sale, and bids, and will pay:

ON THE BASIS OF PRICE PER THOUSAND BOARD FEET FOR:

Bid Species:				
Douglas-fir, s	sawmill grade or better,			
			Dollars (\$) per MBF
Hemlock and	other conifers, sawmi	Il grade or better,		
			Dollars (\$) per MBF
Minimum grad	les and volumes for bid	species are stated in the timber s	sale prospectus.	
No-bid species	s will remain as shown:			
Western red	cedar		\$775.76 per M	BF.
	bid deposit as required, able to the State Fores	consisting of aer.		in the amount of
performance b		nd deliver the contract, initial pay ays of the date of the written notificate payment.		
	the thirty-day period, th	e bid is irrevocable and further ag ne bid deposit shall become the p		
	BIDDER _	(Name of company or ind	lividual)	
	TAX ID NO			
	ADDRESS _			
	_			
	PHONE _			
	BY			

(Signature of Authorized Official & Title)

PURCHASER'S STAT	<u>'US</u>				
C Purchaser is a corpora	heck ation ()	Incorporated in	the State of		
President's N	lame				
Secretary's N	lame				
Purchaser is: () a	n partnership nn individual	() an assumed (b name	ousiness)		
List names of	f all persons doing b	ousiness under the par	tnership or assumed nam	e:	
If assumed na	ame is subsidiary to	a corporation, fill in da	ata requested of corporati	on also and write in co	rporation name

Rev. 04/01 629: Form 301-020

CERTIFICATION OF ELIGIBILITY TO BID ON STATE TIMBER

	hereby certifies that they:
EXPOR	<u>T</u>
(a)	Will not export the unprocessed State timber as defined in OAR 629-031-0020 which is the subject of this transaction
(b)	Will not sell, transfer, exchange, or otherwise convey the unprocessed timber as defined above which is the subject of this transaction to any other person without first obtaining a certification from that person which meets the requirements of OAR 629-031-0030.
(c)	Are not prohibited by OAR's 629-031-0005 through 0045 from bidding for unprocessed State timber as defined above directly from the State Forester.
(d)	Understand that falsely entering into this certification is a violation of the Forest Resources Conservation Amendments Act of 1993 and OAR Chapter 629, Division 31, and is subject to any and all penalties contained therein.
(e)	Have not exported unprocessed timber originating from private lands in Oregon in the last 24 months.
(f)	<u>HAVE</u> exported unprocessed timber originating from private lands in Oregon in the last 24 months, but <u>HAVE NOT</u> exported unprocessed hardwood timber originating from private lands in Oregon in the last 24 months and meet the requirements of OAR 629-031-0010(2).
<u>DEFAU</u>	LT, TERMINATION, AND OTHER RELATED MATTERS
(a)	Are not currently in default status under any timber sale contract sold by the State Forester.
(b)	Has not, within a 3-year period preceding this bid, had one or more Federal, State, or local timber sales terminated for cause or default.
(c)	If (b) above is Yes, has submitted an explanation, in writing, with this bid for consideration by STATE. Any such explanation shall be submitted at the time of bid on a separate piece of paper.
Cianad	<u> </u>
Signed	
Title	

[NOTE: For the purpose of this form, the definition of unprocessed timber is the same as in OAR 629-031-0005.]

Dated

Memorandum

Subject: Biological Survey of Quartz Creek Combination

Timber Sale Number 341-02-11

To: Potential Bidders

From: Marcia Humes, Wildlife Biologist

Date: June 28, 2001

PROSPECTIVE PURCHASERS OF STATE TIMBER SALES NEED TO BE AWARE THAT THE DEPARTMENT OF FORESTRY IS ENGAGED IN AN ACTIVE THREATENED AND ENDANGERED SPECIES SURVEY PROGRAM. AS PART OF THAT PROGRAM, ODF SURVEYS ITS LANDS ON A CONTINUING BASIS FOR LAND MANAGEMENT, SPECIES PROTECTION, RESEARCH, AND OTHER REASONS. PROSPECTIVE PURCHASERS ARE REMINDED THAT ODF SURVEYING EFFORTS MAY TAKE PLACE DURING THE LIFE OF ANY TIMBER SALE CONTRACT, AND THAT THE DISCOVERY OF A THREATENED OR ENDANGERED SPECIES IN THE VICINITY OF A TIMBER SALE MAY AFFECT OPERATIONS CONTEMPLATED UNDER THE CONTRACT. THIS INCLUDES TIMBER SALES THAT HAVE BEEN DETERMINED TO BE UNSUITABLE HABITAT OR NOT DETRIMENTAL TO HABITAT. PLEASE REFER TO SECTIONS 30, 32, AND 33 OF YOUR CONTRACT PROSPECTUS, OR CONTACT OUR WILDLIFE INFORMATION COORDINATOR AT (503) 945-7374 FOR FURTHER INFORMATION.

This sale was surveyed for northern spotted owls in 1999 and 2000, using a protocol endorsed by the U.S. Fish and Wildlife Service. There were no observations of owls during any of these surveys. The sale is being surveyed again in 2001, and will be surveyed in 2002. It is not affected by any known northern spotted owl activity centers.

This sale does not contain suitable habitat for marbled murrelets. Surveys for murrelets are not necessary.

No felling shall be allowed prior to August 31, 2002 in Areas 1-6 to allow for the completion of additional northern spotted owl surveys, unless otherwise approved in writing by STATE. The northern spotted owl survey season occurs from March 15 through August 31, annually. If owls are observed very late in the survey season, protocol follow-up surveys may not be completed until the following survey season (i.e. if owls are observed late in the 2002 survey season, some of the resulting follow-up surveys may be conducted in 2003).

Currently, northern spotted owl surveys are valid until March 15, 2003. Upon completion of the 2001 surveys (currently ongoing), they will be valid until March 15, 2004, and with the completion of 2002 surveys, they will be valid until March 15, 2005.

cc: Astoria District