NOTICE OF TIMBER SALE

SALE NAME/NO.: Duncan Doughnut Thin 341-02-66

AUCTION DATE/TIME: May 24, 2002, starting at 10:00 a.m. AUCTION LOCATION: Oregon Department of Forestry

Western Lane District Headquarters

87950 Territorial Highway Veneta, Oregon 97487

(541) 935-2283 FAX (541) 935-0731

DISTRICT/UNIT Oregon Department of Forestry
OFFICE (MAILING Western Lane District Headquarters

ADDRESS FOR BIDS): P.O. Box 157

Veneta, Oregon 97487

(541) 935-2283 FAX (541) 935-0731

HARVEST TYPE: Automark thinning harvest of 50-to-70 year old Douglas-fir and hemlock on

approximately 360 net acres.

SALE LOCATION: Portions of Section 14, T16S, R8W, W.M., Lane County, Oregon.

DIRECTIONS TO TIMBER

SALE AREA:

From Highway 36 near Milepost 29, go north 1.5 miles on Swamp Creek Road (#3658 County Road); continue northwest 2.2 miles on the 16-7-6 Road; then

(R)

southeast 3.0 miles on the 16-8-1 Road.

APPRAISED VOLUMES AND QUALITY:

SPECIES	AVG DBH	TOTAL MBF	GRADES BY MBF																
			1P	2P	3P	Р	SM	18	28	38	48	5S	6S	SEL	SC	UT	CR	WRM	PLP
Douglas-fir	15"	4,138							1,655	1,862	621								
W Hem. / fir	14"	1,388							55	958	375								
Sale Total		5,526																	
MINIMUM BIE	D: B	ID SPEC	IES		Dou	glas	s-fir								\$283	3.86 p	oer M	1BF	
	N	O-BID S	PECII	ES	Wes	terr	n red	cedaı	and ot						\$700	00.0	oer M	1BF	

**THE PRICE PER MBF FOR WESTERN HEMLOCK SHALL BE DETERMINED BY MULTIPLYING THE MINIMUM PRICE FOR WESTERN HEMLOCK BY A BID-UP FACTOR. THE BID-UP FACTOR SHALL BE DETERMINED BY DIVIDING THE BID PRICE FOR DOUGLAS-FIR BY THE MINIMUM PRICE FOR DOUGLAS-FIR. FIVE DECIMAL PLACES SHALL BE USED TO CALCULATE THE BID-UP FACTOR.

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 \$116,300 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 (\$117,000),

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

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

BID DEPOSIT: \$121,500 SALE TYPE: Recovery/BOF – 100%

INSURANCE: \$2,000,000 Commercial General Liability; \$2,000,000 Automobile Liability;

\$2,000,000 Logger's Broad Form

HARVEST METHOD: 88% cable using intermediate supports and/or tail trees. Some yarding distances are

greater than 1500 feet and some skyline rigging distances are greater than 2000

feet. 12% is ground-based.

PROJECTS: 1. Replace/install culverts (16-8-1 and Spur 6).

2. Subgrade preparation/improvement (5.4 miles) and rock surfacing (3.3 miles) to 16-8-1 and Spur 6.

3. Road improvements to Spurs 1, 6, and 6A (44+50 Station).

4. Road improvements to Spur 10 (65+00 Station).

5. Subgrade construction to Spurs 2, 3, 4, 5, and 6A (13+50 Station).

1. A road use/maintenance fee in the amount of \$10,500 must be paid to Willamette Industries, Inc. prior to road use.

 A road maintenance/rockwear fee in the approximate amount of \$12,654 must be paid to BLM as monthly payments. Actual fees will be based on certified statements of volumes hauled, both rock and timber. A \$1,500 performance

bond is required for duration of road use.

THREATENED AND ENDANGERED SPECIES INFORMATION:

FEES:

This State timber sale contract requires that Purchaser comply with all laws, including the Endangered Species Act (ESA). The Department of Forestry (ODF) has conducted surveys for northern spotted owls, and has established activity centers for the northern spotted owl within 1.5 miles of the sale area described in Exhibit "A". Section 39 of the contract establishes certain restrictions as a result of this situation. purchasers should reference that section for restriction details. ODF also has surveyed the sale area shown in Exhibit "A" for marbled murrelets. Results of the survey are on file with ODF, and are available for inspection upon request. Marbled murrelets were not detected in survey areas within or adjacent to this sale. ODF will be conducting threatened or endangered species surveys in or around the sale area during the life of this contract. ODF does not guarantee that additional threatened or endangered species will not be found elsewhere within or near this sale. 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.

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 or activity center information.

SPECIAL REMARKS: SEASONAL RESTRICTIONS APPLY - SEE SECTION 39.

Acreage was determined from orthophotos and topography maps and calculated with

GIS.

Costs for 17+25 Stations of optional road construction are included in the logging cost appraisal as additional costs.

All felling operations must be completed by March 15, 2004.

BLM timber sale (Sammy Hill) may impact access to STATE timber sale (Duncan Doughnut Thin). (See Section 53.)

SALE OBJECTIVES:

The area to the north of the 16-8-1 Road will be lightly thinned. This prescription is to promote understory growth in an area that is starting to close in. It is hoped that western hemlock will seed in to this almost pure Douglas-fir stand. The area south of the 16-8-1 Road will be moderately to heavily thinned in order to promote layered structure. The heavier thinning will be in areas where western hemlock is already established in the understory. The thinning will release these saplings and provide a seed bed for new hemlock, thus creating another possible cohort. The moderate thinning is in areas that have a large amount of hemlock in the overstory. Hemlock will then become established in the understory.

The information shown on the Exhibit "A" map(s) are approximate locations. Exact locations of features represented by map symbols shall be determined on site and shall depend upon the conditions that exist on site. Activities shall be conducted based upon features determined on site rather than features shown on maps.

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

SALE NAME: Duncan Doughnut Thin

COUNTY: Lane CONTRACT NO.: 341-02-66

TIMBER SALE NAME: Duncan Doughnut Thin

TIMBER SALE NO.: 341-02-66

OPENING DATE: May 24, 2002

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, sawr	mill grade or bette	r, _			
				Dollars (\$) per MBF
Minimum grades a	and volumes for b	id species are stated in the	e timber sale prospectu	S.	
THE MINIMUM P	RICE PER MBF F	ACT PRICE FOR WESTE OR WESTERN HEMLOO ED TO CALCULATE THI	K BY THE BID-UP FA		
No-bid species wi	II remain as show	ո:			
Enclosed is a bid \$121,500 , payable		ed, consisting of aester.		i	in the amount of
	l, within thirty (30)	and deliver the contract, days of the date of the wrer sale payment.			
	thirty-day period,	he bid is irrevocable and the bid deposit shall beco			
	BIDDER	(Name of compa	any or individual)		
	TAX ID NO.				
	ADDRESS				
	PHONE				
	BY				

(Signature of Authorized Official & Title)

PURCHASER'S STATUS

Purchaser is a corporation	Check ()	Incorporated in the State of
President's Name		_
Secretary's Name		-
Purchaser is: () a partnership () an individual	o () an assumed (business) name	() company
List names of all persons	doing business under the partnership of	or assumed name:
If assumed name is subsinere:	idiary to a corporation, fill in data reque	ested of corporation also and write in corporation name

Rev. 01/02 629: Form 301-020

CERTIFICATION OF ELIGIBILITY TO BID ON STATE TIMBER

	nereby certilies that they:
EXPOR	<u>RT</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 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, or if bidding only on STATE hardwood timber or logs, HAVE exported unprocessed timber originating from private lands in Oregon in the last 24 months, but HAVE NOT 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).
DEFAL	ILT, 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.
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 Duncan Doughnut Thin

Timber Sale Number 341-02-66

To: Potential Bidders

From: Marcia Humes, Wildlife Biologist

Date: March 21, 2002

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 2000 and 2001, using a protocol endorsed by the U. S. Fish and Wildlife Service. There are two known northern spotted owl activity centers within 1.5 miles of this sale. ODF has conducted a Biological Assessment of the potential impacts of this sale on these activity centers and has concluded that the sale has a low risk of negative impacts to these spotted owl sites. Northern spotted owl surveys will continue during the life of the contract as part of ODF and adjacent landowners continued monitoring of these activity centers.

This sale was surveyed for marbled murrelets in 2000 and 2001, using a protocol developed by the Pacific Seabird Group. There were no detections of marbled murrelets during any of these surveys. This sale is greater than ½ mile from any Marbled Murrelet Management Area.

Current northern spotted owl surveys are considered valid until March 15, 2004. All timber must be felled by this date. There are no additional seasonal restrictions associated with northern spotted owls or marbled murrelets for this sale.

cc: Western Lane District