NOTICE OF TIMBER SALE

(R)

SALE NAME/NO.: Millicoma Elk 341-02-71

AUCTION DATE/TIME: June 19, 2002, starting at 2:00 p.m. AUCTION LOCATION: Oregon Department of Forestry

Coos District - CFPA Crewhouse

63612 Fifth Road

Coos Bay, Oregon 97420

(541) 267-4136 FAX (541) 269-2027

DISTRICT/UNIT Oregon Department of Forestry

OFFICE (MAILING Coos District ADDRESS FOR BIDS): 63612 Fifth Road

Coos Bay, Oregon 97420

(541) 267-4136 FAX (541) 269-2027

HARVEST TYPE: Regeneration harvest of approximately 72 acres of 116 to 129-year-old, mature

second growth Douglas-fir sawtimber.

SALE LOCATION: The timber sale area is located in portions of Sections 26, 35, and 36, T23S, R11W,

W.M., Coos County, Oregon.

DIRECTIONS TO TIMBER

SALE AREA:

The timber sale area is located approximately 27 miles northeast of Coos Bay via Allegany, the 1000 Road (Marlow Creek Road), the 9000 Road, the 9300 Road

(Elkhorn Ridge Road), and the 9340 Road.

APPRAISED VOLUMES AND QUALITY:

SPECIES	AVG DBH	TOTAL MBF	GRADES BY MBF																
			1P	2P	3P	Р	SM	1S	2S	38	4S	5S	6S	SEL	sc	UT	CR	WRM	PLP
Douglas-fir	30"	3,915			78		392		2,975	470									
W Hem. / fir	17"	18								18									
W Red Cedar	21"	11								11									
Red Alder	14"	87															87		
Sale Total		4,031																	
MINIMUM B	ID: E	SID SPEC	IES		Dou	glas	s-fir							\$	460.6	88 pe	r MB	F	
	N	NO-BID S	PECIE	S								3			219.4 539.4	-			

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 \$89,738 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 (\$90,000),

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

Red alder and other hardwoods \$33,522.84 TOTAL PRICE

EXPIRATION DATE: October 1, 2004 BID METHOD: Sealed Bids

BID DEPOSIT: \$175,700 SALE TYPE: Recovery/CSL – 100%

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

\$500,000 Logger's Broad Form

HARVEST METHOD: Uphill cable logging with full and single end suspension.

PROJECTS: Road and land construction and improvement; road surfacing; rock stockpile delivery;

and fish log stockpile delivery.

FEES: None.

THREATENED AND ENDANGERED SPECIES INFORMATION:

This STATE timber sale contract requires that PURCHASER comply with all laws, including the Endangered Species Act (ESA). This sale is located within an area covered by a Habitat Conservation Plan for northern spotted owls approved by U.S. Fish & Wildlife Service (USFWS). The Department of Forestry (ODF) 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. ODF has established a Marbled Murrelet Management Area within 0.25 miles of the sale area described in Exhibit "A". Section 39 of the contract establishes certain restrictions as a result of this situation. Prospective purchasers should reference that section for restriction details. ODF does not guarantee that a 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.

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.

Acreage was determined by electronic digitizing using digital ortho photography and ArcView GIS software.

The total price for hardwoods shall be paid prior to log hauling (Section 42).

Create 36 snags by topping trees per Section 58.

Deliver 36 logs to the fish log stockpile site.

SALE OBJECTIVES: The desired condition for this stand is a young age class to maintain biodiversity in

accordance with the Balanced Landscape strategy of the Elliott State Forest

Management Plan.

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: Millicoma Elk

COUNTY: Coos CONTRACT NO.: 341-02-71

TIMBER SALE NAME: Millicoma Elk

TIMBER SALE NO.: 341-02-71

OPENING DATE: June 19, 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, sa	awmill grade or better,			
			Dollars (\$) per MBF.
Minimum grade	es and volumes for bid	species are stated in the timber sale pro	ospectus.	
No-bid species	s will remain as shown:			
Western redce	edar	rs	\$ 539.48 per ME	BF.
	oid deposit as required, able to the State Fores	consisting of ater.		in the amount of
performance b		nd deliver the contract, initial payment, and the date of the written notification sale payment.		
	the thirty-day period, the	e bid is irrevocable and further agrees the bid deposit shall become the property		
	BIDDER _	(Name of company or individual)	
	TAX ID NO.			
	ADDRESS _			
	PHONE _			
	BY			

COMPLETE PURCHASER'S STATUS ON PAGE 2

(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 Millicoma Elk

Timber Sale Number 341-02-71

To: Potential Bidders

From: Marcia Humes, Wildlife Biologist

Date: April 29, 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 is located within an area covered by a Habitat Conservation Plan (HCP) for northern spotted owls approved by the U.S. Fish and Wildlife Service. This sale does not affect any northern spotted owl core areas established under the HCP. Due to its location in a demographic study area, surveys for spotted owls may occur in or near the sale area, during the life of the contract.

The HCP for the Elliott State Forest does not currently cover marbled murrelets. This sale was surveyed for marbled murrelets in 1999 and 2000, using a protocol developed by the Pacific Seabird Group. The sale was surveyed using 2 sites, with 12 surveys each. During one survey, murrelets were detected as present at one site, but occupancy was not observed. This sale is within 0.25 miles of a Marbled Murrelet Management Area (MMMA), established under ODF's Marbled Murrelet Management Plan for State Forests.

Seasonal operating restrictions are in effect from April 1 through September 15 for that portion of the sale within 0.25 miles of the MMMA. However, log hauling within 0.25 miles of the MMMA is permitted between April and September 15 since ODF has determined that in this specific situation, this activity has a low probability of disrupting reproductive activities of marbled murrelets in the MMMA. There are no other seasonal restrictions associated with northern spotted owls or marbled murrelets for this sale.

cc: Coos District