

NOTICE OF TIMBER SALE

(Recovery – Scaled Sale)

SALE NAME/NO.: Kerry East 341-04-63

AUCTION DATE/TIME: March 16, 2004, starting at 2:00 p.m.

AUCTION LOCATION: Oregon Department of Forestry
Astoria District Headquarters
92219 Highway 202
Astoria, Oregon 97103
(503) 325-5451 FAX (503) 325-2756
(4 miles SE of Astoria on Highway 202)

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: Approximately 112 acres of clearcut, in 2 units, of 62- to 67-year-old hemlock/Douglas-fir stands. Approximately 863 acres of conifer partial cut, in 3 units, of 40- to 65-year-old Douglas-fir/hemlock stands. About 17 acres of road R/W within the partial cut areas, and 10 acres of road R/W in 25- to 40-year-old conifer plantations in the East Summit Road area.

SALE LOCATION: Sale areas are located in portions of Sections 12, 13, 23, 24, and 25, T7N, R6W, W.M., Clatsop County, Oregon. Area 7 R/W is located in Sections 2, 3, and 11, T4N, R9W, W.M., Clatsop County, Oregon.

DIRECTIONS TO TIMBER SALE AREA: Sale Areas 1-6 can be accessed via the West Creek/West Creek Ridge Road system off Highway 30. Area 1 is approximately 5 miles from Hwy. 30 at Westport, and Area 5 is approximately 8 miles from the highway. Other sale units are located in between these units. Area 7 R/W is accessed from Hwy. 53, near Milepost 3, or from the Hamlet County Road and Cole Ridge Road, about 4 miles from Hwy. 53.

APPRAISED VOLUMES AND QUALITY:

SPECIES	AVG DBH	TOTAL MBF	GRADES BY MBF																	
			1P	2P	3P	P	SM	1S	2S	3S	4S	5S	6S	SEL	SC	UT	CR	WRM	PLP	
Douglas-fir	15"	11,322							4,373	6,071	878									
W Hem. / fir	14"	11,905							4,255	6,602	1,048									
Alder/other Hardwoods	13"	419								355	64									
W. Red Cedar	19"	10							7	3										
Spruce	19"	6							3	3										
Sale Total		23,662																		

MINIMUM BID:	BID SPECIES	Douglas-fir.....	\$319.02 per MBF
		Hemlock/true fir.....	\$129.70 per MBF
	NO-BID SPECIES	Red cedar.....	\$844.79 per MBF
		Sitka spruce and other conifers.....	\$210.47 per MBF
		Alder and other hardwoods.....	\$391.92 per MBF

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 \$722,946 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 (\$723,000), whichever is greater. Actual bond amount will be rounded up to an even \$1,000 unit.

EXPIRATION DATE:	October 31, 2006	BID METHOD:	Sealed Bids
BID DEPOSIT:	\$460,700	SALE TYPE:	Recovery/BOF - 100%
INSURANCE:	\$500,000 Commercial General Liability; \$500,000 Automobile Liability; \$500,000 Logger's Broad Form		
HARVEST METHOD:	Cable yarding will be required on approximately 51% of the sale area. The other 49% is suitable for ground-based yarding systems.		
PROJECTS:	Road construction - 4.2 miles; road improvement - 4.8 miles; roadside brushing - 25.3 miles; road vacating - 1.5 miles; rock crushing - approx. 49,600 cubic yards; and gate fabrication and installation.		
FEES:	None.		
ENDANGERED SPECIES ACT COMPLIANCE STATEMENT:	<p>The Oregon Department of Forestry (ODF) is engaged in an active threatened and endangered (T&E) species survey program. Surveys, determinations, and management measures are developed and implemented in good faith compliance with federal and state Endangered Species Act (ESA) requirements. Restrictions on operations due to T&E species considerations are included in the prospectus. Purchasers are required to comply with all federal and state laws, including the Endangered Species Act. Purchaser should take steps to be certain that no ESA violations occur. Prospective purchasers of timber sales are reminded that ODF surveying efforts may take place any time during the term of a timber sale contract. As part of the survey program, ODF surveys its lands on a continuing basis for land management, species protection, research, and other reasons. During the contract term, T&E survey work and/or the discovery of a threatened or endangered species within or in the vicinity of a timber sale may affect operations contemplated under the contract. In the event a threatened or endangered species is found within or near this sale, ODF may take steps necessary to protect the interests of the State, including contract alteration, suspension, or termination.</p> <p>Prospective purchasers are encouraged to contact the Astoria ODF District at (503) 325-5451 for further information or questions relative to threatened or endangered species surveys, future planned survey information, or other threatened or endangered species information.</p>		
SPECIAL REMARKS:	<p>SEASONAL RESTRICTIONS APPLY - SEE SECTION 39.</p> <p>Acreage for sale areas was determined by GIS.</p> <p>Certain activities are limited to the period from May 1 to October 31 on Area 2, which is located within a Salmon Anchor Habitat area.</p> <p>All felling on Areas 1, 2, 3, 4, 5, and 6 must be completed by March 15, 2006.</p>		
SALE OBJECTIVES:	<p>This timber sale is aligned with the objectives of the NWO Forest Management Plan. The plan presents guiding principles, a forest vision, and resource management goals. This sale has specific objectives of advancing several of the sale areas toward more complex structures; of increasing wood growth on residual trees; and for Areas 4 and 5, converting these stands to healthy conifer plantations, which will also serve as wildlife forage areas for about a decade.</p>		

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:	Kerry East
COUNTY:	Clatsop
CONTRACT NO.:	341-04-63

TIMBER SALE NAME: **Kerry East**

TIMBER SALE NO.: **341-04-63**

OPENING DATE: **March 16, 2004**

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, sawmill grade or better, _____
_____ Dollars (\$) _____) per MBF.

Hemlock/true fir, sawmill grade or better, _____
_____ Dollars (\$) _____) per MBF.

Minimum grades and volumes for bid species are stated in the timber sale prospectus.

No-bid species will remain as shown:

Red cedar **\$844.79** per MBF.
Sitka spruce and other conifers **\$210.47** per MBF.
Alder and other hardwoods **\$391.92** per MBF

Enclosed is a bid deposit as required, consisting of a _____ in the amount of **\$460,700**, payable to the Oregon Department of Forestry.

The undersigned agrees to execute and deliver the contract, initial payment, required certificates of insurance, and performance bond, within thirty (30) days of the date of the written notification of high bid; and that any cash bid deposit may be applied to the first required timber sale payment.

The undersigned understands that the bid is irrevocable and further agrees that if they fail to qualify under the terms of the contract within the thirty-day period, the bid deposit shall become the property of the Oregon Department of Forestry as liquidated damages.

BIDDER _____
(Name of Individual or Company and Authorized Official)

TAX ID NO. _____

ADDRESS _____

PHONE _____

BY _____
(Signature of Authorized Official & Title)

COMPLETE PURCHASER'S STATUS ON PAGE 2

PURCHASER'S STATUS

Purchaser is a corporation Check
() Incorporated in
the State of _____

President's Name _____

Secretary's Name _____

Purchaser is: a partnership an assumed (business) company
 an individual name

List names of all persons doing business under the partnership or assumed name:

_____	_____
_____	_____
_____	_____

If assumed name is subsidiary to a corporation, fill in data requested of corporation also and write in corporation name here:

**CERTIFICATION OF ELIGIBILITY
TO BID ON STATE TIMBER**

_____ hereby certifies that they:

EXPORT

- (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, **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).

DEFAULT, 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

Dated

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

Biological Survey Report

Project: Kerry East
Date: November 3, 2003
To: Tom Scoggins
CC: Tom Savage, District Sale File
From: Marcia Humes

Habitat Suitability

This sale contains suitable habitat for northern spotted owls and marbled murrelets.

Survey Results

This sale was surveyed for northern spotted owls in 2002 and 2003, using a protocol endorsed by the U.S. Fish and Wildlife Service¹. In 2003, there were 2 separate observations of northern spotted owls on the first visit to the area. Additional visits produced no further spotted owl responses, and both observations were attributed to non-resident owls.

Surveys for marbled murrelets were conducted in 2002 and 2003, using a protocol developed by the Pacific Seabird Group². There were no observations of marbled murrelets during any of these surveys.

Known T&E Resources

There are no known northern spotted owl activity centers within 1.5 miles or Marbled Murrelet Management Areas within 0.25 miles of this sale.

¹ USDI Fish and Wildlife Service. 1991, revised 1992. Protocol for surveying proposed management activities that may impact northern spotted owls. 15pp.

² Evans, D. M., W. P. Ritchie, S. K. Nelson, E. Kuo-Harrison, Peter Harrison, T. E. Hamer, eds. 2000. Methods for surveying marbled murrelets in forests: an update to the protocol for land management and research, by the Pacific Seabird Group Marbled Murrelet Technical Committee. 64 pp.

Table 2. Marbled Murrelet Surveys of Kerry East

Survey Area	Site	Station	Date	# Detections
KERRY EAST COMBINATION	1	1	5/15/02	0
KERRY EAST COMBINATION	1	2	6/10/02	0
KERRY EAST COMBINATION	1	1	7/9/02	0
KERRY EAST COMBINATION	1	2	7/30/02	0
KERRY EAST COMBINATION	1	1	5/10/03	0
KERRY EAST COMBINATION	1	2	5/24/03	0
KERRY EAST COMBINATION	1	1	6/7/03	0
KERRY EAST COMBINATION	1	2	7/1/03	0
KERRY EAST COMBINATION	1	1	7/21/03	0
KERRY EAST COMBINATION	2	2	5/8/02	0
KERRY EAST COMBINATION	2	3	5/22/02	0
KERRY EAST COMBINATION	2	6	6/19/02	0
KERRY EAST COMBINATION	2	5	7/8/02	0
KERRY EAST COMBINATION	2	4	7/18/02	0
KERRY EAST COMBINATION	2	1	8/1/02	0
KERRY EAST COMBINATION	2	1	5/12/03	0
KERRY EAST COMBINATION	2	2	5/23/03	0
KERRY EAST COMBINATION	2	3	6/17/03	0
KERRY EAST COMBINATION	2	4	7/7/03	0
KERRY EAST COMBINATION	2	5	7/15/03	0
KERRY EAST COMBINATION	2	6	7/25/03	0
KERRY EAST COMBINATION	3	3	5/3/02	0
KERRY EAST COMBINATION	3	1	5/29/02	0
KERRY EAST COMBINATION	3	4	6/26/02	0
KERRY EAST COMBINATION	3	2	7/16/02	0
KERRY EAST COMBINATION	3	4	5/10/03	0
KERRY EAST COMBINATION	3	3	5/24/03	0
KERRY EAST COMBINATION	3	2	6/7/03	0
KERRY EAST COMBINATION	3	4	7/1/03	0
KERRY EAST COMBINATION	3	1	7/21/03	0
KERRY EAST COMBINATION	4	1	5/16/02	0
KERRY EAST COMBINATION	4	2	6/11/02	0
KERRY EAST COMBINATION	4	2	7/10/02	0
KERRY EAST COMBINATION	4	1	7/30/02	0
KERRY EAST COMBINATION	4	1	5/12/03	0
KERRY EAST COMBINATION	4	2	5/23/03	0
KERRY EAST COMBINATION	4	1	6/17/03	0
KERRY EAST COMBINATION	4	2	7/7/03	0
KERRY EAST COMBINATION	4	1	7/15/03	0