NOTICE OF TIMBER SALE

(Recovery - Scaled Sale)

SALE NAME/NO.: Sheep Shack 341-05-27

AUCTION DATE/TIME: April 19, 2005, 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 Oregon Department of Forestry
OFFICE (MAILING Astoria District Headquarters
ADDRESS FOR BIDS): 92219 Highway 202

Astoria, Oregon 97103

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

HARVEST TYPE: Areas 1, 1A, 3, and 4: 223 acres of "automark" partial cut thinning of approximately

58-year-old mixed Douglas-fir and hardwood stands. Volume to be removed in Areas 1,

3, and 4 is approximately 16.8 MBF/acre.

Area 2: 68 acres of "automark" partial cut thinning of 60- to 68-year-old dense Douglas-

fir stand with occasional hardwood pockets. Volume to be removed in Area 2 is

approximately 13.7 MBF/acre.

Area 5 (in-sale R/W): There are 8 acres of in-sale right-of-way consisting primarily of Douglas-fir, hemlock, and alder. Volume to be removed in Area 5 is approximately

38.2 MBF/acre.

SALE LOCATION: Sale areas are located in portions of Section 25, T4N, R7W and Section 30, T4N,

R6W, W.M., Clatsop County, Oregon.

DIRECTIONS TO TIMBER

SALE AREA:

Sale areas can be accessed via Highway 26 – at Mile Marker 28, turn onto Sterling

Ranch Road. You are now at the northwest corner of Area 1.

APPRAISED VOLUMES AND QUALITY:

SPECIES	AVG DBH	TOTAL MBF																	
			1P	2P	3P	Р	SM	1S	2S	3S	48	58	6S	SEL	SC	UT	CR	WRM	PLP
Douglas-fir	16"	4,301							1,897	2,163	241								
W Hem. / fir	15"	674							331	297	46								
Alder	15"	4								2	2								
Sale Total		4.979*	•																

^{*}Includes approximately 201 MBF of Area 1A which may be excluded (see Section 2210, "Designated Timber")

MINIMUM BID:	BID SPECIES	Douglas-fir	\$353.63 per MBF

Cedar......\$724.54 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 \$229,389 after the project work is completed and accepted, as described in Section 2630, "Credit for Project Work."

The timber sale areas contain negligible volumes of other logs to be paid for at the prices in Section 1740.

PERFORMANCE SECURITY: 20% of bid value (unknown) or the total value of the project work (\$230,000),

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

EXPIRATION DATE: October 31, 2007 BID METHOD: Sealed Bids

BID DEPOSIT: \$138,000 SALE TYPE: Recovery/BOF - 100%

INSURANCE: \$1,000,000 Commercial General Liability; \$1,000,000 Automobile Liability;

\$1,000,000 Logger's Broad Form

HARVEST METHOD: Area 1: 65% cable yarding and 35% ground-based yarding.

Area 1A: 100% cable yarding.

Area 2: 56% cable yarding and 44% ground-based yarding.
Area 3: 58% cable yarding and 42% ground-based yarding.
Area 4: 80% cable yarding and 20% ground-based yarding.
Area 5: 100% ground based yarding (in sale right of way)

Area 5: 100% ground-based yarding (in-sale right-of-way).

PROJECTS: Project No. 1: Approximately 1.26 miles of sale access road construction and

1.8 miles of road improvement to the haul route.

Project No. 2: Sterling Quarry development and rock crushing of 10,000 CY of rock.

Project No. 3: Fill vacating.

Project No. 4: Stream enhancement.

FEES: None.

ENDANGERED SPECIES ACT COMPLIANCE STATEMENT:

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.

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.

SPECIAL REMARKS: SEASONAL RESTRICTIONS APPLY - SEE SECTION 2455.

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

Area 1A may be excluded from the sale if a pending land exchange is not completed at the time of harvest in Area 1 (see Section 2210).

All felling must be completed by March 15, 2007, except for snag creation (see Section 2310).

PURCHASER shall create 150 snags in Area 1 following the completion of harvesting on those units (See Section 2335).

Project Nos. 1 and 2 must be completed prior to October 31, 2006.

Project Nos. 3 and 4 must be completed prior to August 31, 2006.

A minimum of 40% of the estimated bid value shall be paid on or before October 1, 2006.

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 within a broader management context.

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 Timber Sale Schedule handbook for disclaimer regarding all governmental regulatory actions.

SALE NAME: Sheep Shack COUNTY: Clatsop CONTRACT NO.: 341-05-27

TIMBER SALE NAME: Sheep Shack

TIMBER SALE NO.: 341-05-27

OPENING DATE: April 19, 2005

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:

Bid Species:				
Douglas-fir, sawmill	grade or better,			
			_ Dollars (\$) per MBF.
Minimum grades and	I volumes for bid	species are stated in the timber sale prospec	tus.	
No-bid species will re	emain as shown:			
Alder and other har	dwoods		\$282.04 per MBF	
Enclosed is a bid dep \$138,000, payable to		consisting of a eartment of Forestry.		in the amount of
	vithin thirty (30) d	nd deliver the contract, initial payment, require ays of the date of the written notice of intent to sale payment.		
		e bid is irrevocable and further agrees that if the bid deposit shall become the property of the		
BII	DDER _	(Name of Individual or Company and Auth	orized Official)	
TA	X ID NO			
AD	DRESS _			
PI-	– IONE			
BY	_			
D1	_	(Signature of Authorized Official & Tit	le)	

COMPLETE PURCHASER'S STATUS ON PAGE 2

PURCHASER'S STATUS

Purchaser is	Chea corporation (Incorporated in the State of	
Pres	sident's Name			
Sec	retary's Name			
Purchaser is:	() a partnership () an individual	() an assumed (business) name	() company	
List	names of all persons doing	business under the partnership or	assumed name:	
If as here	· · · · · · · · · · · · · · · · · · ·	o a corporation, fill in data requeste	ed of corporation also and write in corpo	ration name

Rev. 05/03 629: Form 301-020

CERTIFICATION OF ELIGIBILITY TO BID ON STATE TIMBER

	nereby certilles that they:
EXPOR	R <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, 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	JLT, 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

Biological Survey Report

Project: Sheep Shack

Date: July 20, 2004

To: Ty Williams

CC: Tom Savage, District Sale File

From: Marcia Humes

Habitat Suitability

This sale contains suitable habitat for northern spotted owls. This sale does not contain potential habitat for marbled murrelets.

Survey Results

This sale was surveyed for northern spotted owls in 2003 and 2004, using a protocol endorsed by the U.S. Fish and Wildlife Service¹. There were no observations of northern spotted owls during any of these surveys.

Surveys for marbled murrelets are not necessary.

Known T&E Resources

There are no known northern spotted owl activity centers within 1.5 miles of this sale.

Operational Considerations

Northern spotted owl survey results are valid until March 15, 2007. All timber should be felled by March 15, 2007.

Future Survey Plans

ODF has no plans for further survey of this sale. However, surveys for northern spotted owls will take place within 3 miles of this sale during the life of the contract, as part of ODF's survey of other planned operations.

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

Survey Results Summary

Table 1. Northern Spotted Owl Surveys of Sheep Shack

Year	Visit #1	Visit #2	Visit #3	Visit #4	Visit #5	Visit #6		
Survey Area	Date	Date	Date	Date	Date	Date		
Sheep Shack Combo	5/27-28	6/25-26	7/31-8/1					
2003	NR	NR	NR					
Sheep Shack Combo	4/22-23	6/15-16	7/7-8					
2004	NR	NR	NR					
NR - no response j - juvenile			M ₀ - mor	M_0 - mouse refused M_4 - 4 mice taken				
V - visual response jj - 2 juveniles			\mathbf{M}_1 - 1mi	ice taken	$M_5 - 5$	M_5 - 5 mice taken		
bb - new bird banded - last visit to site			M_2 - 2 m	nice taken	${ m M}_6$ - 6 mice taken			
	M ₃ - 3 mice taken							
	Q ♥ ♥ Female (day, night, early morning)							
o S S S - Male (day, night, e	O 🕲 © - Sex Unkn (day, night, early morning)							