NOTICE OF TIMBER SALE

(Recovery – Scaled Sale)

SALE NAME/NO.: Smith and Fox 341-06-26

AUCTION DATE/TIME: January 17, 2006, starting at 10:00 a.m.

AUCTION LOCATION: Oregon Department of Forestry Tillamook District Headquarters

5005 Third Street

Tillamook, Oregon 97141

(503) 842-2545 FAX (503) 842-3143

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

ADDRESS FOR BIDS): 5005 Third Street

Tillamook, Oregon 97141

(503) 842-2545 FAX (503) 842-3143

HARVEST TYPE: Modified clearcut: 348 acres. Approximate age: 40 years.

Partial cut: 262 acres. Approximate age: 65 years.

SALE LOCATION: Portions of Sections 3, 4, 5, 8, 9, 10, 15, and 16, T1S, R7W, W.M., Tillamook County,

Oregon.

DIRECTIONS TO TIMBER

Access from Tillamook is via Highway 6 to Milepost 16, then Fox Creek Ridge Road,

SALE AREA: Hembre Ridge Road, and Smith Bypass Road.

APPRAISED VOLUMES AND QUALITY:

SPECIES	AVG DBH	TOTAL MBF	GRADES BY MBF																
			1P	2P	3P	Р	SM	1S	28	38	48	5S	6S	SEL	SC	UT	CR	WRM	PLP
Douglas-fir	13"	6,723							1,351	3,198	2,174								
W Hem. / fir	13"	179							54	98	27								
Red Alder	14"	344															344		
Sale Total		7,246																	

Western hemlock \$ 68.33 per MBF

NO-BID SPECIES Red alder......\$279.55 per MBF

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. Bond amount will be rounded up to an even \$1,000 unit.

EXPIRATION DATE: October 31, 2008 BID METHOD: Sealed Bids

BID DEPOSIT: \$177,000 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: 63% cable; 37% ground.

PROJECTS: None.

FEES:

THIS TIMBER SALE IS SUBJECT TO A **PUBLIC SAFETY ROAD FEE**, PAYABLE DIRECTLY TO TILLAMOOK COUNTY. PAYMENT OF THIS FEE IS NOT CONTINGENT ON HAULING ON THE TRASK RIVER COUNTY ROAD. SEE SECTION 2110.

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 Tillamook ODF District at (503) 842-2545 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.

Sale acreage was calculated using ortho photographs and ArcView GIS.

Snag creation in Areas 1, 3, 4, and 6 as per Section 2335.

Felling on Areas 1, 4, and 5 is required to be completed by March 15, 2008.

Hauling on Fox Creek Ridge Road is not allowed until road surfacing has been completed by the Arch Cape timber sale (341-05-65), unless otherwise approved by STATE. The required road surfacing completion date is May 31, 2006.

SALE OBJECTIVES:

Harvest Douglas-fir with symptoms of Swiss needle cast and partial cut Douglas-fir to develop layered and older forest structures. Harvest red alder to prepare for replanting with a mixture of native conifer species.

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: Smith and Fox COUNTY: Tillamook CONTRACT NO.: 341-06-26

TIMBER SALE NAME: Smith and Fox

TIMBER SALE NO.: 341-06-26

OPENING DATE: January 17, 2006

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 volumes for bid species are stated in the timber sale prosp	pectus.	
No-bid species will remain as shown:		
Western hemlockRed alder		
Enclosed is a bid deposit as required, consisting of a		_ in the amount of
The undersigned agrees to execute and deliver the contract, initial payment, requerformance bond, within thirty (30) days of the date of the written notice of interbe applied to the first required timber sale payment.		
The undersigned understands that the bid is irrevocable and further agrees that contract within the thirty-day period, the bid deposit shall become the property of liquidated damages.		
BIDDER(Name of Individual or Company and A	uthorized 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 individual	o () an assumed (business) name	() company
List names of all persons	s doing business under the partnership or	or assumed name:
_		
If assumed name is subs here:	sidiary to a corporation, fill in data reques	sted of corporation also and write in corporation nam

Rev. 05/03 629: Form 301-020

CERTIFICATION OF ELIGIBILITY TO BID ON STATE TIMBER

	hereby certifies 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 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).
DEFAU	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 fo 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: Smith and Fox

Date: August 23, 2005

To: Bob Teran

CC: Ross Holloway, 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 2004 and 2005, using a protocol endorsed by the U.S. Fish and Wildlife Service¹. Northern spotted owls were not observed during these surveys.

Surveys for marbled murrelets are not necessary for this sale.

Known T&E Resources

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

Operational Considerations

Current northern spotted owl survey results are valid until March 15, 2008. All timber should be felled by March 15, 2008.

Future Survey Plans

ODF has no plans for further survey of this sale. However, ODF has an active survey program and northern spotted owl surveys will be conducted within 3 miles of this sale during the life of the contract. In addition, ODF will be conducting spotted

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

owl surveys in and around this sale, as part of an investigation into the presence or absence of spotted owl use of the Tillamook Burn.

Survey Results Summary

Table 1. Northern Spotted Owl Surveys of Smith and Fox

Year	Visit #1	Visit #2	Visit #3	Visit #4	Visit #5	Visit #6	
Survey Area	Date	Date	Date	Date	Date	Date	
Smith and Fox	4/21	6/22	8/9				
	4/21-22	6/24-25	8/9-10				
2004	NR	NR	NR				
Smith and Fox	3/17-18	6/13-14	7/5				
	3/22-23	6/14	7/5-6				
	3/23	6/14-15	7/6-7				
2005	NR	NR	NR				
NR - no response	NR - no response j - juvenile			use refused	M ₄ - 4 mice taken		
V - visual response	jj - 2 juver	niles	\mathbf{M}_1 - 1mi	ice taken	M_5 - 5 mice taken		
bb - new bird banded	- last	visit to site	M_2 - 2 m	ice taken	${ m M}_6$ - 6 mice taken		
		${ m M}_3$ - 3 mice taken					
Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q	♀ ♀ '	Q ♥ Female (day, night, early morning)					
O' ⊗' ©' - Male (day, night, e	0 0	Sex Unkn (day, night, early morning)					