

NOTICE OF TIMBER SALE

(Recovery – Scaled Sale)

SALE NAME/NO.: Mill Stone 341-06-35

AUCTION DATE/TIME: October 20, 2005, starting at 10:00 a.m.

AUCTION LOCATION: Oregon Department of Forestry
West Oregon District Headquarters
24533 Alsea Highway
Philomath, Oregon 97370
(541) 929-3266 FAX (541) 929-5549

DISTRICT/UNIT OFFICE (MAILING ADDRESS FOR BIDS): Oregon Department of Forestry
West Oregon District Headquarters
24533 Alsea Highway
Philomath, Oregon 97370
(541) 929-3266 FAX (541) 929-5549

HARVEST TYPE: Combination timber sale containing automark commercial thinning harvest of 65 net acres in 28-year-old Douglas-fir plantations, and a modified clearcut harvest containing 32 net acres of Swiss needle cast infected 26-year-old Douglas-fir.

SALE LOCATION: Portions of Sections 30 and 32, T9S, R8W, W.M., Polk County, Oregon.

DIRECTIONS TO TIMBER SALE AREA: From Philomath, proceed west on Hwy. 20 approximately 11 miles to Blodgett; turn right and travel 7 miles to Nashville; turn right on Logsdan Road and go 8 miles to Steere Creek Road; turn right and go 1.6 miles to Beaver Creek Road; turn left and travel 2 miles to Hatchery-Fall Creek Road; turn right and continue for one mile, turning left onto Fish Sticks Road; proceed 0.7 mile, staying to the right, to Area I. For access to Areas II and III from Logsdan Road and Steere Creek Road intersection, travel 2 miles to Big Rock Creek Road; turn right and go 1.8 miles to Mill Stone Road; then turn left through the yellow gate and travel 0.3 mile to Area II.

A gate key is required to access Areas II and III, and can be checked out at the Philomath District Office.

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	11"	641							5	271	365								
Red Alder	10"	18																	18
Sale Total		659																	

MINIMUM BID: BID SPECIES Douglas-fir..... \$221.72 per MBF

NO-BID SPECIES Red alder and other hardwoods..... \$229.22 per MBF
Western hemlock and other conifers \$125.00 per MBF
Western red cedar..... \$650.00 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 \$65,894 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 (\$66,000), whichever is greater. Actual bond amount will be rounded up to an even \$1,000 unit.

EXPIRATION DATE: September 30, 2007 BID METHOD: Sealed Bids

BID DEPOSIT: \$8,000 SALE TYPE: Recovery/BOF - 98%
CSL – 2%

INSURANCE: \$2,000,000 Commercial General Liability; \$2,000,000 Automobile Liability;
\$2,000,000 Logger's Broad Form

HARVEST METHOD: A combination of cable yarding (approximately 51%) and ground-based yarding (approximately 49%) by volume.

PROJECTS: Road construction (0.2 mile), road improvement (7.5 miles), brushing (3.4 miles), and post-harvest activities.

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 West Oregon ODF District at 541-929-3266 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.**

- Net and gross acreage for all timber sale areas was determined by using digital orthophotos and GIS.
- Area I is a modified clearcut.
- Areas II and III are automark thinning units.
- Areas II and III each contain one patch cut within their boundaries.

A gate key is required to access Areas II and III, and can be checked out at the Philomath District Office.

Access roads to Areas II and III will be surfaced for winter haul with this contract.

SALE OBJECTIVES: The objectives of this sale are to reduce Swiss needle cast in Area I by removing the majority of Douglas-fir, and to reduce stand densities in Areas II and III in order to enhance the stand growth.

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: Mill Stone
COUNTY: Polk

TIMBER SALE NAME: **Mill Stone**

TIMBER SALE NO.: **341-06-35**

OPENING DATE: **October 20, 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 volumes for bid species are stated in the timber sale prospectus.

No-bid species will remain as shown:

Red alder and other hardwoods **\$229.22** per MBF.
Western hemlock and other conifers **\$125.00** per MBF.
Western red cedar **\$650.00** per MBF.

Enclosed is a bid deposit as required, consisting of a _____ in the amount of **\$8,000**, 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 notice of intent to award; 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: Millstone
Date: June 17, 2005
To: Dan Borg
CC: Steve Laam, District Sale File
From: Marcia Humes

Habitat Suitability

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

Survey Results

Surveys for northern spotted owls and 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

There are no seasonal restrictions or felling deadlines associated with northern spotted owls or marbled murrelets for this sale

Future Survey Plans

There are no future survey plans for 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.