

NOTICE OF TIMBER SALE

(Recovery – Scaled Sale)

SALE NAME/NO.: Larkin 341-07-38

AUCTION DATE/TIME: December 12, 2006, 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: **Area 1:** Snag and down wood creation. No volume will be removed from this sale area.
Areas 2 and 3: Approximately 94 acres of regeneration harvest that contains 75-year-old Douglas-fir and hemlock stands, removing approximately 57.1 MBF/acre.
Area 4 (R/W): There is approximately 0.7 acre of right-of-way timber to be removed.

SALE LOCATION: Timber Sale Areas are located in portions of Sections 19 and 30, T8N, R6W, and Sections 24 and 25, T8N, R7W, W.M., Clatsop County, Oregon.

DIRECTIONS TO TIMBER SALE AREA: Timber Sale Areas can be accessed via Highway 30. Near Milepost 76 on Oregon Highway 30, turn south onto Larkin Green Road. Go approximately 0.8 mile to Area 1.

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	30"	3,606					68		3,244	267	27								
W Hem. / fir	22"	1,730							1,292	396	42								
Sitka Spruce	24"	35							32	0	3								
Red Alder	17"	46																46	
Sale Total		5,417																	

MINIMUM BID:	BID SPECIES	Douglas-fir	\$357.70 per MBF
		Western hemlock/true fir	\$162.70 per MBF
	NO-BID SPECIES	Sitka spruce and other conifers	\$208.12 per MBF
		Red cedar	\$780.00 per MBF
		Red alder and other hardwoods.....	\$378.65 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 \$55,233 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 (\$56,000), whichever is greater. Actual bond amount will be rounded up to an even \$1,000 unit.

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

BID DEPOSIT: \$154,000 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: (Tree topping only).
Area 2: 100% ground-based yarding.
Area 3: 100% ground-based yarding.

PROJECTS: Project No. 1: Approximately 0.15 mile of sale access road construction.
Project No. 2: Approximately 2.63 miles of road improvement.
Project No. 3: Vacate approximately 0.21 mile of road.

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 acreages were determined by using aerial photos and GIS.

Snag creation is required for Areas 1, 2, and 3 (Section 2335).

The last 500 feet of an existing rocked road in Area 2 shall be ripped and/or crunched concurrently with slash piling (Sections 2130 and 2365).

All projects must be completed by October 31, 2008 (Section 2620).

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.

TIMBER SALE NAME: **Larkin**
TIMBER SALE NO.: **341-07-38**
OPENING DATE: **December 12, 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.

Western hemlock/tree 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:

Sitka spruce and other conifers..... \$208.12 per MBF.
Red cedar..... \$780.00 per MBF.
Red alder and other hardwoods \$378.65 per MBF.

Enclosed is a bid deposit as required, consisting of a _____ in the amount of **\$154,000**, 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. **If the undersigned fails to qualify within the thirty-day period, STATE may disqualify the undersigned from submitting another bid on this timber sale.**

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.]