NOTICE OF TIMBER SALE

(Recovery - Scaled Sale)

SALE NAME/NO.: Lost Pony 341-16-41

AUCTION DATE/TIME: May 17, 2016, 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 OR OFFICE (MAILING AS ADDRESS FOR BIDS): 92:

Oregon Department of Forestry Astoria District Headquarters

92219 Highway 202

Astoria, Oregon 97103

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

HARVEST TYPE: Area 1: Approximately 71 acres of modified clearcut, removing approximately

46 MBF/acre of 80 year old Douglas-fir, western hemlock, and bigleaf maple. Area 2: Approximately 93 acres of modified clearcut, removing approximately

Area 2: Approximately 93 acres of modified clearcut, removing approximately 46 MBF/acre of 80 year old Douglas-fir, western hemlock, and bigleaf maple.

Area 3: Approximately one acre of right-of-way in Area 2 (roadside landings) removing

approximately 46 MBF/acre of timber similar the above Areas.

SALE LOCATION: Timber Sale Areas are located in portions of Sections 3, 4, and 10, T6N, R6W, and

portions of Section 34, T7N, R6W, W.M., Clatsop County, Oregon.

DIRECTIONS TO TIMBER

SALE AREA:

All areas can be accessed from Astoria or Vernonia via Highway 202. Turn north onto Northrup Creek Road near Milepost 35. Continue on Northrup Road for approximately 1.5 miles to Cow Ridge Road. Turn east onto Cow Ridge Road. Continue on Cow Ridge Road to the Greasy Spoon Road junction. Area 1 is located

near the Cow Ridge Stockpile.

APPRAISED VOLUMES AND QUALITY:

| SPECIES | AVG DBH | TOTAL MBF | GRADES BY MBF | | | | | | | | | | | | | | |
|--------------|------------|----------------|---------------|----|---|--|---------|-------|-------|-----|----|--|----------------|-------|----|----|--|
| | | | 1P | 3P | Р | SM | 18 | 2S | 3S | 48 | 58 | 6S | SEL | SC | UT | CR | |
| Douglas-fir | 20 | 7,326 | | | | | | 5,792 | 1,149 | 385 | | | | | | | |
| W Hem. / fir | 14 | 202 | | | | | | 90 | 69 | 43 | | | | | | | |
| Maple | 14 | 5 | = | | | | | | | | | | | | | 5 | |
| Sale Total | | 7,533 | | | | | | | | | | | | | | | |
| MINIMUM BID: | | BID SPEC | CIES | | | Doug | glas-fi | r | | | | | \$387.7 | 6 MBF | | | |
| | | NO-BID SPECIES | | | | Western hemlock/fir and other conifers Bigleaf maple and other hardwoods Western redcedar and other cedars Red alder | | | | | | \$204.6 \$118.8 \$968.6 \$388.6 | 6 MBF 8 MBF | | | | |

In order to compensate PURCHASER for Project Work, ODF will credit PURCHASER's timber account in the amount of \$422,698 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, not to exceed \$500,000. Actual bond amount will be rounded up to

an even \$1,000 unit

EXPIRATION DATE: October 31, 2018 BID METHOD: Sealed Bids

BID DEPOSIT: \$245,900 SALE TYPE: Recovery/BOF - 100%

INSURANCE: \$2,000,000 Commercial General Liability; \$2,000,000 Automobile Liability;

\$2,000,000 Logger's Broad Form.

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

Area 2: 13% ground-based yarding and 87% cable yarding.

Area 3 R/W: 100% ground-based yarding and 0% cable yarding.

PROJECTS: Project No. 1: Approximately 0.15 miles of sale access Road Construction.

Project No. 2: Approximately 7.21 miles of sale access Road Improvement.

Project No. 3: Knob Point Rock Development, Crushing, and Stockpiling

(approximately 24,940 cubic yards).

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. In some cases, ODF may require that initiation of operations be delayed to allow for completion of spot check surveys, as required by the USFWS survey protocol. 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 Ty Williams, Jewell Unit Forester, at the Astoria 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:

NO PERSONAL OR COMPANY CHECKS ACCEPTED FOR THE BID DEPOSIT.

SEASONAL RESTRICTIONS APPLY - SEE SECTION 2455.

Project Nos. 1, 2, and 3 must be completed prior to October 31, 2017 (Section 2620).

All felling must be completed by March 15, 2018 (Sections 2310 and 2455).

This contract requires machine washing to prevent the spread of noxious weeds

(Section 2416).

A minimum of 50 percent of the estimated bid value shall be paid by on or

before October 31, 2017 (Section 1751).

Timber sale acreage was determined by using aerial photos and GIS.

Pulp removal is optional.

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: Lost Pony COUNTY: Clatsop CONTRACT NO.: 341-16-41

Form 341-210.1 (R) Page 1 of 2 Rev. 05/06

TIMBER SALE NAME: Lost Pony

TIMBER SALE NO.: 341-16-41

OPENING DATE: May 17, 2016

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:

| above-cited timber sale, and bi | us, and will pay. | | |
|---|---|----------------------------|------------------|
| Bid Species: | | | |
| Douglas-fir, sawmill grade or b | petter, | | |
| | | Dollars \$ | per MBF. |
| Minimum grades and volumes | for bid species are stated in the timber sale pr | ospectus. | |
| No-bid species will remain as s | hown: | | |
| Western hemlock/fir and other | conifers | \$204.67 per MBF | |
| | oods | | |
| | dars | | |
| Red alder | | \$388.68 per MBF | |
| Enclosed is a bid deposit as re | quired, consisting of a | | in the amount of |
| 245,900 payable to the Orego | n Department of Forestry. | | |
| contract within the thirty-day periquidated damages. If the unc | that the bid is irrevocable and further agrees the riod, the bid deposit shall become the propert lersigned fails to qualify within the thirty-day another bid on this timber sale. | y of the Oregon Department | of Forestry as |
| BIDDER | | | |
| BIDDEIX | (Name of Individual or Company and | d Authorized Official) | |
| TAX ID NO. | | | |
| ADDRESS | | | |
| · ·= = · · | | | |
| PHONE | | | |
| BY | | | |
| Dī | (Signature of Authorized Officia | I & Title) | |

COMPLETE PURCHASER'S STATUS ON PAGE 2

PURCHASER'S STATUS

| Purchaser is a | Che corporation (| | Incorporated in the State of |
|----------------|------------------------------------|--|---|
| Presid | dent's Name | | |
| Secre | tary's Name | 4 | |
| Purchaser is: | ()a partnership ()an individual | () an assumed (business) name | () company |
| List na | ames of all persons doing | business under the partnership or as | ssumed name: |
| | | | |
| | | | |
| | | | |
| If assuname | | to a corporation, fill in data requested | of corporation also and write in corporatio |
| | | | |

Rev. 05/11 629: Form 301-020

CERTIFICATION OF ELIGIBILITY TO BID ON STATE TIMBER

| | hereby certifies that they: |
|--------|--|
| EXPOR | <u>tT</u> |
| (a) | Will not directly or indirectly export the unprocessed State timber as defined in OAR 629-031-0020 which is the subject of this transaction. |
| (b) | Shall not engage in export of unprocessed timber originating from private lands in Oregon until such time as all interests in contracts for State timber held by the above have terminated, per OAR 629-031-0010(1)(d). |
| (c) | 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 that is not a STATE's approved location. |
| (d) | 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. |
| (e) | 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. |
| (f) | Have not directly or indirectly 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 | LT, 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.]



Department of Forestry

State Forester's Office 2600 State Street Salem, OR 97310 503-945-7200 FAX 503-945-7212 TTY 503-945-7213 / 800-437-4490 http://www.odf.state.or.us



Biological Survey Report

Project:

Lost Pony

Date:

January 11, 2016

To:

Ty Williams

CC:

Dan Goody, District Sale File

From:

Matt Gostin

Habitat Suitability

This sale contains potentially suitable habitat for northern spotted owls in areas 1–2. This sale is located in the Marbled Murrelet Systematic Survey Zone. By ODF policy, operational marbled murrelet surveys are not required.

Survey Results

This sale was surveyed for northern spotted owls in 2014 and 2015 using a protocol endorsed by the U.S. Fish and Wildlife Service^{1,2}. An unknown *Strix* species owl was observed once in 2014. Northern spotted owls were not observed in either year of these surveys.

Surveys for marbled murrelets are not necessary for this sale.

¹ USDI Fish and Wildlife Service. 2012. Protocol for surveying proposed management activities that may impact northern spotted owls. 42pp.

² Oregon Department of Forestry, June 1, 2010. Policy bulletin SFB – 10-03, Northern Spotted Owl Policy Update - Northern Spotted Owl Survey Protocol.

Known T&E Resources

There are no northern spotted owl activity centers or Marbled Murrelet Management Areas affecting this sale.

Operational Considerations

Due to the presence of barred owls, felling restrictions for spotted owl spot check surveys are not required for this sale at this time.

Northern spotted owl survey results are valid until March 15, 2018.

All timber should be felled by March 15, 2018.

Future Survey Plans

Spotted owl spot check surveys for this timber sale will occur in 2016 and 2017. In addition, ODF has an active northern spotted owl survey program and surveys for other planned operations will be conducted within 3 miles of this sale during the life of the contract.