

NOTICE OF TIMBER SALE**(Recovery – Scaled Sale)**

SALE NAME/NO.: King Kong 341-17-16

AUCTION DATE/TIME: September 20, 2016, 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 OFFICE (MAILING ADDRESS FOR BIDS): Oregon Department of Forestry
Tillamook District Headquarters
5005 Third Street
Tillamook, Oregon 97141
(503) 842-2545 FAX (503) 842-3143

HARVEST TYPE: Areas 1, 2, 3, 4, and 6 are 390 net acres of modified clearcut and Area 5 is 55 acres of partial cut. Approximate age of 55 years.

SALE LOCATION: Portions of Sections 19, 20, 28, 29, 30, 32, and 33, T2S, R7W, W.M., Tillamook County, Oregon.

DIRECTIONS TO TIMBER SALE AREA: From Tillamook go east on Third Street to the four-way stop, turning right on Trask River County Road, turn left in 1.5 miles continuing on Trask River County Road and follow it 11.5 miles to end of pavement (South Fork Trask Rd.); follow South Fork Trask Rd. for 6 miles; turn left onto Bales Creek Rd. for 0.3 mile. To access Areas 1, 2, and west half of Area 3 turn left on to Bushong Rd. for 0.6 mile. To access Areas 4, 5, and the east half of Area 3, continue on Bales Creek for 1.8 miles; turn left on spur for 0.2 mile.

APPRAISED VOLUMES AND QUALITY:

SPECIES	AVG DBH	TOTAL MBF	GRADES BY MBF												
			1P	2P	3P	P	SM	1S	2S	3S	4S	6-7	8-9	10-11	12+
Douglas-fir	16"	6,511							2,617	2,814	1,080				
Red Alder	13"	1,508										613	636	180	79
Sale Total		8,019													

MINIMUM BID: BID SPECIES Douglas-fir \$262.81 per MBF

NO-BID SPECIES Red alder and other hardwoods..... \$234.21 per MBF

Western hemlock/fir and other conifers... \$115.00 per MBF

Western redcedar and other cedars..... \$855.00 per MBF

In order to compensate PURCHASER for Project Work, ODF will credit PURCHASER's timber account in the amount of \$586,320 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 (\$587,000) whichever is greater, not to exceed \$500,000. Actual bond amount will be rounded up to an even \$1,000 unit.

EXPIRATION DATE: October 31, 2019 BID METHOD: Sealed Bids

BID DEPOSIT:	\$147,800	SALE TYPE:	Recovery/BOF - 100%
	10% of the net appraised value, not to exceed \$500,000. Bond amount will be rounded down to an even \$100 unit.		
INSURANCE:	\$2,000,000 Commercial General Liability; \$2,000,000 Automobile Liability; \$2,000,000 Logger's Broad Form.		
HARVEST METHOD:	97% Cable, 3% ground yarding.		
PROJECTS:	<p>Project No. 1 - Construct 3.4 miles of road, improve 14.3 miles of road.</p> <p>Project No. 2 - Crushing rock/stockpiling, spreading rock, 1,000 CY of 3" and 2,000 CY of 1.5".</p> <p>Project No. 7 - Roadside Brushing 19.5 miles.</p>		
FEES:	None.		
ENDANGERED SPECIES ACT COMPLIANCE STATEMENT:	<p>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 recommended by the USFWS survey protocol and required by ODF policy. 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. Also, legal challenges and other litigation regarding ODF threatened and endangered species related processes may occur and may affect operations contemplated under the contract. In the event a threatened or endangered species is found within or near this sale, or efforts are required to respond to legal issues, ODF may take steps necessary to protect the interests of the State, including contract alteration, suspension, or termination.</p> <p>Prospective purchasers are encouraged to contact the Tillamook 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.</p>		

SPECIAL REMARKS:

NO PERSONAL OR COMPANY CHECKS ACCEPTED FOR THE BID DEPOSIT.

SEASONAL RESTRICTIONS APPLY - SEE SECTION 2455.

Pulp removal is REQUIRED in Area 6 and the east half of Area 3 (accessed via Bales Creek Road). Pulp removal is NOT ALLOWED in Areas 1, 2, 4, and 5 and the west half of Area 3.

Sale acreage was determined using GIS.

Section 2015, "Log Accountability"; 2020, "Log Measurement"; 2030, "log Branding and Painting"; and Exhibit C contain special language for pulp removal.

T&E Survey: Areas 1, 2, 3, and 4 will be surveyed for Northern Spotted Owl presence during 2017. No timber harvest operations are allowed, other than those associated with Project Work, prior to September 1, 2017.

Felling on Area 5 and 6 must be completed by March 15, 2019 (Section 2310).

Area 6: Operations shall not be allowed from November 1 through April 30 (Section 2310).

Area 7 is a non-harvestable area and consists of approximately 10 year old regen. This area is used specifically for logging and hauling access.

Area 6 will be accessed via dirt spur that transects BPA transmission lines. Purchaser shall notify state and BPA before conducting operations near utility lines (Section 2420).

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: King Kong
COUNTY: Tillamook
CONTRACT NO.: 341-17-16

TIMBER SALE NAME: **King Kong**

TIMBER SALE NO.: **341-17-16**

OPENING DATE: **September 20, 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:

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 \$234.21 per MBF.
Western hemlock/fir and other conifers \$115.00 per MBF.
Western redcedar and other cedars \$855.00 per MBF.

Enclosed is a bid deposit as required, consisting of a _____ in the amount of **\$147,800**, 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)

EMPLOYER _____
IDENTIFICATION _____
NUMBER (EIN) _____

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 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).

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.]



Oregon

Kate Brown, Governor

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>



"STEWARDSHIP IN
FORESTRY"

Biological Survey Report

Project: King Kong
Date: June 6, 2016
To: Kate Skinner
CC: Joe Travers, District Sale File
From:

Habitat Suitability

This sale contains potentially suitable habitat for northern spotted owls in sale areas 1–6. 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. Surveys are ongoing in 2016 and to extend the contract felling date. Surveys will continue in 2017 in sale areas 1–4 to further extend the felling date. Surveys have been conducted using a protocol endorsed by the U.S. Fish and Wildlife Service^{1,2}. A northern spotted owl was observed on one occasion in 2014. This observation was determined to be from a non-territorial single (or “floater”) owl within 1.5 miles of the timber sale. There were no observations of northern spotted owls in 2015. There have been no observations of northern spotted owls to date in 2016.

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 affecting this sale.

There are no 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.

No felling, except for felling associated with project work, shall be allowed in sale areas 5–6 prior to the completion of the 2016 northern spotted owl surveys indicating no resident spotted owls.

No felling, except for felling associated with project work, shall be allowed in sale areas 1–4 prior to the completion of the 2017 northern spotted owl surveys indicating no resident spotted owls.

Northern spotted owl survey results in sale areas 5–6 will be valid until March 15, 2019 upon the completion of 2016 surveys.

Northern spotted owl survey results in sale areas 1–4 will be valid until March 15, 2020 upon the completion of 2017 surveys.

All timber should be felled in sale areas 5–6 by March 15, 2019.

All timber should be felled in sale areas 1–4 by March 15, 2020.

Future Survey Plans

Spotted owl spot check surveys for this timber sale will be required in 2018 and 2019 for sale areas 1–4. Spotted owl spot check surveys for this timber sale will be required in 2017 and 2018 for sale areas 5–6. In addition, ODF has an active survey program and northern spotted owl surveys and activity center monitoring may be conducted within 3 miles of this sale during the life of the contract.