NOTICE OF TIMBER SALE

Recovery Timber Sale

NAME/NO.: Gold Rush TL-341-2020-W00751-01

AUCTION DATE/TIME: August 20, 2019, starting at 10:00 AM

AUCTION LOCATION: Tillamook

5005 THIRD ST

TILLAMOOK, OR 97141-2999

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

DISTRICT/ Tillamook
OFFICE (MAILING 5005 THIRD ST

ADDRESS FOR BIDS): TILLAMOOK, OR 97141-2999

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

HARVEST TYPE: Area 1 is 35 acres, Area 2 is 96 acres, and Area 3 is 42 acres. All areas

are 61 years old. All areas are prescribed modified clearcut.

LOCATION: Portions of Section(s) 1, 2, 3, 11, 12 of T2S R8W W.M., Tillamook Co.

Oregon

DIRECTIONS TO

TIMBER From Tillamook, travel east on Trask River Road for 12 miles on South SALE AREA: Fork Trask River Road, travel one mile and turn right onto Edwards Creek

Road Area 1 and Gold Peak Road for Areas 2 and 3.

APPRAISED VOLUMES AND QUALITY:

| Conifer/Hwd | Species Group | Species | Product | AVG DBH | Grade | Volume | UOM | Diam. From | Diam. To | Length From | Length To |
|-------------|------------------|---------------|---------|---------|-------|--------|-----|---------------|-------------|----------------|--------------|
| Conifers | Douglas Fir | Douglas Fir | Sawlog | | 2 M | 1855 | MBF | | | | |
| Conifers | Douglas Fir | Douglas Fir | Sawlog | | 3 M | 2657 | MBF | | | | |
| Hardwood | Red Alder | Red Alder | Sawlog | | | 253 | MBF | 12" | | | |
| Hardwood | Red Alder | Red Alder | Sawlog | | | 289 | MBF | 8" | 11 | " | |
| Hardwood | Red Alder | Red Alder | Sawlog | | | 211 | MBF | 6" | 7" | | |
| Hardwood | Maple | Bigleaf Maple | Sawlog | | | 17 | MBF | 12" | | | |
| Hardwood | Maple | Bigleaf Maple | Sawlog | | | 21 | MBF | 6" | 11" | | |
| Sale Total: | • | • | • | • | • | 5,303 | MBF | | | | |

MINIMUM BID:

| | Species Category | Species Group | Species | Product | Grade | Volume | Diameter From | Diameter To | Length From | Length To | Price | UOM |
|--------|---------------------|------------------|----------------|---------|-------|--------|------------------|----------------|----------------|--------------|----------|-----|
| Bid | Conifers | Douglas Fir | Douglas Fir | | | 4512 | | | | | \$307.41 | MBF |
| No-Bid | Conifers | | | Pulp | | 0 | | | | | \$2.50 | TON |
| No-Bid | Conifers | | | | | 0 | | | | | \$173.20 | MBF |
| No-Bid | Conifers | Cedar | | | | 0 | | | | | \$644.20 | MBF |
| No-Bid | Hardwood | | | Pulp | | 0 | | | | | \$2.50 | TON |
| No-Bid | Hardwood | | | | | 38 | | | | | \$116.84 | MBF |
| No-Bid | Hardwood | Red Alder | | | | 753 | | | | | \$230.83 | MBF |

All Utility logs are set at price above, which means material will be charged at the highest rate for that species.

In order to compensate PURCHASER for Project Work, ODF will credit PURCHASER's timber account in the amount of \$346,230.00 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 \$346,230.00 whichever is greater, not to exceed \$500,000. Actual bond amount will be rounded up to an even

\$1,000 unit.

EXPIRATION DATE: 10/31/2022 BID METHOD: Sealed Bid

BID DEPOSIT: \$121,700.00 SALE Recovery / BOF: 100.00%

TYPE:

CSL: 0.00%

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: Cable 76%, Ground Yarding 24%

PROJECTS: 1a - New Rocked Road Construction

1b - New Dirt Road Construction

1c - Existing Sale Road and Haul Route Improvement Before Logging

1d - Reconstruct and Rock Existing Spur

1e - Reconstruct Existing Spur with No Rock

2 - Clean Up of Existing Rock Quarry

3 - Gate Installation on Pump Chance Spur

4 - Vacate Existing Road Near Sale Area

5 - Vacate Existing Sale Road AFTER LOG HAUL

6 - Seeding and Mulching

7 - Roadside Brushing

8 - Add Rock and Reprocess in Sale Area AFTER LOG HAUL

9 - Move-In for Project Work

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 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.

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:

NO PERSONAL OR COMPANY CHECKS ACCEPTED FOR THE BID DEPOSIT. SEASONAL RESTRICTIONS APPLY - SECTION 2455.

Area 1 seasonal restriction no operations November 1 through April 30.

Pulp removal is optional.

Sale acreage was determined using GIS.

Snag Creation is required (Section 2335)

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

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 government regulatory actions.

Form 341-210.1(C) Rev.05/06

TIMBER SALE NAME: Gold Rush

TIMBER SALE NO.: TL-341-2020-W00751-01

OPENING DATE: 08/20/2019

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 SP | ECIES | | | | | |
|------------------------|---|---|---|---|--|----------------|
| Dou | ıglas Fir, sav | wmill grade or better, | | | | |
| | | | | DOLLAF | RS\$ | per MBF |
| NO BI | D SPECIES | | | | | _• |
| | Conifers | : | | 0 | \$2.5 | 50 TON |
| | Conifers | | + + + + - | 0 | \$173.2 | |
| | Conifers | Cedar | + + + + - | 0 | \$644.2 | |
| | Hardwood | Ocuai | + + + | 0 | \$2.5 | |
| | Hardwood | | | 38 | \$116.8 | |
| | Hardwood | Red Alder | | 53 | \$230.8 | |
| timber The un the thir | sale paymer dersigned u ty-day period | nt. nderstands that the bi d, the bid deposit sha | ritten notice of intent to award d is irrevocable and further agi become the property of the C ay disqualify the undersigne | rees that if they fail to qu pregon Department of Fo | alify under the terms of the corestry. If the undersigned fa | ontract within |
| | | | (Name of Individual or Comp | any and Authorized Offi | cial) | |
| | | EMPLOYER IDENTIFICATION NUMBER (EIN) | | | | |
| | | ADDRESS | | | | |
| | | PHONE | | | | |
| | | ВҮ | (Signature of Author | ized Official & Title) | | |

COMPLETE PURCHASER'S 2

PURCHASER'S STATUS

| Purchaser is a corporation | Check | Incorporated in |
|---|---------------------|--|
| i dichaser is a corporation | () | the State of |
| President's Name | | |
| | | |
| Secretary's Name | | <u> </u> |
| Purchaser is: ()a partnersh ()an individua | . , , | ssumed (business) name ()company |
| List names of all perso | ns doing business | under the partnership or assumed name: |
| | | |
| | | |
| If assumed name is subsidiary to corporation name here: | a corporation, fill | in data requested of corporation also and write in |
| | | |

629: Form 301-020

CERTIFICATION OF ELIGIBILITY TO BID ON STATE TIMBER

hereby certifies that they:

| EXP | <u>ORT</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) |
| DEF | AULT, TERMINATION, 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. |
| Sig | gned |
| | |
| Tit | le |
| Da | ated |
| [NO | TE: 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: Gold Rush

Date: May 10, 2019

To: Nick Stumpf

CC: Kate Skinner, District Sale File

From: Dax Strubb Digitally signed by Dax Strubb Date: 2019.05.10 11:52:16-07'00'

Habitat Suitability

This sale contains potentially suitable habitat for northern spotted owls in all areas. 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 2017 using a protocol endorsed by the U.S. Fish and Wildlife Service^{1,2}. This sale was covered by density surveys in 2018³.

Known T&E Resources

As currently planned, there are no northern spotted owl activity centers affecting this sale.

¹ Oregon Department of Forestry, November 1, 2017. 1.2, Northern Spotted Owl Policy

² USDI Fish and Wildlife Service. 2012. Protocol for surveying proposed management activities that may impact northern spotted owls. 42pp.

³ Forsman, E. D. 1995. Spotted Owl Monitoring Protocols for Demographic Studies. U.S. Department of Agriculture. Pacific Northwest Research Station. Corvallis, OR. 11 pp

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 will not expire unless density surveys are discontinued. If density surveys are discontinued at any point during the contract, survey coverage will be valid until March 15, three years following the last full season of surveys.

Future Survey Plans

This sale will be covered by northern spotted owl density surveys during the life of the contract. These density surveys provide incidental survey coverage in lieu of spot checks. If density surveys are not conducted, then spot checks will be required. In addition, ODF has an active northern spotted owl survey program and surveys for other planned operations and density surveys will be conducted within 3 miles of this sale during the life of the contract.