NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Lost Ridge Timber Sale is located within Sections 2, 3, 10,11,13, 14 & 15, T24N-R17W on the State's Swan Unit. Approximately 25,895 tons, consisting of mixed conifer sawlogs, are offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **December 13, 2022 at 2:00 p.m.** Bids may be hand delivered or mailed and will be accepted any time prior to the bid opening. DNRC recommends that bidders contact the Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received. **Bids must be accompanied by a deposit of \$12,676.00**, representing 5% of the minimum bid value of the sale in cashier's check, certified check, bank money order or bank draft to be applied to the first sale invoice for the successful bidder. Bid bonds will be accepted and, for the successful bidder, will be closed upon execution of the Timber Sale Contract and Timber Sale Bond.

The sale will be awarded to the highest responsible bidder. Award of the timber sale is conditional upon approval of the timber sale by the State Board of Land Commissioners at their November 21, 2022 meeting. If the successful bidder is unable to execute the contract within **30** calendar days from the date the sale is awarded, the bid deposit will be retained by the Department as liquidated damages. The right is reserved to reject any or all bids.

Prospective bidders can obtain the sale prospectus, sale contract and bid forms from the Department of Natural Resources & Conservation, Trust Land Management Division, in Missoula (406-542-4300).

Visit our website at <u>http://dnrc.mt.gov/divisions/trust/forest-management/timber-sale-information</u> for upcoming sales and bid results.

TIMBER SALE PROSPECTUS

STATE OF MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Lost Ridge							
For specific sale information, contact:							
Phone	406-754-2301	Chad Blanchard	Swan Unit Office				
For copies	For copies of the Timber Sale Contract and bid forms, contact:						
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office				
Phone	406-751-2240		Northwestern Land Office				

General Bidding Information

- 1. Bids must be submitted on Department of Natural Resources & Conservation (State) bid forms.
- 2. Timber will be sold to the highest responsible bidder; however, the State reserves the right to reject any or all bids.
- 3. The State recommends that bidders contact the Forest Management Bureau, Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.
- 4. A **Bid Deposit** must accompany all bids and must be in the form of cash, cashiers check, certified check, money order, bank draft, surety bond or irrevocable letter of credit.
- 5. The Purchaser must submit a **Performance Bond** to the State within 30 days of notification of sale award. The bond amount will be, at a minimum, 20% of the total bid value of the sale. The performance bond may be cash, irrevocable letter of credit, surety bond or certificate of deposit. The performance bond must be maintained separately from other payments for the duration of the Timber Sale Contract. See the Timber Sale Contract for additional information.
- 6. The purchaser must submit an **Advance Stumpage Payment** prior to cutting any timber. The amount of the advance stumpage payment will cover six weeks of harvesting and be based on the expected harvest rate and the bid value of the stumpage. The advance stumpage payment may be cash, irrevocable letter of credit, payment bond or certificate of deposit.
- 7. At rates specified in the Contract, the purchaser will pay **Forest Improvement Fees** on all sawlog volume. All applicable **Road Use and/or Maintenance fees** will also be paid by the Purchaser in addition to stumpage payments.
- 8. This sale is being sold based on the gross weight of all species. Minimum price and bid price are on a per ton basis. Unless otherwise specified, the price applies to all species, green and dead. Price may vary by product. Billing will be based on gross weight. A weight ticket from a certified scale is required for each load hauled, regardless of product type.
- 9. The State has estimated the net scale merchantable sawlog volume to be sold under this Contract. Other products may be part of this sale. All delivered wood will be weighed and billed at per ton bid rates. The State recognizes that a percentage of delivered wood may not meet the log manufacturing and recovery standards of the Timber Sale Contract. The actual percentage will vary based on the log manufacturing and recovery specifications of the purchaser and tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. <u>The State strongly recommends that bidders evaluate these effects before bidding.</u>
- 10. The State does not conduct detailed road appraisals. All appraised costs are gross estimates or averages, provided only to show the relative amount of work required, and not the true market value. <u>The State strongly recommends that bidders make their own estimates based on Contract requirements</u>. Cost estimates provided are not guaranteed.
- 11. Bidders are encouraged to examine the complete Timber Sale Package and Sale Area prior to bidding. Additional information is available at the phone numbers shown above.
- 12. Estimates for sale volume, species percents, defect, product class, etc. provided in this prospectus and volume estimates listed in the Timber Sale Contract <u>are not guaranteed.</u>
- 13. <u>This prospectus is provided for information purposes only.</u> If the prospectus is in error or contradicts the Timber Sale Contract, the Contract governs.

Additional Sale Information

1. The Lost Ridge Timber Sale consists of eleven units (504 acres).

- a. Four ground-based units (153 acres, 1,120 MBF)
- b. Four skyline units (241 acres, 2,374 MBF)
- c. Three combination units (110 acres, 1,072 MBF)

2. The Lost Ridge Timber Sale Road package includes:

- **a.** Approximately 7.4 miles of new road construction that will include right-of-way harvesting, road pioneering, drain dip installations, CMP installations, grass seeding, maintenance, and final blading.
- **b.** Approximately 0.4 miles of temporary road construction.
- **c.** Approximately 34 miles of road maintenance including brush clearing and piling, right-of-way clearing, road widening, drain feature construction and repair, grass seeding, weed spraying, BMP improvements and initial, intermediate, and final blading.

3. Access/Directions

- a. The Lost Ridge Timber Sale is located east of Cilly Creek Road in the Cilly Creek, South Lost Creek drainages. The east side of the sale is accessed by Lost Creek Road off Highway 83 at Mile Post (MP) 69.7 south of Swan Lake, MT. The west side of the sale is accessed by the Cilly Creek Road from the Soup Creek Road off Highway 83 at MP 64.8 north of the Swan River State Forest Office.
- **b.** *See attached vicinity, sale, and haul route map with Notice of Sale.
- c. *Gate keys are required to access the upper end of the South Lost Creek Road and Upper Cilly Ridge Road which are available at the Swan River State Forest Office (34925 MT HWY 83, Swan Lake MT. 59911).

4. Pre-Bid Tour

a. A pre-bid sale tour will be offered on November 21, 2022, meeting at 10 a.m. at the Swan River State Forest Office (34925 MT HWY 83, Swan Lake MT. 59911). Bidders are strongly encouraged to attend if possible.

5. Harvest Operational Period

a. OPERATING PERIOD: Award date through March 16, 2023; June 16, 2023, through March 16, 2024; June 16, 2024 through March 16, 2025; June 16, 2025 through March 16, 2026; and when Soil Compaction Restrictions in Section VII.L.1 of this contract apply; when Hauling Restrictions in Section VII.N. of the timber sale contract apply.

6. Road Construction/Maintenance Operational Period

a. OPERATING PERIOD: Award date through March 16, 2023; June 16, 2023, through March 16, 2024; June 16, 2024 through March 16, 2025; June 16, 2025 through March 16, 2026; and when Soil Compaction Restrictions in Section VII.L.1 of this contract apply; when Hauling Restrictions in Section VII.N. of the timber sale contract apply.

Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

				Lost	Ridge						
Timber Sale Cruise Data (Scribner 5.6" top DIB, Filter: All All Cut)											
SPECIES	PP	DF	WL	LP	ES	GF	RC	AF	WP	Dead	TOTAL or AVE
Minimum Bid per ton											\$9.79
Pounds per cubic foot		61.7	58.3	56.0	57.0	60.0	44.0	55.0		40.0	
Estimated tons of sawlogs		4175	1912	87	10552	1858	2154	5158		0	25,895 tons
Estimated tons of non-sawlog material		26	8	1	51	28	15	77		0	205 tons
Gross MBF		763	472	18	2550	334	468	1130		0	5,735 MBF
% Cull and Breakage		13.0	22.0	15.0	20.0	17.0	17.0	28.0		0.0	20.4%
Net MBF		664	370	15	2039	279	390	811		0	4,567 MBF
Average logs per MBF		15.8	12.0	19.3	12.2	23.4	22.5	27.6		0.0	17.0 logs/MBF
Average DBH		16.3	18.1	13.0	17.4	12.4	14.9	12.6		0.0	14.8 in.
Average tons to cut per acre						51 tons/ac					
Average MBF to cut per acre							9.1 MBF/ac				
Total Average TPA Cut						67					
Calculated Sampling Error: Total cruised volume will fall between 4,078 and 5,056 Net MBF in 9 out of 10 cruises						10.7%					
		Ton	s Per Thous	sand Board	Feet						
Conversion Factor - Estimated tons hauled 25,895 estimated tons / 4,567 Net MBF per thousand Scribner board feet 25,895 estimated tons / 4,567 Net MBF					5.67 tons/MBF						

Contract Information						
Contract Termination Date:	9/30/2026					
	Award date through March 16, 2023; June 16, 2023, through March 16, 2024; June 16, 2024 through March 16, 2025; June 16, 2025 through					
	March 16, 2026; and whe	en Soil Compaction Restrictions in Section VII.L.1 of this contract apply; when Hauling Restrictions in Section VII.N. of				
Operating Period: the timber sale contract apply						

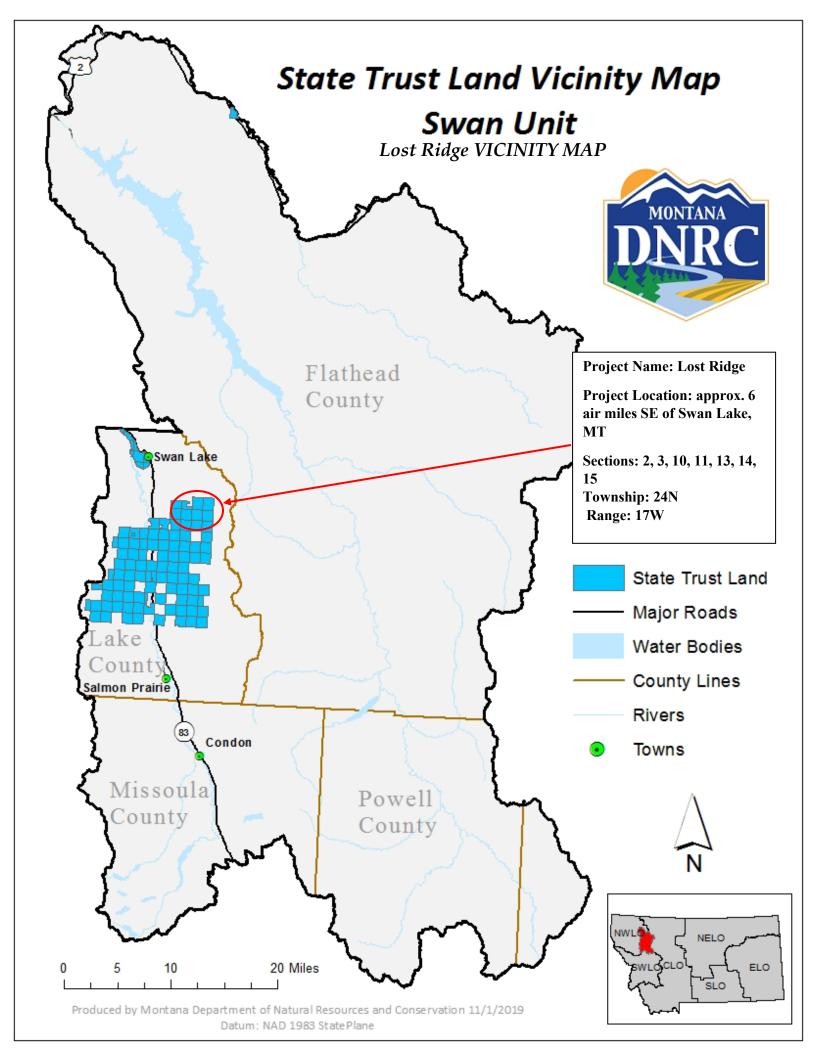
Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

Logging Information						
% of volume logged by clearcut or seed tree cut	85%					
% of volume logged with tractors	28%					
% of volume logged by skyline	72%					
% of volume logged by other system (specify)	00%					
Yarding distance tractor (average)	500 ft.					
Yarding distance skyline (average)	800 ft.					
Yarding distance other system (specify)	0 ft.					
Estimated haul distance (paved)	50.0 miles					
Estimated haul distance (unpaved)	14.0 miles					

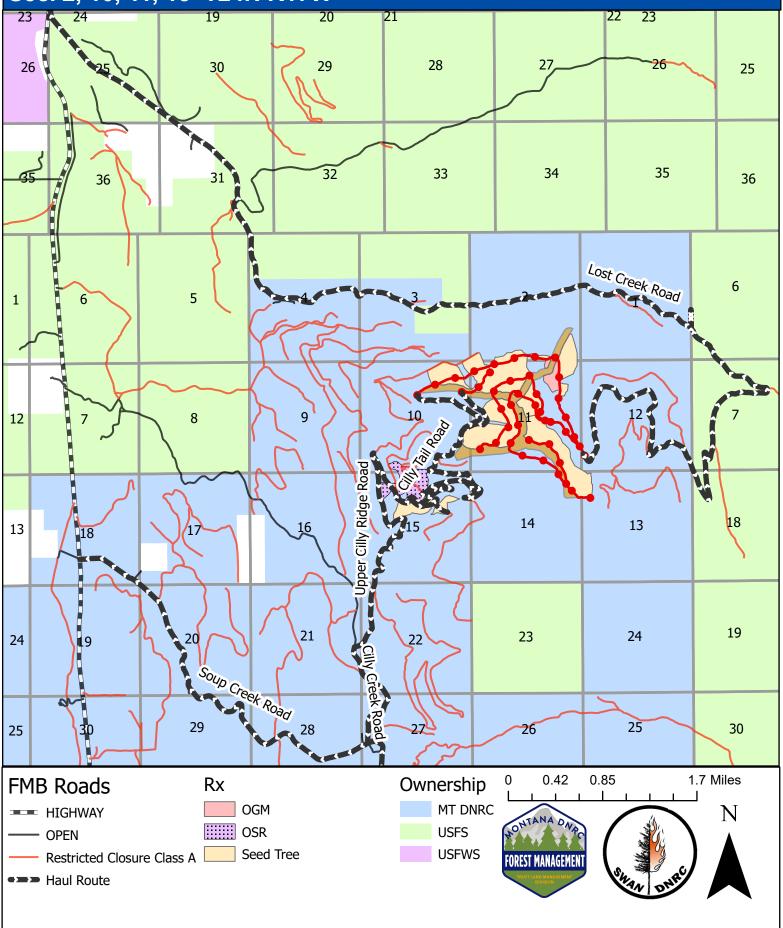
Purchaser fees and estimated costs					
Forest Improvement fee perMBF	\$26.60/MBF				
Forest Improvement fee per ton	\$4.69/ton				
Forest Improvement fee estimated total	\$121,447.55				
Forest Improvement fee quarterly installment	\$20,241.26				
Estimated Purchaser-do FI total \$	\$0				
Estimated Purchaser-do FI per ton	\$0.00/ton				
Estimated Purchaser-do slash disposal work total	\$0.00				
Estimated Purchaser-do slash disposal work per ton	\$0.00/ton				

Road development and maintenance fees and estimates						
Estimated road development cost total	\$319,969					
Estimated road development cost per ton	\$12.36/ton					
Estimated road development cost perMBF	\$70.06/MBF					
Estimated Purchaser-do road maintenance cost total	\$20,933					
Estimated Purchaser-do road maintenance cost per ton	\$0.81/ton					
Private road maintenance charges per ton	\$0.00/ton					
USFS road maintenance charges per ton	\$0.00/ton					
Miles of road construction	7.4 miles					
Miles of road reconstruction	0.5 miles					
Miles of road with site improvements	0.0 miles					
Miles of road reclamation or abandonment	0.0 miles					
Miles of road maintenance and blading	34.0 miles					

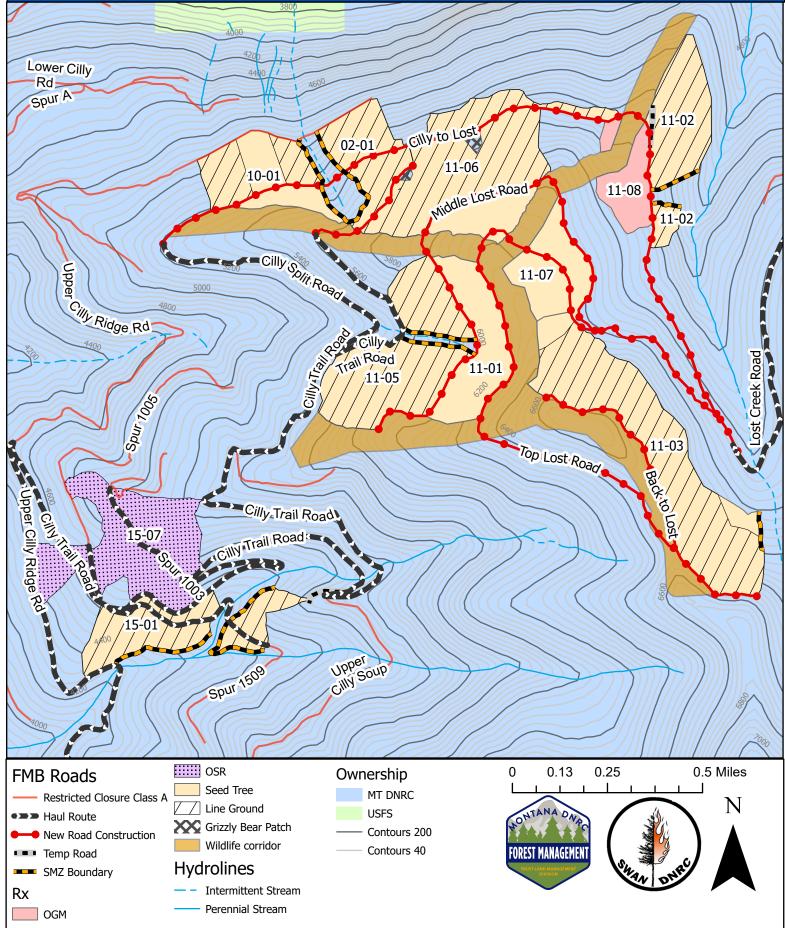
	Unit harvest volume							
Unit #	Acres	Est Tons	Est MBF	Harvest Deadline				
02-11	26.26	2011	355	March 16, 2026				
10-01	35.02	2002	353	March 16, 2026				
11-01	47.91	2897	511	March 16, 2026				
11-02	35.66	1379	243	March 16, 2026				
11-03	86.77	3329	587	March 16, 2026				
11-05	61.31	4637	818	March 16, 2026				
11-06	67.03	3483	614	March 16, 2026				
11-07	25.85	1409	249	March 16, 2026				
11-08	16.79	603	106	March 16, 2026				
15-01	38.92	2700	477	March 16, 2026				
15-07	62.06	1445	255	March 16, 2026				
	504 Ac.	25,895 tons	4,567 MBF					



Attachment A2 Lost Ridge Timber Sale: Haul Route Sec. 2, 10, 11, 15 T24N R17W

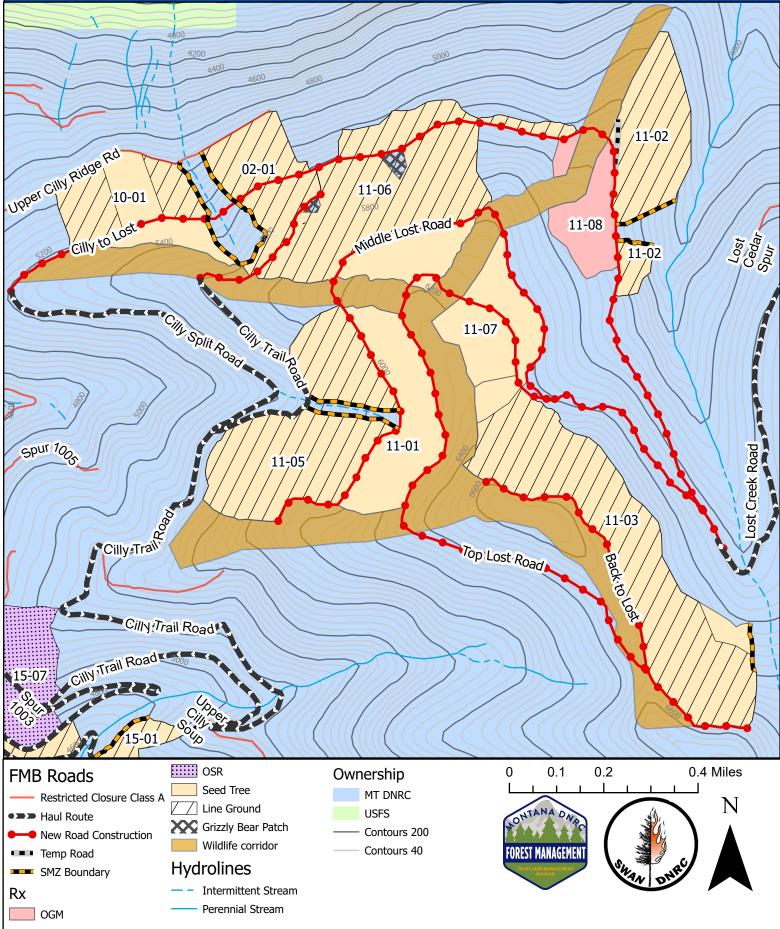


Attachment A3 Lost Ridge Timber Sale: Unit Map Sec. 2, 10, 11, 15 T24N R17W

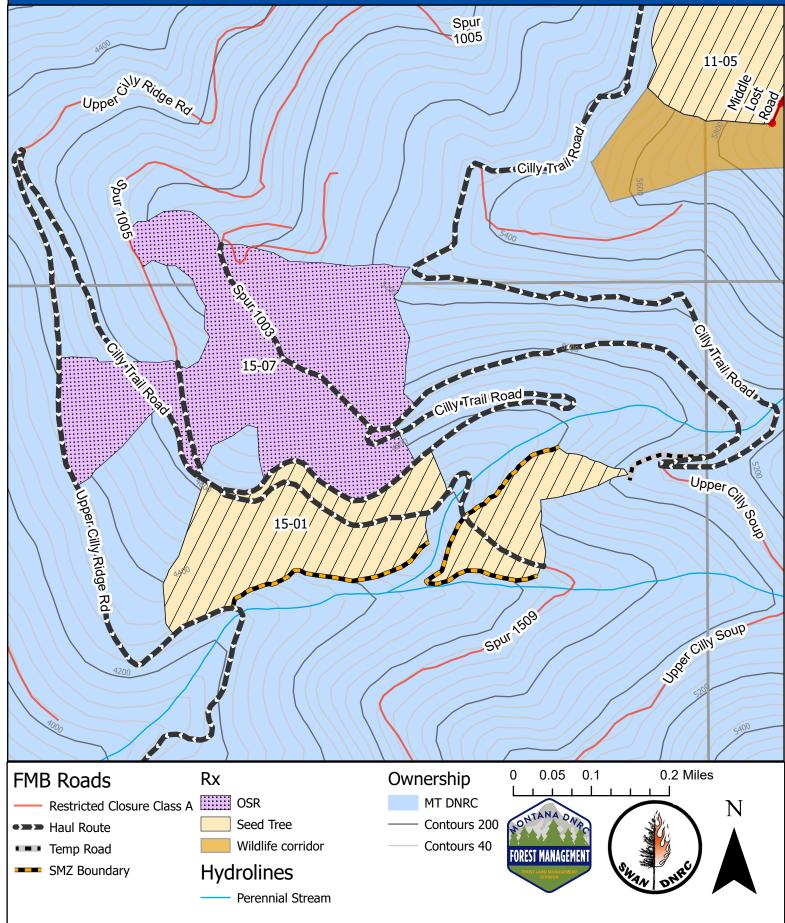


Chad Blanchard

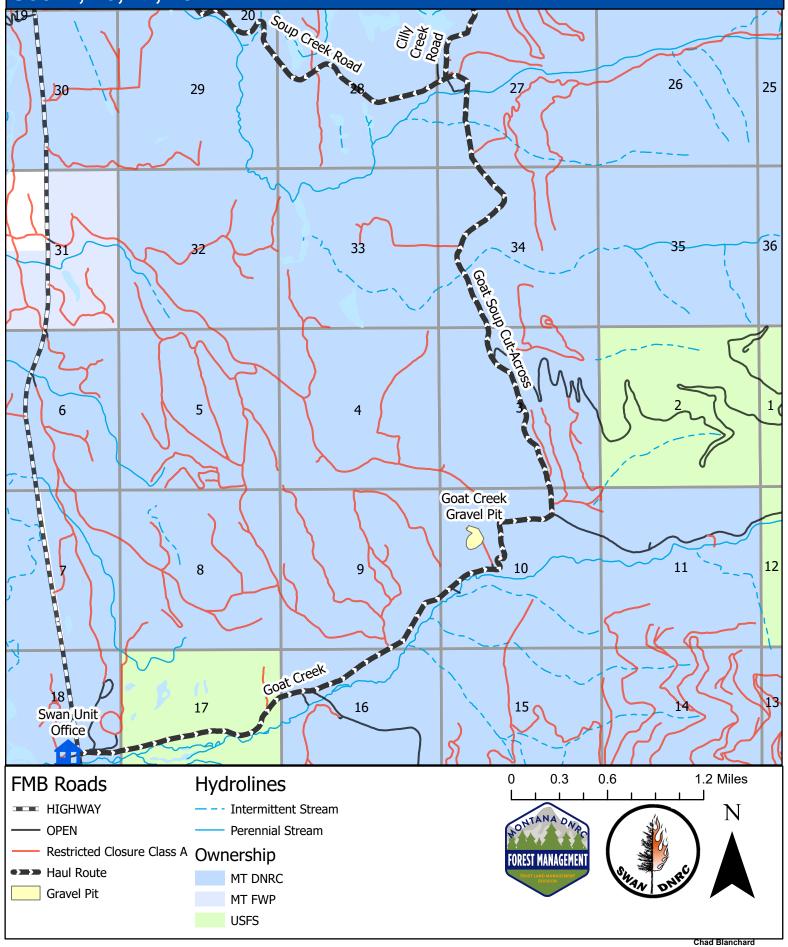
Attachment A4 Lost Ridge Timber Sale: Unit Map Sec. 2, 10, 11, 15 T24N R17W



Attachment A5 Lost Ridge Timber Sale: Unit Map Sec. 2, 10, 11, 15 T24N R17W



Attachment A6 Lost Ridge Timber Sale: Goat Creek Gravel Pit Sec. 2, 10, 11, 15 T24N R17W



Attachment A7 Lost Ridge Timber Sale: Lost Creek Road widening Sec. 2, 10, 11, 15 T24N R17W

