NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Beaver Creek Conglomerate Timber Sale is located within Sections 1,11,12,16,23,36, T1S-R45E; Sections 7,17,19,31, T1S-R46E, on the State's Eastern Land Office. Approximately 13,656 tons, consisting of ponderosa pine sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on June 8, 2009 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 \$3,114.00, 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 stumpage 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. If the successful bidder is unable to execute the contract within 45 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), or the Eastern Land Office, in Miles City, MT (406-232-2034).

Visit our website at http://www.dnrc/mt.gov Online Services for upcoming sales and bid results.

/s/ Shawn Thomas, Chief Forest Management Bureau Trust Land Mgmt Division

Publication Dates: May 7, 14, 21, 28, 2009

TIMBER SALE PROSPECTUS MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name:		Beaver Creek Conglomerate					
Timber Sale Location:		Sections 1,11,12,16,23,36 T1S-R45E; Sections 7,17,19,31 T1S-R46E					
For specific sale information, contact: Chris Pileski							
Phone	406-232-203	34	Unit Office: Eastern				
For copies of the Timber Sale Contract and bid forms, contact:							
Phone	406-542-430	00 Forest Management Bureau	DNRC Missoula Office				
Phone	406-232-203	34 Chris Pileski	Land Office Eastern				

General Bidding Information

- 1. Bids must be submitted on standard Department of Natural Resources & Conservation (Dept) bid forms.
- 2. Timber will be sold to the highest responsible bidder; however, the Dept reserves the right to reject any or all bids.
- 3. The Dept 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 Guarantee** 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 Dept within a maximum of 45 days of notification of sale award. The bond amount will be, at a minimum \$7,500.00 or 5% of the total bid value of the sale, whichever is greater. The performance bond may be in the form of 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 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 be based on the expected harvest rate and the bid value of the stumpage. The advance stumpage payment may be in the form of 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 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 Dept has estimated the net scale merchantable sawlog volume to be available for purchase 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 Dept 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 Dept strongly recommends that bidders evaluate these effects before bidding.</u>
- 10. The Dept 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 Dept strongly recommends that bidders make their own estimates based on contract requirements. Cost estimates provided are not guaranteed.</u>
- 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 sale contract are not guaranteed.
- 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.

TABLE 1: Summary of Sale Specifications								
Sale Data								
1,200	Net Sale Area (acres)	21.23	Miles of temporary spur road construction					
November 30, 2012			Miles of road reconstruction/ existing two- track trails					
N/A	Cable logging required (% of volume)	21.23	Miles of road reclamation or abandonment					
Operating Season: Jur	Operating Season: June 1 – April 1							
Charges and Appraised Costs								
\$3,114.00	Bid Guarantee (total \$)							
\$7,500.00 minimum	n Performance Bond (total \$)							
\$ N/A	Collected Road Maintenance And Road Use Charges (\$ per ton)							
\$0.53	Collected Forest Improvement Fee (\$ per ton)							
\$ 1,206.28	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)							
\$N/A	Road Development Costs - Appraised Purchaser-Do (total \$)							
\$ N/A	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)							
\$ N/A	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)							
\$ N/A	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)							

TABLE 2: Timber Cruise Data and Minimum Bids									
SPECIES	PP	DF	WL	LP	ES	WF	CE	Dead/Dry	TOTAL or AVE
Minimum Acceptable Bid									\$4.56/ton
Pounds per cubic foot	62								62
Contract Tons	13,656								13,656
Gross MBF (Scribner 6" top DIB)	2116								2116
%Cull and Breakage	14								14
Net MBF	1821								1821
Average logs per MBF	23.8								23.8
Average DBH	13.5								13.5
Average tons per acre harvested							acre harvested	11.38	
Average MBF cut per acre on the timber sale							the timber sale	1.52	
Range of cut trees per acre based on unit cruise							21-49		
Calculated Sampling Error (<i>net</i> MBF): 10.4 % The total cruised volume will fall between 1632 and 2009 thousand net board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor = 13,656 net tons per 1821 net MBF = 7.5 tons per MBF									

TABLE 3: Unit Harvest Volume and Harvest Schedule						
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date	
16	16	326	3980	531	Prior to starting Unit 23	
23	23	53	599	79.9	Prior to starting Unit 1	
1	1	223	1805	240.7	Prior to starting Unit 11	
11	11	83	673	89.7	Prior to starting Unit 7	
7	7	118	1341	178.9	Prior to starting Unit 17	
17	17	123	1151	153.5	Prior to starting Unit 36	
36	36	116	1596	212.8	Prior to starting Unit 19	
19	19	158	2511	334.8	October 31, 2012	
31	31	143	2129	248.4	Optional	

Additional Sale Information:

- 1. Non-Sawlog and Biomass Removal: This timber sale contains an estimated 5,000 tons of optional other material (pulpwood) available at a negotiated rate.
- 2. Purchaser Leave Tree Selection: The Purchaser shall be responsible for selecting leave trees. Leave tree selection criteria and requirements are specified in the Special Operating Requirements of the Timber Sale Contract.
- 3. Temporary Rights-of-Way: Agreements have been secured by the DNRC for access to the sale areas. Signed rightsof-way documents and maps are included in the Timber Sale Contract. The Purchaser is responsible for adhering to the terms and stipulations of the Right-of-Way Agreements.
- 4. Unit boundaries are designated on the maps attached to the Timber Sale Contract. In all areas indicated on the attached map where the harvest unit boundary follows the forest/meadow edge, that edge is the boundary. Any area where the harvest unit boundary is not the forest/meadow edge that boundary is painted and flagged in blue paint.
- 5. Purchaser and road builder/contractor must meet with the Forest Officer for on-the-ground review prior to commencement of work. Erosion control measures (drain dips, outslopes, and inslopes, etc.) must be built during initial road construction. All Temporary Spur Roads must be mechanically ripped, using a blade with a minimum of eight teeth or an equivalent piece of equipment, immediately after haul use is completed and no later than November 30, 2012. DNRC personnel will seed the temporary spur roads at the time of ripping.
- 6. Purchaser is required to buy 300 pounds of pure live seed and all the seed must be delivered to the Eastern Land Office on of before the commencement of any road building activity. The seed species mix is listed in Attachment B in the sale contract.
- 7. No mechanical equipment or log hauling equipment may operate when the ground is wet and rutting of the unit and road surface may occur.
- 8. All harvested trees will be whole tree skidded to a landing and tops will be cut at the landing and piled. All piles will be as large and tall as possible and tightly compacted. On areas of the sale with steep adverse skids, trees may be limbed in the woods and slash lopped to a height of 18" above the ground surface. No slash of any kind will be piled at the obvious head of any draw. Equipment used to pile slash must have a brush blade attached. All slash piles will be located next to a road. Any small trees that are knocked over or broken tops of trees that cannot be piled must be lopped to a height of 18" above the ground surface.
- Purchaser is responsible to ensure the mill sends the Eastern Land Office the load reports (Truck Weight Tickets) on a bi-weekly basis and the DNRC will bill the Purchaser approximately every two weeks for the total tonnage delivered to the mill.

- 10. All logs must be hauled no later than 30 days after they have been decked. The date of decking must be painted on several of the decked logs.
- 11. Any and all fences damaged during harvest activity must be repaired immediately at the time of damage.



































