

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Ten Lions Timber Sale is located within Sections 9, 10 and 11, T23N R18W on the State's Swan Unit. Approximately 14,131 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 **June 26, 2018 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 **\$21,564.00**, 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. 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) or the Swan Unit Office in Swan Lake, MT (406-754-2301).

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

TIMBER SALE PROSPECTUS
STATE OF MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Ten Lions Timber Sale			
For specific sale information, contact: Andy Moffett or Clay Stephenson			
Phone	406-754-2301	Swan River State Forest	Unit Office
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. The State strongly recommends that bidders evaluate these effects before bidding.
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. The State strongly recommends that bidders make their own estimates based on Contract requirements. 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 are not guaranteed.
13. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the Contract governs.

Additional Sale Information:

1. Units 10-08 (128 acres), 10-17 (107 acres), and 10-03 (92 acres) have both ground based and cable yarding. Some excavated skid trails may be required.
2. There are roughly 0.6 miles of new road construction including road pioneering, CMP installations, right-of-way harvest, final blading, and grass seeding.
3. There are roughly 0.5 miles of road reconstruction including right-of-way harvest, brushing, turn widening, final blading, and grass seeding.
4. There are roughly 12.9 miles of road maintenance including BMP improvements, CMP installations, intermediate blading, and final blading.
5. Operational periods are to **November 16, 2018 through March 1, 2019; June 16, 2019 through March 1, 2020; June 16, 2020 through March 1, 2021**; and when Soil Compaction Restrictions in Section VII.L.1 of this contract apply. No commercial activity allowed April 1st to June 15th.
6. Directions: (Key for Main Woodward gate is available at the Swan River State Forest Office) Turn right off Highway 83 onto Fatty Creek road. Drive west on Fatty Creek road for 1.37 miles and turn right onto Whitetail Creek Road (northside). Continue driving north on Whitetail road for 1.36 miles and turn left onto Main Woodward. Continue driving Main Woodward road after the gate. The NE corner of the sale will be 0.35 miles after the gate. *See Attached Sale and Haul Route map.
7. Road Closure: Motorized Access is restricted on the Main Woodward Road and other roads throughout the sale area until June 16. Walk in access is allowed. Starting June 16, potential bidders may check out a key to access the other roads in the sale area by vehicle.
8. The 10-17 Spur and Lower 10 B spur roads are optional but all maintenance and construction must be completed to contract specifications if utilized.
9. Removal of non-sawlog (pulp) material is optional and may be purchased for \$1.00 per ton.
10. Quarterly Forest Improvement Fee invoices will start in July 2019.

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

Ten Lions Timber Sale										
Timber Sale Cruise Data										
SPECIES	PP	DF	WL	LP	ES	WF	CE	WP	Dead	TOTAL or AVE
Minimum Bid per ton										\$30.52
Pounds per cubic foot	0	62	58	56	44	60	44.0	60.0	40.0	
Estimated tons of sawlogs (5.6" top DIB)	0	2,847	4,884	260	122	2,424	3,317	194	83	14,131 tons
Estimated tons of other material (pulp, etc)	0	1,735	1,862	68	19	838	2,336	45	626	7,529 tons
Gross MBF (Scribner 5.6" top DIB)	0	867	1,221	52	25	524	1,435	20	218	4,361 MBF
% Cull and Breakage	0	47.25	34	16.67	20.5	33	53.25	20	78.5	43.1%
Net MBF (Scribner 5.6" top DIB)	0	487	854	41	21	355	664	37	24	2,483 MBF
Average logs per MBF	0	15.6	25.5	45.03	23.25	29.05	44.68	21.3	39.83	30.5 logs/M
Average DBH	0	20.14	13.32	9.53	12.4	11.2	12.68	15.4	16.85	13.9 in.
Average tons per acre harvested in leave-tree marked units										47 tons/ac
Average tons per acre harvested in cut-tree-marked units										0 tons/ac
Average MBF to cut per acre on the timber sale										7.6 MBF/ac
Range of cut trees per acre based on unit cruise										113
Calculated Sampling Error: Total cruised volume will fall between	2,100 and 2,862 Net MBF in 9 out of 10 cruises									15.0%
Tons Per Thousand Board Feet										
Contract Value - Estimated tons hauled per thousand Scribner board feet	14,131 estimated tons to a 5.6 inch top / 2,483 Net MBF Scribner to a 5.6 inch top DIB									5.69 tons/MBF

Contract Information	
Contract Termination Date:	10/31/2021
Operating Period:	November 16, 2018 through March 1, 2019; June 16, 2019 through March 1, 2020; June 16, 2020 through March 1, 2021; and when Soil Compaction Restrictions in Section VII.L.1 of this contract apply or otherwise authorized by the forest officer.

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

Logging Information	
% of volume logged by clearcut or seed tree cut	00%
% of volume logged with tractors	70%
% of volume logged by skyline	30%
% of volume logged by other system (specify)	00%
Yarding distance tractor (average)	650 ft.
Yarding distance skyline (average)	927 ft.
Yarding distance other system (specify)	0 ft.
Estimated haul distance (paved)	45.0 miles
Estimated haul distance (unpaved)	8.0 miles

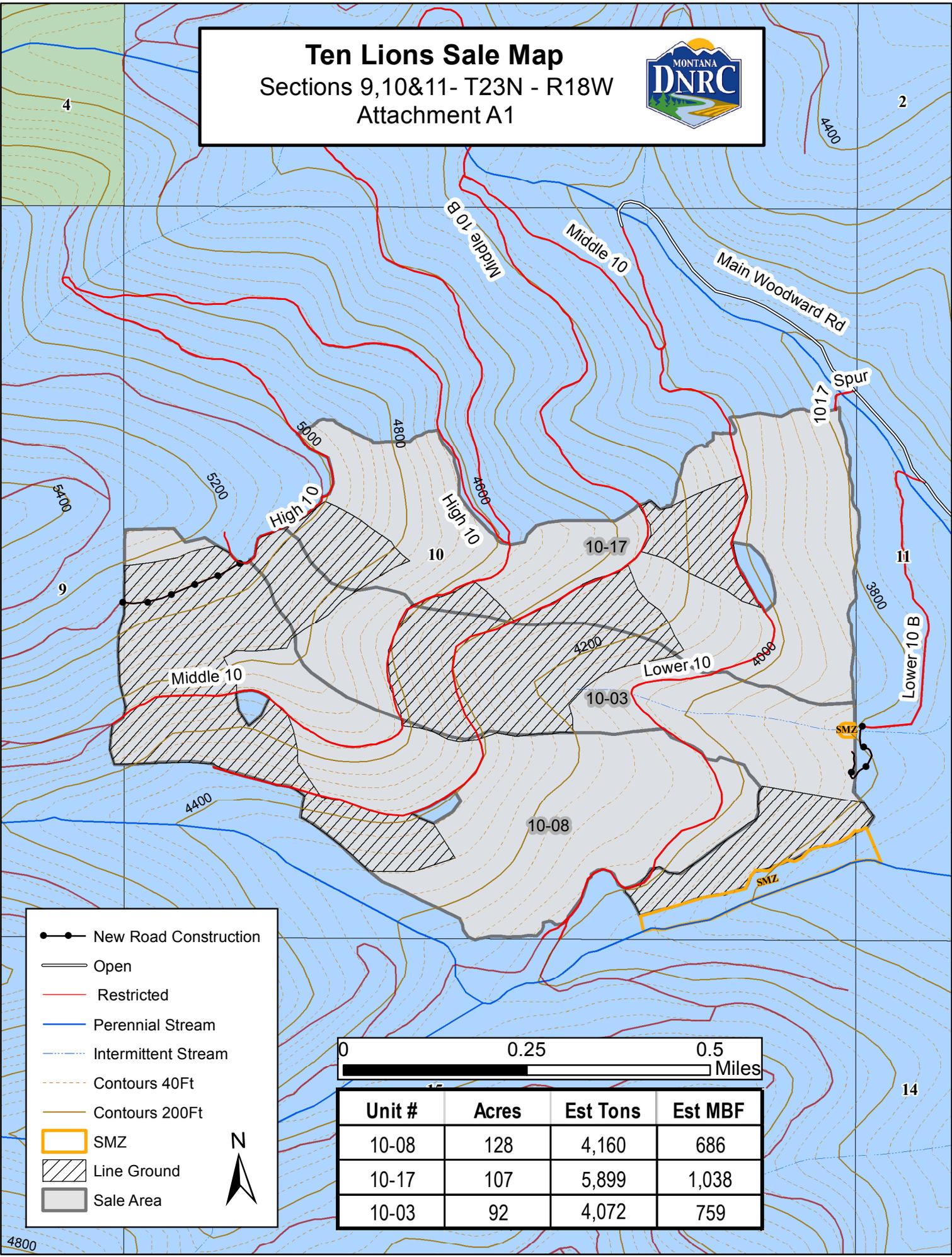
Purchaser fees and estimated costs	
Forest Improvement fee per MBF	\$12.15/MBF
Forest Improvement fee per ton	\$2.14/ton
Forest Improvement fee estimated total	\$30,240.34
Forest Improvement fee quarterly installment	\$5,040.06
Estimated Purchaser-do FI total \$	\$0
Estimated Purchaser-do FI per ton	\$0.00/ton
Estimated Purchaser-do slash disposal work total	\$3,270.00
Estimated Purchaser-do slash disposal work per ton	\$0.23/ton

Road development and maintenance fees and estimates	
Estimated road development cost total	\$39,685
Estimated road development cost per ton	\$2.81/ton
Estimated road development cost perMBF	\$15.99/MBF
Estimated Purchaser-do road maintenance cost total	\$11,681
Estimated Purchaser-do road maintenance cost per ton	\$0.83/ton
Private road maintenance charges per ton	\$0.00/ton
USFS road maintenance charges per ton	\$0.00/ton
Miles of road construction	0.6 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	12.9 miles

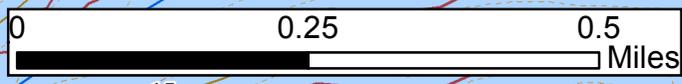
Unit harvest volume				
Unit #	Acres	Est Tons	Est MBF	Harvest Deadline
10-08	128	4,160	686	1-Mar-2021
10-17	107	5,899	1,038	1-Mar-2021
10-03	92	4,072	759	1-Mar-2021
	327 Ac.	14,131 tons	2,483 MBF	

Ten Lions Sale Map

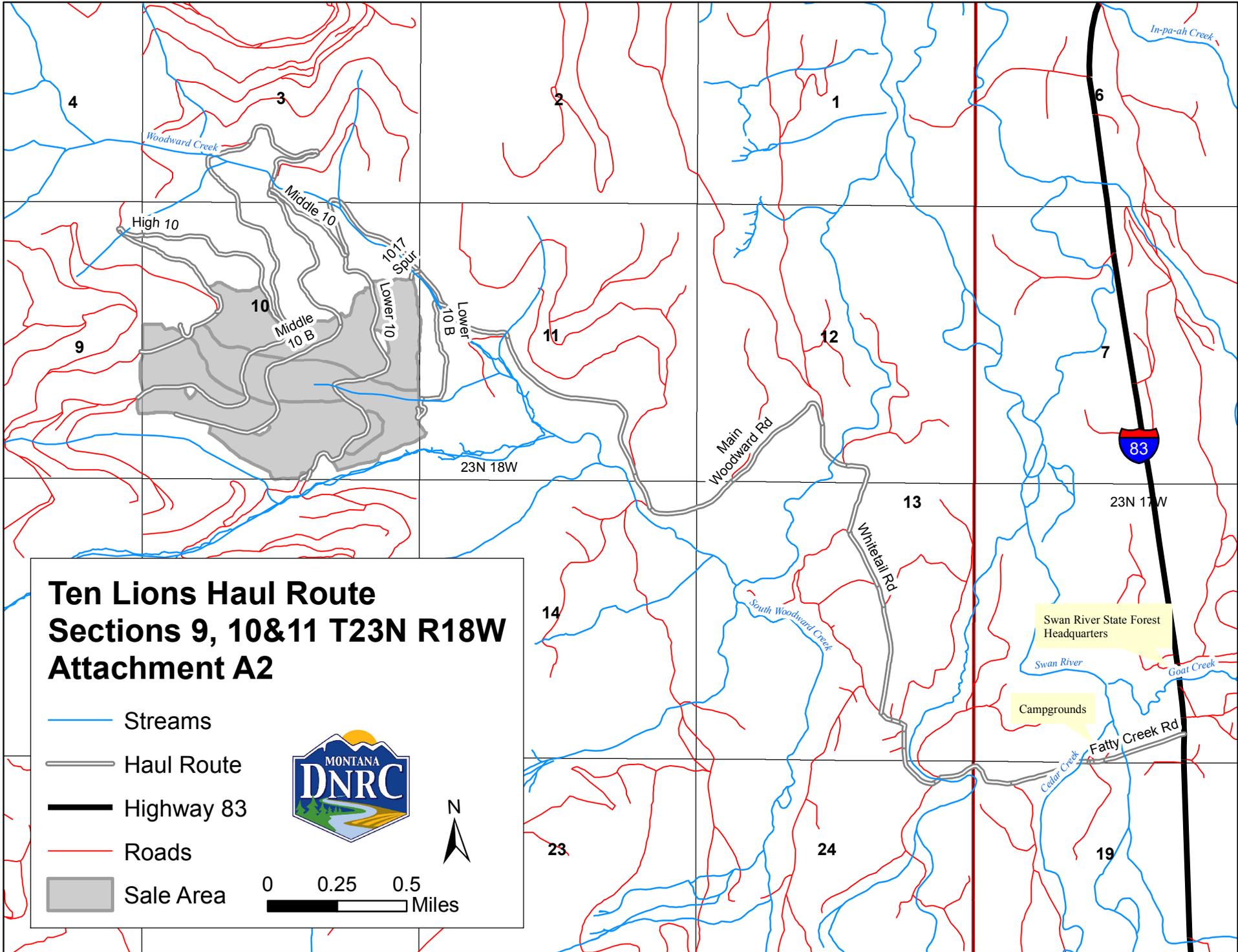
Sections 9, 10 & 11 - T23N - R18W
Attachment A1



- New Road Construction
- Open
- Restricted
- Perennial Stream
- Intermittent Stream
- Contours 40Ft
- Contours 200Ft
- SMZ
- Line Ground
- Sale Area



Unit #	Acres	Est Tons	Est MBF
10-08	128	4,160	686
10-17	107	5,899	1,038
10-03	92	4,072	759



**Ten Lions Haul Route
Sections 9, 10&11 T23N R18W
Attachment A2**

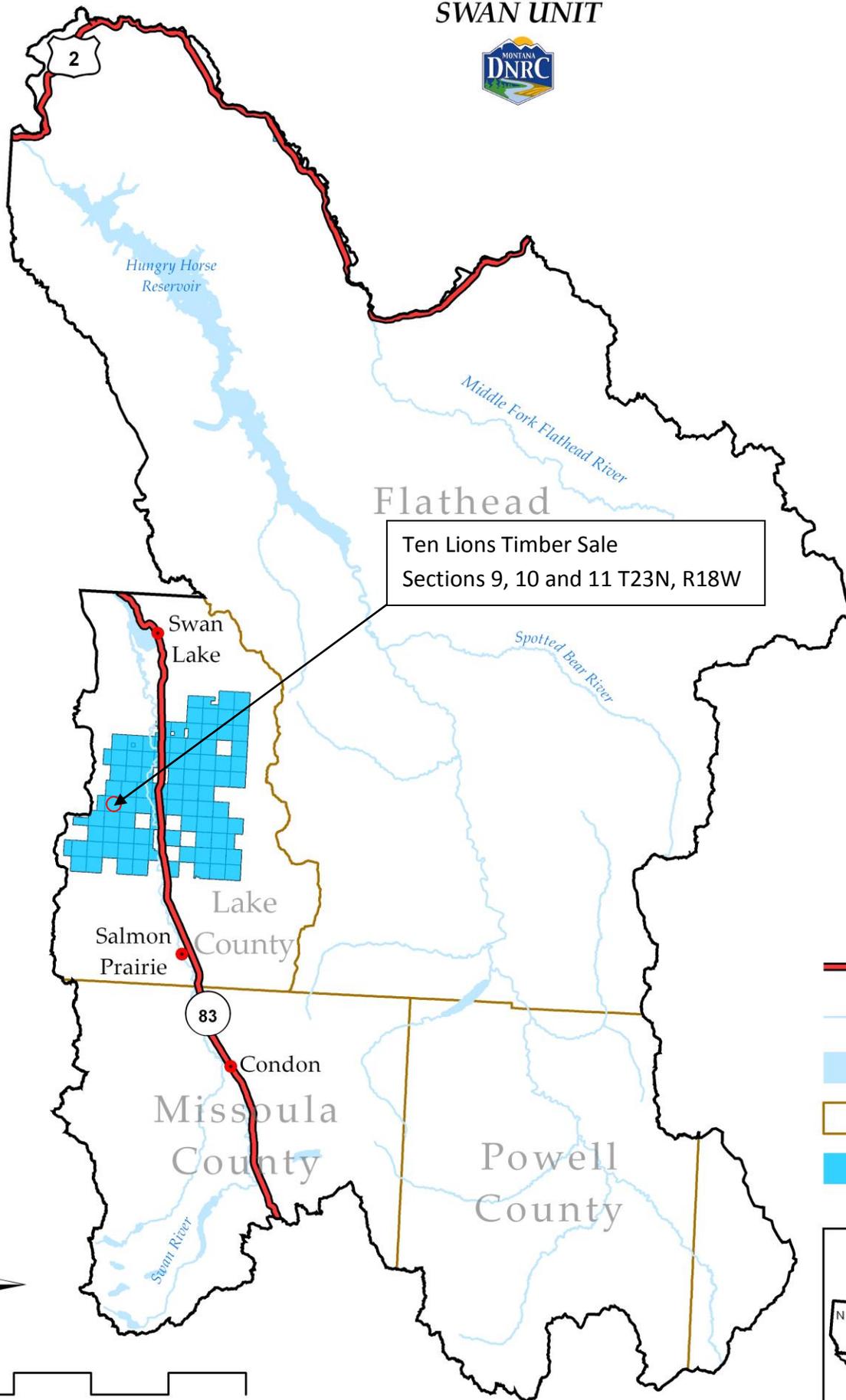
-  Streams
-  Haul Route
-  Highway 83
-  Roads
-  Sale Area



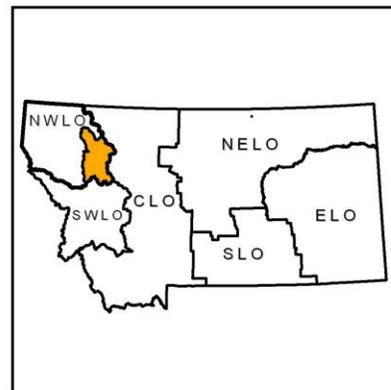
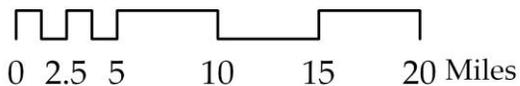
0 0.25 0.5
Miles

TEN LIONS VICINITY MAP: Attachment A3

SWAN UNIT

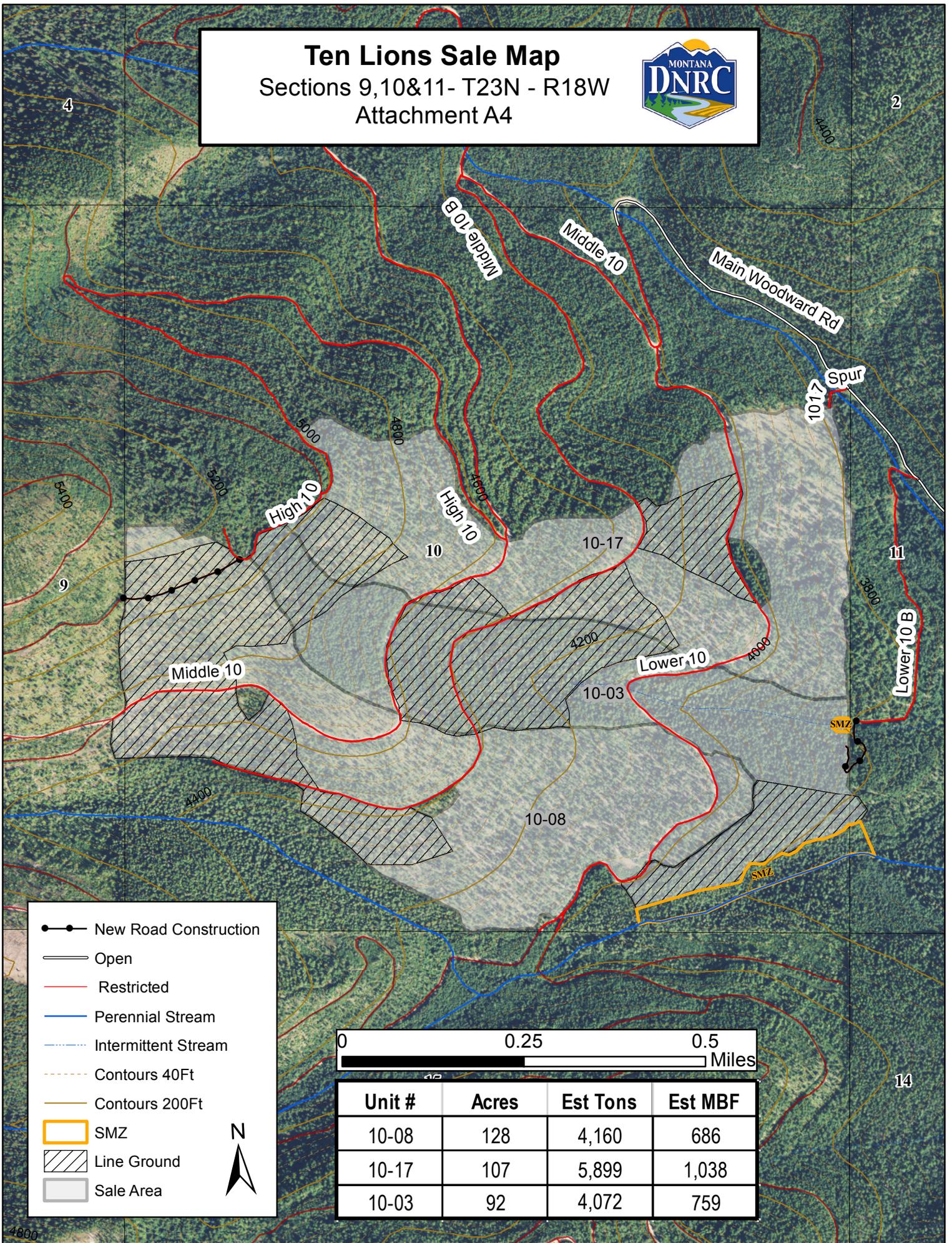


- Towns
- Major Roads
- Rivers
- Water Bodies
- County Border
- State Trust Land



Ten Lions Sale Map

Sections 9,10&11- T23N - R18W
Attachment A4



- New Road Construction
- Open
- Restricted
- Perennial Stream
- Intermittent Stream
- Contours 40Ft
- Contours 200Ft
- SMZ
- Line Ground
- Sale Area

N



Unit #	Acres	Est Tons	Est MBF
10-08	128	4,160	686
10-17	107	5,899	1,038
10-03	92	4,072	759