

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Corley Gulch Timber Sale is located within Section 36, T8N-R19W on the State's Hamilton Unit. Approximately 7,962 tons, consisting primarily of Douglas-fir sawlogs, are offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **May 17, 2017 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 **\$892.00**, 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 April 17, 2017 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 <http://dnrc.mt.gov/divisions/trust/forest-management/timber-sale-information> for upcoming sales and bid results.

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Corley Gulch Timber Sale			
Timber Sale Location: T8N, R19W, Section 36			
For specific sale information, contact: Thayer Jacques			
Phone	406-363-1585 (office)		Unit Office Hamilton
	406-210-0373 (cell)		
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-542-4200	Southwestern Land Office	Missoula Office

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 (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 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 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. The Dept strongly recommends that bidders evaluate these effects before bidding.
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. The Dept 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 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 2 and 4 contain slopes that vary (25% - 50%) between tractor and skyline. Most (75%+) of the felling operations in these units can be accomplished with ground equipment. Some hand falling will be necessary at the bottommost part of the units. Some adverse skidding is possible at the top of the units near the road. The lower 60% - 75% of the units will require skyline to pull cut trees to the road above.
2. Access to the sale area is through a private gate/road. Contact the Hamilton Unit office at (406) 363-1585 or (406) 210-0373 for access.

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

CORLEY GULCH											
Timber Sale Cruise Data											
SPECIES	PP	DF	WL	LP	ES	WF	CE	WP	Dead	TOTAL or AVE	
Minimum Bid										\$2.24 per ton	
Pounds per cubic foot											
Estimated tons of sawlogs (5.6" top DIB)	482	6,339	103	879	113	46				7,962 tons	
Estimated tons of other material (pulp, etc)										0 tons	
Gross MBF (Scribner 5.6" top DIB)	82	996	20	142	14	5				1,259 MBF	
% Cull and Breakage	8	13	25	13	10	15				13.0%	
Net MBF (Scribner 5.6" top DIB)	75	865	15	123	12	5				1,095 MBF	
Average logs per MBF	14.3	23.6	39.3	34.7	48.4	56.7				24.8 logs/M	
Average DBH	13.5	11.6	10.9	8.9	9	7.1				10.9 in.	
Average tons per acre harvested in leave-tree marked units	→									26 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	→									3.6 MBF/ac	
Range of cut trees per acre based on unit cruise	→									0	
Calculated Sampling Error: Total cruised volume will fall between	913 and 1,278 Net MBF in 9 out of 10 cruises									16.7%	
Tons Per Thousand Board Feet											
Contract Value - Estimated tons hauled per thousand Scribner board feet	7,962 estimated tons to a 5.6 inch top / 1,095 Net MBF Scribner to a 5.6 inch top DIB									7.27 tons/MBF	

Contract Information	
Contract ending date	10/31/2020
Operating Season:	April 30 - October 31

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	55%
% of volume logged by ground lead (jammer)	00%
% of volume logged by skyline	45%
Yarding distance tractor (average)	800 ft.
Yarding distance ground lead (average)	0 ft.
Yarding distance skyline (average)	800 ft.
Estimated haul distance (paved)	90.0 miles
Estimated haul distance (unpaved)	8.0 miles

Road development and maintenance fees and estimates	
Estimated road development and maintenance cost total	\$41,025
Estimated road development cost per ton	\$5.15/ton
Estimated road development cost perMBF	\$37.47/MBF
Estimated Purchaser-do road maintenance cost total	included above
Estimated Purchaser-do road maintenance cost per ton	
Private road maintenance charges per ton	\$0.00/ton
USFS road maintenance charges per ton	\$0.00/ton
Miles of road construction	0.7 miles
Miles of road reconstruction	0.0 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	6.1 miles

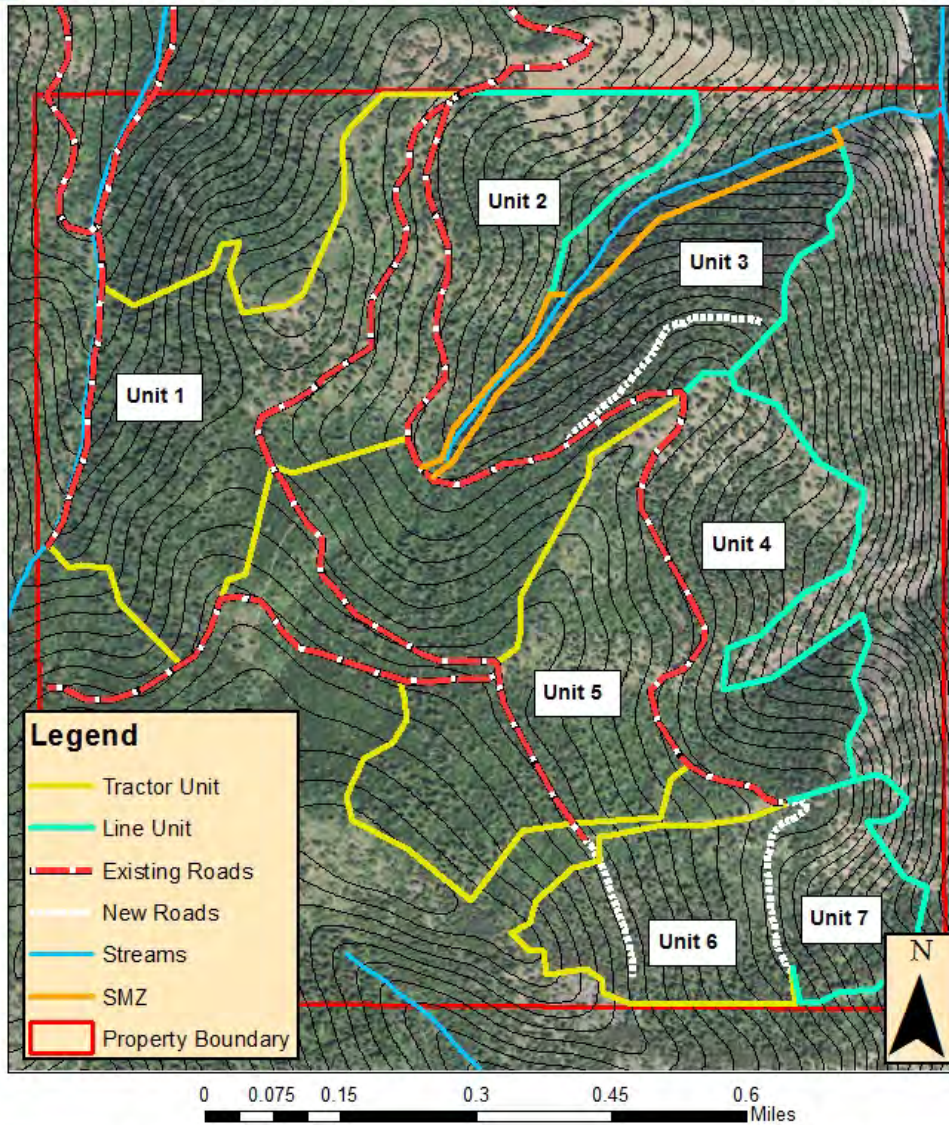
Purchaser fees and estimated costs	
Forest Improvement fee perMBF	\$20.60/MBF
Forest Improvement fee per ton	\$2.83/ton
Forest Improvement fee estimated total	\$22,532.46
Forest Improvement fee quarterly installment	\$3,755.41
Estimated Purchaser-do FI total \$	\$13,148
Estimated Purchaser-do FI per ton	\$1.65/ton
Estimated Purchaser-do slash disposal work total	\$0.00
Estimated Purchaser-do slash disposal work per ton	\$0.00/ton
Bid Guarantee (total \$)	\$892.00
Performance Bond (total \$)	20% of bid value

Unit harvest volume				
Unit #	Acres	Est Tons	Est MBF	Harvest date
1	77	1,101	151	September 30, 2020
2	38	1,368	188	September 30, 2020
3	41	1,435	197	September 30, 2020
4	44	1,103	151	September 30, 2020
5	62	1,153	158	September 30, 2020
6	30	1,464	201	September 30, 2020
7	20	335	46	September 30, 2020
	312 Ac.	7,959 tons	1,092 MBF	

Attachment A -1



Corley Gulch Timber Sale Sec. 36 T8N R19W



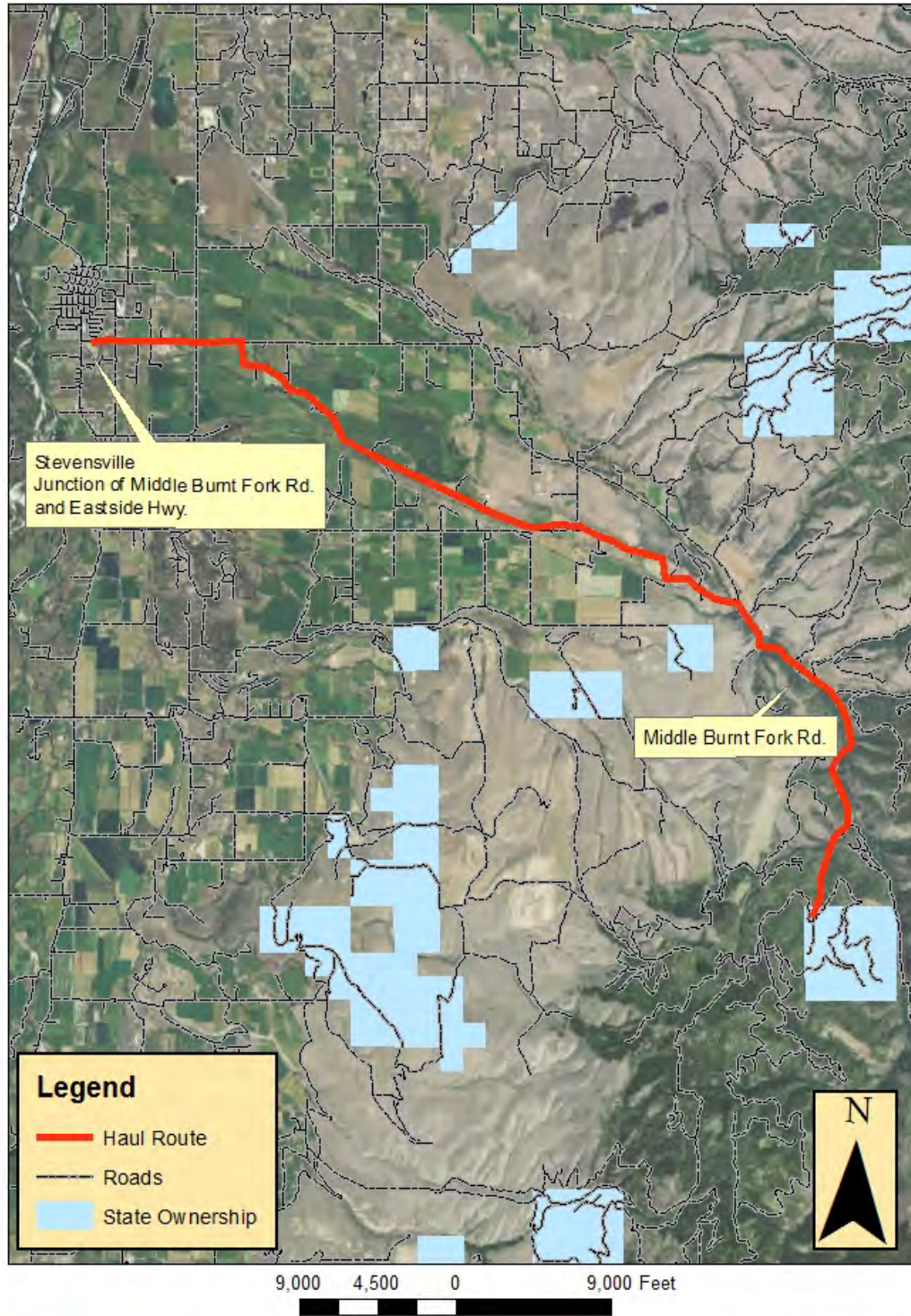
Unit Marking: "Leave" Douglas - fir, lodgepole, Englemann spruce, and Subalpine fir trees are marked with blue horizontal stripe. "Cut" Ponderosa pine/ Western Larch trees are marked in orange horizontal stripe. "Leave" wildlife trees are marked with a blue "WL".

Unit Boundaries: Blue flagging and blue 3 stripe paint
Property Lines: Red flagging and red 3 stripe paint
New Roads: Pink flagging

Map prepared by: Thayer Jacques 12/16/2016



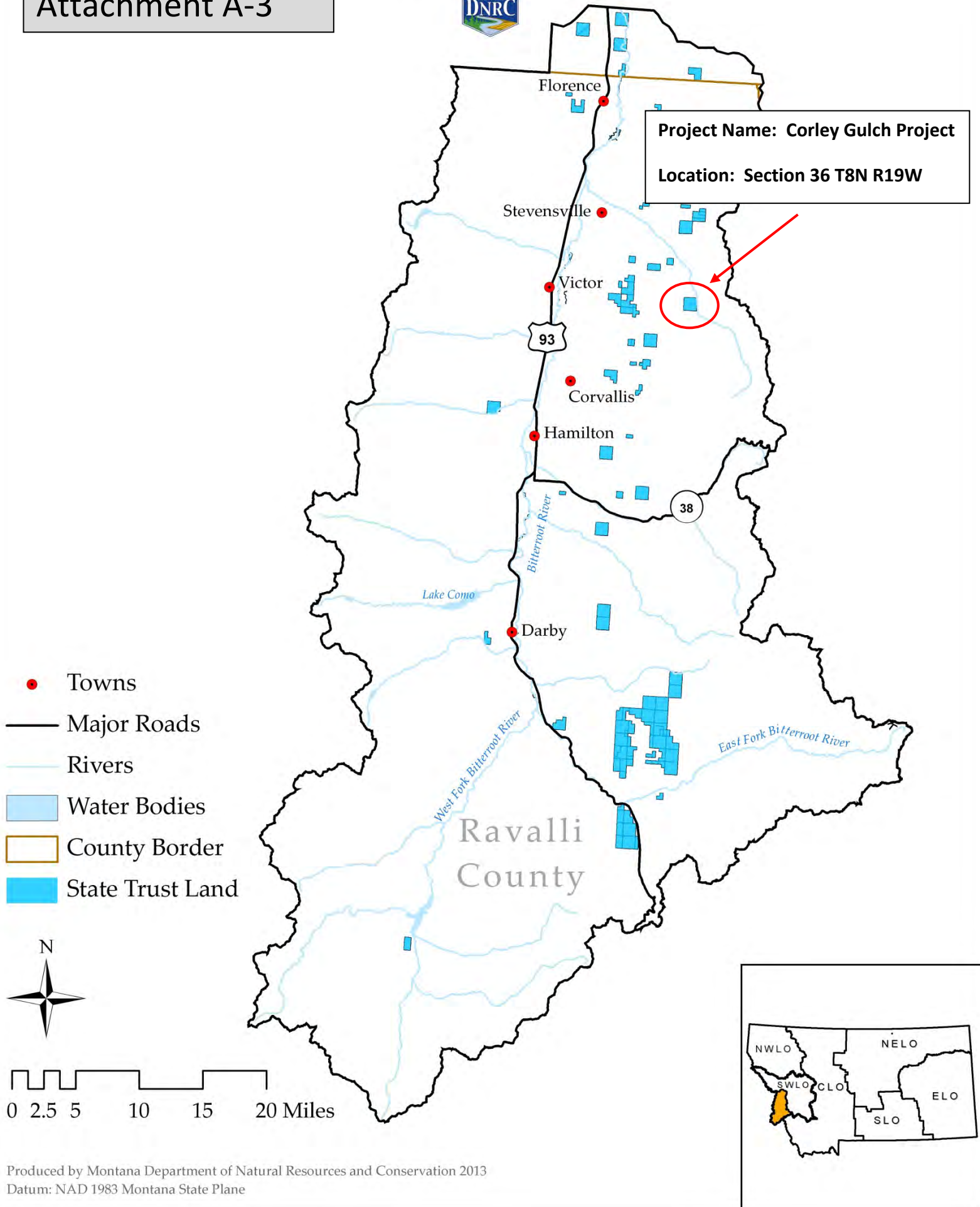
Corley Gulch Haul Route



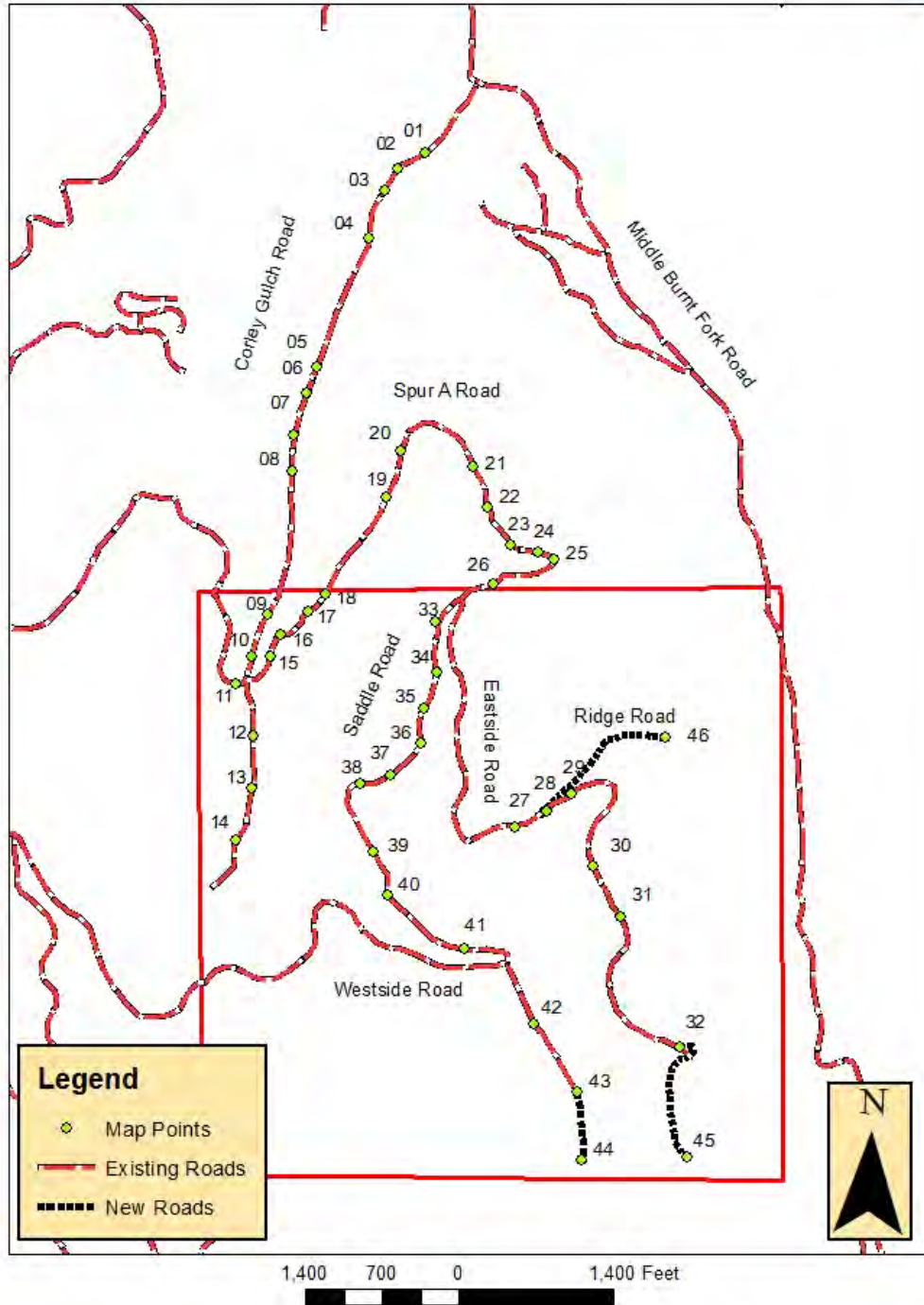
CORLEY GULCH PROJECT VICINITY HAMILTON UNIT



Attachment A-3



Road Construction, Improvement, Maintenance Attachment A-4



Map Created By: Thayer Jacques 3/20/2017