

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Antice Knobs #2 Timber Sale is located within Sections 33 and 34, T34N-R23W, and Sections 3, 4, 10, and 15, T33N-R23W, on the State's Stillwater Unit. Approximately 24,436 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 **October 18, 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 **\$29,519.00**, 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), the Northwestern Land Office in Kalispell (406-751-2257), or the Stillwater Unit Office in Olney, MT (406-881-2371).

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:	Antice Knobs #2		
Timber Sale Location:	Sections 33 and 34 of T34N R23W Sections 3, 4, 10 and 15 of T33N R23W		
For specific sale information, contact:			
Phone	406-881-2668 or 881-2371	Brad French	Stillwater 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		Northwest Land 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. The Upper Whitefish Road is a high-use forest road with both logging and public traffic. Furthermore, the Stillwater Unit has multiple timber sales planned to haul down this road over the next 5-year period. Typically, this road requires an initial, intermediate and final blading during a timber sale **however**, in trying to treat all Purchasers equally in appraised roadwork and road maintenance on the first 12 miles of this road, DNRC will appraise for “**12 miles - Upper Whitefish maintenance**” (see road log and appraisal worksheet which is based on costs associated with 3 blading's and rock raking for 12 miles).

DNRC will coordinate which timber sale contract blades the road annually, which contract performs an equitable amount of roadwork (brushing, ditch cleaning, spot gravel surfacing, road alignment, CMP cleaning) based upon annual operating plans which are required by DNRCs Timber Sale Contracts on all sales that utilize the first 12 miles of this road. If blading is not needed or performed by another Purchaser, the State may ask the Purchaser(s) to exchange this value for another project which may improve the surface or drainage feature(s) on the Upper Whitefish Road instead.

2. In addition to the Item 1 listed above, 0.56 miles of dust abatement with Magnesium Chloride or similar shall be applied on Upper Whitefish Road.
3. Nonsawlog stumpage prices will be \$3.00/ton for commercial firewood and \$1.00 for small roundwood & cull material. Removal of these products will require permission from Forest Officer to assure prescriptions are being met.
4. Operational timing restrictions allowed in this sale require logging activities to be performed only from July 1 to March 31st annually.
5. Purchaser is required to do machine piling and scarification and pile covering on all or parts of Units 1, 2, 3, and 4. Total acres to be piled and scarified are 93 acres. Actual acres to be treated will be much less than 93 acres (**closer to 51 acres**) due to the irregular spacing of the residual overstory trees from various silvicultural prescriptions implemented (i.e. seed tree with reserves, shelter wood, and commercial thinning), retention areas/clumps of advanced regeneration, slope restrictions, SMZ's, and road corridors.
6. Purchaser is required to construct fireline in Units 5 and 7. Approximately **4,500** feet of mechanical and / or hand fireline is required.
7. Gates are in place on several road systems. Prospective Bidders should acquire keys at the Stillwater Unit headquarters in Olney, MT.
8. The Purchaser is not required to reclaim Units 5 and 7 temporary roads. See Sample Contract Attachment B for details.
9. Total new construction temporary road required to be built to minimum standards is 2.6 miles.

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

Antice Knobs #2 Timber Sale									
Timber Sale Cruise Data									
SPECIES	DF	WL	LP	ES	WF	CE	WP	Dead	TOTAL or AVE
Minimum Bid									\$24.16 per ton
Pounds per cubic foot	62	58		57	55		60.0		
Estimated tons of sawlogs (5.6" top DIB)	3,990	10,738		3,945	5,665		98		24,436 tons
Estimated tons of other material (pulp, etc)	-	-		-	-		-		0 tons
Gross MBF (Scribner 5.6" top DIB)	911	2,541		888	1,127		47		5,514 MBF
% Cull and Breakage	17	16		17	20		55		17.9%
Net MBF (Scribner 5.6" top DIB)	752	2,133		735	887		21		4,528 MBF
Average logs per MBF	9.3	11.6		13.6	27.8		12.2		14.9 logs/M
Average DBH	20.1	18		15.9	11.5		26.0		18.3 in.
Average tons per acre harvested in leave-tree marked units	→								81 tons/ac
Average tons per acre harvested in cut-tree-marked units	→								76 tons/ac
Average MBF to cut per acre on the timber sale	→								14.7 MBF/ac
Range of cut trees per acre based on unit cruise	→								83
Calculated Sampling Error: Total cruised volume will fall between	3,876 and 5,180 Net MBF in 9 out of 10 cruises								14.4%
Tons Per Thousand Board Feet									
Contract Value - Estimated tons hauled per thousand Scribner board feet	4,528 Net MBF Scribner to a 5.6 inch top DIB								5.40 tons/MBF

Contract Information		
Contract ending date	8/31/2021	
Contract length	47 months	
Operating Season:	July 1 through March 15; and when soil conditions are 20% or less	

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

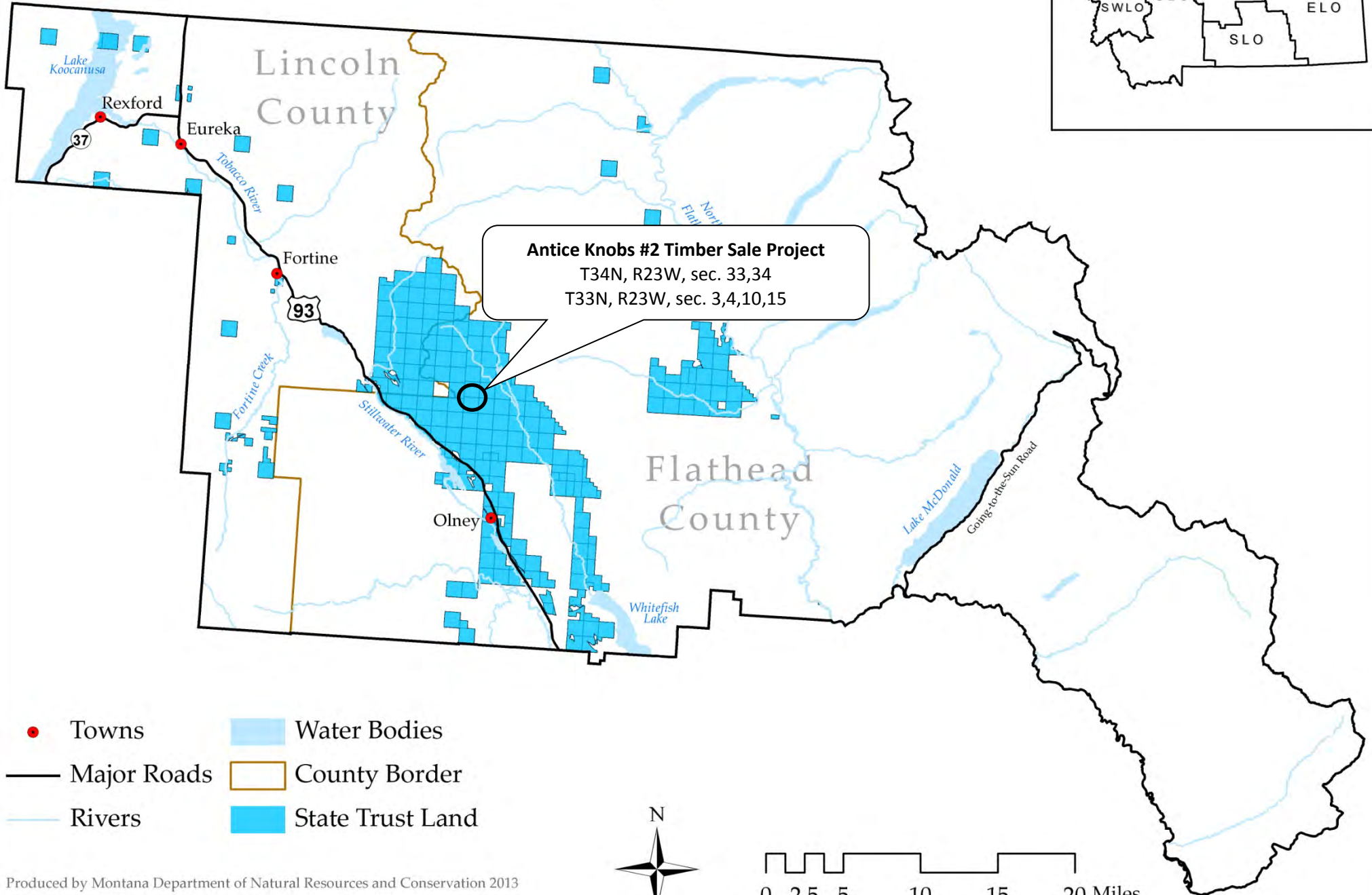
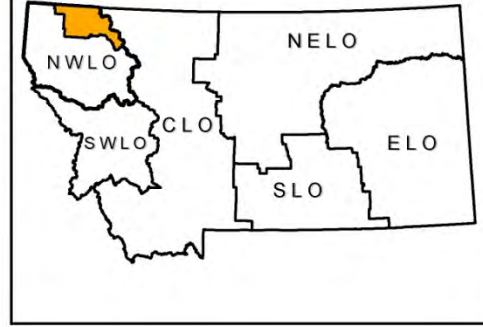
Logging Information	
% of volume logged by clearcut or seed tree cut	74%
% of volume logged with tractors	45%
% of volume logged by ground lead (jammer)	00%
% of volume logged by skyline	55%
Yarding distance tractor (average)	400 ft.
Yarding distance ground lead (average)	0 ft.
Yarding distance skyline (average)	400 ft.
Estimated haul distance (paved)	29.0 miles
Estimated haul distance (unpaved)	11.0 miles

Purchaser fees and estimated costs	
Forest Improvement fee perMBF	\$24.00/MBF
Forest Improvement fee per ton	\$4.44/ton
Forest Improvement fee estimated total	\$108,495.84
Forest Improvement fee quarterly installment	\$18,082.64
Estimated Purchaser-do FI total \$	\$6,120
Estimated Purchaser-do FI per ton	\$0.25/ton
Estimated Purchaser-do slash disposal work total	\$11,275.00
Estimated Purchaser-do slash disposal work per ton	\$0.46/ton
Bid Guarantee (total \$)	\$29,519.00
Performance Bond	20% of Bid Value

Road development and maintenance fees and estimates	
Estimated road development cost total	\$104,283
Estimated road development cost per ton	\$4.27/ton
Estimated road development cost perMBF	\$23.03/MBF
Estimated Purchaser-do road maintenance cost total	\$8,862
Estimated Purchaser-do road maintenance cost per ton	\$0.36/ton
Private road maintenance charges per ton	\$0.00/ton
USFS road maintenance charges per ton	\$0.00/ton
Miles of road temp construction	2.6 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	14.7 miles

Unit harvest volume				
Unit #	Acres	Est Tons	Est MBF	Harvest date
1	73	4,170	773	January 31, 2021
2	7	554	103	January 31, 2021
3	70	4,995	926	January 31, 2021
4	13	2,328	431	January 31, 2021
5	73	7,838	1,452	January 31, 2021
6	34	1,342	249	January 31, 2021
7	38	3,209	595	January 31, 2021
	308 Ac.	24,436 tons	4,528 MBF	

ANTICE KNOBS #2 VICINITY MAP STILLWATER UNIT



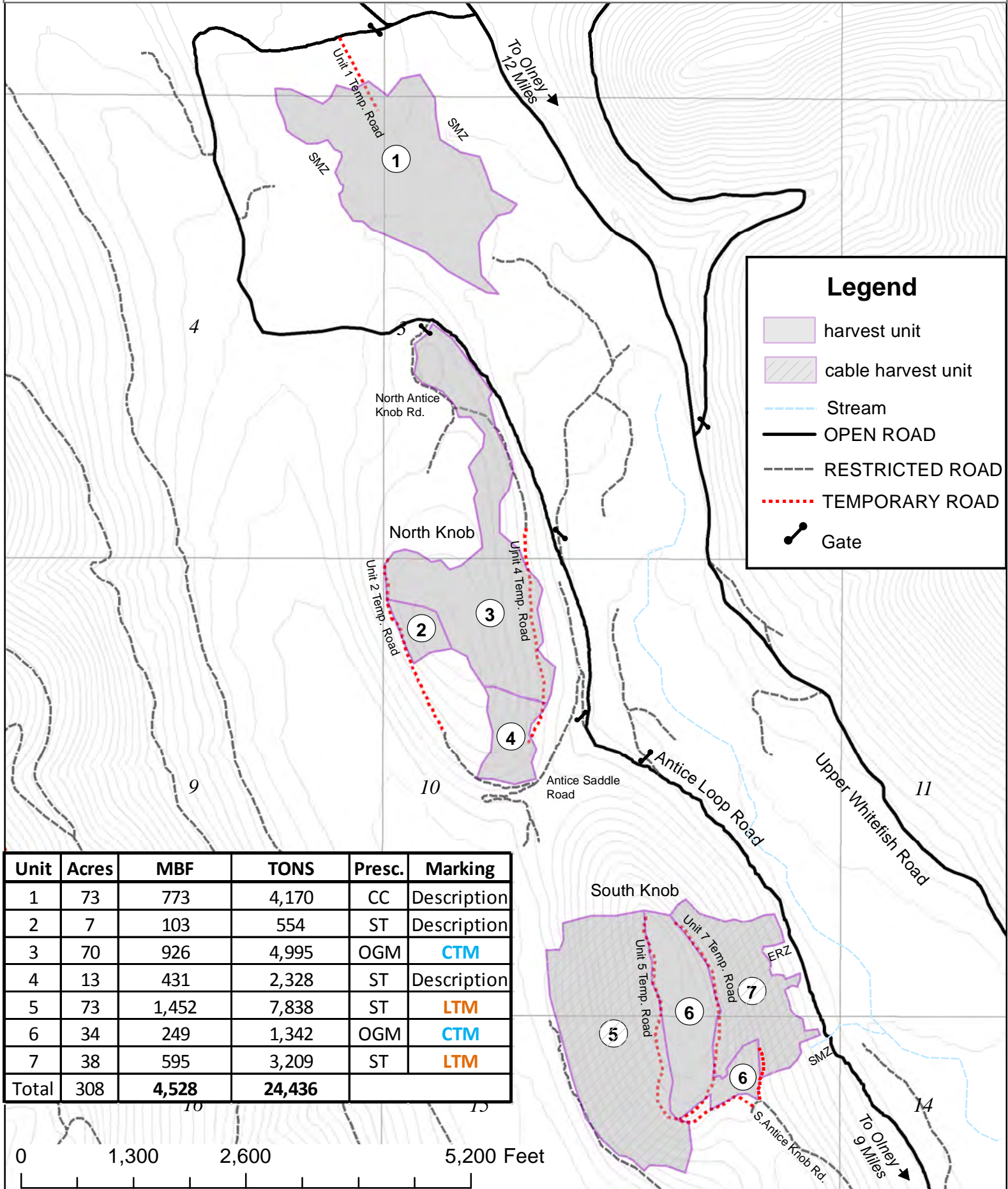
- Towns
- Major Roads
- Rivers
- Water Bodies
- County Border
- State Trust Land



Antice Knobs #2 Contract Map

Sections 33 and 34 of T34N R23W
Sections 3, 4, 10 and 15 of T33N R23W

Attachment A, 2 of 3
BF 6/17/17



Legend

- harvest unit
- cable harvest unit
- Stream
- OPEN ROAD
- RESTRICTED ROAD
- TEMPORARY ROAD
- Gate

Unit	Acres	MBF	TONS	Presc.	Marking
1	73	773	4,170	CC	Description
2	7	103	554	ST	Description
3	70	926	4,995	OGM	CTM
4	13	431	2,328	ST	Description
5	73	1,452	7,838	ST	LTM
6	34	249	1,342	OGM	CTM
7	38	595	3,209	ST	LTM
Total	308	4,528	24,436		

0 1,300 2,600 5,200 Feet

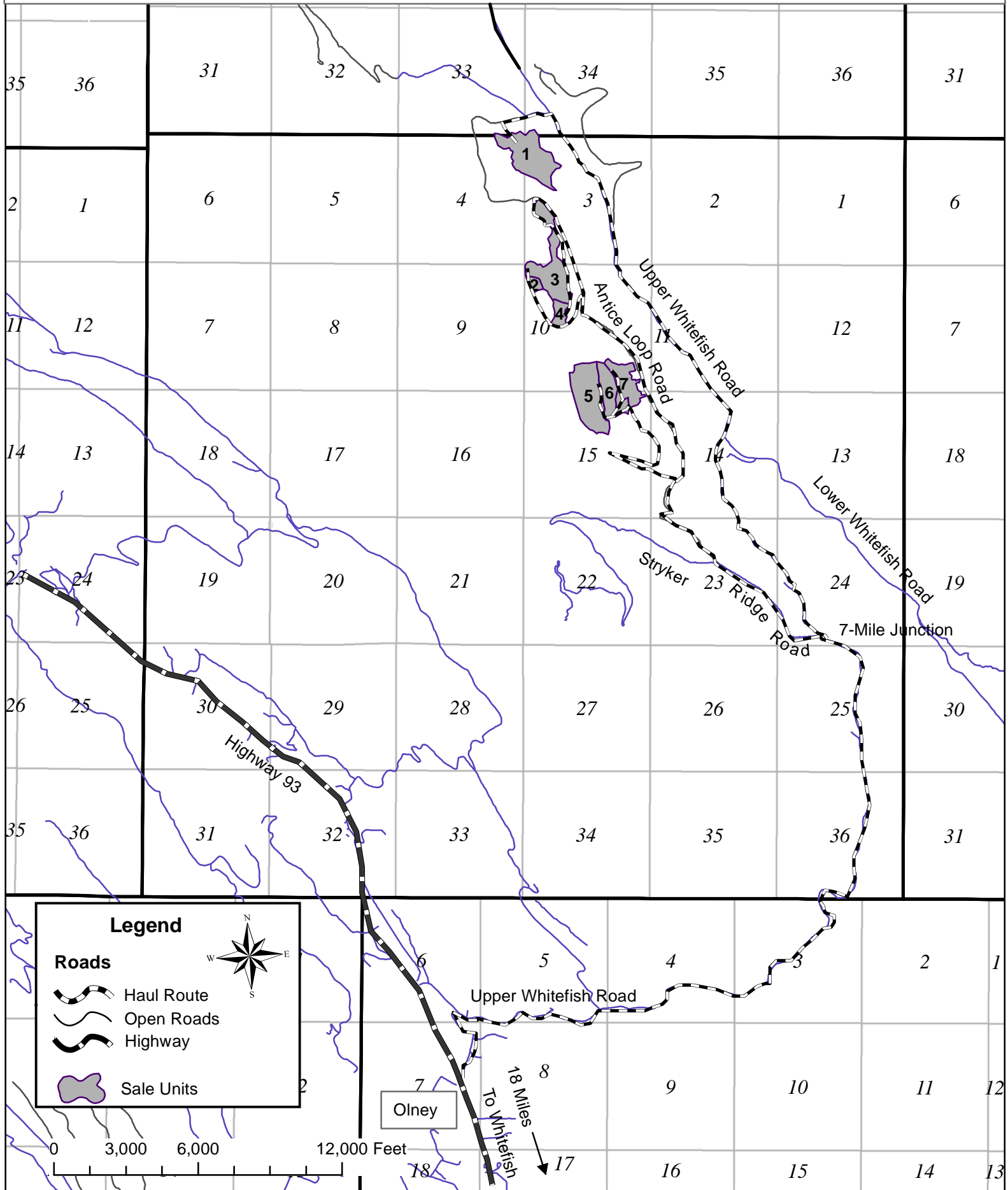


Antice Knobs #2 Haul Route Map



Sections 33 and 34 of T34N R23W
Sections 3, 4, 10 and 15 of T33N R23W

Attachment A, 3 of 3
BF 7/18/17



Legend

Roads

- Haul Route (dashed line)
- Open Roads (solid line)
- Highway (thick solid line)
- Sale Units (shaded area)

0 3,000 6,000 12,000 Feet

Olney
18 Miles
To Whitefish