## NOTICE OF SALE

**Department of Natural Resources & Conservation Timber Sale**

The Fatwood Timber Sale is located within Sections 28 & 32 T23N-R18W on the State's Swan Unit. Approximately 13,747 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 2, 2019 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 $6,090.00**, 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 September 16, 2019 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), Northwestern Land Office in Kalispell (406-751-2257) 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: Fatwood** | | | |
|---|---|---|---|
| **For specific sale information, contact:** | | | |
| Phone | 406-754-2301 | Andy Moffett | Swan 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. **The Fatwood timber sale consists of two units.**
    a. 28-04 (97 Acres, Combination Skyline and Tractor Ground) Some excavated skid trails may be required.
    b. 32-14 (137 Acres, Tractor Ground) Some excavated skid trails may be required.
2. **The Fatwood timber sale road package includes:**
    **a.** Approximately 2.2 miles of new road construction that will include right-of-way harvesting, road pioneering, drain dip installations, grass seeding, maintenance, and final blading.
    **b.** Approximately 11.3 miles of road maintenance including brush clearing and piling, right-of-way clearing, road widening, drain feature construction and repair, rock hammering, gravel lift, installation of gabions, grass seeding, weed spraying, BMP improvements and initial, intermediate, and final blading.
    **c.** Installation of gravel lift along the South Woodward Road (3.75 Miles) required and must be completed between June 16, 2020 and August 30, 2020.
3. **Access/Directions**
    **a.** The Fatwood timber sale is in Sections 28 and 32 T23N R18W, on the Swan River State Forest. Fatwood cutting units are accessed by Fatty Creek Road off Highway 83 between Mile Posts (MP) 58 and 59 just south of the Swan Unit Office.
    **b.** To access the units, drive west off of Highway 83 on the Fatty Creek Road to the South Woodward Road. Continue on the South Woodward Road to the junction with the Fatwood Road (MP 3.75). The Fatwood Road accesses both units.
    ***c.*** **See Attached Sale and Haul Route map with Notice of Sale.*
    ***d.*** **Gate keys are available at the Swan River State Forest Office, 34925 MT HWY 83, Swan Lake MT 59911.*
4. **Harvest Operational Period**
    **a.** Award date through March 1, 2020; June 16, 2020 through March 1, 2021; June 16, 2021 through March 1, 2022; and when Soil Compaction Restrictions Section VII.L.1 in the timber sale contract apply.
5. **Road Construction/Maintenance**
    a. Award date through March 1, 2020; June 16, 2020 through March 1, 2021; June 16, 2021 through March 1, 2022; June 16, 2022 through August 30, 2022 and when Hauling Restrictions in Section VII.N. of the timber sale contract apply. *Road Maintenance can be completed on open roads before June 16 of operating period as approved by Forest Officer.
6. **Purchaser Do FI**
    **a.** Purchaser is required to construct firebreak/fire line in unit 28-04 for 11,339 feet. See Attachment E: Purchaser-Do FI for details.

# Timber Sale Information Sheet

## Montana Department of Natural Resources and Conservation

| Fatwood Timber Sale | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Timber Sale Cruise Data** | | | | | | | | | | |
| SPECIES | RC | DF | WL | LP | ES | WF | WWP | WBP | Dead | TOTAL or AVE |
| Minimum Bid per ton | | | | | | | | | | $8.86 |
| Pounds per cubic foot | 44 | 62 | 58 | 56 | 57 | 55 | | | | |
| Estimated tons of sawlogs (5.6" top DIB) | 394 | 4,445 | 1,563 | 436 | 4,959 | 1,950 | | | | **13,747 tons** |
| Estimated tons of other material (pulp, etc) | NA | NA | NA | NA | NA | NA | | | | 0 tons |
| Gross MBF (Scribner 5.6" top DIB) | 78 | 883 | 321 | 125 | 1,241 | 556 | | | | 3,204 MBF |
| % Cull and Breakage | 22 | 22.59 | 23.61 | 37.67 | 29.57 | 45.56 | | | | 30.1% |
| Net MBF (Scribner 5.6" top DIB) | 61 | 688 | 245 | 78 | 874 | 296 | | | | 2,241 MBF |
| Average logs per MBF | 49 | 19.5 | 30.1 | 21.8 | 16.5 | 42 | | | | 26.0 logs/M |
| Average DBH | 9.7 | 15.7 | 11.5 | 14.6 | 16.9 | 11.1 | | | | 13.5 in. |
| Average tons per acre harvested in leave-tree marked units | | | | | | | | | | 0 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 | | | | | | | | | | 9.3 MBF/ac |
| Range of cut trees per acre based on unit cruise | | | | | | | | | | 8-38 |
| Calculated Sampling Error: Total cruised volume will fall between | | | 2,026 and 2,456 Net MBF in 9 out of 10 cruises | | | | | | | 9.6% |
| **Tons Per Thousand Board Feet** | | | | | | | | | | |
| Contract Value - Estimated tons hauled per thousand Scribner board feet | 13,747 estimated tons to a 5.6 inch top / 2,241 Net MBF Scribner to a 5.6 inch top DIB | | | | | | | | | 6.13 tons/MBF |

| Contract Information | | |
|---|---|---|
| Contract Termination Date: | 9/30/2022 | |
| Operating Period: | Award date through March 1, 2020; June 16, 2020 through March 1, 2021; June 16, 2021 through March 1, 2022; and when Soil Compaction Restrictions in Section VII.L.1 of this contract apply. | |

# Timber Sale Information Sheet

## Montana Department of Natural Resources and Conservation

| Logging Information | |
|---|---|
| % of volume logged by clearcut or seed tree cut | 100% |
| % of volume logged with tractors | 61% |
| % of volume logged by skyline | 31% |
| % of volume logged by other system (specify) | 00% |
| Yarding distance tractor (average) | 800 ft. |
| Yarding distance skyline (average) | 750 ft. |
| Yarding distance other system (specify) | 0 ft. |
| Estimated haul distance (paved) | 45.0 miles |
| Estimated haul distance (unpaved) | 12.4 miles |

| Purchaser fees and estimated costs | |
|---|---|
| Forest Improvement fee perMBF | $12.15/MBF |
| Forest Improvement fee per ton | $1.98/ton |
| Forest Improvement fee estimated total | $27,219.06 |
| Forest Improvement fee quarterly installment | $4,536.51 |
| Estimated Purchaser-do FI total $ | $13,083 |
| Estimated Purchaser-do FI per ton | $0.95/ton |
| Estimated Purchaser-do slash disposal work total | $0.00 |
| Estimated Purchaser-do slash disposal work per ton | $0.00/ton |

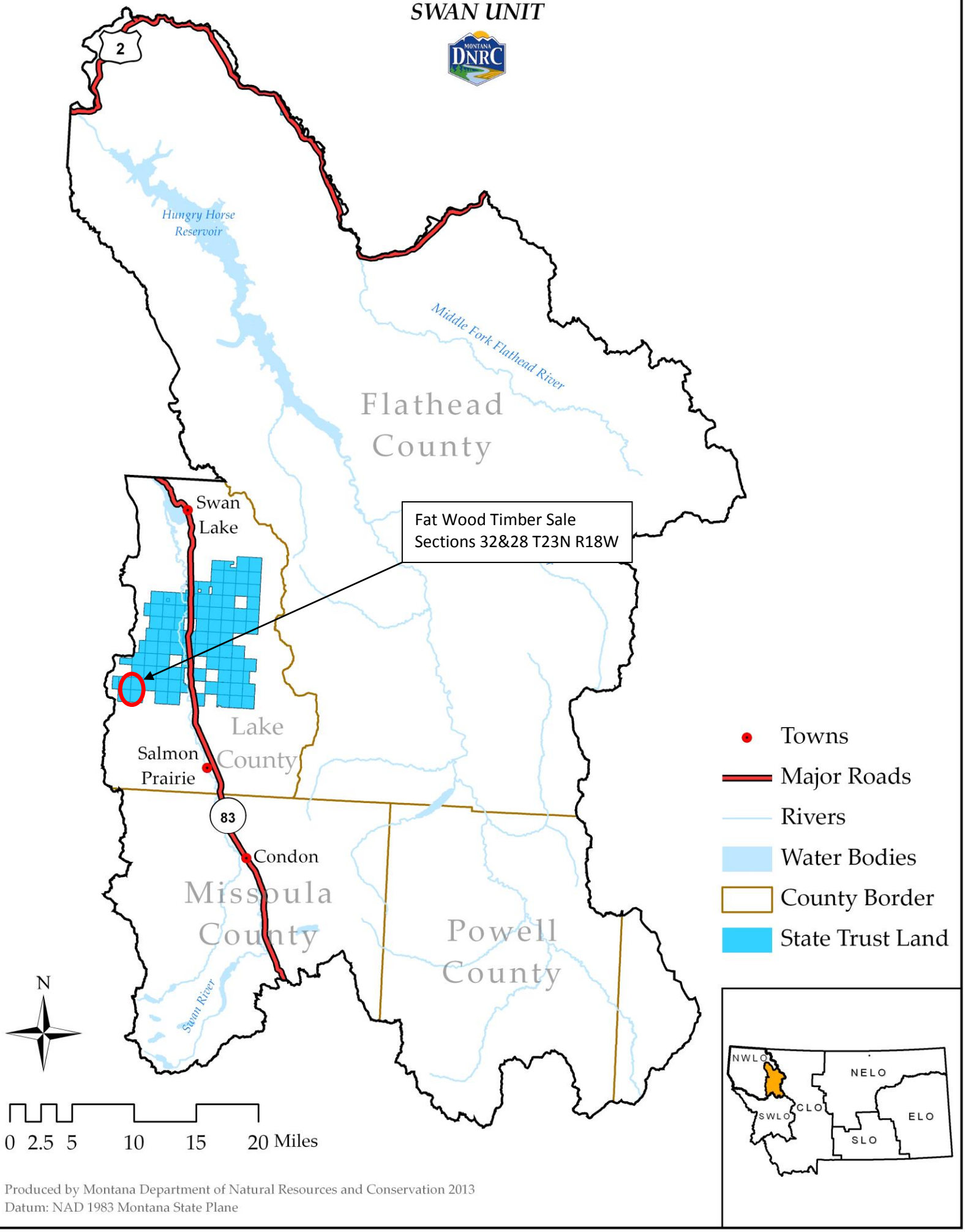
| Road development and maintenance fees and estimates | |
|---|---|
| Estimated road development cost total | $142,141 |
| Estimated road development cost per ton | $10.34/ton |
| Estimated road development cost perMBF | $63.42/MBF |
| Estimated Purchaser-do road maintenance cost total | $13,952 |
| Estimated Purchaser-do road maintenance cost per ton | $1.01/ton |
| Private road maintenance charges per ton | $0.00/ton |
| USFS road maintenance charges per ton | $0.00/ton |
| Miles of road construction | 2.2 miles |
| Miles of road reconstruction | 0.0 miles |
| Miles of road with site improvements | 0.0 miles |
| Miles of road reclamation or abandonment | 0.4 miles |
| Miles of road maintenance and blading | 11.3 miles |

**Unit harvest volume**

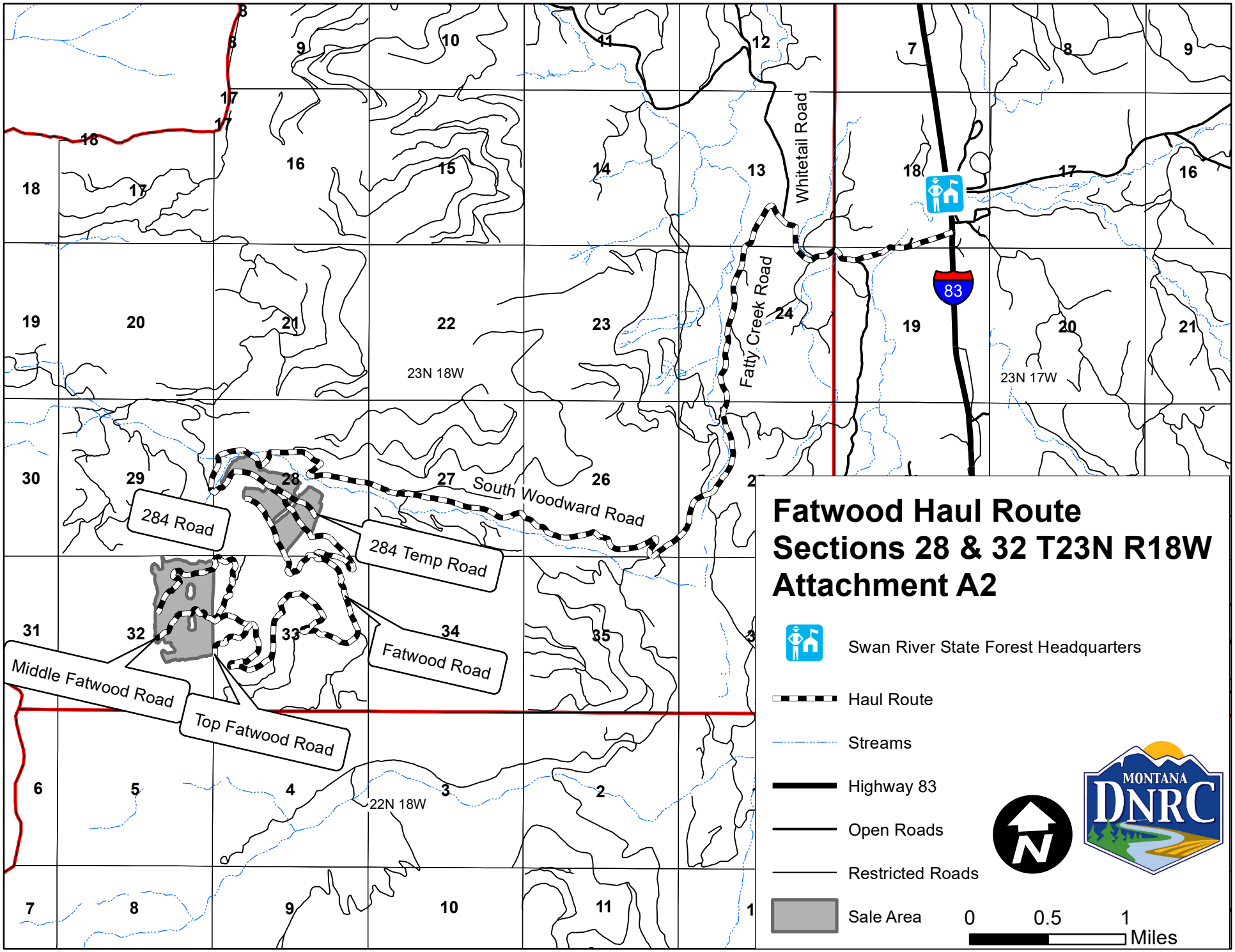
| Unit # | Acres | Est Tons | Est MBF | Harvest Deadline |
|---|---|---|---|---|
| 28-04 | 97 | 7,308 | 1,135 | March 1, 2022 |
| 32-14 | 137 | 6,439 | 1,106 | March 1, 2022 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | 234 Ac. | 13,747 tons | 2,241 MBF | |

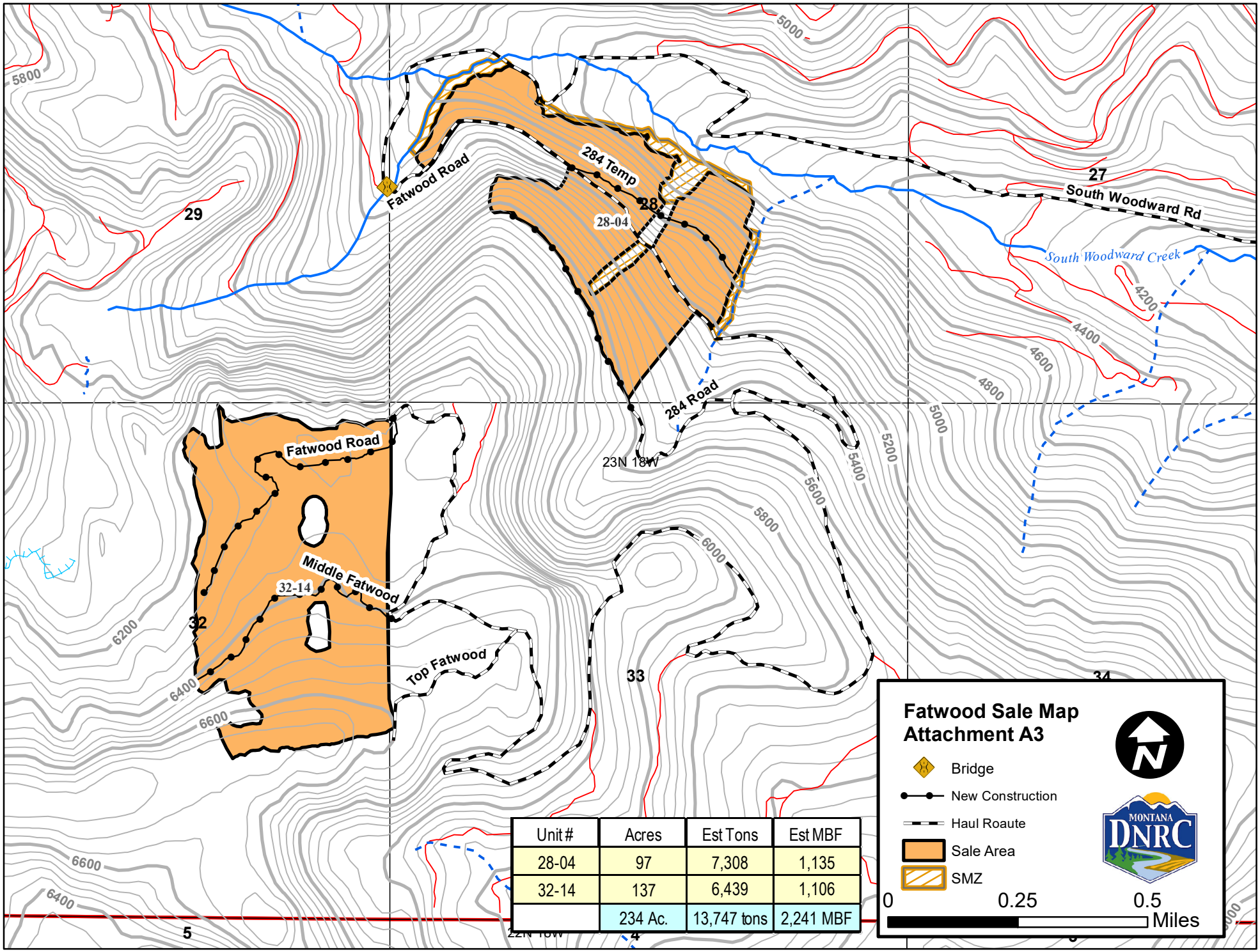
# *Fatwood Timber Sale VICINITY*

## *SWAN UNIT*

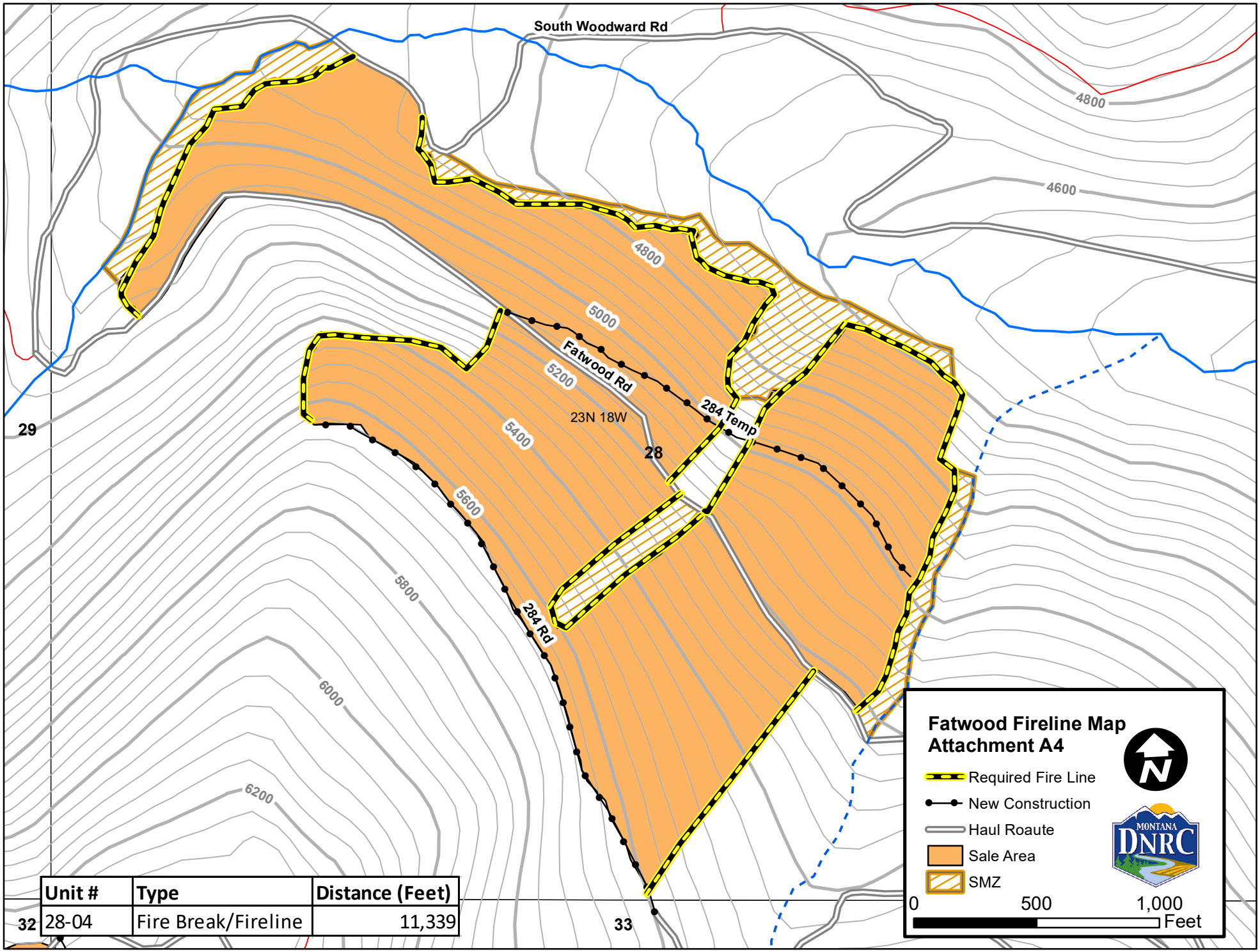



Produced by Montana Department of Natural Resources and Conservation 2013
Datum: NAD 1983 Montana State Plane

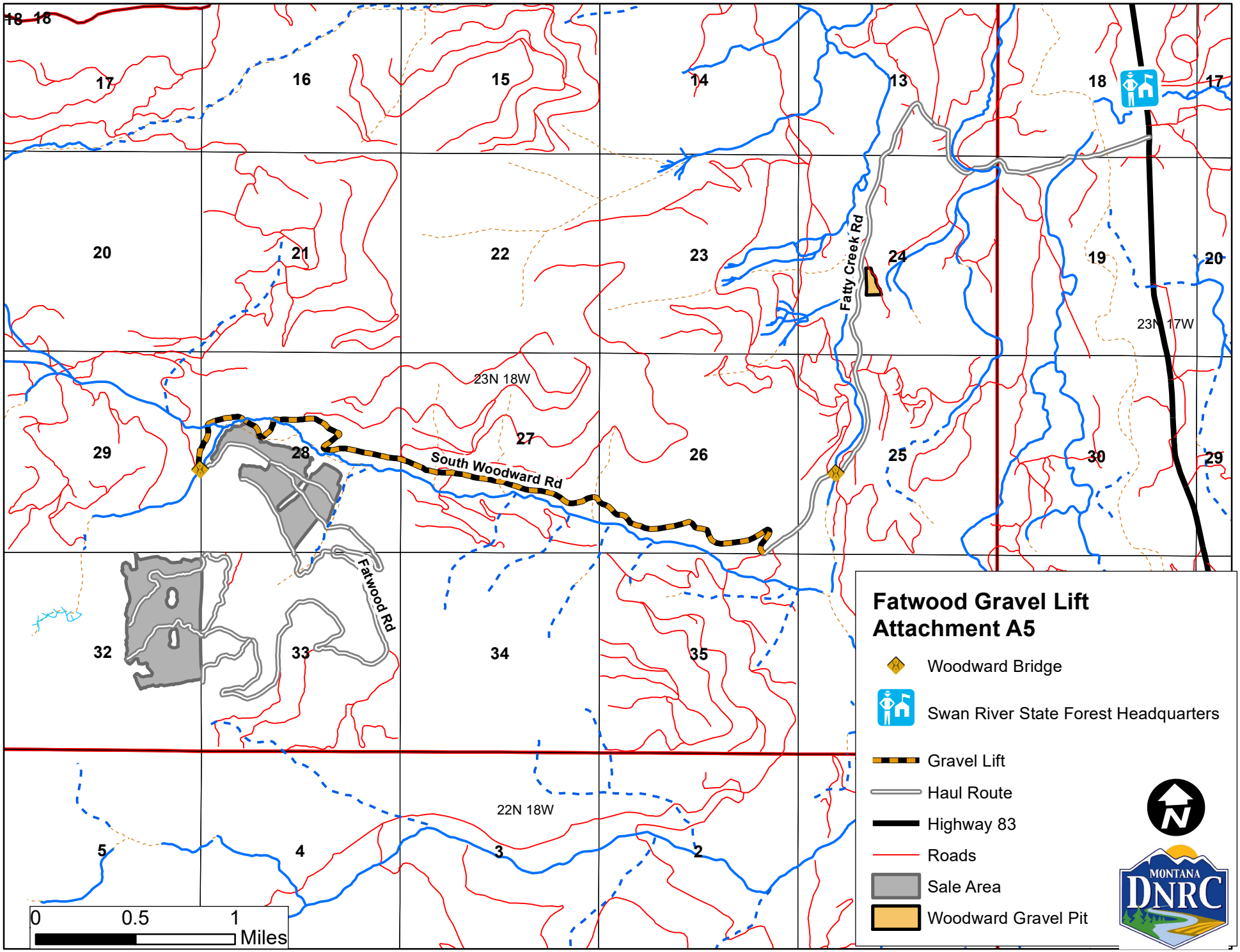

Fatwood Haul Route
Sections 28 & 32 T23N R18W
Attachment A2
Swan River State Forest Headquarters
Haul Route
Streams
Highway 83
Open Roads
Restricted Roads
Sale Area
0
0.5
1
Miles
MONTANA
DNRC
N
83
Whitetail Road
Fatty Creek Road
South Woodward Road
284 Road
284 Temp Road
Fatwood Road
Middle Fatwood Road
Top Fatwood Road
23N 18W
23N 17W
22N 18W




| Unit # | Acres | Est Tons | Est MBF |
|---|---|---|---|
| 28-04 | 97 | 7,308 | 1,135 |
| 32-14 | 137 | 6,439 | 1,106 |
| | 234 Ac. | 13,747 tons | 2,241 MBF |




| Unit # | Type | Distance (Feet) |
|---|---|---|
| 28-04 | Fire Break/Fireline | 11,339 |


Fatwood Gravel Lift
Attachment A5
Woodward Bridge
Swan River State Forest Headquarters
Gravel Lift
Haul Route
Highway 83
Roads
Sale Area
Woodward Gravel Pit
South Woodward Rd
Fatty Creek Rd
Fatwood Rd
23N 18W
23N 17W
22N 18W
0
0.5
1
Miles
MONTANA
DNRC