

## NOTICE OF SALE

### Department of Natural Resources & Conservation Timber Sale

The KM Ranch Fuels Timber Sale is located within Sections 26 and 35, T30N-R22W, on the State's Kalispell Unit. Approximately 8,445 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 **September 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 **\$11,291.00**, 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 17, 2018 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) or the Northwestern Land Office in Kalispell (406-751-2257).

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**

<b>Timber Sale Name:</b> KM Ranch Fuels Reduction	
<b>For specific sale information, contact:</b> Pete Seigmund	
Phone: (406) 751-2266	Unit Office: Kalispell
<b>For copies of the Timber Sale Contract and bid forms, contact:</b>	
Phone (406) 542-4300	Forest Management Bureau DNRC Missoula Office
Phone (406) 751-2240	Land Office: Northwestern

**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. PURCHASER CUT TREE SELECTION: Trees are required to be cut if they meet the following criteria:
  - a. Commercial Thin Cutting Specifications: Units 1 and 2
    - Commercially thin trees to leave approximately 75 trees per acres. This would be 20 to 25 feet between trees boles.
    - Cut all dwarf mistletoe infested merchantable trees.
    - Cut all bark beetle infested merchantable trees.
    - Protect all insect and disease-free regeneration.
    - Retain all dead trees greater than 21”.
2. RESTRICTED OPERATING PERIOD: Harvest and log hauling operations are restricted to the following times:
  - a. Harvest Operations may occur November 1 thru March 15, Monday thru Friday between the hours of 7 a.m. and 6 p.m. On Saturdays and Sundays, harvest operations may occur between the hours of 8 a.m. and 6 p.m. Any operations occurring outside these times must be approved by the Forest Officer.
  - b. Log Hauling operations may occur Monday thru Friday between the hours of 8 a.m. and 4 p.m. and from 4:30 p.m. to 6 p.m. No truck traffic will be allowed within the sale area before 8 a.m. or between 4 p.m. and 4:30 p.m. unless approved by the Forest Officer. On Saturdays and Sundays, log hauling operations may occur between the hours of 8 a.m. and 6 p.m.
3. HIGH HAZARD SLASH REDUCTION: The Purchaser will be required to meet high hazard slash reduction standards in portions of harvest units adjacent to private property boundaries and open roads. In areas within 1,000 feet of a residence, the Purchaser will be required to treat 90% of the slash within 100 feet of the property boundary and open roads, and in powerline corridors. Treatment and clean up can be accomplished by piling, chipping, burying, removal, or a combination of methods. Logging slash must be treated within 60 days of its creation. The high standard of slash cleanup can most easily be achieved by directionally felling trees away from the unit boundaries leaving very little slash and limbs to pile. Any required slash burning will be completed by the State.
4. SLASHING OF LOGGING-DAMAGED TREES REQUIRED: The Purchaser shall fell all submerchantable trees with logging-related root or stem damage, causing lean. The stem shall be completely severed from the stump below the lowest live limb. Maximum stump height shall be 12 inches on the uphill side.
5. PROTECTION AND RETENTION OF SUB-MERCHANTABLE TREES: The Purchaser shall retain and protect trees not meeting the cutting specifications in Table 2 due to size or defect to the greatest extent practicable.
6. NONSAWLOG AND BIOMASS REMOVAL: The Purchaser has the option of removing non-sawlog material at the rate of \$1.00/ton.
7. ACCESS TO SALE AREA: The gate combination to access the sale area (see map) is 2266.

**Timber Sale Information Sheet**  
**Montana Department of Natural Resources and Conservation**

<b>KM RANCH FUELS REDUCTION</b>										
<b>Timber Sale Cruise Data</b>										
SPECIES	PP	DF	WL	LP	ES	WF	CE	WP	Dead	TOTAL or AVE
Minimum Bid per ton										\$26.74
Pounds per cubic foot	62	62	58	56					40.0	
Estimated tons of sawlogs (5.6" top DIB)	54	6,335	1,983	59					14	<b>8,445 tons</b>
Estimated tons of other material (pulp, etc)										0 tons
Gross MBF (Scribner 5.6" top DIB)	9	1,070	351	10					10	1,450 MBF
% Cull and Breakage	0	14	17	7					70	15.0%
Net MBF (Scribner 5.6" top DIB)	9	920	291	9					3	1,232 MBF
Average logs per MBF	13	21	30	26					13	23.0 logs/M
Average DBH	16	13	10	10					11	12.0 in.
Average tons per acre harvested in leave-tree marked units	→									0 tons/ac
Average tons per acre harvested in cut-tree-marked units	→									33 tons/ac
Average MBF to cut per acre on the timber sale	→									4.8 MBF/ac
Range of cut trees per acre based on unit cruise	→									45 to 80
Calculated Sampling Error: Total cruised volume will fall between	1,146 and 1,318 Net MBF in 9 out of 10 cruises									6.7%
<b>Tons Per Thousand Board Feet</b>										
Contract Value - Estimated tons hauled per thousand Scribner board feet	8,445 estimated tons to a 5.6 inch top / 1,232 Net MBF Scribner to a 5.6 inch top DIB									6.85 tons/MBF

<b>Contract Information</b>	
Contract Termination Date:	7/1/2020 <span style="float: right;">Pete Seigmund, 751-2266 or 210-5903</span>
Operating Period:	From November 1 thru March 15 when soil conditions are dry, frozen, or snow covered.

**Timber Sale Information Sheet**  
**Montana Department of Natural Resources and Conservation**

<b>Logging Information</b>	
% of volume logged by clearcut or seed tree cut	00%
% of volume logged with tractors	100%
% of volume logged by skyline	00%
% of volume logged by other system (specify)	00%
Yarding distance tractor (average)	500 ft.
Yarding distance skyline (average)	0 ft.
Yarding distance other system (specify)	0 ft.
Estimated haul distance (paved)	12.0 miles
Estimated haul distance (unpaved)	2.0 miles

<b>Road development and maintenance fees and estimates</b>	
Estimated road development cost total	\$14,469
Estimated road development cost per ton	\$1.71/ton
Estimated road development cost perMBF	\$11.74/MBF
Estimated Purchaser-do road maintenance cost total	\$1,280
Estimated Purchaser-do road maintenance cost per ton	\$0.15/ton
Private road maintenance charges per ton	\$0.00/ton
USFS road maintenance charges per ton	\$0.00/ton
Miles of road construction	0.1 miles
Miles of road reconstruction	0.0 miles
Miles of road with site improvements	2.0 miles
Miles of road reclamation or abandonment	0.0 miles
Miles of road maintenance and blading	2.0 miles

<b>Purchaser fees and estimated costs</b>	
Forest Improvement fee perMBF	\$12.15/MBF
Forest Improvement fee per ton (non-Morrill Trust)	\$1.77/ton
Forest Improvement fee estimated total (6520 tons)	\$11,540.40
Forest Improvement fee quarterly installment	\$1,923.40
Estimated Purchaser-do FI total \$	\$0
Estimated Purchaser-do FI per ton	\$0.00/ton
Estimated Purchaser-do slash disposal work total	\$3,000.00
Estimated Purchaser-do slash disposal work per ton	\$0.36/ton

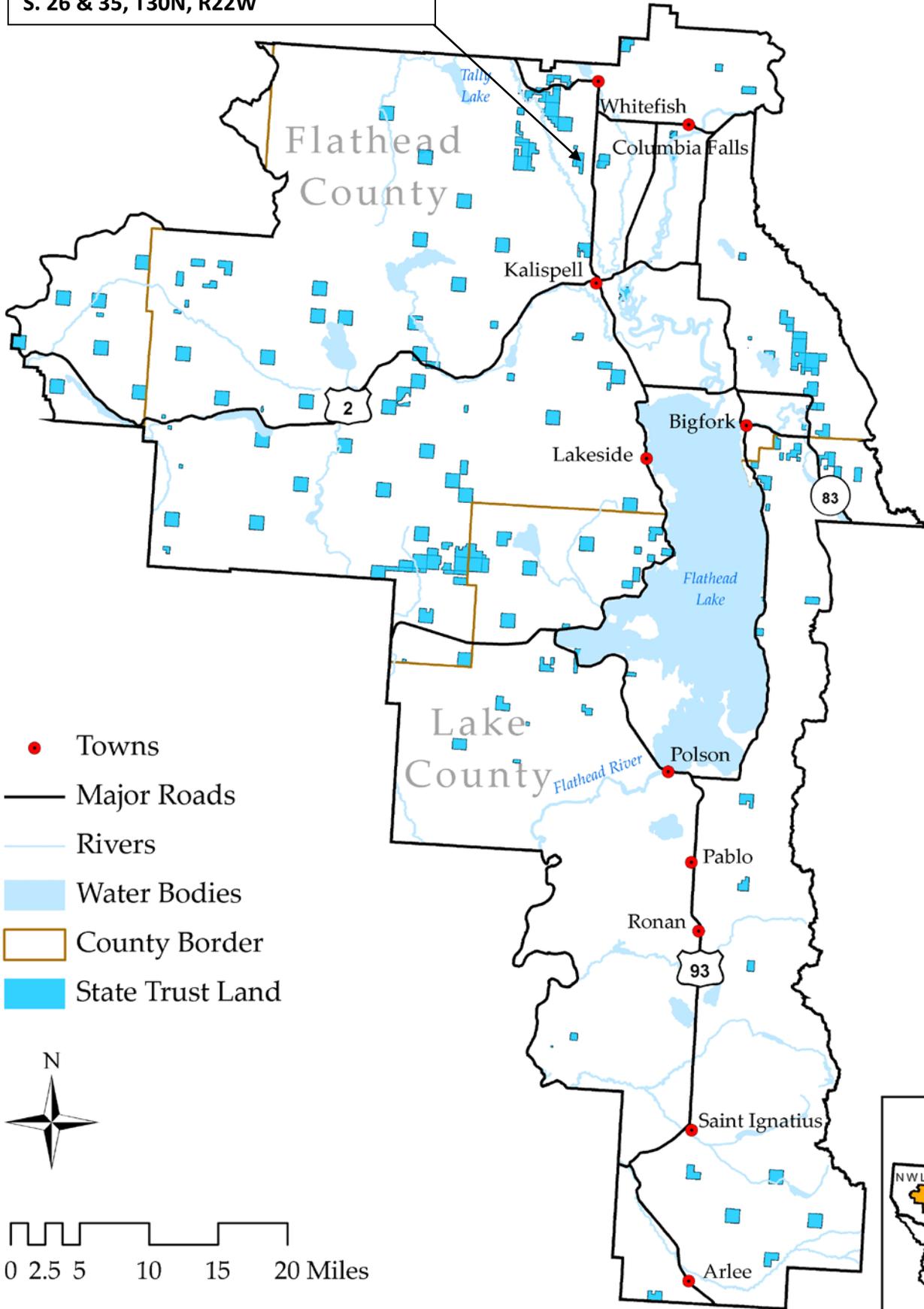
<b>Unit harvest volume</b>				
Unit #	Acres	Est Tons	Est MBF	Harvest Deadline
1	40	1,669	260	March 15, 2020
2	219	6,776	972	March 15, 2020
	259 Ac.	8,445 tons	1,232 MBF	

# KM RANCH FUELS REDUCTION VICINITY MAP

## KALISPELL UNIT



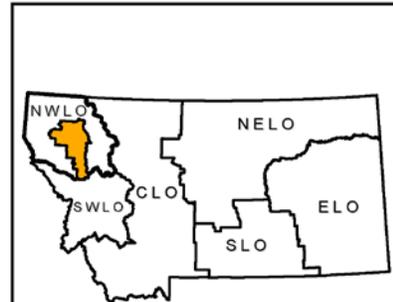
**KM RANCH FUELS REDUCTION PROJECT**  
**S. 26 & 35, T30N, R22W**



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



0 2.5 5 10 15 20 Miles

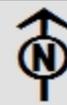




# KM Ranch Fuels Reduction Project

## S 26 & 35, T30N, R22W

### Harvest Map



Attachment A

