

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Alkali Timber Sale is located within portions of Section 36, T36N-R27W on the State's Stillwater Unit. Approximately 8,960 tons consisting of Douglas-fir and western larch sawlogs are offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **August 21, 2006 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 **\$8,718.00**, 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 stumpage 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 45 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 (406-751-2240), or the Stillwater Unit Office in Olney, MT (406-881-2371).

Visit our website at www.dnrc.mt.gov Online Services for upcoming sales and bid results.

/s/ David A. Groeschl, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: July 20, 27, August 3, 10, 2006

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Alkali	
Timber Sale Location: Section 36, T36N-R27W	
For specific sale information, contact: Mike McMahon	
Phone	406-881-2371 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 Northwestern Land Office

General Bidding Information

1. Bids must be submitted on standard DNRC bid forms.
2. Timber will be sold to the highest responsible bidder; however, the Department reserves the right to reject any or all bids.
3. DNRC 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 guarantee** must accompany all bids and must be in the form of cash, cashiers check, certified check, bank money order, bank draft, surety bond or irrevocable letter of credit.
5. The Purchaser must submit a **performance bond** within 45 days of the sale award. It will amount to 20% or more of the 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.
6. The Purchaser must submit an **advance stumpage payment** prior to cutting any timber. The amount of the advance will be based on the expected harvest rate and the bid value of the stumpage. The advance may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
7. The Purchaser will pay **Forest Improvement fees** and any special **Road Use and Maintenance fees** in addition to stumpage payments.
8. The successful bidder must sign an agreement that prohibits exporting State logs.
9. This sale is being sold based on the gross weight of all species. Minimum price and bid price is per ton. The price is for all species, green and dead. Billing will be based on gross weight. A weight ticket from a certified scale is required for every load.
10. The Department has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. All delivered wood will be weighed and billed at per ton bid rates. The Department 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 the tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. DNRC strongly recommends that bidders evaluate these effects before bidding.
11. DNRC 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 its market value. Purchasers should make their own estimates based on contract requirements.
12. Bidders should examine the Timber Sale Contract and sale area prior to bidding. Additional information is available at the phone numbers shown above.
13. Estimated stand data in this prospectus and volume estimates in the sale contract are not guaranteed.
14. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.

TABLE 1: Summary of Sale Specifications			
Sale Data			
203.5	Net Sale Area (acres)	0.3	Miles of road construction
August 1, 2008	Contract ending date	1.9	Miles of road reconstruction
0	Cable logging required (% of volume)	3.1	Miles of road reclamation or abandonment
Operating Season: When soil compaction restrictions in Section VII.L.1 of the contract apply.			
Charges and Appraised Costs			
\$8,718.00	Bid Guarantee (total \$)		
20% of bid value	Performance Bond		
\$ 0.00	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$ 2.65	Collected Forest Improvement Fee (\$ per ton)		
\$ 3,957.33	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)		
\$ 17,917.00	Road Development Costs - Estimated Purchaser-Do (total \$)		
\$ 0.17	Road Maintenance Costs - Estimated Purchaser-Do (\$ per ton)		
\$ 0.75	Slash Disposal Costs - Estimated Purchaser-Do (\$ per ton)		
\$ 0	Timber Stand Improvement Costs - Estimated Purchaser-Do (\$ per ton)		

TABLE 2: Timber Cruise Data and Minimum Bids									
SPECIES	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL or AVE
Minimum Acceptable Bid									\$24.60/ton
Gross Cubic Feet (in thousands)		202	46						248
% Cull and Breakage		6.8	3.1						6.1
Net Cubic Feet (in thousands)		188	44						233
Pounds per cubic foot		62	58						61
Estimated tons		5,797	1,291						7,088
Small log volume (4.5" top in tons)		1369	762						1,872
Total Estimated Tons (4.5" top)		7,348	1,612						8,960
Gross MBF (Scribner 5.6" top DIB)		833.4	194.9						1,028.3
%Cull and Breakage		6.8	3.1						6.1
Net MBF (5.6" top)		776.4	188.8						965.2
Average logs per MBF		27.8	29.3						27.9
Average DBH		9	8						9
Average tons per acre harvested in leave-tree marked units									56.2
Average tons per acre harvested in cut-tree-marked units									8.6
Average MBF to cut per acre on the timber sale									4.7
Range of cut trees per acre based on unit cruise									108-159
Calculated Sampling Error (<i>net</i> MBF): 19%									
The total cruised volume will fall between 781 and 1,149 thousand net board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor = 7,088 net tons per 965 net MBF = 7.35 tons per MBF									

TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Total Tons (4.6" top)	Estimated Net MBF (5.6")	Removal Date
1	36	7.4	417	44	July 1, 2008
2	36	6.3	354	38	
3	36	9.6	539	58	
4	36	2.7	153	16	
5	36	4.2	237	25	
6	36	23.6	1,323	141	
7	36	20.6	1,154	124	
8	36	2.6	147	16	
9	36	1.4	80	9	
10	36	13.9	779	83	
11	36	3.9	220	24	
12	36	15.6	875	94	
13	36	16.2	908	97	
14	36	22.3	1,250	134	
15	36	52.2	451	53	
ROW	36	1	73	9	Prior to construction
TOTAL		203.5	8,960	965	

Additional Sale Information:

1. Top sizes will be 4.6" for all species. Scribner volume calculations used in this prospectus are based on a 5.6" top size for all species. Ton volume calculations are based on cubic volume to a 5.6" top. An additional 1872 tons has been added to the total sale tons to account for the 4.6"-top small sawlog volume, and this volume is broken out by unit in table 3 above. This small sawlog volume is not included in the Scribner gross or net MBF.
2. The additional 1,872 tons of small sawlog volume is converted to 254.7 thousand board feet for reporting purposes using the 7.35 tons/MBF conversion factor for a total sale volume of 1,220 MBF.
3. There are residences within 1,000 feet of the boundaries in Units 6 and 15. For these units, the "high" fire hazard reduction is applicable: 90% of the slash within 100 feet of any residence, and for 100 feet inside any portion of a cutting unit boundary that lies within 1,000 feet of a residential structure must be chipped, piled, buried, or removed within 60 days of its creation.
4. In seedtree harvest units (1 through 14) Purchaser will be required to slash submerchantable trees.
5. Traffic control will be required when felling along open roads.
6. Road construction activities may be ongoing along the Frank Lake Road, #688, this summer and fall; Purchaser shall accommodate and coordinate with these contractors.

TABLE 4: Total Net Board Feet (6" top Diameter) by Diameter Class and Species (Cut Trees)									
DBH Class	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL
< 9		97							97
≥9 and < 11		252	92.9						344.9
≥11 and < 13		180.5	66.0						246.5
≥13 and < 15		186	25.8						211.8
≥15 and < 17		65							65
≥17 and < 19									
≥19 and < 21									
≥21 and < 23									
≥23 and < 25									
≥25 and < 27									
≥27 and < 29									
TOTAL		782.5	184.7						965.2

TABLE 5: Total Tons (4.6" top diameter) by Diameter Class and Species (Cut trees)									
DBH Class	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL
≥6 and < 9		562.3							562
≥9 and < 11		2,705.8	885.3						3,591
≥11 and < 13		1,775.2	534.8						2,310
≥13 and < 15		1,698	192.3						1,890
≥15 and < 17		607.1							607
≥17 and < 19									
≥19 and < 21									
≥21 and < 23									
≥23 and < 25									
≥25 and < 27									
≥27 and < 29									
TOTAL		7,348	1,612						8,960

TABLE 6: Total Number of Cut Trees by Diameter Class and Species									
DBH Class	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL
< 9		9,112	1,215						10,327
≥9 and < 11		7,695	2,632						10,327
≥11 and < 13		3,442	607						4,049
≥13 and < 15		1,822	202						2,024
≥15 and < 17		405							405
≥17 and < 19									
≥19 and < 21									
≥21 and < 23									
≥23 and < 25									
≥25 and < 27									
≥27 and < 29									
TOTAL		22,476	4,656						27,132

Alkali Unit Map



LEGEND

Roads

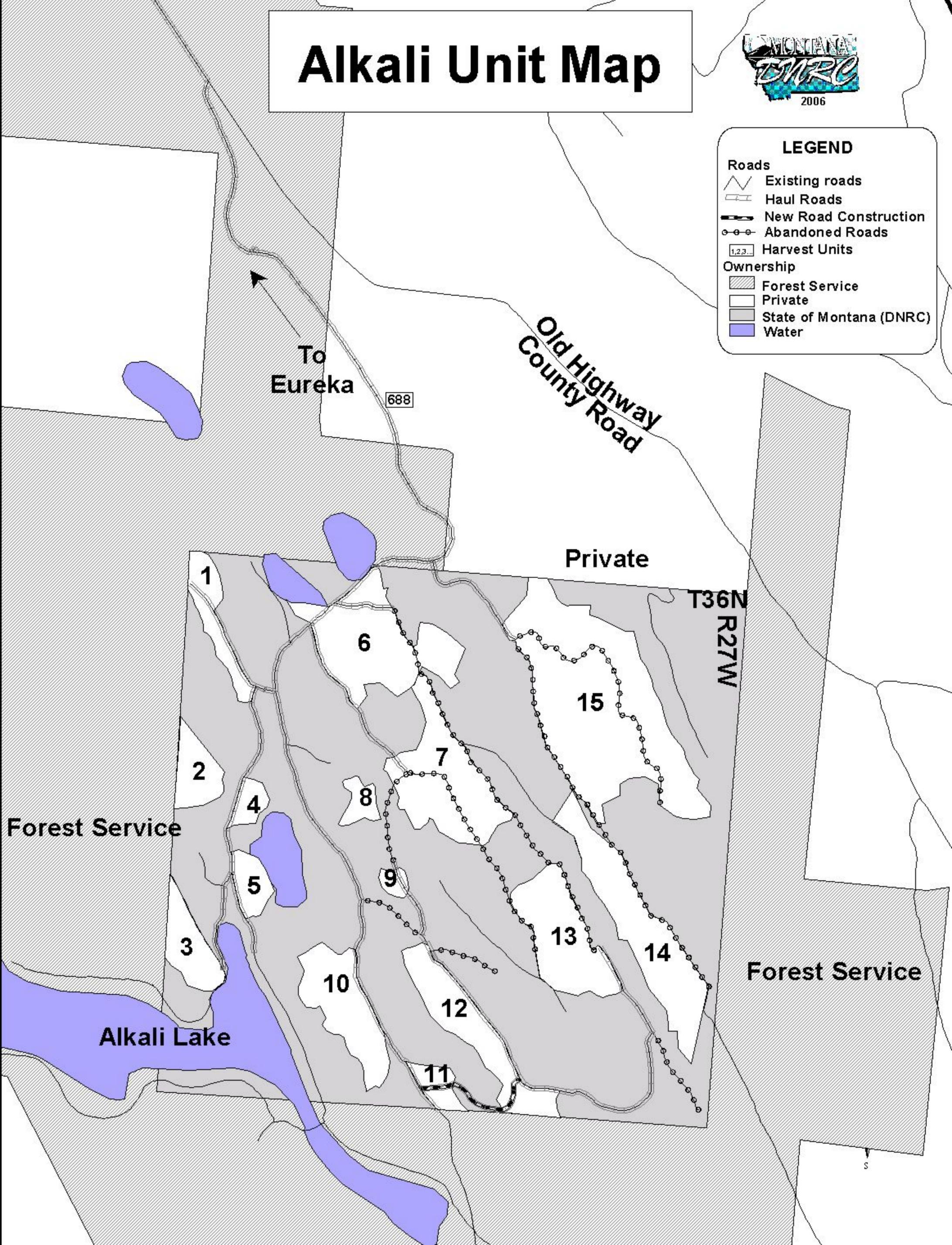
- Existing roads
- Haul Roads
- New Road Construction
- Abandoned Roads

Harvest Units

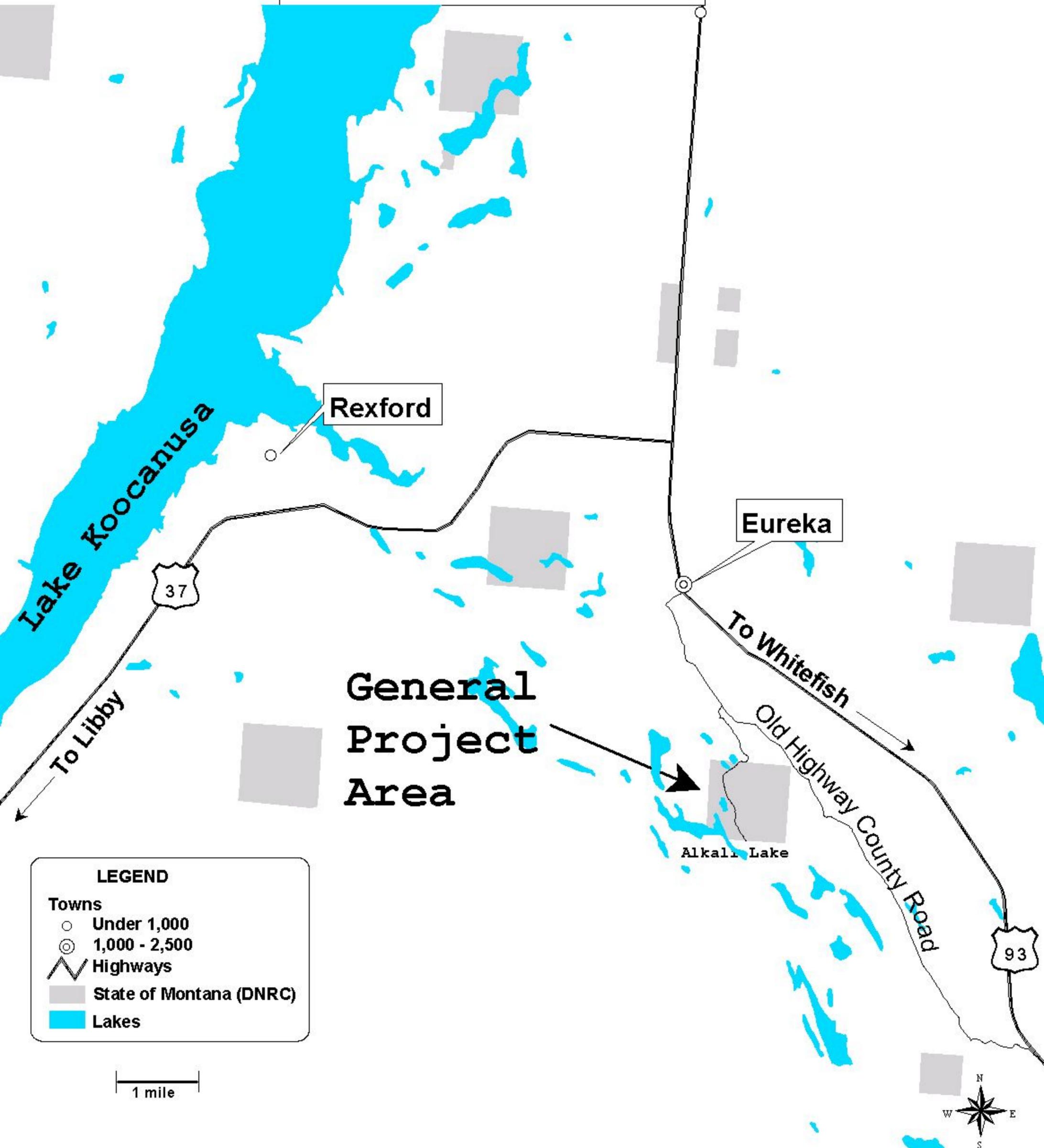
- 1,2,3...

Ownership

- Forest Service
- Private
- State of Montana (DNR)
- Water



Vicinity Map for Alkali Timber Sale



Rexford

Eureka

General
Project
Area

Alkali Lake

LEGEND

Towns

○ Under 1,000

⊙ 1,000 - 2,500

⚡ Highways

■ State of Montana (DNR)

■ Lakes

1 mile



Alkali Road Map



LEGEND

- New Road Construction
- Open Roads
- Reconstruction and Maintenance
- Abandoned Road Segments
- Road #'s

