

NOTICE OF SALE

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

The Bugchuck Salvage Timber Sale is located within Section 6, T14N-R14W, Section 31, T15N-R14W, and Section 36, T15N-R15W, on the State's Clearwater Unit. Approximately 4,095 tons, consisting primarily of lodgepole pine sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **August 22, 2008 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 **\$723.00**, 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. **Award of the timber sale is conditional upon approval of the timber sale by the State Board of Land Commissioners at their August 18, 2008 meeting.** If the successful bidder is unable to execute the contract within **15** 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 Southwest Land Office, in Missoula (406-542-4200), or Craig Nelson at the Clearwater Unit Office in Greenough, MT (406-244-2386).

Visit our website at <http://www.dnrc.mt.gov> Online Services for upcoming sales and bid results

/s/ Shawn Thomas, Acting Chief  
Forest Management Bureau  
Trust Land Mgmt Division

Publication Dates: July 24, 31, August 7, 14, 2008

**TIMBER SALE PROSPECTUS**  
**MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION**

<b>Timber Sale Name: Bugchuck Salvage</b>			
<b>Timber Sale Location: Sec. 36, T15N-R15W, Sec. 31, T15N-R14W, and Sec. 6 T14N-R14W</b>			
<b>For specific sale information, contact: Craig V. Nelson</b>			
Phone	406- 244-2386	Clearwater	Unit Office
<b>For copies of the Timber Sale Contract and bid forms, contact:</b>			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-542-4200	Southwestern	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. **Award of the timber sale is conditional upon approval of the timber sale by the State Board of Land Commissioners at their August 18, 2008 meeting.**
3. The Dept 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, 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 **15** days of the 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. **A tour of the sale area for prospective purchasers will not be given. Please be considerate of the other landowners within the general sale area.**
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.

<b>TABLE 1: Summary of Sale Specifications</b>			
<b>Sale Data</b>			
196	Net Sale Area (acres)	3.05	Miles of road construction
October 30, 2009	Contract ending date	3.7	Miles of road reconstruction
N/A	Cable logging required (% of volume)	0.27	Miles of temporary road
Operating Season: Harvest: June 15 - February 28; Road Construction: June 15- October 15			
<b>Charges and Appraised Costs</b>			
\$723.00	Bid Guarantee (total \$)		
20% of bid value	Performance Bond		
N/A	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$2.78	Collected Forest Improvement Fee (\$ per ton) <b>concurrent with stumpage</b>		
N/A	Quarterly Installment of Forest Improvement Payments		
\$63,261.80	Road Development Costs - Appraised Purchaser-Do (total \$)		
\$0.39	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)		
\$0.67	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)		

<b>TABLE 2: Timber Cruise Data and Minimum Bids</b>									
SPECIES	PP	DF <i>(estimated ROW volume)</i>	WL	LP	ES	WF	CE	Dead/Dry	TOTAL or AVE
Minimum Acceptable Bid	-	-	-		-	-	-		<b>\$3.53/ton</b>
Pounds per cubic foot	-	60	-	56	-	-	-	40	51.9
Contract Tons	-	574	-	2,696	-	-	-	825	4,095
Gross MBF	-	69	-	304	-	-	-	215	519
%Cull and Breakage	-	15	-	13	-	-	-	21	17
Net MBF	-	70	-	266	-	-	-	165	501
Average logs per MBF	-	12	-	90	-	-	-	41	71
Average DBH	-	10.5	-	8	-	-	-	10.5	8.3
Average tons per acre harvested									19.5
Average MBF cut per acre on the timber sale									2.2
Range of cut trees per acre based on unit cruise									10-77
Calculated Sampling Error ( <i>net</i> MBF): 25 %									
The total cruised volume will fall between 322.2 and 539.9 thousand board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor = 4,095 net tons per 501 net MBF = 8.17 tons per MBF									

**TABLE 3: Unit and ROW Harvest Volume and Harvest Schedule**

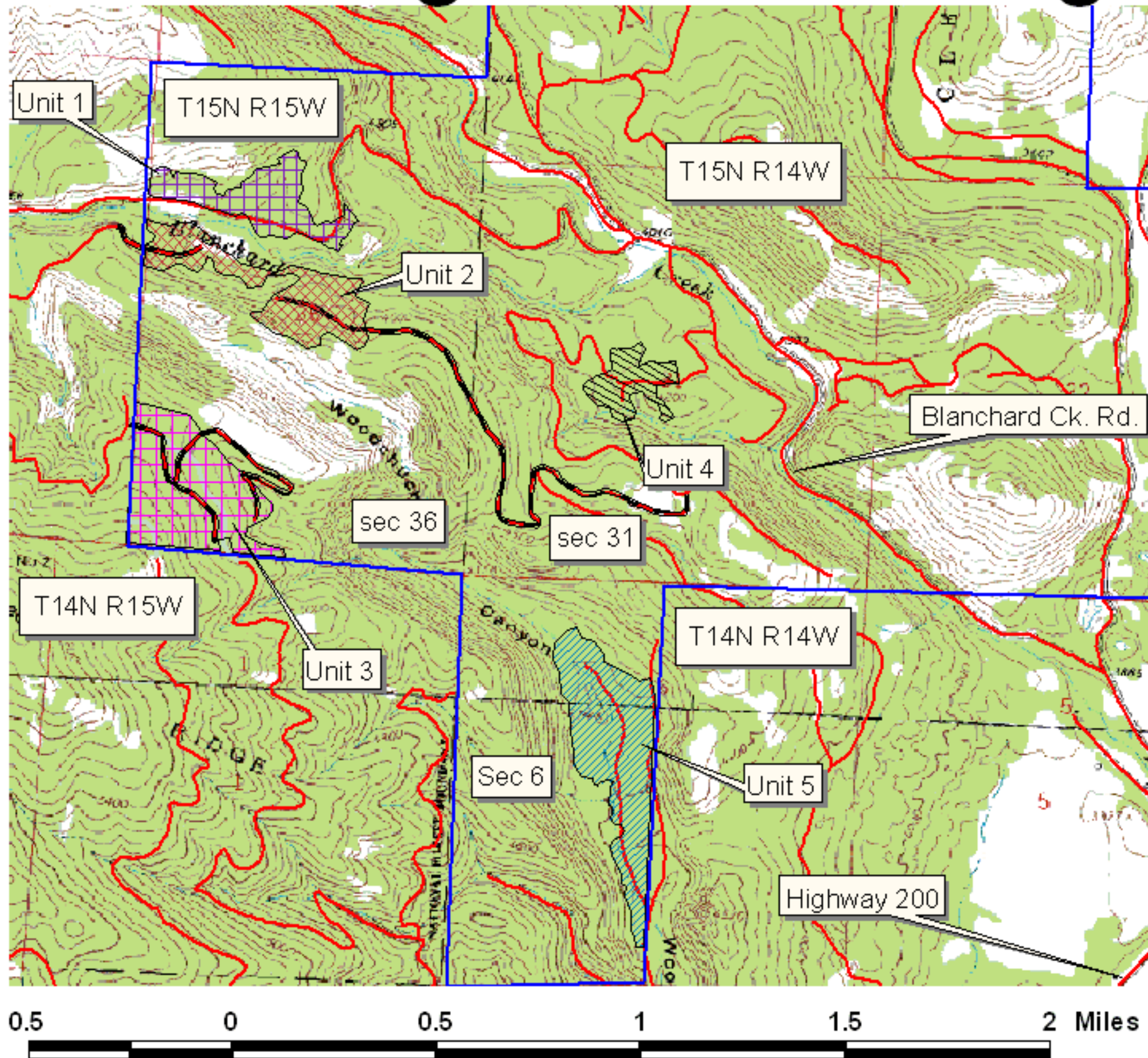
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date
1	36	29	445	57.2	November 30, 2008
2	36	38	798	93.9	September 15, 2009
3	36	56	1,192	140.4	November 30, 2008
4	31	15	228	29.3	November 30, 2008
5	6	58	858	110.2	September 15, 2009
<b><u>ROW</u></b>	-	<u>13</u>	<u>574</u>	<u>70</u>	-
<b>TOTAL</b>	-	<b>209</b>	<b>4,095</b>	<b>501</b>	-

**Additional Sale Information:**



1. **Non-Sawlog Removal – The Purchaser is required to harvest approximately 308 tons of non-sawlog material (LPP greater than 16.5' long to a 2.5" top DIB). No Forest Improvement charges will be assessed for this material.**
2. **Harvest completion will not be extended for Units 1, 3, and 4 due to insect population concerns and public firewood theft.**
3. **The minimum DIB top size for sawlogs is 4.6 inches.**
4. The Purchaser shall post warning signs on roads and control traffic as necessary.
5. Grass seeding and fertilizer application on sale area roads is the responsibility of the sale purchaser. The grass seed needed will be provided by the DNRC.
6. The DNRC will supply the gates needed to be installed on the Wooda and Upchuck Roads.
7. A range fence exists within units 1, 2, and 3. After harvest, this range fence will be returned to the condition prior to the sale.
8. All gates (including barbed-wire) will remain closed during this project.
9. **All PCTC roads used to access this sale will be ROW volumes are walk-through estimates.**
10. **End hauling of excavated material may be required for short segments of new construction on Blanchuck Road.**

# Bugchuck Salvage

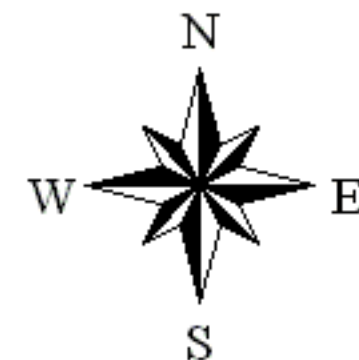
ATTACHMENT A-2



## LEGEND

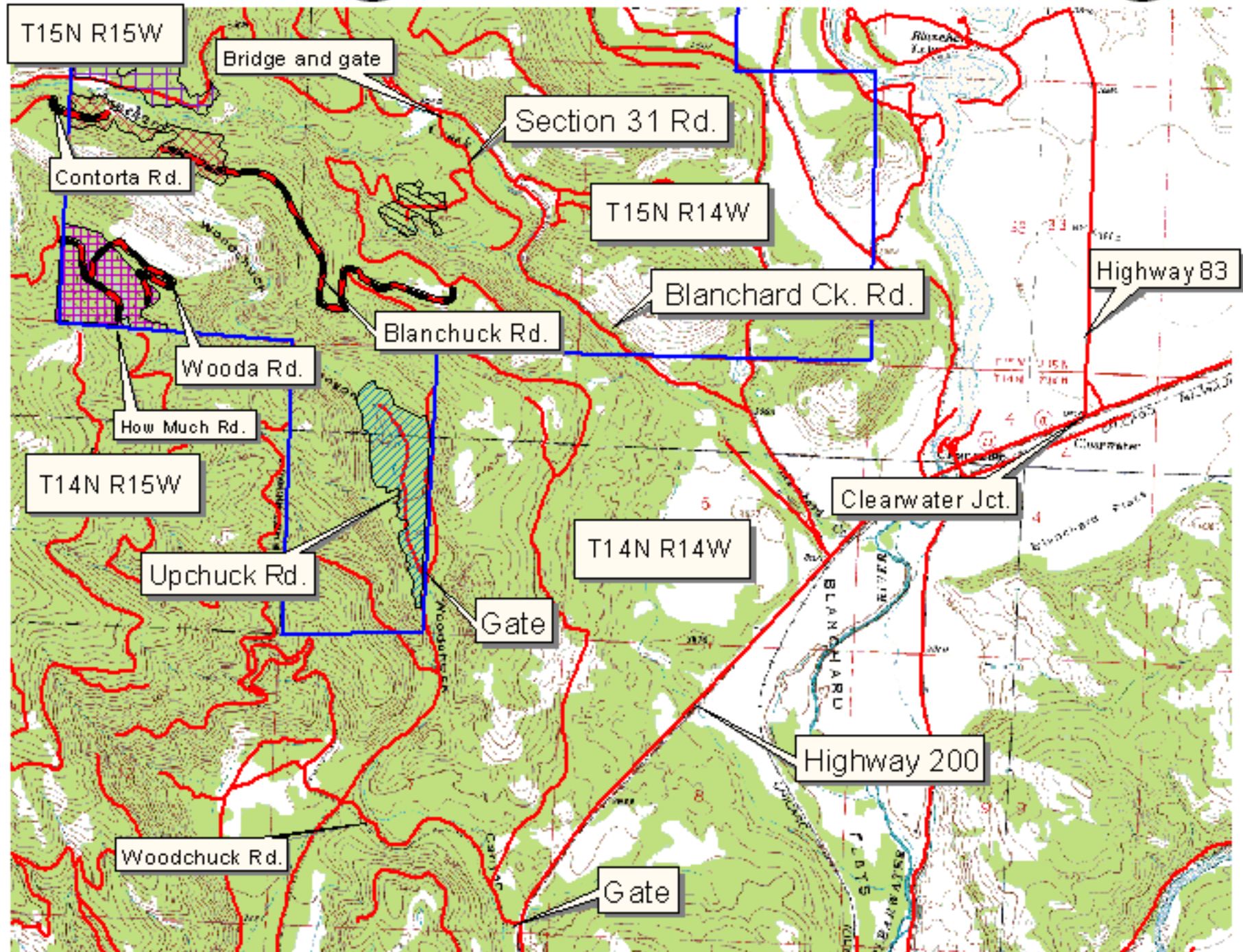
-  DNRC Ownership
-  Existing roads
-  New Construction
-  Sale Unit

CVN 6-19-08








# East Roads for Bugchuck Salvage

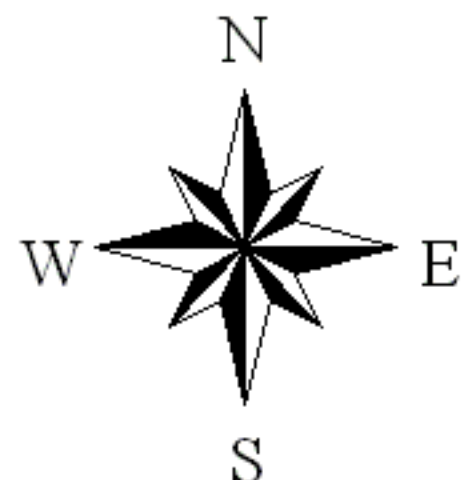


ATTACHMENT A-4

**LEGEND**

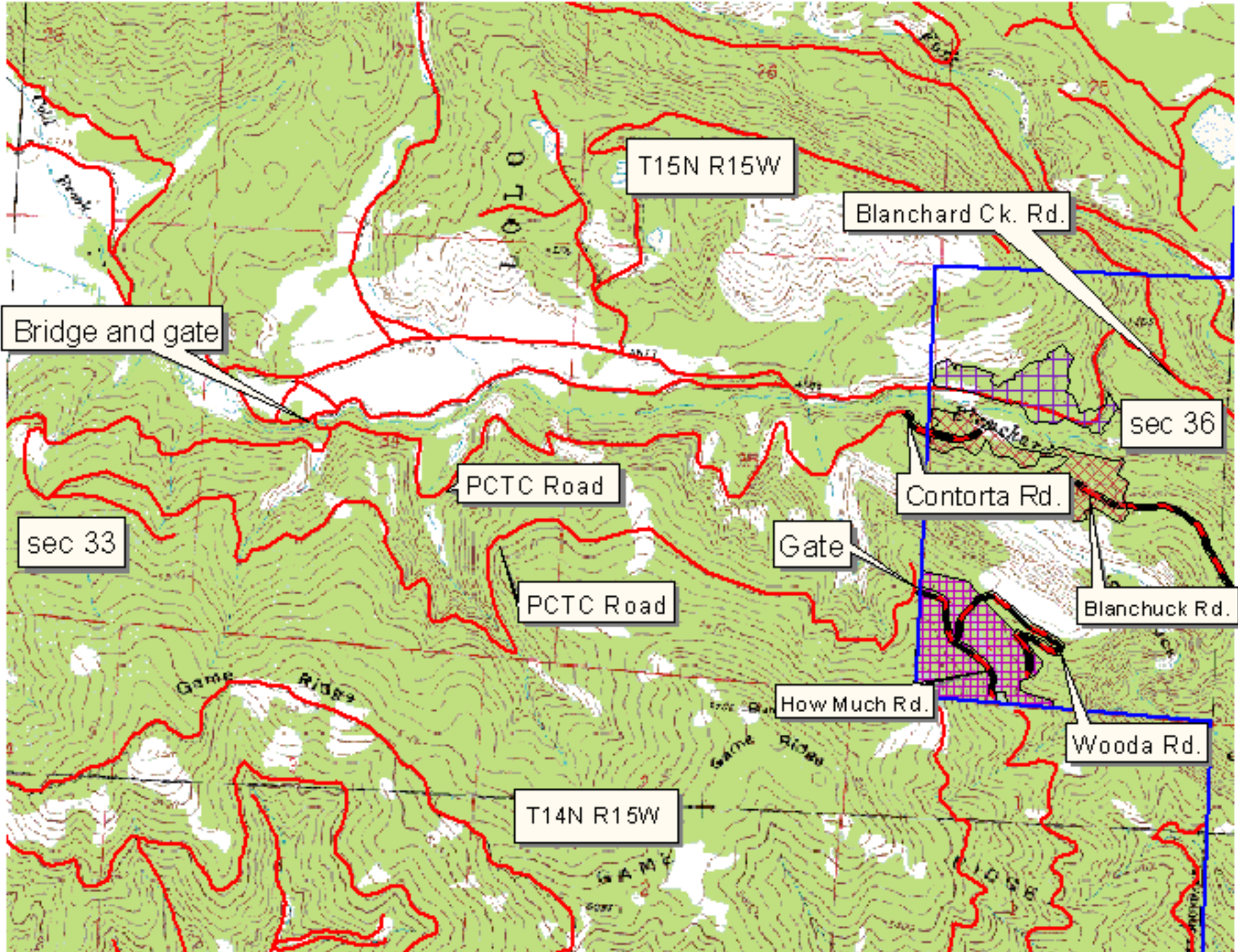
-  DNRC Ownership
-  Existing roads
-  New Construction

CVN 6-19-08








# West Roads for Bugchuck Salvage

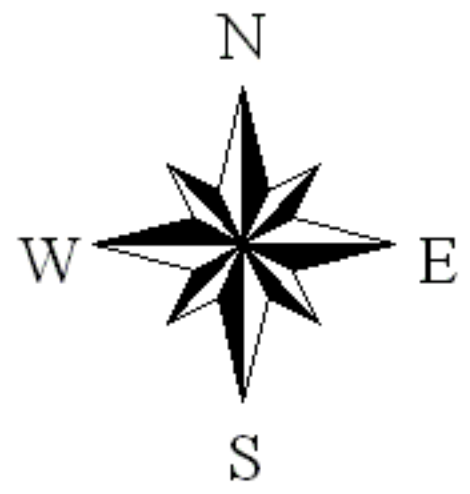


ATTACHMENT A-3

**LEGEND**

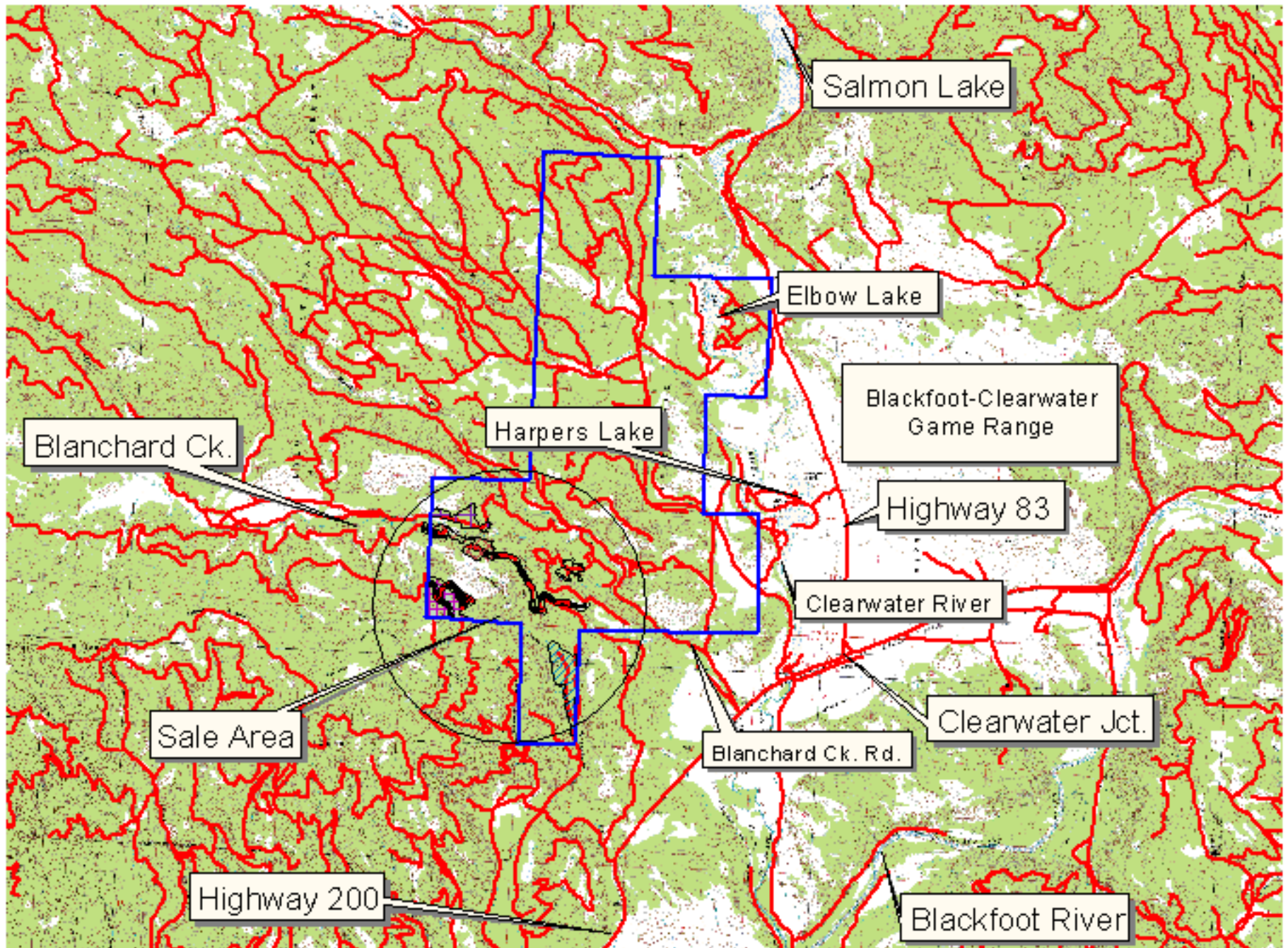
-  DNRC Ownership
-  Existing roads
-  New Construction

CVN 6-19-08

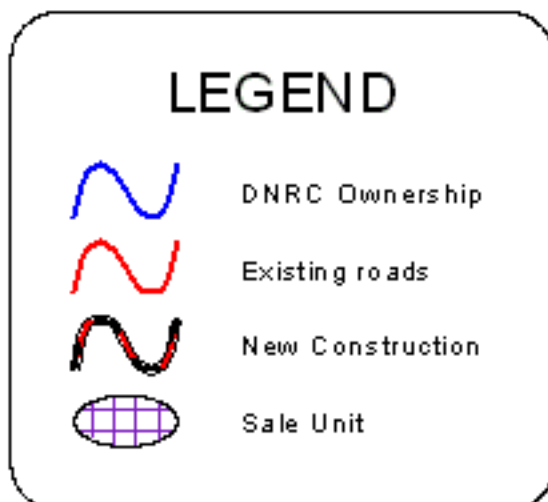




# Vicinity Map for Bugchuck Salvage



ATTACHMENT A-1



CVN 6-19-08

