

FORT PINKHAM TIMBER SALE

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Fort Pinkham Timber Sale is located within Section 36, T35N-R26W and Section 36, T36N-R28W on the State's Stillwater Unit. Approximately 21,771 tons, consisting of Douglas-fir, Engelmann spruce, and western larch sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **June 25, 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 **\$16,571.00**, 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 Groeschl, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: May 22, 29, June 5, & 12, 2008

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Fort Pinkham			
Timber Sale Location: Section 36, T35N-R26W, Section 36, T36N-R28W			
For specific sale information, contact:			
Phone	406-881-2371	Pete Evans/Mike McMahon	Unit Office: Stillwater
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 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 (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 45 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.

TABLE 1: Summary of Sale Specifications			
Sale Data			
374	Net Sale Area (acres)	1.7	Miles of road construction
9/30/2011	Contract ending date	.6	Miles of road reconstruction
24%	Cable logging required (% of volume)	0.2	Miles of road reclamation or abandonment
Operating Season: Year round when soil compaction restrictions are met.			
Charges and Appraised Costs			
\$16,571.00	Bid Guarantee (total \$)		
20% of bid value	Performance Bond		
N/A	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$3.86	Collected Forest Improvement Fee (\$ per ton)		
\$14,006.65	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)		
\$48,578.00	Road Development Costs - Appraised Purchaser-Do (total \$)		
\$0.09	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)		
\$0.03	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)		
\$0.59	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)		

TABLE 2: Timber Cruise Data and Minimum Bids									
SPECIES	DF	ES	LP	PP	WL	Dead/Dry DF	Dead/Dry WL		TOTAL or AVE
Minimum Acceptable Bid									\$15.22/ton
Pounds per cubic foot	61.7	57.0	56.0	62.0	58.3	40.0	40.0		60.4
Contract Tons	17,124.6	3,524.7	49.7	91.9	737.8	206.2	36.2		21,771.2
Gross MBF	2,540.6	700.5	10.3	17.5	119.5	75.7	11.5		3,475.6
% Cull and Breakage	11	8	9	30	13	41	29		11
Net MBF	2,254.6	646.4	9.4	12.3	103.5	44.7	8.1		3,078.9
Average logs per MBF	20	13.6	9.4	18	21	15.5	20.8		18.7
Average DBH	11	12.9	15	9.4	9.6	15.7	13.0		10.91
Average tons per acre harvested									59.0
Average MBF cut per acre on the timber sale									8.3
Range of cut trees per acre based on unit cruise									32-175
Calculated Sampling Error (net MBF): 10.2%									
The total cruised volume will fall between 2,764 and 3,394 thousand net board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet (Mbf):									
<u>Timber character estimate – estimated tons Scribner per thousand Scribner board feet:</u>									
6.69 tons per Mbf = 20,596 estimated tons to a 5.6" top ÷ 3,079 net Mbf Scribner - 5.6" top DIB.									
<u>Contract value – estimated tons hauled per thousand Scribner board feet:</u>									
7.07 tons per Mbf = 21,771 estimated tons to a 4.6' top ÷ 3,079 net Mbf Scribner - 5.6" top DIB. This value is the timber sale contract conversion factor and will be used for calculating FI fees and for reporting DNRC harvest totals.									

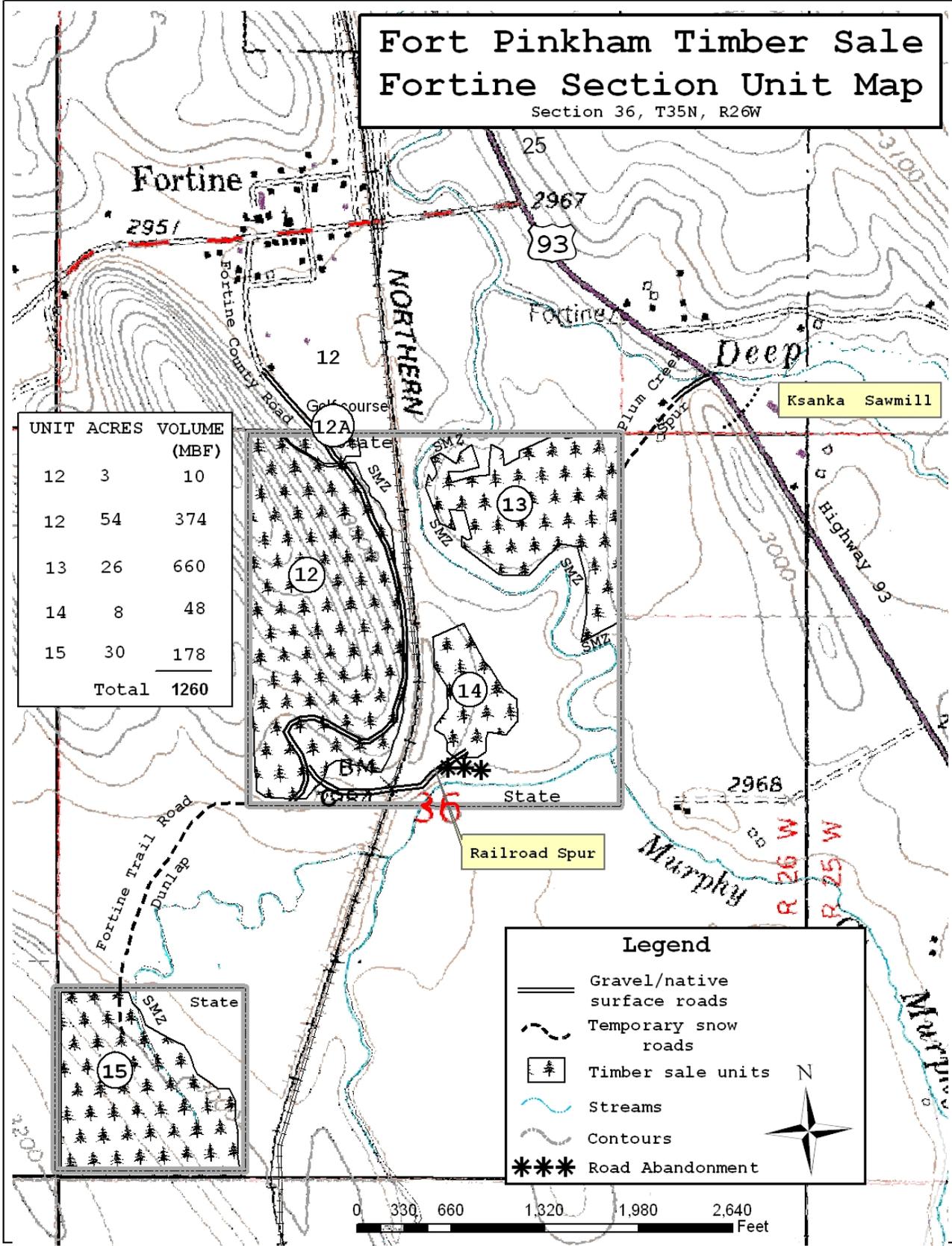
TABLE 3: Unit Harvest Volume and Harvest Schedule					
Section	Unit	Acres	Estimated Tons	Estimated Net Mbft	Removal Date
36, T36N, R28W	1	96	4,605.5	619.8	Sept. 15, 2011
	2	5	179.3	20.6	
	3	23	2,091.0	334.7	
	4	18	767.3	97.3	
	5	6	358.6	53.6	
	6	6	160.4	23.4	
	7	27	1,602.7	237.2	
	8	10	515.6	72.8	
	9	12	835.0	108.9	
	10	35	1,216.0	158.4	
	11	15	789.0	92.6	
36, T35N, R26W	12/12A	57	3,138.2	374.3	February 28, 2011
	13	26	3,601.2	659.6	
	14	8	386.4	47.7	
	15	30	1,524.9	178.0	

Additional Sale Information:

1. Material other than sawlogs may be purchased if approved by the Forest Officer. Other products will be billed at a negotiated rate detailed in a contract modification.
2. Residences are within 1,000 feet of the Unit 2 and 12 boundaries. For these units, the "high" fire hazard reduction is applicable: 90 percent 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. This requirement will also apply to Unit 14 due to the proximity of the railroad tracks.
3. Winter logging is required in Units 13 and 15. Access to these units is across existing hay fields and shall be restricted to periods when the soil is frozen to a 4-inch depth, or when the soil is covered with more than 8 inches of compacted snow.
4. The logging and road building operating season for the Fortine section is October 10 through February 28 and when soil conditions can be met.
5. The Purchaser shall dispose of junk cars, scrap metal, and old garbage that are in Units 12 and 12a. The material consists of approximately 3 dump truck loads and shall be hauled off State land and disposed of in an approved landfill, salvage, or scrap-disposal site.
6. Maps of harvest units in larger scale are available at the Stillwater Unit office upon request.
7. Prospective bidders are required to walk across fields to view Units 13 and 15.
8. Prospective bidders may request keys from DNRC for the gate on USFS Road 3630.

Fort Pinkham Timber Sale Fortine Section Unit Map

Section 36, T35N, R26W

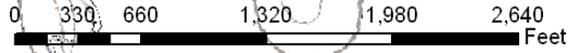


UNIT	ACRES	VOLUME (MBF)
12	3	10
12	54	374
13	26	660
14	8	48
15	30	178
Total	1260	

Legend

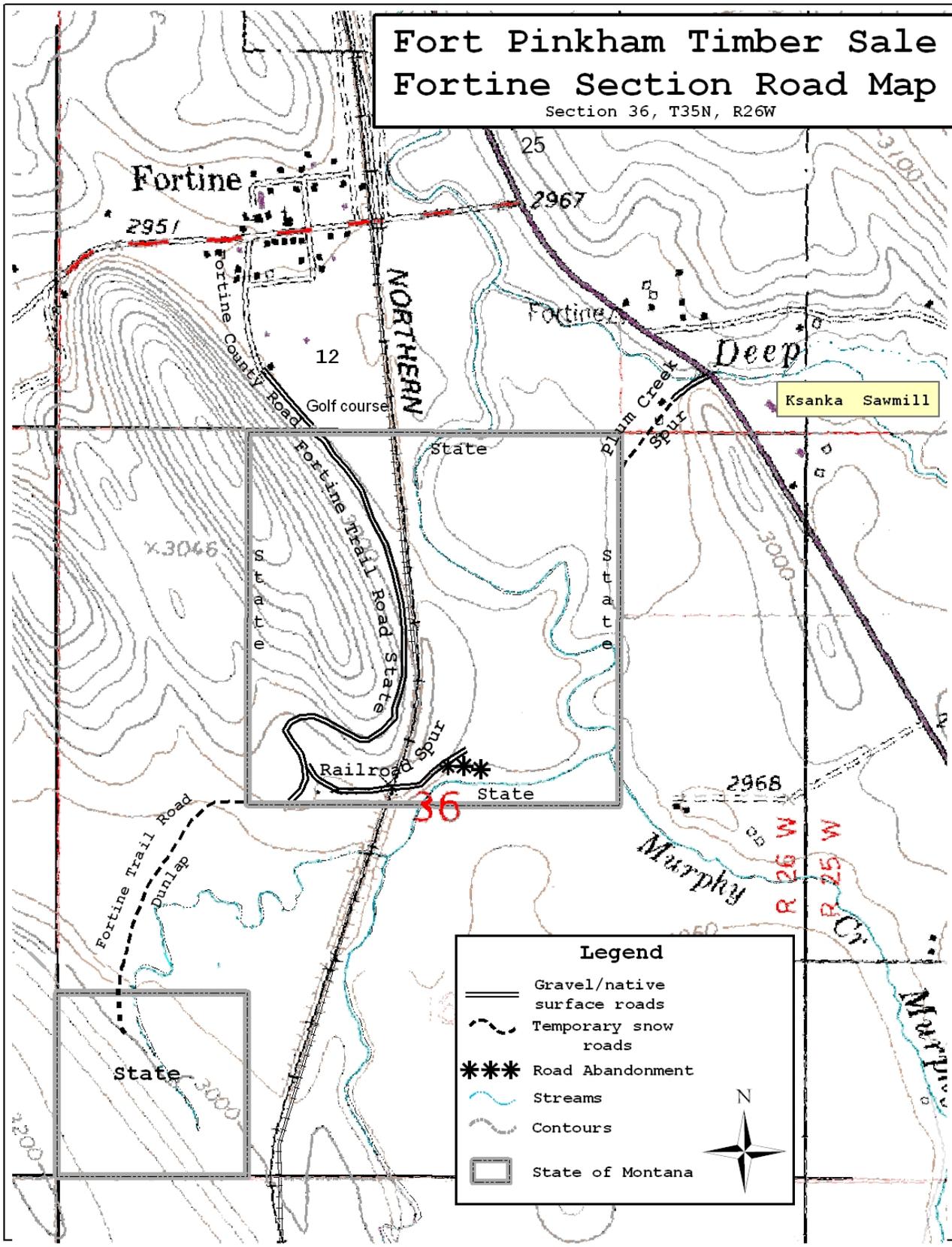
- Gravel/native surface roads
- Temporary snow roads
- Timber sale units
- Streams
- Contours
- Road Abandonment

N



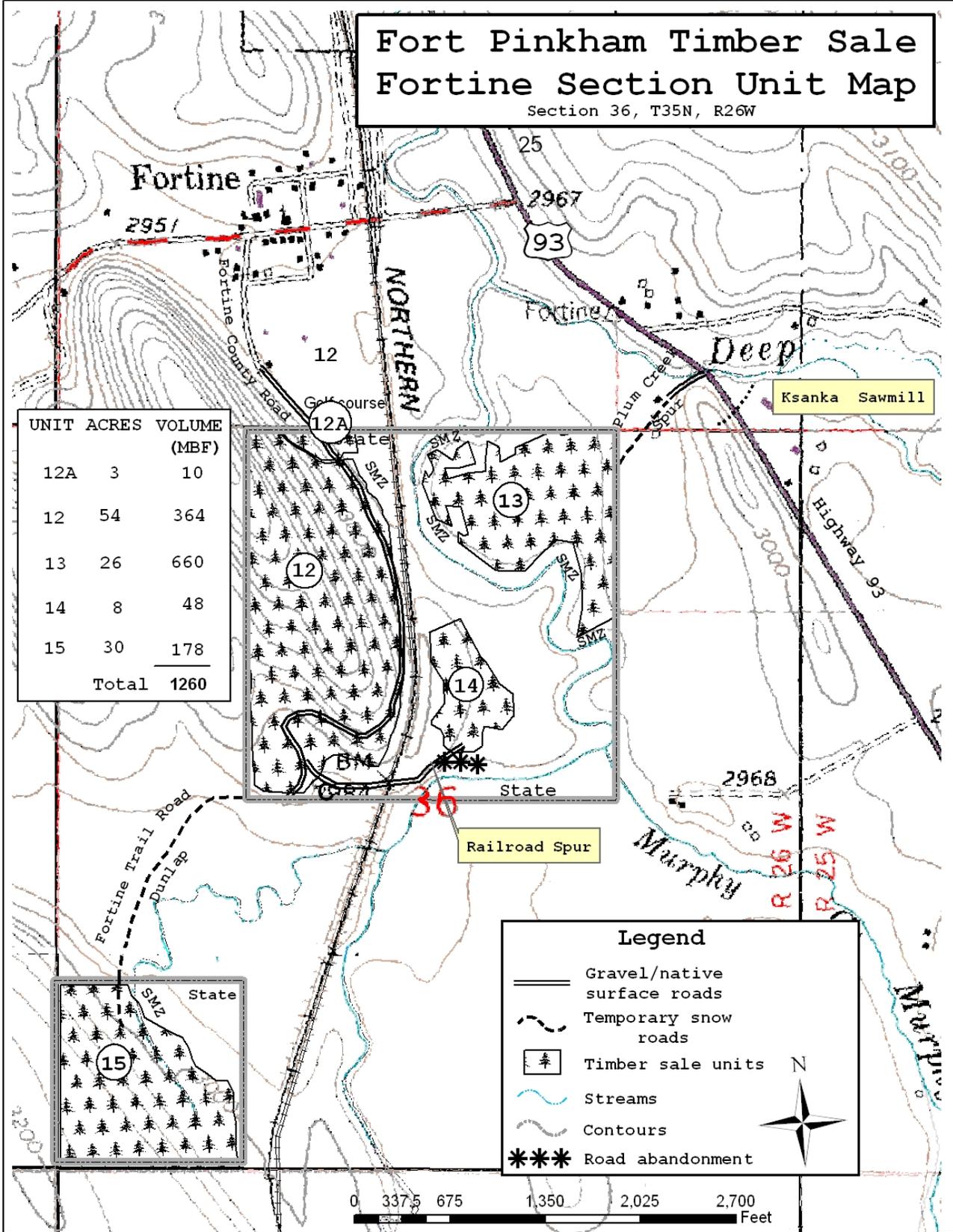
Fort Pinkham Timber Sale Fortine Section Road Map

Section 36, T35N, R26W



Fort Pinkham Timber Sale Fortine Section Unit Map

Section 36, T35N, R26W



UNIT	ACRES	VOLUME (MBF)
12A	3	10
12	54	364
13	26	660
14	8	48
15	30	178
Total	1260	

Legend

- Gravel/native surface roads
- Temporary snow roads
- Timber sale units
- Streams
- Contours
- Road abandonment



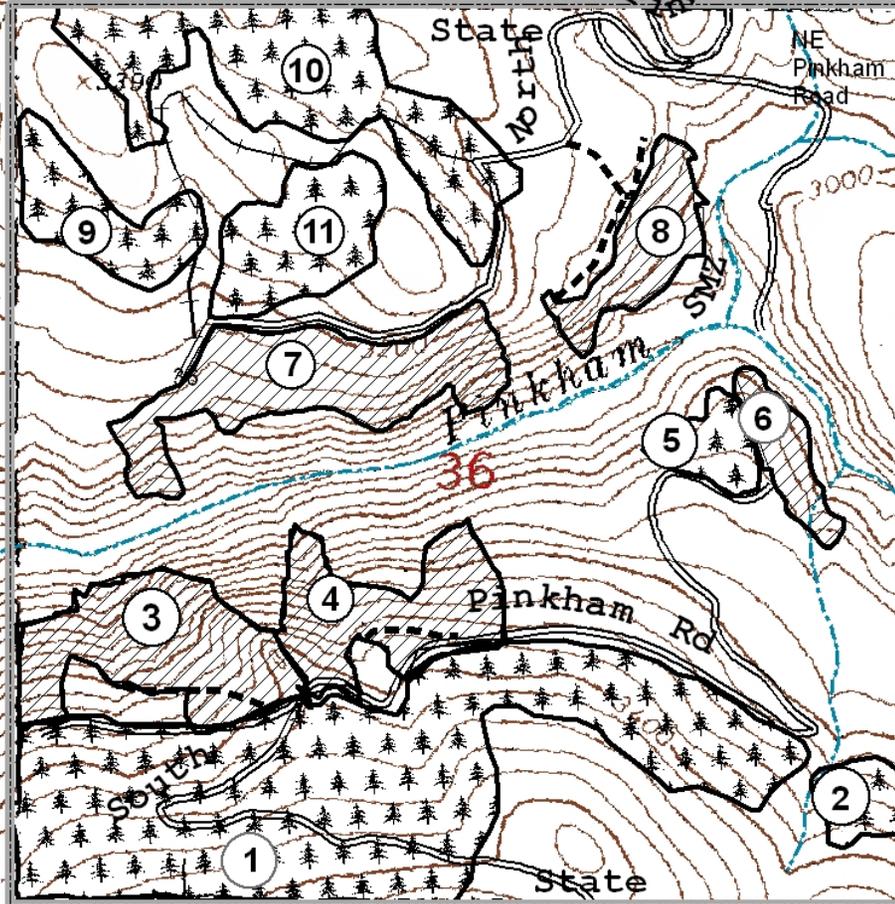
Fort Pinkham Timber Sale Pinkham Section Unit Map

Sec 36, T36N, R28W

UNIT	ACRES	VOLUME (MBF)
1	96	620
2	5	20
3	23	335
4	18	97
5	6	54
6	6	23
7	27	237
8	10	73
9	12	109
10	35	158
11	15	93

Legend

-  Gravel/Native surface roads
-  Asphalt roads
-  Temporary roads
-  Skid trail
-  Skyline units
-  Tractor units



**Fort Pinkham Timber Sale
Pinkham Section Road Map
Sec 36, T36N, R28W**

Legend

- Native surface/gravel roads
- Road construction
- Temporary roads
- Road abandonment
- Skid trail
- Contour
- State land

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