

PLEASANT VALLEY TIMBER SALE

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Pleasant Valley Timber Sale is located within Sections 18 & 20, T28N-R26W and Section 36, T28N-R27W on the State's Kalispell Unit. Approximately 24,564 tons, consisting primarily of Douglas-fir, ponderosa pine, and larch sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **August 21, 2012 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 **\$15,782.00** 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 20, 2012 meeting.** 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 Northwest Land Office in Kalispell (406-752-2257), or the Kalispell Unit Office in Kalispell, MT (406-751-2264).

Visit our website at <http://www.dnrc.mt.gov/trust/timber/bids.asp> for upcoming sales and bid results.

/s/ SONYA GERMANN, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: July 20, 27, August 3, 10, 2012

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Pleasant Valley			
Timber Sale Location: Sec. 18 & 20, T28N-R26W, Sec. 36, T28N-R27W			
For specific sale information, contact: Tyrell Colombo			
Phone	406-751-2264	Kalispell Unit Office	
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-751-2257	Northwest 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 20, 2012 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 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.

Additional Sale Information:

1. **Timing Restrictions:**
 - a. **Unit 18-1:** No motorized activity is allowed from April 1st to June 15th due to spring habitat in grizzly bear non-recovery occupied habitat.
 - b. **Unit 20-1:** Operating period is year round when soil conditions are dry, frozen or snow covered. Hauling will only be allowed after 10 a.m. from September 1st to December 10th.
 - c. **Units 36-1 and 36-2:** Operations occurring in the vicinity of the Pleasant Valley School may occur from June 15th to August 15th only.
2. **HIGH HAZARD SLASH REDUCTION:** In Units 36-1 and 36-2, 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 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.
3. **STREAMSIDE MANAGEMENT ZONE (SMZ's):** All trees designated for harvest within the SMZs shall be winchline skidded to skid trails outside the streamside management zones.
4. **RESERVED SUBMERCHANTABLE TREE PROTECTION:** Care shall be exercised in felling and skidding operations to minimize damage to submerchantable trees. If damage is excessive as determined by the Forest Officer, operations may be suspended until suitable arrangements are made to reduce damage.
5. **OTHER MATERIAL:** The Purchaser has the option of removing other material at the rate of \$1.00/ton

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

PLEASANT VALLEY										
Timber Sale Cruise Data										
SPECIES	PP	DF	WL	LP	ES	AF	CE	WP	Dead	TOTAL or AVE
Minimum Bid										\$12.85/ton
Pounds per cubic foot	62	62	58	56	57	55			40.0	
Estimated tons of sawlogs (5.6" top DIB)	2,839	16,437	2,610	1,816	692	62			108	24,564 tons
Estimated tons of other material (pulp, etc)										0 tons
Gross MBF (Scribner 5.6" top DIB)	444	2,347	405	269	120	12			45	3,642 MBF
% Cull and Breakage	8%	5%	5%	6%	2%	10%			53%	5.7%
Net MBF (Scribner 5.6" top DIB)	409	2,231	390	253	118	11			21	3,433 MBF
Average logs per MBF	17.7	24.5	24.4	27.7	16.1	21.7			36.1	23.7 logs/M
Average DBH	12.2	11.5	10.1	9.1	14.5	14			12.8	11.2 in.
Average tons per acre harvested in leave-tree marked units										44 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										6.2 MBF/ac
Range of cut trees per acre based on unit cruise										49-120 TPA
Calculated Sampling Error: Total cruised volume will fall between	3,028 and 3,837 Net MBF in 9 out of 10 cruises									11.8%
Tons Per Thousand Board Feet										
Contract Value - Estimated tons hauled per thousand Scribner board feet	24,564 estimated tons to a 5.6 inch top / 3,433 Net MBF Scribner to a 5.6 inch top DIB									7.16 tons/MBF

Contract Information	
Contract ending date	8/1/2015
Contract length	36 months
Operating Season:	When soil conditions are dry, frozen or snow covered. See contract for harvest units specific timing restrictions.

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

Logging Information	
% of volume logged by clearcut or seed tree cut	05%
% of volume logged with tractors	100%
% of volume logged by ground lead (jammer)	00%
% of volume logged by skyline	00%
Yarding distance tractor (average)	700 ft.
Yarding distance ground lead (average)	0 ft.
Yarding distance skyline (average)	0 ft.
Estimated haul distance (paved)	35.0 miles
Estimated haul distance (unpaved)	16.0 miles

Road development and maintenance fees and estimates	
Estimated road development cost total	\$21,710
Estimated road development cost per ton	\$0.88/ton
Estimated road development cost perMBF	\$6.32/MBF
Estimated Purchaser-do road maintenance cost total	\$10,544
Estimated Purchaser-do road maintenance cost per ton	\$0.43/ton
Private road maintenance charges per ton	\$0.00/ton
USFS road maintenance charges per ton	\$0.00/ton
Miles of road construction	0.2 miles
Miles of road reconstruction	0.0 miles
Miles of road with site improvements	0.0 miles
Miles of road reclamation or abandonment	0.0 miles
Miles of road maintenance and blading	11.7 miles

Purchaser fees and estimated costs	
Forest Improvement fee perMBF	\$25.13/MBF
Forest Improvement fee per ton	\$3.51/ton
Forest Improvement fee estimated total	\$86,219.64
Forest Improvement fee quarterly installment	\$14,369.94
Estimated Purchaser-do FI total \$	\$0
Estimated Purchaser-do FI per ton	\$0.00/ton
Estimated Purchaser-do slash disposal work total	\$0.00
Estimated Purchaser-do slash disposal work per ton	\$0.00/ton
Bid Guarantee (total \$)	\$15,782.00
Performance Bond	20% of bid value

Unit harvest volume				
Unit #	Acres	Est Tons	Est MBF	Harvest date
36-1	37	442	52	August 15, 2014
36-2	21	602	103	August 15, 2014
18-1	210	9,869	1,386	March 31, 2015
36-3	64	4,004	597	April 30, 2015
20-1	222	9,647	1,295	May 14, 2015
	554 Ac.	24,564 tons	3,433 MBF	

Legal description by trust					Unit harvest volume			
Legal description - subdivisions	Section	Twn	Rge	Grant	Unit #	Acres	Est Tons	Est MBF
N 1/2	18	28N	26W	SNS	18-1	210	9,869	1,386
SW 1/4 and S 1/2, SE 1/4	20	28N	26W	SNS	20-1	222	9,647	1,295
NE 1/4, NE 1/4	36	28N	27W	CS	36-1	37	442	52
SE 1/4, NE 1/4	36	28N	27W	CS	36-2	21	602	103
S 1/2, SW 1/4	36	28N	27W	CS	36-3	64	4,004	597
Totals						554 Ac.	24,564 T	3,433 M