TIN CUP FIRE SALVAGE

NOTICE OF SALE

REBID

Department of Natural Resources & Conservation Timber Sale

The Tin Cup Fire Salvage Timber Sale is located within Section 16, T3N-R21W on the State's Hamilton Unit. Approximately 2,344 tons, consisting of green and fire killed ponderosa pine and Douglas-fir sawlogs with an additional 400 tons of pulp is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **January 4, 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 **$1,406.00,** 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 **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 Southwestern Land Office, in Missoula (406-542-4200), or the Hamilton Unit Office in Hamilton, MT (406-375-0412).

Visit our website at http://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: December 26, 2007

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name:	Tin Cup Fire Salvage		
Timber Sale Location:	Section 16, T3N-R21W		
For specific sale information, contact:	Paul Moore		
Phone	406-363-1379	Unit Manager	Hamilton Unit Office
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300		Forest Management Bureau
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. 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.
3. 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.
4. The Purchaser must submit a **Performance Bond** to the Dept within a maximum of **15** 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.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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.
12. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.
13. **Pulp Log and Biomass Bids** – When a bid is submitted for pulp logs and/or biomass, the bids will be considered as part of the total bid and the amount bid will be added to other bid items to determine the total bid price. This total bid price will be used when determining the successful bidder. If a bid price is submitted and the bidder is awarded the sale, the removal of these products is mandatory.

TABLE 1: Summary of Sale Specifications			
Sale Data			
83	Net Sale Area (acres)	0.17	Miles of road construction
	Contract ending date	0.37	Miles of road reconstruction
0	Cable logging required (% of volume)	0.17	Miles of road reclamation or abandonment
Operating Season: January 10, 2008-February 15, 2008 June 1, 2008 – October 15, 2008			
Charges and Appraised Costs			
$1,406.00	Bid Guarantee (total $)		
20% of bid value	Performance Bond		
$ 0	Collected Road Maintenance And Road Use Charges ($ per ton)		
$3.70	Collected Forest Improvement Fee ($ per ton) Concurrent w/ stumpage		
N/A	Quarterly Installment of Forest Improvement Payments ($ per payment, first 5 payments)		
$6,100	Road Development Costs - Appraised Purchaser-Do (total $)		
$ 0	Road Maintenance Costs - Appraised Purchaser-Do ($ per ton)		
$ 0	Slash Disposal Costs - Appraised Purchaser-Do ($ per ton)		
$ 0	Timber Stand Improvement Costs - Appraised Purchaser-Do ($ per ton)		

TABLE 2: Timber Cruise Data and Minimum Bids									
SPECIES	PP	DF	WL	LP	ES	WF	CE	Pulp	TOTAL or AVE
Minimum Acceptable Bid									$12.00/ton
Contract Tons	739	1,605						400	2,744
Gross MBF (Scribner 6" top DIB)	156	287							443
%Cull and Breakage	14	14							14
Net MBF	134	247							381
Average logs per MBF	15	22							19
Average DBH	9.4	8.5							8.9
Average tons per acre harvested									28.2
Average MBF cut per acre on the timber sale									4.5
Range of cut trees per acre based on unit cruise									49.3

Calculated Sampling Error (*net* MBF): 13.1%

The total cruised volume will fall between 330.9 and 430.3 thousand net board feet in 9 out of 10 cruises

Tons Per Thousand Board Feet Conversion Factor = 2,344 net tons per 381 net MBF = 6.15 tons per MBF

TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date
1	**16**	**55**	**1,552**	**252**	**February 29, 2008**
2	**16**	**28**	**792**	**129**	**September 30, 2008**

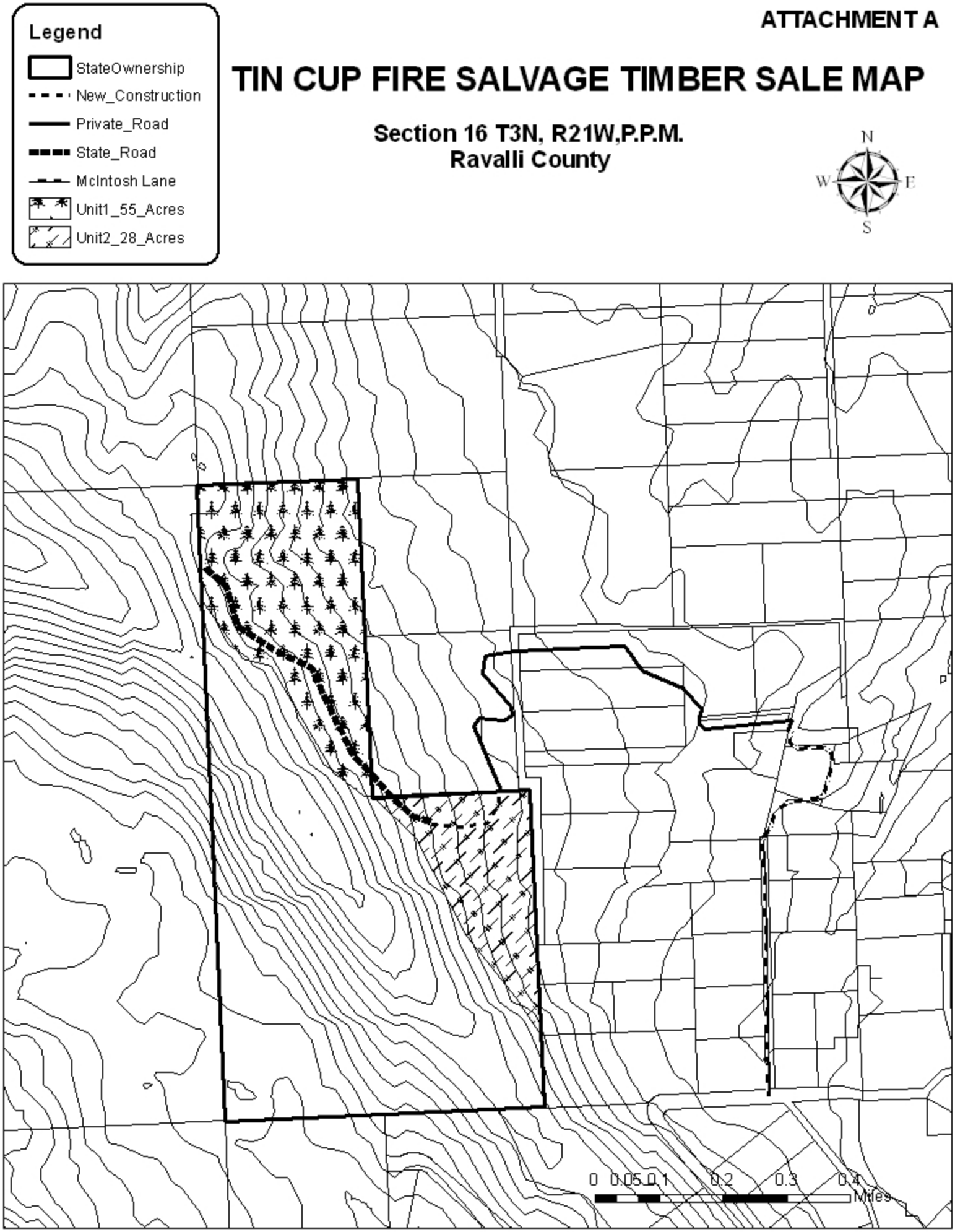
Additional Sale Information:

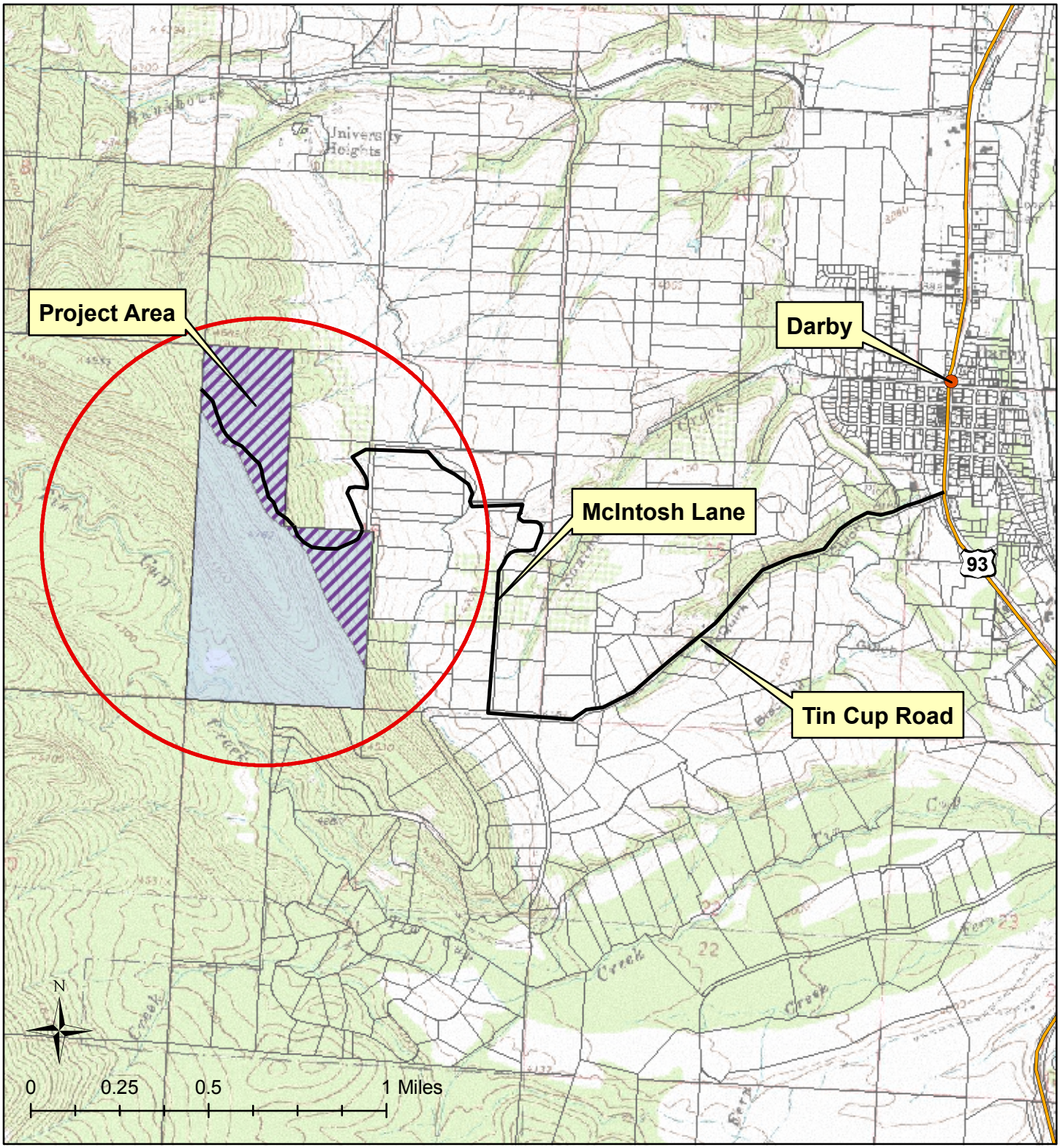
1. **Non-Sawlog and Biomass Removal - 400 tons of Douglas-fir and ponderosa pine pulp is mandatory and removal is required by September 1, 2008.**
2. **Purchaser is required to purchase and deliver to the Hamilton Unit Office 150 pounds of grass seed (see Contract Attachment B, page 2, Table B-2 for seed mix). This seed will be applied by the State.**
3. **During winter operations sanding or graveling of the steeper portions of the private road easement may be required during icy conditions.**

ATTACHMENT A

TIN CUP FIRE SALVAGE TIMBER SALE MAP

Section 16 T3N, R21W,P.P.M.
Ravalli County





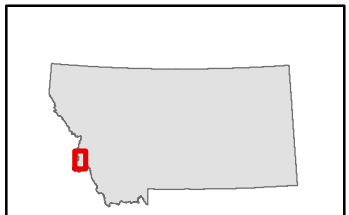
Tin Cup Fire Salvage TS Vicinity Map

NAD 1983 StatePlane Montana

Prepared by
Montana Department
of Natural Resources and Conservation
October 2007

Legend

- City
- Haul Route
- Harvest Units
- State Parcel



AREA OF INTEREST