NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Upper Swede II Timber Sale is located within Section 34, T34N-R23W on the State's Stillwater Unit. Approximately 3,801 tons, consisting of mixed conifer sawlogs, are offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **October 28, 2021 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 \$2,463.00**, 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 first sale invoice 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 October 18, 2021 meeting. If the successful bidder is unable to execute the contract within **30** 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).

Visit our website at http://dnrc.mt.gov/divisions/trust/forest-management/timber-sale-information for upcoming sales and bid results.

UPPER SWEDE II TIMBER SALE PROSPECTUS STATE OF MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Upper Swede II

For specific sale information, contact: Jeremy Akin

Phone 406-881-2673 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 Department of Natural Resources & Conservation (State) bid forms.
- 2. Timber will be sold to the highest responsible bidder; however, the State reserves the right to reject any or all bids.
- The State 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 Deposit** 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 State within 30 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 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 Timber 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 cover six weeks of harvesting and be based on the expected harvest rate and the bid value of the stumpage. The advance stumpage payment may be cash, irrevocable letter of credit, payment bond or certificate of deposit.
- 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 otherwise 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 State has estimated the net scale merchantable sawlog volume to be sold 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 State 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 State strongly recommends that bidders evaluate these effects before bidding.
- 10. The State 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. <u>The State strongly recommends that bidders make their own estimates based on Contract requirements</u>. 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 Timber Sale Contract <u>are not guaranteed.</u>
- 13. <u>This prospectus is provided for information purposes only.</u> If the prospectus is in error or contradicts the Timber Sale Contract, the Contract governs.

Additional Sale Information:

- Annual operational timing restrictions in this Timber Sale require logging and roadwork activities to be performed:
 - a. only from July 1 March 31; units 1 5 and on Swede Creek and Chutes Spur Road systems.
- 2. The Upper Swede II Timber Sale also has an "**Optional Harvest Unit**" above the Chutes Spur Road in Unit 1, that will require downhill yarding or an alternative harvesting method. If the purchaser elects to harvest this area, a <u>separate timber permit</u> will be sold to the purchaser at an agreed upon price.
- 3. The Upper Swede II Timber Sale will require approximately 1.3 miles of new road construction, a 14' x 40' Temporary Steel Bridge Install,1 wet culvert install, and 1 switchback, as described in Att. B Upper Swede II Road Log. The Temp. Steel Bridge is located at the Swan River State Forest Headquarters and will need to be transported to the site. The bridge installation location is through an avalanche chute. To prevent loss/damage to MT DNRC property, this bridge must be installed and removed in the same season. The bridge will not be left in place through winter months.
- 4. Units 2, 4, & 5 will require a visual screen to be retained along open public roads, depth of screening will be determined through consultation with the Forest Officer.
- 5. 53 of the 79 total acres will require skyline yarding. Most of unit 2 may be mechanically clipped but will require cable yarding.
- 6. Units 1, 2, & 4 will require Purchaser-do fireline construction. DNRC appraised ~ 2,918 feet of hand-line construction at a cost of \$1,459 and 1,330 feet of mechanical fireline construction at a cost of \$1,330. See Special Operating Requirements (Upper Swede II Timber Sale Contract Section VII. LOGGING, G. SPECIAL OPERATING REQUIREMENTS, 7. FIRE-BREAK AND FIRELINE CONSTRUCTION; also Attachment F) for fireline specifications.
- 7. Limbing and lopping will be required in units 1 & 4 where broadcast burning is planned. This will require lopping the tops and limbing ½ of the branches off felled trees except within 100 feet of unit boundaries where all snags will be felled, and as agreed upon with Forest Officer. This requirement does not necessarily mean every tree will require limbing and lopping. The DNRC appraised limbing and lopping at approximately \$4.275
- 8. Units 4 and 5 will require skid trail excavation to facilitate harvest operations, these trails are required to be recontoured post-harvest.
- 9. The Upper Swede II Timber Sale area is located approximately 8 miles northeast of Olney, MT. To access the sale area, turn off Highway 93 North (approximately mile marker 145) on to the Upper Whitefish Road and continue it for approximately 11 miles. There is one round-pipe gate in the Timber Sale area, this gate closure is open to travel July 1 March 31 annually.

Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

Upper Swede II											
Timber Sale Cruise Data (Scribner 5.6" top DIB, Filter: All Live Cut)											
SPECIES	PP	DF	WL	LP	ES	GF	RC	AF	WP	Dead	TOTAL or AVE
Minimum Bid per ton											\$12.96
Pounds per cubic foot		61.7	58.3		57.0			55.0		40.0	
Estimated tons of sawlogs		822	2050		210			719		0	3,801 tons
Estimated tons of non-sawlog material		3	14		1			18		0	35 tons
Gross MBF		152	419		47			143		0	761 MBF
% Cull and Breakage		13.0	12.0		14.0			27.0		0.0	15.2%
Net MBF		133	368		41			104		0	645 MBF
Average logs per MBF		14.3	16.9		11.8			34.6		0.0	18.9 logs/MBF
Average DBH		18.0	14.9		18.0			10.9		0.0	13.6 in.
Average tons to cut per acre							48 tons/ac				
Average MBF to cut per acre							8.1 MBF/ac				
Total Average TPA Cut						64					
Calculated Sampling Error: Total cruised volume will fall between 543 and 747 Net MBF in 9 out of 10 cruises						15.8%					
Tons Per Thousand Board Feet											
Conversion Factor - Estimated tons hauled per thousand Scribner board feet 3,801 estimated tons / 645 Net MBF							5.89 tons/MBF				

Contract Information					
Contract Termination Date:	11/30/2025				
Operating Period:	When soil conditions are	When soil conditions are met; Units 1-5 July 1 - March 31			

Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

Logging Information					
% of volume logged by clearcut or seed tree cut	100%				
% of volume logged with tractors	29%				
% of volume logged by skyline	71%				
% of volume logged by other system (specify)	00%				
Yarding distance tractor (average)	500 ft.				
Yarding distance skyline (average)	400 ft.				
Yarding distance other system (specify)	0 ft.				
Estimated haul distance (paved)	25.0 miles				
Estimated haul distance (unpaved)	12.0 miles				

Purchaser fees and estimated costs					
Forest Improvement fee perMBF	\$29.70/MBF				
Forest Improvement fee per ton	\$5.04/ton				
Forest Improvement fee estimated total	\$19,157.04				
Forest Improvement fee - concurrent with stumpage					
Estimated Purchaser-do FI total \$	\$2,789				
Estimated Purchaser-do FI per ton	\$0.73/ton				
Estimated Purchaser-do slash disposal work total	\$4,275.00				
Estimated Purchaser-do slash disposal work per ton	\$1.12/ton				

Road development and maintenance fees and estimates				
Estimated road development cost total	\$75,082			
Estimated road development cost per ton	\$19.75/ton			
Estimated road development cost perMBF	\$116.35/MBF			
Estimated Purchaser-do road maintenance cost total	\$5,265			
Estimated Purchaser-do road maintenance cost per ton	\$1.39/ton			
Private road maintenance charges per ton	\$0.00/ton			
USFS road maintenance charges per ton	\$0.00/ton			
Miles of road construction	1.3 miles			
Miles of road reconstruction	0.0 miles			
Miles of road with site improvements	1.0 miles			
Miles of road reclamation or abandonment	0.0 miles			
Miles of road maintenance and blading	12.0 miles			

Unit Harvest Volume						
Unit #	Acres	Est. Tons	Est. MBF	Harvest Deadline		
1	22.97	1490	253			
2	15.65	549	93			
3	1.07	77	13	October 15, 2025		
4	33.52	1453	247			
5	6.04	232	39			
Totals	79 Ac.	3,801 tons	645 MBF			





