NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Canyon Creek Timber Sale is located within Sections 14 and 24, T31N-R29W, on the State's Libby Unit. Approximately 28,219 tons, consisting of primarily Douglas-fir sawlogs, are offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on May 23, 2024 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 \$12,740.00, 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 May 20, 2024 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.

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

Timber Sale Name: Canyon Creek

For specific sale information, contact: Dave Marsh

Phone 406-283-3535 Unit Office: Libby

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 Karen Goode 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.
- 3. 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</u> 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 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:

- 1. This sale requires PURCHASER LEAVE TREE SELECTION (Shelterwood): (See contract, VII, G, 1).
- 2. The operating period for harvest units:
 - Unit 1: If Active Goshawk Nest: Portion of the unit within a ¼ mile of the active nest tree has an operational restriction of April 1st August 15th (See Attachment A: Resource Protection Map)
 - If Non-Active Goshawk Nest: After all road requirements are completed.
 - Unit 2: Year-round when soil conditions allow (Section VII.L.1&2)
- 3. The operating period for road work, except for NF-4925 A Extension and Lower Spur (New Construction) is during dry, non-frozen conditions unless superseded by "Discovery of Northern Goshawk Nest." The operating period for NF-4925 A Extension and Lower Spur is between August 16 March 31 during dry, non-frozen conditions.
- 4. Approximately 1.8 miles of new road construction, 9 miles of road maintenance and site improvements, and 3.4 miles of road maintenance and blading is required; estimate appraisal for work is **\$104,788**.
- Slashing of logging damaged sub-merchantable material is required on all acres (See Contract, VII, G, 4. SLASHING OF LOGGING DAMAGED SUB-MERCHANTANBLE TREES REQUIRED).
- 6. **DISCOVERY OF NORTHERN GOSHAWK NEST:** If an active Northern Goshawk nest is identified in the vicinity of timber sale activities, the Forest Officer will require the purchaser to suspend operations in the vicinity of the nest. Timber sale activities will then be restricted to limit disturbance during the nesting period (April 1 August 15) within a ¼ mile radius of the nest. Additionally, a no harvest buffer of 100 feet radius will be established around any verified goshawk nest.
- SKYLINE YARDING REQUIREMENTS: A skyline yarding system capable of yarding 1,500 2,000 feet external yarding distance
 uphill must be used. A carriage capable of 50 feet minimum lateral yarding distance is required. The carriage must maintain a fixed
 position on the skyline while lateral yarding. (Section VII,G.7).
- 8. **LONG DISTANCE GROUND-BASED YARDING OF 1,800-4,000 FEET REQUIRED:** Yarding distances of 1,800-4,000 feet are required in this unit. A combination of methods and equipment may be approved by the Forest Officer. This applies to unit 1 that is accessed by the 4925A extension road.

Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

Canyon Creek												
Timber Sale Cruise Data (Scribner 5.6" top DIB, Filter: All All Cut)												
SPECIES	PP	DF	WL	LP	ES	GF	RC	AF	WP	WH	Dead	TOTAL or AVE
Minimum Bid per ton												\$9.03
Pounds per cubic foot	62.0	61.7	58.3								40.0	
Estimated tons of sawlogs	4097	22127	1994								0	28,219 tons
Estimated tons of non-sawlog material	30	386	29								0	446 tons
Gross MBF	798	3786	467								37	5,088 MBF
% Cull and Breakage	19.9	17.7	29.6								100.0	19.7%
Net MBF	639	3116	329								0	4,084 MBF
Average logs per MBF	19.5	25.9	25.4								0.0	24.9 logs/MBF
Average DBH	14.3	12.1	12.1								13.6	12.4 in.
Average tons to cut per acre											\longrightarrow	46 tons/ac
Average MBF to cut per acre	Average MBF to cut per acre							6.6 MBF/ac				
Total Average TPA Cut							85					
Calculated Sampling Error: Total cruised volume will fall between 3,694 and 4,475 Net MBF in 9 out of 10 cruises						9.6%						
Tons Per Thousand Board Feet												
Conversion Factor - Estimated tons hauled per thousand Scribner board feet 28,219 estimated tons / 4,084 Net MBF						6.91 tons/MBF						

Contract Information					
Contract Termination Date:	6/30/2027				
	Unit 1: Operational restri	ictions April 1- August 15 (Goshawk Nest); when soil conditions allow (Section VII.L.1&2). Unit 2: When soil conditions allow (Section			
Operating Period:	VII.L.1&2).				

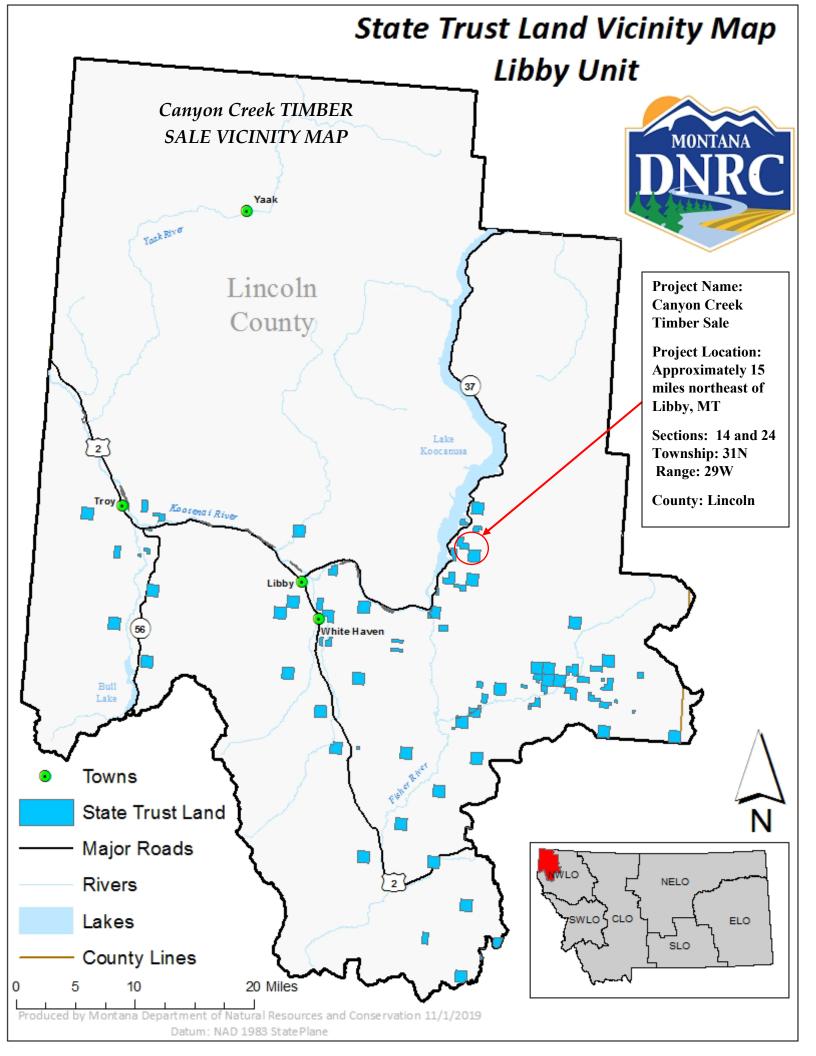
Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

Logging Information					
% of volume logged by clearcut or seed tree cut	N/A				
% of volume logged with tractors	85%				
% of volume logged by skyline	15%				
% of volume logged by other system (specify)	N/A				
Yarding distance tractor (average)	1000 ft.				
Yarding distance skyline (average)	750 ft.				
Yarding distance other system (specify)	N/A				
Estimated haul distance (paved)	65.0 miles				
Estimated haul distance (unpaved)	6.0 miles				

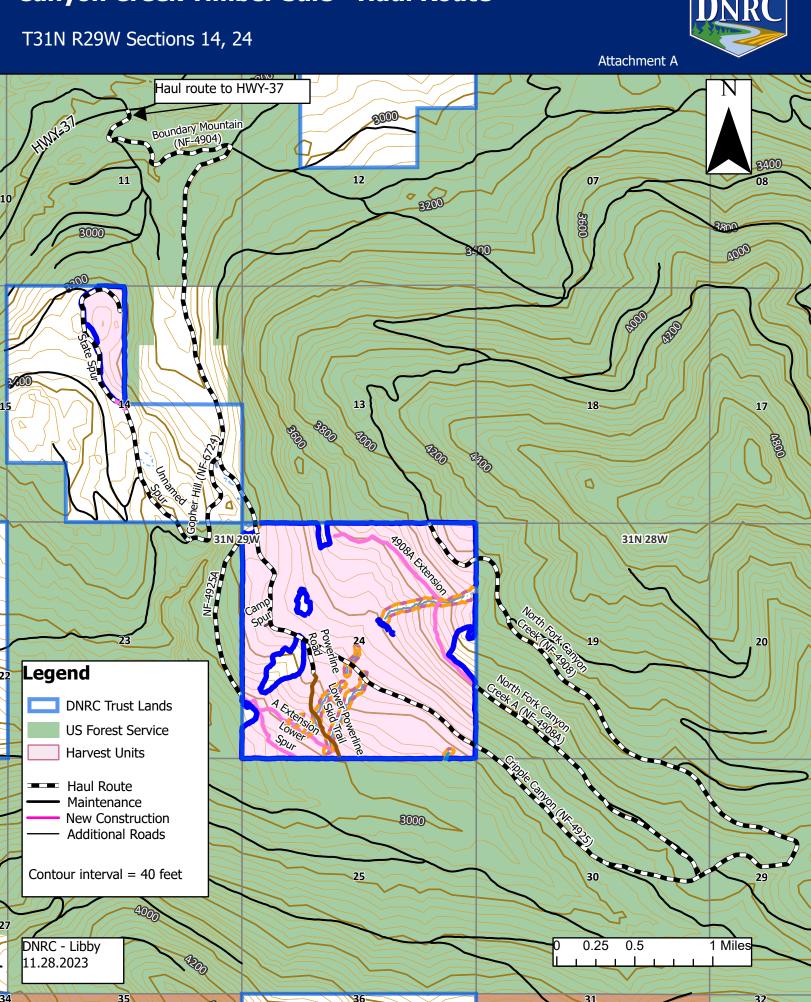
Purchaser fees and estimated costs					
Forest Improvement fee perMBF	\$26.60/MBF				
Forest Improvement fee per ton	\$3.85/ton				
Forest Improvement fee estimated total	\$108,643.15				
Forest Improvement fee quarterly installment	\$18,107.19				
Estimated Purchaser-do FI total \$	\$30,885				
Estimated Purchaser-do FI per ton	\$1.09/ton				
Estimated Purchaser-do slash disposal work total	\$0.00				
Estimated Purchaser-do slash disposal work per ton	\$0.00/ton				

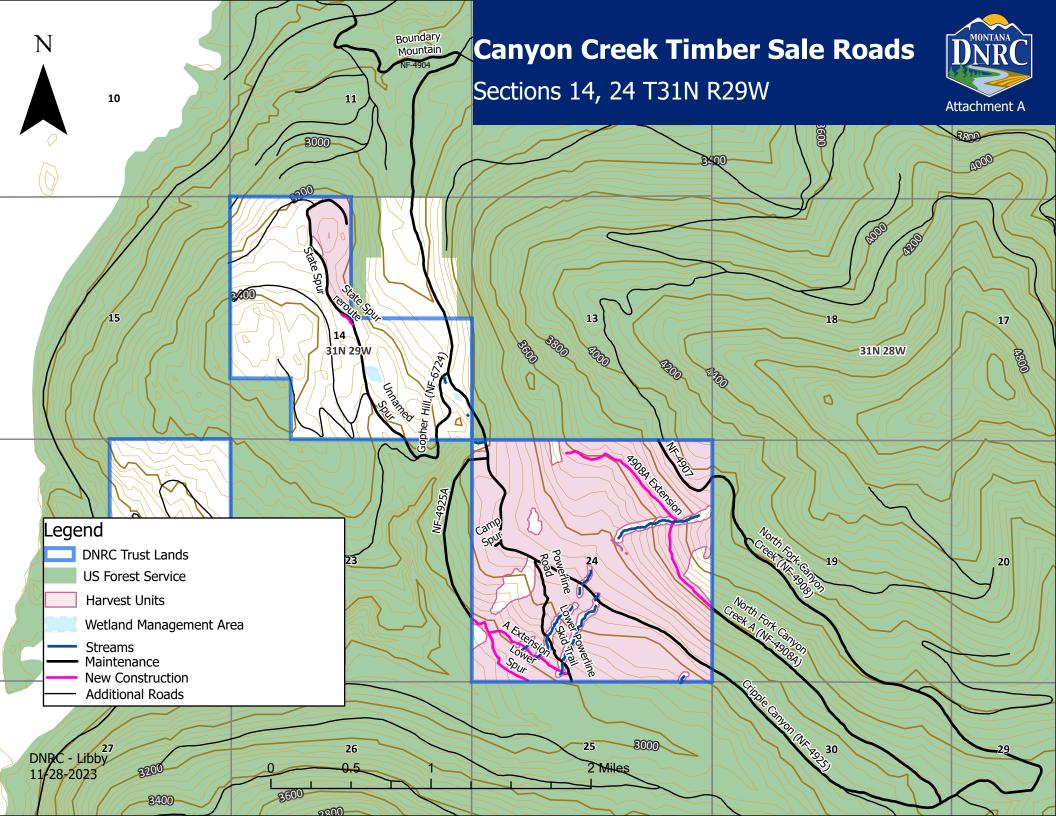
Road development and maintenance fees and estimates					
Estimated road development cost total	\$104,788				
Estimated road development cost per ton	\$3.71/ton				
Estimated road development cost perMBF	\$25.66/MBF				
Estimated Purchaser-do road maintenance cost total	\$15,108				
Estimated Purchaser-do road maintenance cost per ton	\$0.54/ton				
Private road maintenance charges per ton	\$0.00/ton				
USFS road maintenance charges per ton	\$0.00/ton				
Miles of road construction	1.8 miles				
Miles of road reconstruction	0.0 miles				
Miles of road with maintenance and site improvements	9.0 miles				
Miles of road reclamation or abandonment	0.0 miles				
Miles of road maintenance and blading	3.4 miles				

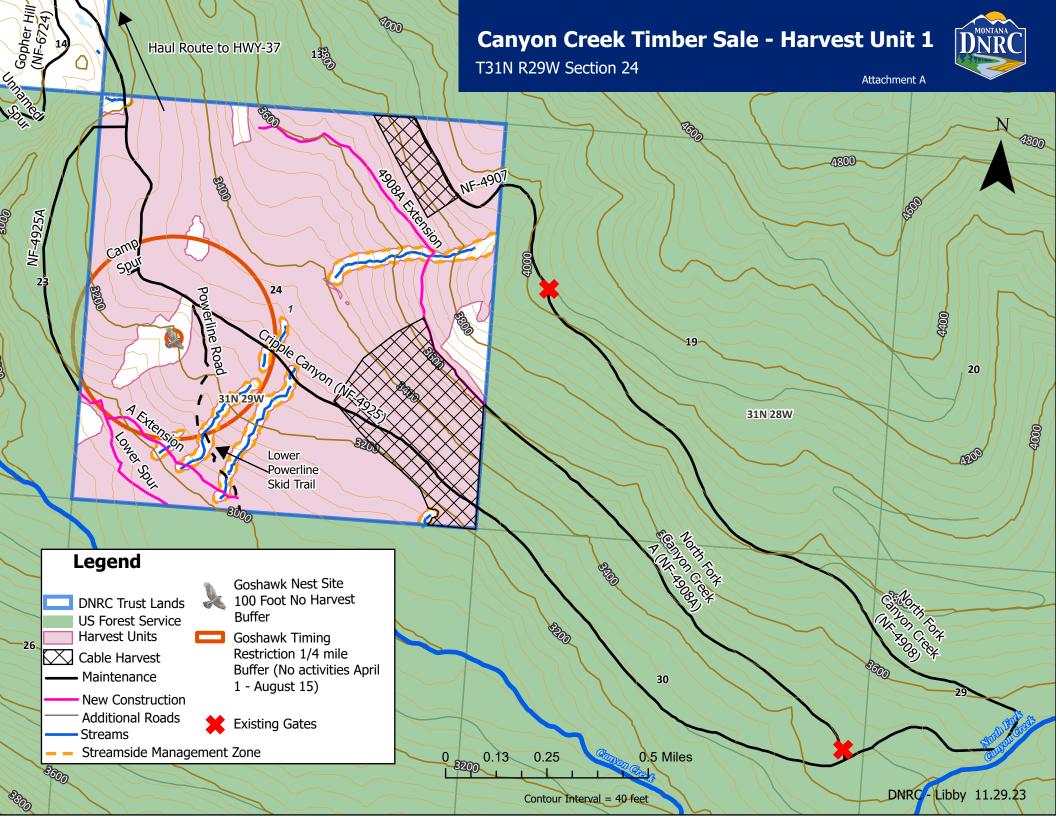
Unit harvest volume						
Unit#	Acres	Est Tons	Est MBF	Harvest Deadline		
1	578.60	26,895	3893	May 30, 2027		
2	39.10	1,324	192	May 30, 2027		
	618 Ac.	28,219 tons	4,084 MBF			



Canyon Creek Timber Sale - Haul Route







Canyon Creek Timber Sale - Harvest Unit 2

