NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Potomac Flats Timber Sale is located within Section 16, T13N-R16W on the State's Missoula Unit. Approximately 10,613 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 **November 28, 2023 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 \$9,545.00**, 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 November 20, 2023 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 <u>https://dnrc.mt.gov/Forestry/Forest-Products/timber-sales</u> for upcoming sales and bid results.

TIMBER SALE PROSPECTUS

STATE OF MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Potomac Flats							
For specific sale information, contact: Scott Allen, Forest Management Supervisor							
Phone	e 406-542-5803 Missoula Unit Office						
For copies of the Timber Sale Contract and bid forms, contact:							
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office				
Phone	406-542-4200	Southwest Land Office	Missoula 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.
- 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 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. <u>The State strongly recommends that bidders evaluate these effects before bidding.</u>
- 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:

- 1. SEASONAL HAULING RESTRICTION: Log hauling will only occur from November 15 March 15 as constricted by the easement obtained to access this half section.
- 2. THIS PACKAGE INCLUDES ROAD BUILDING: It is highly recommended that Attachment B in the timber sale contract be reviewed prior to bidding. 0.9 miles of new permanent road will need to be constructed.
- **3. FENCEWORK:** This contract will require the installation of **three** 16' steel tube-style gates and their associated posts and hardware to ensure control over livestock. Gaps in the fence will also need to be created and mended during harvesting.
- 4. SKID TRAIL LOCATION: Skid trails will not be located in draws and may only cross in areas approved by the Forest Officer.
- 5. TREE MARKING SCHEME: This sale is completely leave tree marked with <u>ORANGE</u> as the color to designate leave trees.
- 6. Landing Piles and Slash Restriction: Landing piles for Unit 1 will be located only south of the drift fence outside of the agricultural lease as indicated on map in attachment A. Whole tree skidding is desired for this unit **OR** if cut to length system is used the resulting slash will be transported concurrent with harvesting to a landing pile located south of the fenced area.

IT IS RECOMMENED THAT A COPY OF THE CONTRACT BE REVIEWED PRIOR TO BIDDING.

Contact Scott Allen, Forest Management Supervisor, for access through the green gate located at the end of Shaw Lane (406-542-5805).

Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

Potomac Flats												
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												\$17.99
Pounds per cubic foot	64.0	61.7	58.3								40.0	
Estimated tons of sawlogs	7434	2974	205								0	10,613 tons
Estimated tons of non-sawlog material	78	24	1								0	102 tons
Gross MBF	1229	497	45								0	1,771 MBF
% Cull and Breakage	13.3	16.5	18.8								0.0	14.3%
Net MBF	1065	415	36								0	1,517 MBF
Average logs per MBF	21.6	22.0	17.1								0.0	21.6 logs/MBF
Average DBH	13.0	14.1	15.9								0.0	13.4 in.
Average tons to cut per acre							37 tons/ac					
Average MBF to cut per acre							5.2 MBF/ac					
Total Average TPA Cut							53					
Calculated Sampling Error: Total cruised volume will fall between 1,324 and 1,710 Net MBF in 9 out of 10 cruises							12.7%					
Tons Per Thousand Board Feet												
Conversion Factor - Estimated tons hauled per thousand Scribner board feet 10,613 estimated tons / 1,517 Net MBF							7.00 tons/MBF					

Contract Information					
Contract Termination Date: 9/1/2026					
Operating Period: Contract Award Date - September 1, 2026 (Seasonal log hauling allowed November 15 - March 15)					

Logging Information					
% of volume logged by clearcut or seed tree cut	00%				
% of volume logged with tractors	100%				
% of volume logged by skyline	00%				
% of volume logged by other system (specify)	00%				
Yarding distance tractor (average)	500 ft.				
Yarding distance skyline (average)	0 ft.				
Yarding distance other system (specify)	0 ft.				

Road development and maintenance fees and estimates				
Estimated road development cost total	\$39,701			
Estimated road development cost per ton	\$3.74/ton			
Estimated road development cost perMBF	\$26.18/MBF			
Estimated Purchaser-do road maintenance cost total	\$16,336			
Estimated Purchaser-do road maintenance cost per ton	\$1.54/ton			
Private road maintenance charges per ton	\$0.00/ton			

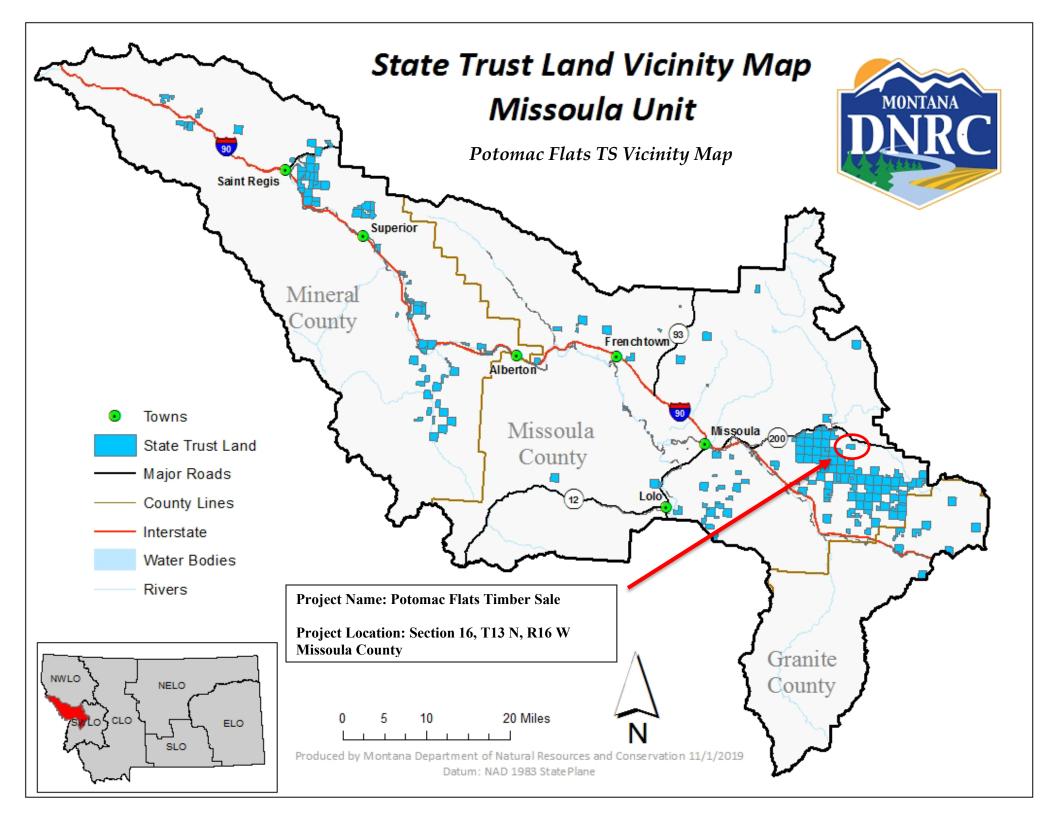
Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

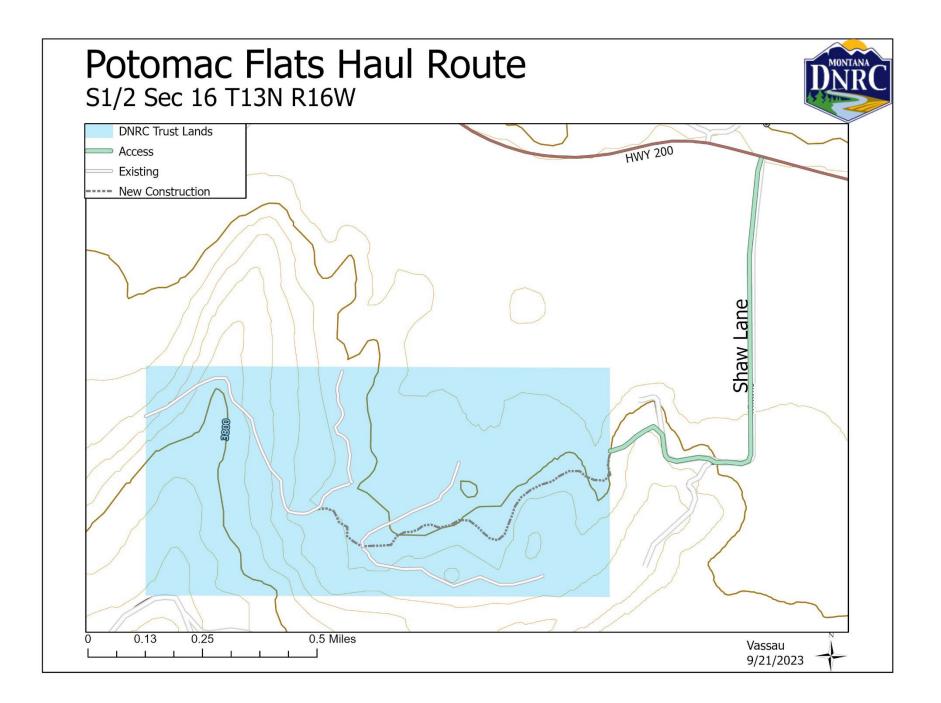
Estimated haul distance (paved)	32.0 miles
Estimated haul distance (unpaved)	1.5 miles

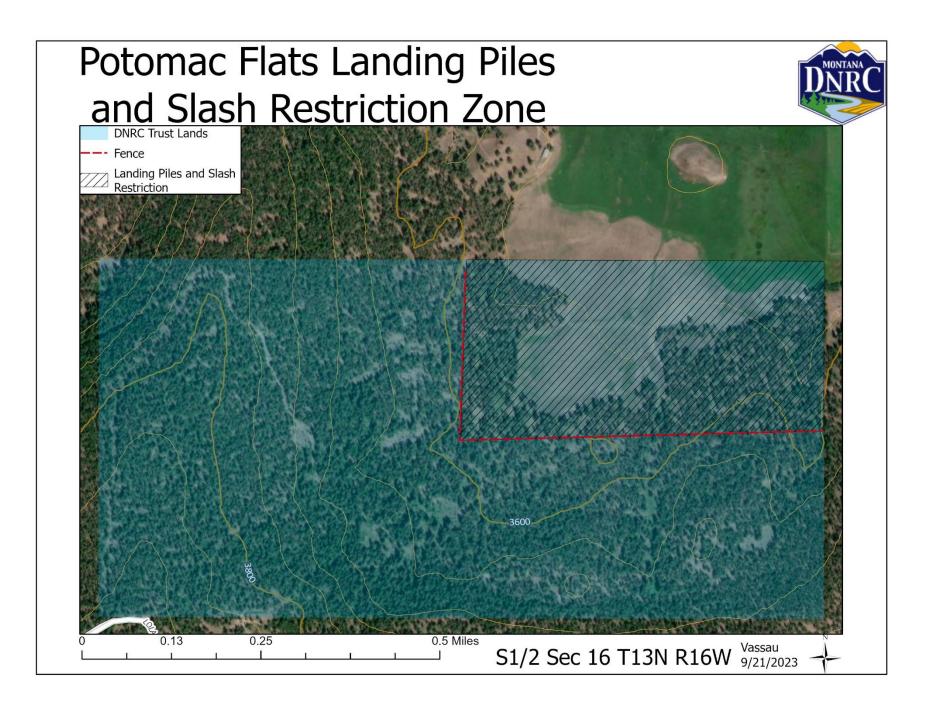
Purchaser fees and estimated costs				
Forest Improvement fee perMBF	\$21.75/MBF			
Forest Improvement fee per ton	\$3.11/ton			
Forest Improvement fee estimated total	\$33,006.43			
Forest Improvement fee quarterly installment	\$5,501.07			
Estimated Purchaser-do FI total \$	\$0			
Estimated Purchaser-do 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			

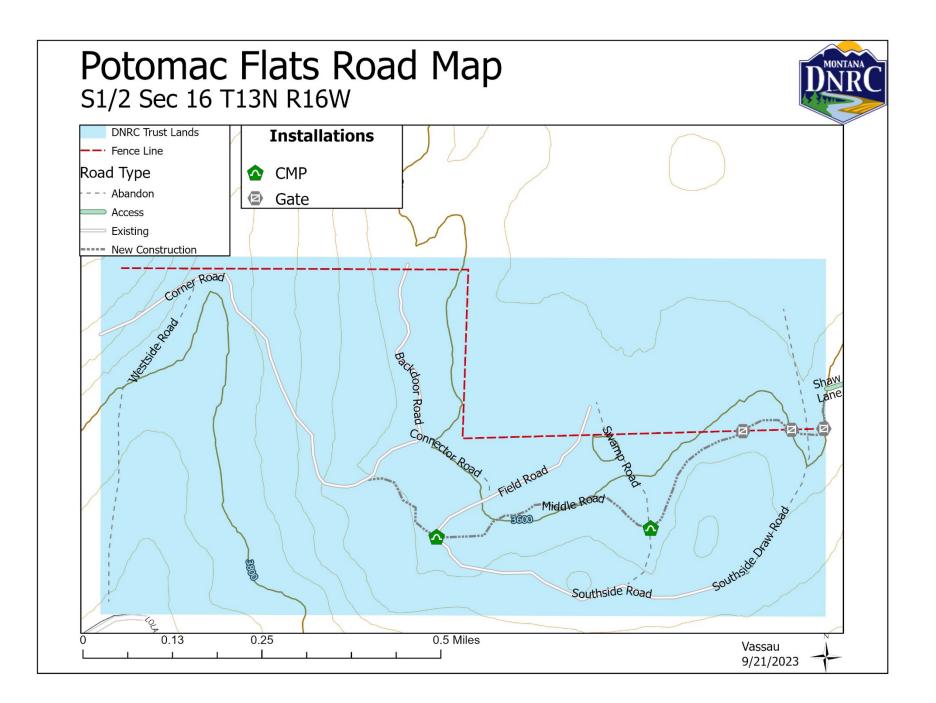
USFS road maintenance charges per ton	\$0.00/ton
Miles of road construction	0.9 miles
Miles of road reconstruction	0.0 miles
Miles of road with site improvements	0.0 miles
Miles of road reclamation or abandonment	1.4 miles
Miles of road maintenance and blading	2.7 miles

Unit harvest volume							
Unit #	Acres	Est Tons	Est MBF	Harvest Deadline			
Cutting Unit 1	139.64	5809	830				
Cutting Unit 2	149.62	4804	687				
	289 Ac.	10,613 tons	1,517 MBF				

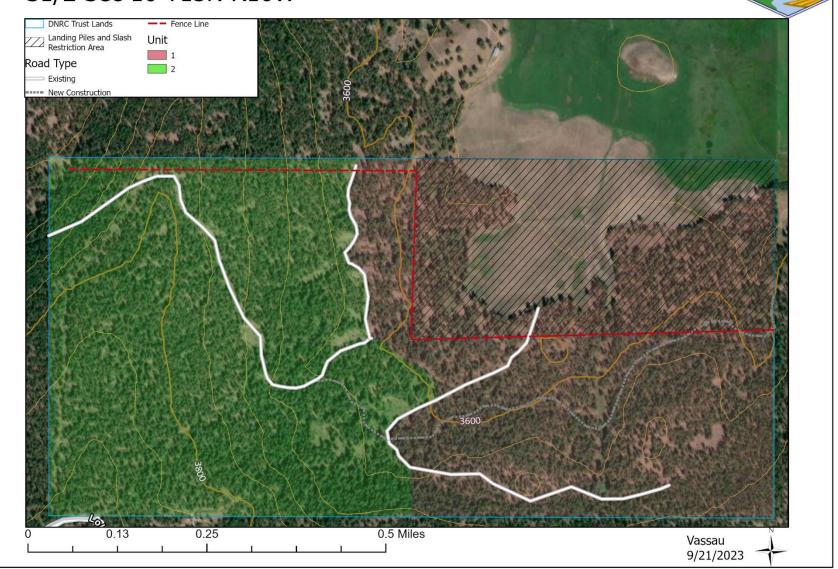








Potomac Flats Operations Map S1/2 Sec 16 T13N R16W



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