NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The GNA East Boulder Timber Sale is located within sections 29, 32, &33 of T3S – R13E and sections 2, 3, 4, 5, 10, & 11 of T4S – R13E, on the Custer Gallatin National Forest. Approximately 17,451 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 **August 13, 2020 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 Forestry 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 **\$8,847.00** 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. 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, Forestry Division, in Missoula (406-542-4300), Southern Land Office in Billings (406-247-4415).

Visit our website at http://dnrc.mt.gov/divisions/forestry/forestry-assistance/good-neighbor-authority-current-timber-sales for upcoming sales and bid results.

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

Timber Sale Name: GNA East Boulder

For specific sale information, contact: Jeff Hermanns

Phone 406-247-4403 Unit Southern Land Office

For copies of the Timber Sale Contract and bid forms, contact:

Phone 406-542-4300 Forestry Division DNRC Missoula Office
Phone 406-247-4403 Southern 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 Good Neighbor Authority Bureau, Forestry 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. 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.
- 8. 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.
- 9. 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. The State strongly recommends that bidders make their own estimates based on Contract requirements. Cost estimates provided are not quaranteed.
- 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 Timber Sale Contract <u>are not guaranteed.</u>
- 12. 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. This timber sale is a State of Montana Timber Sale on Forest Service Land and is being performed under the Good Neighbor Authority. Potential Purchasers should be aware that this is a partnership, between the Montana DNRC and the US Forest Service, to increase the pace and Scale of forest restoration on National Forest System Lands. Considering this is one of the first Good Neighbor Timber Sales in Montana, Good Neighbor Authority is a high priority of both agencies, and it has a high degree of public interest, the purchaser should expect increased DNRC, Forest Service, and public attention on this timber sale. The DNRC and Forest Service may wish to have public or media tours of this timber sale and we will encourage active involvement by the timber sale purchaser and their contractors.
- 2. Under the Good Neighbor Authority all <u>NEPA mitigations and Forest Plan requirements must be adhered to</u>. Specific mitigations to do so are written into the contract. The DNRC encourages potential purchasers to familiarize themselves with these mitigations prior to bidding.
- 3. The Forest Service performed timber sale lay out, marking and cruising with the original intent of including the timber sale as part of an Integrated Restoration Stewardship Contract. Through the Good Neighbor Authority, the DNRC and Forest Service have worked together to make necessary changes and offer this as the GNA East Boulder timber Sale. Other fuels mitigation and stewardship work will be completed separately and are not a part of this timber sale being offered.
- 4. The timber sale was cruised and compiled using Forest Service Procedures and computer programs. Conversions where utilized to include as much sale information as possible on DNRC's Timber Sale Information Sheet.
- 5. The timber sale was cruised, and volumes were calculated to a 4.6' top diameter. The contract utilization specifications are to a 5.6' top diameter for sawlog materials. Purchasers are encouraged to make their own determination of how this may alter volume estimates and bid accordingly.
- 6. The Stillwater mine is currently planning a powerline right of way and other clearing projects that will require the removal of National Forest timber in the project area. The powerline will require an 80-foot-wide corridor adjacent to and nearby GNA East Boulder Harvest Units and a topsoil storage project will require the clearing of an area approximately 9 acres in size. Coordination may be required by the DNRC Forest Officer, the Forest Service, the Stillwater Mine and the timber sale purchaser. All or portions of this timber may be offered for sale, through Good Neighbor Authority or the Forest Service, during the GNA East Boulder contract period.
- 7. The East Boulder mainline road is extremely busy with heavy truck and vehicle traffic to the Stillwater mine. Safety and traffic control will need to be planned for and integrated into operating plans by the purchaser and logging contractor. This will impact the operation of the timber sale purchaser and logger. This may require signs, flaggers and spotter with various aspects of the operation.
- 8. The timber sale is a marked to leave with leave trees and 30 leave islands throughout the timber sale units. Georeferenced maps depicting leave islands are available by contacting Jeff Hermanns at (406) 247-4403.
- 9. There are trees marked to leave within a distance to the road and powerline that will require removal for safety. The Forest Officer will coordinate with the timber sale purchaser to pre-approve roadside, powerline and other tree removal that may be required for safety reasons.
- 10. Temporary Spur roads Temporary Spur road locations will be flagged and approved in advance with DNRC administrator. Minor changes from the locations depicted on the sale area map are anticipated. Upon completion of harvest and prior to contract termination all spur roads must be recontoured except for the beginning few hundred feet, which will be left in place for public firewood cutting opportunities. This will be coordinated with the DNRC administrator.
- 11. Non-sawlog material yarded to the landing and not hauled by the timber purchaser will be required to be skid to the beginning of the spur road for utilization by the public.
- 12. 10 tons of woody debris is required to be left per acre through the sale units.
- 13. During the term of the contract the purchaser may be approved by DNRC administrator to remove blowdown within the sale.
- 14. All weed spraying and grass seeding requirements were removed from the sale and will be performed by the USFS or DNRC.
- 15. A pre-bid tour with the DNRC administrator and USFS is scheduled for August 3rd 2020 at 10:00 am. The meeting location is the East Boulder campground. If you plan on attending the tour Please **RSVP to Jeff Hermanns at 406-247-4403.**

Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

	GNA East Boulder							
Timber Sale Cruise Data								
SPECIES	S	DF	AF	LP				TOTAL or AVE
Minimum Bid per ton								
Pounds per cubic foot	46	47	41	41				
Estimated tons of sawlogs (5.6" top DIB)	1,265	3,405	434	7,491				17,451 tons
Estimated tons of other material (pulp, etc)	242	848		510				1,597 tons
Gross MBF (Scribner 5.6" top DIB)	299	867	122	2,135				3,423 MBF
% Cull and Breakage	9	10	8	7				15.7%
Net MBF (Scribner 5.6" top DIB)	253	679	92	1,863				2,887 MBF
Average logs per MBF	48.2	39.8	43.2	50.9				
Average DBH	9.4	10.4	10.7	8.9				
Average tons per acre harvested in leave-tree r	Average tons per acre harvested in leave-tree marked units					58 tons/ac		
Average tons per acre harvested in cut-tree-marked units								
Average MBF to cut per acre on the timber sale					9.6 MBF/ac			
Range of cut trees per acre based on unit cruise					203			
Calculated Sampling Error: Total cruised volume will fall between					24.8%			
Tons Per Thousand Board Feet								
Contract Value - Estimated tons hauled per thousand Scribner board feet 17,451 estimated tons to a 5.6 inch top / 2,887 Net MBF Scribner to a 5.6 inch top DIB					6.04 tons/MBF			

Contract Information					
Contract ending date	10/31/2023				
Operating Season:	Year around under dry or frozen soil conditions				

Timber Sale Information Sheet Montana Department of Natural Resources and Conservation

Logging Information				
% of volume logged by clearcut or seed tree cut	00%			
% of volume logged with tractors	100%			
% of volume logged by ground lead (jammer)	00%			
% of volume logged by skyline	00%			
Yarding distance tractor (average)	900 ft.			
Yarding distance ground lead (average)	0 ft.			
Yarding distance skyline (average)	0 ft.			
Estimated haul distance (paved)	55.0 miles			
Estimated haul distance (unpaved)	12.0 miles			

Purchaser fees and estimated costs			
Forest Improvement fee perMBF	N/A		
Forest Improvement fee per ton	N/A		
Forest Improvement fee estimated total	N/A		
Forest Improvement fee quarterly installment	N/A		
Estimated Purchaser-do FI total \$	\$0		
Estimated Purchaser-do FI per ton	\$0.00/ton		
Estimated Purchaser-do slash disposal work total	\$30,000.00		
Estimated Purchaser-do slash disposal work per ton	\$1.72/ton		

Road development and maintenance fees and estimates				
Estimated road development cost total	\$36,000			
Estimated road development cost per ton	\$2.06/ton			
Estimated road development cost perMBF	\$12.47/MBF			
Estimated Purchaser-do road maintenance cost total	\$3,291			
Estimated Purchaser-do road maintenance cost per ton	\$0.19/ton			
Private road maintenance charges per ton				
USFS road maintenance charges per ton				
Miles of road construction	2.1 miles			
Miles of road reconstruction	0.5 miles			
Miles of road with site improvements				
Miles of road reclamation or abandonment	2.1 miles			
Miles of road maintenance and blading	12.0 miles			

Unit harvest volume							
Unit#	Acres	Est Tons	Est MBF	Harvest date			
1	16	932	154				
3	109	6,345	1,049				
5	31	1,803	298				
5A	29	1,687	279				
7	13	756	125				
7AC	5	290	48				
9	12	696	115				
9AB	8	466	77				
10	8	466	77				
11	36	2,092	346				
12	2	115	19				
13	31	1,803	298				
	300 Ac.	17,451 tons	2,885 MBF				

