

## NOTICE OF SALE

### Department of Natural Resources & Conservation Timber Sale

The Old Penny Timber Sale is located within Section 36, T27N-R25W and Section 36, T27N-R26W on the State's Kalispell Unit. Approximately 34,550 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 **March 1, 2022 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 \$41,425.00**, 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, 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**

<b>Timber Sale Name: Old Penny</b>			
<b>For specific sale information, contact: Kara Neal</b>			
Phone	406-751-2265	Kalispell Unit Office	
<b>For copies of the Timber Sale Contract and bid forms, contact:</b>			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-751-2257	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.
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. 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. The State strongly recommends that bidders make their own 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 are not guaranteed.
13. 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. **PURCHASER LEAVE TREE SELECTION:** Purchaser will be required to designate leave and cut trees based on the following specifications:
  - a. **Shelterwood: Unit 1**  
Select favored species for leave trees on a 35-40 foot spacing. Leave approximately 30-35 dominant trees per acre in areas stocked with healthy, vigorous trees.
  - b. **Seed Tree: Units 2 and 3**  
Select favored species for leave trees on a 55-65 foot spacing. Leave approximately 10-15 dominant trees per acre in areas stocked with healthy, vigorous trees.
  - c. **Species Designation/Sanitation: Unit 4**  
Cut all merchantable lodgepole, as well as any trees infected with dwarf mistletoe, insects, or stem/root rots. Retain all healthy western larch, ponderosa pine, and Douglas-fir.
  - d. **Overstory Removal: Unit 5**  
Maintain a maximum spacing of 100 feet between leave trees. This will leave approximately 4 to 6 trees per acre. Protect all insect and disease-free regeneration to the greatest extent possible.
2. **HIGH HAZARD SLASH CLEANUP:** All logging generated slash greater than 3" in diameter within 1 chain (66') from a private property line will either be piled or removed. The use of whole tree harvest systems should accomplish most of this work, requiring less cleanup.
3. **ADVERSE SKIDDING REQUIREMENT:** The purchaser may be required to conduct adverse skidding on approximately 10 acres in a portion of Unit 3. Approximate skidding distance is 400 feet. If the purchaser would prefer to avoid this adverse skidding, they may discuss skidding downhill across private property to the main haul road with the landowner, Flathead Ridge Ranch.
4. **NONSAWLOG AND BIOMASS REMOVAL:** The Purchaser has the option of removing non-sawlog material at the rate of \$1.00/ton.
5. **SLASHING OF LOGGING-DAMAGED TREES REQUIRED:** The Purchaser shall fell all sub-merchantable trees with logging-related lean or root/stem damage. The stem shall be completely severed from the stump below the lowest live limb. Maximum stump height shall be 12 inches on the uphill side.

**Timber Sale Information Sheet**  
**Montana Department of Natural Resources and Conservation**

Old Penny Timber Sale											
Timber Sale Cruise Data (Scribner 5.6" top DIB, Filter: All   All   All)											
SPECIES	PP	DF	WL	LP	ES	GF	RC	AF	WP	Dead	TOTAL or AVE
Minimum Bid per ton											\$23.98
Pounds per cubic foot	62.0	61.7	58.3	56.0	57.0	60.0		55.0		40.0	
Estimated tons of sawlogs	584	17136	11098	3224	342	1608		557		0	<b>34,550 tons</b>
Estimated tons of non-sawlog material	1	431	127	332	9	53		29		0	982 tons
Gross MBF	126	2621	1984	442	65	288		103		0	5,630 MBF
% Cull and Breakage	16.0	13.0	8.0	14.0	16.0	18.0		23.0		0.0	12.0%
Net MBF	106	2275	1819	382	55	236		79		0	4,953 MBF
Average logs per MBF	9.3	26.2	19.6	49.0	19.7	26.6		38.8		0.0	25.3 logs/MBF
Average DBH	21.2	11.0	13.1	8.1	11.4	9.9		9.1		0.0	10.7 in.
Average tons to cut per acre	→										37 tons/ac
Average MBF to cut per acre	→										5.2 MBF/ac
Total Average TPA Cut	→										96
Calculated Sampling Error: Total cruised volume will fall between	4,524 and 5,382 Net MBF in 9 out of 10 cruises										8.7%
Tons Per Thousand Board Feet											
Conversion Factor - Estimated tons hauled per thousand Scribner board feet	34,550 estimated tons / 4,953 Net MBF										6.98 tons/MBF

Contract Information	
Contract Termination Date:	10/31/2025
Operating Period:	Year around when soil conditions are dry, frozen, or snow covered.

**Timber Sale Information Sheet**  
**Montana Department of Natural Resources and Conservation**

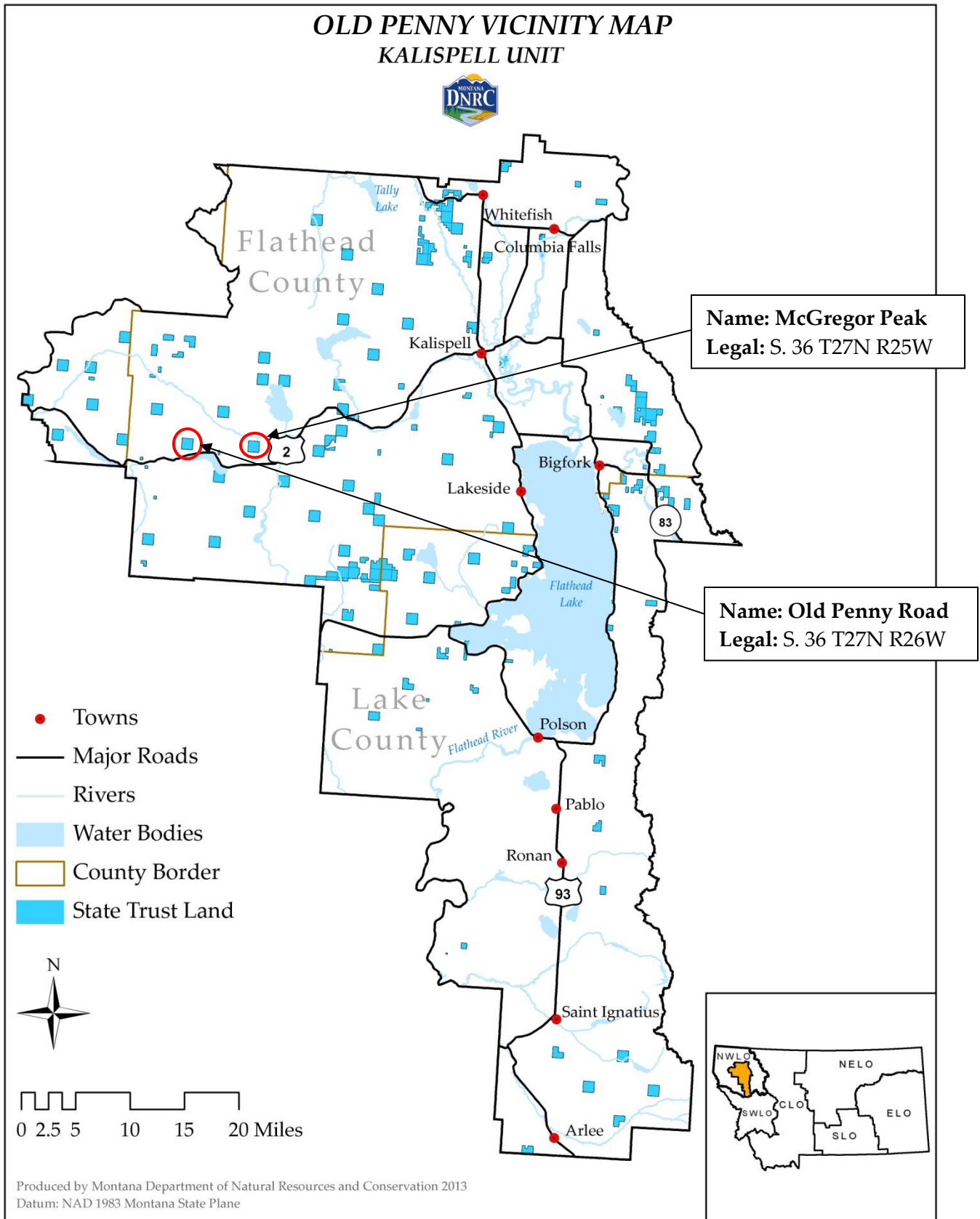
<b>Logging Information</b>	
% of volume logged by clearcut or seed tree cut	25%
% of volume logged with tractors	100%
% of volume logged by skyline	00%
% of volume logged by other system (specify)	00%
Yarding distance tractor (average)	950 ft.
Yarding distance skyline (average)	0 ft.
Yarding distance other system (specify)	0 ft.
Estimated haul distance (paved)	40.0 miles
Estimated haul distance (unpaved)	5.0 miles

<b>Purchaser fees and estimated costs</b>	
Forest Improvement fee perMBF	\$29.70/MBF
Forest Improvement fee per ton	\$4.26/ton
Forest Improvement fee estimated total	\$147,183.00
Forest Improvement fee quarterly installment	\$24,530.50
Estimated Purchaser-do FI total \$	\$6,600
Estimated Purchaser-do FI per ton	\$0.19/ton
Estimated Purchaser-do slash disposal work total	\$0.00
Estimated Purchaser-do slash disposal work per ton	\$0.00/ton

<b>Road development and maintenance fees and estimates</b>	
Estimated road development cost total	\$93,044
Estimated road development cost per ton	\$2.69/ton
Estimated road development cost perMBF	\$18.79/MBF
Estimated Purchaser-do road maintenance cost total	\$18,860
Estimated Purchaser-do road maintenance cost per ton	\$0.55/ton
Private road maintenance charges per ton	\$0.00/ton
USFS road maintenance charges per ton	\$0.00/ton
Miles of road construction	0.7 miles
Miles of road reconstruction	0.1 miles
Miles of road with site improvements	0.0 miles
Miles of road reclamation or abandonment	0.6 miles
Miles of road maintenance and blading	18.2 miles

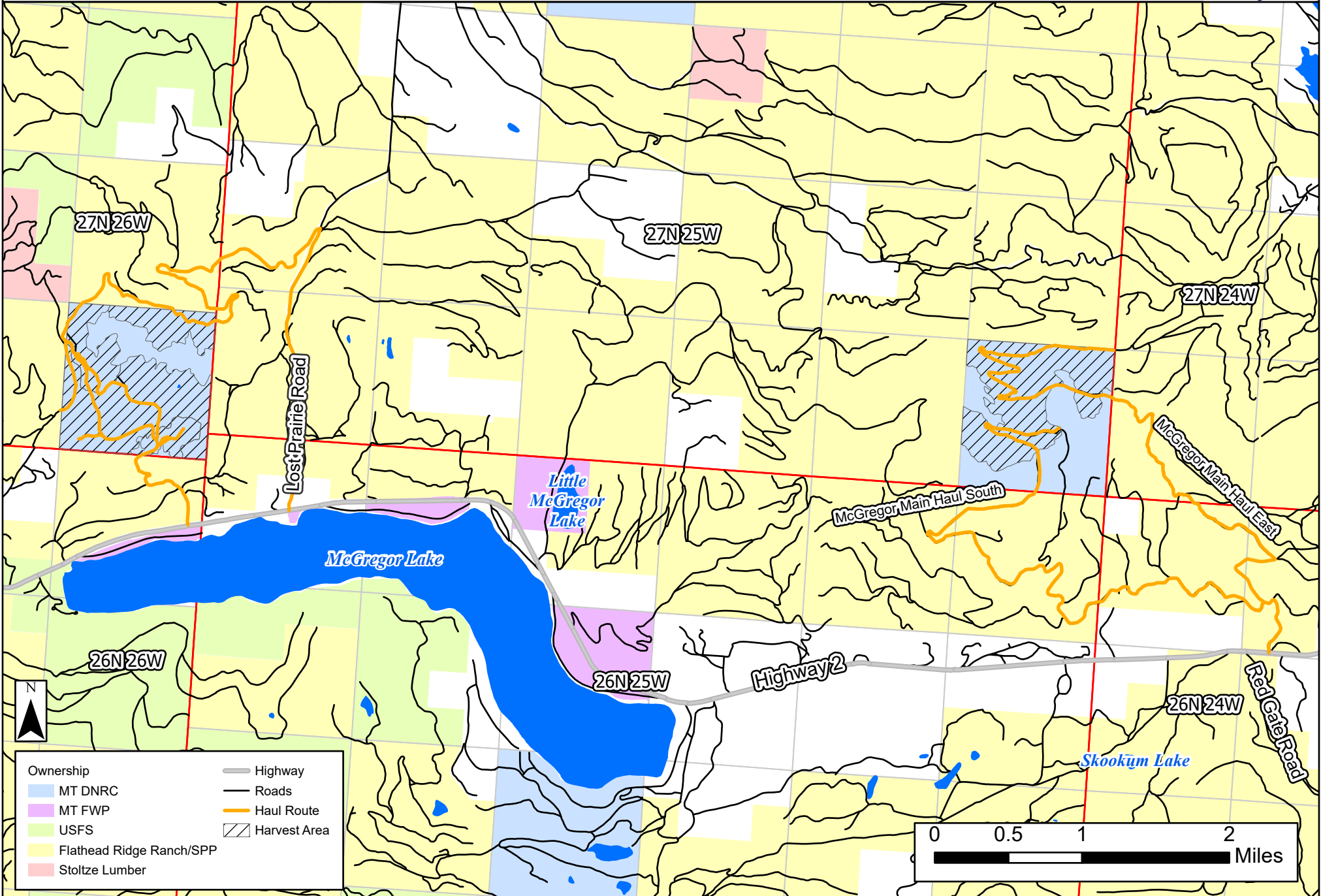
<b>Unit harvest volume</b>				
Unit #	Acres	Est Tons	Est MBF	Harvest Deadline
Unit 1	311.00	9992	1432	September 30, 2025
Unit 2	86.00	4588	658	September 30, 2025
Unit 3	89.00	3927	563	September 30, 2025
Unit 4	44.00	370	53	September 30, 2025
Unit 5	359.00	15673	2247	September 30, 2025
	889 Ac.	34,550 tons	4,953 MBF	

A-1: Timber Sale Vicinity Map



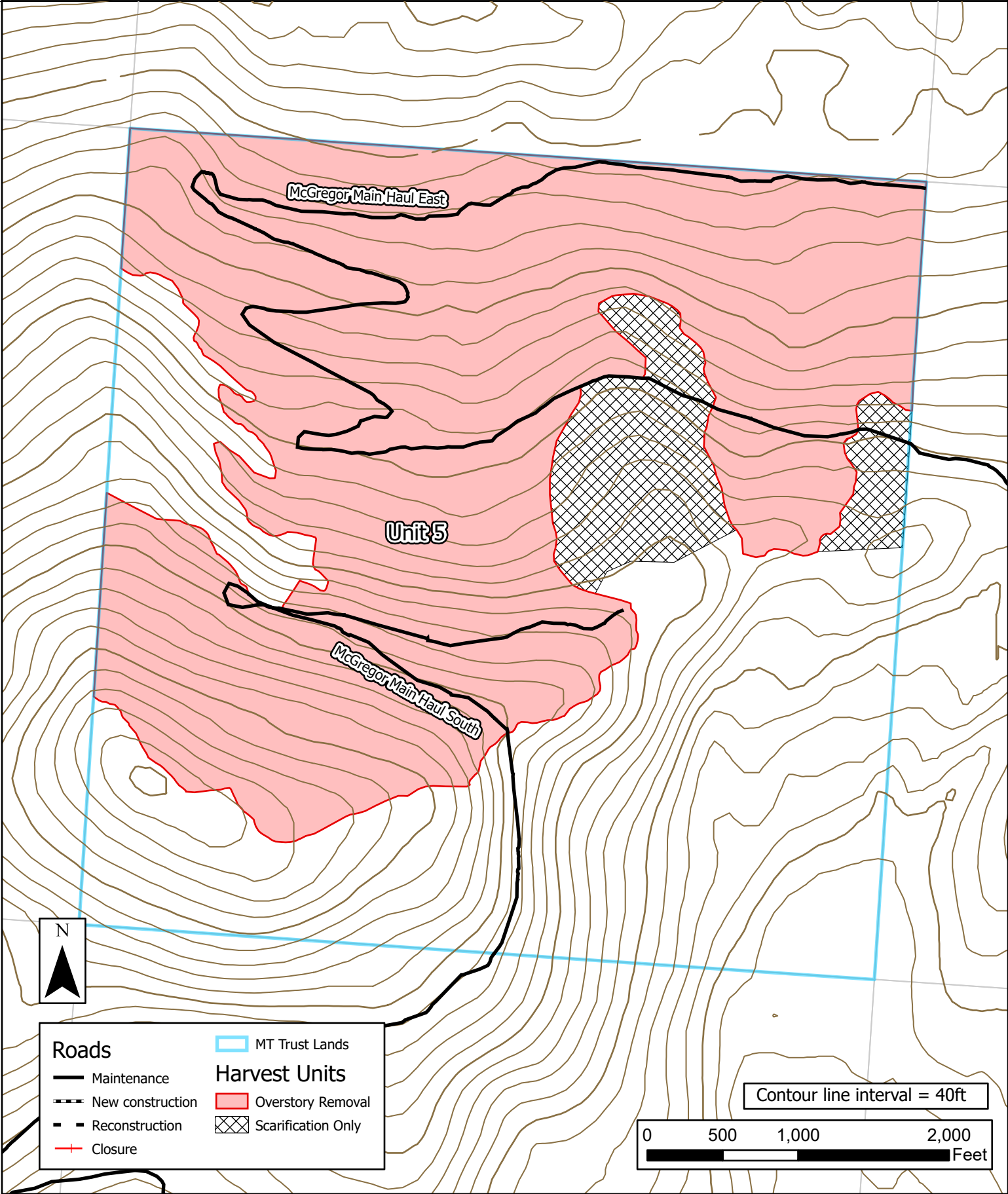
# Old Penny Haul Route

S. 36 T27N R26W & S. 36 T27N R25W

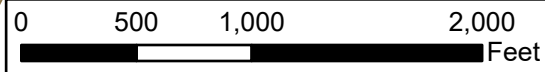


# Old Penny Harvest Units

S36 T27N R25W (McGregor Peak)



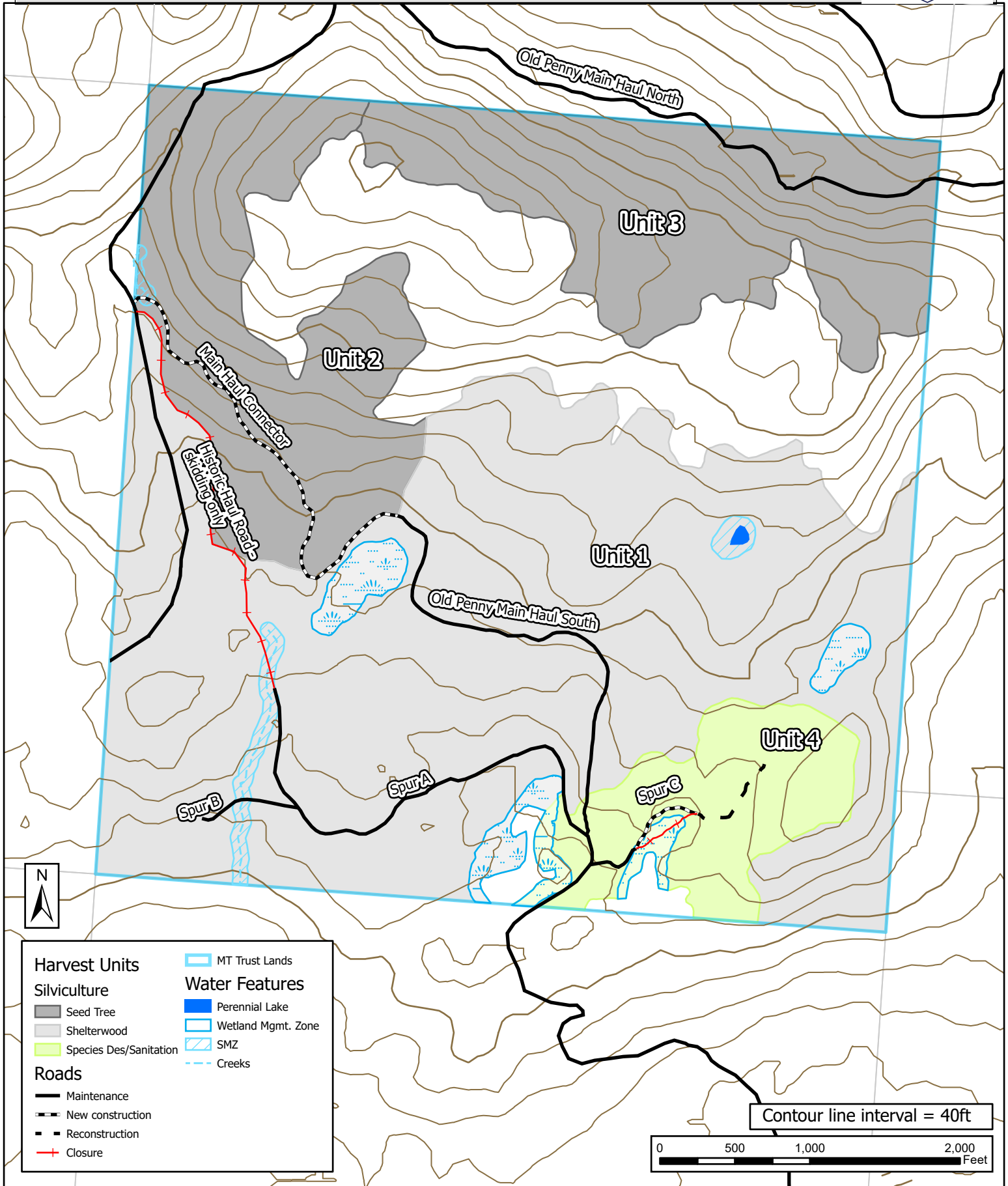
Contour line interval = 40ft





# Old Penny Harvest Units

S36 T27N R26W (Old Penny Rd)



## Harvest Units

### Silviculture

- Seed Tree
- Shelterwood
- Species Des/Sanitation

### Roads

- Maintenance
- New construction
- Reconstruction
- Closure

## Water Features

- MT Trust Lands
- Perennial Lake
- Wetland Mgmt. Zone
- SMZ
- Creeks

Contour line interval = 40ft

