

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

ADL # 106439

TIMBER SALE PROSPECTUS

Timber Sale SE - 717 - H

“Glacier Side 2”

INTRODUCTION

This prospectus is intended to furnish sufficient information to enable prospective bidders to decide whether further investigation of the sale is warranted. Descriptions, estimates and other information within this prospectus are not a part of the contract unless otherwise stated. Should the prospectus be in error or contradict the sample contract, the sample contract governs. Prospective bidders are urged to examine the timber sale and to make their own estimates. Estimated quantities and quality of timber in the contract are not guaranteed. The sale area and sample contract should be reviewed prior to submission of a bid.

LOCATION AND AREA

The "Glacier Side 2" timber sale is located approximately 37 air miles northwest of Haines, Alaska. The sale has two units for a total of 145 acres located in the Klehini River drainage. Access to the sale area is via the Haines Highway to the 26-mile steel bridge to the Little Salmon Road to the Sunshine Mountain Road to the Porcupine Road to the sale area. The sale area, consisting of 909 acres, more or less, is within portions of Sections 25 and 26, T28S, R53E, and Section 30, T28S, R54E, Copper River Meridian.

VOLUME AND DESCRIPTION OF TIMBER

The volumes of the timber are estimates based on a variable plot sample cruise, information of which is on file and available for inspection at the Forestry Office in Haines. The State neither expressly nor impliedly warrants its quantity estimate, nor the quality or marketability of the timber sold. Prospective bidders should visit the site and evaluate the timber before bidding.

The sale boundary is as shown on the sale area map.

Net Sale Volumes (Net Scribner)

Species & Product	Volume
Spruce Sawlog	391 MBF
Spruce Utility	44 MBF
Hemlock Sawlog	2,034 MBF
Hemlock Utility	953 MBF
Total Volume	3,422 MBF

Other Timber Characteristics:

Estimated Volume per Acre	=	23.6 MBF
Logs per MBF	=	5.4 logs/MBF

Utility logs may be left decked on the landing at the purchaser's option.

BIDDING: This is a SEALED BID, LUMP SUM SALE. To qualify for bidding all bidders must, prior to the bid opening, submit a copy of their current Alaska Business License. The business license copy may accompany the sealed bid. Sealed bids, submitted in duplicate, on forms provided by the Division of Forestry, marked on the outside with "Bid SE-717, Glacier Side 2" and addressed to the Northern Southeast Area Office, P.O. Box 263, Haines Alaska 99827, will be accepted until 2:00 P.M. prevailing time, May 30, 2006. Sealed bids may also be presented in person to the Haines Area Forester at Room 26, Gateway Building on Main Street in Haines. Sealed bids will be opened at 3:00 P.M. local time on May 30, 2006 in the Division of Forestry's Office in Room 26, Gateway Building, Main Street, Haines Alaska. All bids must be in the physical possession of the Haines Area Forester before the bid opening.

The State reserves the right to reject any or all bids. Unless all bids are rejected, the State will award the sale to the responsible qualified bidder offering the highest total bid for the sale. The minimum acceptable bid for the sale is \$29,157.00. BIDS MUST BE SUBMITTED ON FORMS PROVIDED BY THE STATE AND CAN BE OBTAINED AT THE ABOVE SAID LOCATION.

If a tie in the high sealed bid occurs, the successful bidder will be determined by lot at the time of bid opening.

If bidding as an agent for an individual, partnership, or corporation, the agent must submit with the bid a notarized power-of-attorney authorizing such agency. No agent may represent more than one principal, or bid in competition with the agent's principal.

Bid Guarantee: A deposit in the amount of 10% of the total bid will be required at the time bids are submitted. Deposits from unsuccessful bidders will be returned at the time the sale is awarded. The deposit furnished by the high bidder whose bid was declared acceptable will be retained as liquidated damages if the bidder does not execute the contract and furnish a satisfactory performance bond within 30 days of receipt of the contract for execution.

PERIOD OF CONTRACT: The contract shall be for a period of 36 months from the date signed by the STATE. In order to protect soil productivity and environmental quality, the STATE reserves the right to temporarily suspend operations during periods of excessive wetness.

PAYMENT: A stumpage deposit of \$10,000.00 shall be deposited with the State prior to the State executing the contract. The purchaser must pay the remaining stumpage for the sale in two lump sum payments. Payment 1 prior to timber falling in unit 5 in the amount of \$9,000.00. Payment 2 prior to timber falling in unit 6, the remaining stumpage balance.

PERFORMANCE BOND: A performance bond will be required. The sum of the bond will be ten thousand dollars (\$10,000.00) and shall be in the form of cash, certified check, money order, a time certificate of deposit or pass book saving account made payable to the STATE and PURCHASER.

CONTRACT REQUIREMENTS AND STIPULATIONS:

The sale will require construction of approximately 10,238 feet of new road.

The sale will require installing a 60-foot bridge across Glacier Creek and a 20-foot bridge across the fish stream in unit 5.

Areas bared of vegetation from construction activities will be required to be seeded and fertilized.

The term of the contract is 36 months.

The Purchaser will have 30 days from the receipt of the contract for signing to return it to the Division of Forestry, Northern Southeast Area Office, P.O. Box 263, Haines, Alaska 99827, properly signed and notarized, along with a performance bond. The Director may grant an extension of this period of an additional 30 days.

If the Purchaser jointly uses the roads with other authorized parties, the Purchaser shall be required to enter into a joint use road agreement prior to hauling logs on these roads.

Log scaling is not required.

TOPOGRAPHY AND STAND CONDITIONS: The sale is located on gentle to moderate rolling terrain. Cutting units are designated for clear cutting and cable yarding, with maximum yarding distances of 900 feet.

PRIMARY MANUFACTURE: Primary manufacture of logs from this sale is not required.

EXTENSIONS: Extensions are not generally granted, except in instances where the STATE temporarily suspends operations for reasons stated above; then, an amount of time equal to that of the suspension will be added to the contract period. Additional extensions may be granted for up to one additional year by the State upon the PURCHASER'S written request and an advance payment of \$100.00. Any request for an extension shall be made at least thirty (30) days prior to the contract expiration date. Such extension may be granted by the STATE, at the STATE's sole discretion. The total extension time will not exceed one year.

RESERVATIONS: The state reserves the right to waive technical defects in this prospectus and reject any and all high bids. The State reserves the right to award the timber for the amount of the next high bid to the next highest bidder if the Director considers the highest bidder unqualified to fulfill the requirements of the contract, or if the contract is not executed by the highest bidder. The State also reserves the right to waive any informality in the bids received whenever the waiver is in the best interests of the State.

GENERAL: Further information, including copies of this prospectus, bid form, sample contract, appraisal and cruise summary may be obtained by writing to the Northern Southeast Area Forester, P.O. Box 263, Haines, AK. 99827 or by calling (907) 766-2120. The information and documents may also be picked up in person by visiting the Northern Southeast Area Office in Room 26, Gateway Building, 219 Main Street, in Haines.