

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

TIMBER SALE PROSPECTUS
NC-1196-D, BLACK LAKE NO. 3

LOCATION, ACCESS and MINIMUM BID PRICE: NC-1196-D, “BLACK LAKE NO. 3”, a 158.4 acre sale, is located 34.5 air miles southeast of Delta Junction, and is about 3 air miles northeast of the Little Gerstle River highway bridge. It is not within any organized municipality. The sale is accessed by the Alaska Highway 33 miles from Delta Junction. The winter-only access road leading to the sale is located 0.25 miles east along the highway from the Little Gerstle River Bridge. The sale is designated on the ground within the Section 6, Township 13 South, Range 16 East, Fairbanks Meridian, Alaska. The Division estimates 1,619 MBF of white spruce sawtimber is designated on the ground. The minimum acceptable bid will be \$62,655.30. The contract will expire on March 31, 2013. A bid deposit will be 10% of the bid price. Performance bonding required prior to execution is set at \$6,300.00, or 10% of the final bid price rounded up to the nearest \$100.00, whichever is greater.

METHOD OF CRUISING: The sale was cruised or estimated by Division of Forestry personnel. Unit 1 had an estimated 96.91% of the total volume and was cruised by a variable radius plot method with a 20 BAF. Unit 2 had an estimated 2.78% of the volume and had an individual tree cruise with 9.63% of the trees sampled. Unit 3 had an estimated volume of 0.31% of the total volume and was estimated visually by the Delta Resource Forester. Spruce sawlog volumes were calculated using a local Delta area sawlog equation to a 6 inch top. The sale includes all spruce 9.0 “DBH and greater. The spruce pulpwood or fuelwood volume was not estimated. Defect was estimated based on visible indicators, experienced averages in the area, and “Fall, Buck and Scale” data for some sales.

Cruise summaries are available upon request. The State neither expressly nor implicitly warrants its estimate of quantity or quality, or marketability of the timber sold. Prospective bidders should make their own estimates of timber volume and quality. The State neither expressly nor implicitly warrants its improvements estimates. Estimates are used only to establish minimum bid. Each PURCHASER is required to estimate his own costs and bid accordingly.

TOPOGRAPHY AND STAND CONDITIONS: NC-1196-D is on a hill ranging in elevation from 1,300 feet to 1,800 feet. Slopes vary from 5% to 65% with the average being about 30%. There are protruding boulders in the sale area. The sale has a southerly aspect. The sale area is predominately white spruce with some mixture of aspen and birch. The spruce stand has reached its maturity with minor problems from bark beetles and blow-down. Stand age is generally estimated at 130 years.

CONTRACT REQUIREMENTS AND STIPULATIONS: The contract shall be a standard Division of Forestry timber sale contract with necessary special provisions added to cover conditions pertinent to the sale. The following list briefly reviews special conditions of the contract.

Access: The sale area is approximately 4.5 road miles from the Alaska Highway. About 1 mile of the road will cross the Tanana River and the PURCHASER will need to develop an ice bridge crossing. The sale will require 1.3 miles of access road to be constructed by the PURCHASER, to reach the sale boundary. The new construction will start at the end of the existing 3.2 miles of road as shown on the attached sale map. An additional 1.5 miles of proposed road is marked on the ground within the timber sale to facilitate harvest but is not required by contract to be constructed. Access development within the sale area is at the PURCHASERS expense.

The contract requires trees 4” DBH and greater to be felled and moved to the side of the road prior to clearing the vegetative mat. Debris shall be pushed to the northwest side of the road, or in the case of hill side roads, below the road to minimize snow drifting onto the road from the prevailing wind.

Existing Access Improvements: The PURCHASER shall deliver and spread 168 cu. yards of 3 inch minus gravel on the existing winter road as directed by the Forester-in-Charge. Most of the gravel is planned to go on the north side of the Tanana River continuing over the ridge towards Black Lake. The State may also place road fabric before gravel is spread. The State may consider a variance to the size of the gravel upon request by the PURCHASER.

Access across Black Lake Marsh: Additional access across Black Lake Marsh could be permitted and developed to decrease the haul time at the PURCHASER’S discretion. The PURCHASER shall obtain a Fish Habitat permit from the Department of Natural Resources, Office of Habitat Management and Permitting, or its successor, **prior to developing a crossing of the marsh**. The phone number to obtain a permit is 907-459-7254. The route shall be reviewed and approved in writing by the Forester-in-Charge before development. Development of the designated route shown on the attached sale map is required regardless of the access across Black Lake Marsh.

Logging and Maintenance at PURCHASER’S Expense: Normal harvest operations, including roads constructed within the sale, road maintenance, snow removal and ice bridge crossings are at the PURCHASER’S expense.

Scarification: The Purchaser shall complete 40 hours of scarification with a skidder as directed by the Forester-in-Charge. Other equipment may be substituted with the approval of the Forester-in-Charge. Any unused hours of scarification shall be used for road maintenance or other improvements as directed by the Forester-in-Charge.

Erosion Control: The contract requires the Purchaser to ensure that erosion does not occur along the access road. The area of most concern is the access road on the east side of the Tanana River. The Purchaser will install water bars, grass seed and fertilize, and install fabric mats as necessary to ensure that erosion does not occur. The PURCHASER'S bond and stumpage deposits may be retained to repair damages to existing or newly constructed access roads damaged by the PURCHASER'S operations or by erosion.

Leave Tree Protection: The Delta Management Area has an emphasis on preserving and protecting unmarked white spruce seedlings, saplings and pole timber located in the sale which are suitable for future crop trees. The PURCHASER is expected to identify these trees during operations and protect them from damage. Consequently, harvest operations may take more time, resulting in higher logging costs. All balsam poplar and other deciduous trees and trees smaller than the minimum harvest diameter shall be protected from top or root damage during operations.

Yarding: The only portion of trees which shall be left in the woods are tops of trees 6 inches or less in diameter.

Tanana River Crossing Permit: The PURCHASER shall obtain a Fish Habitat permit from the Department of Natural Resources, Office of Habitat Management and Permitting, or its successor, **prior to developing a crossing of the Tanana River**. The phone number to obtain a permit is 907-459-7254.

Sale Closure: The PURCHASER shall provide 5 hours operation of a D-7 dozer, or equivalent, to complete road maintenance, road closure, sale clean-up, or scarification as directed by the Forester-in-Charge. Logging equipment that is on site may be substituted for the D-7 dozer with the approval of the Forester-in-Charge.

PRIMARY MANUFACTURE: Primary manufacture of the timber in Alaska is NOT required.

METHOD OF PAYMENT: This is a "lump-sum" sale. The PURCHASER shall pay the full contract price for the sale, or any payment unit of the sale, before any timber may be cut or removed from the sale. Stumpage payments are non-refundable.

BONDING: The PURCHASER, upon the execution of this contract, will file with the State a timber sale performance bond which will be 10% of the final bid price rounded up to the nearest \$100.00, or \$6,300.00, whichever is greater. The bid deposit may be applied against the timber sale bond.

CONTRACT EXPIRATION: The contract period expires on March 31, 2013.

AUTHORITY: The cutting and removal of timber shall be carried out under the authority of the Alaska Statutes, Title 38, Public Lands, Chapter 05, Alaska Land Act, Article 4, entitled "Disposal of Timber and Materials," and Title 11, Alaska Administrative Code, Chapter 71, Articles 1-5 inclusive, referred to as the "Timber and Material Sales" Regulations.

SALE PROCEDURES-BID DEPOSIT REQUIREMENTS: This is a SEALED BID, LUMP SUM SALE. To qualify for bidding, all bidders must, prior to the bid opening, submit a **current Alaska Business License** and the minimum bid deposit specified above, in the form of cash, certified check, cashiers check, money order, or any combination thereof, payable to the State of Alaska, Department of Natural Resources. **Personal checks will not be accepted for the opening bid deposit.** Sealed bids shall be submitted on a forms provided by the Division of Forestry, in a an envelope, marked on the outside with the timber sale name and number, and addressed to the Delta Area Office, Division of Forestry, PO Box 1149 Delta Junction, Alaska, 99737. Sealed bids may also be presented in person to the Delta Area Forester at Mile 267 ½ Richardson Highway, Delta Junction, Alaska, 99737. **Bids will be accepted until 2:00 p.m. prevailing time on April 8, 2008.**

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, which is the only bid item. The sealed bid shall state the bid price per one thousand board feet (MBF) to the whole cent. The minimum acceptable bid for the sale is \$38.70/MBF.

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

If bidding as an agent for an individual, a partnership, corporation, or other legally established firm, the agent must present a power-of-attorney or other notarized authorization creating such agency to the selling agent. 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 ten (10%) percent 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 deposits furnished by the high bidder whose bid was declared acceptable will be retained as liquidated damages if the high bidder does not execute the contract and furnish satisfactory bonds within thirty (30) days of receipt of the contract for execution. The bid deposit shall be in the form of cash, certified check, money order, cashier's check or any combination of these in favor of the State of Alaska, Department of Revenue. All of the successful bidder's deposits will be credited to the total amount due to the State for stumpage or bonds.

If no bid is received at the auction, the sales may, at the discretion of the director, be made available over the counter.

BID REJECTION: A bid containing or submitted with a condition or qualification on or a material alteration of the terms as specified in the notice of sale, or which is otherwise not in accordance with the law, will be rejected.

TIMBER SALE REVIEW: Anyone interested in visiting the proposed sale will need to contact the Delta Forestry Office and set up an appointment to visit the sale with a State Forestry employee. Individuals with disabilities who may need help with visiting the sale or bidding should contact the Delta Area Forester at 895-4225 no later than March 15, 2008 to make any necessary arrangements.

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 high 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 interest of the State.

GENERAL: Further information, including copies of this prospectus, bid forms, sample contracts, copies of sale appraisal, etc. may be obtained from the Delta Area Office, Division of Forestry, Mile 267 ½ Richardson Highway, Delta Junction, Alaska 99737, or by contacting Steve Joslin by phone at 907-895-4225 or 895-2108, or by email at Steve.joslin@alaska.gov.