



BIDDING PROCEDURES FOR BOUGH SALES AUCTION

Washington's Department of Natural Resources (DNR) manages about 2.1 million acres of forested state trust lands throughout the state. From these forests areas are selected for evergreen bough harvests. Periodically, DNR (the State) holds a public auction for parties to bid on the right to harvest evergreen boughs from trees on the specific site, for a specific period of time. Following are information and general requirements for DNR's Bough Sales Auctions.

GENERAL INFORMATION

1. The State does not guarantee the accuracy of any information contained herein pertaining to a particular sale; therefore, all prospective bidders are urged to make their own independent inspections and appraisals.
 2. If any conflict exists between the information in the Notice of Bough Sale Auction and that in the Bough Sale Contract, the contract will prevail.
 3. The high bidder on a particular sale will have the option to withdraw additional sealed bids for any remaining sales to be auctioned. The high bidder must exercise this option within **two minutes** after the apparent successful lease is awarded and before the next lease is offered.
 4. Within 30 days of sale, the high bidder will pay the performance security specified on each Notice of Bough Sale Auction.
 5. A bough sale is subject to the Washington State Excise tax (the purchaser is defined as Extractor.) RCW 82.04.100 AND RCW 82.04.230
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Auctioning Time and Place

A Bough Sale Auction will start at 10:00 a.m. on the date and at the location specified in the Notice of Bough Sales Auction.

Bidding Process

1. All bough leases will be auctioned using the sealed bid method, unless otherwise specified in the notice.
2. Bids submitted on day of the bough sale auction must be in the bid box or bid envelope at the specified auction location before 10:00 a.m.

3. Mailed bids must be received by the respective DNR region office by 4:30 p.m. on the last business day before the bough sales auction.
 4. **All** bids must include the completed sealed bid form and bid deposit. (See bid deposit payment next page.)
 5. DNR will not accept bid forms which are filled out incorrectly. Directions are on the back of the Bough Sale Sealed Bid Form. A bid deposit must be included in the sealed bid envelope.
 6. If no bids are received for a bough lease, the lease may be re-advertised.
 7. If a tie bid occurs, the names of the tie bidders will be placed in a hat and the apparent successful bidder will be determined by a drawing.
 8. Subject to payment of all monies due at the time of auction, the highest bidder will be considered the successful bidder.
 9. The State reserves the right to waive any irregularity in any bid packet, to reject any and all bids, and to re-advertise the bough lease.
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Bid Deposits

1. Required bid deposits are listed on each Notice of Bough Sales Auction. The bid deposit equals 10 percent of the bid value of the lease.
 2. Deposits must be in the form of cash, certified check, cashier's check, postal money order or bid bonds.
 3. All payments will be made payable to the Washington State Department of Natural Resources.
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Bid Deposit Payment

1. The value of the Bid Deposit for all sales is 10 percent of the bid value.
2. Bid Deposit Payment must be in the form of a certified check, cashiers check, personal check, cash or postal money order in the amount specified on the Notice of Bough Sales Auction.
3. **Example of how to calculate your Initial Deposit: Lump Sum**

The high bidder is determined by adding the bough minimum bid and the bonus bid together.
Example — the Minimum Bid is set at \$10,500 for a specific bough sale.

Bidder "A" bid \$10,500 for boughs, and placed a Bonus Bid of \$1,000. Total bid value is **\$11,500**, and Bid Deposit is 10% of that value or \$1,150.

Bidder "B" bid \$10,500 for boughs and placed a Bonus Bid of \$2,500. Total bid value is **\$13,000**, and Bid Deposit is 10% of that value or \$1,300.

(Bidder "B" is high bidder and purchaser of that particular bough sale)
