



WASHINGTON STATE DEPARTMENT OF
NATURAL RESOURCES

**NOTICE OF INTENT TO LEASE STATE TRUST LANDS FOR DRYLAND
AGRICULTURE AT SEALED BID PUBLIC AUCTION**

APPLICATION NO. 12-106439

The State of Washington, Department of Natural Resources, hereinafter called the "State", is offering a 10 year lease at sealed bid public auction for State trust land located in Stevens County, Washington.

Sealed bids will be opened on April 30, 2024, at 10:00 AM at the region office of the State, whose address is noted below. All bids must be received no later than this date and time. For more information, contact Land Manager, Shawn Soliday at (509) 998-2811, or call the Northeast Region Office at (509) 684-7474.

Bids must be placed in a sealed envelope and marked as follows:

| | |
|---------------------------|------------------------------------------|
| SEALED BID | STATE OF WASHINGTON |
| Date: April 30, 2024 | DEPARTMENT OF NATURAL RESOURCES |
| Application No. 12-106439 | NORTHEAST REGION OFFICE |
| | 225 S Silke Rd., Colville, WA 99114-9369 |

1. **GENERAL INFORMATION:**

A. Property Information

- 1) Acres: 80 acres
- 2) Permitted Use(s): 18 acres Dryland Agriculture Hay
- 3) General location: 10 miles southeast of Chewelah, Washington

- 4) Legal description: E1/2SE1/4, Section 16, Township 31 North, Range 41 East, W.M., Stevens County, Washington, containing 80 acres.
- 5) Access: Easement Road from Cottonwood Road or adjacent ownership
- 6) Water: Seasonal runoff
- 7) Improvements: Undivided one-half interest 1/2-mile fence, east property line

B. Development: Dryland acres have not been cropped for over 30 years. Native and introduced grasses are present. Plan of Operations 2F below requires a written plan for each year of the proposed lease term.

- 1) Water: NA
- 2) Improvements: None

C. Rental Payment

Cash payment in Subsection 1.04 is the minimum acceptable bid for the lease. Offers for additional cash payment must be in increments of \$5.00 or more.

D. Bonus Bid Deposit

As provided for in Section 2 “Deposit” of this notice, the bidder may include as part of the required deposit, a cash bonus bid. The cash bonus bid is a one-time payment, and is in addition to all other payments. The amount of cash bonus bid offered will be considered in determining which bid is most beneficial to the State.

Each bid is required to contain a check, certified check, or money order, payable to the Department of Natural Resources equal to the subtotal plus the amount of cash bonus bid.

E. Special Requirements

Plan of operations required for dryland operation.

F. Management Requirements

The successful bidder shall prepare the land, establish, grow, manage, and market all crops, and furnish and/or install all materials, as required by the lease.

G. Attachments

Attached to this notice is the following supplementary information:

- 1) Proposed Lease.
- 2) Location Map.
- 3) Map of premise.

2. **SEALED BIDS:**

The following items and information must be included in the sealed bid packet and individually identified in the order shown:

A. General Information

Name, address and telephone number of the bidder, and any other individual who can be contacted for further information. If the entity which will execute the lease is different than the bidder, please provide entity name, address and telephone number.

B. Financial Statement

For each individual and/or entity who will execute the lease, provide one or more letters from financial institutions or prospective lenders attesting to net worth and/or evidence of financial resources and ability to complete the lease operation and/or development as proposed. This information will be held confidential to the extent permitted by law.

C. Qualifications

Two (2) years of work experience in the successful management of a dryland crop, including planting, insect and weed control, harvesting, knowledge of handling, storage and marketing. References attesting to this experience are required from warehouse, processors, buyers, or other appropriate local businesses unless the bidder and/or entity which will execute the lease has established their qualifications as a prior holder of a State dryland agriculture lease.

E. Deposit

Check made out to the Department of Natural Resources:

| | |
|---------------------------------------------|----------|
| First period annual rent 2024 | \$395.28 |
| Leasehold tax on first period rent (12.84%) | \$50.75 |
| Stevens County Weed Assessment | \$12.00 |
| Subtotal | \$ |
| Cash Bonus Bid | \$ _____ |
| Total Deposit | \$ _____ |

F. Plan of Operation

Clearly state a plan of operation for each year of the proposed lease term. As a minimum, the plan must specify crops to be grown, acres to be planted, dates by which crops and acres will be planted, crop varieties, and crop rotation plans.

If grazing is planned, submit a grazing plan of operation that includes your proposed dates of use, cattle numbers, and any plans for fence or other improvement construction. Describe how you plan to provide livestock water as this property does not have a water source, on site.

F. Plan of Development

This plan shall contain, maps and completion dates with regard to at least the following items, where applicable:

- 1) Land clearing and soil preparation.
- 2) List proposed improvements, such as fences, to be placed on the premises.

If bidder proposes to sublease the Premises for a given crop(s) in the rotation or permitted use(s), provide the following information:

Sublessee name, address, phone number, and email address. Describe the proposed authorization such as full or partial sublease, sublease for a rotation of certain crops, etc. List crop(s) or use(s) to be subleased.

Address any additional items requested in Subsection 2.02 of the proposed lease.

3. SEALED BID EVALUATION AND AWARD OF LEASE:

- A. At the time and place previously specified in this notice, the bids will be opened and recorded by at least two (2) representatives of the State.
- B. Each item outlined in Section 2 of this notice must be included or the bid may be rejected. The State will review each bid proposal. If there are any questions about the bid proposal resulting from this review, the State may contact the bidder prior to making a decision.
- C. The State will choose a successful bidder after all bids have been evaluated to determine which offer is most beneficial to the State.
- D. A lease in substantially the same form as the attached proposed lease will be submitted to the successful bidder.

If the offered lease is not signed and returned to the State within twenty (20) days of mailing the lease to the successful bidder, any claim to the lease and the prepaid deposit may be forfeited to the State, at the option of the State, as fixed, agreed and liquidated damages, but not as a penalty. However, any money collected as a deposit for the value of improvements shall be returned. A lease may then be offered to the bidder who submitted the next most beneficial bid.

- E. Deposits will be returned to all unsuccessful bidders within sixty (60) days of the auction, or upon the State's receipt of a signed lease from the successful bidder, whichever occurs first.
- F. The State reserves the right to waive any irregularity in any bid, to reject any and all bids, and to accept any bid although it may not purport to offer the highest financial return if that bid appears to be in the best interest of the State. All bids become the property of the State and will not be returned.

4. PROPRIETARY INFORMATION/PUBLIC DISCLOSURE:

Materials or information submitted in response to this bid shall become public records within the meaning of RCW Chapter 42.56 and are subject to disclosure to the public unless an exemption applies.

The lands described herein will be leased, subject to all terms, conditions and reservations of the statutes, now provided for the leasing of lands under the jurisdiction of the Washington State Department of Natural Resources.

The information contained in this Notice is of a general nature only. It is the responsibility of the bidder to review the attached lease.

Executed on behalf of the Commissioner of Public Lands this ___ day of _____, 20__.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Pat Ryan
Northeast Region Manager