

Invitation for Bids on Timber Stumpage

DEPARTMENT OF NATURAL RESOURCES
KETTLE MORaine STATE FOREST - SOUTHERN UNIT
Timber Sale Tract 2 - 2020
Old Strawberry #4 Sale

The Wisconsin Department of Natural Resources is offering for sale certain timber on the following described areas in the Kettle Moraine State Forest - Southern Unit.

The sale will be sold as one tract. Prospective bidders are urged to examine this timber and to make their own evaluation of quality and quantity. **Note:** This sale is being sold by weight, **bids must be in price per ton for all species.**

Tract 2 - 2020 Old Strawberry #4 Sale - Part of Section 36 in T6N R17E, Ottawa Township in Waukesha County.

This sale includes a total of 93 acres, with 90 acres being conifer plantations, with 3 acres of adjacent hardwoods in a few spots. The harvest involves a fourth thinning of the northern 59 acres, and a second thinning of the more scattered 34-acre stand of pines at the south end. The entire area is individually marked for harvest with orange paint on the stem and on the stump, and all marked trees are to be cut. In addition through the entire sale area, all aspen, elm, ash, box elder and mulberry in the sale area are to be cut whether marked or not. The timber sale maps show the areas marked for harvest.

Timber Sale Summary

| <u>Species</u> | <u>Estimated Volume</u> | <u>Minimum Price per unit</u> |
|----------------|-------------------------|-------------------------------|
| Red Pine | 1,260 tons | \$13.10 per ton |
| White pine | 675 tons | \$12.00 per ton |
| Spruce | 20 tons | \$11.30 per ton |
| Mixed Hardwood | 175 tons | \$3.30 per ton |
| Aspen | 45 tons | \$3.30 per ton |

Sealed bids will be received by the Forester up to 1:00 pm on Monday, May 11, 2020 at the Kettle Moraine State Forest Headquarters, S91 W39091 Highway 59, Eagle, Wisconsin 53119. Bids will be opened at that time.

Bids shall include the following and be submitted on Form #2400-49.

1. Tract number
2. List of species to be cut and estimated volume
3. Bid prices per unit for each species and product
4. Signature and address of bidder

The Department of Natural Resources reserves the right to reject any or all bids.

These lands are 3rd party certified.

Timber Sale Prospectus and Contract Procedures

A. Bidding, Payment and Contract Procedures.

1. Bids shall be submitted in sealed envelopes and marked "Bid for Timber Stumpage" on the outside.
2. The Department of Natural Resources reserves the right to reject any and all bids.
3. Bids will be accepted or rejected within 14 days at which time a contract will be drawn up and signed.
4. **No bid bond is required when bidding on this sale**, however winning bidders will still have to submit a performance bond equal to 15% of the estimated sale value using any of the normal forms of payment: cash, a certified check or bank money order, company (personal) check, or irrevocable letter of credit, to be held until the contract is fulfilled. ** If the winning bidder fails to execute the contract and submit an acceptable performance bond, the bidder shall be required to forfeit to the department an amount equal to 10% of the total bid amount. Failure to forfeit the 10% penalty will result in the bidder being considered ineligible to bid on any state timber sales for a two-year period.
** If an irrevocable letter of credit is to be used for the performance bond, then the term of the letter MUST extend six months beyond the contract expiration date. As this contract will expire on May 25, 2022, then an irrevocable letter of credit shall run through November 25, 2022. After satisfactorily completing the sale, the bond may be credited as payment for stumpage (on another state timber sale), refunded, or withheld in total, or in part, as liquidated damages according to the condition of the sale.
5. All stumpage payments will be cash, certified check or bank money order, or company (personal) check. Stumpage payments shall be made before the removal of timber from the sale area unless otherwise specifically authorized by the Department forester administering the sale.
6. The contract period will be for two (2) years, expiring on May 25, 2022. Certification of workmen's compensation must be provided before the contract will be signed.
7. **LOGGER TRAINING REQUIREMENT:** As of 1/1/2006, the Wisconsin Department of Natural Resources requires that logging contractors that operate on state land be appropriately trained. This is to comply with forest certification requirements and to promote the health and welfare of logging contractors. Purchasers of state timber sales are responsible for ensuring that the actual logging contractor engaged in the performance of the contract complies with the Wisconsin SFI (Sustainable Forestry Initiative) Training Standard as adopted by the Wisconsin SFI Implementation Committee. Criteria for the standard can be found at the website www.fistausa.org/sfi_standards or by contacting the Forest Industry Safety & Training Alliance (FISTA). Documentation confirming completion of the training standard will be required prior to signing sale contracts.

B. Cutting and Operational Requirements

1. Cutting specifications are shown on the timber sale map. Cut all trees marked with orange paint on the stem and on the stump, unless otherwise designated by the Forester. In all areas, cut all aspen, elm, ash, box elder and mulberry within the sale area whether marked or not.
2. All trees marked or designated for cutting shall be utilized to a four-inch top diameter. Maximum stump height shall not exceed stump diameter. Damage to residual trees is to be kept at a minimum, and careless equipment operation will not be tolerated.

3. All slash shall be lopped and/or scattered to lie within three feet of the ground; slash must also be removed from all public access trails and roads. Slash shall be removed from trails so that it does not lie on OR protrude into the trail zone. Slash that may fall in these areas must be removed immediately. This is to be done concurrent with the cutting operation.
4. ***Special Note:*** The stumps of all pine trees cut on this sale are to be treated with an approved product to prevent infection by heterobasidion root disease (HRD). This can be done by the contracting logger's crew if certified to apply pesticides, or a private contractor can be hired to treat the stumps as the harvest occurs, within 48 hours of being cut. Blue dye must be used with the spray mix to identify stumps that have been treated. If the stumps are being treated by hand, all reasonable efforts must be taken during the felling and skidding to keep slash off of the pine stumps to make it easier to find them and treat them. The logging crew must maintain communication with the pesticide applicator so that the applicator knows when logging is occurring, when to be on site to treat stumps, and where the cutting has occurred.
5. This sale area is crossed by a state trail as shown on the timber sale map, which is a horse/snowmobile trail. Damage to these trails will not be tolerated and any damage that may occur must be repaired immediately. The trails may be crossed by equipment as needed as long as conditions allow (frozen or dry and firm ground) but running equipment on the trails shall not occur unless permitted by the Forester.
6. Rutting is a serious concern of this forest. Varied skidding routes should be taken, if necessary, to avoid excessive rutting. Excessive rutting or any other damage caused by the harvesting operations must be repaired in a timely manner to the satisfaction of the Forest Superintendent. Ruts will be considered excessive if they are 6 inches or greater in depth. Within 100 feet of the trails, rutting excessiveness will be determined by the Forest Superintendent, and may be more restrictive than the 6" maximum.
7. The location of yarding sites is subject to advance approval of the Forest Superintendent and Forester. Yarding areas must be cleared of stumps, down trees, trash and kept neat and in good repair during the contract period. Cut-offs or other wood debris must be cleared from the site in a neat manner, not simply pushed in a pile at the edge of the area used.
8. The Forest Superintendent or Forester reserve the right to terminate logging activities during unusual weather conditions.
9. The cost of the repair or replacement of any land survey, monument or accessory that is removed, destroyed or made inaccessible shall be withheld from the deposit. In the event that the deposit is insufficient to cover such cost, the provisions of Statute 59.635 shall be enforced.
10. Cutting of these areas shall be completed during the contract period. ** This includes the removal of the cut wood from the sale area. Extension may be granted by the DNR or its authorized representative for six month periods, at their discretion. *** A reasonable effort must be shown to complete the sale during the contract period to warrant an extension. No penalty will be assessed for the first extension. All stumpage payments will be increased 5% for the second extension and increased 10% for additional extensions.

C. Operator Instructions for Wood Hauling and Scaling Procedures.

1. Mill scale, weight or measured, shall be used for pulpwood and sawtimber. The ticket system will be utilized for all wood hauled. If scaling conversions are necessary, they shall be calculated at the rate of 2.44 cords per one thousand board feet for conifers (pine and spruce), and 2.20 cords per one thousand board feet for hardwood and aspen. Weight conversions, if necessary, will be at the following rates:

4,750 pounds per cord for red pine, 4,500 pounds per cord for white pine, 4,000 pounds per cord for spruce, 5,000 pounds per cord for mixed hardwoods, and 4,500 pounds per cord for aspen. If wood is being hauled to a purchaser that cannot or will not return a scale slip to this Forest, then the wood must be scaled by the Forest representative before being hauled.

2. Price per ticket (for contractors required to pre-pay, or those preferring this method) will be based on bid price per cord and average cords per haul.
3. A wood hauling ticket must be made out for each truckload of wood leaving the sale area.
4. The wood hauling ticket will be filled out, and the top copy detached and dropped in a lock box BEFORE the loaded truck leaves the sale area.
5. Truck driver must have corresponding and current sale hauling ticket in possession when transporting state forest wood.
6. The Department of Natural Resources reserves the right to have its agents check scale at any time.
7. The third portion of the wood hauling ticket must be detached and deposited with mill scaler at the time of wood delivery.
8. The timber sale contractor will be accountable for all hauling tickets issued to him.
9. Upon completion of the timber sale, all unused haul tickets will be returned to the Kettle Moraine State Forest - Southern Unit headquarters.
10. Hauling tickets may not be transferred between contractors.
11. Lock boxes will be provided by the Department of Natural Resources representative.
12. A list of all wood destinations will be given to the Forester by the operator. Any change in wood destination will be reported to the Forester before any wood products are hauled to the new destination.
13. Failure to follow the above provisions will be a violation of the sale contract.

Notice: Completion of this form is mandatory. The Department will not recognize your bid unless you complete and submit this form. Personal information collected will be used for program administration and may be provided to requesters as required by Wisconsin's Open Records law [ss. 19.31-19.39, Wis. Stats.].

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|------------|
| Date |
| 04/14/2020 |

| |
|-------------|
| Bidder Name |
|-------------|

| | | | |
|----------------|------|-------|----------|
| Street Address | City | State | ZIP Code |
|----------------|------|-------|----------|

| | |
|---|--------------------------|
| Property Name (if any) Kettle Moraine State Forest - Southern Unit | Tract Number 2 - 2020 |
|---|--------------------------|

| | |
|--|---|
| Date and Hour of Bid Opening Monday May 11, 2020 at 1:00 PM | Minimum Acceptable Bid (optional) \$ |
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| Species-All bids including Lump Sum bids must be by species | Utilization Specifications | Advertised Value Per Unit (optional) | Estimated Volume | Volume Units | Price Bid Per Unit | Total Bid Value on Estimated Volume |
|--|-------------------------------|--|---------------------|-----------------|-----------------------|---|
| Red pine | 4" min. top diameter | | 1,260 | tons | | |
| White pine | " | | 675 | tons | | |
| Mixed hardwood | " | | 175 | tons | | |
| White spruce | " | | 20 | tons | | |
| Aspen | " | | 45 | tons | | |
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The award shall be based on this TOTAL BID AMOUNT:

Performance Bond Will be in the form of: (select one)

| | |
|--|---|
| <input type="radio"/> Cash | <input type="radio"/> Assurance Bond |
| <input type="radio"/> Personal Check | <input type="radio"/> Certificate of Deposit |
| <input type="radio"/> Certified Check/Money Order | <input type="radio"/> Assignment of Savings Account |
| <input type="radio"/> Irrevocable Letter of Credit | |

I understand that any or all bids may be rejected and that consideration and awarding of a contract will be based upon my past performance and ability to complete contracts. I also understand that if I am the winning bidder, I have 6 weeks from the date of the bid opening to submit an acceptable performance bond. I also understand that if I am awarded the contract and fail to execute it or work under it, I will be required to forfeit to the Department an amount equal to 10% of my total bid amount. Failure to forfeit the 10% penalty will result in being considered ineligible to bid on any state timber sales for a two-year duration. In the event the highest bidder can not or will not sign the contract, the award will be made to the next highest qualified bid.

Notice: I understand:

Utilization specifications and estimated volumes are listed in the prospectus which is available upon request from the Department.

A copy of the standard timber sales contract which must be entered into is available upon request from the Department.

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| Signature of Bidder |
| Bidder's Name (Please Print or Type) |
| Phone Number (include area code) |
| Email Address (optional) |