

DEPARTMENT OF NATURAL RESOURCES
Division of Forestry

PUBLIC NOTICE

Invitation for Bids on Timber Stumpage

A second bid opening for tracts not sold on January 27, 2021, will occur at 9:00 AM on Wednesday, February 10, 2021. Sealed bids will be received at the **DNR Peshtigo Service Center, 101 N. Ogden Road, Suite A, Peshtigo, WI, 54157**, up to **9:00 a.m. on Wednesday, February 10, 2021**, and will be publicly opened immediately thereafter for timber stumpage included in this prospectus. Due to COVID-19 office closures, contact DNR Forestry Specialist Kate Lenz at 920-306-3988 to make arrangements for in-person bid delivery. The State of Wisconsin, Department of Natural Resources reserves the right to reject any or all bids and to accept the bids they deem most reliable. All timber sales advertised are Third Party Certified.

Due to COVID-19 restrictions, these bid openings will be **CLOSED** to the public and contractors. If you wish to attend via tele-conference, please use the following procedure to call in and attend via telephone. If you have issues with the conference call options on the day of the bid opening, contact Kate Lenz at (920) 306-3988.

Telephone call-in number: (866) 715-6499 Passcode: 6126362984#

BIDDING REQUIREMENTS

All bids must be submitted on a Department Timber Sale Bid (Form 2400-049) and sealed in an envelope clearly marked on the outside - **“SEALED BID – TIMBER STUMPAGE”**. State sales require that the minimum total bid price be met or exceeded. **An acceptable bid must have a price for each species and product listed, but only the total has to meet the minimum total advertised bid price to be accepted as a valid bid.** In the case of a tie bid, the bidders must resubmit new bids within three days. Failure to resubmit bids will invalidate the original bid and the sale will be awarded to the other bidder. At any time prior to the reading aloud of any bids for a particular sale, bidders may withdraw their bid from consideration. Upon request, bids can also be withdrawn prior to the bid opening date.

Bids shall include all of the following information:

1. Tract number OR advertised sale name.
2. List of all species to be cut, utilization specifications, estimated volumes as listed on the timber sale prospectus/map and a bid price per unit for each species and product listed. A bid will be rejected if any individual species/product bid is \$0.
3. **A bid bond is NOT required.** Winning bidders will have 2 weeks from the date of the bid opening to sign the contract and 6 weeks from the date of the bid opening to submit an acceptable performance bond to the department. 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.
4. Check off the type of performance bond to be used in the appropriate box on the bid form. ***See additional requirements for performance bonds below.**
5. Signature and address of bidder.

ADDITIONAL REQUIREMENTS

Performance bonds of a minimum of \$1,000 or 15% of the total bid value is required upon the signing of a timber sale contract. Contracts must be signed within 2 weeks of the bid opening and performance bonds must be received within 6 weeks of the bid opening. Expiration dates for assurance bonds or letters of credit **shall not be less than 4 years from the contract beginning date and extend at least one year past the contract ending date**, as evidence of the bidder's intention to faithfully carry out the provisions of the contract. Upon completion of the timber sale, the performance bond may either be refunded/released or withheld in total or in part as liquidated damage according to the conditions of the sale. Performance bonds will not be applied toward the final stumpage payment.

Sales Tax Exempt Status: The purchaser must provide a completed and signed copy of the Wisconsin Department of Revenue Sales Tax Use Exemption Certificate (WI Department of Revenue Form S-211) at the time of contract signing and performance bond remittance. <https://www.revenue.wi.gov/DORForms/s-211f.pdf>

Training Requirement: The purchaser shall ensure that at least one in woods person actively engaged in performance of this contract and responsible for the logging site complies with the Wisconsin SFI (Sustainable Forestry Initiative) Training Standard as adopted by the Wisconsin SFI Implementation Committee (SIC). Criteria for the standard can be found at the website <https://www.fistausa.org/fista/default.asp> or by contacting Forest Industry Safety & Training Alliance (FISTA) directly. The purchaser must provide documentation to the Seller that training has been attained.

Worker's Compensation Law Certificate: The purchaser shall provide the Department with an original Certificate of Insurance indicating that Worker's Compensation Insurance coverage is provided for all of the purchaser's employees working under the contract during its duration. Purchasers claiming an exemption from the Wisconsin Worker's Compensation Act must provide proof that they are not required to have it. This Certificate must be in the Department file prior to the beginning of any work within the contract area. The purchaser shall notify the Department in writing immediately upon any change in or cancellation of insurance coverage required under the contract.

Heterobasidion Root Disease – HRD (formerly Annosum Root Rot) Treatment: Some of the timber sales advertised **REQUIRE** the Purchaser to complete HRD treatment within the timber sale area. Review the timber sale information and maps closely to determine where and when treatment is required. Treatment will follow the most current risk-based prevention guidelines. Treatment must be performed by a Certified Pesticide Applicator through Wisconsin Department of Agriculture, Trade, and Consumer Protection. Proof of Certification will be required prior to starting treatment. The Seller will not provide the fungicide for application. The purchaser is required to report the type and amount of fungicide used. For additional HRD information: <http://dnr.wi.gov/topic/foresthealth/annosumrootrot.html>

GENERAL SALE CONDITIONS

The following conditions apply on all timber sales unless stated differently on the individual sale map.

Contracts:

1. A sample State of Wisconsin Timber Sale Contract is available for review prior to bidding.
2. Contract ending dates are listed for each timber sale. **Cutting on these sales shall be completed during the original contract period. Contract extensions with stumpage increases will be granted only when the purchaser can show just cause for an extension.**
3. Contracts are not to continue for longer than a 4-year period. Requests for contract extensions must be submitted prior to the expiration date of the contract. Stumpage price increases for extensions vary based on the original contract length determined by sale size and restrictions.

Cutting and Utilization:

1. Each timber sale has individual specifications. Be sure to read all the conditions and requirements listed on the individual sale map and within this prospectus carefully. Contact the DNR Forester listed for the sale if you have questions prior to bidding. Harvest restrictions listed for each sale may be lessened during the contract period based on updated policy and/or research.
2. Whenever a sale area is divided into two or more cutting zones, one zone must be completed before cutting may begin within another zone, unless authorized. Trees designated not to be cut may not be removed for any reason without permission from the Wisconsin DNR.
3. All trees designated for cutting that will make one or more 100-inch pulpwood sticks to the minimum top diameter chosen by the bidder will be cut, unless specific otherwise. All timber marked or designated for cutting will be utilized whether the quantity is more or less than estimated.
4. Volume to be cut is estimated, but not guaranteed. Volumes are estimated and bid to a standard 4" minimum utilization standard for pulpwood and 10" for sawlogs unless indicated otherwise. If the timber volume exceeds the estimate, as a whole or by species, the purchaser has the obligation to cut and remove it, paying the unit bid price. If there is less timber than estimated, there is no obligation of the seller to make up the "shortage".
5. Fuelwood can only be harvested in approved biomass harvest sales – noted for each advertised sale. Fuelwood is defined as dead trees, unmerchantable parts of the trees, and wood less than 4" diameter on marked or designated trees that are not utilized as pulpwood. If utilization to a smaller diameter is desired by the contractor and approved

by the property manager and forester, a price and volume estimation to account for the additional fiber harvested will be agreed upon and included in the timber sale contract payment schedule.

6. Unless noted, all slash shall be lopped and scattered within 30 inches of the ground. No slash shall be left hung-up or placed across property lines.
7. Oak trees may not be cut between April 15th and July 15th to prevent the spread of oak wilt, unless specific otherwise on the sale map or within this prospectus. Exceptions may be considered on a case by case basis.

Roads, Trails, and Landings:

1. All landing locations and wood access roads need prior approval before construction begins.
2. Woods roads, trails, and landings shall be restored to contract specifications prior to sale closeout. All merchantable wood bulldozed out during road construction must be utilized.
3. Unless indicated otherwise, all access or use of adjacent private lands is the responsibility of the bidder.
4. It is the responsibility of the purchaser to any required permission from the appropriate Township to haul upon or deck wood along Town Roads.

Scaling Specifications:

1. Each sale specifies how the wood will be scaled and sold: lump sum, mill scale, or field scale.
2. Any firewood sold to a private entity by the purchaser must be stick-scaled by the DNR prior to leaving the timber sale, unless an alternate method of sale and volume accounting is agreed upon by all parties.
3. Stumpage sold as mill scale that will not be hauled to a scale or will be hauled to a mill owned by the Purchaser must be field scaled by the DNR Forester. Unless specified otherwise, the purchaser should provide a minimum 2-day notice for a requested field scale. For sales sold by tons, the enclosed DNR weight conversions will be used for field scaling.
4. When there is no sawlog volume listed on the timber sale prospectus, bolts and logs may be scaled as cordwood. Scale sheets with board feet volumes (using the Scribner Decimal “C” log rule) will be converted to cordwood volume using standard DNR conversion factors.
5. The conversion factor for cordwood to MBF is 2.44 cords per MBF for softwoods, and 2.20 cords per MBF for hardwoods.
6. When peeled cordwood is scaled, 12.5% will be added to hand peeled volume.
7. Lump sum sales required pre-payment for the entire sale amount prior to any harvesting or work on the sale begins. Larger lump sum sales may be broken into defined zones for payments.

Best Management Practices: Wisconsin’s Best Management Practices for Water Quality (BMP’s), Best Management Practices for Invasive Species, and Woody Biomass Harvesting Guidelines must be followed on all DNR timber sales. Copies of each are available from the DNR. Equipment must be cleaned prior to starting and leaving timber sales to prevent the introduction and spread of invasive species.

Weight Conversion Factors: The following weight conversion factors will be used to convert from standard cord to tons.

CORDWOOD WEIGHT CONVERSION FACTORS (POUNDS PER CORD AND TONS PER CORD)

| Species | Weight (lbs) | Weight (tons) | Species | Weight (lbs) | Weight (tons) |
|-----------------------|--------------|---------------|---------------|--------------|---------------|
| Hemlock | 4800 | 2.400 | Yellow Birch | 5350 | 2.675 |
| Tamarack | 4650 | 2.325 | Hard Maple | 5100 | 2.550 |
| Red Pine | 4500 | 2.250 | Beech | 5050 | 2.525 |
| Jack Pine | 4250 | 2.125 | Elm | 5000 | 2.500 |
| Balsam Fir | 4250 | 2.125 | Balsam Poplar | 4900 | 2.450 |
| White Pine | 4200 | 2.100 | White Birch | 4800 | 2.400 |
| Spruce | 4000 | 2.000 | Cottonwood | 4650 | 2.325 |
| Cedar | 3150 | 1.575 | Ash | 4600 | 2.300 |
| White Oak | 5850 | 2.925 | Soft Maple | 4550 | 2.275 |
| Red Oak | 5500 | 2.750 | Aspen | 4500 | 2.250 |
| Hickory | 5400 | 2.700 | Basswood | 3850 | 1.925 |
| Mixed Hardwood | 4800 | 2.400 | Locust | 5300 | 2.650 |

Payments: Timber will not be removed from any sale area until paid for or a satisfactory guarantee for payment is made. Qualifying purchasers have the option for deferred payments. Under this option, payment for scaled or haul ticket wood must be received within 30 days of the invoice date. If a payment is received later than 30 days, a late interest penalty of 1.5% for every 30 days on past due stumpage in excess of the 30-day period will apply. Violations of payment provisions

will result in the purchaser having to pre-pay for the remainder of the sale. Additional violations, even on separate sales, will result in the purchaser being required to pre-pay on all State timber sales for a two-year period.

TIMBER SALE TRACT INFORMATION

Please review the timber sale maps for harvest prescriptions, requirements, restrictions, scale method, access issues, contract ending date, and other pertinent details. Please note that the volumes listed are estimates only – **some sales are sold in cords and others by tons**. A DNR Forestry Contact is listed for each sale if you have specific questions or concerns. All lands included in these tracts are Third Party Certified.

JOB #1: NW Territory 2 Sale (TRACT 3809-01-19) – Mill Scale

Property: Gov. Thompson State Park

Contact: Derrick McGee, Forester – Wausaukee – (715) 927-3400

Location: Gov Lots 5,6,7 of Sections 8 & 9, T33N R18E, Town of Stephenson, Marinette County

- ✓ 50 acres of timber stumpage with the following estimated volume:
 - 1,000 tons red pine
 - 875 tons scrub oak
 - 60 tons mixed hardwoods
- ✓ Harvesting allowed during frozen ground conditions only.
- ✓ Biomass Harvest is NOT allowed.
- ✓ Contract ending date June 30, 2024 (15% penalty for one-year contract extension)
- ✓ Minimum Advertised Value: \$4,215.50

JOB #2: Lanfear Corral Pine Sale (TRACT 3819-02-20) – Mill Scale

Property: Pike Wild River Property

Contact: Derrick McGee, Forester – Wausaukee – (715) 927-3400

Location: NENE-Section 21, SESE-Section 16, NWNW-Section 22, T35N R20E, Town of Amberg, Marinette County

- ✓ 17 acres of timber stumpage with the following estimated volume:
 - 120 tons mixed conifer
 - 85 tons red pine
 - 55 tons aspen
- ✓ Harvesting and skidding are ONLY allowed between October 15 and April 1.
- ✓ HRD treatment required on conifer stumps harvested between October 15 and December 1.
- ✓ See map for additional road restrictions.
- ✓ Biomass Harvest is NOT allowed.
- ✓ Contract ending date June 30, 2024 (15% penalty for one-year contract extension)
- ✓ Minimum Advertised Value: \$572.00

JOB #3: Smiley Benson Sale (TRACT 3819-03-20) – Mill Scale

Property: Pike Wild River Property

Contact: Derrick McGee, Forester – Wausaukee – (715) 927-3400

Location: NWSE & SENW, Section 13, T35N R19E, Town of Athelstane, Marinette County

- ✓ 13 acres of timber stumpage with the following estimated volume:
 - 280 tons aspen
 - 100 tons scrub oak
 - 45 tons red maple
 - 15 tons balsam fir (includes 5 tons of jack pine)
- ✓ Harvesting and skidding are ONLY allowed between October 15 and April 1.
- ✓ HRD treatment required on conifer stumps harvested between October 15 and December 1.
- ✓ See map for additional road restrictions.
- ✓ Biomass Harvest is NOT allowed.
- ✓ Contract ending date June 30, 2024 (15% penalty for one-year contract extension)
- ✓ Minimum Advertised Value: \$968.00