State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES



Tony Evers, Governor

Southern Unit - Kettle Moraine State Forest S91 W39091 Hwy 59 Eagle, Wisconsin 53119 Telephone 262-594-6200 FAX 262-594-6222 TTY Access via relay - 711

16 July 2024

Kettle Moraine State Forest – Mukwonago River Unit Timber Sale Information

Sealed bids will be received by mail or in person at the Kettle Moraine State Forest-Southern Unit headquarters, S91 W39091 Highway 59, Eagle, Wisconsin 53119, up to 1:00 PM on Monday August 12, 2024 and will be opened immediately thereafter for timber stumpage described in this prospectus. The public may attend in person or call (262) 470-5225 to attend virtually.

For questions about this bid opening contact Michael Sieger (262) 470-5225; <u>Michael.sieger@wisconsin.gov</u>

This bid opening will be held for 1 tract on the Kettle Moraine State Forest – Mukwonago River Unit.

| Sale name | Tract # Acres | <u>Timber type</u> | <u>Vol. tons</u> | Min. bid |
|-----------------|---------------|--------------------|------------------|-------------|
| Rainbow Springs | 4-2024 70 | Red pine | 950 910 | \$25,514.00 |
| 2024 Pine Sale | | White pine | 810 | |
| | | Spruce | 90 | |
| | | Mixed. Hdwd. | 300 | |
| | | Walnut sawlogs | 5 MBF | |

Contact Michael Sieger at (262) 470-5225 or <u>Michael.sieger@wisconsin.gov</u> for details on bid results following the August 12, 2024 bid opening.

BIDDING REQUIREMENTS

- 1. Bidding Procedure for Timber Sales
 - a. Bids will be made by <u>species</u> for each tract.

b. Estimated volumes and utilization specifications are listed on individual sale prospectus maps. Bid according to volumes listed on individual sale prospectus and/or maps.

- c. The <u>high bidder</u> will be determined by the <u>greatest total bid</u> for each tract.
- d. Bids will be opened in random order.

e. Bidders in attendance (virtual) can remove their bid from consideration before each individual tract is opened. Bidders must identify themselves by clearly stating their name, address, and telephone number PRIOR to a bid being opened to withdraw their bid from consideration.

2. Bids may be made on one or more tracts.



3. <u>Submit each bid in an **individual sealed envelope** marked "Bid for Timber Stumpage" with the timber sale name, and tract number on the outside. Wisconsin DNR Timber Sale Bid Forms must be used to make bids on DNR timber sales and is included with the individual sale prospectus.</u>

4. A per unit bid must be made on every item on a tract. No "zero- \$0.00" bids for any species or products will be accepted and bid will be rejected.

5. <u>Winning bidders will be notified within 24 hours of bid opening and **must sign the timber** sale contract and submit an acceptable performance bond within 6 weeks of the bid opening. 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 or GNA timber sales for a two-year period.</u>

6. A **Performance Bond or Letter of Credit** is required before awarding of contract. The bond shall be fifteen percent (15%) of the total bid value or a minimum of \$1000.00, whichever is greater. The bond will be held intact by the Department of Natural Resources until the satisfactory completion of the timber sale contract. Performance bonds in a form of other than cash for these sales must expire no earlier than 1-year past contract expiration date.

7. For sales requiring pesticide applications (e.g. HRD treatment). The Purchaser shall ensure and provide documentation that any person(s) who applies or handles any pesticide on Department lands is covered by a valid Pesticide Business License, Individual Commercial Applicators License, and Forestry 2.0 Certification issued by the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) prior to pesticide application.

The cost of this application can vary based on application method and harvest conditions, but should be considered when submitting bids on these timber sales.

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

SALES TAX CERTIFICATION

1. A <u>Sales and Use Tax Exemption Certificate</u> must be provided at the signing of the contract. This certificate is required to cover a contractor or individual reselling stumpage harvested for firewood/fuelwood and mills and manufacturing facilities. More information about the certificate can be found at https://www.revenue.wi.gov/DORForms/s-211-inst.pdf

UTILIZATION

1. The areas shown in red on the map will be a marked thinning, cut all trees marked with orange paint in these areas. The areas shown on the map in yellow are to be row thinned cutting every third row unless directed otherwise by the Forester. The area shown in green on the map is a small clearcut. Cut all the red pine in this area. In addition, cut all walnut, box elder and black locust through the sale area whether marked or not.

2. All trees designated for cutting will be utilized to a 4" minimum top diameter unless stated otherwise in the prospectus.

3. When designated for cutting, all trees containing one (1) or more one hundred inch (100") long stick to a four inch (4") minimum top diameter will be considered merchantable.

SCALING AND PAYMENT

1. If eligible for deferred payment option, payment for timber removed from site must be made within 30 days after invoice.

2. If not eligible for deferred payment option, no wood will be hauled from the sale area until advanced payment is made.

3. If sold as a lump sum sale, payment in full must be made on entire sale, or by the cutting block, or by some other means as mutually agreed upon by Department of Natural Resources and contractor.

4. The mill scale ticket system will be used as the preferred method of sale administration. Other scaling systems may be used at the discretion of the Department of Natural Resources.

5. No refunds of stumpage payments will be made for un-removed wood, and wood left on the sale area at contract expiration shall revert to the seller.

6. Scribner Decimal C Log Rule shall be used for scaling logs. Conversion from MBF to cords or cords to MBF shall be 2.44 cords per MBF for softwoods and 2.2 cords per MBF for hardwoods.

7. Weight scale conversions will be at rates as specified in the Department of Natural Resources timber sale handbook listed below, unless the individual timber sale has specific mixed species pro-rates/conversions.

CORDWOOD WEIGHT CONVERSION FACTORS POUNDS PER CORD

| Red pine | 4750 pounds per cord |
|-----------------|----------------------|
| White pine | 4500 pounds per cord |
| Spruce | 4000 pounds per cord |
| Mixed hardwoods | 5000 pounds per cord |

CONTRACT PERIOD

1. The contract offered during this bid opening will expire June 30th, 2027.

CONTRACT EXTENSIONS

Contract extensions will not be granted without justifiable reason. Justification will be determined by the Department of Natural Resources. Contract expiration dates are given on the individual timber sale. Contract extensions are not guaranteed. All extensions, if granted, will be for 1 year. Extension requests will be considered with the following conditions:

Three and Four-year Contracts: 1st extension – 15% increase in stumpage rate (only 1 extension granted).

OTHER CONDITIONS

1. Wisconsin's Best Management Practices for Water Quality, Woody Biomass Harvesting Guidelines, and Best Management Practices for Invasive Species must be followed on all DNR timber sales. More information on these management guidelines can be found at the links found below.

Water Quality BMPs: https://dnr.wi.gov/topic/ForestManagement/bmp.html Biomass: https://councilonforestry.wi.gov/Pages/WoodyBiomass/Default.aspx Invasive BMPs: https://councilonforestry.wi.gov/Pages/InvasiveSpecies/Forestry.aspx

2. 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 24 hours of being cut. Blu 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.

3. This sale area is crossed by old roadways that are used as trails. The trails may be crossed or run on by equipment as needed as long as conditions allow (frozen or dry and firm ground), but damage to the trails is not permitted. ****Damage to these trails will not be tolerated and any damage that may occur must be repaired immediately.**

4. 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. 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.

Insurance

The "Contractor" (purchaser) shall provide the Department of Natural Resources with a Certificate of Insurance counter-signed by a Wisconsin Resident Agent, indicating that Worker's Compensation Insurance coverage is provided for the duration of the contract prior to any performance under it. Contractor claiming exemption, independent status, the contractor/purchaser will be required to submit a signed, notarized affidavit that affirms their exempt status pursuant to the criteria listed in section 102.07(7)(b), of the Wisconsin Statutes.

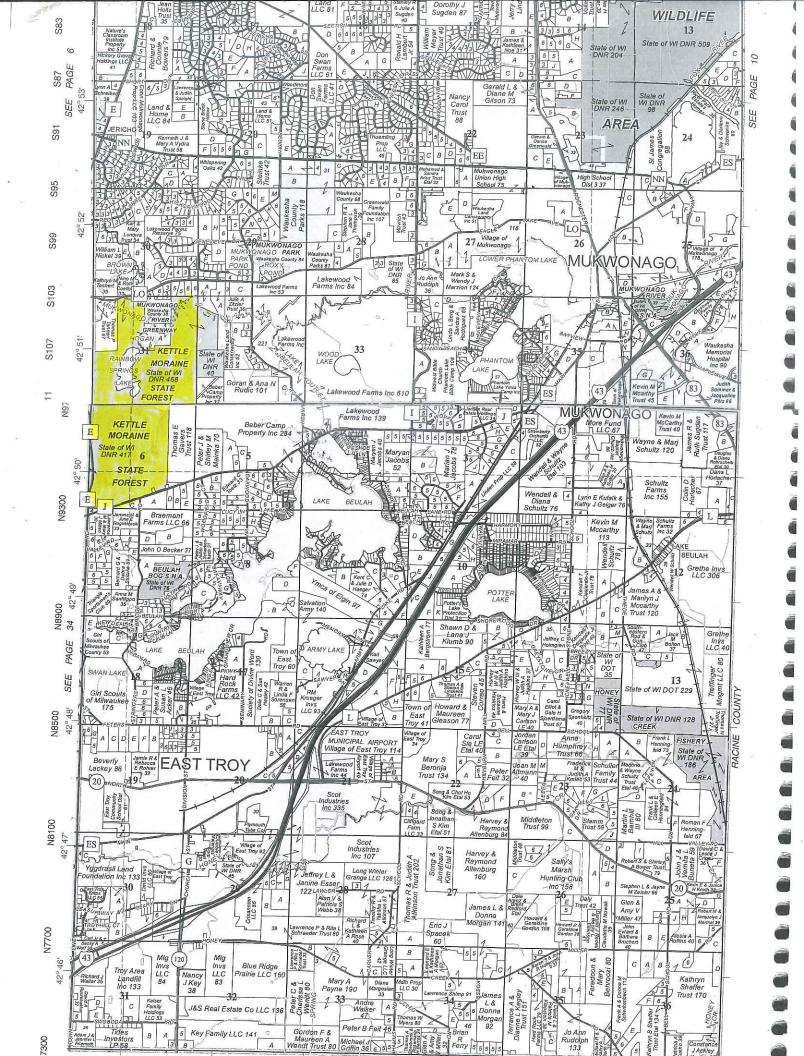
Contract may contain other provisions. Contracts may not be assigned. A sample copy of the contract is available upon request.

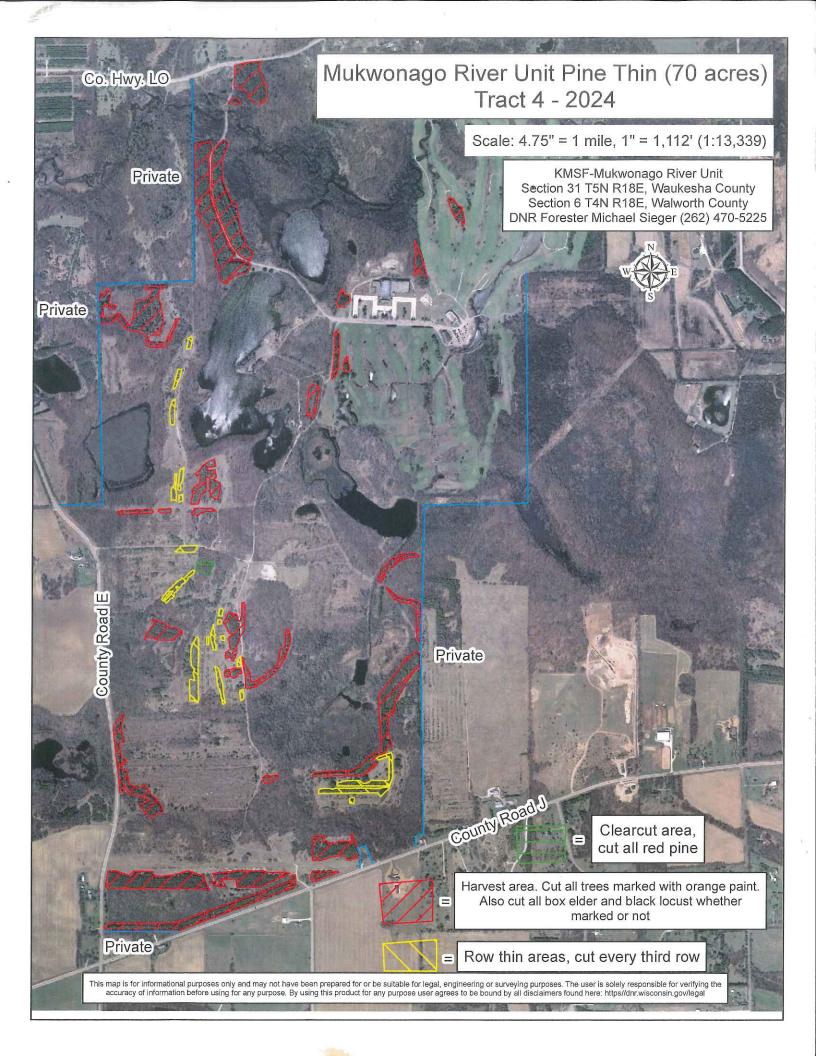
NOTE: Prospectus maps for each of the timber sales are available online at <u>https://dnr.wisconsin.gov/topic/TimberSales</u>

TRAINING STANDARD

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 Sustainable Forestry Initiative® (SFI®) 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/SFI_Workshops.asp or by contacting the Forest Industry Safety & Training Alliance (FISTA). Purchaser agrees to provide documentation to Seller that the training has been attained prior to initiating sale.

FOREST CERTIFICATION: These lands are 3rd party certified. For information on Chain-of-Custody, refer to https://dnr.wisconsin.gov/topic/timbersales/certification





Note: In order to fill and save this form electronically, it must be opened using Adobe Reader or Acrobat software. Save a copy of the file, open Adobe Reader, select File > Open and browse for the file you saved.

State of Wisconsin Department of Natural Resources <u>dnr.wi.gov</u>

Bidder Name

Timber Sale Bid

Form 2400-049 (R 07/22) Page 1 of 2

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 Public Records law [ss. 19.31-19.39, Wis. Stats.].

Date

| Street Address | a - (internet) data data data bagan da | | City | | | State | ZIP Code | |
|---|--|------------|------------------------|----------------------------------|----------------|---------|-----------------------------------|--|
| Property Name (if any) Kettle Moraine State Forest - Mukwonago | | Timber Sal | e Name Springs 2024 | A Pine Sale | | Tract I | Number 4-2024 | |
| River Unit | wonago | Ramoow | 5pmgs 202. | + I life Sale | | | 4-2024 | |
| Date and Hour of Bid Opening | | | | Minimum Acceptab | le Bid (op | tional) | | |
| Monday August 12, 2024 at 1:00 | pm | | | | \$25,5 | 14.00 | | |
| Species-All bids including Lump Sum bids must be by species | Utilization Spe (4 inch/Whole | | Estimated Volume | Volume Units (tons/cords/mbf) | Price Per L | | Total Bid Value Estimated Volu | |
| Red pine | 4" min.top o | diameter | 950 | Tons | | | | |
| White pine | Ш | | 810 | Tons | | | | |
| Spruce | | | 90 | Tons | | | | |
| Mixed hardwood | n | | 300 | Tons | | | | |
| Black walnut sawlogs | 10" min. top | diameter | 5 | MBF | | | | |
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| | | The award | d shall be bas | sed on this TOTAL B | ID AMOL | JNT: | | |

Performance Bond

O Personal Check

O Certified Check/Money Order

O Irrevocable Letter of Credit

Will be in the form of: (select one)

Assurance Bond

Certificate of Deposit

O Assignment of Savings Account

| Bidder Name | 4-2024 Tract No. Date | Form 2400-049 (R 07/22) Page 2 of 2 |
|-------------|--------------------------|-------------------------------------|
| | | |

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 may be made to the next highest qualified bid.

By checking this box, I certify that I hold a Wisconsin Master Logger Certification.

Notice: | 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. Signature of Bidder

Bidder's Name (Please Print or Type)

Timber Sale Bid

Phone Number (include area code)

Email Address