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IRON COUNTY FORESTRY TIMBER SALE

TRACT #39-14

Sealed timber sale bids will be accepted for one (1) timber sale tract, at the IRON COUNTY FORESTRY DEPARTMENT OFFICE; 607 3rd Avenue North – Suite 2, Hurley, WI 54534 (Phone: 715/561-2697; Fax: 715/561-4801), until **12:00 noon. on Tuesday, December 16, 2014.**

Bids received by that time and date will be publicly opened at next following scheduled Iron County Forestry Committee meeting at the Iron County Forestry Office Conference Room, and will be reviewed. Contract may be awarded to the successful bidder after bid is opened.

Bid submitted for this sale must include at least 10% of the total value bid. Bid Bond will be forfeit upon failure to sign contract by successful bidder. Bidders who previously have had Iron County timber sale contracts **in default** or suspended may be required to deposit 100% of the total bid value.

We will be accepting irrevocable letters-of-credit as bond deposits for these contracts under these conditions:

1. The letter-of-credit must be made out for at least 25% of your total bid value for the sale and none of the amount specified in the letter will be credited as stumpage payment.
2. The letter must state that it has been established in favor of the Iron County Forestry Department for the sale number that is bid on.
3. The letter-of-credit must show an expiration date that is no earlier than **September 30, 2015.**
4. **No Surety Bonds** will be accepted.
5. The letter-of-credit must be issued by a bank that is insured by the Federal Deposit Insurance Corporation (FDIC).
6. **If you plan to replace the bond check included in your bid with an irrevocable letter of credit, please indicate that in writing on your bid form. Be aware that your check will be cashed ten (10) business days after contracts are awarded if the irrevocable letter of credit is not received at our office by then.**

If you have any questions about any of the above conditions please contact the Iron County Forestry Department Office.

Successful bidders in this bid opening will be required to submit proof that they are in compliance with Wisconsin requirements for Worker's Compensation Insurance coverage for their employees upon award of contract; and proof that any subcontractors working on their sales are also in compliance with those requirements as a condition of their timber sales contracts.

Successful bidders in this bid opening will be required to ensure that the actual logging contractor *and any subcontractor* complies with the Wisconsin Sustainable Forestry Initiative (SFI) Training Standard as

adopted by the Wisconsin SFI Implementation Committee (SIC). **Documentation confirming completion of the training standard (FISTA Certificate of Completion) will be required *upon award of contract*.**

Please note: Iron County Forestry Department policy requires that each cut stick with a small end diameter of ten or more inches, and a length of eight or more feet, and a grade of number three (3) or better, according to “**National Hardwood Lumber Association Log Grading Rules**”, will be scaled as a log using Scriber Decimal C scale at the timber sale site before it is hauled. This will be done regardless of whether the scaled stick is actually sold as a log, bolt, or pulpwood, by the contractor. All bidders are urged to consider this when they are deciding what to bid for log stumpage on the sales.

Original contract length: Contract Expires June 1, 2015.

DAMAGES: The Seller’s damages upon the Purchaser’s failure to perform this Contract include, but are not limited to: Double the mill value, as determined by the Seller, for the timber cut, removed, or damaged without authorization under or in violation of this Contract.

Utilization will follow specifications described on the map or pulp to a 4-inch minimum top diameter, hardwood sawlogs to a 10-inch minimum top diameter, and softwood sawtimber to a 9-inch minimum top diameter.

Contractors interested in the utilization of biomass (waste) must contact the Iron County Forestry Department for price negotiation and harvest specifications prior to removal.

Prior to logging operations but within six (6) months of the bid opening, an additional bond in the Seller’s favor in the amount of:

- 15% of bid value for sales greater than \$40,000 in bid value.
- An amount to bring the total bond up to \$10,000 for sales with a bid value from \$10,000 to \$40,000.
- The entire bid value for sales with a bid value under \$10,000.
- **90% of the bid value for purchasers who have previously failed to make timely payments.**

The Purchaser will have the option, at the Seller’s discretion, to prepay for scale tickets. The prepayment option will require a total bond amount of 25% of bid value.

The bond may be a performance bond written by an insurance company licensed to do business in Wisconsin, a cash bond, an irrevocable letter of credit, or any other form of security acceptable to Seller. The bond must be valid for six months beyond the expiration of this contract. Failure to submit the bond will be considered a breach of this Contract and subject the Purchaser to liability for damages.

Rutting Policy: In order to provide quantitative standards for defining the limits of acceptable rutting as required for Forest Certification Standards, Iron County Forest enforces the following policy. This policy is a part of the 2006 Fifteen Year Comprehensive Forest Management Plan. These standards will be used on timber sales, landings, skid trails, forest roads and trails, recreation trails (motorized and non-motorized), parks and the Harbor.

Materials that complement the standards are being developed by State and Federal entities. Our past experiences with managing soil quality have been used to develop this policy and will be implemented for future problem solving. These materials will provide information on how to avoid unintentional soil disturbances and how to correct them if they occur.

This policy should be used in conjunction with field visits and in consultation with contractors, users and equipment operators. The policy should guide decisions made by the administrator and by users; but it does not mandate decisions. On the ground conditions and availability of equipment and other resources should also be considered.

Goals for the management of soil disturbance are to:

- Minimize inadvertent soil disturbance and potential adverse impacts to soil productivity, water quality, fish and wildlife habitat and other natural resources.
- Protect public investment in the Iron County Forest.
- Maintain roads and trails to intended design standards.
- Combine professional expertise and operator (user) experience in the formation of on the ground decisions.
- Provide a protocol for identifying and responding to maintenance needs.

The Iron County Forest recognizes that soil disturbances occur during forestry operations and recreational pursuits. Some disturbances are intentional, such as mechanical site preparation, construction of roads, landings and trails, and improvement of infrastructure and facilities. Other soil disturbances are unintentional, such as ruts or gullies, and may result in tree mortality, reduced forest soil productivity, and reduced water quality. Ruts and other soil disturbances visually suggest poor forest stewardship, even if forest productivity or water quality is not impacted.

Soil disturbance during logging or recreational use can be avoided or minimized by using appropriate equipment, by avoiding forest use on susceptible sites during wet periods, and by carefully monitoring and controlling operations. If they do occur, the potentially negative effects of soil disturbance can be mitigated by remedial actions such as reestablishing drainage or installing erosion controls. Repair and mitigation is less desirable than avoidance because of the cost of implementing and maintaining repair and mitigation practices, the loss of forest productivity, and the possibility that the soil degradation may not be correctable.

Areas with excessive levels of soil disturbance display degradation due to poor site conditions or excessive use. To avoid reaching excessive levels of soil disturbance and to avoid disruption in timber sale and other forest use activities, it shall be the policy of the Iron County Forest to take the following actions:

- Identify areas susceptible to soil disturbance and plan activities accordingly.
- Operate equipment and vehicles only when ground is frozen or dry enough to support the load.
- Monitor air temperature. Equipment or vehicles may not be able to operate once temperatures rise above freezing.
- Avoid sharp turns, especially at base of hills.
- Avoid traveling through depressions.
- Utilize mats made from slash or manufactured material for temporary crossings. Remove when finished.

- Shift all operations to upland areas when soil or temperature conditions deteriorate.
- Reduce loads.
- Use low ground pressure equipment and vehicles.
- Use common sense while operating vehicles on the Iron County Forest, ask yourself “will I cause significant soil disturbance? Do I have the proper equipment and time to repair any damage I cause?”

Excessive soil disturbance requires special attention from timber sale administrators in order to make any necessary recommendations. Classifying a soil disturbance as excessive does not mandate closing of a timber sale or a forest road, however, actions should be taken, as appropriate, to minimize further soil disturbances. A guideline for excessive rutting is as follows:

Roads, landings, skid trails, and general harvest area	A gully or rut 6 inches deep or more and is resulting in channelized flow to a wetland, stream, or lake.
Roads, landings, and primary skid trails	In a riparian management zone (RMZ) or wetland, a gully or rut is 6 inches deep or more and 100 feet long or more.
	In an upland area (outside of RMZ), a gully or rut is 10 inches deep or more and 66 feet long or more.
Secondary skid trails and general harvest area	A gully or rut is 6 inches deep or more and 100 feet long or more.

Note: The depth is to be measured from the original soil surface to the bottom of the depression. If individual lug depressions are visible, the depth would be measured to the lesser of the two depths (the top of the lug). The length would be measured from the start of the too deep section to the end of the too deep section. Measurements are not cumulative.

Iron County Forest Cordwood Weight Conversion Factors: The following weight conversion methods may be used in the conversion of weight scale to standard 128 cubic foot cord.

<u>Species</u>	<u>Weight (lbs)</u>
Hemlock	4,800
Tamarack	4,650
Red Pine	4,500
Jack Pine	4,250
Balsam	4,250
White Pine	4,200
Spruce	4,000
Cedar	3,150
White Oak	5,850
Red Oak	5,500
Yellow Birch	5,350
Hard Maple	5,100
Elm	5,000

Balsam Poplar	4,900
White Birch	4,800
Ash	4,600
Soft Maple	4,550
Aspen	4,500
Basswood	3,850
Mixed Hardwood	4,800

Tract 39-14

Sec 17, R1W, T46N, Town of Gurney (Hwy 169)

Estimated to be: 1 MBF Mixed Hardwood, 1 MBF Basswood, 500 cord Aspen, 40 cord White Spruce, 30 cord Balsam Fir, 25 cord Mixed Hardwood, 15 cord Basswood

HARVEST SPECIFICATIONS: Harvest all trees 2" and larger. Utilize pulpwood to a 4" top and sawlogs to a 10" top. Sale must be cut during the winter months of 2014-2015 and all wood must be trucked out before road restrictions go on in the spring of 2015. Sale will become a gravel pit. Follow all BMPs to prevent and minimize soil disturbance. All slash will remain in harvested area. Sale area shall be kept free of litter at all times.

Sale Area is 34 acres and is cross-hatched on the map.

NO BIDS LESS THAN: \$125.00 per MBF Mixed Hardwood, \$125.00 per MBF Basswood, \$18.00 per cord Aspen, \$20.00 per cord White Spruce, \$15.00 per cord Balsam Fir, \$18.00 per cord Mixed Hardwood, \$5.00 per cord Basswood.

THE FOLLOWING RESTRICTIONS APPLY TO ALL THE PRECEDING SALES:

All forest roads and recreation trails must be kept free of logging materials during logging operations and as a condition of close out. Some of these materials have a restriction against skidding or cutting during the months of April, May, and June, and will be enforced. Bidders are required to deposit 10% of the total bid value for every species bid on, including balsam fir. Successful bidders will be required to pay an additional deposit before they will be allowed to start their sales or within 6 months of bid opening.

- 15% of bid value for sales greater than \$40,000 in bid value.
- An amount to bring the total bond up to \$10,000 for sales with a bid value from \$10,000 to \$40,000.
- The entire bid value for sales with a bid value under \$10,000.
- **90% of the bid value for purchasers who have previously failed to make timely payments.**

The Purchaser will have the option, at the Seller's discretion, to prepay for scale tickets. The prepayment option will require a total bond amount of 25% of bid value.

Bidders who have previously had Iron County timber sale contracts in default or suspended may be required to deposit 100% of the total bid value.

Contractors who choose to use the haul ticket scaling system, for pulpwood, will be held completely responsible for compliance with all rules established for this scaling method by the Iron County Forestry Committee. Copies of Iron County's haul ticket scaling rules can be obtained from the Forestry Office.

The Iron County Forestry Committee requires that all bids be submitted on their bid form. Failure to do so may result in your bid being rejected. The successful bidders will be required to meet with the forester who set up their sale (or forester designated by administrator) before beginning any logging operations. The Iron County Cruiser must be notified either verbally or in writing before any logging activities have begun on these timber sales.

Dumping of garbage, refuse, and intentional draining of motor oil and lubricants onto the ground on lands owned by Iron County is prohibited by Iron County Ordinance #2004. This ordinance specifies a fine not to exceed \$500 and/or a prison term not to exceed 90 days for violations. Persons violating this ordinance will also be responsible for cleanup costs.

Each bid shall be sealed by itself in an envelope, plainly marked with the words, "Timber Sale Bid", the name of the bidder, and the number of the tract that the bid is for, on the front. Information on cutting regulations, restrictions, and timber sale maps may be obtained from the Iron County Forestry Department Office, 607 3rd Avenue North – Suite 2, Hurley, WI 54534 or the Mercer DNR Ranger Station. The Iron County Forestry Committee reserves the right to reject any and/or all bids received, or to accept the bid that it considers to be in the best interest of Iron County.

IRON COUNTY FORESTRY COMMITTEE

James Kichak

George Nasi

Scott Erickson

William Thomas

Thomas Thompson, Jr.

IRON COUNTY FORESTRY TIMBER SALE BID FORM

I hereby submit a bid for timber sale tract #_____.

Species	Volume (from Prospectus)	Bid Price	Total
		<u>Total Bid=</u>	

A check, certified check, money order in an amount that is equal to at least 10% of the total bid value or irrevocable letter-of-credit in an amount that is equal to at least 25% of the total bid must accompany your completed bid form. If you plan to replace your check with an irrevocable letter-of-credit, please indicate that below. Be aware that our department will hold your check only for a maximum of 10 business days after you are selected as a successful bidder, then it will be cashed. If your check is returned to us due to insufficient funds you will not receive a contract for that sale tract.

INSTRUCTIONS:

1. Complete one bid form for each timber sale tract that you wish to bid on. Do not use one form for more than one sale tract.
2. Enclose your complete bid form, and deposit in a sealed envelope that is clearly marked with your name, and the number of the sale tract that you are bidding on. Bids will be opened in numerical order, and if you wish to withdraw other bids that you have submitted (if you are the high bidder on this one) you should state that on the outside of the envelope.
3. Send or deliver your bid(s) to the Iron County Forestry Office, 607 3rd Avenue North – Suite 2, Hurley, WI 54534 by the deadline date specified in the sale prospectus.
4. Failure to comply with these instructions could result in the rejection of your bid.

_____ MARK THIS SPACE IF YOU PLAN TO REPLACE YOUR CHECK WITH AN IRREVOCABLE LETTER-OF-CREDIT (OUR DEPARTMENT WILL HOLD YOUR CHECK FOR UP TO TEN (10) DAYS AFTER SELECTION OF SUCCESSFUL BIDDERS).

PRINT OR TYPE NAME OF BIDDER _____

ADDRESS _____

PHONE _____ CELL _____ EMAIL _____

SIGNATURE OF BIDDER _____