

# RUSK COUNTY TIMBER SALE PROSPECTUS – NOTICE OF SEALED BIDS

---

Sealed bids will be accepted by the Rusk County Forestry Committee for the purchase of the designated stumpage on the attached tracts. Bids will be opened on **MAY 9, 2016 at 9:00 A.M.** in the Law Enforcement Center Meeting Room of the Law Enforcement Building, Courthouse, Ladysmith, WI 54848.

No bids will be accepted after the start of the bid opening.

## I. **BIDDING:**

1. Sealed bids are to be marked with the bidders' name and the tract number on the envelope.
2. Bids must be placed separately for each tract.
3. Bid form must be filled out in their entirety.
4. Bids must be made per cord or per thousand board feet as indicated on the sale prospectus.
5. **All individual species in the Timber Sale Prospectus must be bid at the minimum bid or higher. Any bid not meeting this requirement will be rejected.**
6. Bids must be accompanied by an irrevocable letter of credit, check or cash equal to 10% of the total bid value of the sale.
7. The estimated volume indicated on the timber sale prospectus is no guarantee of that volume. More or less volume may actually be on the tract and it is the obligation of the bidder to view the tract for purposes of making his own estimate of the volume. New bidders and other bidders unfamiliar with Rusk County Timber Sales and Policies should contact the Forest Administrator prior to bidding. The Administrator reserves the right to require an on-site meeting with the successful bidder before any operations can begin. Bidders may use ATV's to view the tract for purposes of determining a potential bid; with the permission of the Rusk County Forest Administrator.

## II. **INSURANCE REQUIREMENTS:**

1. Successful bidder must agree to perform all operations under his contract in compliance with Wisconsin's Workman's Compensation Act, Chapter 102, Wisconsin Statutes.
2. The successful bidder must provide Rusk County with a Certificate of Insurance indicating Workers Compensation coverage is in force for all timber producers on the site or must sign off by the disclaimer in the timber sale contract.
3. A certificate of Comprehensive General Liability Insurance must accompany all bids or be on file on the Forestry Office. Rusk County will be listed as a holder of Certificate before operations begin.

## III. **TIMBER SALE CONTRACT AWARDING:**

1. The number of Timber Sale Contracts that any one timber producer may have will be based on a proven performance record with Rusk County.
2. All new contractors will be allowed to have only 2 Contracts (Timber Sales) with Rusk County, under contract until they have successfully completed (Closed Out) 1 or more contracts.
3. Once 1 contract is successfully completed, the contractor will be allowed to have a total of 3 Rusk County Timber Sale contracts.
4. When 2 Rusk County Timber Sale Contracts have been successfully completed, the contractor will be allowed to have a total of 4 contracts.
5. When a contractor has successfully completed 3 or more Rusk County Timber Sale Contracts, that contractor will be allowed to have a total of 6 contracts with Rusk County.
6. 6 Contracts will be the maximum number of Rusk County Contracts that any one timber producer will be allowed to have at any one time.
7. If a new bidder or current Rusk County Contractor is the highest bidder on more sales than he is eligible to be allowed with Rusk County, the County will select which bids will be awarded. The awarding of sales will be done on a basis of the largest price differential between the total highest bid and the next highest bid or zero, if no other bids were received. The total bid value of the sale will be used to determine the value of the bid.

## IV. **PERFORMANCE DEPOSITS:**

1. The **10% Bid Deposit** of successful bidders will be retained as a performance deposit. Bids will be understood to be irrevocable offers for a period of 14 days. Deposits will be returned to unsuccessful bidders. A **Performance Deposit of 25%** of the total bid is required of the successful bidder, who will have 30 days after the bid opening to deposit the additional 15%.
2. The performance deposit may be replaced by an irrevocable letter of credit. Irrevocable letters of credit will be made out for at least one year to expire on **JULY 31** of that year.
3. Upon successful completion of the contract, the performance deposits will be returned after the timber sale closing.

V. **LOGGER TRAINING REQUIREMENTS ON RUSK COUNTY TIMBER SALES:**

Effective for all timber sales; Rusk County requires logger training for its County Timber Sales. Rusk County believes proper training promotes maximum benefit to the environment as well as the health and safety of contractors. It also further illustrates the professionalism in the logging profession that has made great strides in the last several years.

***ALL BIDS MUST BE ACCOMPANIED BY THE CERTIFICATE OF LOGGER TRAINING, OR IT IS THE RESPONSIBILITY OF THE BIDDER TO MAKE CERTAIN THAT IT IS ON FILE IN THE FORESTRY OFFICE.***

The recent forest certification effort on our county land has heightened the requirement to “requiring appropriate training” of its logging contractors. This is needed to maintain certification under the Sustainable Forestry Initiative (SFI) certification standard. Rusk County has adopted training specifications of the Wisconsin SFI (r) Training Standard (listed below). This will align the county with training requirements already in place for the Master Loggers Program and most of Wisconsin’s forest industry. The Forest Industry Safety and Training Alliance (FISTA) will continue to maintain logger training records and provide much of the training. The standard requires:

Professional Training: (once every two years). Choose one of the following: Chainsaw Safety, Mechanized Training, Log Truck Driver Training, Business Management, Cross Training for Loggers & Foresters, Invasive Species, or Threatened & Endangered Species.

1<sup>st</sup> Aid/CPR: One time only for SFI, however, OSHA requires First Aid every 3 yrs., and CPR annually.

Best Management Practices for Water Quality (BMP): One time only, however refresher information will be incorporated into all other training offered.

Continuing Education: (8 hours annually) includes Loggers’ conferences and continuing education workshops.

**\*At a minimum, the Contract Holder and one “inwoods” person actively responsible for each logging site must meet the above criteria. In some cases, the Contract Holder may also be the “inwoods” person.**

**\*\*Other training not conducted by FISTA may qualify to satisfy the standard. Check with FISTA (1-800-551-2656 or [www.fistausa.org](http://www.fistausa.org)) for pre-approval and to verify a session qualifies.**

FISTA, upon request, will be able to provide a “Proof of Completion” documenting your completion of the training standard. **This “Proof of Completion” or a current Master Logger certificate (c) will need to be provided to the Rusk County Forestry Dept. prior to bidding or with the bid at the bid opening.** Bidders not providing the Current Certificate of Logger Training will have their bids rejected. This training is an on-going requirement and it is necessary to complete the required training to continue to be eligible for County contracts.

Our collective efforts for improving the way we do business, including better timber sale set up, training, and monitoring improve our creditability with the general public. Foresters, loggers and industry must all be a part of this if we are to ensure our ability to keep our forests healthy through sound active management.

VI. **CONTRACTS AND EXTENSIONS:**

1. Contracts must be signed and returned to the Forest Administrator within 30 days of the bid letting. The 10% performance deposit may be held by the County if a contract is not signed within this time period.
2. All contracts will be issued for a period of 2 years.
3. Timber Sale Contracts may be extended beyond two years under the following renewal schedule.

	<b><u>Contract Age</u></b>	<b><u>Stumpage Rate Increase</u></b>
Initial Contract	0 – 2.0 Years	--
1 <sup>st</sup> Renewal	2.0 – 2.5 Years	0%
2 <sup>nd</sup> Renewal	2.5 – 3.0 Years	5%
3 <sup>rd</sup> Renewal	3.0 – 3.5 Years	10%
4 <sup>th</sup> Renewal	3.5 – 4.0 Years	10%

4. No renewals will be granted when contract reaches 4 years of age. Contracts will be closed out and performance deposits confiscated.
5. All contractors which have Rusk County Timber Sale Contracts that are 4 years or older, will not be allowed to purchase any additional Rusk County Timber Sales until all current contracts 4 years of age or older are closed out.

VII. **VOLUME STANDARDS/STUMPAGE PAYMENTS:**

1. Rusk County reserves the right to either accept mill scale or scale wood on the site.
2. All scaled sales will have wood scaled by Forestry Dept. staff prior to wood being removed from the sale. Payment for stumpage will be within 10 days of scaling.
3. Rusk County will charge 1.5% interest compounded monthly on all past due timber stumpage bills after 30 days.
4. Saw log merchantability standards are: All pine with at least one 100" log to a 9" top; all hardwood with at least one 100" log to a 10" top.
5. All saw logs will be scaled using Scribner Decimal C. Log Rule.
6. Pulpwood merchantability standards for all species except basswood, with at least one 100" stick are to a 4" top.

VIII. **SAWLOG/BOLT WOOD SCALE AND PULPWOOD TICKET SYSTEM REQUIREMENTS:**

Removal of wood from the sale area without being scaled by County Forestry Personnel or without correct use of the County Lock Box System is deemed as harvested without the owners consent or permission and subjects the Purchaser to civil and/or criminal penalties provided for under sections 26.03, 26.06 and 943.20 of Wis. Statutes. Such unauthorized removal of forest products shall cause cancellation of this contract and forfeiture of the performance bond or deposit and all monies paid to the County. Purchaser agrees to pay double the stumpage rate as indicated in Clause 9, as liquidated damages, for such removed timber.

**SAWLOG/BOLT WOOD SCALE**

All scaled loads of saw logs or bolts will have the bottom 2 stubs of the ticket deposited in the lock-box prior to leaving the sale area.

1. All saw logs and bolts shall be separated from pulpwood when piled. All saw logs and bolts will be yarded for scaling. If logs are decked, small ends of logs shall be piled all one way, and the log length shall be marked on the small end with lumber crayon. Decks shall be no higher than 6 feet. At least 5 MBF (thousand board feet) of saw logs will be skidded and yarded, before a scale is requested. All logs and bolts shall be scaled and painted prior to leaving the premises.
2. All pieces which scale 30 board feet or more, net Scribner scale, and are 50% or more sound must be paid for at the MBF rate. Pieces which scale less than 30 board feet, pieces less than 50% sound must be paid for at the cord rate.
3. After scaling, or, in the event of multiple scaling under this contract, after each scaling, payments for all timber scaled shall be made to the Seller at the office of the County Forestry Department, Rusk County Courthouse, Ladysmith, WI within 10 days of said scaling. There shall be no exceptions to this requirement, and time is of the essence as to all payments required under this contract.
4. Other Conditions: (if none, write NONE)

**PULPWOOD MILL SCALE**

5. Ticket books shall be issued by the Seller as needed. Advance payment will be required for each book of 25 tickets. Advance payment per book of 25 tickets will be \$\_\_\_\_\_. Payment for ticket books shall be made prior to any hauling of any forest products.
6. Lock boxes shall be placed on the premises by the Seller.
7. The Purchaser shall provide the Seller with a list of all destinations of timber to be removed from the premises; changes in timber destination shall be reported before hauling to the new destination.
8. Prior to hauling any timber, the Purchaser agrees to provide, on forms supplied by the Seller, intent of all buyers of cut timber from the premises to return copies of scale slips attached to corresponding tickets. Purchaser agrees to sell no cut timber to any buyer who has not provided written verification of his/her intent to return scale slips and tickets.
9. Each time a load of cut timber leaves the sale area, the appropriate portion of the ticket shall be clearly and completely filled out and deposited in the lock box.
10. Failure to deposit tickets in the lock box each time a load of cut timber leaves the sale area will constitute termination of timber sale contract. Purchaser agrees to pay double the stumpage rate as indicated in clause 9, as liquidated damages, for such removed timber.
11. Tickets are issued for the Contract specified on the cover of the ticket book and shall not be used for any other contract.
12. When transporting timber from the sale area, the truck driver shall have in his/her possession the appropriate portion of the ticket applicable to the load.
13. A list of all truckers that will be hauling wood from the premises shall be provided to the Seller by the Purchaser. It shall be the responsibility of the Purchaser to provide such truckers with appropriate ticket books.
14. The Seller may check scale and scale tickets at any time.
15. Truck Delivery: The appropriate portion of the ticket shall be detached at the point where the wood is scaled and attached to a duplicate copy of the scale slip. Both shall be returned to the Seller.
16. Rail Car Shipment to a Mill: The appropriate portion of the ticket shall be attached to the bill of lading for the car. At the mill, the ticket shall be attached to a copy of the scale slip, then immediately returned to the Seller.
17. Other Conditions (if none, write NONE).

IX. **ACCESS AND ROADS:**

1. Any new road construction is limited to the proposed road layouts shown on the sale prospectus. All new construction must be approved by Rusk County Representatives before construction. Rusk County must be notified at least 5 working days prior to road construction.
2. New roads or road renovations are restricted to 15 feet in width unless otherwise permitted by Rusk County.
3. Before closing sales, contractors will be responsible for replacing existing soil berms and other obstacles as approved by the Rusk County Forestry. Contractors are also responsible for reclaiming or berming new roads as designated on the sale map.
4. Purchaser is responsible for securing access across any lands not owned by the County prior to bidding. Bids pending access rights will not be accepted.
5. Navigable stream crossings must comply with all federal, state and local regulations. All necessary water crossing permits will be the responsibility of the County after written notice of need is provided by the purchaser.
6. No skidding, landing, or piling of wood products will take place on town, county, state roads, or County Forest Roads, or on the cleared ROW of same, without written permission from the agency responsible for said road. Written permission must be on file in the Rusk County Forestry Office.
7. Snowmobile trails are not to be used as access unless permitted in the prospectus. Where permitted, the trails must be maintained with snow cover and be kept free of all logging debris.
8. Wildlife openings may be used for landings provided that the topsoil is not disturbed and they remain free of all logging debris at the close of the sale. Other restrictions may be listed on the sale map.
9. Road damage to existing access (or county forest) roads, due to logging, will require contractor repair.
10. Road approaches to surfaced roads or other governmental public roads are the responsibility of the contractor. Damage to these roads is the responsibility of the Contractor.

X. **SEASONAL RESTRICTIONS:**

1. Sales listed as winter logging are limited to frozen ground operations between December 1 and March 15. Logging before or after these dates is allowed only with prior permission from the County Forestry Dept.

XI. **RUSK COUNTY FORESTRY BEST MANAGEMENT PRACTICES:**

1. Rusk County has adopted Wisconsin's Forestry Best Management Practice (BMP) for Water Quality into its policies for managing the county forest.
2. Rusk County reserves the right to stop operations if unreasonable, excessive or avoidable damage occurs or will occur, the contractor may be held responsible to repair any or all damage.
3. The adoption of BMP guidelines may increase the cost of performing timber sales on Rusk County Forest. Contractors bidding on a timber sale must determine additional costs of implementing the BMP's and then adjust their bid on the timber sale to reflect the additional costs.
4. BMP's may require permits for stream crossings, for grading near a body of water, for forestry activated in wetlands, and for timber harvesting near water.
5. BMP's control the use and disposal of fuels, lubricants and waste from motorized equipment on all timber sales. Spills must be handled according to the guidelines.
6. BMP's may require special operating conditions with Riparian Management Zones. Riparian Management Zones are land areas adjacent to streams and other water bodies.
7. BMP's will require additional effort in the location and construction of logging roads, skid trails and landings. Road grades should not exceed 10% slope. If grades exceed 10% slope, drainage structures must be installed, along with the use of gravel, seeding, mulching and other methods of soil stabilization. The closure of roads and trails will require practices to prevent soil erosion.
8. Log landings and loading areas must also be properly located, constructed and closed to prevent soil erosion.
9. Operation in or near wetlands must comply with State laws and local zoning laws. Rutting or skidding in wet soils is not permitted.
10. **Rusk County may change, suspend or terminate any timber sale contract with no penalties to the county if any of the following occur:**
  1. **Errors in timber sale planning or design cause or may cause serious environmental damage or violate any county, state or federal law or regulation.**
  2. **Any Forest Health issues arise that may cause serious damage to the Rusk County Forest. (ie. Oak Wilt Disease).**
11. More detailed information is available at the county forestry office concerning what is expected of contractors operating on a Rusk County Forest timber sale.

XII. **RUSK COUNTY FOREST RUTTING POLICY:**

**1. Goals**

The County's goals for the management of soil disturbances are to:

- Minimize inadvertent soil disturbances and potential adverse impacts to soil productivity, water quality, fish and wildlife habitat, and other natural resources.
- Maintain roads and related structures to intended design standards.
- Combine professional level expertise and operator experience in the formation of on-the ground decisions.
- Provide a protocol for identifying and responding to maintenance needs.

These goals and the interim guidelines are consistent with Wisconsin Forest Management Guidelines and Wisconsin's Forestry Best Management Practices (BMPs) for Water Quality Field Manual (see attachment).

**2. Application of Soil Disturbance Guidelines**

These guidelines apply to timber sales on county lands and to the county forest road system. These guidelines do not apply to intentional soil disturbances, such as mechanical site preparation or plowed firebreak construction. They are also not applicable to soil disturbances caused by recreational users of recreational trails. In those situations, please refer to Wisconsin's Forestry Best Management Practices for Water Quality, Wisconsin Forest Management Guidelines, relevant handbooks, and other appropriate reference documents.

**3. Management Expectation for Soil Disturbances**

Soil disturbances, such as soil compaction and rutting, may occur and be identified through two mechanisms – either as part of a timber sale contract on County lands or as part of county forest road inventory and maintenance. These guidelines apply in both situations.

**4. Timber Sales**

Our management expectation is that all steps and precautions, including implementation of BMPs, will be taken to avoid and minimize soil disturbances. If a timber sale has soil disturbances that are below the excessive threshold, then the expectation is that the contractor will evaluate the disturbance and determine what actions, if any, are needed to repair or mitigate the effects of the soil disturbance.

If a timber sale has soil disturbances that exceed the excessive threshold, then the expectation is that the contractor will contact the timber sale administrator (or vice versa) and together they will evaluate the disturbance and determine what actions, if any, are needed to repair or mitigate the effects of the soil disturbance. The timber sale administrator should meet on-site with the timber sale contractor and equipment operators. The administrator and contractor should consider management goals and objectives, weather, site conditions, availability of equipment and other factors when evaluating repair and mitigation options.

Prior to closing a sale, the timber sale administrator should ensure that any soil disturbances that may have occurred are properly addressed.

**5. County Forest Road System**

Our management expectation is that all steps and precautions, including implementation of BMPs, will be taken to avoid and minimize soil disturbances. If soil disturbances are found on a forest road, then county forest staff should inventory the disturbance and evaluate what actions, if any, are needed to repair or mitigate the effects of the soil disturbance. County forest staff will use the county forest road inventory to prioritize and develop plans to address soil disturbances. If a forest road is being used in association with a timber sale, then the timber sale administrator should be notified to help determine who is responsible for making repairs.

**6. Excessive Soil Disturbance Determinations**

A soil disturbance is "excessive" if it has exceeded the threshold (see Table 1). An area with an excessive soil disturbance requires special attention from a timber sale administrator (if part of a timber sale) or from county forest staff (if part of the county forest road system). Excessive soil disturbances require special attention to evaluate of the effect of the soil disturbance and to develop repair or mitigation 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.

*Table 1. Interim thresholds for soil disturbances.*

County Forest Infrastructure

Roads, Landings, Skid Trails, and General Harvest Area

Roads, Landings, and Primary Skid Trails

Secondary Skid Trails and General Harvest Area

Soil disturbances are excessive if:

- A gully or rut is 6 inches deep or more and is resulting in channelized flow to a wetland, stream, or lake.
- 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.
- 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 is measured from the start of the "too deep" section to the end of the "too deep" section. Measurements are not cumulative.

**Definitions and Terms**

A gully is an erosion channel cut into the soil along a line of water flow. A rut is an elongated depression caused by dragging logs or by wheels or tracks of harvesting machinery, equipment or other vehicles. Ruts are often exacerbated by erosion from uncontrolled storm water runoff. A primary skid trail is used for three or more passes. A secondary skid trail is used for one or two passes.

XIII. **Oak Wilt Policy**

The following Timber Management guideline will be used on the Rusk County Forest:

1. No harvesting should occur in Forest stands with a significant Oak component from April 15 through July 15. ("significant") defined:
  - 1) The Oak density is such that grafting between Oaks is common
  - 2) It would be devastating if the stand had Oak Wilt.