Mississippi Forestry Commission
Region 3
3139 Highway 468
Pearl, MS 39208

Invitation for Bids
Stumpage for Sale
School Trust Land

Sealed bids will be received by the **Smith County School District, at 212 Sylvarena Avenue, Suite C, Raleigh, MS, Smith County** up to and not later than **10:00 a.m., December 4, 2018,** for the purchase on a lump sum basis for all timber, standing or down, designated for harvesting on **±101** acres in **Section 16, Township 3 North, Range 6 East, Smith County, Mississippi**. Each bidder is expected to make their own cruise, and to bid accordingly.

Before bids are submitted, full information concerning the timber, the conditions of sale and the submission of bids should be obtained from the Mississippi Forestry Commission, **Raleigh, Mississippi**. The telephone number is **601-670-0939**. The right to reject any and all bids is reserved. The bids will be accepted or rejected at the next regularly scheduled meeting of the Board.

The Buyer represents that he has inspected the sale area and familiarized himself with the kind, amount, and quality of all products designated for harvesting by the Seller and covered by this contract, and understands that the estimated volume figures are furnished for information only and are not guaranteed by the Seller.

This sale contains ±**101** acres and the estimated harvest volumes are as follows:

Pine Sawtimber	3,730	Tons
Pine Pulpwood	1,791	Tons
Red Oak Sawtimber	1,063	Tons
White Oak Sawtimber	165	Tons
Soft hardwood Sawtimber	155	Tons
Other hardwood Sawtimber	166	Tons
Hardwood Pulpwood	2,782	Tons

Description of Sale Area:

Final Harvest - ±101 acres –This property is located near White Oak, north of Highway 18, onto SCR 131, and then onto SCR 133. Once on the section, permanent access roads are present which provide access to the sale area. The terrain is generally mostly flat to slightly rolling, and the soils are a sandy loam, and should provide good winter harvesting opportunity. The designated timber sale area is marked by **"PINK" paint**. Furthermore, an existing fence is also present inside of the sale area which has been flagged with **"ORANGE-GLO"** flagging. Care should be taken not damage this fence beyond its current state. The section boundary is painted **"Orange"**. Boundary line trees are not to be cut.

See attached maps.

Payment will be made for the timber at the signing of the contract. The successful bidder must deposit with the Board of Trustees, **Smith County School District, ten (10) percent** of the total bid, not to exceed **$10,000.00** to guarantee the faithful performance of each and every article of the timber sale contract. The Performance Bond must be in the form of a corporate check, surety bond, cashier's check, certified check, or money order. Upon written notice of completion of the contract in full by the Buyer, the Seller will return the performance deposit in full, less any money withheld as damages by the Seller. *(See Article IV of the Forest Products Sale Contract).*

A pre-entry conference will be required with the successful bidder to lay out logging roads, major skid trails, loading ramps, etc.

It will be the prospective bidder's responsibility for contacting and securing County Road use from the appropriate supervisor(s), and any other access that may be needed thru adjoining landowners.

A sample Forest Products Sale Contract is attached. Should a prospective buyer wish to vary this contract, it is required by the Seller that an appeal be made in writing at least ten (10) business days prior to opening of bids. If any Bid changes regarding any aspect of this Timber Sale or the Forest Products Sale Contract is requested by any Timber Bidder within ten (10) business days of the Announced Bid Opening Date, or on the announced Bid Date, that Buyer's bid nor the change will be considered by the Seller or the Seller's Agent. Furthermore, any Bid Contingencies required by a prospective bidder of the Seller for the their bid to be valid that is offered within ten (10) business days of the announced bid date or on the announced bid date will automatically disqualify that bid from consideration during the actual bid opening.

The Forest Products Sale Contract will be forwarded to the successful Bidder for execution within ten (10) calendar days of the Seller's Approval of the Buyer's Bid. The Seller will fill out the Forest Products Sale Contract and provide the contract to the successful Bidder for completion. The Bidder will then return the completed contract to the Seller within 30 days. The Performance Bond is also required at Contract execution.

Bids should be addressed to **Smith County School District, P.O. Box 308, Raleigh, MS 39153**. The envelope should be clearly marked to indicate that it contains a bid for timber.

The timber may be inspected at any time.

Representatives of the Mississippi Forestry Commission are available to all interested buyers at the **Area Forester's Office** in **Raleigh, MS** to answer questions. Office hours are 8:00 a.m. – 5:00 p.m. weekdays; telephone number **601-670-0939.**

The contract will be for a period of **18** months from the date of signing. The contract may be extended by mutual consent of BUYER and SELLER in writing if conditions develop which interfere with the BUYER's operations for an appreciable length of time.

In submitting a bid please mail or hand deliver prior to the bid opening date and time in an envelope addressed as follows:

Return address

Smith County School District
P.O. Box 308
Raleigh, MS 39153

Timber Sale Bid
Section **16**, Township **3 North**, Range **6 East**
To be opened: **December 4, 2018 at 10:00 a.m.**

Bid for Advertised Timber

Name: Jimmy Dale Hancock, Superintendent
School: Smith County School District
Address: P.O. Box 308
212 Sylvarena Ave, Suite C
Raleigh, MS 39153

Opened: _____
By: _____
In presence of:

_____
_____

Dear Sir:

In response to the notice of the timber sale,_____(I or we) offer $_____ as a lump sum bid for the estimated:

Pine Sawtimber	3,730	Tons
Pine Pulpwood	1,791	Tons
Red Oak Sawtimber	1,063	Tons
White Oak Sawtimber	165	Tons
Soft hardwood Sawtimber	155	Tons
Other hardwood Sawtimber	166	Tons
Hardwood Pulpwood	2,782	Tons

On ±**101** acres in Section **16**, Township **3 North**, Range **6 East**, Smith County, Mississippi.

If declared the successful bidder, _____ (I or we) agree to execute a contract of sale and to furnish a satisfactory performance bond in the amount of **ten (10) percent** of the total bid, not to exceed **$10,000.00** of the bid amount within thirty (30) days from receipt of notice of the acceptance of the bid. It is further agreed that if the contract of sale is not executed and a bond or cash deposit is not furnished within 30 days, then in view of the difficulty of estimating the actual damages which will be sustained thereby, the Board of Trustees, **Smith County School District** reserves the right to retain the bid deposit as liquidated damages and not as a penalty.

Sincerely,

_____
Bidder or Company Name

_____
Print Company Name

_____
Signature of Bidder

_____
Print Bidder's Name

_____
Full Address

_____
Telephone Number

_____
Date

Prepared by:		Return To:
Name:	Mississippi Forestry Commission	Name:_____
Address:	P.O. Box 182	Address:_____
Town-Zip:	Raleigh, MS 39153	Town-Zip:_____
Phone	601-670-0939	Phone:_____

FOREST PRODUCTS SALE CONTRACT

This contract made and entered into on this day by and between the **Smith County School District**, party of the first part, hereinafter called the Seller and _____, party of the second part, hereinafter called the Buyer, WITNESSETH:

ARTICLE I: For and in consideration of the sum of $_____, the Seller hereby agrees to sell and the Buyer agrees to buy all forest products designated for cutting by the Seller on ±**101** acres in Section **16**, Township **3 North**, Range **6 East**, **Smith** County, Mississippi. The Buyer further agrees to pay for all forest products designated for cutting at the time the contract is signed.

All of the forest products covered by this contract have been designated for cutting by the Seller in the following manner:

Final Harvest -101 acres – The designated timber sale area is marked by **"PINK" paint**. Furthermore, an existing fence is also present inside of the sale area which has been flagged with **"ORANGE-GLO"** flagging. Care should be taken not to damage this fence beyond its current state. The section boundary is painted **"Orange"**. Boundary line trees are not to be cut.

See attached maps.

The volume of products designated for cutting is estimated by the Seller to contain the following, more or less:

Pine Sawtimber	3,730	Tons
Pine Pulpwood	1,791	Tons
Red Oak Sawtimber	1,063	Tons
White Oak Sawtimber	165	Tons
Soft hardwood Sawtimber	155	Tons
Other hardwood Sawtimber	166	Tons
Hardwood Pulpwood	2,782	Tons

The Buyer represents that he has inspected the sale area and familiarized himself with the kind, amount, and quality of all products designated for cutting by the Seller and covered by this contract, and understands that the estimated volume figures are furnished for information only and are not guaranteed by the Seller.

Forest product specifications are listed and described below in Table One. If the Seller or Seller's Agent determines that the Buyer is in violation of any contract stipulation(s) found within *Article X,* then Table One will be the basis for Product Designation and Minimum Product Specifications.

Table 1. Minimum Product Specifications

Product Designation	**Minimum Specifications (Dbh and top diameter)**	**Units**
Pine Pulpwood (PW)	4.6"/3.0"	Tons
Pine Chip-n-Saw (PCnS)	8.6"/6.0"	Tons
Pine Saw timber (PST)	11.6"/8.0"	Tons
Hardwood Pulpwood (HWPW)	4.6"/4.0"	Tons
Red Oak Saw timber (ROST)	13.6"/10.0"	Tons
White Oak Saw timber (WOST)	13.6"/10.0"	Tons
Hardwood Misc./Mix Saw timber (MHWST)	13.6"/10.0"	Tons

Part I – General Terms

Article II. The Seller warrants that merchantable title is held to the timber products covered by this contract, and that same is free of all liens and encumbrances.

The Seller grants to the Buyer the right of ingress and egress over the lands of the Seller as may be necessary for removal of products specified by this contract; provided however, that no mechanized equipment not equipped with rubber treads shall be operated on or across any paved or blacktop surfaced roads on the property of the Seller without first laying planks on the road to prevent direct contact between the vehicle and the road.

Article III. All severance taxes will be borne and paid by the Buyer.

Article IV. The Buyer agrees to deposit with the Seller a Performance Bond of **ten (10) percent** of the total bid, not to exceed **$10,000.00** in the form of a corporate check, surety bond, cashier's check, certified check, or money order at the execution of this contract as a guarantee of faithful performance of each and every article of this contract in full. Upon written notice of completion of this contract by the Buyer, the Seller will return the deposit in full, less any money withheld as damages by the Seller. This contract shall not be assigned in whole or in part without the written consent of the Seller and in the event of an assignment; the terms of this contract shall apply. If for any reason, a third party is assigned, the original buyer remains the responsible party for all terms and conditions of this contract.

Article V. The terms of this contract shall be for a period of **18** months from the Effective Date hereof, and during said period, the Buyer may harvest and remove any and all Timber products covered by this contract as site conditions allow.

The contract may be extended for six (6) months by mutual consent of the Buyer and Seller in writing, provided the Buyer will pay for additional growth assumed to be six (6) percent per year.

Article VI. The Seller hereby designates the Mississippi Forestry Commission (MFC) as its agent (Seller's Agent) and gives said Agent the following responsibilities:

1. Determining compliance with the terms of this contract by the Buyer, the Buyer's Agent(s) or their employees.
2. The authority to stop all operations of the Buyer on the Seller's property when it appears that terms of this contract are being violated.
3. The right to halt logging operations when ground conditions are so wet that logging would cause excessive damage to the Property, or when conditions are so dry that the risk of fire is elevated. In such cases, Buyer must communicate directly with the Agent before logging can resume. Any operations that resume before the approval of the Agent will result in a $250.00 per day fine which will be deducted from the Performance Bond. The contact forester is: **Jared Bynum** and contact phone number is: **601-670-0939**. Furthermore this fine will be imposed for any and all reasons that logging is halted and resumes without MFC approval, including, but not limited to; weather, saturated ground conditions, or removal of equipment to another logging operation on or off properties held in trust by the Seller or for any other reason that implies logging has ceased due to a stoppage by the Seller's Agent, Seller or a self-imposed stoppage by the logger or the Buyer.

A pre-entry conference between the Buyer and the local MFC representative will be required before harvesting operations are allowed to begin. The Buyer agrees to notify the local representative of the Mississippi Forestry Commission to arrange a pre-entry conference and supply proof of deposit of the Performance Bond and proof of Manufacturer's or contractor's Public Liability Insurance and other required insurance per Article VIII of this contract at least seven (7) working days prior to the commencement of harvesting operation. There will be a $250.00 per day fine for harvesting operations that begin before the pre-entry conference. Timber harvesting will not commence until these required documents are supplied to the Seller's Agent.

The logger must be SFI certified, and be current on continuing education requirements. The logger must provide proof of certification at pre-entry conference.

Article VII. The Buyer agrees to take all reasonable steps to prevent the occurrence of a wildfire(s) on the above described lands. The Buyer also agrees that all available personnel and equipment will be utilized to suppress any wildfires originating on said lands while the Buyer's operations are in progress and to notify the Seller's Agent promptly of any occurrence of wildfires resulting from the Buyer's operations or otherwise.

The Buyer further agrees to compensate the Seller for any and all property and/or timber damaged from a wildfire on Seller's property originating through the negligent act(s) or willful act(s) of the Buyer, their agents or employees. Furthermore, the Buyer will compensate the Seller and/or the Seller's Agent for any expenses incurred in detecting, investigating or suppressing said wildfire(s).

Article VIII. Buyer agrees to defend, protect and hold Seller or the Seller's Agent harmless from any loss, cost, damages, and/or expenses arising from claims for personal injury or property damage by any third party which arises from or out of the activities of Buyer, Buyer's Agents, employees or independent contractors while on Seller's property, except for any claim arising from the sole negligence of Seller.

Buyer and their subcontractors shall, in all things, conform to the requirements of the Worker's Compensation Act of the Laws of the State of Mississippi (MS Code 73-3-1) and qualify there under as a condition precedent to the performance of this contract. Buyer shall, as required by the Seller, submit satisfactory proof of qualification and conformity of themselves and each subcontractor with said Act.

1. Manufacturer's or Contractor's Public Liability Insurance in not less than $100,000.00 and $300,000.00 limits.

2. Bodily Injury and Property Damage Insurance not less than $50,000.00 and $100,000.00 limits.
3. General automotive liability insurance not less than $1,000,000.00 per vehicle.

Article IX. Buyer and Seller take cognizance of the Federal Endangered Species Act, 16 U.S.C. Section 1521 et seq., and the regulations Appearing at 50 C.F.R. Section 17, which list endangered and threatened fish, wildlife and plants, including but not limited to the gopher tortoise (Goperus Polyphemus), the Red-Cockaded Woodpecker (Picoides), the Louisiana Black Bear and such other species of fish, wildlife and plants which may from time to time be listed as threatened or endangered. SELLER represents that there are no threatened or endangered species of fish, wildlife or plants or habitat thereof on any of the land subject to this agreement to the best of the SELLER'S knowledge. SELLER and BUYER agree that should the presence of any threatened or endangered species or evidence of habitation thereof be found on any of the acreage subject to this agreement, this agreement shall be terminated as to the affected acreage and the timber thereon (as is determined by BUYER in consultation with applicable authorities or agencies) and BUYER shall be compensated or excused from payment as the case may be for the prorated portion of the purchase price which relates to the affected acreage.

PART II - PERFORMANCE REQUIREMENTS

Article X. Any undesignated merchantable trees which must be harvested to clear a road or loading area, or must be harvested to facilitate the Buyer's operations, shall be marked and estimated by the Seller or his agent in advance of harvesting. Said trees shall be purchased from the Seller by the Buyer and paid for at one-half the rates specified in this contract for trees unnecessarily damaged.

Undesignated trees of desirable growing stock which are unnecessarily damaged or cut in the course of the Buyer's operations will be marked for harvesting by the Seller or their agent and shall be paid for at the following rates:

Pine Pulpwood	$ 30	per Ton
Pine Chip-n-saw	$ 30	per Ton
Hardwood Pulpwood	$ 20	per Ton
Pine Sawtimber	$ 80	per Ton
Hardwood Sawtimber	$100	per Ton

This penalty will be deducted from the Buyer's Performance Bond.

For purposes of this contract, unnecessary damage to any tree not designated for sale shall be considered as breakage or severe bending of the main stem, uprooting, or any abrasion which exposes wood on one quarter or more of the circumference of the main stem or exposes wood in a continuous, longitudinal wound or more than two feet in length, which damage could have been avoided through the use of reasonable care.

Article XI. Existing access roads shall be utilized wherever practical. Following the completion of the harvesting operation all access roads, loading ramps and skid trails utilized in the course of harvesting timber on the Seller's property will be stabilized and will meet or exceed the standards promulgated in "Best Management Practices for Forestry in Mississippi" (4th Edition, September 2008, MFC publication #107). This includes but is not limited to; constructing water bars, shaping disturbed areas for proper drainage, seeding or mulching with suitable vegetation during the appropriate season, followed by the fertilization of these areas based on the recommendations found in "Best Management Practices for Forestry in Mississippi" (4th Edition, September 2008, MFC publication #107). All BMP work will be completed in a timely manner. If after a reasonable period of time, as determined by the Seller's Agent, the Buyer fails to complete the BMP

work, the Seller reserves the right to carry out this contract specification. Furthermore, the Seller will utilize the Buyer's Performance Bond deposit to compensate the Seller's Agent or other private BMP contractors for work performed. The Performance Bond will not be returned by the Seller to the Buyer until all BMP work is completed and fully satisfies the Seller's Agent.

If the Buyer, Seller or Seller' Agent suspends harvesting for an extended period of time, the Buyer will stabilize, smooth and shape the access roads for drainage purposes making it traversable by a pickup truck. Where erosion may occur, as determined by the Seller's Agent, water diversions will be constructed on skid trails, loading ramps and access roads according to Mississippi's BMP specifications.

Article XII. The Buyer shall be responsible for the removal of any tree or bush or any other obstruction(s) or any portion thereof which is felled in any stream or on any public highway, road, ditch draining the roadway or felled in a way which obstructs the same in any manner. The Buyer must remove the obstructions in a timely manner. If the Seller deems that the Buyer after being requested to remove said debris is unresponsive to removing obstruction(s), the Seller reserves the right to remove obstructions; furthermore the expenses of removing obstruction(s) will be incurred by the Buyer. The Seller reserves the right to deduct any and all expenses incurred in the removal of said obstructions from the Buyer's Performance Bond.

Article XIII. Buyer covenants and agrees to use, and to cause its contractors, employees and agents to use, any and all hazardous or toxic substances only on an as-needed basis and in accordance with all applicable laws, rules and regulations. Buyer agrees to defend, indemnify and hold harmless Seller from and against any and all costs, suits, claims, liabilities and obligations relating to or arising from use by buyer or its contractors, employees, or agents of any hazardous or toxic materials or substances or petroleum products. All hydraulic fluid and petroleum containers and any other refuse resulting from the harvesting activities shall be removed by the Buyer on a daily basis. The Seller reserves the right to deduct any and all expenses incurred in the removal of said hazardous and toxic substances, hydraulic fluid and petroleum containers and any other refuse from the Buyer's Performance Bond.

Article XIV. When the Buyer has completed his operations as authorized by this contract, Buyer shall remove all equipment and other objects located on the property by themselves, their agents or their employees. *Fences when damaged by harvesting operations will be restored to original condition.*

Upon completion of all terms of this contract the Buyer shall notify the Seller or the Seller's Agent by personal communication such as a written notice. The Seller's Agent will then make a final inspection of the sale area. The Seller will, upon receipt of the final harvest inspection report, refund the Buyer the full amount of their deposit, less any amount to be withheld for failure to meet contract specifications.

Article XV. The purchaser will be required to meet the following Reporting Rules as set forth by IRS.

New Lump-Sum Timber Sale Reporting Rules

On May 28, 2009 new rules for reporting lump-sum timber sales went into effect. TD 9450 outlines the changes to Treasury Regulations 1.6045-4, requiring purchasers of standing timber in a lump-sum transaction to report the sale or exchange of the timber to the IRS using IRS Form 1099-S ("Proceeds from Real Estate Transactions") and to provide the completed form to the seller and to the IRS by January 31 of the year following the sale. More information at **www.ces.ncsu.edu/nreos/forest/pdf/LumpSumTimberSales.pdf** (AdobeÒAcrobatÒReader required).

Article XVI. If any of the conditions of these Articles are violated by the Buyer, their Agent(s) or their employees, the Seller reserves the following rights; to notify the Buyer in writing or verbally that all harvesting

operations are immediately suspended and that harvesting will remain suspended until each and every contract violation is corrected to the satisfaction of the Seller or the Seller's Agent. If the Buyer refuses to comply with each and every condition and requirement set forth in these Articles and persists therein after written notice, then the Seller reserves the right to immediately terminate this contract by written notice to the Buyer.

IN WITNESS WHEREOF, the above contract has been executed on this _____day of _____, 2018, at _____, Mississippi.

_____ _____

Party of the Second Part Party of the First Part

STATE OF MISSISSIPPI

COUNTY OF _____

BEFORE ME, the undersigned, a Notary Public said County and State, on this day personally appeared, _____ of _____, a Mississippi Corporation, who acknowledged to me, said authority, that he signed, executed and delivered the within and foregoing instrument of writing on behalf of said corporation as its voluntary act and deed, on the day and year therein mentioned.

Given, under my hand and seal of office, this the _____ day of _____ , 2018.

_____

Notary Public

My commission expires: _____

STATE OF MISSISSIPPI

COUNTY OF _____

BEFORE ME, the undersigned, a Notary Public said County and State, on this day personally appeared, _____ of **Smith County School District**, who acknowledged to me, said authority, that he signed, executed and delivered the within and foregoing instrument of writing on behalf of said corporation as its voluntary act and deed, on the day and year therein mentioned.

Given, under my hand and seal of office, this the _____ day of _____ , 2018.

_____

Notary Public

My commission expires: _____

Smith County Schools - Timber Sale Map
Section 16, T3N, R6E, Lump Sum Regeneration Map

0.3 0 0.16 0.3 Miles

1: 10,000

WGS_1984_Web_Mercator_Auxiliary_Sphere

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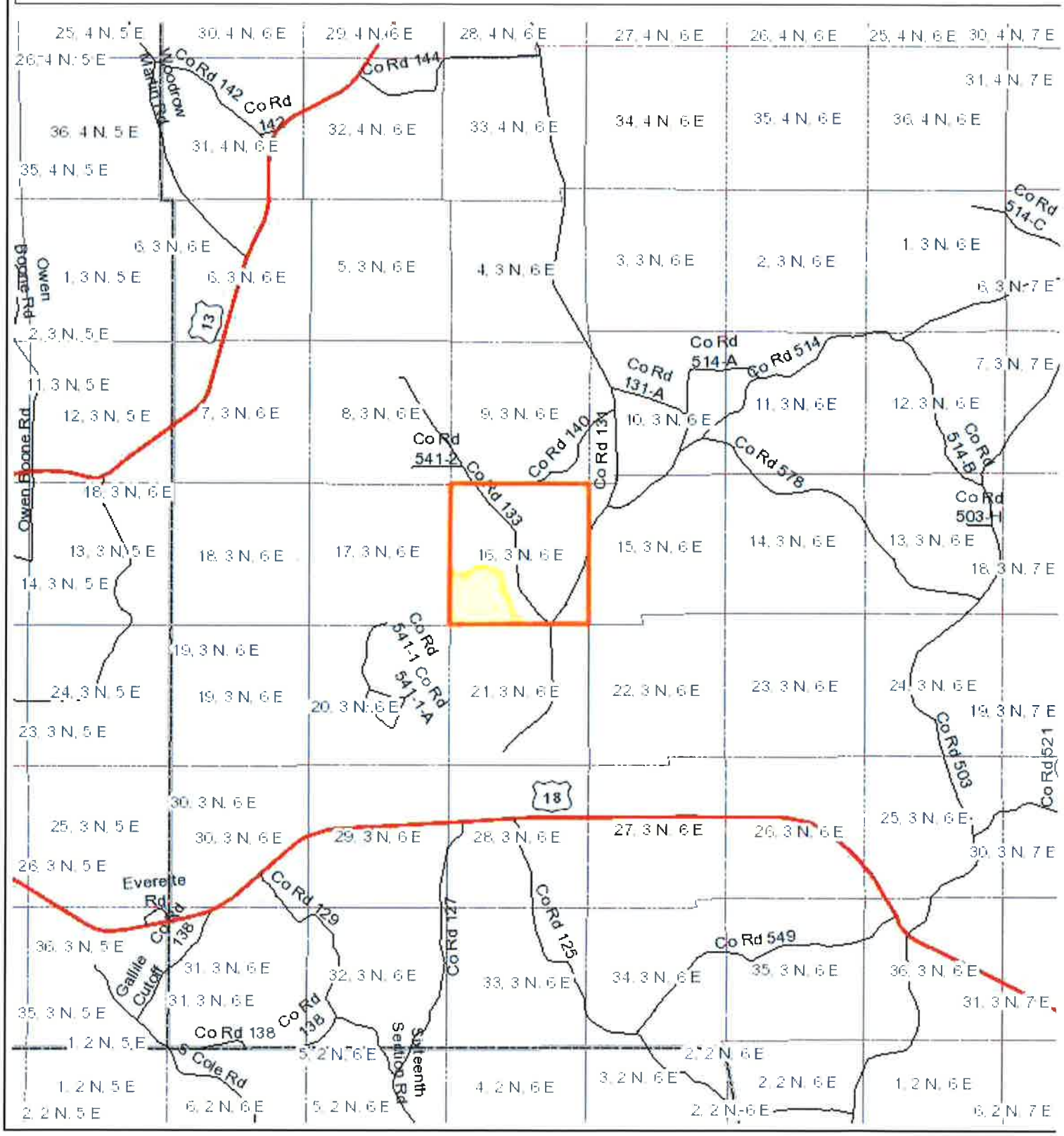
This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT INTENDED FOR NAVIGATIONAL USE.

Smith County Schools - Road Map
Section 16, T3N, R6E, Lump Sum Regeneration Map



2.3 0 1.14 2.3 Miles

1: 72,224

WGS_1984_Web_Mercator_Auxiliary_Sphere

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