

TITLE 17: CONSERVATION  
CHAPTER I: DEPARTMENT OF NATURAL RESOURCES  
SUBCHAPTER d: FORESTRY

PART 1545  
SALE OF FOREST PRODUCTS

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AUTHORITY: Implementing and authorized by the State Forest Act [525 ILCS 40].

SOURCE: Adopted at 12 Ill. Reg. 2274, effective January 14, 1988; recodified by changing the agency name from Department of Conservation to Department of Natural Resources at 20 Ill. Reg. 9389.

**Section 1545.10      Definitions**

"Acceptable Bid(der)" means a licensed Illinois Timber Buyer when required by the Illinois Timber Buyers Licensing Act [225 ILCS 735/1] who meets the contract bonding requirements and submits a bid being equal to or greater than the estimated value of the forest product.

"Competitive Sales" means forest products which are offered for sale by sealed bids.

"Department" means the Department of Natural Resources, Division of Forest Resources.

"Director" means the Director of the Department of Natural Resources.

"Forest Products" means trees, standing or felled, and parts thereof, excluding firewood as defined in 17 Ill. Adm. Code 170.

**Section 1545.20      Methods of Sale**

The sale of forest products from State forests will be accomplished by the Division of Forest Resources through the lump sum sale method, unit price sale method or the fixed price sale method. For the lump sum sales and unit price sales a sealed bid procedure will be utilized.

- a) Lump sum sale. A lump sum sale is one where all marked or designated forest products are sold to the highest acceptable bidder for a single price.
- b) Unit price sale. Under the unit price sale, the forest product is offered for sale on a forest product basis, such as, sawtimber, poles, veneer, pulpwood, by species or groups of species, and bids will be accepted on a per unit price.
- c) Fixed price sale. The fixed price sale is one where forest products consist of qualities and/or species of tree and logs that are not normally marketable in the area due to size, quality, quantity or species. This type of sale will only be used when a thinning or clearing is required. Each tree or log or group of trees or logs will be sold individually at a price fixed by the Department on a first come, first serve basis after advertisement. Fixed prices will be determined by appraising previous sales, existing markets, private sales and by considering the Illinois Timber Prices Survey as published by the Department of Agriculture and Department of Natural Resources.

#### **Section 1545.30      Advertisement of Sale**

- a) Sales will be advertised by placing a notice in a local newspaper of general circulation. This notice shall be published at least once each week for two consecutive weeks prior to the sale.
- b) A newspaper advertisement shall contain the following provisions:
  - 1) description and location of the forest products to be sold;
  - 2) the dates and times the stand/product will be available for inspection;
  - 3) the date and time when sealed bids will be accepted and subsequently opened;
  - 4) the location where sealed bids will be received;
  - 5) bid deposit requirement and a brief description of the conditions of sale; and
  - 6) the location(s) where additional bidder information can be obtained regarding such information as past harvest treatment, old landings, and harvesting conditions.

**Section 1545.40 Bid Proposals for Competitive Sales**

- a) In order to qualify each bid must be submitted on the bid forms provided by the Department. Bid forms may be obtained at a location specified in the bid advertisement. The site will be determined on the basis of the location of the sale and accessibility for the timber buyers to obtain this information.
- b) Bids must be accompanied by a deposit in the form of a bank draft, cashier's check, certified check, or money order payable to the Department of Natural Resources in an amount equal to at least 5% of the bid, but not less than \$25. This is subject to increase or decrease based on the environmental condition, size, location, type and value of forest products being offered for sale.
- c) After the bid has been approved by the Director, or his designee, as an acceptable bid, the successful bidder will be notified. Upon receiving the notification of acceptance, he/she will make payment to the Department. Upon receipt of the payment, executed contract and the required performance deposit, pursuant to 17 Ill. Adm. Code 1545.50 and 1545.60, a fully executed copy of the sale contract will be returned to the successful bidder along with the bid deposit, if applicable. If agreed to by the successful bidder and the Department, the bid deposit may be used as a partial payment toward the payment due to the Department.
- d) If the successful bidder declines or fails to accept the award of the sale contract, the bid deposit check will be forfeited and deposited by the Director in the Fish and Wildlife Fund. If acceptable to the Department, the next highest bidder will be offered the sale. The bid deposit checks of the unsuccessful bidders shall be returned to them as soon as the sale to the successful bidder has been finalized.
- e) No person who has, within the preceding twelve months, pleaded guilty to or been convicted of a Class 4 Felony or whose license has been revoked or suspended in the previous calendar year, pertaining to a violation of a statute or rule pertaining to forestry, or who is an agent, employee, employer or business associate of any person who, within the preceding twelve months, has pled guilty to or been convicted of a Class 4 Felony or whose license has been revoked or suspended in the previous calendar year pertaining to a violation of a statute or rule pertaining to forestry, shall be eligible to purchase forest products from State lands. The Statutes and rules pertaining to forestry are located in 225 ILCS 735, 225 ILCS 740, and this Part. Any such person who submits a bid shall have his bid deposit forfeited and deposited by the Director in the Fish and Wildlife Fund.
- f) Providing false information on the bid forms shall be a Class B Misdemeanor.

- g) The Department will reject a bid if it is not acceptable, if there is any possible violation of the bidding procedure, or environmental concerns arise that may change the bidding, or contract that was not known prior to the advertisement of the sale.

**Section 1545.50 Performance Deposits for Competitive Bid Sales**

- a) The executed sale contract and payment must be accompanied by a performance deposit in the form of a bank draft, cashier's check, certified check, money order or other certified instrument such as an insurance bond, payable to the Department of Natural Resources in an amount equal to at least 10% of the bid, but not less than \$100. This is subject to increase or decrease based on the environmental condition, size, location, type and value of forest products being offered for sale.
- b) The performance deposit of successful bidders will be retained by the Department until the satisfactory removal of the forest products is made in accordance with the sale contract.
- c) The performance deposit will be returned only after an on-site inspection of the sale area has been made and the conditions of the sale contract have been met and accepted by the Department with complete performance in accordance with the sale contract.

**Section 1545.60 Performance Deposits for Fixed Price Sales**

- a) As stated under Section 1545.20(c), forest products will be sold individually by the Department on a first come, first served basis. Payment for the forest products will be required at that time along with a signed contract.
- b) A performance deposit may be required to accompany the payment when environmental conditions at the site are conducive to potential damage. The performance deposit must be in the form of a bank draft, cashier's check, certified check, money order or other certified instrument such as an insurance bond and made payable to the Department in an amount equal to at least 10% of the payment, but not less than \$100.00. This is subject to increase or decrease prior to advertisement of the fixed price sale.
- c) The performance deposits will be retained by the Department until the satisfactory removal of the forest products is made in accordance with the sale contract.
- d) The performance deposit will be returned only after an on-site inspection of the sale area has been made, and the conditions of the sale contract have been met and accepted by the Department with complete performance in accordance with the sale

contract.

**Section 1545.70 Sale Administration**

- a) The sale will be administered by the Department in accordance with the provisions of a written sale contract between the successful bidder and the Department.
- b) The Department reserves the right to cancel sale at any time prior to the execution of the contract. Cancellation of a sale once it has been advertised shall occur in such cases as, but not limited to, an error in the advertisement, environmental concerns that were not noticed prior to the advertisement or other circumstances beyond the Department's control.

**Section 1545.80 Appeals**

- a) Upon the completion of the requirements of the sale contract, the sale area will be inspected by the Department representative. If the conditions of the sale area have not been completed as agreed to under the contract, the Department representative will not approve the sale area. The successful bidder must correct the deficiencies within the contract period or within an agreed extension period or may appeal to the State Forester, Division of Forest Resources.
- b) The appeal must be made in writing to the State Forester at the address listed in Section 1545.90 within 30 days from the date that the conditions of the sale area were not approved.
- c) The State Forester will notify the successful bidder in writing within 30 days the reasons for which the original decision is upheld or reversed. The State Forester's decision will be based on information such as, but not limited to, the inspection report, sale contract, the successful bidder's appeal, and an on-site inspection.

**Section 1545.90 Information**

Anyone wishing additional information concerning this Part may contact the Department of Natural Resources at the following address:

Illinois Department of Natural Resources  
Division of Forest Resources  
600 North Grand Avenue West  
Springfield, IL 62706