



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Scott Walker, Governor
Dan Meyer, Secretary
James Yach, Regional Director

Woodruff Service Center Annex
8770 Highway J
Woodruff, Wisconsin 54568
Telephone 715-356-5211 Ext.242
FAX 715-356-9174

March 5, 2018

Josh Fields
1234 Old Hwy 8
Waters, WI 54000

CERTIFIED MAIL

Subject: Overdue Stumpage & Interest Payment Due – Max Creek Pine 1000-H

Dear Josh:

The Department of Natural Resources had determined that you had two separate contract breaches, in 2017, when there were violations to Condition 8, paragraph 1, of Timber Sale Contract 1000-H, (Max Creek Pine), as explained in the deferred payment option of the Timber Sale Contract Addendum. Please refer to this addendum and the penalties as they are spelled out for overdue payment. As of 03-02-18, the penalty interest is \$2063.71. For further assistance on exact penalty interest please contact Leeann at (715) 385-0000 ext. 111.

- Date (06-21-2000) First non-compliance: Failed to make stumpage payment in the amount of \$9285.86 within thirty days of invoice receipt.
- Date (07-07-2000) Second non-compliance: Failed to make stumpage payment in the amount of \$7424.16 within thirty days of invoice receipt.

Recently we were approached by Central Timber requesting permission to complete the remainder of your contract 1000H – Max Creek Pine. Before that could happen, you must first remedy all outstanding timber stumpage and interest due to the Department on your timber sale contract, so until all payments are received the following conditions remain:

- 1) **No more cutting, skidding or hauling will be allowed until the billed amount plus interest is paid.**
- 2) You will be required to pre-pay stumpage on all State timber sales for a period of two years.
- 3) All overdue stumpage payments are to be made along with all interest incurred which will be calculated upon payment received. Refer to your timber sale contract for late interest penalty example.
- 4) If found in contract breach again within the next two years, you may become ineligible to bid on any State/GNA sales.

There is to be no more cutting, skidding or hauling on this sale as referenced above (Item 1) until all payments plus interest are made. Once those payments are made the sale can be operated on by yourself or sub-contracted out, however; all stumpage must be pre-paid before leaving the job site.

If you have any questions about this action, about the penalty interest due, or any other aspect of the timber sale contract, give me a call. Your prompt attention to this matter is appreciated. Thank you.

Sincerely,

James Wetterau
Forester

cc: Leeann Thole, Financial Specialist Senior
Tom Shockley, NR Region Team Supervisor
Craig Dalton, NHAL-SF Property Manager
Doug Brown, County Forest & Public Lands Specialist



January 3, 2050

Coon's Logging
P.O. Box 25
Plantation, WI 54000

Subject: **Notice of non-compliance with contract terms**
State of Wisconsin DNR Timber Sale # 1001-1,
Wooly Wildlife Area

Dear Mr. Coon:

The purpose of this letter is to formally notify you that you are not in compliance with the terms of the contract for the referenced timber sale. Specifically, you have failed to remit payment within the specified 30-day period for two stumpage invoices:

- The first invoice, dated November 1, 2050 with a stumpage charge of \$10,545.44 was due to be paid no later than December 8, 2050.
- The second invoice, dated December 4, 2050 with a stumpage charge of \$8,418.90 was due to be paid no later than today – January 3rd, 2051.

This situation constitutes a breach of the timber sale contract. In accordance with contract terms and Forestry Division policies, the Department will implement the following measures to address this issue:

1. If you do not pay the outstanding amount from invoice #1 (\$10,545.44) by close of business on January 8th, 2051 all hauling on this sale will be suspended until full payment of that obligation is received by the Department. If this invoice is not paid until after January 8th, a late payment interest fee of 1.5% (\$158.18) will be added to the amount due. The amount due will be increased by 1.5% for every 30 day period that elapses before payment is made.
2. Effective January 8, 2051 this contract will be placed on “pre-pay only” status. This means that from that day forward - until the sale is completed - you will be required to pre-pay for all timber cut before it can be hauled from the landing. We will work with you to establish a pre-payment schedule and amend the timber sale contract accordingly.
3. If invoice #2 (amount = \$8,418.90) remains unpaid beyond February 3rd, 2051, a late interest fee will be added to that invoice as well. Further, if you do not pay this invoice in full by February 3rd, all logging activity on this harvest will be suspended until all outstanding stumpage payments are secured. You should also be aware that failure to pay two stumpage invoices on time will result in you being placed on “pre-pay only” status for all State of Wisconsin timber sales for a period of two years.

I look forward to your prompt action to correct these issues and regain compliance on this timber sale. Please contact me at 715-505-0000 if you have questions about any of the information contained in this letter.

Sincerely,

Rob Strand
DNR Forester – State Lands

cc. Doug Brown, DNR Public Lands Specialist
Andrew Sorenson, Eau Claire Team Leader
Dennis Hutchison, DNR Forester/Ranger - Cornell



Douglas County Forestry Department

9182 E. Hughes Avenue • PO Box 211
Solon Springs, WI 54873

Tel 715-378-2219
Fax 715-378-2807

October 5, 2015

Schlecht Forest Products
2000 South Timber Road
Plantation, WI 53028

RE: Contract Expiration- Timber Sale #6800

Dear Mr. Schlecht:

In January of this year you were offered the final extension for contract #6800, with a contract expiration date of **October 30, 2015**. With substantial work remaining uncompleted as the date of this letter and the very low likelihood of the work being completed by the October 30, 2015 deadline, this letter is to inform you that as of 12:00am on Saturday, October 31, 2015, Schlecht Forest Products contract #6800 with Douglas County will have officially expired.

At the point of contract expiration, the Department will seek to cover its incurred losses by retaining your entire performance bond in the amount of \$21,200.00. In the event the losses to the County exceed this amount, the Department, at its own discretion, may seek to recover additional damages by initiating collection activities through legal counsel.

Furthermore, as a result of your failure to perform this contract, your current bidding privilege revocation for Tim Schlecht, Schlecht Forest Products, and those individuals associated with Schlecht Forest Products; instituted as of October 25, 2014, will be extended for a 3-year term from October 31, 2015 to October 31, 2018.

If you have any questions, please feel free to contact our office.

Sincerely,

Jon Harris
Director of Forestry and Natural Resources

enclosure: 1