Public Notice

Commercial Timber Permits for Sale by Sealed Tender

Location and Time of Public Opening

Alberta Forestry and Parks' (FP) Forest Stewardship and Trade Branch (the "department") is announcing the public opening of sealed tenders for one coniferous commercial timber permit, three coniferous (fire killed salvage) commercial timber permits and one deciduous commercial timber permit on **November 5**, **2024 at 10:30 a.m.** in boardroom 3115 in the J.G. O'Donoghue Building, 7000 - 113 Street, Edmonton, Alberta or by using a "Microsoft Teams Meeting". Permit maps and specific permit terms and conditions regarding the available timber are available at any FP office or online at https://www.alberta.ca/commercial-timber-permits-sale.aspx. Potential bidders are strongly encouraged to review the terms and conditions for permit(s) they are submitting a tender(s) prior to submitting a tender.

This public notice and permits for sale are subject to changes up to and including two weeks prior to the date of opening of sealed tenders. Potential bidders are strongly encouraged to check the online address above for updated public notice and updated permits prior to submitting a sealed tender.

Items of Note

1. Categories

For the 2024 Commercial Timber Permit Sale, commercial timber permits will be offered in two different categories: Small Operator and Large Operator. A Small Operator is defined as a potential permit holder who has not harvested more than a combined total of 21,000 cubic meters of coniferous and deciduous timber from May 1, 2023 to April 30, 2024 from the potential permit holder's own timber dispositions. A Large Operator is defined as a potential permit holder who has harvested more than a combined total of 21,000 cubic meters of coniferous and deciduous timber May 1, 2023 to April 30, 2024 from the potential permit holder's own timber dispositions.

Small Operators are able to submit sealed tenders for commercial timber permits for sale in either the Small Operator or the Large Operator categories. All parts of this document apply to Small Operators. Large operators are able to submit sealed tenders for commercial timber permits for sale in the Large Operator category only. All parts, except for Part 1: Permits for Sale, Small Operator category, of this document apply to Large Operators.

If FP's Director, Forest Tenure, Trade and Economics determines that a Large Operator has submitted a bid on a permit within the Small Operator permit category after the opening of the sealed tender, the bid will be rejected and the Director, Forest Tenure, Trade and Economics may sell the permit to the next highest eligible bidder for that permit at the next highest bid rate, sell the timber permit as per *Timber Management Regulation* 38, or cancel the sale on this permit.

The commercial timber permits for sale in the Large Operator permit category have not had all the planning or regulatory obligations completed prior to the permit's sale. Please carefully read the permit's terms and conditions and refer to Table 3 below for the outstanding planning and regulatory obligations. There are increased regulatory obligations on some permits as compared to permits sold prior to 2022 commercial timber permit sales.

2. Pre-Registration

Pre-Registration for interested bidders is not required for the 2024 Commercial Timber Permit Sale.

It is the department's expectation that all bidders will have reviewed the terms and conditions for the permit(s) they are submitting tender(s) for as well as the sale conditions within this notice and will be able to comply with the obligations of the permit to the satisfaction of the department.

3. Glossary

A glossary of terms used in this notice is found at the end of this document.

Part 1: Permits for Sale

Small Operator Category Permits Table 1 Small Operator Category Coniferous Permit for Sale in 2024

Timber Disposition Number	CTPS160060	
Condition	Green	
Conifer Volume (m³)	6,500	
Deciduous Volume (m³)	2,559	
Permit Expiry Date	April 30, 2027	
Timber Disposition Area (ha)	164	
Block Area (ha)	47	
Minimum Bid (\$/m³)	\$1.90	
Security Deposit (\$)	\$27,533.41	
Incidental Charges (\$) (GST Included)	\$95.55	
Conifer Reforestation Levy (\$/m3)	\$12.58	
Deciduous Reforestation Levy (\$/m³)	\$0.00	

Notes Applicable to Small Operator Category Permit:

CTPS160060 cannot have an extension to the permit expiry date.

Large Operator Category Permits

Table 1 Large Operator Category Coniferous and Deciduous Permits for Sale in 2024

Timber Disposition Number	CTPR150139	CTPR150140	CTPR150141	DTPG130006
Condition	Fire Killed	Fire Killed	Fire Killed	Green
Conifer Volume (m³)	4,476	16,188	20,291	2,880

Deciduous Volume (m³)	745	2,162	2,726	20,231
Permit Expiry Date	April 30, 2027	April 30, 2027	April 30, 2027	April 30, 2029
Timber Disposition Area (ha)	591	855	794	1,845
Block Area (ha)	20	57	242	96
Minimum Bid (\$/m³)	\$0.95	\$0.95	\$0.95	\$1.55
Security Deposit (\$)	\$15,428.76	\$60,463.68	\$74,851.31	\$23,429.55
Incidental Charges (\$) (GST Included)	\$114.56	\$142.28	\$135.87	\$536.81
Conifer Reforestation Levy (\$/m3)	\$12.58	\$12.58	\$12.58	\$12.58
Deciduous Reforestation Levy (\$/m³)	\$0.00	\$0.00	\$0.00	\$1.08

Table 2 Obligations associated with Large Operator Category Coniferous and Deciduous Permits

Timber Disposition Number	CTPR150139	CTPR150140	CTPR150141	DTPG130006
Indigenous Consultation	Required of permit holder*	Required of permit holder*	Required of permit holder*	Required of permit holder
Historical Resources Act Authorizations	Required of permit holder	Required of permit holder	Required of permit holder	Required of permit holder
Trapper Notification ¹	Required of permit holder	Required of permit holder	Required of permit holder	Required of permit holder
Annual Operating Plan Preparation ²	Required of permit holder	Required of permit holder	Required of permit holder	Required of permit holder
Public Lands Act Disposition Holder Agreements	Required of permit holder	Required of permit holder	Required of permit holder	Required of permit holder
Reforestation ³	Not required of permit holder (Completed by FRIAA)	Not required of permit holder (Completed by FRIAA)	Not required of permit holder (Completed by FRIAA)	Not required of permit holder (Completed by FRIAA)

^{*}Indigenous consultation has occurred for areas impacted by EWF-031-2023 wildfire. The holder of this CTP is required to submit a Pre-consultation Assessment Request to the Aboriginal Consultation Office Digital Service and action the response as appropriate.

¹ Consistent with <u>Alberta timber harvest planning and operating ground rules</u> 2.7.3

² Consistent with TM118 Annual Operating Plan Standard Form

³ Reforestation obligations will be completed by Forest Resource Improvement Association of Alberta (FRIAA)

Notes Applicable to Large Operator Category Permits:

- Field reconnaissance of CTPR150139, CTPR150140 or CTPR150141 has not been completed by the department. The condition of the volume is unverified.

Notes Applicable to All Permits:

- All permits require a Bid Deposit of \$2,000 per permit.
- Permit layout will be the responsibility of the permit holder. Layout is to be completed by a regulated member as
 defined in the Regulated Forestry Profession Act.
- All of the permits will require volume reporting consistent with <u>Scaling Standards of Alberta</u> as amended or replaced from time to time.
- All of the permits will require digital data submission consistent with <u>AF, Forestry Policy, 2015, No. 2, Forest Harvest Plan/Annual Operating Plan/As-Built Spatial Digital Data Submissions</u> as amended or replaced from time to time.
- No warranty is implied or given as to the quality or quantity of the timber.
- All sales are final.

Part 2: General Information

Potential bidders should review the <u>Forests Act</u> (the "Act") and the <u>Timber Management Regulation</u> (the "Regulation") prior to submitting a tender to ensure they understand their obligations and rights. Potential bidders should review this notice entirely prior to submitting a tender. Potential bidders are encouraged to conduct site visits to permit areas of interest.

Questions

Questions on CTPS160060 and DTPG130006 can be directed to the local Forest Area. Questions on CTPR150139, CTPR150140 or CTPR150141 or questions on other items within this public notice can be directed to the Tenure Systems Specialist at seena.handel@gov.ab.ca or 587-985-0971. Written questions in email format are strongly preferred. Responses to verbal questions, and the questions, received by the Tenure Systems Specialist will be written and posted online by the department at https://www.alberta.ca/commercial-timber-permits-sale.aspx. Verbal responses to enquiries are not binding on any party.

Questions must be communicated to the Tenure Systems Specialist at least three (3) business days prior to the sale date and time. Any questions received after this deadline may be answered in the department's sole discretion.

Mandatory Bidding Eligibility and Permit Holder Requirements

Eligible bidders may be either individual persons or a corporation.

- 1. A Bidder who is an individual must:
 - a. Be at least 18 years of age; and
 - b. Have resided in Alberta at least 6 months preceding this tender; and
 - c. Not be in default under the *Forests Act* or any regulations under this Act (this includes being current on any debt or liability to the Crown in right of Alberta and to the Forest Resource Improvement Association of Alberta).
- 2. A Bidder that is a corporation shall:
 - a. At the time of its Bid and at its own cost, provide to the Tenure Systems Specialist a current⁴ corporate registry report or similar document from the jurisdiction (i.e. provincial or federal) in which it was incorporated, and any other document(s) required by the Tenure Systems Specialist to establish its compliance with this criterion; and
 - b. Not be in default of the *Act* or any regulations under this Act (this includes being current on any debt or liability to the Crown in right of Alberta and to the Forest Resource Improvement Association of Alberta).

Independent bid declaration:

⁴ Within 6 months prior to the date of the commercial timber permit sale.

All bids will meet the following criteria and the information may be used and disclosed by FP for the purposes of any investigation or prosecution, both criminal and civil.

- 1. The Bidder has arrived at the accompanying Bid independently from and without consultation, communication, agreement or arrangement with, any Competitor⁵.
- 2. In particular, there has been no consultation, communication, agreement or arrangement with any Competitor regarding:
 - a. bids.
 - b. methods, factors or formulas used to calculate bids,
 - c. the intention or decision to submit, or not to submit, the Bid or
 - d. the submission of a bid which does not meet the specifications of the commercial timber permit sale;
- 3. In addition, there has been no consultation, communication, agreement or arrangement with any competitor regarding the quality, quantity, specifications or delivery particulars of the products or services to which the commercial timber permit sale relates;
- 4. The terms of the accompanying Bid have not been, and will not be, knowingly disclosed by the Bidder, directly or indirectly, to any Competitor, prior to the date and time of the official bid opening, or at the awarding of the contract, whichever comes first, or the time that the Bid is made, unless otherwise required by law.

Individuals or corporations submitting bids not able to establish their compliance with the mandatory eligibility requirements or the independent bid declaration to the satisfaction of the Director, Forest Tenure, Trade and Economics will have their Bid rejected for that commercial timber permit. In cases of non-compliance with the mandatory eligibility requirements due to default of the *Forests Act* or any regulations under this Act or findings of not satisfactorily meeting the independent bid declaration, the department will notify the individual or the corporation in writing.

Sales Conditions - General

- 1. All successful Bidders, where required, must pay the incidental/planning charges (payment process described below) by 4:30 p.m. on November 12, 2024. If payment of the incidental/planning charges is not received by 4:30 p.m. on November 12, 2024, the successful bidder will be in default of the permit. The department may sell the permit to the next highest eligible bidder for that permit at the next highest bid rate, sell the timber permit as per *Timber Management Regulation* 38, or cancel the sale on this permit. The incidental/planning charges must be paid separately from the security deposit. The incidental/planning charges will not be refunded under any circumstances.
- 2. A Bid less than the minimum bid indicated in Part 1of this Notice will be rejected.
- 3. The Director, Forest Tenure, Trade and Economics may in their discretion and as sole judge for the purpose, at any time, without obligation to any bidders or other person, waive any irregularity or non-compliance with the Public Notice as in the opinion of the Director, Forest Tenure, Trade and Economics is appropriate. The Director, Forest Tenure, Trade and Economics shall have no obligation to any bidder or other person to waive any irregularity or non-compliance with the Public Notice at any time. Under no circumstances will the Director, Forest Tenure, Trade and Economics accept a sealed tender or Security Deposit submitted outside the deadlines described in this Notice.
- 4. Any person intending to bid at this commercial timber permit sale as an appointed agent or power of attorney for a prospective purchaser shall present to the Tenure Systems Specialist conducting the sale at least 30 minutes before the sale commences an acceptable signed and witnessed or sealed copy of the appointment.

Completing Tenders

Completed tenders are to be submitted in separate sealed envelopes clearly marked with the timber disposition number on the front (i.e. CTPG130006). The "Sealed Tender" must include:

- 1. A Bid Deposit in the amount of \$2,000; and
- 2. The properly completed Bid form (only one Bid form per envelope); and
- 3. The Bid shall be completed in total showing an "initial" and a "secondary" bid. The "secondary" Bid will apply only in the event of a tie between two or more highest "initial" bids for a specific permit. If a tie results on the "secondary" Bid, the

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⁵ Competitor is any person or organization other than the Bidder, whether or not affiliated with the Bidder, who has been requested to submit a bid in response to the commercial timber permit sale, and could potentially submit a bid in response to the commercial timber permit sale, based on their qualifications, abilities or experience.

- Director, Forest Tenure, Trade and Economics will make the final decision as to the awarding of the permit. The successful Bidder will be selected from the tied bidders by drawing a name; and
- A sealed tender must be received by the Director, Forest Tenure, Trade and Economics before the sale commences, and the Director, Forest Tenure, Trade and Economics shall reject any sealed tender submitted after the sale has commenced.

Submitting Tenders

Sealed tenders can be submitted by mail or courier delivery. Sealed tender packages must be received by 4:00 p.m.

November 4, 2024. Please allow sufficient time for mailing; late sealed tender packages will not be considered for any reason. The sender assumes all risks of the mail being delayed, lost or misplaced.

Mail or courier to:

Forest Stewardship and Trade Branch Suite 108, 7000 - 113 Street Edmonton, Alberta T6H 5T6

Attention: Provincial Timber Permit Sale Closing Date November 4, 2024

Hand Delivered

The day of the sale **November 5, 2024**, sealed tender packages must be submitted/delivered between **8:30 a.m. and 9:30 a.m.** to:

Seena Handel CTP Provincial Sale Reception table at front (south) door of J.G. O'Donoghue Building 7000 - 113 Street NW, Edmonton, Alberta

Sealed tenders will not be accepted by electronic submission or facsimile.

Sales Procedures

- 1. Qualified sealed tenders will be opened and the bids read aloud starting at 10:30 on November 5, 2024.
- 2. Only one bid will be accepted per eligible bidder per permit available.
- 3. Eligible bids will be evaluated based on highest to lowest initial bid.
- 4. The highest bid will be the sole determinant of the timber dues to be paid and will be fixed for the term of the permit. The bid does not include the applicable reforestation levies, incidental charges or GST, which must be paid by the successful bidder.
- 5. The bidder indicated on the highest bid for a permit will be the name of the permit holder. No assignment of the permit to an alternative individual or company name is allowed except where a power of attorney has been provided to the Tenure Systems Specialist officer conducting the sale in compliance with section 46 of the Regulation.
- 6. The Director, Forest Tenure, Trade and Economics in charge of the sale has the right to stop the sale at any time, if in their opinion the proceedings are contrary to the <u>Government of Alberta's Respectful Workplace Policy</u>. Once the public opening has been stopped, the Director, Forest Tenure, Trade and Economics in charge may recommence, discontinue and/or reschedule the public opening.
- 7. The Director, Forest Tenure, Trade and Economics will, at their discretion, and as sole judge for the purpose make a final decision in respect to any conflict or dispute arising out of any sale.
- 8. The Bid Deposit of the successful Bidder will be held until the Security Deposit is in place. All Security Deposit requirements must be met by **4:30 p.m.** on **November 13, 2024** or the successful Bidder will forfeit the Bid Deposit, incidental charges, and all rights to the permit.
- 9. If a successful Bidder defaults on the purchase of a permit by

- a. Failing to meet a deadline or requirement in this document; or
- b. The Director, Forest Tenure, Trade and Economics rejects the bid as the Bidder not able to establish their compliance with the mandatory eligibility requirements; or
- c. The independent bid declaration is not to the satisfaction of the Director, Forest Tenure, Trade and Economics,

in their sole discretion, the Director, Forest Tenure, Trade and Economics may sell the permit to the next highest eligible bidder for that permit at the next highest bid rate, sell the timber permit as per *Timber Management Regulation* 38, or cancel the sale on this permit.

10. The successful Bidder may be required to maintain and submit information to the department on request, regarding the costs of logging, and hauling, including costs of preparing operating plans, preparing road access, and scaling costs.

Viewing the Sale

Any person may attend the sealed tender opening in person or by Microsoft Teams meeting.

- 1. If you are interested in attending the sealed tender opening in person, please send an email to seena.handel@gov.ab.ca by **October 31, 2024** to be added to the attendee list.
- 2. If you are interested in viewing the sealed tender opening via Microsoft Teams or conference call, please send an email to seena.handel@gov.ab.ca by October 31, 2024 to be added to the attendee list. A meeting request email will be sent out prior to the sale date that will include details and instructions for viewing the sealed tender opening. Attendee must have Chrome or Fire Fox as your internet browser.

Crown Charges, Deposits and Data Submission

Timber Dues

Coniferous Timber Permits

The rate of coniferous timber dues will be the accepted bid per m³ and is the only timber dues rate that applies to coniferous volume. Timber dues for the deciduous species harvested from these permits will be assessed at the Base Rate, as defined in the *Timber Management Regulation* section 2 (1.03). All timber from these permits is required to be weighed and sample scaled or other method of volume determination approved by the department. Timber dues will be assessed based on volumes of timber measured.

Deciduous Timber Permits

The rate of deciduous timber dues will be the accepted bid per cubic metre (m³) and is the only timber dues rate that applies to deciduous volume. Timber dues for the coniferous species harvested from these permits will be assessed as defined in the *Timber Management Regulation* Schedule 1⁶. All timber from these permits is required to be weighed and sample scaled or other method of volume determination approved by the department. Timber dues will be assessed based on volumes of timber measured.

Incidental Charges

The successful Bidder will be required to pay the following incidental charges:

- 1. Issuance fee as described in Ministerial Order MO 02/2023; and
- 2. Holding and protection charges as described in the Timber Management Regulation section 97.6.

Incidental Charges to be paid to the Crown may only be in the form of:

- 1. Cash. or
- 2. Cheque in favour of the Government of Alberta.

⁶ https://www.alberta.ca/timber-dues-rates-coniferous-pulpwood-and-roundwood.aspx

Form of Deposit

Bid deposits must be in the form of:

- Cash. or
- 2. Cheque in favour of the Government of Alberta.

Security deposits must be in the form of:

- 3. Cash.
- 4. Cheque in favour of the Government of Alberta, or
- 5. Irrevocable letter of credit submitted in accordance with all of the requirements of the Government of Alberta, or term savings certificates issued by a financial institution acceptable to the Government of Alberta.

Removal of Sales Conditions

The successful Bidder's Bid Deposit will be held until the Security Deposit has been received by the department and the requirements of this sale have been met. The Security Deposit must be submitted by 4:30 p.m. on November 13, 2024.

The Bid Deposit may be used, in whole or in part, toward the Security Deposit. Refund of the portion of the Bid Deposit not used as part of the Security Deposit will occur within six (6) weeks from the sale date. Bid Deposits in the form of cheques will be returned to unsuccessful bidders following the sale on the same day. Cash Bid Deposits will be processed by the department as per normal business practices and refunded to the Bidder within six (6) weeks from the sale date.

Refund of Security Deposits

Security Deposits will be refunded to the permit holder when all permit obligations as determined by the department are fulfilled. If all permit obligations are not complete, the security deposit may be refunded as per normal department business practices.

Reforestation Obligations

All successful bidders on these permits will be required to pay the reforestation levies to the Forest Resource Improvement Association of Alberta (FRIAA) unless otherwise noted in this notice.

Coniferous Timber Permits

The reforestation levy payable for coniferous timber harvested is based upon permit location within the province. Reforestation charges are to be paid directly to FRIAA. Reforestation levies are as per *Timber Management Regulation* section 142.4(4.1), and are over and above the amount tendered in the Bid.

Data Submission

The timber disposition holder must submit records as described in the <u>Timber Management Regulation</u> and the <u>Forests</u> (<u>Ministerial</u>) Regulation.

The timber disposition holder must provide Forest Stewardship and Trade Branch with the total volume harvested on a harvest opening by harvest opening basis as determined by weigh scaling or other method of volume determination approved by the department.

Glossary

"Bid" means the amount of expressed in Canadian dollars and cents (\$) per cubic metre (m³) the bidder will pay to the Province for each cubic meter of primary species volume produced from the permit if issued to the bidder.

"Bid deposit" means the amount, expressed in Canadian dollars and cents (\$) that the Bidder pay to the Province prior to the making of a bid at the sale advertised by this notice. As per *Timber Management Regulation* 39 (1.1).

"Harvest opening" means an area created by timber harvest which is the unit for reforestation management and tracking of reforestation activities in the Alberta Regeneration Information System (ARIS). Openings have a unique administrative identification and a single timber disposition holder.

"Initial bid" means the initial amount, expressed in Canadian dollars and cents (\$) per cubic metre (m³), the Bidder will pay to the Province for each cubic metre of primary species volume produced from the permit if issued to the Bidder.

"the Province" means His Majesty the King in right of Alberta as represented by the Minister of Forestry and Parks.

"Secondary bid" means the amount expressed in Canadian dollars and cents (\$) per cubic metre (m³) the Bidder will pay to the Province for each cubic metre of primary species volume produced from the permit in the event of a tie between initial bids and if the permit is issued to the Bidder.

"Security deposit" means the amount, expressed in Canadian dollars (\$) that the bidder pay to the Province by the deadline advertised in this notice. As per *Timber Management Regulation* 40.

"Tenure Systems Specialist" means the officer of the sale as per *Timber Management Regulation* 46 for the purposes of the sale.

"Timber Disposition Holder" means the holder of a "timber disposition" that is defined in the Forests Act.