



DEPARTMENT OF NATURAL RESOURCES  
STATE OF MICHIGAN

TIMBER SALE PROSPECTUS

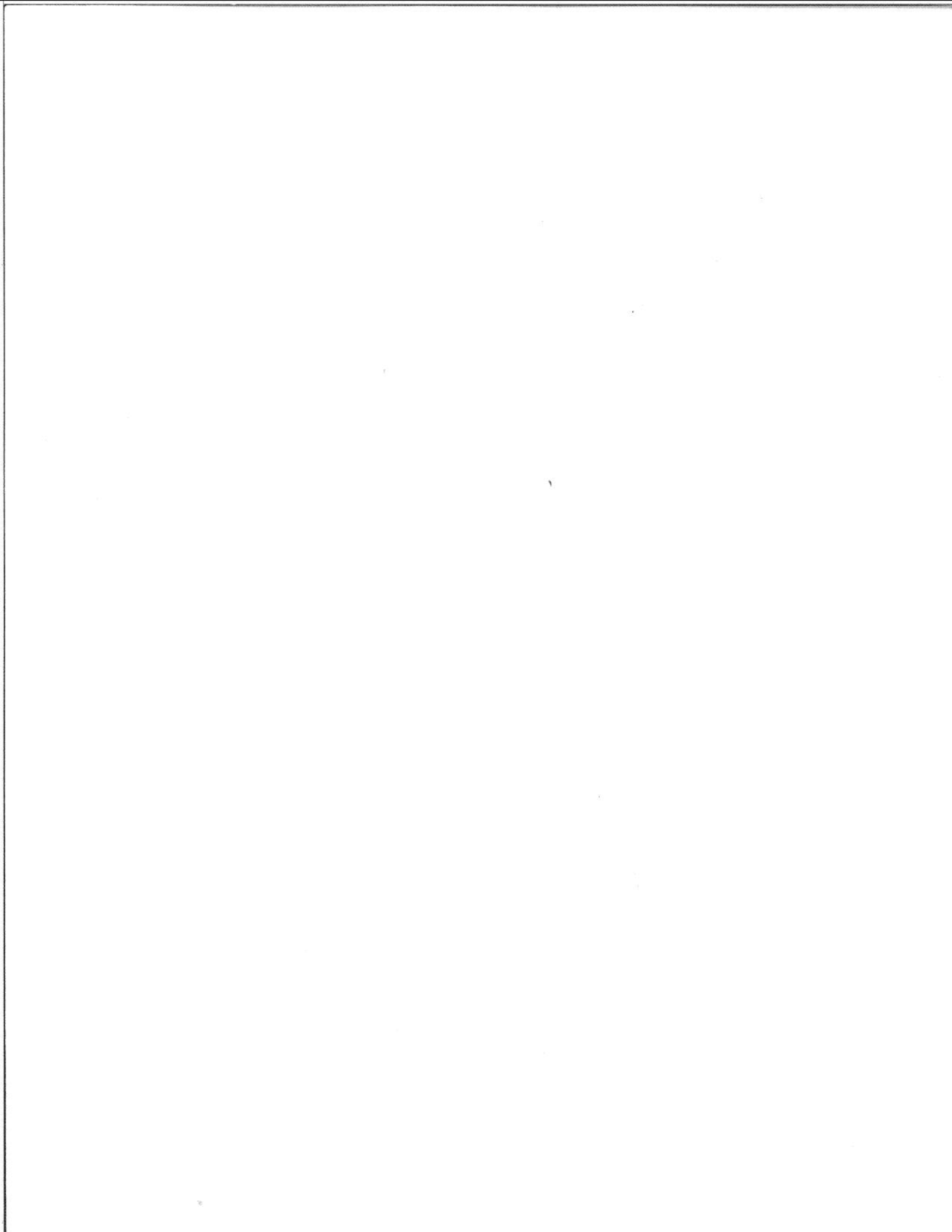
Notice is hereby given that bids will be received by the Unit Manager,  
CRYSTAL FALLS MANAGEMENT UNIT, for certain timber on the following described lands:

PINE-N-DANDY / T44N, R27W, SEC. 25, E1/2SW, NWSE, SENW.  
DICKINSON COUNTY (Appr. \$14,695.40)

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SALE DATE AND TIME: 3:00 p.m. on March 18, 2009.

**CRYSTAL FALLS**



BID INSTRUCTIONS (Ver. 06/23/2008):

1. Bid Location, Date, and Time: Bids must be received by the Unit Manager, Crystal Falls Management Unit, 1420 US-2 West, Crystal Falls, MI 49920, no later than 3:00 p.m., local time, on March 18, 2009. For further information concerning this sale, contact the Unit Manager at 906-875-6622.
2. Bidder's Qualifications: Purchaser shall obtain workers compensation insurance to cover claims under Michigan's Worker's Disability Compensation Act of 1969 or similar employee benefit act of any other state applicable to an employee. If all or part of a timber sale was prepared by a private contractor, that contractor and that contractor's company are not permitted to bid on the timber sale contract. Bids will not be accepted from individuals or companies appearing on the DNR/FMFM No-Bid List. This list contains the names of purchasers who previously failed to execute a contract within 21-days or who have a history of poor performance.
3. Preparation of Sealed Bids: Bids shall be manually signed in ink; bid prices must be entered for each species and product in the Bid Price column for all material subject to bidding; and all fill-in blanks must be completed. If erasures or other changes appear on the forms, each erasure or change must be initialed by the person signing the bid.
4. Submission of Sealed Bids: Bid forms may be obtained from the Unit Manager. All bids must be submitted on the bid form and in an envelope clearly identified as described in this section. NOTE: Only one bid form per bid envelope. Sealed bids must be submitted to the Unit office designated in the prospectus and must be submitted at or prior to the time established in the prospectus. The envelope should show on the outside (a) that it is a "Bid for Timber," and (b) the sale name or number, and (c) the date and time of bid opening as shown in the prospectus. Bids received after the time specified in the sale prospectus are late bids and will be rejected.
5. Public Opening of Sealed Bids: If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.
6. Award of Contract: Award of the contract will be made to the Bidder whose bid, conforming to the prospectus, is most advantageous to the State of Michigan on the basis of total value at rates bid for the estimated quantities. The State reserves the right to reject any bid or waive any minor irregularity in bids received. A written award mailed (or otherwise furnished) to the successful Bidder shall be deemed to result in a binding contract without further action by either party.
7. Down Payment: The Bidder to whom award is made must make a down payment within 21 days of the sale award. The amount of the down payment will be calculated as shown in the Bond and Payment Schedule of this prospectus. Only cash may be used to meet this requirement.
8. Performance Security: As guarantee of faithful performance, a cash bond, certificate of deposit, surety bond or irrevocable letter of credit (LOC) is required within 21 days of the sale award. The amount of the performance security is shown in the Bond and Payment Schedule of this prospectus. If an LOC or surety is used, the coverage must extend for at least 6 months beyond the contract expiration.
9. Timber Sale Contract: Additional conditions and requirements common to all timber sales are listed on the timber sale contract (R4031) and are available on line at [www.michigan.gov/dnr](http://www.michigan.gov/dnr). Contact the Unit Manager for additional information or a sample contract. Within 21 days of the date of the award letter, the bidder must sign the contract and provide the required down payment, performance security, and verification of worker's disability compensation. The down payment and performance security shall be in accordance with the provisions of the timber sale contract, in the sums stated in this prospectus. If these actions are not taken, then the Bidder, the Bidder's corporation, and the corporation's principals may not be permitted to bid on State timber sales for a period of 1 year. In addition, the Bidder certifies that if awarded this contract, the Bidder will complete the timber sale contract in accordance with its terms and any modifications thereof including requirements to purchase, cut, and remove the included timber by the termination date.

10. Disclaimer of Estimates and Bidder's Warranty of Inspection: Before submitting this bid, the Bidder is advised and cautioned to inspect the sale area, review the requirements of the sale contract, and take other steps as may be reasonably necessary to ascertain the location, estimated volumes, construction estimates, and operating costs of the proposed sale. Failure to do so will not relieve the Bidder from responsibility for completing the contract.

The Bidder warrants that this bid is submitted solely on the basis of the Bidder's examination and inspection of the quality and quantity of the timber offered for sale and the Bidder's opinion of the value thereof and the costs of recovery. No reliance should be placed on the State of Michigan's estimates of timber quality, quantity or costs of recovery. Bidder further acknowledges that the State of Michigan: (i) expressly disclaims any warranty of fitness of timber for any purpose; (ii) offers this timber as is without any warranty of quality (merchantability) or quantity and (iii) expressly disclaims any warranty as to the quantity or quality of timber sold.

11. Certification and Chain-of-Custody: Unless otherwise indicated in the contract under section 7 - Other Conditions of the Sale Specific Conditions & Requirements, the area encompassed by this timber sale is certified to the standards of the Forest Stewardship Council (FSC) - Certificate #SCS-FM/COC-090N and the Sustainable Forestry Initiative (SFI) - Certificate # NSF-SFIS-5Y031-S1. Forest products from this sale may be delivered to the mill as "FSC and / or SFI certified" as long as the contractor hauling the forest products is chain-of-custody (COC) certified or covered under a COC certificate from the destination mill. The purchaser is responsible for maintaining COC after leaving the sale area.

REBECCA A. HUMPHRIES  
Director

PINE-N-DANDY (029-08-01)

A timber sale contract for this LUMP SUM SEALED timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

<u>SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>APPRAISED PRICE</u>
SAWLOGS		
RED PINE	15.50 MBF	\$ 131.00/MBF
PULPWOOD		
Q. ASPEN	137.00 CORDS	\$ 23.30/CORD
B. SPRUCE	171.00 CORDS	\$ 24.30/CORD
RED PINE	87.00 CORDS	\$ 47.80/CORD

In addition, the successful bidder agrees to purchase the following species at the indicated appraised price:

<u>SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>APPRAISED PRICE</u>
SAWLOGS		
WHITE PINE	.70 MBF	\$ 133.00/MBF
PULPWOOD		
P. BIRCH	7.00 CORDS	\$ 18.30/CORD
BALSAM FIR	16.00 CORDS	\$ 21.60/CORD
WHITE PINE	14.00 CORDS	\$ 12.25/CORD
JACK PINE	12.00 CORDS	\$ 35.05/CORD

\*The volumes are statistically estimated within plus (+) or minus (-) 20.51 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

1. A bond in the amount of \$900.00 to insure faithful performance of the conditions of the contract, will be deposited by the successful bidder within 21 days of the sale award.
2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
3. Total payment may be paid in advance or according to the following schedule:
  - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
  - (b) The 10% down payment will be credited towards the first unit cut.
  - (c) Payment for each of the following units must be made before cutting begins in that unit:

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
1	59%
2	41%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on June 30, 2011.



### TIMBER SALE MAP

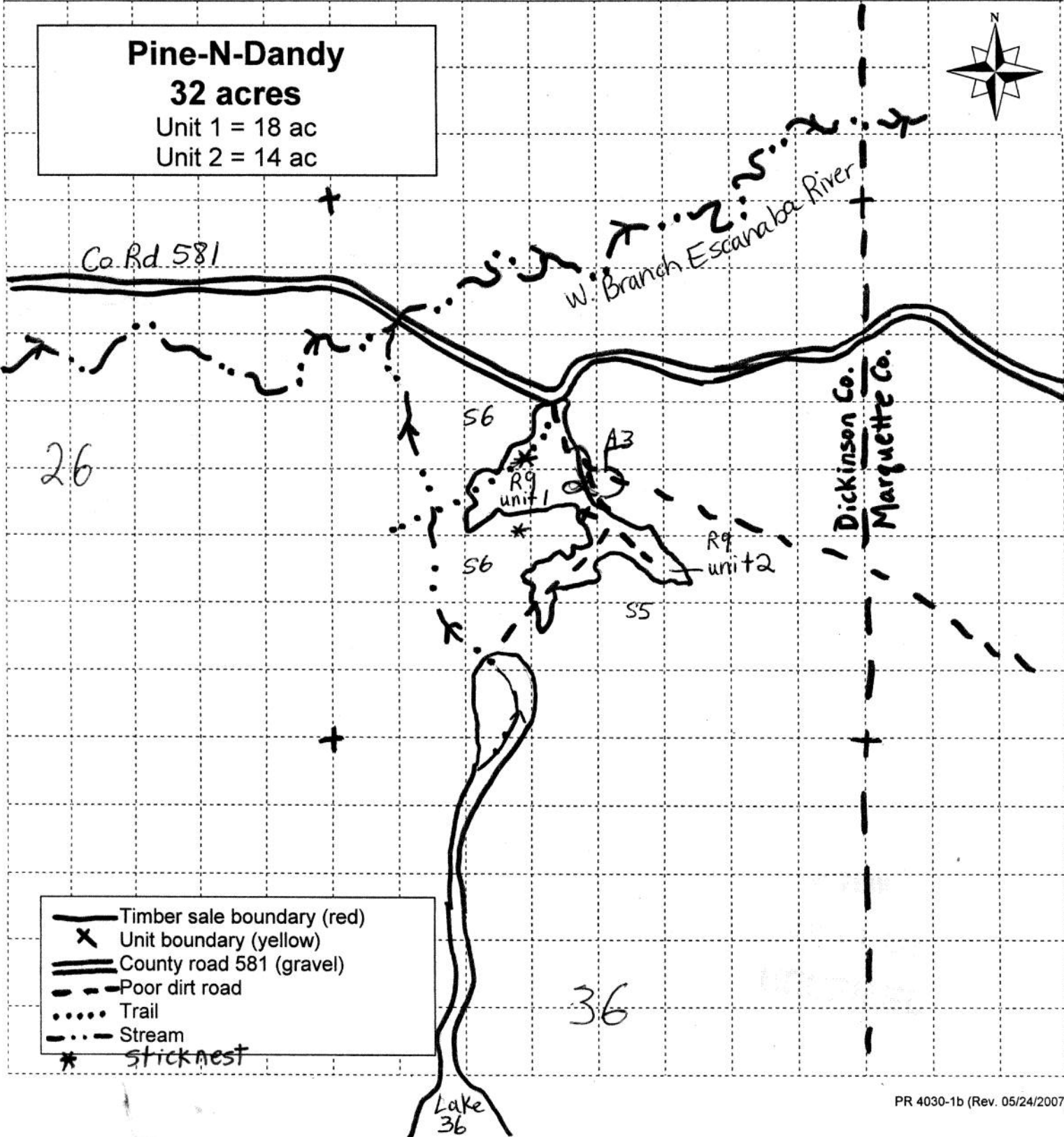
This information provided by authority of Part 525 of Act 451, PA 1994, as amended.

Sale Number	Year
12-029-08-01	2008

Forest Management Unit	County	Mapped By	Date	Page	of
Crystal Falls Mgmt Unit	Dickinson	Debbie Goupell	9/30/08	1	1
Township	Range	Section(s) and Subdivision(s)	Scale: [..4 inches.....] = 1 mile		
44N	27W	Sec 25: E1/2SW, NWSE, SENW			

Cover Type				Density	
A = Aspen	G = Grass	O = Oak	U = Upland Brush	0 = Non Stocked	5 = Pole Timber Medium
B = Paper Birch	H = Hemlock	P = Lowland Poplar	V = Bog or Marsh	1 = Seedling Sapling Poor	6 = Pole Timber Well
C = Cedar	J = Jack Pine	Q = Mixed Swamp Cnfr	W = White Pine	2 = Seedling Sapling Medium	7 = Saw Timber Poor
D = Treed Bog	L = Lowland Brush	R = Red Pine	X = Non Stocked	3 = Seedling Sapling Well	8 = Saw Timber Medium
E = Swamp Hdwoods	M = Mpl, Bch, Brch	S = Black Spruce	Z = Water	4 = Pole Timber Poor	9 = Saw Timber Well
F = Spruce Fir	N = Marsh	T = Tamarack			

**Pine-N-Dandy**  
**32 acres**  
 Unit 1 = 18 ac  
 Unit 2 = 14 ac



	Timber sale boundary (red)
	Unit boundary (yellow)
	County road 581 (gravel)
	Poor dirt road
	Trail
	Stream
	sticknest

## Sale Specific Conditions & Requirements

Sale Name: Pine-n-dandy Sale Number: 12-029-08-01

### 1 - Sale Area

#### 1.2 - Boundaries

##### 1.2.1 - Painted boundaries (6/05)

The sale boundary is marked and identified by red paint. Interior Payment Unit boundary is marked with yellow paint.

### 2 - Timber Specifications

#### 2.1 - Included Timber

##### 2.1.3 - Cut tree marked unit(s) (8/04)

Within Payment Unit(s) 1 and 2 red and white pine are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition to trees marked with orange paint, cut all other species except cedar, hemlock and oak if present. Do not cut aspen trees marked with green paint.

#### 2.2 - Utilization

##### 2.2.1 - Utilization (2/04)

All listed board foot volumes of sawlog size products in this contract have been determined using a top diameter inside bark of 10 inches.

##### 2.2.4 - Skidding length (2/04)

Skidding of unlimbed tops or lengths over 17 feet is not permissible unless approved by the Unit Manager or their representative.

#### 2.3 - Log Rule

##### 2.3.1 - Log rule (2/04)

All board foot volumes of sawlog size products in this contract have been determined by the International 1/4" Log Rule

### 3 - Payments

#### 3.4 - Damaged Timber

**Sale Name: Pine-n-dandy Sale Number: 12-029-08-01**

**3.4.1 - Damaged timber (6/05)**

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

No damage is acceptable to merchantable trees. Within the sale area, if more than 10% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

**4 - Transportation**

**4.1 - Construction**

**4.1.6 - Road construction (6/07)**

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

**4.1.7 - Road closure (4/07)**

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Contact the sale administrator for specific details of design and placement.

**4.2 - Maintenance**

**4.2.1 - Hauling restriction (3/07)**

Hauling may be restricted on forest roads by the Unit Manager or their representative. The restriction may occur during wet weather conditions.

**4.2.5 - Two wheel drive condition (2/04)**

All existing trail roads on and adjacent to the sale area must be passable by two-wheel drive traffic for the duration of the sale.

**5 - Operations**

**5.1 - Notification**



**Sale Name: Pine-n-dandy Sale Number: 12-029-08-01**

**5.1.1 - Pre-sale conference (2/08)**

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations and to review sale specifications. The Unit Manager or their representative must be contacted at least 10 days in advance to schedule the conference.

**5.1.4 - Post-sale conference (2/04)**

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

**5.2 - Conduct of Operations**

**5.2.1 - Slash**

**5.2.1.7 - Slash must be scattered (2/04)**

Unless otherwise directed, slash and logging debris shall be uniformly scattered over the sale area and not left in piles or windrows. Slash shall not be allowed to accumulate at the landings. All slash work shall be done concurrently with harvesting.

**5.2.1.14 - Chipping of slash (10/08)**

If tops are chipped, they must be skidded to the landing separately from the bole section of the tree. Skidding of tops must be done in such a way as to minimize damage to the residual trees. See related specs 2.2.4 - Skidding Length and 3.4.1 - Damaged Timber.

**5.2.2 - Snags**

**5.2.2.1 - Den trees (2/04)**

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

**5.2.3 - Operating Restrictions**

**5.2.3.1 - Operating restrictions (3/07)**

Within Payment Unit(s) 1 and 2, unless changed by written agreement, cutting, skidding, and hauling may be restricted if one of the stick nests in the area is found to be active. (See nest locations on the map.) This restriction is according to the Management Guidelines for Conservation and Protection of Nesting Habitat for Raptors in the Great Lakes Region. It may include restrictions for specific periods of time and/or restrictions in certain parts of the sale area.

**5.2.32 - Decking/landing restoration (2/04)**

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to insure the proper regeneration of the stand.

**5.2.38 - No decking against live trees (2/04)**

Cut products may not be decked against unmarked or designated leave trees.

**5.4 - Soil Protection**

**Sale Name: Pine-n-dandy    Sale Number: 12-029-08-01**

5.4.1 - Rutting restriction, general (5/08)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads which is 12 inches or greater in depth and 50 feet in length. In addition, operations are to cease immediately if equipment and weather conditions result in rutting on skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or their representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or their representative's approval, the Purchaser may return to the area when the weather conditions have changed and/or the risk of rutting has decreased.

PINE-N-DANDY (029-08-01)  
T44N, R27W, SEC. 25, E1/2SW, NWSE, SENW.  
DICKINSON COUNTY

In response to the notice of sale to be held 3:00 p.m. on March 18, 2009, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

<u>SPECIES</u>	<u>APPRAISED PRICE</u>	<u>BID PRICE</u>	<u>ESTIMATED VOLUME*</u>	<u>= VALUE</u>
<u>SAWLOGS</u>				
RED PINE	\$ 131.00/MBF	\$ _____ X	15.50 MBF	= \$ _____
<u>PULPWOOD</u>				
Q. ASPEN	\$ 23.30/CORD	\$ _____ X	137.00 CORDS	= \$ _____
B. SPRUCE	\$ 24.30/CORD	\$ _____ X	171.00 CORDS	= \$ _____
RED PINE	\$ 47.80/CORD	\$ _____ X	87.00 CORDS	= \$ _____
SUBTOTAL 1				\$ _____

In addition, the successful bidder agrees to purchase the following species at the appraised price:

<u>SPECIES</u>	<u>APPRAISED PRICE</u>	<u>ESTIMATED VOLUME*</u>	<u>VALUE</u>
<u>SAWLOGS</u>			
WHITE PINE	\$ 133.00/MBF	.70 MBF	= \$ 93.10
<u>PULPWOOD</u>			
P. BIRCH	\$ 18.30/CORD	7.00 CORDS	= \$ 128.10
BALSAM FIR	\$ 21.60/CORD	16.00 CORDS	= \$ 345.60
WHITE PINE	\$ 12.25/CORD	14.00 CORDS	= \$ 171.50
JACK PINE	\$ 35.05/CORD	12.00 CORDS	= \$ 420.60
SUBTOTAL 2			\$ <u>1,158.90</u>
SUBTOTAL 1 + SUBTOTAL 2 = TOTAL BID VALUE \$ _____			

These volumes are statistically estimated within plus (+) or minus (-) 20.51%. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

I understand that any or all bids may be rejected, and that the individual unit bid price will be the basis to determine total bid value. All bids must be signed and all bid items must be bid or the bid form may be rejected. I also understand that consideration and awarding a contract will be based upon my past performance and ability to complete the contract based upon equipment and manpower subject to my control.

\_\_\_\_\_  
(bidder's printed name)

\_\_\_\_\_  
(bidder's signature)

Address/Telephone \_\_\_\_\_

THE WINNING BIDDER MUST COMPLETE THE FORM ON THE REVERSE SIDE  
WITHIN 21 DAYS OF SALE AWARD



FOR DEPARTMENT USE ONLY	
Sale or Permit No	
Year:	Type:
Forest Area:	

**TIMBER SALE  
VERIFICATION OF WORKER'S DISABILITY  
COMPENSATION ACT COMPLIANCE**

*As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.*

**VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE**

- This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.
- In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract.
- All Information must be typed or printed except for written signatures.

Please Check Appropriate Categories:

1. My business is organized as (you **must** check one of the boxes below):
  - A.  Sole Proprietorship (individual)
  - B.  Partnership
  - C.  Corporation
2. You **must** check one of the boxes below:
  - A.  I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws.
  - B.  I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).
  - C.  I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.
3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full and part time employees other than yourself including family members and active partners (if none, you must enter "0").

\_\_\_\_\_ Full Time Employees

\_\_\_\_\_ Part Time Employees

Name of Business		Federal ID (or) Social Security No.	
Address		Telephone No. (       )	
City	State	Zip + 4	

I hereby certify that the above information is true and correct. I agree to notify the DNR of any changes that occur in factors affecting my coverage during any of my present and future operations.

\_\_\_\_\_  
Signature of Owner or Authorized Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date