



DEPARTMENT OF NATURAL RESOURCES & ENVIRONMENT
STATE OF MICHIGAN

TIMBER SALE PROSPECTUS

SALE TIME, DATE AND LOCATION
4:00 p.m. on December 7, 2010
GLADSTONE

Notice is hereby given that bids will be received by the Unit Manager, ESCANABA MANAGEMENT UNIT, or certain timber on the following described lands. The bidder is advised to inspect the sale area and review the location, estimated volumes, operating costs, and sale contract terms of the proposed sale.

MUSKRAT OAK WILT / T35N, R28W, SEC. 30, SENW, SW1/4, NWSE.

T35N, R28W, SEC. 31, N1/2NW, NWSW.

T35N, R29W, SEC. 25, NENE, SESE.

T35N, R29W, SEC. 36, NENE, NWSE.

MENOMINEE COUNTY (Appr. \$42,346.80)

SALE ACRES: 157.6

No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity.

Access may be through state forest land.

Please be aware that some landowners may request 60 days or more notice for forest harvesting access across their land.

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

1. Bid Location, Date, and Time: Bids must be received by the Unit Manager, Escanaba Management Unit, 6833 Hwy. 2, 41 & M-35, Gladstone, MI 49837, no later than 4:00 p.m. on December 7, 2010. For further information concerning this sale, contact the Unit Manager at 906-786-2354.
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. 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

MUSKRAT OAK WILT (021-11-01)

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>
PULPWOOD		
RED OAK	1,707.00 CORDS	\$ 18.40/CORD
Q. ASPEN	272.00 CORDS	\$ 32.40/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>
PULPWOOD		
JACK PINE	77.00 CORDS	\$ 27.60/CORD

*The volumes are statistically estimated within plus (+) or minus (-) 12.34 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 \$2,500.00 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	23%
2	09%
3	04%
4	27%
5	05%
6	07%
7	10%
8	09%
9	06%

4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on May 1, 2011.



Michigan Department of Natural Resources – Forest, Mineral & Fire Management
TIMBER SALE MAP

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

SALE NUMBER	YEAR
330211101	2011
DATE	PAGE OF
10/25/2010	1 1

FOREST MANAGEMENT UNIT Escanaba	COUNTY Menominee	MAPPED BY Durbin CRUISED BY Salter, Durbin
TOWNSHIP T35N	RANGE R28W	SECTION(S) AND SUBDIVISION(S) 30- SENW,SW1/4,NWSE; 31-N1/2NW,NWSW; T35N-R29W S25-NENE,SESE; 36-NENE,NWSE

1:15,840

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

EWT

Muskrat Oak Wilt
157.6 Acres

County Road 352 G-12



Sturgeon Landing Road

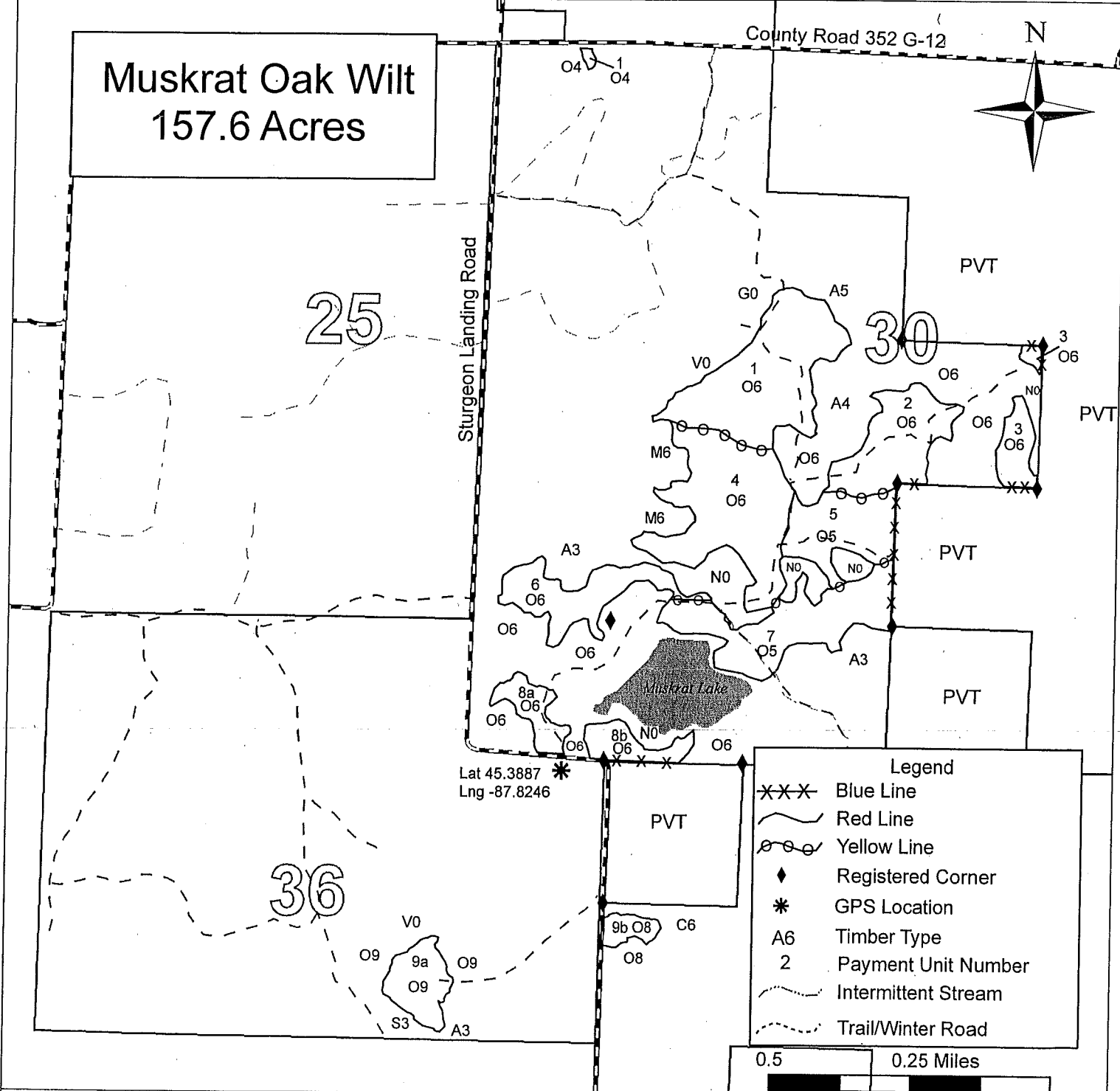
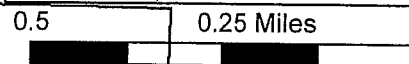
25

30

36

Lat 45.3887 *
 Lng -87.8246

Legend	
XXX	Blue Line
~~~~~	Red Line
o-o-o	Yellow Line
◆	Registered Corner
*	GPS Location
A6	Timber Type
2	Payment Unit Number
~~~~~	Intermittent Stream
- - - - -	Trail/Winter Road



Sale Specific Conditions & Requirements

Sale Name: Muskrat Oak Wilt Sale Number: 33-021-11-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and yellow paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid for.

2 - Timber Specifications

2.1 - Included Timber

2.1.3 - Cut tree marked unit(s) (12/08)

Within Payment Unit(s) 1 to 9, all trees are designated for cutting when marked with green paint above and below stump height, regardless of merchantability. In addition, cut all other red/pin oak greater than 3 inches in diameter. Cut all jack pine greater than 4 inches in diameter. Also, cut all aspen; except leave one healthy aspen tree every 33 feet.

- A. Within the sale area, oak trees marked with green paint must be harvested and removed prior to April 1, 2011.
- B. Oak trees marked with green paint must be cut and removed from a Payment Unit prior to cutting any unmarked oak in that Payment Unit. Marked oak may not be mixed with the unmarked oak.
- C. The contractor must inform the Timber Sale Administrator when cutting of the marked oak trees is completed in a Payment Unit prior to cutting any other trees in that Payment Unit.
- D. Oak marked with green paint must be chipped, taken to a wood processing facility, or sawn into dimensional lumber products at a mill by April 1, 2011. If the contractor plans on selling the wood for firewood or is unable to market the wood, the green marked oak may be moved to an area with no oak trees within a mile radius prior to April 1, 2011. If the wood is moved to a location where there is no oak present it may not be moved again until after July 15, 2011.
- E. If any oak marked with green paint can not be processed by April 1, 2011, the wood must be hauled off site at an approved area that has no oak trees within 1 mile or on a site where the wood is covered with a dark plastic tarp. The tarp must cover the wood to the ground and the wood must remain covered from April 15, 2011 to July 15, 2011. After July 15, 2011, the wood can be disposed of at the purchaser's discretion.

2.1.11 - Description of timber note (2/04)

Note that this sale was set up and designed to treat numerous epi-centers of oak wilt. A portion of the red/pin oak volume consists of dead oak.

4 - Transportation

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative. The restriction may occur during spring breakup or other wet weather conditions.

5 - Operations

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

No trees are to be felled outside the sale area and all slash is to be kept at least 10 feet back from the blue paint line.

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (12/08)

Within Payment Unit(s) 1, 2, 3, 4, 5, 6, 7, 8, and 9, unless changed by written agreement, cutting, skidding, and hauling must be completed by April 15, 2011. This restriction is to minimize the spread of oak wilt.

All infected wood must be hauled off site by April 1, 2011 and all other wood must be hauled off site by April 15, 2011.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

7 - Other Conditions

7.2 - Extensions

7.2.2 - No extensions (3/09)

There will be no extensions granted on this contract.

7.2.4 - Oak wilt extension (1/09)

This sale contains trees infected with oak wilt that must be harvested promptly. One (1), twelve (12) month extension can be applied to one (1) other sale owned by the purchaser and expiring within twelve (12) months from the date of this contract, to permit expediting the harvest of this sale. The free extension must be used before this contract is closed-out.

MUSKRAT OAK WILT (021-11-01)
T35N, R28W, SEC. 30, SENW, SW1/4, NWSE.
T35N, R28W, SEC. 31, N1/2NW, NWSW.
T35N, R29W, SEC. 25, NENE, SESE.
T35N, R29W, SEC. 36, NENE, NWSE.
MENOMINEE COUNTY

In response to the notice of sale to be held 4:00 p.m. on December 7, 2010, 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* = VALUE</u>
PULPWOOD			
RED OAK	\$ 18.40/CORD	\$ _____ X	1,707.00 CORDS = \$ _____
Q. ASPEN	\$ 32.40/CORD	\$ _____ X	272.00 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>
PULPWOOD			
JACK PINE	\$ 27.60/CORD	77.00 CORDS	= \$ 2,125.20
			SUBTOTAL 2 \$ 2,125.20
			SUBTOTAL 1 + SUBTOTAL 2 = TOTAL BID VALUE \$ _____

*These volumes are statistically estimated within plus (+) or minus (-) 12.34%. 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



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.

FOR DEPARTMENT USE ONLY

Sale Number (XX - XXX - XX - XX)

Forest Management Unit:

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-time 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 ()
City	State	ZIP

I hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE 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