



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #4640

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on June 5, 2012.

LOCATION: NAUBINWAY FIELD OFFICE, PO BOX 287 US 2, NAUBINWAY, MI 49762.

PROSPECTUS NOTE: Note that this sale has special requirements related to Payment Units (PUs) 1 and 2. An on-site meeting can be arranged to discuss these requirements. The DNR is conducting a test comparing different methods of measuring trees and determining tree volume. PUs 1 and 2 contain test areas. Both test areas have 20 test plots, i.e. there is roughly one test plot per acre. "Cut" and "Leave" trees have been numbered at each plot. Certain "Cut" trees on each test plot must be felled and cut into product lengths when DNR staff is present. Additional cuts above the last pulp stick may also be required. DNR staff will then make detailed measurements of each tree. There are 59 measurement trees in PU 1 and 57 measurement trees in PU 2.

The bidder is advised to inspect the sale area and review the location, estimated volumes, operating costs and contract terms of proposed sales. Please be aware that some landowners may request 60 days or more notice for access across their land.

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

BROASTED CHICKEN HARDWOODS (45-111-11-01) / T42N, R06W, SEC. 02, E1/2SW, W1/2SE, SESE.
Mackinac County, Advertised Price \$15,930.90, 61.0 Acres

SALE NOTE: The test trees must be cut within 90 days of contract execution or as soon after July 1st, 2012 as is practical. The cutting of the test trees must occur in one period of time, for example, over a period of one or two weeks. The cutting of these trees could be done independently of your normal harvest activities. In other words, a faller could work with the DNR staff falling and bucking trees independently of the purchaser's normal harvest plan. If the wood from the test trees is not removed from the site, then advanced payment is not required. If the test trees are removed from the site, then PUs 1 and/or 2 must be paid in full or payment for the removed trees will be required within 30 days of scaling/billing. Plot locations and the list of measurement trees is available and will be provided at the pre-work meeting. The DNR will work cooperatively to make this an efficient process with minimum impact to either party.

A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions. Access may be through other public or state forest land.

BID INSTRUCTIONS (VER. 02/13/2012):

1. Scheduled Bid Location, Date, and Time (2/11)

Bids must be received by the Unit Manager, NAUBINWAY OFFICE, PO BOX 287 US 2, NAUBINWAY, MI 49762, no later than 3:00 p.m. (local time) on June 5, 2012. For further information concerning this sale, contact Karen Rodock at 906-635-5281.

2. Bidder's Qualifications (2/12)

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/FRD 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 (1/11)

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 (6/11)

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) the sale name or number and (b) 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 (1/11)

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 (1/11)

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 (1/11)

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 (1/11)

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 (1/11)

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 (1/11)

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 (10/11)

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-00090N and the Sustainable Forestry Initiative (SFI) - Certificate # NSF-SFIS-5Y031-S1. Forest products from this sale may be delivered to the mill as "FSC Pure 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.

RODNEY STOKES
Director

TIMBER SALE INFORMATION

BROASTED CHICKEN HARDWOODS (45-111-11-01)

T42N, R06W, SEC. 02.

Mackinac County (Advertised Price \$15,930.90)

SALE NOTE: The test trees must be cut within 90 days of contract execution or as soon after July 1st, 2012 as is practical. The cutting of the test trees must occur in one period of time, for example, over a period of one or two weeks. The cutting of these trees could be done independently of your normal harvest activities. In other words, a faller could work with the DNR staff falling and bucking trees independently of the purchaser's normal harvest plan. If the wood from the test trees is not removed from the site, then advanced payment is not required. If the test trees are removed from the site, then PUs 1 and/or 2 must be paid in full or payment for the removed trees will be required within 30 days of scaling/billing. Plot locations and the list of measurement trees is available and will be provided at the pre-work meeting. The DNR will work cooperatively to make this an efficient process with minimum impact to either party.

A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions. Access may be through other public or state forest land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Sugar Maple	11.80 MBF	\$ 646.00 / MBF
Pulpwood		
Mixed Hardwood	353.00 Cords	\$ 21.50 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$718.60:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Black Cherry	1.20 MBF	\$ 296.00 / MBF
Red Maple	2.30 MBF	\$ 158.00 / MBF

* The total volume is statistically estimated within plus (+) or minus (-) 19.34 percent. The estimated units 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 **\$1,500.00** 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 must 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>
01	34%
02	31%
03	35%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 12/31/2014.

Sale Specific Conditions & Requirements

Sale Name: Broasted Chicken Hardwoods Sale Number: 45-111-11-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary is marked and identified by red paint and the unit lines are identified by yellow paint as shown on the timber sale map.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, 2, and 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.2 - Utilization

2.2.4 - Skidding length (2/11)

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

2.2.9 - No chipping permitted (12/08)

Within Payment Unit(s) 1, 2 and 3, all wood must be removed by tree segment, or roundwood. No chipping is permitted.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment unit(s) 1, 2 and 3 may be divided at the request of the purchaser and upon approval of the Unit Manager. Dividing payment units is a contract modification which requires a Timber Sale Contract Supplement.

4 - Transportation

4.1 - Construction

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 and distributing slash and stumps on the road for twenty (20') behind the berm. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

4.4 - Access

4.4.5 - Federal property access (3/11)

Permission for access across federal land is the responsibility of the purchaser. To haul on Borland Road, the purchaser must obtain a permit from the USFS (Hiawatha National Forest. Contact Ken Guillard at the St. Ignace Ranger District. His Number is (906) 643-7900 ext. 141.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (12/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations. The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

5.1.4 - Post-sale conference (6/11)

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

5.2.1.1 - 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 red paint line.

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (12/04)

All slash must be removed at least 20 feet from the cleared right-of-way of forest roads.

5.2.2 - Hazard Trees/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 (12/08)

Within Payment Unit(s) 1, 2 and 3, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of July 1st to December 15th. This restriction is because of bark slippage and the snowmobile trails. Operations are restricted to this time unless otherwise authorized by the Unit Manager or his/her representative.

5.2.4 - Dead and Down Creation

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed.

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

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

5.2.41 - Snowmobile trail protection (8/09)

The Carp River Truck Trail, Borland and Goodreau roads are snowmobile trails and are shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 15th. The snowmobile trail may not be used for any timber sale operations from December 15 to March 31 unless authorized by unit manager or his/her representative.

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.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (4/09)

All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

7 - Other Conditions

7.3 - Contract Modifications

7.3.1 - Emerald Ash Borer

7.3.1.2 - Emerald ash borer, ash or firewood on sale (2/05)

There is ash and/or "firewood" in this sale and it is located within an emerald ash borer quarantined area. The Director of the Michigan Department of Agriculture (MDA) by the authority of Act No. 72 of the Public Acts of 1945, as amended, and Quarantine Regulation No. 620, has promulgated this quarantine to prevent the further spread of this pest and sets forth: definitions, regulated articles, regulated areas, conditions of movement, violations and penalties, and special exemptions. The purchaser must comply with this quarantine. Contact the MDA for further information.

99 - Unique

99.1 - Timber Measurements Test: 45-101-11-01 (2/12)

There are special requirements for Payment Units (PUs) 1 and 2. The DNR is conducting a test comparing different methods of measuring trees and determining tree volume. PUs 1 and 2 contain test areas. Both test areas have 20 test plots, i.e. there is roughly one test plot per acre. "Cut" and "Leave" trees have been numbered at each plot. Certain "Cut" trees on each test plot must be felled and cut into product lengths when DNR staff is present. Additional cuts above the last pulp stick may also be required. DNR staff will then make detailed measurements of each tree. There are 59 measurement trees in PU 1 and 57 measurement trees in PU 2.

The test trees must be cut within 90 days of contract execution or as soon after July 1st, 2012 as is practical. The cutting of the test trees must occur in one period of time, for example, over a period of one or two weeks. A roundwood operation is required for the harvesting of the test trees. The cutting of these trees could be done independently of your normal harvest activities. In other words, a faller could work with the DNR staff falling and bucking trees independently of the purchaser's normal harvest plan. If the wood from the test trees is not removed from the site, then advanced payment is not required. If the test trees are removed from the site, then PUs 1 and/or 2 must be paid in full or payment for the removed trees will be required within 30 days of scaling/billing. Plot locations and the list of measurement trees will be provided at the pre-work meeting. The DNR will work cooperatively to make this an efficient process with minimum impact to either party.



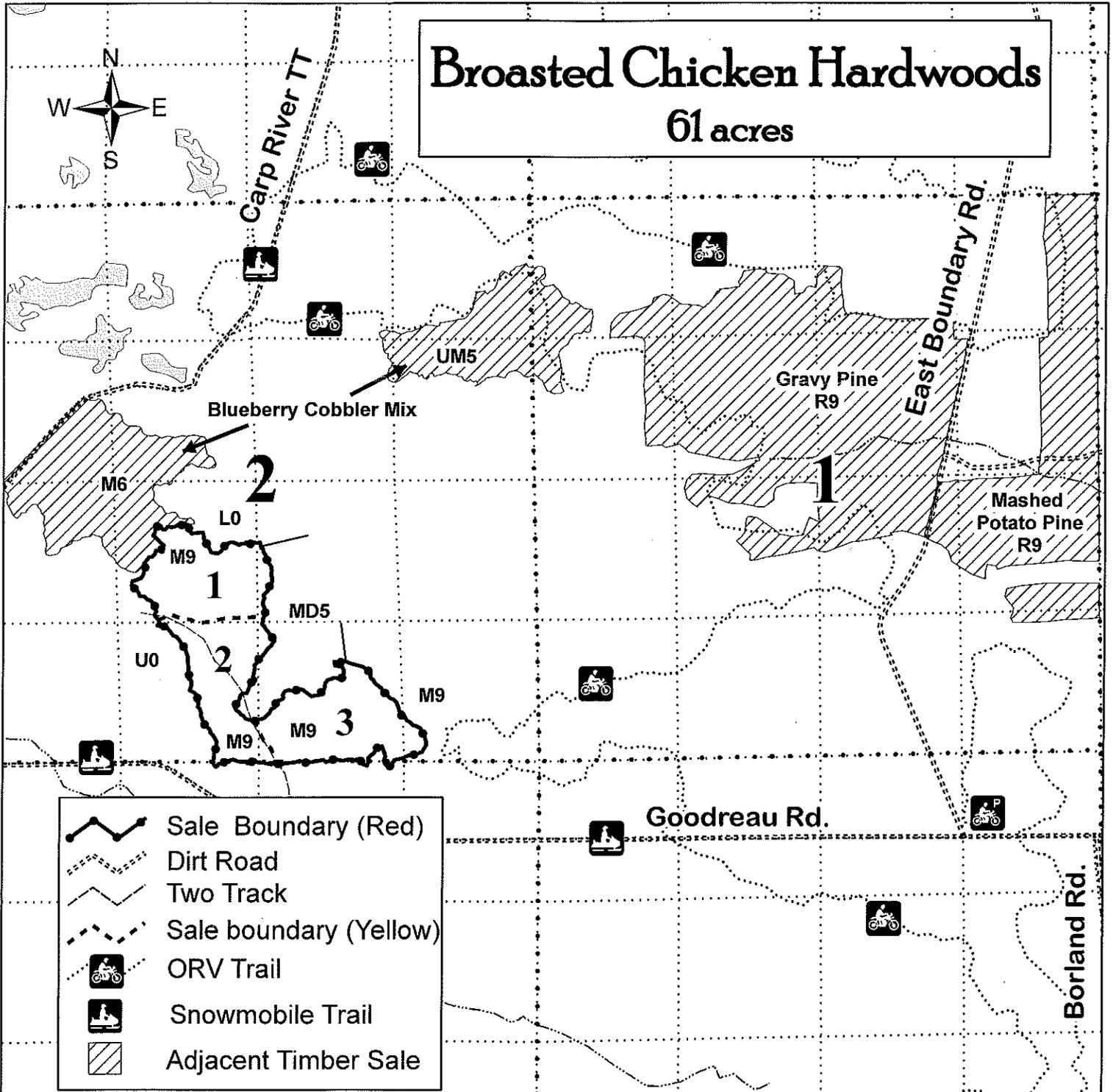
TIMBER SALE MAP

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

SALE NUMBER	YEAR
45-111-11-01	2011
DATE	PAGE OF
07-25-2011	1 1

FOREST MANAGEMENT UNIT Sault Ste. Marie/ Naubinway		COUNTY Mackinac	MAPPED BY Murawski	DATE 07-25-2011	PAGE OF 1 1
TOWNSHIP 42N	RANGE 6W	SECTION(S) AND SUBDIVISION(S) Sec. 2 E1/2SW, W1/2SE, SESE		1 inch = 1/4 mile 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			



	Sale Boundary (Red)
	Dirt Road
	Two Track
	Sale boundary (Yellow)
	ORV Trail
	Snowmobile Trail
	Adjacent Timber Sale

BROASTED CHICKEN HARDWOODS (45-111-11-01)
T42N, R06W, SEC. 02, Mackinac County

In response to the notice of sale to be held 3:00 p.m. (local time) on June 5, 2012, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Sawlogs			
Sugar Maple	11.80 MBF	\$ 646.00 / MBF	\$ _____ / MBF
Pulpwood			
Mixed Hardwood	353.00 Cords	\$ 21.50 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$718.60 :

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Black Cherry	1.20 MBF	\$ 296.00 / MBF
Red Maple	2.30 MBF	\$ 158.00 / MBF

* The total volume is statistically estimated within plus (+) or minus (-) 19.34 percent. The estimated units 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. 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 staffing subject to my control.

FEDERAL ID: ____ - ____ - ____ or SOCIAL SECURITY NUMBER: ____ - ____ - ____

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

IF AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.

Individual or company representative's signature: _____ Date: _____

Phone number : _____ Email (optional): _____



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