



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #4961

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on July 22, 2013.

LOCATION: MANTON FIELD OFFICE, 521 N MICHIGAN, MANTON, MI 49663.

PROSPECTUS NOTE: This sale includes timber that is infected by EAB and Beech Bark Disease. The producer is encouraged to harvest this sale as soon as possible to limit the additional decline of the timber.

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, CADILLAC MANAGEMENT UNIT, for certain timber on the following described lands:

BIG ASH SALVAGE (63-019-13-01) / T24N, R06W, SEC. 06, S1/2.

Missaukee County, Advertised Price \$20,282.80, 196.0 Acres

SALE NOTE: 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.

BID INSTRUCTIONS (VER. 06/06/2013):

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

Bids must be received by the Unit Manager, MANTON OFFICE, 521 N MICHIGAN, MANTON, MI 49663, no later than 3:00 p.m. (local time) on July 22, 2013. For further information concerning this sale, contact Jim Malloy at 231-824-3591 extension 10.

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 (6/13)

If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.

If a bidder, present at a bid opening, has submitted bids on more than one sale, that bidder may withdraw their unopened bid envelopes after being declared the successful bidder on one sale.

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 (10/12)

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/timber. 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 (3/13)

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 100% 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.

KEITH CREAGH
Director

TIMBER SALE INFORMATION

BIG ASH SALVAGE (63-019-13-01)

T24N, R06W, SEC. 06.

Missaukee County (Advertised Price \$20,282.80)

SALE NOTE: 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.

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		
Beech	69.30 MBF	\$ 78.00 / MBF
White Ash	47.40 MBF	\$ 87.00 / MBF
Pulpwood		
Beech	711.00 Cords	\$ 10.40 / Cord
White Ash	323.00 Cords	\$ 10.40 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 20.78 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 remainder is due before cutting begins.
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 09/30/2015.

Sale Specific Conditions & Requirements

Sale Name: Big Ash Salvage Sale Number: 63-019-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary are marked and identified with red paint. The painted boundary line trees are not Included Timber and are to be protected.

2 - Timber Specifications

2.1 - Included Timber

2.1.4 - Species designation unit(s) (12/08)

Within Payment Unit(s) , all ASH and BEECH trees are designated for cutting regardless of merchantability. EXCEPT DO NOT CUT ASH and BEECH marked with GREEN paint.

2.1.11 - Description of timber note (2/04)

Note that at time sale was set up most of the ASH has been declining from Emerald Ash Borer. (EAB) Although still sound in spring of 2013.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment Unit(s) 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.

3.4 - Damaged Timber

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 5 % 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

4.1.12 - No new roads (1/12)

No new roads will be permitted in any Payment Unit. All operations are limited to existing roads. Skid trails only will be allowed.

4.2 - Maintenance

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

5.1.1 - Pre-sale conference (10/11)

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. The Unit Manager or his/her representative must be contacted at least 3 days in advance to schedule the conference.

5.1.3 - Well heads and natural gas pipelines (7/07)

The Purchaser is responsible for contacting the gas or pipeline company prior to operating equipment in the vicinity of well heads or natural gas pipelines. Written permission is required before harvest operations begin and must be submitted to the Unit Manager.

5.1.4 - Post-sale conference (6/11)

A post-sale conference on site between the Purchaser and sale administrator is required 3 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

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

5.2.1.9 - No Slash:pipe/powerline, oil/gas sites (2/04)

All pipelines, power lines, oil or gas storage sites and related access roads are to remain free of slash at all times.

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

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) , unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on 7 Mile road prior to beginning operations. The road must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed.

7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from from EAB- Emerald Ash Borer and Beech Bark Disease. The Purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.



TIMBER SALE MAP

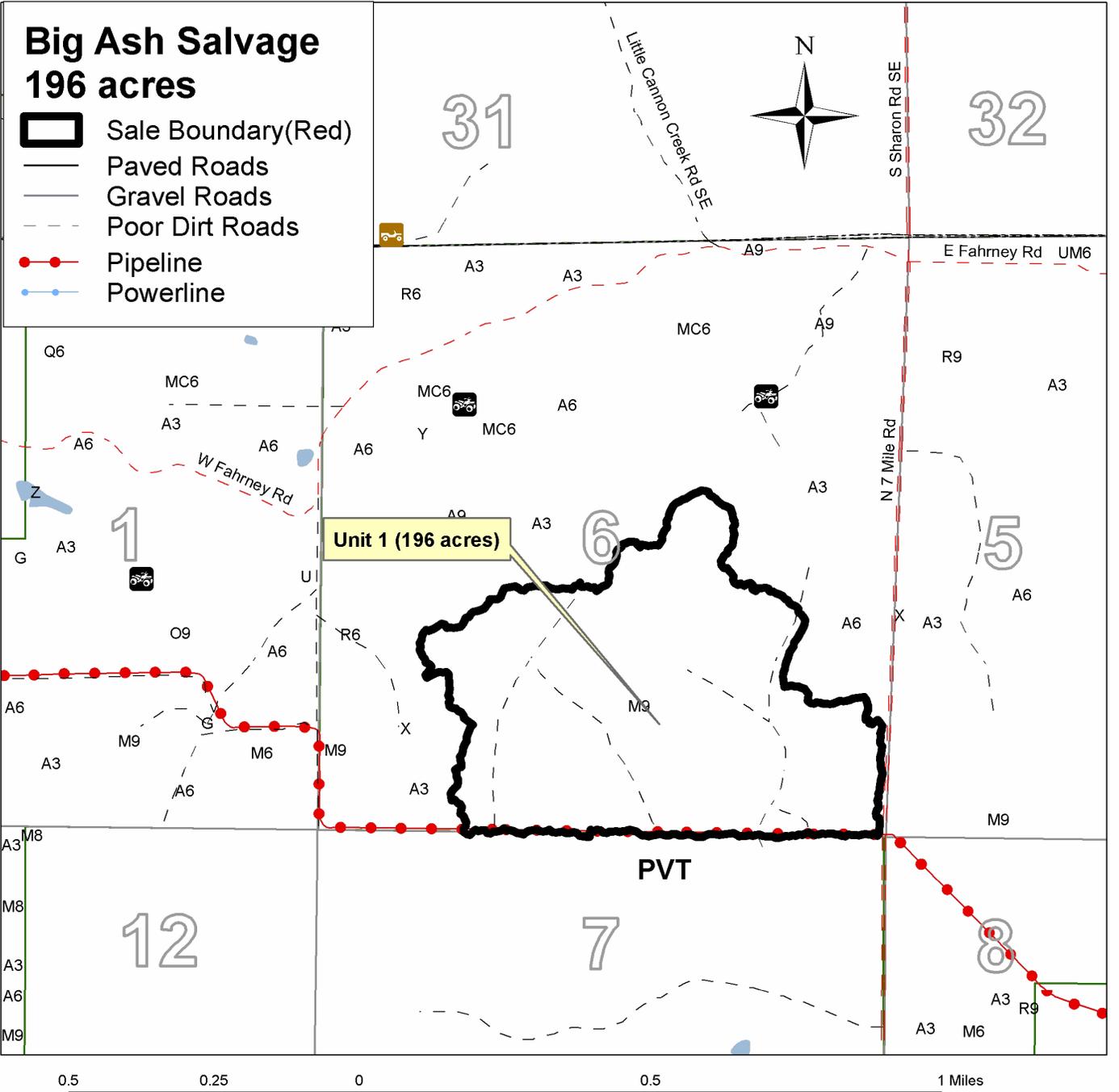
63-019-13-01

2012

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

Forest Management Unit Cadillac		County Missaukee	Mapped By Ventimiglia	Date 4/04/13	Page 1	of 1
Township T24N	Range R06W	Section(s) and Subdivision(s) Section 6- S 1/2		Scale 1:15,840		

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			



BIG ASH SALVAGE (63-019-13-01)
T24N, R06W, SEC. 06, Missaukee County

In response to the notice of sale to be held 3:00 p.m. (local time) on July 22, 2013, 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			
Beech	69.30 MBF	\$ 78.00 / MBF	\$ _____ / MBF
White Ash	47.40 MBF	\$ 87.00 / MBF	\$ _____ / MBF
Pulpwood			
Beech	711.00 Cords	\$ 10.40 / Cord	\$ _____ / Cord
White Ash	323.00 Cords	\$ 10.40 / Cord	\$ _____ / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 20.78 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