



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #4798

SCHEDULED SALE DATE AND TIME: 10:00 a.m. (local time) on November 27, 2012.

LOCATION: SHINGLETON MGMT UNIT, PO BOX 67 M-28 WEST, SHINGLETON, MI 49884.

PROSPECTUS NOTE: This sale is part of a pilot project being conducted by the DNR to evaluate alternative timber sale procedures. The sale was set up in the field and put together in the office by a private contractor [Upper Michigan Land Management and Wildlife Services (UMLMWS)]. UMLMWS will also be administering the Timber Sale contract. UMLMWS can be contacted at 906-786-3488 or e-mailed at todd@michiganforesters.com.

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

LITTLE BUDDY SALE (41-002-13-01) / T42N, R15W, SEC. 03, NE1/4,SE1/4,E1/2NW,E1/2SW.

T42N, R15W, SEC. 10, NW1/4,NWNE.

Schoolcraft County, Advertised Price \$102,323.90, 269.9 Acres

SALE NOTE: Purchasers should be aware that this sale has a limited duration to complete. In addition, this sale is restricted to winter harvesting only due to soft soil conditions.

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 state forest land.

BID INSTRUCTIONS (VER. 10/18/2012):

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

Bids must be received by the Unit Manager, SHINGLETON OFFICE, PO BOX 67 M-28 WEST, SHINGLETON, MI 49884, no later than 10:00 a.m. (local time) on November 27, 2012. For further information concerning this sale, contact Robert Burnham at 906-452-6227 extension 240.

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 (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 (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.

KEITH CREAGH

Director

TIMBER SALE INFORMATION

LITTLE BUDDY SALE (41-002-13-01)

T42N, R15W, SEC. 03; T42N, R15W, SEC. 10.

Schoolcraft County (Advertised Price \$102,323.90)

SALE NOTE: Purchasers should be aware that this sale has a limited duration to complete. In addition, this sale is restricted to winter harvesting only due to soft soil conditions.

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 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		
N. W. Cedar	167.30 MBF	\$ 65.00 / MBF
Pulpwood		
Black Spruce	1,375.00 Cords	\$ 26.00 / Cord
Mixed Aspen	274.00 Cords	\$ 22.35 / Cord
N. W. Cedar	2,823.00 Cords	\$ 13.00 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$12,876.50:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Paper Birch	7.90 MBF	\$ 100.00 / MBF
Red Maple	1.60 MBF	\$ 100.00 / MBF
Red Pine	18.70 MBF	\$ 125.00 / MBF
White Pine	16.60 MBF	\$ 60.00 / MBF
Pulpwood		
Balsam Fir	85.00 Cords	\$ 15.00 / Cord
Jack Pine	27.00 Cords	\$ 35.00 / Cord
Paper Birch	261.00 Cords	\$ 15.00 / Cord
Red Maple	38.00 Cords	\$ 20.00 / Cord
Red Pine	15.00 Cords	\$ 35.00 / Cord
Tamarack	31.00 Cords	\$ 18.00 / Cord
White Pine	41.00 Cords	\$ 15.00 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 10.26 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 **\$5,120.00** 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	47%
02	17%
03	27%
04	9%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2014.

Sale Specific Conditions & Requirements

Sale Name: Little Buddy Sale Sale Number: 41-002-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary is marked and identified by red paint. Interior Payment Unit boundaries are marked with yellow paint. Do not cut painted boundary line trees. Retention Pocket boundaries are marked with green paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, 2, 3 and 4, all trees species except hemlock and oak if they occur are designated for cutting.

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.

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH. This is in order to facilitate seeding operations.

2.2.8 - Utilization and removal (2/11)

All products meeting standards set forth in 2.2 Utilization must be removed from the sale area. Retain on site no less than 1/3 of the slash from harvested trees (tree tops and limbs less than four inches in diameter).

3 - Payments

3.4 - Damaged Timber

3.4.3 - Special Protection Areas (8/11)

The Purchaser shall protect special protection areas from damage by the Purchaser's operations. Special protection areas are all retention pockets marked with a green boundary line. The strips within payment Units 2 and 3 can only be accessed at locations approved by the Sale Administrator (UMLMWS Representative).

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

Piles or windrows of earth along roads and landings that have been widened or constructed shall be leveled. Slash from road maintenance or construction, including stumps, shall be dispersed throughout the sale.

4.1.6 - Road construction (1/09)

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 (10/11)

All new roads built into the sale must be blocked to vehicle traffic within 30 days of completion of hauling. These roads must be rendered impassable to cars and trucks.

4.2 - Maintenance

4.2.4 - Grading (12/08)

Roads must be graded after the sale is completed. In general, this will require a road grader or bull dozer to shape up the roads after forest products have been hauled off site. The grading equipment to be used must be approved by the Unit

Manager or his/her representative.

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 a Payment Unit. UMLMWS must be contacted at least 7 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

5.2.1.8 - Slash height (12/08)

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

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1, 2, 3, and 4, unless changed by written agreement, cutting, skidding, and hauling are limited to the winter months when the ground is frozen. This restriction is to prevent rutting from soft soil conditions.

5.2.41 - Snowmobile trail protection (9/11)

The access to this sale is on a snowmobile trail. Do not cut or damage posts with orange trail markers or traffic control signs. The trail must be maintained and restored to a condition equal to or better than before the sale. If the trail road is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail.

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.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.2 - Snowmobile trail posting (8/09)

The Purchaser is responsible for posting and maintaining caution signs on the snowmobile trail prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail must be posted at the entrance and exit of the trail to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

7 - Other Conditions

7.2 - Extensions

7.2.1 - One year extension (2/04)

Given justification, only one, 1 year extension may be granted if the contract has been paid for in full.

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 - Shingleton Pilot Project Sale (10/12)

The Natural Resources and Environmental Protection Act (Act 451 of 1994) calls for the Department of Natural Resources to designate four pilot project areas to demonstrate cost savings techniques and improved efficiency in forest treatment techniques while improving the overall health of the forest. In accordance with this requirement, the MDNR has contracted with Upper Michigan Land Management and Wildlife Services (UMLMWS) to set up and administer a timber harvest on state lands.

This sale was set-up in the field and put together in the office by UMLMSW who will also be administering the Timber Sale contract. UMLMWS can be contacted at 906-786-3488 or e-mailed at todd@michiganforesters.com.



TIMBER SALE MAP

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

Sale Number	Year
41-02-13-01	13

Forest Management Unit Shingleton	County Schoolcraft	Mapped By UMLMWS	Date 10/12/12	Page 1	of 1
Township J 42N	Range 15W	Section(s) and Subdivision(s) Section 3 E 1/2 and E 1/2 W 1/2	Scale 1" = 4 miles		

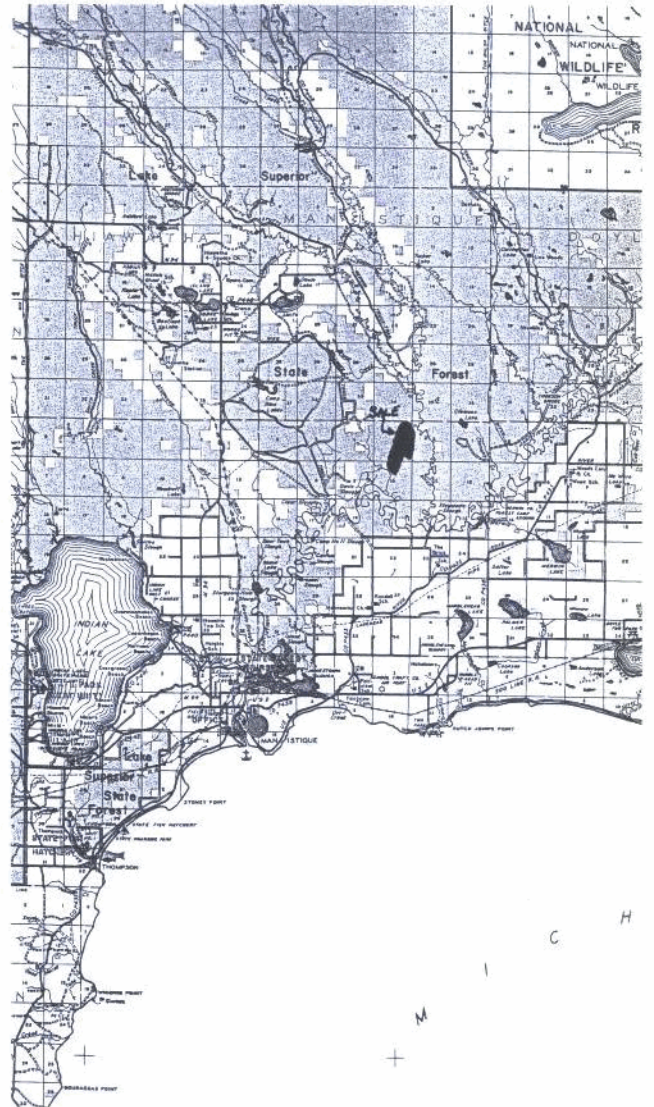
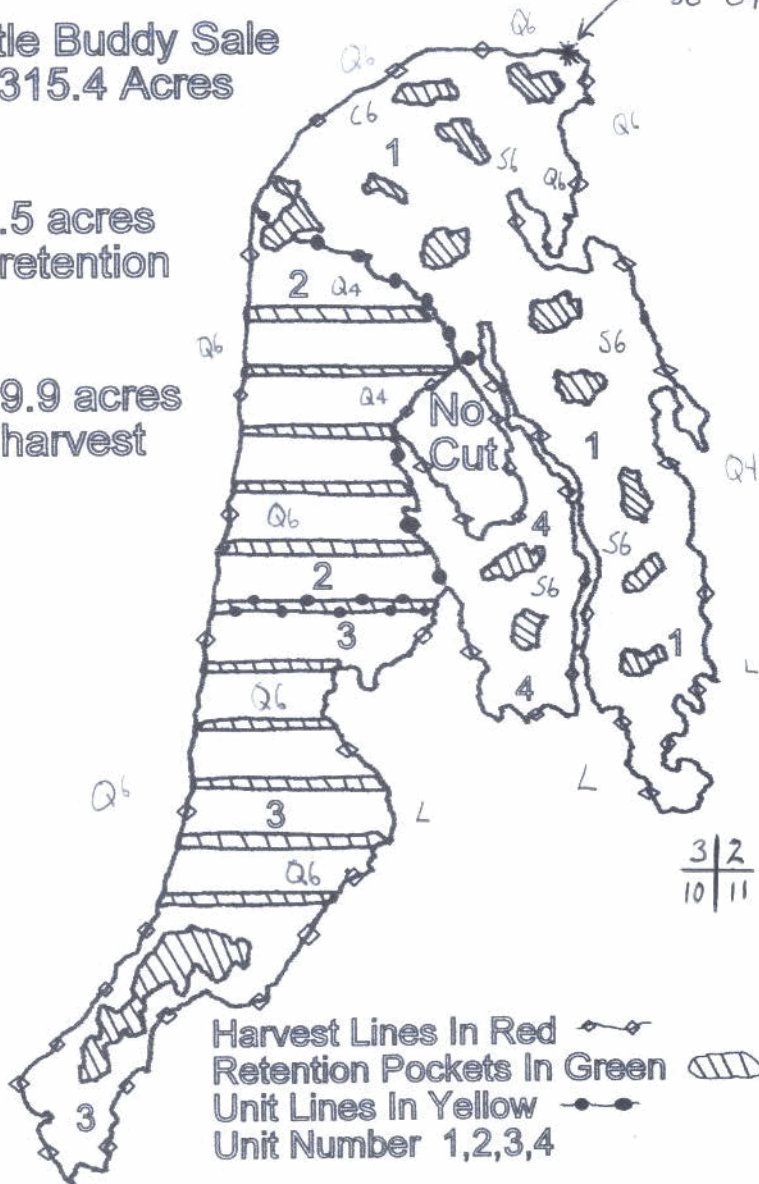
Cover Type				Density	
A = Aspen	J = Jack Pine	O = Oak	U = Upland Brush	0 = Non Stocked	5 = Pole Timber Medium
B = Paper Birch	K = Rock	P = Lowland Poplar	UM = Upland Mix Forest	1 = Seedling Sapling Poor	6 = Pole Timber Well
C = Cedar	L = Lowland Brush	Q = Mixed Swamp Conifer	V = Bog or Marsh	2 = Seedling Sapling Medium	7 = Saw Timber Poor
D = Treed Bog	LM = Lowland Mix Forest	R = Red Pine	W = White Pine	3 = Seedling Sapling Well	8 = Saw Timber Medium
E = Swamp Hardwoods	M = Maple, Beech, Birch	S = Black Spruce	X = Non Stocked	4 = Pole Timber Poor	9 = Saw Timber Well
F = Spruce/Fir	MC = Mixed Conifer	T = Tamarack	Y = Sand		
G = Grass	MD = Mixed Deciduous		Z = Water		
H = Hemlock	N = Marsh				

Little Buddy Sale
315.4 Acres

45.5 acres
of retention

269.9 acres
of harvest

GPS Location
46° 04' 14.61" N
86° 09' 38.54" W



LITTLE BUDDY SALE (41-002-13-01)
T42N, R15W, SEC. 03; T42N, R15W, SEC. 10, Schoolcraft County

In response to the notice of sale to be held 10:00 a.m. (local time) on November 27, 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>
<u>Sawlogs</u>			
N. W. Cedar	167.30 MBF	\$ 65.00 / MBF	\$ _____ / MBF
<u>Pulpwood</u>			
Black Spruce	1,375.00 Cords	\$ 26.00 / Cord	\$ _____ / Cord
Mixed Aspen	274.00 Cords	\$ 22.35 / Cord	\$ _____ / Cord
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In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$12,876.50 :

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
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Red Maple	1.60 MBF	\$ 100.00 / MBF
Red Pine	18.70 MBF	\$ 125.00 / MBF
White Pine	16.60 MBF	\$ 60.00 / MBF
<u>Pulpwood</u>		
Balsam Fir	85.00 Cords	\$ 15.00 / Cord
Jack Pine	27.00 Cords	\$ 35.00 / Cord
Paper Birch	261.00 Cords	\$ 15.00 / Cord
Red Maple	38.00 Cords	\$ 20.00 / Cord
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Tamarack	31.00 Cords	\$ 18.00 / Cord
White Pine	41.00 Cords	\$ 15.00 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 10.26 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): _____

THE WINNING BIDDER MUST COMPLETE THE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE (ON REVERSE SIDE IF DOUBLE SIDED) WITHIN 21 DAYS OF SALE AWARD DATE



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