



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #5117

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on April 29, 2014.

LOCATION: BARAGA MGMT UNIT, 427 US 41 NORTH, BARAGA, MI 49908.

PROSPECTUS NOTE: 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, BARAGA MANAGEMENT UNIT, for certain timber on the following described lands:

FULL METAL JACKPINE (11-002-14-01) / T49N, R34W, SEC. 28, NESW, W1/2SW.

T49N, R34W, SEC. 28, NWNW, E1/2NW, SWNE, W1/2SE.

Baraga County, Advertised Price \$89,825.50, 138.0 Acres

SALE NOTE: The North Country Trail traverses through the sale and has special harvest specifications. Unit 4 has the Big Lake Forest Campground within its boundary and has special harvest specifications.

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 private or 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, BARAGA OFFICE, 427 US 41 NORTH, BARAGA, MI 49908, no later than 9:00 a.m. (local time) on April 29, 2014. For further information concerning this sale, contact Don Mankee at 906-353-6651.

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

FULL METAL JACKPINE (11-002-14-01)

T49N, R34W, SEC. 28.

Baraga County (Advertised Price \$89,825.50)

SALE NOTE: The North Country Trail traverses through the sale and has special harvest specifications. Unit 4 has the Big Lake Forest Campground within its boundary and has special harvest specifications.

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 private 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		
Red Pine	27.80 MBF	\$ 209.00 / MBF
Pulpwood		
Jack Pine	1,898.00 Cords	\$ 42.85 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,686.00:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Pulpwood		
Mixed Hardwood	10.00 Cords	\$ 19.50 / Cord
Mixed Softwood	188.00 Cords	\$ 13.25 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 10.09 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 **\$8,000.00** 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	44%
02	25%
03	24%
04	7%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2017.

Sale Specific Conditions & Requirements

Sale Name: Full Metal Jackpine Sale Number: 11-002-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified by blue and red 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 also marked with red paint. Red painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (8/11)

Within Payment Unit(s) 1, 2, 3, and 4, cut all trees that are 2 inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability except white pine, unmarked red pine, red oak, hemlock, and paper birch.

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

Within Payment Unit(s) 1, 2, and 4, all Red Pine are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.1.11 - Description of timber note (2/04)

Note that Unit 4 is located within the Big Lake State Forest Campground. All trees that are to be harvested within this unit have potential to contain nails, spikes, ect.. Special care shall be taken during harvest operations to protect site markers, fire rings, picnic tables, outhouses and the kiosk. Also, acreage determination for this unit was taken from satellite imagery not GPS.

Mixed Softwood pulp is comprised of Balsam Fir, White Spruce, Black Spruce, Tamarack, and Red Pine. Mixed Hardwood Pulp is comprised of red maple (7 cords) and quaking aspen (3 cords).

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 8 inches.

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 4 inches. This is to facilitate regeneration activities.

2.2.8 - Utilization and removal (12/12)

All products meeting standards set forth in 2.2 Utilization must be removed from the sale area. Chipping of tops is not allowed. This is because tops are needed for regeneration activities.

2.2.10 - No chipping tops and limbs (4/12)

Within Payment Unit(s) 1, 2, 3, and 4, chipping of the bole, 2-inches in diameter or greater, is allowed. Chipping of limbs or portions of the tree less than 2-inches in diameter is not permitted. Limbs and the remaining top must be left on site and scattered.

3 - Payments

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.

In addition, extreme care should be taken to avoid damage to tree seedlings and saplings. 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.

3.4.2 - Special Protection Trees (8/11)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are red oak, white pine, unmarked red pine, cedar, hemlock, and paper birch. The Purchaser shall protect special protection trees from damage by the Purchaser's operations. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay triple stumpage as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

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, be utilized or otherwise removed from the sale. 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 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 of stumps and logs covered with earth. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins. The sale administrator reserves the right to halt harvest activities if haul roads are not properly filled and shaped to his/her specifications.

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, over the phone, or in the office 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 10 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

5.2.1.2 - Slash Removal

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

All slash must be removed at least 10 feet from the cleared right-of-way of County, Campground and forest roads.

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 36 inches in height.

5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, the sale area, if harvested in a conventional manner, shall be left with slash evenly distributed. Bunched tops within the cutting area shall be broken up and scattered. Stumps shall be cut low to the ground.

Processing sites shall not be left with a compacted layer of slash; tops from these sites shall be hauled back into the cut area and scattered.

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 4, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of 12/01 to 4/01. This restriction is because Unit 4 is located within the Big Lake State Forest Campground and harvest operations are not to conflict with the camping season.

5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 1, 2, 3 and 4 unless changed by written agreement, clean up and seeding activities on landings, decking areas, new roads, berms used for road closures and major skid trails must be completed by the July 15 following harvest completion. This restriction is to allow these areas to re-vegetate before the dry season.

5.2.18 - Equipment requirements (1/09)

In Unit 4 only Shortwood Logging Operations will be permitted to operate. This means that all trees are to be cut to product length after being severed from the stump and before being hauled to a decking area.

5.2.30 - Landing/road top soil protection (1/12)

Top soil on landings and new roads must be removed, stockpiled and saved. Upon completion of the timber sale, soil must be evenly distributed back over the area for revegetation. In addition, the area must be seeded and mulched per instructions of the sale administrator.

5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of the Big Lake Campground Road. Also, no decking will be allowed in Unit 4.

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

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

5.2.40 - Pathway protection (10/10)

The North Country Trail is a hiking trail and is shown on the Timber Sale Map. Care shall be taken to cut trees with blue pathway markers above the blue paint. Care shall be taken to keep the pathway debris free. Do not run equipment down the pathway.

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.

5.4.3 - Erosion control (12/08)

Skid trails or haul roads may require erosion control structures or berms per direction of the Unit Manager or his/her representative.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on the North Country Trail prior to beginning operations. The trail must be posted where the trail intersects the sale boundary to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

7 - Other Conditions

7.3 - Contract Modifications

7.3.3 - Modification for reforestation (8/05)

When contractual work of Purchaser has been accepted for any Payment Unit identified on Sale Area Map, Payment Unit will be eliminated from the Sale Area on written notice so that reforestation operations can begin.



TIMBER SALE MAP

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

Sale Number	Year
11-002	2014
Date	Page of
1/6/2014	1 1
Scale: [...4 inches.....] = 1 mile	

Forest Management Unit	County	Mapped By
BARAGA	BARAGA	TURUNEN
Township	Range	Section(s) and Subdivision(s)
49N	34W	SEC 28 - NWNW, E1/2NW, SWNE, W1/2SE, NESW, W1/2SW
Cruised By		BARAGA STAFF

Cover Type

A = Aspen	J = Jack Pine	O = Oak	U = Upland Brush
B = Paper Birch	K = Rock	P = Lowland Poplar	UM = Upland Mix Forest
C = Cedar	L = Lowland Brush	Q = Mixed Swamp Conifer	V = Bog or Marsh
D = Treed Bog	LM = Lowland Mix Forest	R = Red Pine	W = White Pine
E = Swamp Hardwoods	M = Maple, Beech, Birch	S = Black Spruce	X = Non Stocked
F = Spruce/Fir	MC = Mixed Conifer	T = Tamarack	Y = Sand
G = Grass	MD = Mixed Deciduous	Z = Water	
H = Hemlock	N = Marsh		

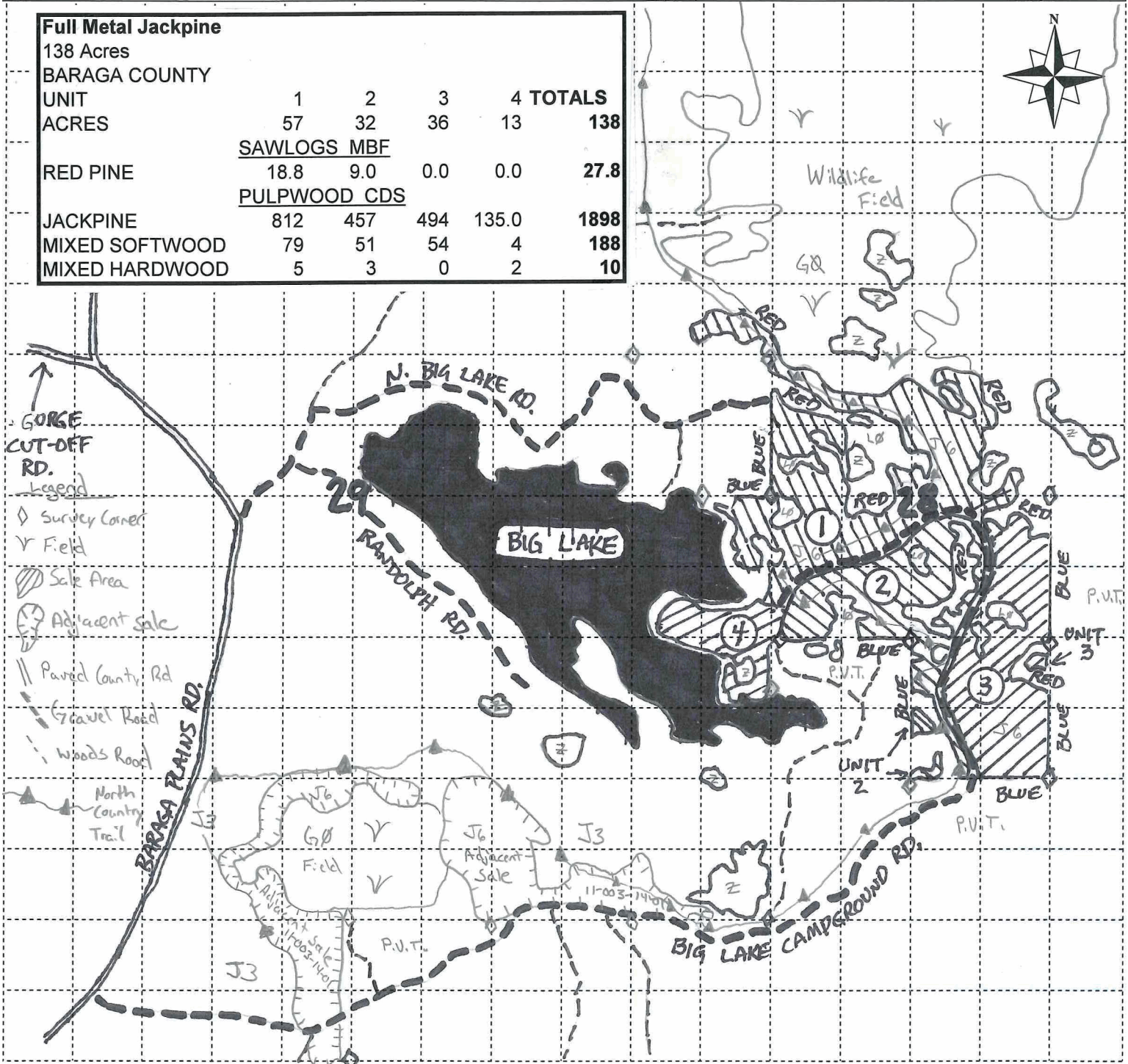
Density

0 = Non Stocked	5 = Pole Timber Medium
1 = Seedling Sapling Poor	6 = Pole Timber Well
2 = Seedling Sapling Medium	7 = Saw Timber Poor
3 = Seedling Sapling Well	8 = Saw Timber Medium
4 = Pole Timber Poor	9 = Saw Timber Well

Full Metal Jackpine

138 Acres
BARAGA COUNTY

UNIT	1	2	3	4	TOTALS
ACRES	57	32	36	13	138
<u>SAWLOGS MBF</u>					
RED PINE	18.8	9.0	0.0	0.0	27.8
<u>PULPWOOD CDS</u>					
JACKPINE	812	457	494	135.0	1898
MIXED SOFTWOOD	79	51	54	4	188
MIXED HARDWOOD	5	3	0	2	10



FULL METAL JACKPINE (11-002-14-01)
T49N, R34W, SEC. 28, Baraga County

In response to the notice of sale to be held 9:00 a.m. (local time) on April 29, 2014, 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			
Red Pine	27.80 MBF	\$ 209.00 / MBF	\$ _____ / MBF
Pulpwood			
Jack Pine	1,898.00 Cords	\$ 42.85 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,686.00 :

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Pulpwood		
Mixed Hardwood	10.00 Cords	\$ 19.50 / Cord
Mixed Softwood	188.00 Cords	\$ 13.25 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 10.09 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