



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #5056

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on January 9, 2014.

LOCATION: ESCANABA OFFICE, 6833 HWY 2, 41 & M-35, GLADSTONE, MI 49837.

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

BONEYARD MIX (33-023-14-01) / T35N, R28W, SEC. 04, NENW, SENW, SWSW 9-NENW, NWNW.

T35N, R28W, SEC. 05, NENE, SENE, SWNE, SESE.

T36N, R28W, SEC. 32, SWSW, SWSE, SESE.

Menominee County, Advertised Price \$17,300.25, 48.7 Acres

SALE NOTE: Units 3, 4, and 5 all contain oak wilt epi-centers that need to be cut, skid, and all oak hauled by April 15, 2014.

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, ESCANABA OFFICE, 6833 HWY 2, 41 & M-35, GLADSTONE, MI 49837, no later than 3:00 p.m. (local time) on January 9, 2014. For further information concerning this sale, contact Eric Thompson at 906-786-2354 extension 142.

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

BONEYARD MIX (33-023-14-01)

T35N, R28W, SEC. 04; T35N, R28W, SEC. 05; T36N, R28W, SEC. 32.

Menominee County (Advertised Price \$17,300.25)

SALE NOTE: Units 3, 4, and 5 all contain oak wilt epi-centers that need to be cut, skid, and all oak hauled by April 15, 2014.

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		
Red Oak	18.90 MBF	\$ 74.00 / MBF
Pulpwood		
Mixed Hardwood	147.00 Cords	\$ 16.55 / Cord
Mixed Softwood	225.00 Cords	\$ 17.80 / Cord
N. W. Cedar	169.00 Cords	\$ 15.50 / Cord
Q. Aspen	99.00 Cords	\$ 19.50 / Cord
Red Oak	348.00 Cords	\$ 13.55 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$198.40:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
White Pine	3.10 MBF	\$ 64.00 / MBF

* The total volume is statistically estimated within plus (+) or minus (-) 12.77 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 **\$2,000.00** 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	32%
02	23%
03	12%
04	8%
05	25%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2015.

Sale Specific Conditions & Requirements

Sale Name: Boneyard Mix Sale Number: 33-023-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary and Payment Unit boundaries are marked and identified by blue and red. The painted boundary line trees are not Included Timber and are to be protected. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 3 - 5, all oak marked with orange paint is designated for cutting. Units 3 - 5 contain several epi-centers of oak wilt that are being treated per the specifications listed below.

In addition, within units 3 - 5 cut all other trees greater than three (3) inches in diameter; except white pine, red pine, white oak, beech, and spruce.

All wood designated for cutting in units 3 - 5 must be cut by April 1, 2014 and all wood must be skid and decked by April 15, 2014. Also, all oak must be hauled off site by April 15, 2014.

- A. Within units 3 - 5; oak trees marked with orange paint must be harvested and removed prior to April 1, 2014.
- B. Payment Unit 3 has two parts, Unit 4 has three parts, and Unit 5 has four parts. Oak trees marked with orange paint must be cut and removed prior to cutting any unmarked oak in that part. Orange painted marked oak may not be mixed with the unmarked oak.
- C. The contractor must inform the Timber Sale Administrator when cutting of the marked oak trees is completed in a payment unit prior to cutting any other trees in that payment unit.
- D. Oak marked with orange paint must be chipped, taken to a wood processing facility, or sawn into dimensional lumber products at a mill by April 15, 2014. If the contractor plans on selling the wood for firewood or is unable to market the wood, the orange marked oak may be moved to an area with no oak trees within a mile radius prior to April 15, 2014. If the wood is moved to a location where there is no oak present it may not be moved again until after July 15, 2014.
- E. If any oak marked with orange paint can not be processed by April 15, 2014, the wood must be hauled off site at an approved area that has no oak trees within 1 mile or on a site where the wood is covered with a dark plastic tarp. The tarp must cover the wood to the ground and the wood must remain covered from April 15, 2014 to July 15, 2014. After July 15, 2014, the wood can be disposed of at the purchaser's discretion.

2.1.7 - Leave tree marked unit(s) (8/11)

Within Payment Unit(s) 1 and 2, cut all trees that are three (3) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability except trees marked with green paint above and below stump height.

2.1.11 - Description of timber note (2/04)

Note that the red oak sawlog volume contains a mix of red and pin oak. The red oak pulpwood volume contains a mix of red, pin, and dead oak. The mixed softwood pulpwood volume contains 148 cords of spruce, 73 cords of balsam fir, and 5 cords of white pine.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment Unit(s) greater than \$18,000 in value 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

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

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

4.2.4 - Grading (12/08)

Roads must be graded after the sale is completed. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

5 - Operations

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

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

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 3 - 5 cutting, skidding, and hauling must be completed by April 15, 2014. This restriction is because of oak wilt epi-centers that need to be treated to slow the spread of the disease.

5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 1 cutting and skidding are limited to the period of December 1st to March 31st, unless there is an extended dry period of time or frozen ground conditions and the sale administrator allows cutting during that period. This restriction is because of low wet ground throughout the unit.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 2, cutting and skidding occur during dry summer or frozen winter conditions. The reason for the recommendation is because of some low wet ground within the unit.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

7 - Other Conditions

7.2 - Extensions

7.2.6 - Forest health extension (6/13)

This sale contains trees infected with oak wilt disease. It is considered at high risk for mortality and/or loss of timber value. The sale must be harvested promptly. One (1), twelve (12) month extension can be applied to one (1) other State Forest Timber Sale Contract owned by the purchaser or owned by one (1) designated sub-contractor of the Purchaser that works this contract. To qualify, the contract expiration date of the contract to be extended must be within twelve (12) months from the issue date of this contract. If this is the first extension on the other State Forest Timber Sale Contract, then the 5% extension fee will be waived. If this is an additional extension, the 10% fee will be reduced to 5%. The forest health extension must be used before this contract is closed-out. This specification does not alleviate the purchaser from any contractual obligations of the extended State Forest Timber Sale Contract. Per General Condition & Requirement 7.2, extensions are at the sole discretion of the DNR.



Michigan Department of Natural Resources - Forest Resources Division
TIMBER SALE MAP

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

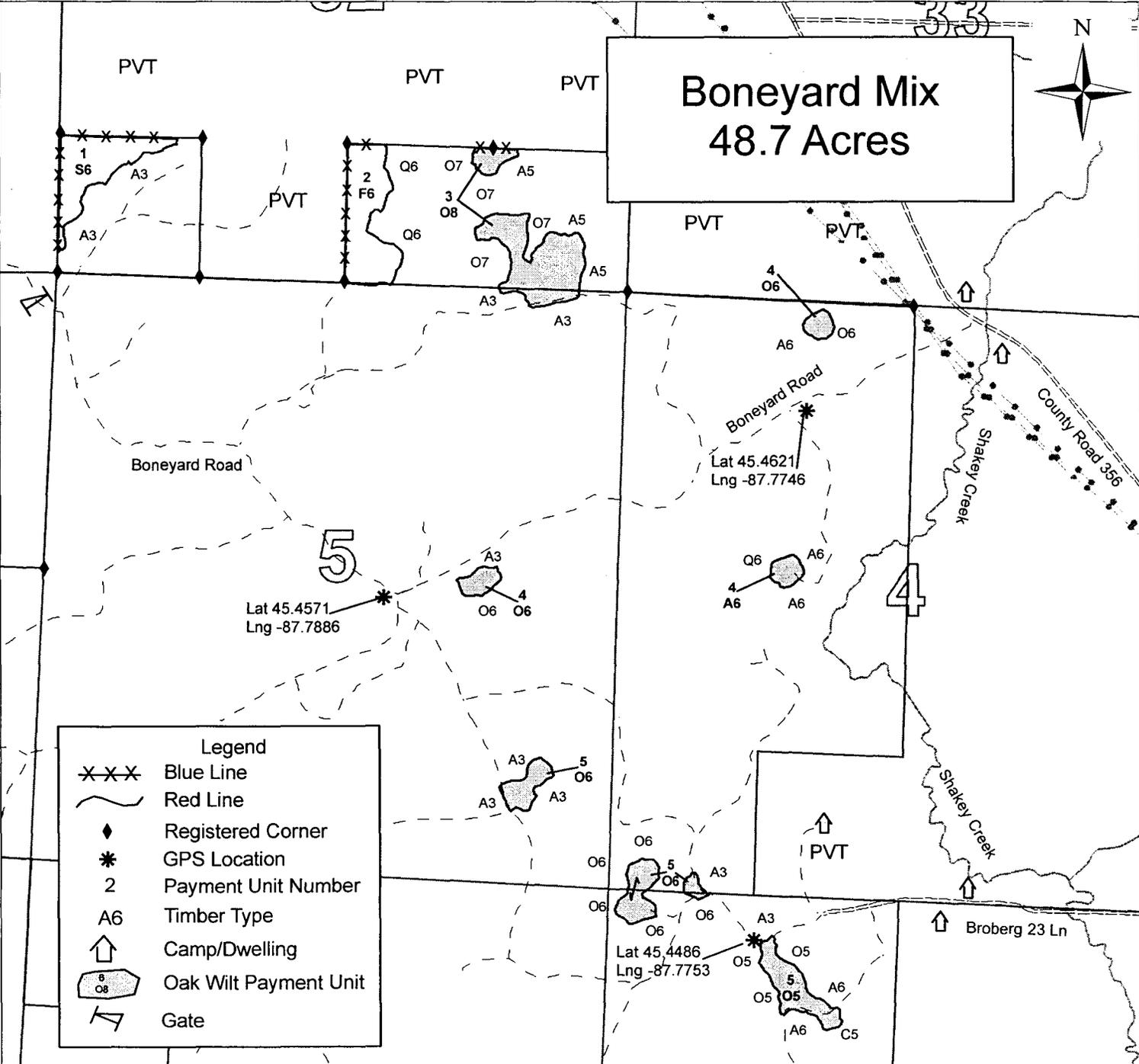
SALE NUMBER	YEAR
330231401	2014
DATE	PAGE OF
10/23/2013	1 1

FOREST MANAGEMENT UNIT Escanaba	COUNTY Menominee	MAPPED BY Durbin
		CRUISED BY Salter, Durbin

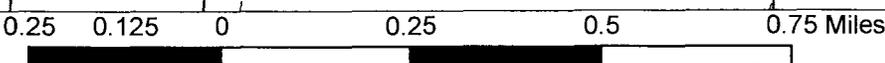
TOWNSHIP T35N	RANGE R28W	SECTION(S) AND SUBDIVISION(S) S4, NENW, SENW, SWSW, S5, NENE, SENE, SWNE, SESE; S9, NENW, NWNW, T36N R28W S32, SESE, SWSE, SWSW	1:15,840
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Cover Type				Density	
A = Aspen	H = Hemlock	P = Lowland Poplar	V = Bog or Marsh	0 = Non 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	LM=Lowland Mix For	4 = Pole Timber Poor	9 = Saw Timber Well
G = Grass	O = Oak	U = Upland Brush	MD=Mix Deciduous		
			MC=Mix Conifer		

Boneyard Mix
48.7 Acres



Legend	
XXX	Blue Line
~	Red Line
◆	Registered Corner
*	GPS Location
2	Payment Unit Number
A6	Timber Type
↑	Camp/Dwelling
⬆	Oak Wilt Payment Unit
↖	Gate



BONEYARD MIX (33-023-14-01)

T35N, R28W, SEC. 04; T35N, R28W, SEC. 05; T36N, R28W, SEC. 32, Menominee County

In response to the notice of sale to be held 3:00 p.m. (local time) on January 9, 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 Oak	18.90 MBF	\$ 74.00 / MBF	\$ _____ / MBF
Pulpwood			
Mixed Hardwood	147.00 Cords	\$ 16.55 / Cord	\$ _____ / Cord
Mixed Softwood	225.00 Cords	\$ 17.80 / Cord	\$ _____ / Cord
N. W. Cedar	169.00 Cords	\$ 15.50 / Cord	\$ _____ / Cord
Q. Aspen	99.00 Cords	\$ 19.50 / Cord	\$ _____ / Cord
Red Oak	348.00 Cords	\$ 13.55 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$198.40 :

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
White Pine	3.10 MBF	\$ 64.00 / MBF

* The total volume is statistically estimated within plus (+) or minus (-) 12.77 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