



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #5413

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on June 23, 2015.

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:

PEMENE CREEK CROSSING (33-025-15-01) / T37N, R28W, SEC. 15, NWNW, NENW, SENW, NE1/4.

T37N, R28W, SEC. 15, NWSE, NESE, SESE.

T37N, R28W, SEC. 22, NENE.

Menominee County, Advertised Price \$97,768.65, 161.3 Acres

SALE NOTE: Access into units 6-9 has been obtained through private property by the DNR, but the Purchaser must obtain a written agreement with the landowner within 30 days of the bid opening.

Access may be through private land.

BID INSTRUCTIONS (VER. 10/01/2014):

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 June 23, 2015. For further information concerning this sale, contact Eric Thompson at 906-786-2354.

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 (9/14)

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 expiration 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 (10/14)

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-SF5. 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

PEMENE CREEK CROSSING (33-025-15-01)
 T37N, R28W, SEC. 15; T37N, R28W, SEC. 22.
 Menominee County (Advertised Price \$97,768.65)

SALE NOTE: Access into units 6-9 has been obtained through private property by the DNR, but the Purchaser must obtain a written agreement with the landowner within 30 days of the bid opening.

Access may be through private 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>
Pulpwood		
Mixed Softwood	971.00 Cords	\$ 31.10 / Cord
N. W. Cedar	410.00 Cords	\$ 30.60 / Cord
Q. Aspen	1,379.00 Cords	\$ 32.45 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$10,276.00:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Red Oak	6.80 MBF	\$ 146.00 / MBF
Red Pine	8.50 MBF	\$ 198.00 / MBF
White Pine	28.90 MBF	\$ 102.00 / MBF
Pulpwood		
Mixed Hardwood	121.00 Cords	\$ 32.65 / Cord
Red Oak	35.00 Cords	\$ 20.05 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 9.21 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 **\$5,000.00** 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	8%
02	17%
03	12%
04	6%
05	8%
06	9%
07	20%
08	8%
09	12%

4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2018.

Sale Specific Conditions & Requirements

Sale Name: Pemene Creek Crossing Sale Number: 33-025-15-01

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, red and/or yellow 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 marked with yellow paint. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid for.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (6/14)

Within Payment Unit(s) 3 and 4, cut all trees that are two (2) inches or more at DBH; except in unit 4 do not cut oak, white pine, red pine, and hemlock.

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

Within Payment Unit(s) 6, 8, and 9, all trees greater than (3)" inches at DBH are designated for cutting; except do not cut oak, white pine, red pine, and hemlock.

2.1.7 - Leave tree marked unit(s) (6/14)

Within Payment Unit(s) 1, 2, 5, and 7, cut all trees that are three (3) inches or more at DBH; except hemlock and trees marked with green paint above and below stump height.

In Addition:

Within unit 1 do not cut pine. Also leave 1 cedar 8" inches (at DBH) or larger every 50'. The 8" DBH equates to a 10 inch stump diameter.

Within unit 2 do not cut pine.

Within unit 5 do not cut pine and oak.

Within unit 7 there is a retention patch that is bounded by red paint and needs to be protected. No harvesting activities may occur within this area.

2.1.11 - Description of timber note (2/04)

Note that the mixed softwood pulpwood volume contains approximately 585 cords of spruce, 260 cords of tamarack, 86 cords of pine, and 40 cords of balsam fir.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) \$18,000 in value or greater 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. There will be only one division per Payment Unit.

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 (12/14)

For completion of the sale, state forest roads must be graded. 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.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land through the SWSW of Section 14 has been obtained by the DNR. This access is for units 6-9 and is shown on the attached timber sale map. There is a cable currently across the road. The Purchaser must obtain a written agreement with the private landowner and it must be given to the Unit Manager within 30 days of the bid opening and prior to the beginning of operations. The agreement must include DNR access.

To obtain more information on the access into the sale, contact Dustin Salter(ext 224) or Dan Beaudot(ext 223); at the Stephenson Field Office at 906-753-6317.

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) 1, 2, 5, and 6 cutting and skidding are limited to the period of December 1st to March 31st, unless there is an extended dry or frozen period and the sale administrator approves harvesting during that time period. This restriction is because of low wet ground within the units.

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

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from the Eastern Larch Beetle on the tamarack and the Spruce Budworm on the balsam fir and spruce. 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

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

Sale Number	Year
33-025	15

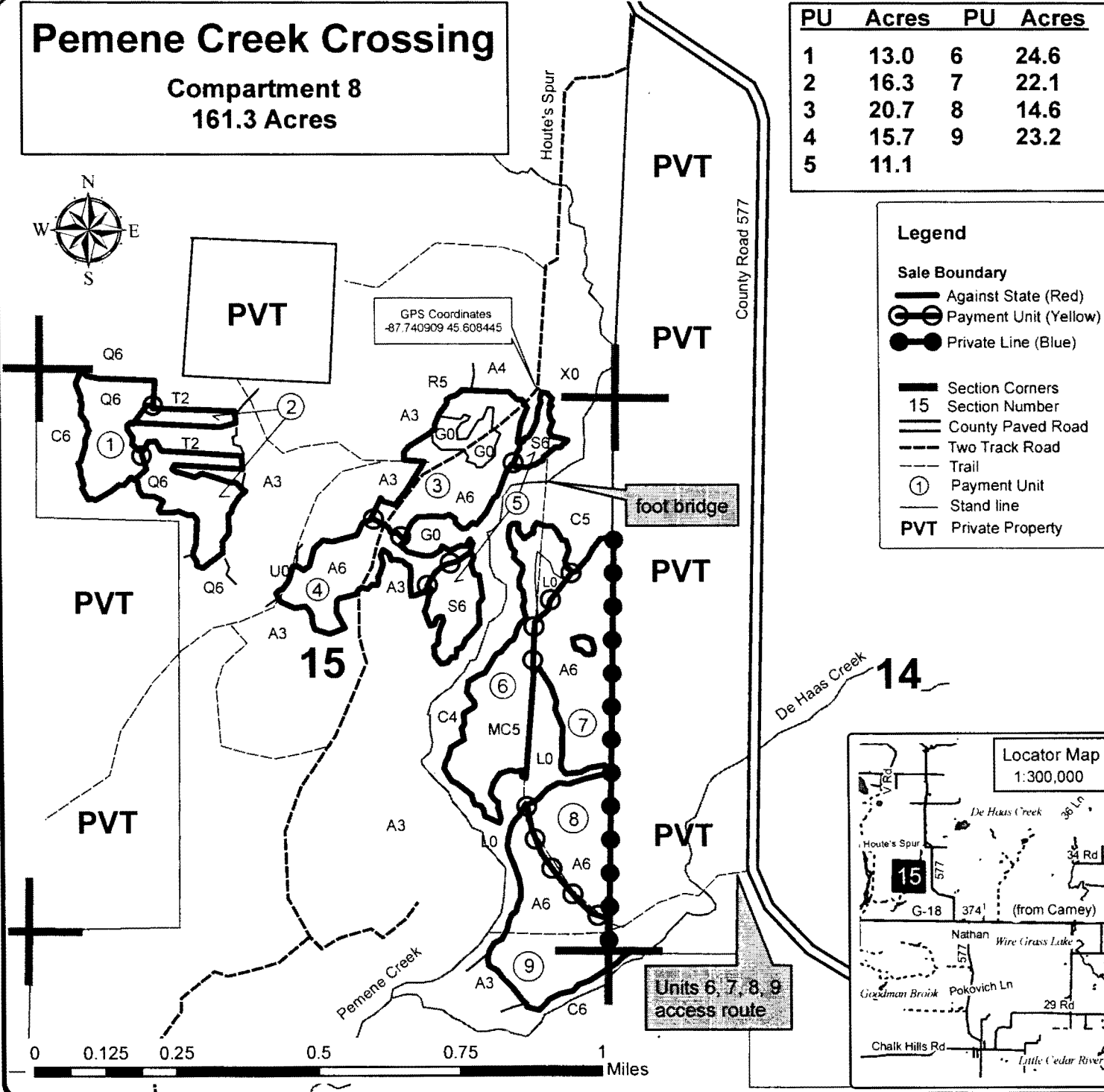
Forest Management Unit	County	Mapped By	Date	Page	of
Escanaba Management Unit	Menominee County	Beudo	2/04/2015	1	1
Township	Range	Section(s) and Subdivision(s)	Scale		
37N	28W	Sec 15 - NWNW, NENW, SENW NE1/4, NWSE, NESE, SESE; Sec 22 - NENE	1:15,840		

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

Pemene Creek Crossing

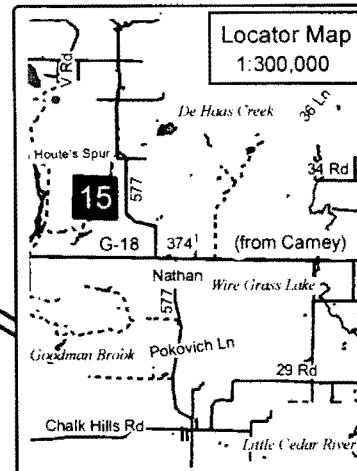
Compartment 8
161.3 Acres

PU	Acres	PU	Acres
1	13.0	6	24.6
2	16.3	7	22.1
3	20.7	8	14.6
4	15.7	9	23.2
5	11.1		



Legend

- Sale Boundary**
 - Against State (Red)
 - Payment Unit (Yellow)
 - Private Line (Blue)
- Section Corners
- 15 Section Number
- County Paved Road
- Two Track Road
- Trail
- Payment Unit
- Stand line
- PVT Private Property



PEMENE CREEK CROSSING (33-025-15-01)
T37N, R28W, SEC. 15; T37N, R28W, SEC. 22, Menominee County

In response to the notice of sale to be held 3:00 p.m. (local time) on June 23, 2015, 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>
Pulpwood			
Mixed Softwood	971.00 Cords	\$ 31.10 / Cord	\$ _____ / Cord
N. W. Cedar	410.00 Cords	\$ 30.60 / Cord	\$ _____ / Cord
Q. Aspen	1,379.00 Cords	\$ 32.45 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$10,276.00 :

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Mixed Hardwood	121.00 Cords	\$ 32.65 / Cord
Red Oak	35.00 Cords	\$ 20.05 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 9.21 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