

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5641

SCHEDULED SALE DATE AND TIME: 11:00 a.m. (local time) on April 27, 2016. LOCATION: PLAINWELL OFFICE, 621 NORTH 10TH ST, PLAINWELL, MI 49080.

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 Game Area Manager, BARRY SGA, for certain timber on the following described lands:

PRESTON ROAD SAVANNA (20-001-16) / T07S, R12W, SEC. 00, SESW.

T07S, R12W, SEC. 08, SWSE,NWSE,SWNE,SENW,NESW,NWSW,.

Saint Joseph County, Advertised Price \$8,873.90, 73.0 Acres, Hardwood.

SALE NOTE: Access may be through other public land.

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

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

Bids must be received by the Unit Manager, PLAINWELL OFFICE, 621 NORTH 10TH ST, PLAINWELL, MI 49080, no later than 11:00 a.m. (local time) on April 27, 2016. For further information concerning this sale, contact Cindy McQueer at 269-685-6851 extension 139.

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.

DR. WILLIAM MORITZ
Director

TIMBER SALE INFORMATION

PRESTON ROAD SAVANNA (20-001-16)

T07S, R12W, SEC. 00; T07S, R12W, SEC. 08. Saint Joseph County (Advertised Price \$8,873.90)

SALE NOTE: Access may be through other public 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:

ESTIMATE	<u>ED UNITS*</u>	<u>ADV</u>	ERTISED PRICE
11.30	MBF	\$	97.00 / MBF
12.20	MBF	\$	72.00 / MBF
490.00	Cords	\$	8.40 / Cord
112.00	Cords	\$	10.00 / Cord
235.00	Cords	\$	4.00 / Cord
	11.30 12.20 490.00 112.00	12.20 MBF 490.00 Cords 112.00 Cords	11.30 MBF \$ 12.20 MBF \$ 490.00 Cords \$ 112.00 Cords \$

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$723.40:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Pulpwood			
Austrian Pine	11.00 Cords	\$	4.80 / Cord
Mixed Aspen	61.00 Cords	\$	7.00 / Cord
Red Maple	58.00 Cords	\$	4.20 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 18.20 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 \$900.00 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.
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 03/01/2017.

Sale Specific Conditions & Requirements

Sale Name: PRESTON ROAD SAVANNA Sale Number: 20-001-16 Seq#: 2

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 red paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) cut all trees that are two (2) inches or more at DBH, except trees marked with bluish-green paint above and below stump height. Also, DO NOT cut oak trees equal to or greater than 20 inches in diameter at breast height. Leave all white pine and hickory trees.

2.1.11 - Description of timber note (2/04)

Note that mixed hardwood includes walnut, elm, sassafras, and ash trees. Mixed oak includes white and black/red oak.

2.2 - Utilization

2.2.2 - Chipping required (5/14)

This area must be chip harvested. The Purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled.

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 6 inches for all trees. This is in order to facilitate planting operations.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the International 1/4 Inch Log Rule.

3 - Payments

3.4 - Damaged Timber

3.4.2 - Special Protection Trees (4/14)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are marked with bluish green paint. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$500 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

4.3 - Public Right-of-Way

4.3.2 - County R-O-W (12/06)

The county must be contacted prior to crossing or harvesting in the county road R-O-W.

4.4 - Access

4.4.3 - Access gate (12/08)

The access gate must be locked at the completion of each day unless otherwise 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 to determine landing and road locations. 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.

5.1.6 - Utility R.O.W. (1/15)

It is the responsibility of the Purchaser to obtain permission from the utility company to utilize the power line R.O.W. for operations.

5.2 - Conduct of Operations

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.3.5 - Hunting operating restriction (12/08)

No Payment unit may be started during the period of November 13 thru November 16th without permission of the Unit Manager or his/her representative. No harvesting activity can occur during this period as well.

5.2.4 - Dead and Down Creation

5.2.4.1 - Dead and down creation, marked trees (10/13)

All trees marked with a circular band of green paint must be left. All standing and downed dead trees must be left on site.

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.

5.4.2 - Skid trails (2/04)

Skid trails up and down slopes should be avoided. If however this is unavoidable, these trails will be left in a non-erodible condition using water bars, logs, and slash. Placing of slash on these skid trails while logging is ongoing may alleviate need for any further action. At the direction of the sale administrator, seed, fertilizer, and mulch may also be required.

5.4.4 - Slope protection (5/15)

Skid trails and roads on slopes shall be water barred with slash, stumps, and/or clean straw bales native to the area as soon as use is complete to prevent erosion.

5.4.6 - Wet area protection (5/10)

No harvesting operations, including skidding and felling, are to take place within the vernal pond areas or drainages that occur within and adjacent to the sale area. When harvesting occurs, there should be no disturbance to vernal pond depressions and drainages. All equipment, trees and tops should be kept out of these areas as well. There is a pond/bog area near the section number 08 on the sale map. This area is labeled as N0 on the map. Within 100 feet of the pond/bog, equipment should only

be used when the soil is in a dry or frozen condition. Care must be taken by the Purchaser to identify and avoid operating in these areas of the timber sale.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on Preston Road prior to beginning operations. The road must be posted 200 feet from the sale area 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.

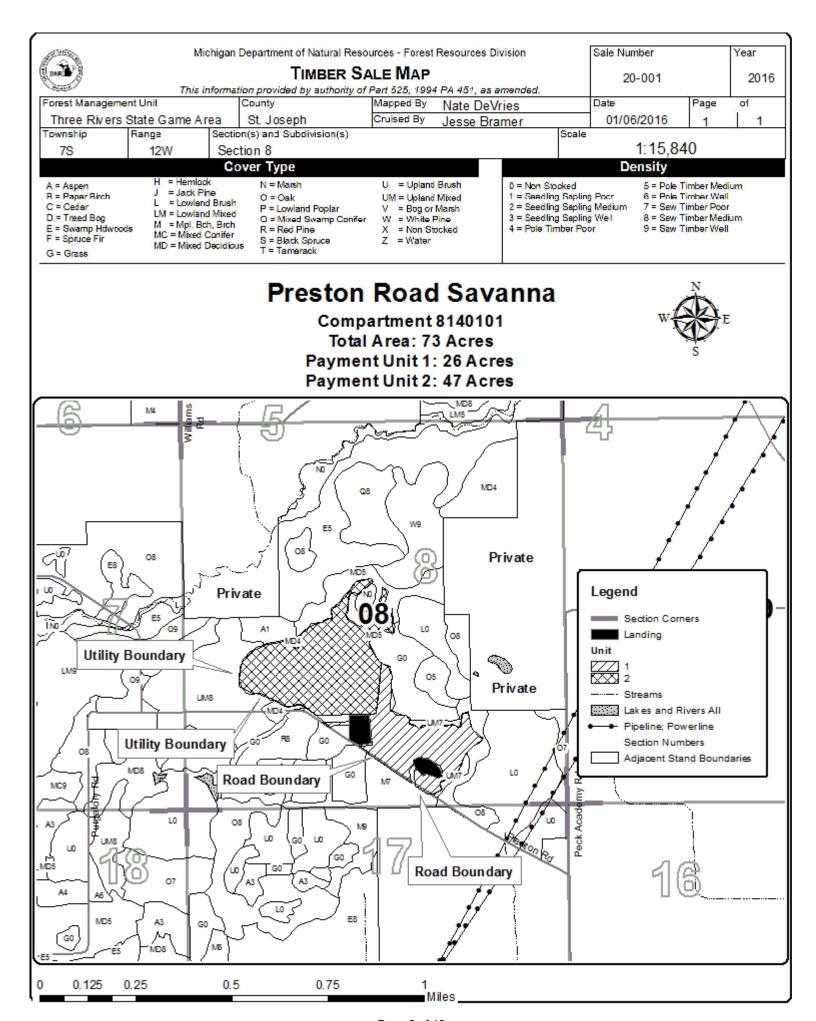
7 - Other Conditions

7.10 - Certified Timber

7.10.1 - Non-certified timber (12/05)

The area encompassed by this timber sale is not certified to the standards of the Forest Stewardship Council (FSC) or the Sustainable Forestry Initiative (SFI). Forest products from this sale may not be delivered to the mill as "FSC and / or SFI certified". The lands within this sale are managed as a State Game Area.

Section Name: Sale Specific Current as of 2/12/2016 12:59:56PM



BID FORM

BAF PLAINWELL

PRESTON ROAD SAVANNA (20-001-16)

T07S, R12W, SEC. 00; T07S, R12W, SEC. 08; Saint Joseph COUNTY

In response to the notice of sale to be held 11:00 a.m. (local time) on April 27, 2016, 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.

PRODUCTS & SPECIES	ESTIMATED	VOLUME*	AD'	VERTISED PRICE	BID PRICE
Sawtimber					
Black Cherry	11.30	MBF	\$	97.00/MBF	\$
Mixed Oak	12.20	MBF	\$	72.00/MBF	\$
Pulpwood					
Black Cherry	490.00	Cords	\$	8.40/Cord	\$
Mixed Hardwood	112.00	Cords	\$	10.00/Cord	\$
Mixed Oak	235.00	Cords	\$	4.00/Cord	\$

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$723.40:

	<u>ESTIMATED</u>	VOLUME*	<u>ADV</u>	<u>/ERTISED PRIC</u>	Ε
Austrian Pine	11.00	Cords	\$	4.80/Cord	
Mixed Aspen	61.00	Cords	\$	7.00/Cord	
Red Maple	58.00	Cords	\$	4.20/Cord	
	Mixed Aspen	Pulpwood Austrian Pine 11.00 Mixed Aspen 61.00	Pulpwood Austrian Pine 11.00 Cords Mixed Aspen 61.00 Cords	Pulpwood Austrian Pine 11.00 Cords \$ Mixed Aspen 61.00 Cords \$	Pulpwood 11.00 Cords \$ 4.80/Cord Austrian Pine 11.00 Cords \$ 7.00/Cord Mixed Aspen 61.00 Cords \$ 7.00/Cord

^{*}The volumes are statistically estimated within plus (+) or minus (-) 18.20 percent. These estimated volumes 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 SOCIA	AL SECURITY NUMBER	₹
Company or individual bidding:			
Company representative's name:			
Address:			
City:	State:	Zip:	
ABLE, PLEASE PLACE THE PE	RSONALIZED LABE	L FROM YOUR PROSP	PECTUS IN THE ABOVE BOX.
dividual or company representative's signature:			Date:
ne number : Email (optional):			
I	Company or individual bidding: Company representative's nam Address: City: ABLE, PLEASE PLACE THE PE	Company or individual bidding: Company representative's name: Address: City: State: ABLE, PLEASE PLACE THE PERSONALIZED LABE or company representative's signature:	Company representative's name: Address: City: State: Zip: ABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSE or company representative's signature:

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



Michigan Department of Natural Resources Forest, Mineral and Fire Management

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 or Permit No		
Year:	Type:	
Forest Area:		

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

•	All Information must be typed or printed except for written sign			
Ple	Please Check Appropriate Categories:			
1.	 My business is organized as (you must check one of the boxes be A. Sole Proprietorship (individual) Partnership Corporation 	elow):		
2.	 You must check one of the boxes below: A.			
3.	 If you have checked item 2(A) or 2(B), you must indicate the including family members and active partners (if none, you must enter a partners). Full Time Employees 	number of both full and part time employees other than yourself nter "0"). Part Time Employees		
Nar	Name of Business	Federal ID (or) Social Security No.		
Address		Telephone No.		
City	City State	Zip + 4		
cov _	hereby certify that the above information is true and correct. I agree to coverage during any of my present and future operations. Signature of Owner or Authorized Representative	o notify the DNR of any changes that occur in factors affecting my		

Please complete the "SEALED BID" information on the next page

PR 4031-5 (Rev. 10/30/2012)