



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #6467

SCHEDULED SALE DATE AND TIME: 8:30 a.m. (local time) on June 12, 2019.

LOCATION: CRYSTAL FALLS MGMT UNIT, 1420 US 2 WEST, CRYSTAL FALLS, MI 49920.

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

Little Log Island (12-018-17) / T40N, R29W, SEC. 16, N1/2NE.

T40N, R29W, SEC. 9, S1/2SE.

Dickinson County, Advertised Price \$3,969.60, 23.8 Acres, Hardwood, Sugar Maple.

SALE NOTE: Access will be north out of Norway, up Bentons Lake Road. The sale may also be accessed by an alternative route from the north with permission from a private landowner through a gate. Softer spots are found on the access road between the berm and the sale during wetter seasons.

BID INSTRUCTIONS (VER. 07/02/2018):

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

Bids must be received by the Unit Manager, CRYSTAL FALLS OFFICE, 1420 US 2 West, Crystal Falls, MI 49920, no later than 8:30 a.m. (local time) on June 12, 2019. For further information concerning this sale, contact Dan McNamee at 906-875-6622.

2. Bidder's Qualifications (5/16)

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, the 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 (5/16)

Bid Forms may be completed online thru Michigan DNR Timber Sale Online Bidding (OLB) at www.michigan.gov/timberbidding or by completing the hardcopy Bid Form found in the Timber Sale Prospectus. Hardcopy Bid Forms shall be manually signed in ink. Registration in OLB is considered your 'signature' for all bids submitted thru that system. 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 hardcopy Bid Form, each erasure or change must be initialed by the person signing the bid.

4. Submission of Sealed Bids (5/16)

Bid forms may be obtained from the Unit Manager or thru OLB. Bids may be submitted hardcopy or thru OLB. All hardcopy 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.

It is possible for a bidder to submit multiple bids on a single sale. For example, a bid may be submitted hardcopy and a bid may be submitted thru OLB. Or, two bidders from the same company could both submit bids on the same sale. If this were to happen, the State would accept all bids received and award the contract accordingly. All bidding and contractual requirements would apply to all bids received.

5. Public Opening of Sealed Bids (7/16)

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 or announce the withdrawal of their online bid 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 (7/18)

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 3 months after the first offense, 6 months after the second offense, and 1 year after the third offense. An offense will only be counted against the Bidder for 5 years. 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.

Payment Unit values in the State Forest Timber Sale Contract are calculated based on the advertised value of the Payment Unit as a percentage of the total advertised value of the contract. The advertised value of each Payment Unit is given in the Description of Timber by Payment Unit table on the Timber Sale Information page. For example, if the value of Payment Unit 1 is advertised as \$1,500 and the total Timber Sale value is advertised as \$10,000, the contract price for Payment Unit 1 will be 15% of the total bid price ($\$1,500/\$10,000 * 100$).

10. Disclaimer of Estimates and Bidder's Warranty of Inspection (7/16)

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.

12. Good Neighbor Authority (GNA) Requirements (7/16)

If the name of this timber sales contains the acronym GNA, it is authorized by the Good Neighbor Authority (GNA) and covered by various agreements between the U.S. Forest Service and the State. The timber sale occurs on federal land and the following conditions apply:

GNA contracts on US Forest Service land will not be awarded to purchasers on the Federal list of excluded parties. The System for Award Management (SAM) will be checked for active excluded parties prior to award of contract. In addition, the Bidder to whom award is made must complete an Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants (AD-3031).

13. Good Neighbor Authority (GNA) Requirements, con't (9/16)

Bidder certifies, by signing this bid form, that to the best of Bidder's knowledge that the following representations are accurate and complete.

- a. That the Bidder and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntary excluded from timber sales (covered transactions) by any Federal department or agency.
- b. That the Bidder and its principals have not within a 3-year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- c. That the Bidder and its principals are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph b of this certification.
- d. That the Bidder and its principals have not within a 3-year period preceding this bid had one or more public transactions (Federal, State, or local) terminated for breach or default of a timber or forest product contract.

Bidders that cannot certify this requirement, in whole or in part, shall submit an explanation with their bid.

DAN EICHINGER
Director

TIMBER SALE INFORMATION

Little Log Island (12-018-17)
 T40N, R29W, SEC. 16; T40N, R29W, SEC. 9.
 Dickinson County (Advertised Price \$3,969.60)

SALE NOTE: Access will be north out of Norway, up Bentons Lake Road. The sale may also be accessed by an alternative route from the north with permission from a private landowner through a gate. Softer spots are found on the access road between the berm and the sale during wetter seasons.

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>
Sawtimber		
Basswood	8.80 MBF	\$ 60.00 / MBF
Red Maple	3.70 MBF	\$ 46.00 / MBF
Sugar Maple	19.40 MBF	\$ 117.00 / MBF
Pulpwood		
Balsam Fir	2.00 Cords	\$ 6.80 / Cord
Mixed Hardwood	130.00 Cords	\$ 7.60 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 30.85 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:

- A bond in the amount of \$198.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- Cutting in any sale or unit without the required advance payment would be considered a trespass.
- Total payment must be paid in advance or according to the following schedule:
 - Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - The remainder is due before cutting begins.
 - Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	100.0%
- If no cutting takes place, the 10% down payment will not be refunded.
- Operations on the contract issued will terminate on 06/30/2021.

Description of Timber by Payment Unit (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Basswood	Sawtimber	8.8	MBF	23.8	\$3,969.60
	Red Maple		3.7	MBF		
	Sugar Maple		19.4	MBF		
	Balsam Fir	Pulpwood	2.0	Cords		
	Mixed Hardwood		130.0	Cords		
	<i>Basswood</i>		24.0	<i>Cords</i>		
	<i>Black Cherry</i>		7.0	<i>Cords</i>		
	<i>Red Maple</i>		13.0	<i>Cords</i>		
	<i>Sugar Maple</i>		85.0	<i>Cords</i>		
	<i>Yellow Birch</i>		1.0	<i>Cords</i>		
	TOTAL:			31.9		
TOTAL:			132.0	Cords		

Sale Specific Conditions & Requirements

Sale Name: Little Log Island

Sale Number: 12-018-17 Seq#: 3

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary is marked and identified by red paint. Exterior sale boundary lines against state are marked with red paint.

2 - Timber Specifications

2.1 - Included Timber

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

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

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 Scribner Decimal C Log Rule.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/14)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, extreme care should be taken to avoid damage to hardwood tree seedlings and saplings.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

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)

A berm (shown on the Timber Sale Map) will have to be removed to access this sale. The bermed road must be blocked to vehicle traffic upon completion of the sale. In general, this will require re-constructing a four (4') foot high berm of stumps and logs covered with earth where the previous berm exists now. This berm must be rendered impassable to cars and trucks.

4.1.12 - No new roads (1/12)

No new roads will be permitted in any Payment Unit. All operations are limited to existing roads. Skid trails only will be allowed.

4.4 - Access

4.4.2 - Alternate route on private property (2/04)

It is the Purchaser's responsibility to obtain access across private land for any routes other than the route shown on the sale map.

5 - Operations

5.2 - Conduct of Operations

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (10/16)

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

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.41 - Snowmobile trail protection (9/11)

There is a snowmobile trail shown on the timber sale map which uses a section of Bentons Lake Road. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. The road maintenance/restoration must be done prior to December 1 following completion of 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 (7/16)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and/or 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.

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 (Bentons Lake Road) prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail must be posted at appropriate distances 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.



TIMBER SALE MAP

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

Forest Management Unit Crystal Falls		County Dickinson	Mapped By Brolin	Date 06/26/2017	Page 1	of 1
Township 40N	Range 29W	Section(s) and Subdivision(s) S1/2 SE1/4 Section 9, and N1/2 NE1/4 Section 16		Scale 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
LM = Lowland Mixed	M = Mpl, Bch, Brch	Q = Mixed Swamp Conifer	W = White Pine	3 = Seedling Sapling Well	8 = Saw Timber Medium
D = Treed Bog	MC = Mixed Conifer	R = Red Pine	X = Non Stocked	4 = Pole Timber Poor	9 = Saw Timber Well
E = Swamp Hdwoods	MD = Mixed Deciduous	S = Black Spruce	Z = Water		
F = Spruce Fir		T = Tamarack			
G = Grass					

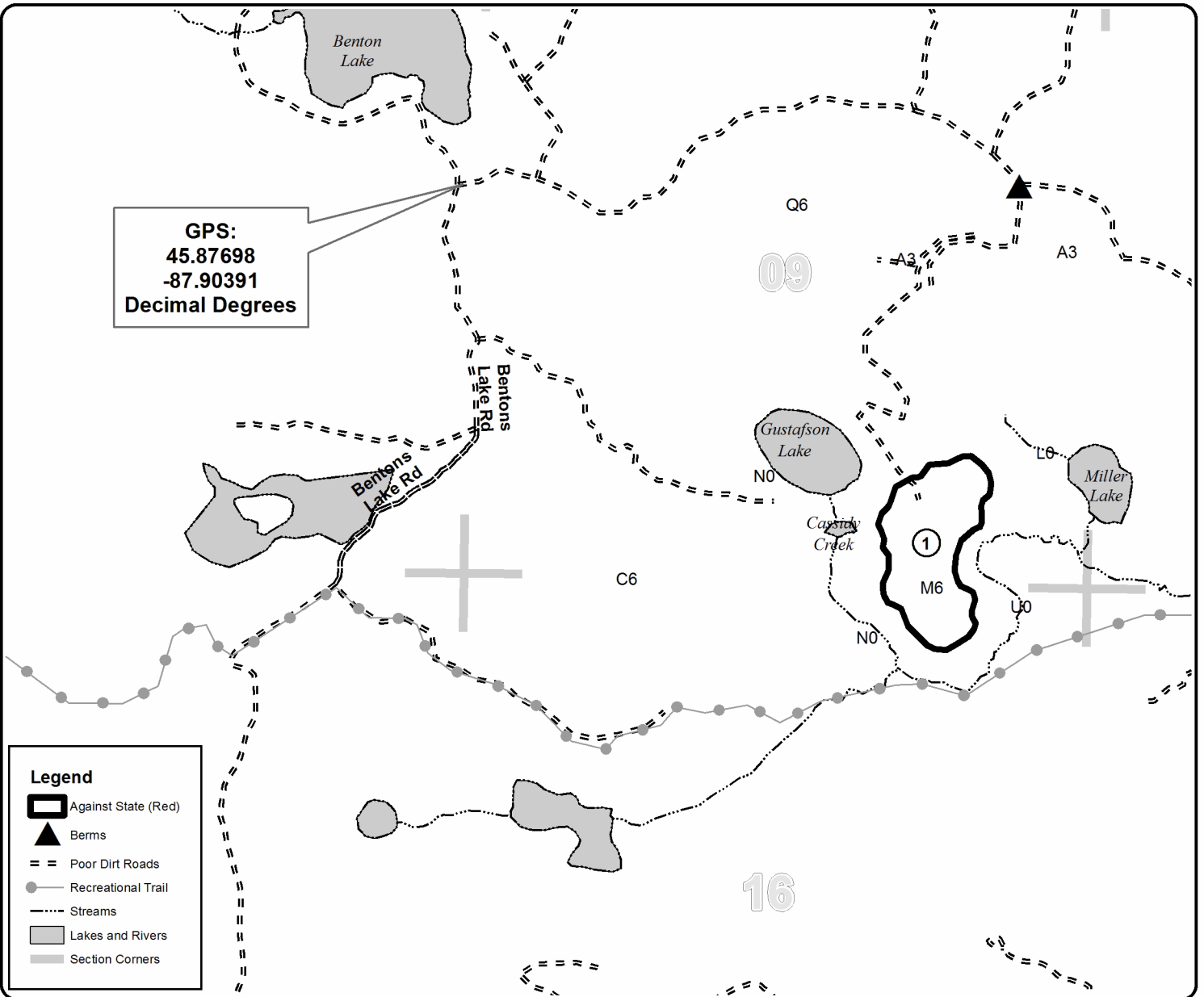
PU Acres
1 23.8

Little Log Island

Compartment 98
23.8 Acres

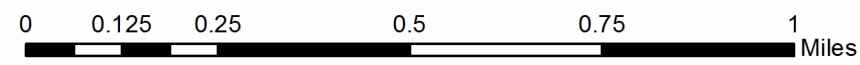


GPS:
45.87698
-87.90391
Decimal Degrees



Legend

- Against State (Red)
- Berms
- Poor Dirt Roads
- Recreational Trail
- Streams
- Lakes and Rivers
- Section Corners



Little Log Island (12-018-17)
T40N, R29W, SEC. 16; T40N, R29W, SEC. 9; Dickinson COUNTY

In response to the notice of sale to be held 8:30 a.m. (local time) on June 12, 2019, 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 VOLUME*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE/UNIT</u>
Sawtimber			
Basswood	8.80 MBF	\$ 60.00/MBF	\$ _____
Red Maple	3.70 MBF	\$ 46.00/MBF	\$ _____
Sugar Maple	19.40 MBF	\$ 117.00/MBF	\$ _____
Pulpwood			
Balsam Fir	2.00 Cords	\$ 6.80/Cord	\$ _____
Mixed Hardwood	130.00 Cords	\$ 7.60/Cord	\$ _____

*The volumes are statistically estimated within plus (+) or minus (-) 30.85 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 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

