



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #6361

SCHEDULED SALE DATE AND TIME: 2:00 p.m. (local time) on December 19, 2018.

LOCATION: SHINGLETON MGMT UNIT, PO BOX 67, M 28 WEST, SHINGLETON, MI 49884.

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

Thompson Hatchery Timber Sale (41-601-19) / T41N, R16W, SEC. 29, S1/2SW.

T41N, R16W, SEC. 32, NENW.

Schoolcraft County, Advertised Price \$13,321.65, 23.8 Acres, N White Cedar, Spruce/Fir/Tamarack.

SALE NOTE: This is a short duration contract, which expires on 04/01/2019.

The area must be chip harvested to facilitate Thompson Hatchery construction goals. See Sale Spec 2.2.2 for additional information.

MDOT must be contacted prior to harvesting in the MDOT right-of-way.

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

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

Bids must be received by the Unit Manager, SHINGLETON OFFICE, PO Box 67 M 28 West, Shingleton, MI 49884, no later than 2:00 p.m. (local time) on December 19, 2018. For further information concerning this sale, contact Robert Burnham at 906-452-6227 extension 240.

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.

KEITH CREAGH
Director

TIMBER SALE INFORMATION

Thompson Hatchery Timber Sale (41-601-19)
 T41N, R16W, SEC. 29; T41N, R16W, SEC. 32.
 Schoolcraft County (Advertised Price \$13,321.65)

SALE NOTE: This is a short duration contract, which expires on 04/01/2019.

The area must be chip harvested to facilitate Thompson Hatchery construction goals. See Sale Spec 2.2.2 for additional information.

MDOT must be contacted prior to harvesting in the MDOT right-of-way.

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		
Balsam Fir	73.00 Cords	\$ 14.10 / Cord
Balsam Poplar	212.00 Cords	\$ 20.65 / Cord
N. White Cedar	381.00 Cords	\$ 6.40 / Cord
Paper Birch	17.00 Cords	\$ 10.90 / Cord
Quaking Aspen	81.00 Cords	\$ 20.65 / Cord
Red Pine	71.00 Cords	\$ 42.80 / Cord
White Pine	21.00 Cords	\$ 18.90 / Cord
White Spruce	10.00 Cords	\$ 18.25 / Cord

* 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 \$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.
- 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 04/01/2019.

Description of Timber by Payment Unit (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Balsam Fir	Pulpwood	73.0	Cords	23.8	\$13,321.65
	Balsam Poplar		212.0	Cords		
	N. White Cedar		381.0	Cords		
	Paper Birch		17.0	Cords		
	Quaking Aspen		81.0	Cords		
	Red Pine		71.0	Cords		
	White Pine		21.0	Cords		
	White Spruce		10.0	Cords		
TOTAL:			866.0	Cords		

Sale Specific Conditions & Requirements

Sale Name: Thompson Hatchery Timber Sale

Sale Number: 41-601-19 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary is marked and identified by red paint, along with a road ROW. Exterior sale boundary lines against state are marked with red paint, with the exception of the western boundary, which is unpainted and identified by the M149 ROW. The painted boundary line trees are not Included Timber and are to be protected.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, cut all trees that are two (2) inches or more at DBH.

2.2 - Utilization

2.2.2 - Chipping required (2/18)

This area must be chip harvested to facilitate Thompson Hatchery construction goals. The Purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled. The requirement to retain approximately 1/6 to 1/3 of tree tops and limbs less than four inches in diameter does not apply (G. C. & R. 2.2). This sale is a land clearing operation for future construction activities at the Thompson Fish Hatchery.

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH.

4 - Transportation

4.3 - Public Right-of-Way

4.3.1 - MDOT R-O-W (11/14)

The Michigan Department of Transportation (MDOT) must be contacted prior to harvesting timber within the MDOT right-of-way. Contact the Sale Administrator for details.

5 - Operations

5.2 - Conduct of Operations

5.2.37 - No decking areas (12/08)

No decking is allowed within 200 feet of the well site, labeled with a "W" on the Timber Sale Map.

5.5 - Protection of Improvements

5.5.3 - Protection of improvements detail (10/13)

The following are specific protection measures for this sale: The well site, labeled as "W" on the Timber Sale Map, must be protected. Equipment operation within the cleared area surrounding the well site is not permitted. The Purchaser is responsible for any damage to the well site, well, and road leading to well site which results from harvesting operations.

7 - Other Conditions

7.2 - Extensions

7.2.2 - No extensions (3/09)

There will be no extensions granted on this contract.

7.10 - Certified Timber

7.10.1 - Non-certified timber (2/16)

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".

8 - Performance and Settlement

8.3 - Uncompleted or Terminated Contracts

8.3.1 - Completion of contract, chipping (1/16)

In addition to cutting, all chipping must be completed by the contract expiration date. If chipping has not been completed, an extension fee or damages may be charged per General Condition & Requirement 7.2 and 8.3.



TIMBER SALE MAP

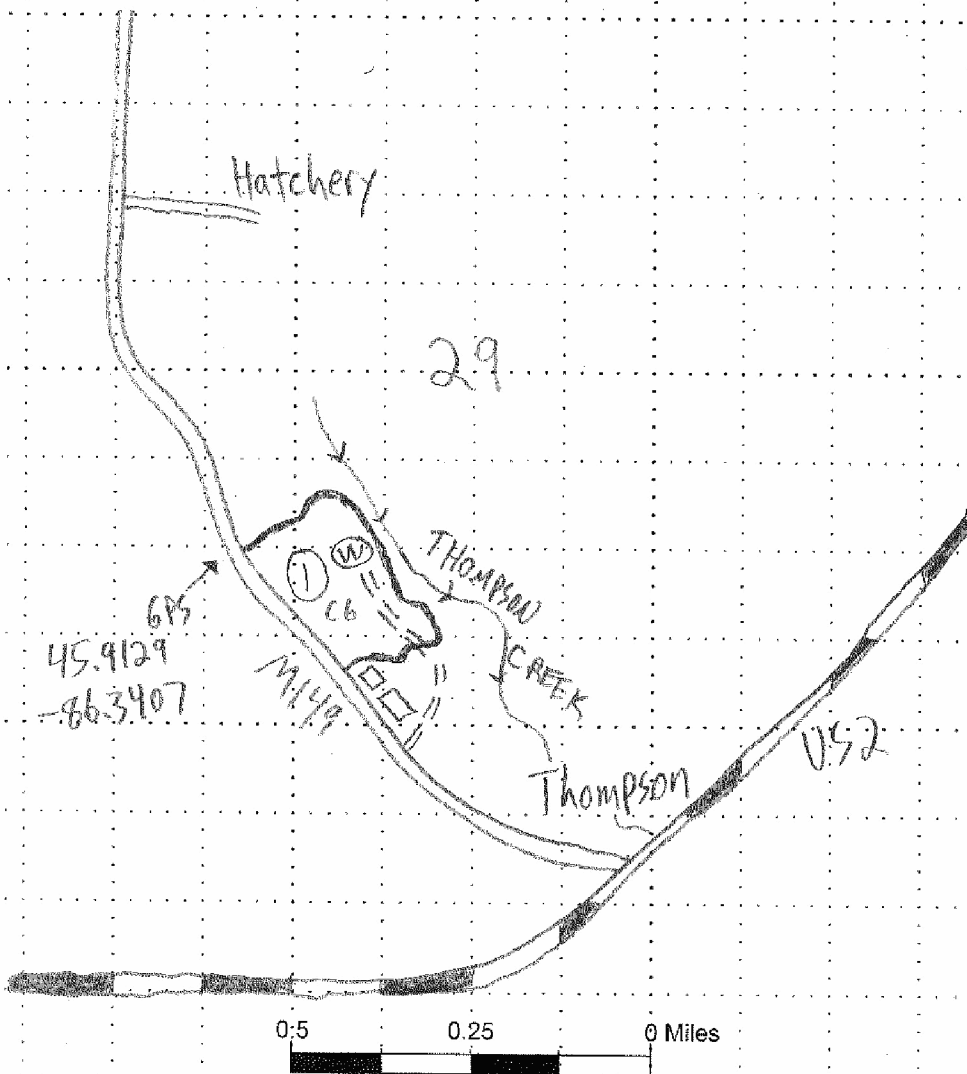
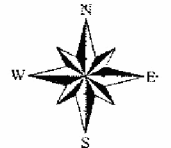
This information provided by authority of Part 5, 1994 PA 451, as amended.

Sale Number	601	Year	19
Date	10-24-18	Page	1 of 1
Section(s) and Subdivision(s) 29 S 1/2 SW, 32 NE NW			

Forest Management Unit Shingleton	County Schoolcraft	Mapped By Petrelus
Compartment Number N/A	Township 41W	Range 16W

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

Thompson Hatchery Timber Sale
23.8 acres



Legend

- Sale Area
- Red point
- Well
- Payment Unit - 23.8 acres
- gravel road

Thompson Hatchery Timber Sale (41-601-19)
T41N, R16W, SEC. 29; T41N, R16W, SEC. 32; Schoolcraft COUNTY

In response to the notice of sale to be held 2:00 p.m. (local time) on December 19, 2018, 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>
Pulpwood			
Balsam Fir	73.00 Cords	\$ 14.10/Cord	\$ _____
Balsam Poplar	212.00 Cords	\$ 20.65/Cord	\$ _____
N. White Cedar	381.00 Cords	\$ 6.40/Cord	\$ _____
Paper Birch	17.00 Cords	\$ 10.90/Cord	\$ _____
Quaking Aspen	81.00 Cords	\$ 20.65/Cord	\$ _____
Red Pine	71.00 Cords	\$ 42.80/Cord	\$ _____
White Pine	21.00 Cords	\$ 18.90/Cord	\$ _____
White Spruce	10.00 Cords	\$ 18.25/Cord	\$ _____

*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



FOR DEPARTMENT USE ONLY	
Sale Number (XX - XXX - XX - XX)	
Forest Management Unit:	

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

As required by Act 317, P.A. 1969 (Worker's Compensation) and
Part 5 of Act 451 of 1994, as amended.

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 twenty-one (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 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 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 my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within twenty-one (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 DNR 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

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