

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #6793

<u>SCHEDULED SALE DATE AND TIME:</u> 9:00 a.m. (local time) on January 5, 2021. <u>LOCATION:</u> ROSCOMMON MGMT UNIT, PO BOX 218, ROSCOMMON, MI 48653.

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

Barred Salvage (71-004-21) / T23N, R02W, SEC. 10, E1/2NW,W1/2NE,NESW. Roscommon County, Advertised Price \$4,819.30, 48.9 Acres, Hardwood.

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions.

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

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

Bids must be received by the Unit Manager, ROSCOMMON OFFICE, PO BOX 218, ROSCOMMON, MI 48653, no later than 9:00 a.m. (local time) on January 5, 2021. For further information concerning this sale, contact Patrick Mohney at 989-275-4622 extension 2740.

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

<u>Barred Salvage (71-004-21)</u> T23N, R02W, SEC. 10. Roscommon County (Advertised Price \$4,819.30)

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions.

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. All units of volume listed below were estimated using the T-Sale computer program and our traditional volume equations. Bids must be at or above the following advertised price for each product and species:

PRODUCTS & SPECIES	ESTIMATED UNITS*		ADVERTISED PRICE	
Sawtimber				
Beech	34.0	MBF	\$	45.00 / MBF
Pulpwood				
Beech	254	Cords	\$	12.95 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 27.25 percent. There are an estimated 322 cords on this timber sale, plus or minus 88 cords at the 95% confidence level. 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 \$241.00 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 remainder is due before cutting begins.

01

(c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER PERCENT OF TOTAL SALE VALUE

100.0%

4. If no cutting takes place, the 10% down payment will not be refunded.

5. Operations on the contract issued will terminate on 03/31/2023.

SALE STATISTICS

SALE VOLUMES

VOL	UME		STATISTICAL RA	ANGE IN CORDS
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
25,407	322	27.25%	234	409

VDU VOLUMES

A VDU is a Volume Determination Unit. Volumes and their associated statistics are calculated at the VDU level and summarized to the sale level. There is often a one to one relationship between a VDU and a Payment Unit, but not always, depending on the cruise design. Refer to the VDU TO PAYMENT UNIT table.

	VOLUME			RANGE I	N CORDS
VDU	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
60	25,414	322	27.25%	234	409
TOTAL:	25,414	322		234	409

VDU TO PAYMENT UNIT

When a VDU is associated with more than one Payment Unit (PU), the VDU volumes are assigned to the PU based on acres of the VDU within the PU.

VDU	VDU ACRES	PU	PU ACRES
60	48.9	1	48.9
TOTAL:	48.9		48.9

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Beech	Sawtimber	34.0	MBF	48.9	\$4,819.30
	Beech Pulpwood		254	Cords		
TOTAL:		34.0	MBF			
TOTAL:		254	Cords			

Sale Specific Conditions & Requirements

Sale Name: Barred Salvage

Sale Number: 71-004-21 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (9/19)

The sale boundary and Payment Unit boundaries are marked and identified by red paint. The painted boundary line trees are not Included Timber and are to be protected.

2 - Timber Specifications

- 2.1 Included Timber
 - 2.1.4 Designated timber unit(s) (6/17)

Within Payment Unit(s) 1, all beech which meet minimum piece specifications in 2.2 - Utilization are designated for cutting, except do not cut any beech marked with green paint.

2.2 - Utilization

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.

2.2.6 - Roundwood operation required (5/07)

The skidding of whole trees or tree segments with limbs attached is prohibited. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 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 Amendment.

3.4 - Damaged Timber

3.4.1 - Damaged timber (7/16)

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 tree seedlings and saplings.

Within the sale area, if more than 20% of the tree seedlings or saplings (1/4" to 4.5" DBH) within a specified portion of the sale area are damaged, liquidated damages will be assessed at \$300 per acre for all acreage within that specified portion of the sale area that was damaged.

No damage is acceptable to undesignated live merchantable trees. Within the sale area, if more than 5% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

Piles or windrows of earth along roads and landings that have been widened or constructed shall be leveled. Slash from road maintenance or construction, including stumps, shall be dispersed throughout the sale.

4.1.12 - No new roads (1/12)

No new roads will be permitted. All operations are limited to existing roads.

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 wet weather conditions.

4.2.3 - Road maintenance (8/13)

The following road maintenance is required: Within 60 days of completion of hauling, or if no hauling occurs for 60 days, the road must be maintained and graded. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. Damages will be assessed if grading/repair does not occur.

4.2.5 - Two wheel drive condition (2/04)

All existing trail roads on and adjacent to the sale area must be passable by two-wheel drive traffic for the duration of the sale.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/16)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations.

5.1.4 - Post-sale conference (10/16)

A post-sale conference on site between the Purchaser and sale administrator is required 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.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

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.

5.2.38 - No decking against live trees (2/04)

Cut products may not be decked against unmarked or designated leave trees.

5.2.39 - ORV trail/route protection (4/18)

The ORV trail or route and is shown on the Timber Sale Map. Do not cut trees or damage posts with yellow ORV markers. Maintain a 20 foot wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline. Do not run equipment down the ORV trail or route. Skidding across the trail or route may only occur in locations approved by the sale administrator.

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

6.2.3 - Recreational trail posting (10/20)

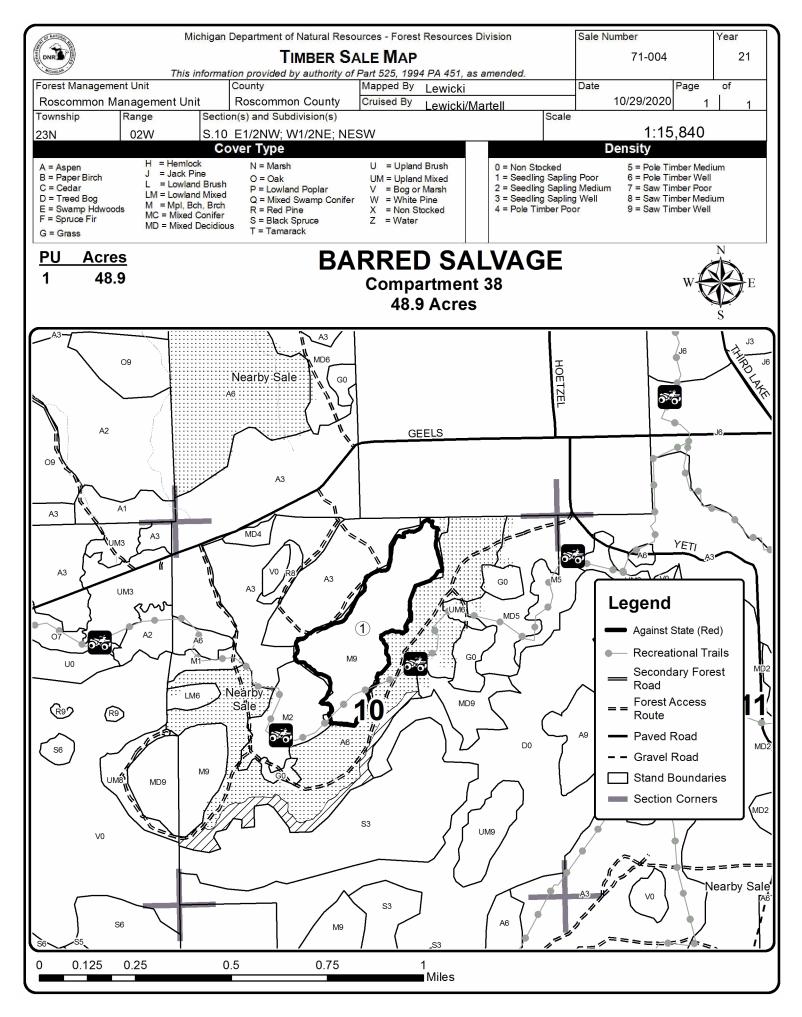
The Purchaser is responsible for posting and maintaining caution signs on the ORV trail prior to beginning operations. The trail must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed.

7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from Beech Bark Disease. 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 / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

Barred Salvage (71-004-21) T23N, R02W, SEC. 10; Roscommon COUNTY

In response to the notice of sale to be held 9:00 a.m. (local time) on January 5, 2021, 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 Sawtimber	ESTIMATED VOLUME*	ADVERTISED PRICE	BID PRICE/UNIT
Beech	34.0 MBF	\$ 45.00/MBF	\$
Pulpwood Beech	254 Cords	\$ 12.95/Cord	\$

*The volumes are statistically estimated within plus (+) or minus (-) 27.25 percent at 95% confidence level. 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 SECU		··
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:

Phone number :_____ Email (optional):_____

_____ Date:____

NOF NATURAL PESSOL	Michigan Department of Natura Forest Resources Divi			FOR DEPARTMENT USE ONLY
A DNR A	TIMBER SAL	E		Sale Number (XX – XXX – XX – XX)
TCHIGH	VERIFICATION OF WORKE	- R'S DISABILITY		
	COMPENSATION ACT C			Forest Management Unit:
	As required by Act 317, P.A. 1969 (Work Part 5 of Act 451 of 1994, as	er's Compensation) and		
VERIFIC	ATION OF WORKER'S DISABILIT			IPLIANCE
	verification must be completed and contract.	submitted within 21	days of cont	tract award and prior to the issuance of the timber
	dition, if boxes 2B or 2C are check ty-one (21) days of the contract awar			Certificate of Insurance must be submitted within e timber sale contract.
All In	formation must be typed or printed o	except for written sig	gnatures.	
Please C	heck Appropriate Categories:			
1. Myb	usiness is organized as (you must	check one of the bo	oxes below):	
A. 🗆	Sole Proprietorship (individual)			
В. 🗆	Partnership			
C. 🗆	Corporation			
2. You	must check <u>one</u> of the boxes belov	/ :		
A. 🗆	I certify my business is a sole propriet Worker's Compensation Laws.	orship and it has no ei	mployees but	the sole proprietor. I am not subject to the
В. 🗌		Il provide a copy of the	e Notice of Ex	cation Act through the use of an approved Notice of clusion within 21 days of the contract award. (For ation Bureau at 517-322-1195).
C. 🗆	I certify my business has a Worker's C one (21) days of the contract award.	Compensation Policy.	I will provide	an original Certificate of Insurance within twenty-
	a have checked item 2(A) or 2(B), yourself, including family members			of both full-time and part-time employees, other u must enter "0").
	Full-time En	nployees		Part-time Employees
Name of Dec		I.		
Name of Bu	Siness	r		Social Security No.
Address		٢	Telephone	
		(()	
City		State 2	ZIP	
l hereby c	pertify that the above information is	true and correct	agree to not	ify the Michigan DNR of any changes that occur
	affecting my coverage during any c			
Signatur	e of Owner or Authorized Representative			
Signatur				
Title			Dat	e

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

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