

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7026</u>

<u>SCHEDULED SALE DATE AND TIME:</u> 3:00 p.m. (local time) on September 8, 2022. <u>LOCATION:</u> NEWBERRY MGMT UNIT, PO BOX 428, 5666 S STATE HWY M 123, NEWBERRY, MI 49868.

<u>PROSPECTUS NOTE</u>: 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, NEWBERRY MANAGEMENT UNIT, for certain timber on the following described lands:

Blind Sucker Campground Pine (42-017-21) / T49N, R12W, SEC. 1, SW,SWSE. T49N, R12W, SEC. 12, NENW. Luce County, Advertised Price \$7,797.60, 30.8 Acres, Jack Pine.

SALE NOTE: All units of volume listed for this sale were estimated using the Inventory Manager computer program and the new Michigan taper model.

This sale occurs within the Blind Sucker #2 Campground. There will be special care to be taken while harvesting timber within and around the campground as well as additional effort regarding slash removal and use of rubber tired equipment only.

Sale can only be harvested during the fall during low use periods (the month of October) and must be completed once begun.

The Blind Sucker pathway is a hiking trail and is shown on the Timber Sale Map. See Sale Spec 5.2.40 for restrictions.

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

Road maintenance may be required. See sale spec 4.2.3 for additional information.

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, NEWBERRY OFFICE, PO Box 428 5666 S STATE HWY M 123, NEWBERRY, MI 49868, no later than 3:00 p.m. (local time) on September 8, 2022. For further information concerning this sale, contact Keith Magnusson at 906-291-0120 extension n/a.

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

Blind Sucker Campground Pine (42-017-21) T49N, R12W, SEC. 1; T49N, R12W, SEC. 12. Luce County (Advertised Price \$7,797.60)

SALE NOTE: All units of volume listed for this sale were estimated using the Inventory Manager computer program and the new Michigan taper model.

This sale occurs within the Blind Sucker #2 Campground. There will be special care to be taken while harvesting timber within and around the campground as well as additional effort regarding slash removal and use of rubber tired equipment only.

Sale can only be harvested during the fall during low use periods (the month of October) and must be completed once begun.

The Blind Sucker pathway is a hiking trail and is shown on the Timber Sale Map. See Sale Spec 5.2.40 for restrictions.

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

Road maintenance may be required. See sale spec 4.2.3 for additional information.

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 Inventory Manager computer program and the new Michigan taper model. Bids must be at or above the following advertised price for each product and species:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Pulpwood			
Jack Pine	342 Cords	\$	22.80 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 16.76 percent. There are an estimated 367 cords on this timber sale, plus or minus 62 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 \$390.00 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:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	26.0%
02	74.0%

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

5. Operations on the contract issued will terminate on 12/31/2025.

SALE STATISTICS

Volumes were calculated in cubic feet using the Michigan taper model. Cubic foot volume includes all wood inside bark for the product indicated. For display purposes, cubic feet were converted to cords and MBF using a simple conversion factor, e.g. 79 cubic feet per cord and 185 cubic feet per MBF. The cubic foot volumes are precise; the cords and MBF volumes are not. Cubic foot volume cannot be directly converted to cords or boards with precision.

SALE VOLUMES

The total estimated sale volume may not equal the sum of the species/products due to the nature of statistical calculations associated with double sampling methodology.

VOL	UME		STATISTICAL RA	ANGE IN CORDS
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
29,008	367	16.76%	306	429

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 IN CORDS	
VDU	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
5	7,651	97	12.17%	85	109
15	21,357	270	22.35%	210	331
TOTAL:	29,008	367		295	439

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
5	8.0	1	8.0
15	22.8	2	22.8
TOTAL:	30.8		30.8

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

F	۶U	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
	1	Jack Pine	Pulpwood	89	Cords	8.0	\$2,029.20
		Jack Pine	Sawtimber	22.6	MBF		
		Jack Pine	Pulpwood	44	Cords		
	2	Jack Pine	Pulpwood	253	Cords	22.8	\$5,768.40
		Jack Pine	Sawtimber	49.0	MBF		
		Jack Pine	Pulpwood	155	Cords		
			TOTAL:	342	Cords		

Sale Name: Blind Sucker Campground Pine

Sale Number: 42-017-21 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 and green paint. Exterior sale boundary lines against state are marked with red paint. There is no red paint along the lake. The lake will act as the boundary line. Interior Payment Unit boundaries are marked with green paint. Green painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

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

Within Payment Unit(s) 1 and 2, all jack pine trees are designated for cutting which meet minimum piece specifications in 2.2 - Utilization. Also, cut any hazard trees marked with orange paint and cut any dead jack pine. Additionally, within Payment Unit 2, any dead trees along the lake can be dropped into the lake to provide structure for fish.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 6 inches for all trees.

3 - Payments

- 3.6 Payment Unit Cutting Schedule
 - 3.6.8 Operating period (5/16)

Once cutting begins, operations must continue until all Payment Units are completed. This requirement is for campground management.

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 in any Payment Unit. All operations are limited to existing roads.

4.2 - Maintenance

4.2.3 - Road maintenance (8/13)

The following road maintenance may be needed: 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 on site between the Purchaser and sale administrator is required prior to beginning any operations to

discuss sale operations within the campground, slash disposal, equipment use and to determine landing locations. The campground may have to be closed to allow logging operations to occur so pre-planning is a must. The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

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.

5.2.1.13 - Dispose of slash as directed (12/05)

Slash is to be disposed of as directed by the Sale Administrator. Slash in Payment Unit 1 is not to be left within the designated campsite areas. Any slash that litters the site must be picked up and moved to the surrounding wooded area. This will be discussed at the pre-sale conference.

5.2.3 - Operating Restrictions

5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 1 and 2, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of October 1 to October 31. This restriction is because of the campground.

5.2.18 - Equipment requirements (1/09)

Only rubber-tired logging equipment is allowed in Payment Unit 1; no tracked machines will be allowed.

5.2.32 - Decking/landing restoration (9/13)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand. Wood debris, chips, and "cookies" from trimmings must be removed or scattered away from landing and loading areas and may not be windrowed on the edge.

5.2.37 - No decking areas (12/08)

No decking is allowed on any of the campsites.

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

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

5.2.40 - Pathway protection (10/10)

The Blind Sucker pathway is a hiking trail and is shown on the Timber Sale Map. Do not cut trees or damage posts with blue pathway markers. Maintain a 20-foot-wide slash, debris, and rut free zone daily, using the pathway as the centerline. Do not run equipment down the pathway.

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.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

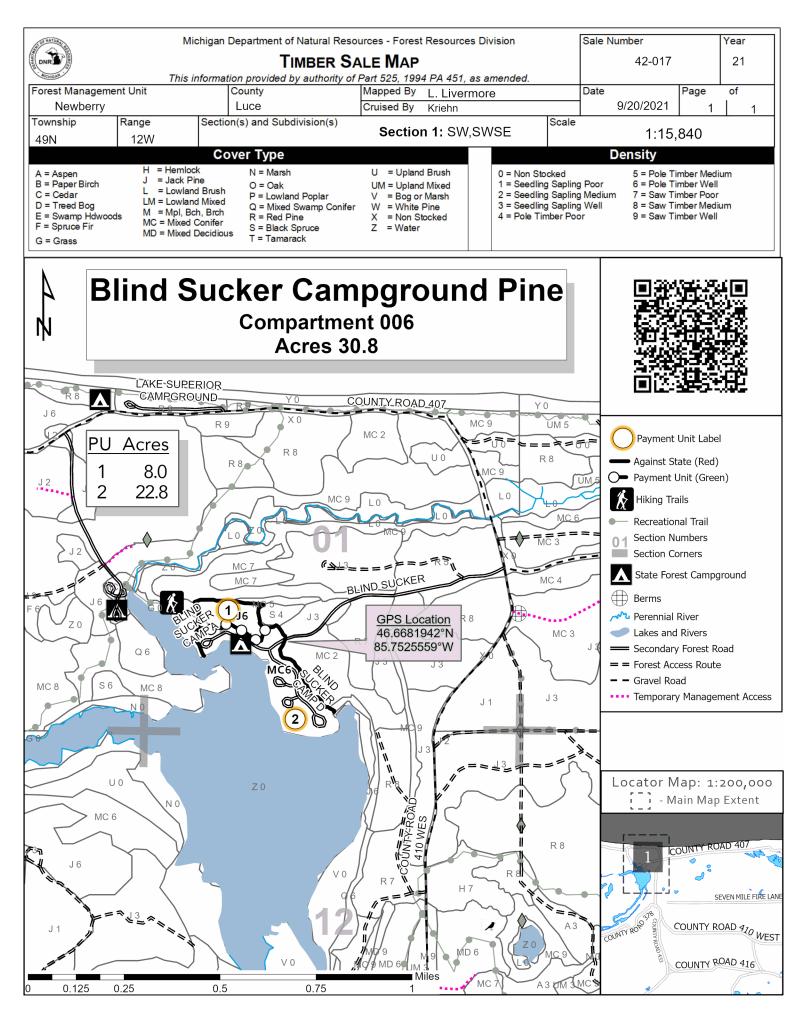
All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on Blind Sucker Road prior to beginning operations. The road must be posted approximately 350 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.



TIMBER SALE / SEALED BID
STATE OF MICHIGAN / DNR

BID FORM

_____ Date:_____

Blind Sucker Campground Pine (42-017-21) T49N, R12W, SEC. 1; T49N, R12W, SEC. 12; Luce COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on September 8, 2022, 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*	ADVERTISED PRICE	BID PRICE/UNIT
Pulpwood			
Jack Pine	342 Cords	\$ 22.80/Cord	\$

*The volumes are statistically estimated within plus (+) or minus (-) 16.76 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	JRITY 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:

Phone number :____

_____ Email (optional):_____

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)