



**DEPARTMENT OF NATURAL RESOURCES  
STATE OF MICHIGAN**

**TIMBER SALE PROSPECTUS #4685**

SCHEDULED SALE DATE AND TIME: 11:00 a.m. (local time) on July 11, 2012.

LOCATION: GRAYLING MGMT UNIT, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738.

PROSPECTUS NOTE: The bidder is advised to inspect the sale area and review the location, estimated volumes, operating costs and contract terms of sales. Some landowners may request 60 days or more notice for access across their land.

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

SOUTH BRANCH SALVAGE (72-021-12-01) / T25N, R02W, SEC. 11, N1/2NE.

T25N, R02W, SEC. 12, S1/2NE.

Crawford County, Advertised Price \$2,040.00, 18.0 Acres

SALE NOTE: This timber salvage is a result of tornado damage that occurred on June 13th. The review period before the bid date has been shortened to expedite the sale to minimize risk from bug damage on the downed pine. Please be aware, the bid date for this sale is Wednesday, July 11th at 11:00 a.m.

No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

## BID INSTRUCTIONS (VER. 02/13/2012):

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

Bids must be received by the Unit Manager, GRAYLING OFFICE, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738, no later than 11:00 a.m. (local time) on July 11, 2012. For further information concerning this sale, contact Susan Thiel at 989-348-6371 extension 7440.

### 2. Bidder's Qualifications (2/12)

Purchaser shall obtain workers compensation insurance to cover claims under Michigan's Worker's Disability Compensation Act of 1969 or similar employee benefit act of any other state applicable to an employee. If all or part of a timber sale was prepared by a private contractor, that contractor and that contractor's company are not permitted to bid on the timber sale contract. Bids will not be accepted from individuals or companies appearing on the DNR/FRD No-Bid List. This list contains the names of purchasers who previously failed to execute a contract within 21-days or who have a history of poor performance.

### 3. Preparation of Sealed Bids (1/11)

Bids shall be manually signed in ink; bid prices must be entered for each species and product in the Bid Price column for all material subject to bidding; and all fill-in blanks must be completed. If erasures or other changes appear on the forms, each erasure or change must be initialed by the person signing the bid.

### 4. Submission of Sealed Bids (6/11)

Bid forms may be obtained from the Unit Manager. All bids must be submitted on the bid form and in an envelope clearly identified as described in this section. NOTE: Only one bid form per bid envelope. Sealed bids must be submitted to the Unit office designated in the prospectus and must be submitted at or prior to the time established in the prospectus. The envelope should show on the outside (a) the sale name or number and (b) the date and time of bid opening as shown in the prospectus. Bids received after the time specified in the sale prospectus are late bids and will be rejected.

### 5. Public Opening of Sealed Bids (1/11)

If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.

### 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 (1/11)

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/dnr](http://www.michigan.gov/dnr). Contact the Unit Manager for additional information or a sample contract. Within 21 days of the date of the award letter, the bidder must sign the contract and provide the required down payment, performance security, and verification of worker's disability compensation. The down payment and performance security shall be in accordance with the provisions of the timber sale contract, in the sums stated in this prospectus. If these actions are not taken, then the Bidder, the Bidder's corporation, and the corporation's principals may not be permitted to bid on State timber sales for a period of 1 year. In addition, the Bidder certifies that if awarded this contract, the Bidder will complete the timber sale contract in accordance with its terms and any modifications thereof including requirements to purchase, cut, and remove

the included timber by the termination date.

10. Disclaimer of Estimates and Bidder's Warranty of Inspection (1/11)

Before submitting this bid, the Bidder is advised and cautioned to inspect the sale area, review the requirements of the sale contract, and take other steps as may be reasonably necessary to ascertain the location, estimated volumes, construction estimates, and operating costs of the proposed sale. Failure to do so will not relieve the Bidder from responsibility for completing the contract.

The Bidder warrants that this bid is submitted solely on the basis of the Bidder's examination and inspection of the quality and quantity of the timber offered for sale and the Bidder's opinion of the value thereof and the costs of recovery. No reliance should be placed on the State of Michigan's estimates of timber quality, quantity or costs of recovery. Bidder further acknowledges that the State of Michigan: (i) expressly disclaims any warranty of fitness of timber for any purpose; (ii) offers this timber as is without any warranty of quality (merchantability) or quantity and (iii) expressly disclaims any warranty as to the quantity or quality of timber sold.

11. Certification and Chain-of-Custody (10/11)

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-S1. Forest products from this sale may be delivered to the mill as "FSC Pure 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.

RODNEY STOKES  
Director



# TIMBER SALE INFORMATION

SOUTH BRANCH SALVAGE (72-021-12-01)  
T25N, R02W, SEC. 11; T25N, R02W, SEC. 12.  
Crawford County (Advertised Price \$2,040.00)

SALE NOTE: This timber salvage is a result of tornado damage that occurred on June 13th. The review period before the bid date has been shortened to expedite the sale to minimize risk from bug damage on the downed pine. Please be aware, the bid date for this sale is Wednesday, July 11th at 11:00 a.m.

No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

<u>PRODUCTS &amp; SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Pulpwood		
B. T. Aspen	50.00 Cords	\$ 5.00 / Cord
Mixed Oak	34.00 Cords	\$ 5.00 / Cord
Red Pine	162.00 Cords	\$ 10.00 / 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:**

1. A bond in the amount of **\$500.00** 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:

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
01	45%
02	20%
03	35%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 07/11/2013.

## Sale Specific Conditions & Requirements

**Sale Name: South Branch Salvage    Sale Number: 72-021-12-01**

### 1 - Sale Area

#### 1.2 - Boundaries

##### 1.2.1 - Painted boundaries (12/08)

The sale boundary is NOT marked and identified by paint. Timber to be salvaged is blown down at locations indicated on the attached timber sale map. All blown down and damaged timber is to be harvested. In addition, in Unit 2, all standing aspen is to be harvested.

### 2 - Timber Specifications

#### 2.1 - Included Timber

##### 2.1.11 - Description of timber note (2/04)

Note that timber is being salvaged from a tornado that occurred on June 13, 2012 that blew down retention areas left in formerly treated timber sales. No cruise was done on this timber. Volume data was taken from past timber sale data and inventory data.

#### 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. This is in order to facilitate planting operations.

### 3 - Payments

#### 3.6 - Payment Unit Cutting Schedule

##### 3.6.3 - Operating schedule (12/08)

Unless changed by written agreement, only one Payment Unit(s) may be operated at any one time. All contractual requirements on a Payment Unit shall be completed and accepted by the Unit Manager or his/her representative prior to the opening of an additional Payment Unit.

### 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.

##### 4.1.6 - Road construction (1/09)

Construction of new roads or 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)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. These roads must be rendered impassable to cars and trucks. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Contact the sale administrator for specific details of design and placement.

##### 4.1.11 - Permits (2/12)

The Purchaser will secure any necessary highway permits that may be required.

### 5 - Operations

#### 5.1 - Notification

#### 5.1.1 - Pre-sale conference (10/11)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations a Payment Unit to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 10 days in advance to schedule the conference.

#### 5.1.4 - Post-sale conference (6/11)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

### 5.4 - Soil Protection

#### 5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

## 7 - Other Conditions

### 7.2 - Extensions

#### 7.2.3 - Salvage extension (6/12)

This is a salvage sale with a short contract length. One (1), six (6) month extension can be applied to one (1) other State Forest Timber Sale Contract owned by the purchaser or owned by one (1) designated sub-contractor of the purchaser that works this contract. To qualify, the contract expiration date of the contract to be extended must be within twelve (12) months from the issue date of this contract. The purpose of this free extension is to expedite the harvest of this sale. The free extension must be used before this contract is closed-out. This specification does not alleviate the purchaser from any contractual obligations of the extended State Forest Timber Sale Contract. Per General Condition & Requirement 7.2, extensions are at the sole discretion of the DNR.

### 7.5 - Loss

#### 7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from a recent wind storm. 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 MAP

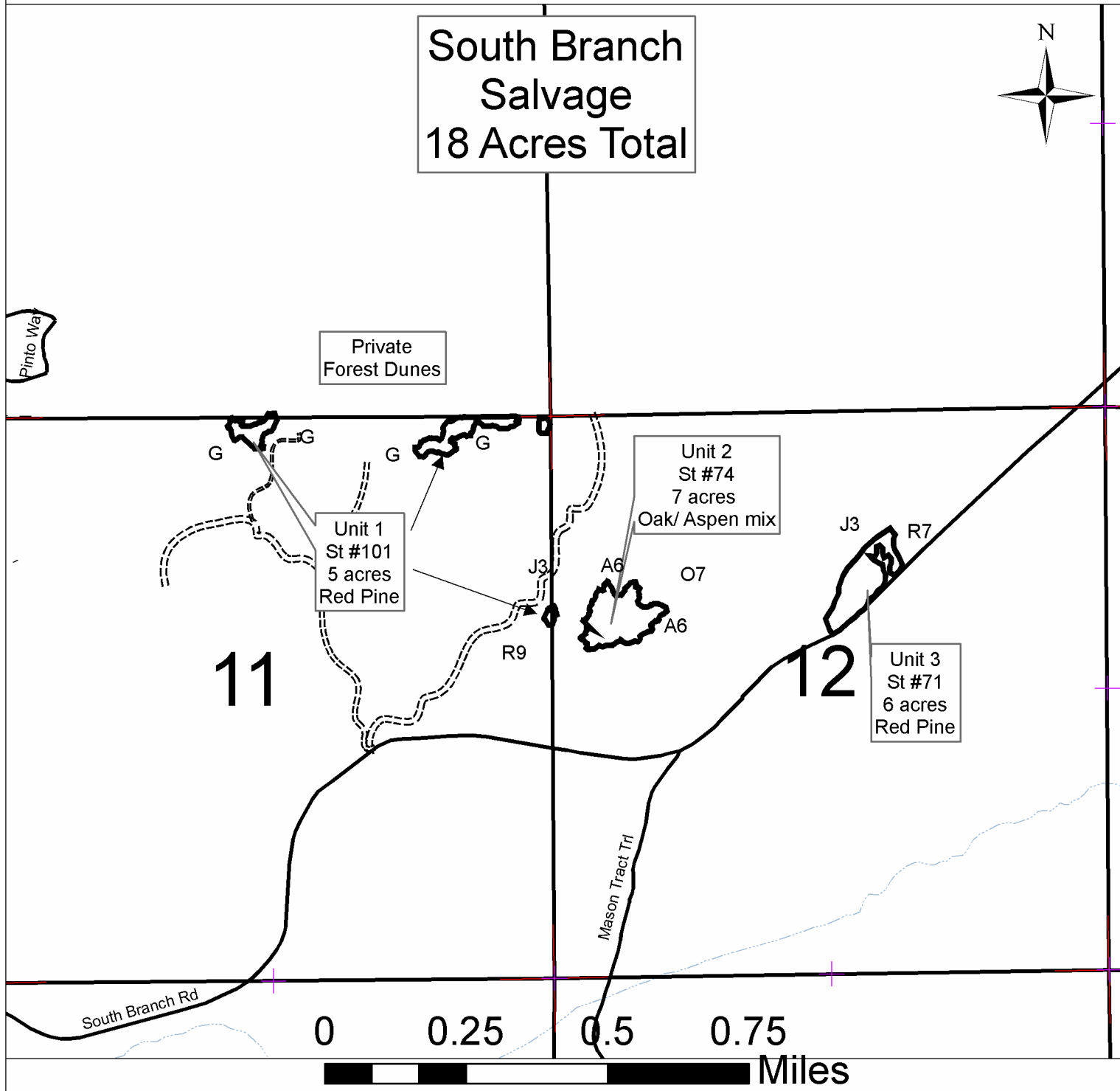
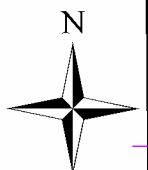
720211202

2012

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

Forest Management Unit <b>Grayling Management Unit</b>		County <b>Crawford</b>	Mapped By Patrick L. Potter	Date 6/25/2012	Page 1	of 1
Township <b>T25N</b>	Range <b>R 02 W</b>	Section(s) and Subdivision(s) <b>Sec. 11- N1/2NE &amp; Sec. 12 - S1/2NE</b>			1:15,840	
Cover Type				Density		
A = Aspen	G = Grass	O = Oak	U = Upland Brush	0 = Non Stocked	5 = Pole Timber Medium	
B = Paper Birch	H = Hemlock	P = Lowland Poplar	V = Bog or Marsh	1 = Seedling Sapling Poor	6 = Pole Timber Well	
C = Cedar	J = Jack Pine	Q = Mixed Swamp Cnfr	W = White Pine	2 = Seedling Sapling Medium	7 = Saw Timber Poor	
D = Treed Bog	L = Lowland Brush	R = Red Pine	X = Non Stocked	3 = Seedling Sapling Well	8 = Saw Timber Medium	
E = Swamp Hdwoods	M = Mpl, Bch, Brch	S = Black Spruce	Z = Water	4 = Pole Timber Poor	9 = Saw Timber Well	
F = Spruce Fir	N = Marsh	T = Tamarack				

## South Branch Salvage 18 Acres Total





SOUTH BRANCH SALVAGE (72-021-12-01)

T25N, R02W, SEC. 11; T25N, R02W, SEC. 12, Crawford County

In response to the notice of sale to be held 11:00 a.m. (local time) on July 11, 2012, 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 &amp; SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Pulpwood			
B. T. Aspen	50.00 Cords	\$ 5.00 / Cord	\$ _____ / Cord
Mixed Oak	34.00 Cords	\$ 5.00 / Cord	\$ _____ / Cord
Red Pine	162.00 Cords	\$ 10.00 / Cord	\$ _____ / 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.

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): \_\_\_\_\_



# TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

As required by Act 317, P.A. 1969 (Worker's Compensation) and  
Part 525 of Act 451 of 1994, as amended.

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

### VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

- This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.
- In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 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 that 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 that 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 that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 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 DNRE 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