

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5014

SCHEDULED SALE DATE AND TIME: 1:00 p.m. (local time) on December 16, 2013. LOCATION: PLAINWELL OFFICE, 621 NORTH 10TH ST, PLAINWELL, MI 49080.

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 Game Area Manager, BARRY SGA, for certain timber on the following described lands:

TRI SECTION RED PINE (20-020-13-01) / T03N, R10W, SEC. 00, SESE, SWSE.

T03N, R10W, SEC. 16, SENE, NWSE, NESE.

T03N, R10W, SEC. 22, NENE, SENE, NESE, SESE.

T03N, R10W, SEC. 23, NWNW, NENW, NWNE, NENE, NWSW, SWSW,.

Barry County, Advertised Price \$159,966.52, 142.0 Acres

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through other public land.

BID INSTRUCTIONS (VER. 06/06/2013):

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

Bids must be received by the Unit Manager, PLAINWELL OFFICE, 621 NORTH 10TH ST, PLAINWELL, MI 49080, no later than 1:00 p.m. (local time) on December 16, 2013. For further information concerning this sale, contact Cindy McQueer at 269-685-6851 extension 139.

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 (6/13)

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 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 (10/12)

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 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 (3/13)

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 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.

KEITH CREAGH Director

TIMBER SALE INFORMATION

TRI SECTION RED PINE (20-020-13-01)

T03N, R10W, SEC. 00; T03N, R10W, SEC. 16; T03N, R10W, SEC. 22; T03N, R10W, SEC. 23.

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through other public 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:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE		
Sawlogs				
Red Pine	457.30 MBF	\$	135.00 / MBF	
Pulpwood				
Red Pine	2,182.80 Cords	\$	42.30 / Cord	

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$5,898.58:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>AD\</u>	/ERTISED PRICE
Sawlogs Black Cherry Pulpwood	7.50 MBF	\$	100.00 / MBF
Jack Pine	303.90 Cords	\$	7.60 / Cord
Mixed Aspen	61.80 Cords	\$	12.20 / Cord
Mixed Hardwood	24.10 Cords	\$	9.00 / Cord
Scotch Pine	122.90 Cords	\$	15.20 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 13.03 percent. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$8,000.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 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	12%
02	13%
03	33%
04	21%
05	12%
06	9%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 03/31/2015.

Sale Specific Conditions & Requirements

Sale Name: Tri Section Red Pine Sale Number: 20-020-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary and Payment Unit boundaries are marked and identified by red and/or yellow paint. The painted boundary line trees are not Included Timber and are to be protected. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. Yellow 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

2.1.1 - Clearcut unit(s) with unmerchantable trees (8/11)

Within Payment Unit(s) 1, 3, 4, & 5, cut all pine, aspen, black cherry, and red maple trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability. Do not cut white pine and oak/hickory trees.

Within Payment Unit 6, Cut only jack and scotch pine that are two (2) inches or more in diameter at breast height.

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

Within Payment Unit(s) 2, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. Also, cut any black cherry, aspen, jack pine, and scotch pine present that is of merchantable size (greater than 5 inches diameter at breast height).

2.2 - Utilization

2.2.1 - Utilization (2/04)

All listed board foot volumes of sawlog size products in this contract have been determined using a top diameter inside bark of 10 inches.

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.

2.2.5 - Limbed tree skidding (1/09)

The skidding of whole trees or tree segments with limbs attached is prohibited in Payment Unit 2, unless approved by the Unit Manager or his/her representative.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the International ¼ Inch Log Rule.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/05)

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 any oak and hickory tree seedlings, and saplings. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

No damage is acceptable to merchantable trees. Within the sale area, if more than 10 % 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

4.3 - Public Right-of-Way

4.3.2 - County R-O-W (12/06)

The county must be contacted prior to crossing or harvesting in the county road R-O-W. This applies to Payment Unit 3 and Chief Noonday Road.

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 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.

5.1.6 - Utility R.O.W. (10/08)

It is the responsibility of the Purchaser to obtain permission from the utility company to utilize the power line R.O.W. for operations.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

No trees are to be felled outside the sale area and all slash is to be kept at least 5 feet back from the red paint line paint line.

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (12/04)

All slash must be removed at least 10 feet from the cleared right-of-way of any county roads and utility lines.

5.2.1.9 - No Slash:pipe/powerline, oil/gas sites (2/04)

All pipelines, power lines, oil or gas storage sites and related access roads are to remain free of slash at all times.

5.2.1.10 - No slash in openings (5/10)

No brush or logging debris is to be left in the maintained wildlife opening which is indicated by G on the Timber Sale Map unless the area is being used as a landing. Any damage to the opening shall be repaired according to specifications of the Unit Manager or his/her representative.

5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, Payment Unit(s) 5 shall be left with slash evenly distributed. Bunched tops within the cutting area shall be broken up and scattered. Stumps shall be cut low to the ground. Processing sites shall not be left with a compacted layer of slash; tops from these sites shall be hauled back into the cut area and scattered.

5.2.1.12 - Slash for prescribed burning (1/05)

To facilitate prescribed burning, slash shall be moved at least 5 feet inside the sale boundary. Slash cannot be piled or placed near residual trees.

5.2.3 - Operating Restrictions

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) 2, 4, 5, and 6 unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s), that cutting, skidding, and hauling occur during dry

summer or frozen winter conditions. The reason for the recommendation is because of sediment erosion issues.

5.2.32 - Decking/landing restoration (9/11)

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.

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 North Country Hiking Trail is shown on the Timber Sale Map. Do not cut trees or damage posts with blue pathway markers. Maintain a 10-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 (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.

5.4.2 - Skid trails (2/04)

Skid trails up and down slopes should be avoided. If however this is unavoidable, these trails will be left in a non-erodible condition using water bars, logs, and slash. Placing of slash on these skid trails while logging is ongoing may alleviate need for any further action. At the direction of the sale administrator, seed, fertilizer, and mulch may also be required.

5.4.4 - Slope protection (2/04)

Skid trails and roads on slopes shall be water barred with slash, stumps, and/or hay bales as soon as use is complete to prevent erosion.

5.4.5 - Soil caution (11/04)

Care must be taken to minimize soil damage due to the sandy soils, especially within Payment Unit 2.

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 (9/09)

The Purchaser is responsible for posting and maintaining caution signs on Chief Noonday Road prior to beginning operations. The road must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on the North Country 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. The Purchaser will provide these signs.

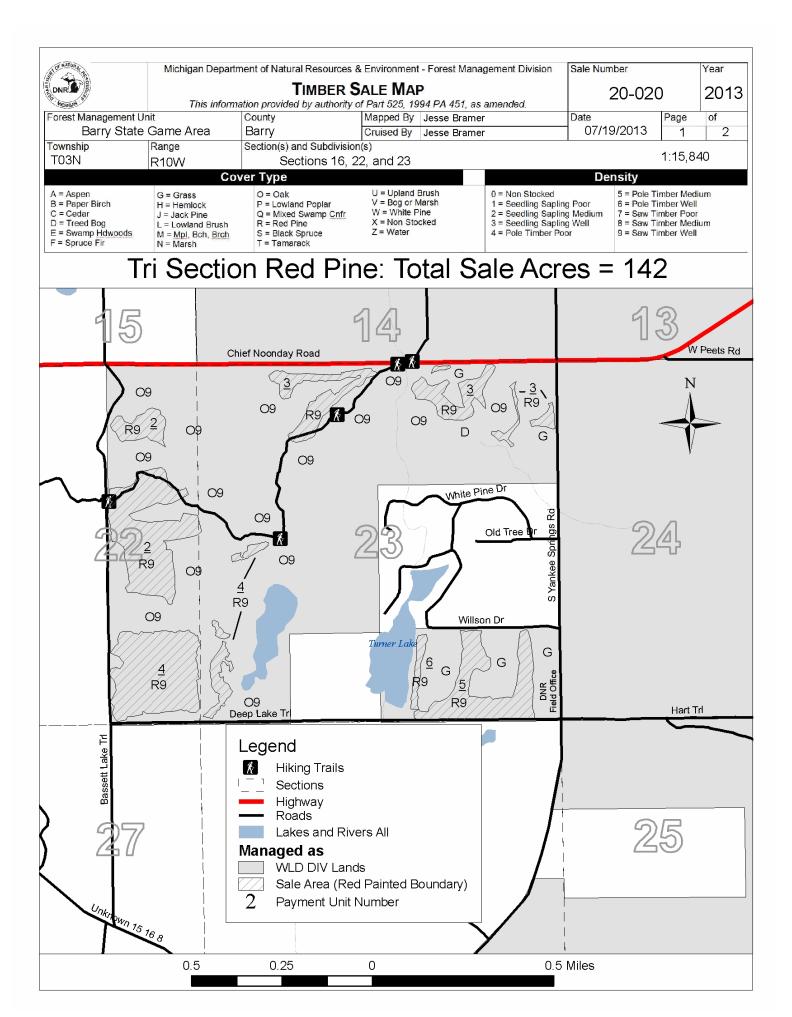
7 - Other Conditions

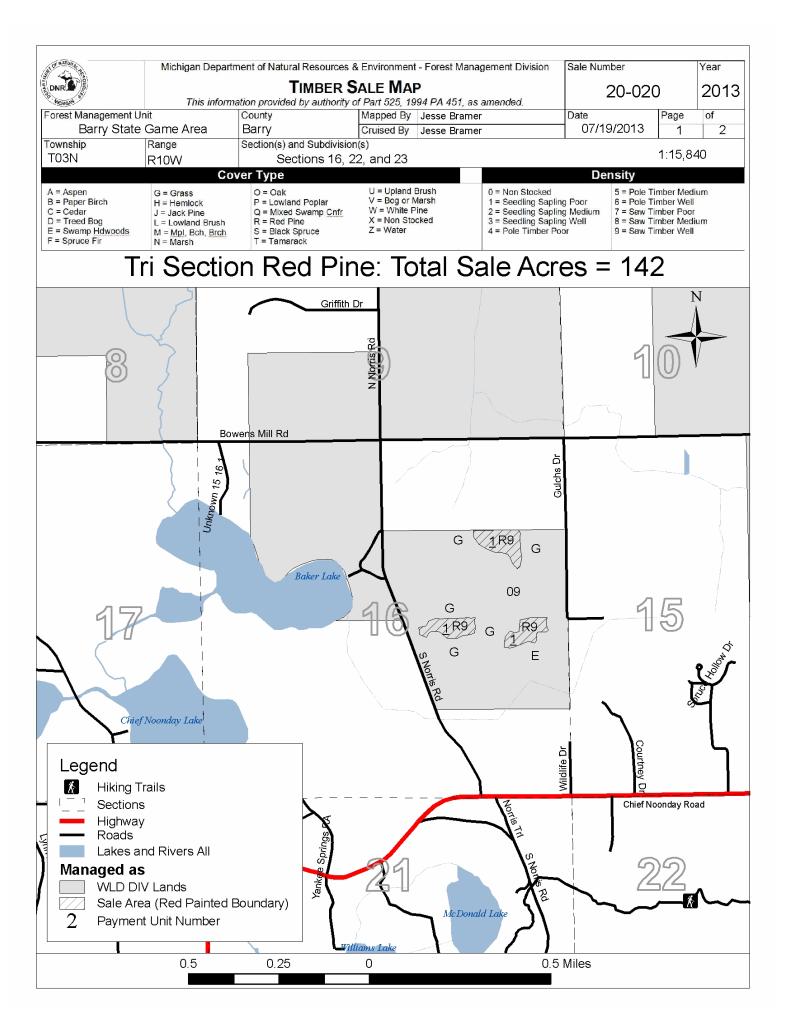
7.10 - Certified Timber

7.10.1 - Non-certified timber (12/05)

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". The lands within this sale are managed as a State Game Area.

Section Name: Sale Specific Current as of 10/17/2013 7:55:05AM





TRI SECTION RED PINE (20-020-13-01)

T03N, R10W, SEC. 00; T03N, R10W, SEC. 16; T03N, R10W, SEC. 22; T03N, R10W, SEC. 23, Barry County

ADVERTISED PRICE

135.00 / MBF

BID PRICE

\$ / MBF

In response to the notice of sale to be held 1:00 p.m. (local time) on December 16, 2013, 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.

ESTIMATED UNITS*

457.30 MBF

State:

IF AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.

PRODUCTS & SPECIES

City:

Red Pine

Sawlogs

Pulpwood

Red I	Pine	2,182.80	Cords	\$	42.30 / Cord	\$	/ Cord	
n addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$5,898.58:								
PRODUC	TS & SPECIES	<u>ESTIMATEI</u>	<u>D UNITS*</u>	ADVI	ERTISED PRICE			
Sawlogs								
Black	Cherry	7.50	MBF	\$	100.00 / MBF			
Pulpwood	Í							
Jack	Pine	303.90	Cords	\$	7.60 / Cord			
Mixed	d Aspen	61.80	Cords	\$	12.20 / Cord			
Mixed	d Hardwood	24.10	Cords	\$	9.00 / Cord			
Scoto	ch Pine	122.90	Cords	\$	15.20 / Cord			
Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality. 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 SECUR	ITY NU	JMBER:			
	Company or individual bidding	g:						
	Company representative's na	me:						
	Address:							

Zip:

Individual or company representative's signature: ______ Date: ______

Phone number : Email (optional):



Michigan Department of Natural Resources & Environment Forest Management Division

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
- 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 <u>one</u> 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 than yourself, including family members and active partners (if none, you must indicate the number of than yourself, including family members and active partners (if none, you must indicate the number of than yourself, including family members and active partners (if none, you must indicate the number of than yourself, including family members and active partners (if none, you must indicate the number of than yourself, including family members and active partners (if none, you must indicate the number of than yourself, including family members and active partners (if none, you must indicate the number of than yourself, including family members and active partners (if none, you must indicate the number of than yourself, including family members and active partners (if none, you must indicate the number of than yourself, including family members and active partners (if none, you must indicate the number of than yourself).				
Nam	Name of Business Federal ID (or)	Social Security No.			
Addr	Address Telephone ()				
City	City State ZIP				
000	I hereby certify that the above information is true and correct. I agree to no occur in factors affecting my coverage during any of my present and future Signature of Owner or Authorized Representative				
T	Title Da	te			