



**DEPARTMENT OF NATURAL RESOURCES  
STATE OF MICHIGAN**

**TIMBER SALE PROSPECTUS #5397**

SCHEDULED SALE DATE AND TIME: 11:00 a.m. (local time) on June 2, 2015.

LOCATION: 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:

189 FIRE SALVAGE (71-010-15-01) / T22N, R01E, SEC. 03, NW.  
T22N, R01E, SEC. 04, SENE.

Ogemaw County, Advertised Price \$98,740.55, 90.0 Acres

SALE NOTE: This salvage timber sale must be harvested within 6 weeks of purchase with an additional two weeks to remove all remaining wood products from site.

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. 10/01/2014):

### 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 11:00 a.m. (local time) on June 2, 2015. For further information concerning this sale, contact Steve Anderson at 989-275-4622 extension 2740.

### 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 (9/14)

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](http://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 expiration 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 (10/14)

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.

KEITH CREAGH

Director



## TIMBER SALE INFORMATION

### 189 FIRE SALVAGE (71-010-15-01)

T22N, R01E, SEC. 03; T22N, R01E, SEC. 04.

Ogemaw County (Advertised Price \$98,740.55)

SALE NOTE: This salvage timber sale must be harvested within 6 weeks of purchase with an additional two weeks to remove all remaining wood products from site.

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. 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>
Sawlogs		
Red Pine	562.80 MBF	\$ 109.00 / MBF
Pulpwood		
Mixed Oak	301.00 Cords	\$ 7.20 / Cord
Red Pine	667.00 Cords	\$ 39.35 / Cord
White Pine	248.00 Cords	\$ 9.00 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,749.70:

<u>PRODUCTS &amp; SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Jack Pine	5.70 MBF	\$ 18.00 / MBF
Mixed Oak	42.80 MBF	\$ 54.00 / MBF
Red Maple	14.90 MBF	\$ 36.00 / MBF
White Oak	15.00 MBF	\$ 19.00 / MBF
White Pine	15.30 MBF	\$ 21.00 / MBF
Pulpwood		
Jack Pine	116.00 Cords	\$ 15.60 / Cord
Q. Aspen	31.00 Cords	\$ 12.90 / Cord
Red Maple	86.00 Cords	\$ 6.25 / Cord
White Oak	97.00 Cords	\$ 4.60 / Cord

\* The total volume is statistically estimated within plus (+) or minus (-) 8.95 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 **\$9,000.00** 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:
 

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
01	47%
02	19%
03	34%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 07/31/2015.

## Sale Specific Conditions & Requirements

Sale Name: 189 Fire Salvage Sale Number: 71-010-15-01

### 1 - Sale Area

#### 1.2 - Boundaries

##### 1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified by red and yellow paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. The painted boundary line trees are not Included Timber and are to be protected. 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 (6/14)

Within Payment Unit(s) 1-3, cut all trees that are two (2) inches or more at DBH.

EXCEPTION: Do not cut any trees marked with green paint above and below stump height.

#### 2.2 - Utilization

##### 2.2.2 - Chipping required (5/14)

This area must be chip harvested to facilitate subsequent planting operations. The Purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled.

##### 2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 6 inches for all trees. This is in order to facilitate planting operations.

### 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 Supplement. There will be only one division per Payment Unit.

#### 3.4 - Damaged Timber

##### 3.4.2 - Special Protection Trees (4/14)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are marked with green paint. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$5/tree as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated 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 in any Payment Unit. All operations are limited to existing roads. Skid trails only will be allowed.

#### 4.2 - Maintenance

##### 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.

## **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 landings and discuss sale specifications.

#### 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.

### 5.2 - Conduct of Operations

#### 5.2.1 - Slash

##### 5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, the sale area 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.

#### 5.2.2 - Hazard Trees/Snags

##### 5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

#### 5.2.3 - Operating Restrictions

##### 5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1-3cutting, skidding, and hauling are must be completed by 07/18/2015 This restriction is because bark beetle outbreak concerns.

#### 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.

#### 5.2.39 - ORV trail/route protection (12/12)

The ORV trail or route is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers. All stumps within 5 feet of the trail must be cut flush with the ground. 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 (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.

## **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 prior to beginning operations. The road must be posted 200 feet from the sale area on forest roads that enter into 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 ORV trail designated on the sale map prior to beginning operations. The trail must be posted 200 feet 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**

### 7.2 - Extensions

#### 7.2.3 - Salvage extension (6/13)

This is a salvage sale with a short contract length. The sale must be harvested promptly. One (1), twelve (12) 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. If this is the first extension on the other State Forest Timber Sale Contract, then the 5% extension fee will be waived. If this is an additional extension, the 10% fee will be reduced to 5%. The salvage 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 forest fire. 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.





Sale Number	Year
71 - 010	15

# TIMBER SALE MAP

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

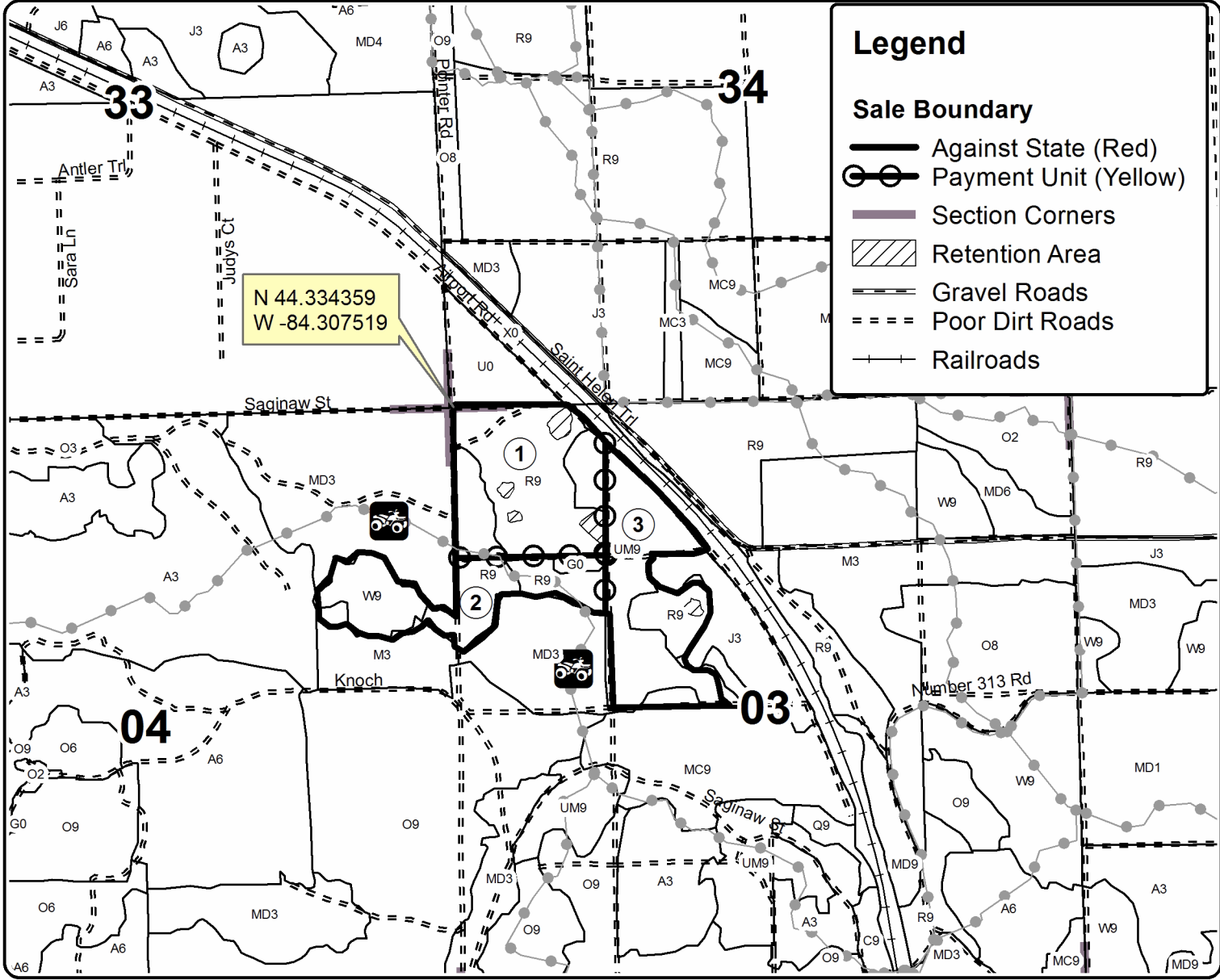
Forest Management Unit Roscommon		County Ogemaw	Mapped By Lewicki	Date 05/15/2015	Page 1	of 1
Township 22N	Range 01E	Section(s) and Subdivision(s) S.3 NW S.4 SENE		Scale 1:15,840		

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

PU	Acres
1	36
2	24
3	30

## 189 FIRE SALVAGE

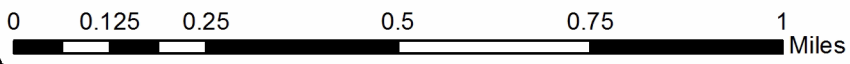
Compartment 189  
90 Acres



### Legend

- Sale Boundary**
  - Against State (Red)
  - Payment Unit (Yellow)
  - Section Corners
  - ▨ Retention Area
  - Gravel Roads
  - Poor Dirt Roads
  - Railroads

N 44.334359  
W -84.307519





189 FIRE SALVAGE (71-010-15-01)  
T22N, R01E, SEC. 03; T22N, R01E, SEC. 04, Ogemaw County

In response to the notice of sale to be held 11:00 a.m. (local time) on June 2, 2015, 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>
Sawlogs			
Red Pine	562.80 MBF	\$ 109.00 / MBF	\$ _____ / MBF
Pulpwood			
Mixed Oak	301.00 Cords	\$ 7.20 / Cord	\$ _____ / Cord
Red Pine	667.00 Cords	\$ 39.35 / Cord	\$ _____ / Cord
White Pine	248.00 Cords	\$ 9.00 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,749.70 :

<u>PRODUCTS &amp; SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
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White Oak	15.00 MBF	\$ 19.00 / MBF
White Pine	15.30 MBF	\$ 21.00 / MBF
Pulpwood		
Jack Pine	116.00 Cords	\$ 15.60 / Cord
Q. Aspen	31.00 Cords	\$ 12.90 / Cord
Red Maple	86.00 Cords	\$ 6.25 / Cord
White Oak	97.00 Cords	\$ 4.60 / Cord

\* The total volume is statistically estimated within plus (+) or minus (-) 8.95 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.

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