



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #5933

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on May 22, 2017.

LOCATION: MANTON FIELD OFFICE, 521 N MICHIGAN, MANTON, MI 49663.

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

MWR Wexford (63-008-17)

Wexford County, Advertised Price \$11,301.00, 29.7 Acres, Hardwood, Sugar Maple.

SALE NOTE: This is an MSU research project sale and has specific expiration dates and sale specifications. No extensions will be allowed on this sale. However, with stipulations (see spec 7.2.7), a free 1 year extension can be applied to another State Forest Timber Sale Contract.

Access may be through other public land.

BID INSTRUCTIONS (VER. 09/02/2016):

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

Bids must be received by the Unit Manager, MANTON OFFICE, 521 N MICHIGAN, MANTON, MI 49663, no later than 3:00 p.m. (local time) on May 22, 2017. For further information concerning this sale, contact Joe Ventinglia at 231-824-3591 extension 11.

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 (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. 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 (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.

KEITH CREAGH

Director

TIMBER SALE INFORMATION

MWR Wexford (63-008-17)

Wexford County (Advertised Price \$11,301.00)

SALE NOTE: This is an MSU research project sale and has specific expiration dates and sale specifications. No extensions will be allowed on this sale. However, with stipulations (see spec 7.2.7), a free 1 year extension can be applied to another State Forest Timber Sale Contract.

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:

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Sawtimber | | |
| Beech | 30.20 MBF | \$ 61.00 / MBF |
| Red Maple | 12.50 MBF | \$ 75.00 / MBF |
| Sugar Maple | 28.40 MBF | \$ 115.00 / MBF |
| Pulpwood | | |
| Beech | 145.00 Cords | \$ 11.45 / Cord |
| Misc. Species 1 | 49.00 Cords | \$ 3.50 / Cord |
| Red Maple | 51.00 Cords | \$ 11.45 / Cord |
| Sugar Maple | 248.00 Cords | \$ 11.45 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 17.73 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 \$565.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The remainder is due before cutting begins.
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2018.

Description of Timber by Payment Unit (PU)

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|--------|-----------------|-----------|----------|-------|-------|-----------------|
| 1 | Beech | Sawtimber | 30.2 | MBF | 29.7 | \$11,301.00 |
| | Red Maple | | 12.5 | MBF | | |
| | Sugar Maple | | 28.4 | MBF | | |
| | Beech | Pulpwood | 145.0 | Cords | | |
| | Misc. Species 1 | | 49.0 | Cords | | |
| | White Ash | | 49.0 | Cords | | |
| | Red Maple | | 51.0 | Cords | | |
| | Ironwood | | 4.0 | Cords | | |
| | Red Maple | | 47.0 | Cords | | |
| | Sugar Maple | | 248.0 | Cords | | |
| TOTAL: | | | 71.1 | MBF | | |
| TOTAL: | | | 493.0 | Cords | | |

Sale Specific Conditions & Requirements

Sale Name: MWR_Wexford

Sale Number: 63-008-17 Seq#: 2

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 blue and red. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected unless marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.7 - Leave tree marked unit(s) (6/14)

Within Payment Unit(s) 1, cut all trees that are two (1) inches or more at DBH. Do not cut trees with GREEN paint marked above and below stump height.

2.2 - Utilization

2.2.2 - Chipping required (5/14)

Payment Unit 1 must be chip harvested to facilitate follow-up scarification. Products may be produced as roundwood and forwarded to decking areas in final product length, but the tops must be left intact and skidded to the landing for chipping. If market conditions limit the practicality of chipping, the producer may skid all remaining topwood out of the unit and scatter in locations approved by the sale administrator. Chipping or slash removal must be completed by March 15th 2018. If the deadline is not met, damages will be collected at a rate determined by the cost for the Department to hire a contractor to complete this specification. The requirement to retain approximately 1/6 to 1/3 of tree tops and limbs less than four inches in diameter does not apply (G. C. & R. 2.2). This is due to the research nature of these units.

2.2.3 - Stump heights (4/07)

Stump heights within Payment Unit(s) 1 shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH. A written waiver of this requirement may be obtained if snow levels make these heights unobtainable.

2.2.8 - Utilization and removal (5/14)

Payment Unit 1 is part of a research project. All slash and all forest products meeting standards set forth in General Condition and Requirement 2.2 - Utilization must be removed from the sale area. The slash must be chipped unless another option is negotiated with the Unit Manager or their representative to reduce, eliminate, and/or disperse the slash into the surrounding area. Chipping or slash removal must be completed by March 15th 2018. This is because of the research nature of this project.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/14)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. No damage is acceptable to residual merchantable trees. Within the sale area, if more than 5% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber, or at a rate of \$50 per sawtimber tree and \$5 per pole sized tree, whichever is greater.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/16)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning any operations to

determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 3 days in advance to schedule the conference.

5.1.4 - Post-sale conference (10/16)

A post-sale conference on site between the Purchaser and sale administrator is required 3 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

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1, payments must be completed and operations must begin by February 1st 2018. This restriction is due to the necessity of assuring that all operations are on schedule for timely completion of the research project.

5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 1, unless changed by written agreement, cutting and skidding is limited to the period from August 15th 2017 to March 15th 2018. This restriction is to meet the requirements of a silviculture research project.

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.

7 - Other Conditions

7.2 - Extensions

7.2.7 - Research extension (12/16)

This is a research 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.



TIMBER SALE MAP

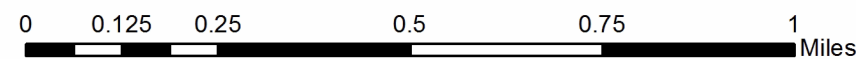
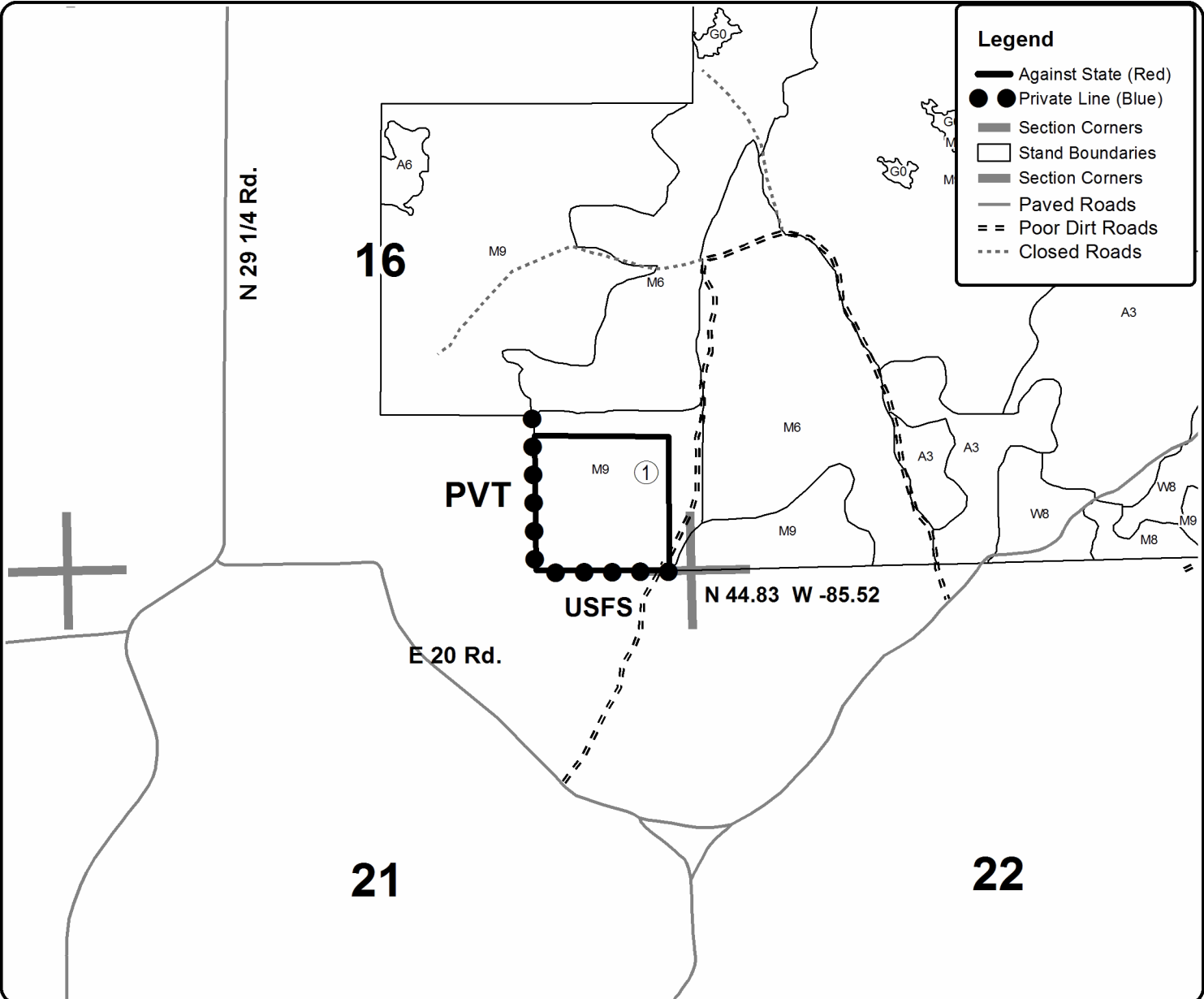
This information provided by authority of Part 525, 1994 PA 451, as amended.

| | | | | | | |
|------------------------------------|--------------|--|--------------------------|-------------------|-----------|---------|
| Forest Management Unit Cadillac | | County Wexford | Mapped By Ventimiglia | Date 03/06/17 | Page 1 | of 1 |
| Township 23N | Range 10W | Section(s) and Subdivision(s) Section 16 SESE | | Scale 1:15,840 | | |
| Cruised By Ventimiglia/Tweedale | | | | | | |

| 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 | 29.7 |

MWR_Wexford
Compartment 139
29.7 Acres



MWR_Wexford (63-008-17)
 ; Wexford COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on May 22, 2017, 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 & SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>ADVERTISED PRICE</u> | <u>BID PRICE</u> |
|-------------------------------|--------------------------|-------------------------|------------------|
| Sawtimber | | | |
| Beech | 30.20 MBF | \$ 61.00/MBF | \$ _____ |
| Red Maple | 12.50 MBF | \$ 75.00/MBF | \$ _____ |
| Sugar Maple | 28.40 MBF | \$ 115.00/MBF | \$ _____ |
| Pulpwood | | | |
| Beech | 145.00 Cords | \$ 11.45/Cord | \$ _____ |
| Misc. Species 1 | 49.00 Cords | \$ 3.50/Cord | \$ _____ |
| Red Maple | 51.00 Cords | \$ 11.45/Cord | \$ _____ |
| Sugar Maple | 248.00 Cords | \$ 11.45/Cord | \$ _____ |

*The volumes are statistically estimated within plus (+) or minus (-) 17.73 percent. 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 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): _____

THE WINNING BIDDER MUST COMPLETE THE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE (ON REVERSE SIDE IF DOUBLE SIDED) WITHIN 21 DAYS OF SALE AWARD DATE



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

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

*As required by Act 317, P.A. 1969 (Worker's Compensation) and
Part 5 of Act 451 of 1994, as amended.*

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 twenty-one (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 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 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 my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within twenty-one (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 DNR 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

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