



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #6009

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on September 21, 2017.

LOCATION: PIGEON RIVER COUNTRY MGMT UNIT, 9966 TWIN LAKES RD, VANDERBILT, MI 49795.

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, PIGEON RIVER COUNTRY MANAGEMENT UNIT, for certain timber on the following described lands:

Raucous Red Pine (53-008-17)

Otsego County, Advertised Price \$143,093.30, 99.2 Acres, Red Pine, White Pine.

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

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

Bids must be received by the Unit Manager, PIGEON RIVER COUNTRY OFFICE, 9966 TWIN LAKES RD, VANDERBILT, MI 49795, no later than 9:00 a.m. (local time) on September 21, 2017. For further information concerning this sale, contact Scott Whitcomb at 989-983-4101.

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

Raucous Red Pine (53-008-17)

Otsego County (Advertised Price \$143,093.30)

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		
Red Oak	6.90 MBF	\$ 178.00 / MBF
Red Pine	917.50 MBF	\$ 124.00 / MBF
White Pine	31.90 MBF	\$ 58.00 / MBF
Pulpwood		
Jack Pine	11.00 Cords	\$ 24.95 / Cord
Red Maple	1.00 Cords	\$ 19.80 / Cord
Red Oak	13.00 Cords	\$ 21.10 / Cord
Red Pine	420.00 Cords	\$ 53.55 / Cord
White Pine	133.00 Cords	\$ 23.95 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 14.79 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 \$7,155.00 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.
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2020.

Description of Timber by Payment Unit (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Oak	Sawtimber	1.4	MBF	17.4	\$8,694.25
	Red Pine		47.4	MBF		
	White Pine		12.1	MBF		
	Red Maple	Pulpwood	1.0	Cords		
	Red Oak		1.0	Cords		
	Red Pine		22.0	Cords		
	White Pine		27.0	Cords		
	2	Red Pine	Sawtimber	328.3		
White Pine			8.2	MBF		
Jack Pine		Pulpwood	8.0	Cords		
<i>Jack Pine</i>		<i>Sawtimber</i>	1.0	<i>MBF</i>		
<i>Jack Pine</i>		<i>Pulpwood</i>	6.0	<i>Cords</i>		
Red Pine			159.0	Cords		
White Pine			33.0	Cords		
3		Red Pine	Sawtimber	319.0	MBF	30.4
	White Pine		1.5	MBF		
	Jack Pine	Pulpwood	3.0	Cords		
	<i>Jack Pine</i>	<i>Sawtimber</i>	0.8	<i>MBF</i>		
	<i>Jack Pine</i>	<i>Pulpwood</i>	1.0	<i>Cords</i>		
	Red Pine		151.0	Cords		
	White Pine		14.0	Cords		
	4	Red Pine	Sawtimber	68.5	MBF	
White Pine			10.1	MBF		
Red Pine		Pulpwood	33.0	Cords		
White Pine			59.0	Cords		
5	Red Oak	Sawtimber	5.5	MBF	10.0	\$23,310.65
	Red Pine		154.3	MBF		
	Red Oak	Pulpwood	12.0	Cords		
	Red Pine		55.0	Cords		
TOTAL:			956.3	MBF		
TOTAL:			578.0	Cords		

Sale Specific Conditions & Requirements

Sale Name: Raucous Red Pine

Sale Number: 53-008-17 Seq#: 1

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, red and orange paint. Exterior sale boundary lines against private property in Payment Unit #5 are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with orange paint. Red and blue painted boundary line trees are not Included Timber and are to be protected. Orange 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) #'s 1-4, cut all trees that are two (2) inches or more at DBH except for any trees marked with blue paint. The following conditions also apply:

- Within Payment Unit #1, do not cut any white pine or oak over 18 inches DBH.
- Within Payment Unit #2, do not cut oak of any size and leave all white pine over 18 inches DBH.
- Within Payment Unit #3, do not cut any white pine over 18 inches DBH.
- Within Payment Unit #4, do not cut any oak.

Note: In Payment Unit #'s 1-4, disregard old yellow and green marked trees which are from previous timber sales.

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

Within Payment Unit(s) #5, cut all trees that are two (2) inches or more at DBH except for any white pine over 5 inches DBH and any trees marked with green paint above and below stump height.

2.2 - Utilization

2.2.2 - Chipping required (5/14)

All Payment Units 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. Do not chip 1/6 to 1/3 of the slash from harvested trees (tree tops and limbs less than four inches in diameter).

2.2.3 - Stump heights (4/07)

Stump heights within Payment Unit(s) #'s 1-4 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

3.6.8 - Operating period (5/16)

Once cutting begins, operations must continue until all Payment Units are completed. This requirement is for post-harvest planting operations.

4 - Transportation

4.1 - Construction

4.1.7 - Road closure (10/11)

Overgrown roads that are reopened 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. Contact the sale administrator for specific details of design and placement.

4.1.12 - No new roads (1/12)

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

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

All existing trail roads on and adjacent to the sale area must be passable by two-wheel drive traffic for the duration of the sale.

5 - Operations

5.1 - Notification

5.1.6 - Utility R.O.W. (1/15)

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

5.2.1.10 - No slash in openings (5/10)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (10/16)

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

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.

5.4 - 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 25 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.

5.8 - 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 Old Vanderbilt 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.

8 - Performance and Settlement

8.3 - Uncompleted or Terminated Contracts

8.3.1 - Completion of contract, chipping (1/16)

In addition to cutting, all chipping must be completed by the contract expiration date. If chipping has not been completed, an extension fee or damages may be charged per General Condition & Requirement 7.2 and 8.3.



TIMBER SALE MAP

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

Forest Management Unit Pigeon River Country		County Otsego	Mapped By Rekowski	Date 05/15/2017	Page 1	of 1
Township 32N	Range 01W	Section(s) and Subdivision(s) 31: N1/2NW, E1/2NE 32: NW1/4, N1/2SW		Scale 1:15,840		

Cover Type

A = Aspen	H = Hemlock	N = Marsh	U = Upland Brush
B = Paper Birch	J = Jack Pine	O = Oak	UM = Upland Mixed
C = Cedar	L = Lowland Brush	P = Lowland Poplar	V = Bog or Marsh
D = Tread Bog	LM = Lowland Mixed	Q = Mixed Swamp Conifer	W = White Pine
E = Swamp Hdwoods	M = Mpl, Bch, Brch	R = Red Pine	X = Non Stocked
F = Spruce Fir	MC = Mixed Conifer	S = Black Spruce	Z = Water
G = Grass	MD = Mixed Deciduous	T = Tamarack	

Density

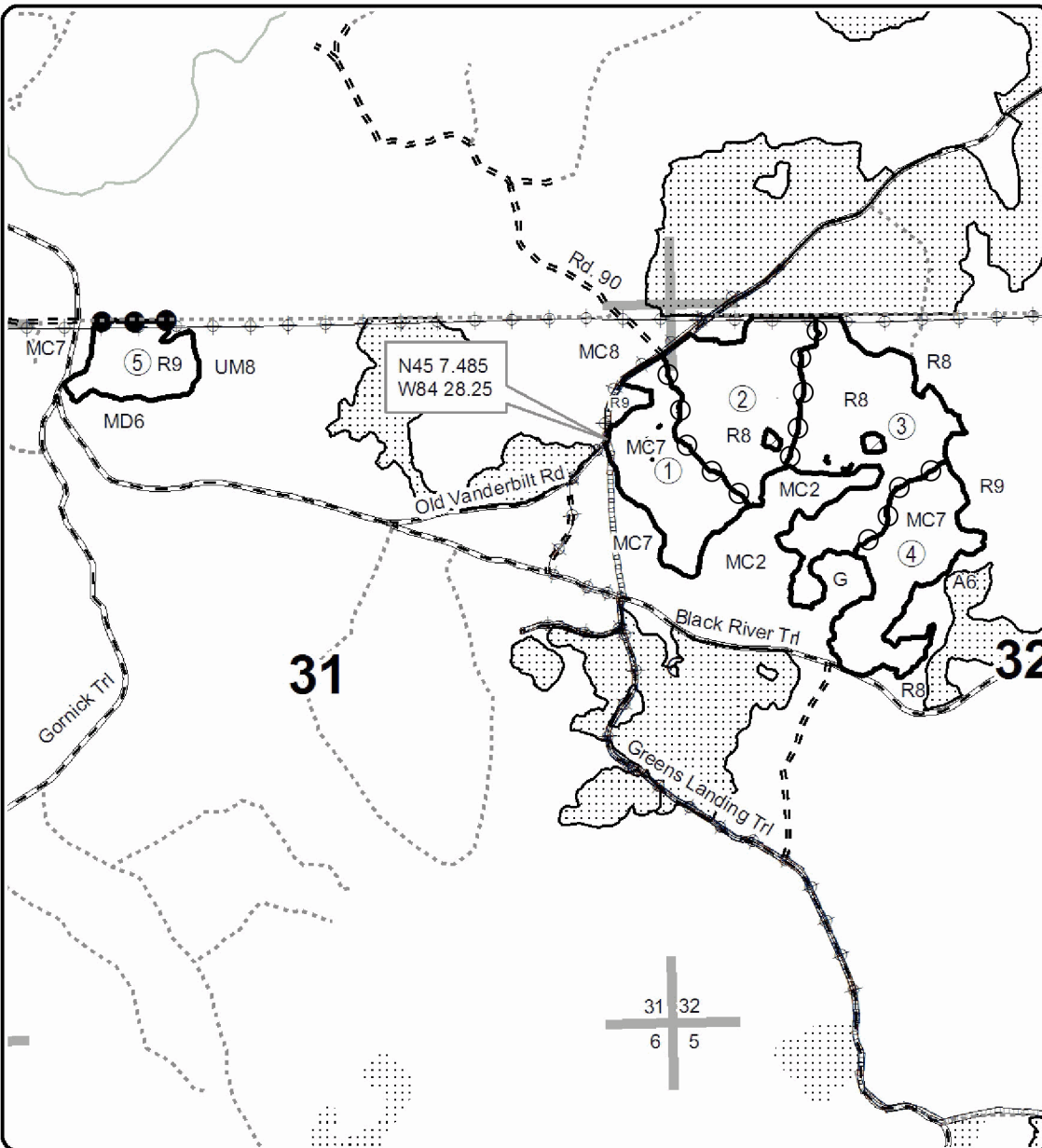
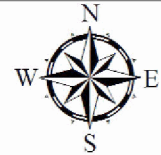
0 = Non Stocked	5 = Pole Timber Medium
1 = Seedling Sapling Poor	6 = Pole Timber Well
2 = Seedling Sapling Medium	7 = Saw Timber Poor
3 = Seedling Sapling Well	8 = Saw Timber Medium
4 = Pole Timber Poor	9 = Saw Timber Well

PU	Acres	PU	Acres
1	17.4	4	18.6
2	22.8	5	10
3	30.4		

Raucous Red Pine

Compartment 042

99.2 Acres

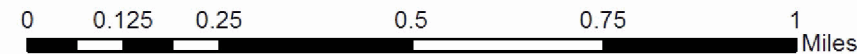
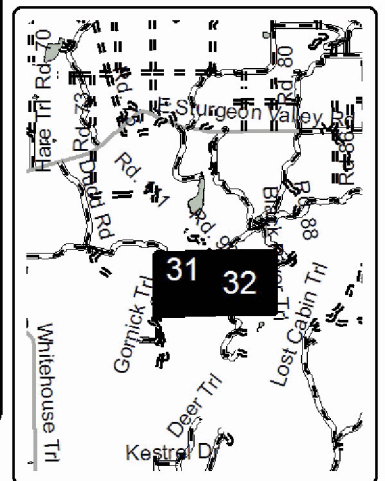


Legend

Sale Boundary

- Against State (Red)
- Payment Unit (Orange)
- Private Line (Blue)
- Retention (Red X)
- Nearby Timber Sale
- Gravel Roads
- Poor Dirt Roads
- Closed Roads
- Pipeline
- Powerline
- Section Corners

Locator Map
1:200,000



Raucous Red Pine (53-008-17)
; Otsego COUNTY

In response to the notice of sale to be held 9:00 a.m. (local time) on September 21, 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			
Red Oak	6.90 MBF	\$ 178.00/MBF	\$ _____
Red Pine	917.50 MBF	\$ 124.00/MBF	\$ _____
White Pine	31.90 MBF	\$ 58.00/MBF	\$ _____
Pulpwood			
Jack Pine	11.00 Cords	\$ 24.95/Cord	\$ _____
Red Maple	1.00 Cords	\$ 19.80/Cord	\$ _____
Red Oak	13.00 Cords	\$ 21.10/Cord	\$ _____
Red Pine	420.00 Cords	\$ 53.55/Cord	\$ _____
White Pine	133.00 Cords	\$ 23.95/Cord	\$ _____

*The volumes are statistically estimated within plus (+) or minus (-) 14.79 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