



**DEPARTMENT OF NATURAL RESOURCES  
STATE OF MICHIGAN**

**TIMBER SALE PROSPECTUS #6208**

SCHEDULED SALE DATE AND TIME: 4:00 p.m. (local time) on May 24, 2018.

LOCATION: TRAVERSE CITY MGMT UNIT, 2122 M 37 SOUTH, TRAVERSE CITY, MI 49685.

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

Snip & Chip (61-067-17)

Grand Traverse County, Advertised Price \$50.60, 50.6 Acres, .

SALE NOTE: This sale is being offered for \$1/acre minimum bid. The sale is on ground that was previously part of a privately owned Tree Farm, where various exotic species were planted for Christmas trees and fiber production. The goal of this sale is to get the ground cleared and planted to red pine. See spec 2.1.11 for a description of the stands.

## BID INSTRUCTIONS (VER. 11/28/2017):

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

Bids must be received by the Unit Manager, TRAVERSE CITY OFFICE, 2122 M 37 SOUTH, TRAVERSE CITY, MI 49685, no later than 4:00 p.m. (local time) on May 24, 2018. For further information concerning this sale, contact David Lemmien at 231-922-5280 extension 6840.

### 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](http://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 (11/17)

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.

Payment Unit values in the State Forest Timber Sale Contract are calculated based on the advertised value of the Payment Unit as a percentage of the total advertised value of the contract. The advertised value of each Payment Unit is given in the Description of Timber by Payment Unit table on the Timber Sale Information page. For example, if the value of Payment Unit 1 is advertised as \$1,500 and the total Timber Sale value is advertised as \$10,000, the contract price for Payment Unit 1 will be 15% of the total bid price ( $\$1,500/\$10,000 * 100$ ).

#### 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**

Snip & Chip (61-067-17)

Grand Traverse County (Advertised Price \$50.60)

SALE NOTE: This sale is being offered for \$1/acre minimum bid. The sale is on ground that was previously part of a privately owned Tree Farm, where various exotic species were planted for Christmas trees and fiber production. The goal of this sale is to get the ground cleared and planted to red pine. See spec 2.1.11 for a description of the stands.

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

<u>PRODUCTS &amp; SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Pulpwood		
Misc. Species 1	50.60 Acres	\$ 1.00 / Acre

\* 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 \$1,000.00 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 remainder is due before cutting begins.
  - (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	100.0%
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	Misc. Species 1	Pulpwood	50.6	Acres	50.6	\$50.60
TOTAL:			50.6	Acres		

## Sale Specific Conditions & Requirements

**Sale Name: Snip & Chip**

**Sale Number: 61-067-17 Seq#: 2**

### 1 - Sale Area

#### 1.2 - Boundaries

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

The sale boundary is marked red 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.

### 2 - Timber Specifications

#### 2.1 - Included Timber

##### 2.1.1 - Clearcut unit(s) with unmerchantable trees (6/14)

Within Payment Unit(s) 1, cut all trees that are one (1) inch or more at DBH.

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

Note that this sale is being sold by the acre. See the Timber Sale Map for stand locations. Stand information is as follows:

- Stand 17; 17.9 acres of mixed pine, spruce and fir (1-3 stick trees) with scattered red oak and other hardwoods (log/pulpwood trees).
- Stand 18; 0.9 acres of mature scotch pine (4-5 stick trees).
- Stand 23; 2.4 acres of mixed pine, spruce and fir on the south end (1-4 sticks), and approximately 4 acres along Bunker Hill Road and the east edge. This is scotch pine, (1-5 sticks) with some red maple, red oak and white pine. Approximately 5 acres of this stand is open ground and has only scattered trees.
- Stand 24; 1.5 acres of scotch pine (3-5 stick trees) with scattered red maple and red oak (log/pulpwood trees).
- Stand 25; 10.0 acres of poorly stocked red oak (small log/pulpwood trees) with mixed pine.
- Stand 28; 8.6 acres of poorly stocked mixed pine (1-2 stick trees).

#### 2.2 - Utilization

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

The sale 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. 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 because slash would interfere with planting operations.

##### 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.

### 4 - Transportation

#### 4.1 - Construction

##### 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

##### 4.2.4 - Grading (10/16)

For completion of the sale, state forest roads must be graded. In general, this will require a road grader or bull dozer to shape up the roads after forest products have been hauled off site. This includes cleaning of drainage areas, grading, crowning and

filling with gravel, if necessary. The grading equipment to be used must be approved by the Unit Manager or his/her representative. Note: The forest road on the west edge of stand 23 is used for private access. If this road is used it must be restored to a condition equal to or better than before.

#### 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

##### 5.1.1 - Pre-sale conference (10/16)

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 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

###### 5.2.3.4 - Oak wilt restriction (9/17)

Within Payment Unit(s) 1, unless changed by written agreement, cutting, skidding, hauling and brushing of access roads are not permitted during the period of April 15 to July 15. Operations may be allowed if specific steps are taken to prevent damaging uncut oak during the high risk period. Those steps include completing all road brushing before April 15th, clearing a tree-length buffer along uncut oak cover before April 15th or leaving an uncut buffer there until after July 15th. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

#### 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.

#### 5.7 - Protection of Historical Sites

##### 5.7.1 - Historical sites (7/12)

The Purchaser shall not cut live or dead trees or operate equipment within historical sites. Historical sites are located in Stand 23, north of Bunker Hill Road (see Timber Sale Map). The Purchaser shall protect historical sites from damage by the Purchaser's operations. If Purchaser's operations have cut or damaged historical sites through carelessness, the Purchaser shall pay \$100 as fixed, agreed and liquidated damages for each acre or part thereof cut or damaged.

### 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 Bunker Hill 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.



# TIMBER SALE MAP

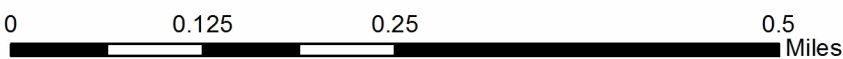
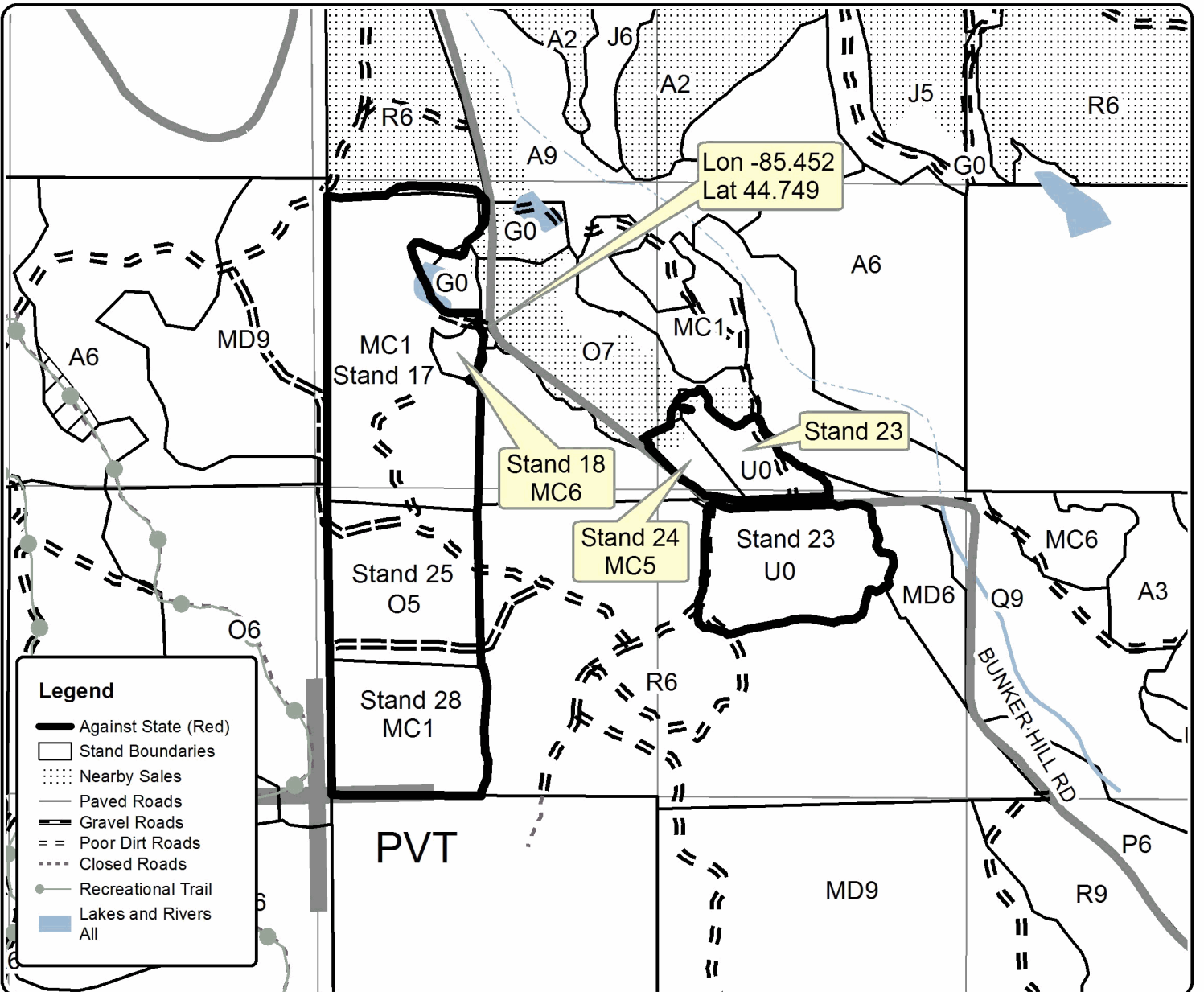
This information provided by authority of Part 525, 1994 PA 451, as amended.

Forest Management Unit Traverse City		County Grand Traverse	Mapped By Ruppen	Date 09/30/2017	Page 1	of 1
Township 27N	Range 9W	Section(s) and Subdivision(s) Sec 7 SW1/4		Scale 1:7,920		

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 50.6

## Snip & Chip Compartment 041 50.6 Acres







# TIMBER SALE MAP

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

Forest Management Unit Traverse City	County Grand Traverse	Mapped By Ruppen	Date 09/30/2017	Page of
		Cruised By Ruppen		
Township 27N	Range 9W	Section(s) and Subdivision(s) Sec 7 SW1/4	Scale 1:7,920	

### Cover Type

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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

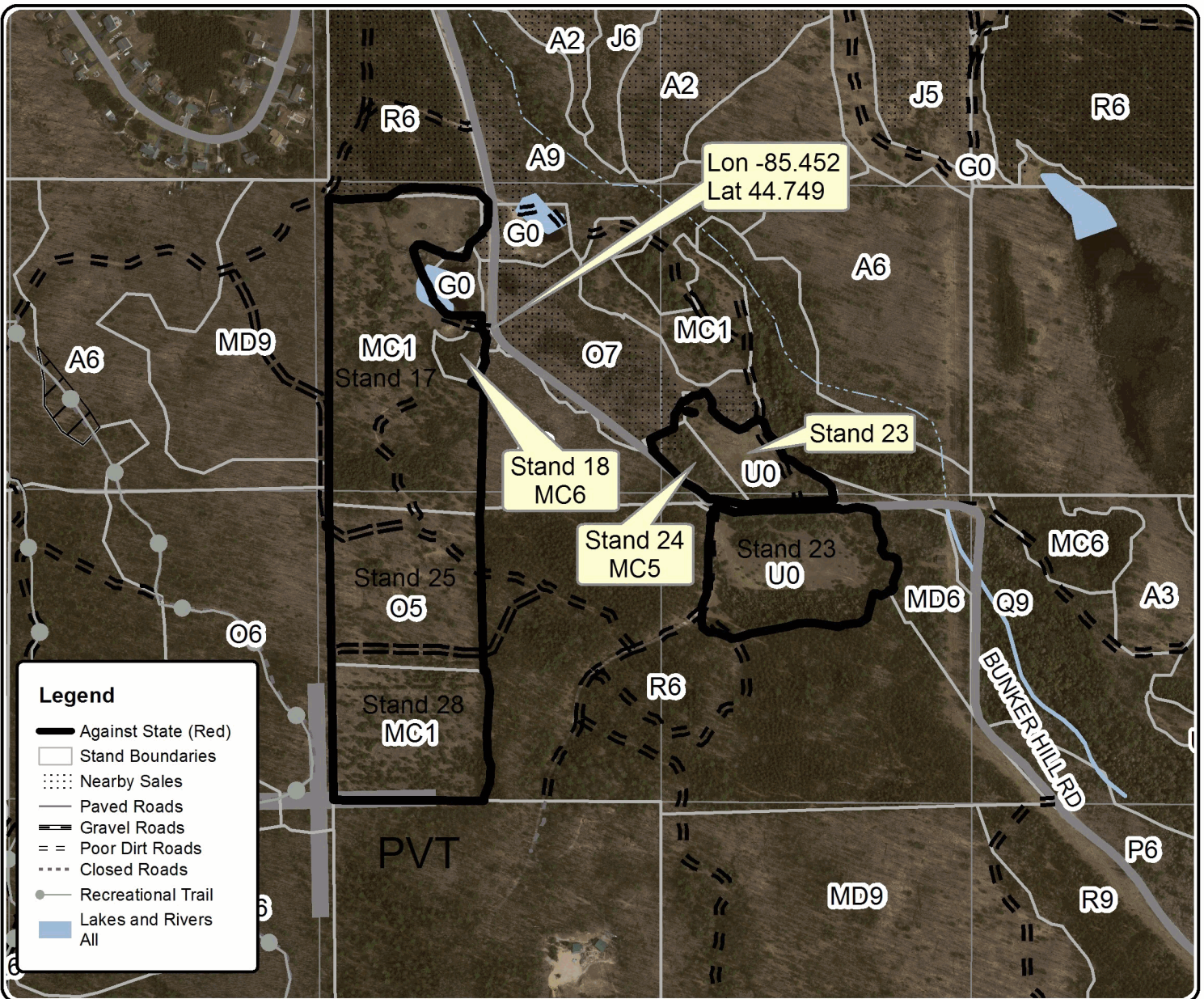
**PU Acres**  
1 50.6

## Snip & Chip

### Compartment 041

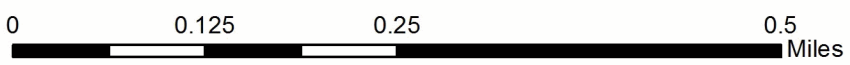
50.6 Acres

AERIAL  
BASEMAP



**Legend**

- Against State (Red)
- Stand Boundaries
- Nearby Sales
- Paved Roads
- Gravel Roads
- Poor Dirt Roads
- Closed Roads
- Recreational Trail
- Lakes and Rivers
- All





Snip & Chip (61-067-17)  
; Grand Traverse COUNTY

In response to the notice of sale to be held 4:00 p.m. (local time) on May 24, 2018, 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 VOLUME*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE/UNIT</u>
Pulpwood Misc. Species 1	50.60 Acres	\$ 1.00/Acres	\$ _____

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





<b>FOR DEPARTMENT USE ONLY</b>
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**