

# DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

# **TIMBER SALE PROSPECTUS #6329**

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on December 6, 2018. LOCATION: BARAGA MGMT UNIT, 427 US 41 NORTH, BARAGA, MI 49908.

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

Hodges Hills (11-008-18) / T53N, R34W, SEC. 19, SESW,N1/2SE,SWSE.
T53N, R34W, SEC. 30, NWNE.
Houghton County, Advertised Price \$55,686.90, 89.3 Acres, Hardwood, Aspen.

SALE NOTE: Access may be through private land.

<u>Fedie Hardwoods</u> (11-014-18) / T51N, R36W, SEC. 35, NE. Houghton County, Advertised Price \$47,307.50, 66.3 Acres, Hardwood, Sugar Maple.

SALE NOTE: Access may be through private land.

#### BID INSTRUCTIONS (VER. 07/02/2018):

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

Bids must be received by the Unit Manager, BARAGA OFFICE, 427 US 41 North, Baraga, MI 49908, no later than 9:00 a.m. (local time) on December 6, 2018. For further information concerning this sale, contact Brad Carlson at 906-353-6651.

# 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 (7/18)

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 3 months after the first offense, 6 months after the second offense, and 1 year after the third offense. An offense will only be counted against the Bidder for 5 years. 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

Hodges Hills (11-008-18)
T53N, R34W, SEC. 19; T53N, R34W, SEC. 30.
Houghton County (Advertised Price \$55,686.90)

SALE NOTE: Access may be through private land.

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

PRODUCTS & SPECIES	<b>ESTIMATE</b>	D UNITS*	<u>ADV</u>	ERTISED PRICE
Sawtimber				
Basswood	5.30	MBF	\$	100.00 / MBF
Red Maple	13.00	MBF	\$	234.00 / MBF
Sugar Maple	78.70	MBF	\$	367.00 / MBF
Yellow Birch	3.50	MBF	\$	180.00 / MBF
Pulpwood				
Balsam Fir	50.00	Cords	\$	20.80 / Cord
Basswood	43.00	Cords	\$	11.40 / Cord
Mixed Hardwood	741.00	Cords	\$	18.10 / Cord
Quaking Aspen	186.00	Cords	\$	31.00 / Cord
White Spruce	58.00	Cords	\$	32.65 / Cord

<sup>\*</sup> 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 \$5,500.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
  - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
  - (b) The 10% down payment will be credited towards the first unit cut.
  - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	6.0%
02	11.9%
03	2.0%
04	63.2%
05	16.9%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2021.

# **Description of Timber by Payment Unit (PU)**

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Sugar Maple	Sawtimber	1.5	MBF	4.9	\$3,320.40
	Yellow Birch		0.8	MBF		
	Mixed Hardwood	Pulpwood	109.0	Cords		
	Red Maple		82.0	Cords		
	Sugar Maple		16.0	Cords		
	Yellow Birch		11.0	Cords		
	White Spruce		20.0	Cords		
2	Basswood	Sawtimber	0.8	MBF	8.0	\$6,631.45
	Red Maple		2.1	MBF		
	Sugar Maple		0.8	MBF		
	Yellow Birch		2.7	MBF		
	Balsam Fir	Pulpwood	42.0	Cords		
	Basswood	'	23.0	Cords		
	Mixed Hardwood		150.0	Cords		
	Red Maple		68.0	Cords		
	Sugar Maple		42.0	Cords		
	Yellow Birch		40.0	Cords		
	Quaking Aspen		24.0	Cords		
	White Spruce		21.0	Cords		
		Caustinahar		MBF	F 0	¢4 400 F0
3	Red Maple	Sawtimber	0.5	1	5.2	\$1,120.50
	Sugar Maple	Dulancad	1.6	MBF		
	Mixed Hardwood	Pulpwood	23.0	Cords		
	Red Maple		2.0	Cords		
	Sugar Maple		21.0	Cords		
4	Basswood	Sawtimber	4.5	MBF	46.4	\$35,193.85
	Red Maple		5.2	MBF		
	Sugar Maple		57.4	MBF		
	Balsam Fir	Pulpwood	5.0	Cords		
	Basswood		20.0	Cords		
	Mixed Hardwood		362.0	Cords		
	Red Maple		96.0	Cords		
	Sugar Maple		252.0	Cords		
	Yellow Birch		14.0	Cords		
	Quaking Aspen		162.0	Cords		
	White Spruce		17.0	Cords		
5	Red Maple	Sawtimber	5.2	MBF	24.8	\$9,420.70
	Sugar Maple		17.4	MBF		. ,
	Balsam Fir	Pulpwood	3.0	Cords		
	Mixed Hardwood		97.0	Cords		
	Ironwood		4.0	Cords		
	Red Maple		27.0	Cords		
	Sugar Maple		66.0	Cords		
•		TOTAL:	100.5	MBF		

#### Sale Specific Conditions & Requirements

Sale Name: Hodges Hills Sale Number: 11-008-18 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 and red paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected, unless otherwise directed by the sale administrator.

# 2 - Timber Specifications

#### 2.1 - Included Timber

#### 2.1.2 - Clearcut unit(s) w/o unmerchantable trees (8/11)

Within Payment Unit(s) 1 and 2, cut all trees which meet minimum piece specifications in 2.2 Utilization, except do not cut hemlock, black cherry, cedar, white pine, red pine, and red oak if present. In addition, do not cut any yellow birch that are 20 inches at DBH or greater.

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

Within Payment Unit(s) 3, 4, and 5, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

#### 2.2 - Utilization

#### 2.2.1 - Utilization (2/04)

All listed board foot volumes of sawlog size products in this contract have been determined using a top diameter inside bark of 8 inches.

# 2.2.4 - Skidding length (2/14)

Within Payment Unit(s) 3, 4, and 5, skidding of unlimbed tops or lengths over 26 feet is not permissible, unless approved by the Unit Manager or his/her representative.

#### 2.2.7 - Uncut designated trees (2/04)

Liquidated damages of \$10.00 per tree will be assessed for every marked tree not cut.

#### 2.2.8 - Utilization and removal (5/14)

All products meeting standards set forth in General Condition and Requirement 2.2 - Utilization must be removed from the sale area. Chips are condsidered a product and cannot be stockpiled on site. This is because chip piles inhibit regeneration.

# 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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

No damage is acceptable to merchantable trees. Rates for damaged trees will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

# 4 - Transportation

#### 4.1 - Construction

#### 4.1.1 - Stream crossings, general (3/11)

All stream crossing structures will be temporary and therefore, shall be provided by the Purchaser, and must be removed upon completion of the sale. All permits for stream crossings will be provided by the DNR for crossings on State Forest Land. Please notify the DNR 90 days prior to working on any crossings that will require a DEQ permit.

#### 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 or chipped, utilized or otherwise removed from the sale.

#### 4.1.5 - Culverts (5/14)

Roads may require the installation of culverts for cross drainage or at natural drainage-ways. If culverts are needed in these locations, their placement will be specified by the sale administrator and they shall be installed prior to hauling. The culverts shall be new, corrugated metal or plastic gauge. Culverts will be a minimum of 12 inches in diameter and 24 feet in length. If culverts are removed, fill shall be removed from wetland soils as specified. Soils shall be maintained and left in a non-erodible condition, with water bars, seed, fertilizer, mulch, and slash installed as directed by the sale administrator and as specified in the BMP manual. Stream crossing permits, for crossings on state land, will be obtained by the DNR. Please notify the DNR 90 days prior to working on any crossings that will require a DEQ permit.

#### 4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge or be chipped, utilized or otherwise removed from the sale. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

#### 4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. 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. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

#### 4.2 - Maintenance

#### 4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins. The sale administator reserves the right to halt harvest activities if haul roads are not properly filled and shaped to his/her specifications.

#### 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.

#### 4.4 - Access

### 4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser, the land owner Craig Waligursky can be contacted at (906) 369-4844. A copy of the written permission from the private land-owner may be required by the DNR.

#### 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 10 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 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 (10/16)

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

### 5.2.3 - Operating Restrictions

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

Within Payment Unit(s) 1 - 5, unless changed by written agreement, clean up and seeding activities on landings, decking areas, new roads, berms used for road closures and major skid trails must be completed by July 15 following harvest completion. This restriction is to allow these areas to re-vegetate before the dry season.

# 5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 3, 4, and 5, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

#### 5.2.22 - Operating Caution

#### 5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 2 and 4, cutting, skidding, and hauling occur during frozen winter conditions. The reason for the recommendation is because of the soil types.

# 5.2.30 - Landing/road top soil protection (2/15)

Top soil on landings and new roads must be removed, stockpiled and saved. Upon completion of the timber sale, soil must be evenly distributed back over the area for revegetation. In addition, the area must be seeded and mulched per instructions of the sale administrator.

#### 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.

#### 5.2.38 - No decking against live trees (2/04)

Cut products may not be decked against unmarked or designated leave trees.

# 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.

#### 5.4.2 - Skid trails (2/04)

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

# 5.4.3 - Erosion control (12/08)

Skid trails or haul roads may require erosion control structures or berms per direction of the Unit Manager or his/her representative.

#### 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.

#### 7 - Other Conditions

#### 7.3 - Contract Modifications

#### 7.3.1 - Emerald Ash Borer

# 7.3.1.2 - Emerald ash borer, ash or firewood on sale (2/05)

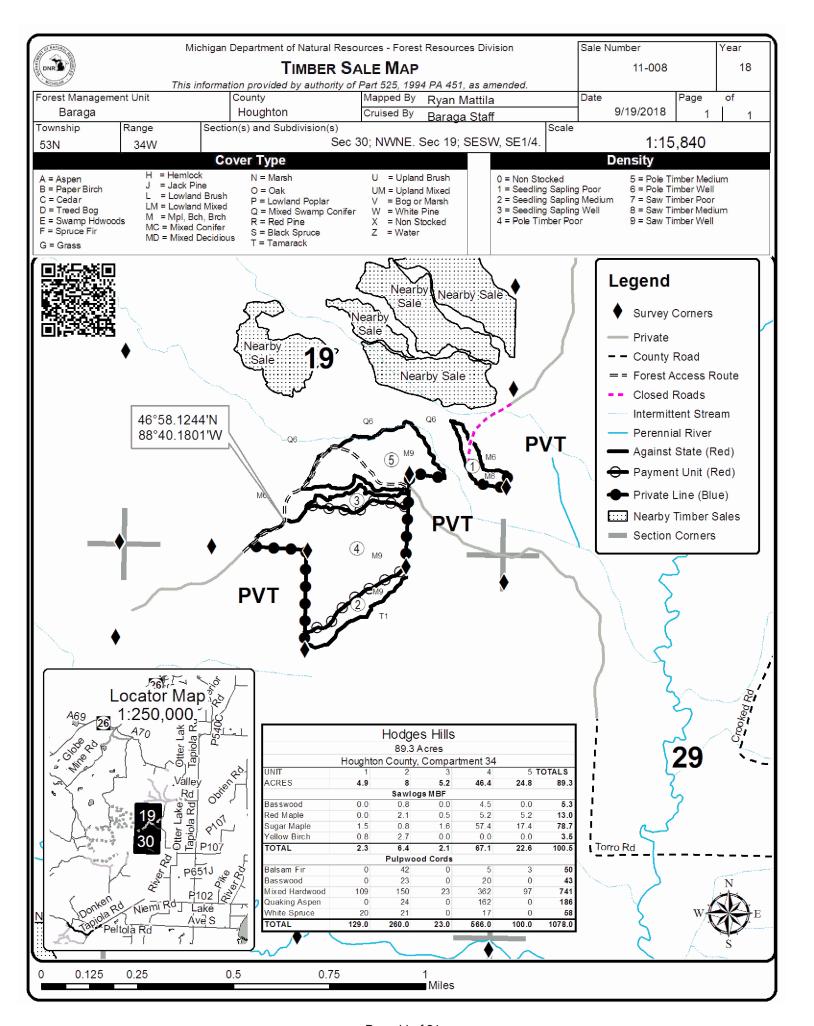
There is ash and/or "firewood" in this sale and it is located within an emerald ash borer quarantined area. The Director of the Michigan Department of Agriculture (MDA) by the authority of Act No. 72 of the Public Acts of 1945, as amended, and Quarantine Regulation No. 620, has promulgated this quarantine to prevent the further spread of this pest and sets forth: definitions, regulated articles, regulated areas, conditions of movement, violations and penalties, and special exemptions. The Purchaser must comply with this quarantine. Contact the MDA for further information.

#### 7.5 - Loss

#### 7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from spruce budworm. 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.

Section Name: Sale Specific Current as of 11/7/2018 11:04:58AM



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# TIMBER SALE INFORMATION

Fedie Hardwoods (11-014-18)
T51N, R36W, SEC. 35.
Houghton County (Advertised Price \$47,307.50)

SALE NOTE: Access may be through private land.

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

PRODUCTS & SPECIES	<b>ESTIMATE</b>	ED UNITS*	<u>ADV</u>	ERTISED PRICE
Sawtimber				
Basswood	1.40	MBF	\$	100.00 / MBF
Black Cherry	3.30	MBF	\$	175.00 / MBF
Red Maple	7.20	MBF	\$	234.00 / MBF
Sugar Maple	97.80	MBF	\$	367.00 / MBF
Yellow Birch	1.90	MBF	\$	180.00 / MBF
Pulpwood				
Basswood	8.00	Cords	\$	11.40 / Cord
Mixed Hardwood	474.00	Cords	\$	18.10 / Cord

<sup>\*</sup> The total volume is statistically estimated within plus (+) or minus (-) 19.37 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 \$4,500.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
  - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
  - (b) The 10% down payment will be credited towards the first unit cut.
  - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	39.0%
02	61 00/

- 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	Black Cherry	Sawtimber	1.9	MBF	32.1	\$18,449.30
	Red Maple		1.2	MBF		, , , , , ,
	Sugar Maple		37.7	MBF		
	Mixed Hardwood	Pulpwood	221.0	Cords		
	Black Cherry	·	8.0	Cords		
	Ironwood		3.0	Cords		
	Red Maple		44.0	Cords		
	Sugar Maple		163.0	Cords		
	Yellow Birch		3.0	Cords		
2	Basswood	Sawtimber	1.4	MBF	34.2	\$28,858.20
	Black Cherry		1.4	MBF		
	Red Maple		6.0	MBF		
	Sugar Maple		60.1	MBF		
	Yellow Birch		1.9	MBF		
	Basswood	Pulpwood	8.0	Cords		
	Mixed Hardwood		253.0	Cords		
	Black Cherry		4.0	Cords		
	Red Maple		29.0	Cords		
	Sugar Maple		216.0	Cords		
	Yellow Birch		4.0	Cords		
		TOTAL:	111.6	MBF		
		TOTAL:	482.0	Cords		

### Sale Specific Conditions & Requirements

Sale Name: Fedie Hardwoods Sale Number: 11-014-18 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 and red paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected, unless otherwise directed by the sale administrator.

# 2 - Timber Specifications

#### 2.1 - Included Timber

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

Within Payment Unit(s) 1 and 2, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

#### 2.2 - Utilization

#### 2.2.1 - Utilization (2/04)

All listed board foot volumes of sawlog size products in this contract have been determined using a top diameter inside bark of 8 inches.

# 2.2.4 - Skidding length (2/14)

Skidding of unlimbed tops or lengths over 26 feet is not permissible, unless approved by the Unit Manager or his/her representative.

#### 2.2.7 - Uncut designated trees (2/04)

Liquidated damages of \$10.00 per tree will be assessed for every marked tree not cut.

#### 2.2.8 - Utilization and removal (5/14)

All products meeting standards set forth in General Condition and Requirement 2.2 - Utilization must be removed from the sale area. Chips are condsidered a product and cannot be stockpiled on site. This is because chip piles inhibit regeneration.

# 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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

No damage is acceptable to merchantable trees. Rates for damaged trees will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

# 4 - Transportation

#### 4.1 - Construction

# 4.1.1 - Stream crossings, general (3/11)

All stream crossing structures will be temporary and therefore, shall be provided by the Purchaser, and must be removed upon completion of the sale. All permits for stream crossings will be provided by the DNR for crossings on State Forest Land. Please notify the DNR 90 days prior to working on any crossings that will require a DEQ permit.

#### 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 or chipped, utilized or otherwise removed from the sale.

#### 4.1.5 - Culverts (5/14)

Roads may require the installation of culverts for cross drainage or at natural drainage-ways. If culverts are needed in these locations, their placement will be specified by the sale administrator and they shall be installed prior to hauling. The culverts shall be new, corrugated metal or plastic gauge. Culverts will be a minimum of 12 inches in diameter and 24 feet in length. If culverts are removed, fill shall be removed from wetland soils as specified. Soils shall be maintained and left in a non-erodible condition, with water bars, seed, fertilizer, mulch, and slash installed as directed by the sale administrator and as specified in the BMP manual. Stream crossing permits, for crossings on state land, will be obtained by the DNR. Please notify the DNR 90 days prior to working on any crossings that will require a DEQ permit.

#### 4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge or be chipped, utilized or otherwise removed from the sale. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

#### 4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. 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. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

#### 4.2 - Maintenance

#### 4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins. The sale administator reserves the right to halt harvest activities if haul roads are not properly filled and shaped to his/her specifications.

#### 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.

#### 4.4 - Access

#### 4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser. Should the Purchaser desire to cross private land, a copy of the written permission from the private land-owner may be required by the DNR.

#### 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 10 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 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 (10/16)

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

#### 5.2.3 - Operating Restrictions

# 5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 1 and 2, unless changed by written agreement, clean up and seeding activities on landings, decking areas, new roads, berms used for road closures and major skid trails must be completed by July 15 following harvest completion. This restriction is to allow these areas to re-vegetate before the dry season.

#### 5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1 and 2, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

#### 5.2.30 - Landing/road top soil protection (2/15)

Top soil on landings and new roads must be removed, stockpiled and saved. Upon completion of the timber sale, soil must be evenly distributed back over the area for revegetation. In addition, the area must be seeded and mulched per instructions of the sale administrator.

# 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.

# 5.2.38 - No decking against live trees (2/04)

Cut products may not be decked against unmarked or designated leave trees.

#### 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.

#### 5.8 - 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 M 38 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.

# 7 - Other Conditions

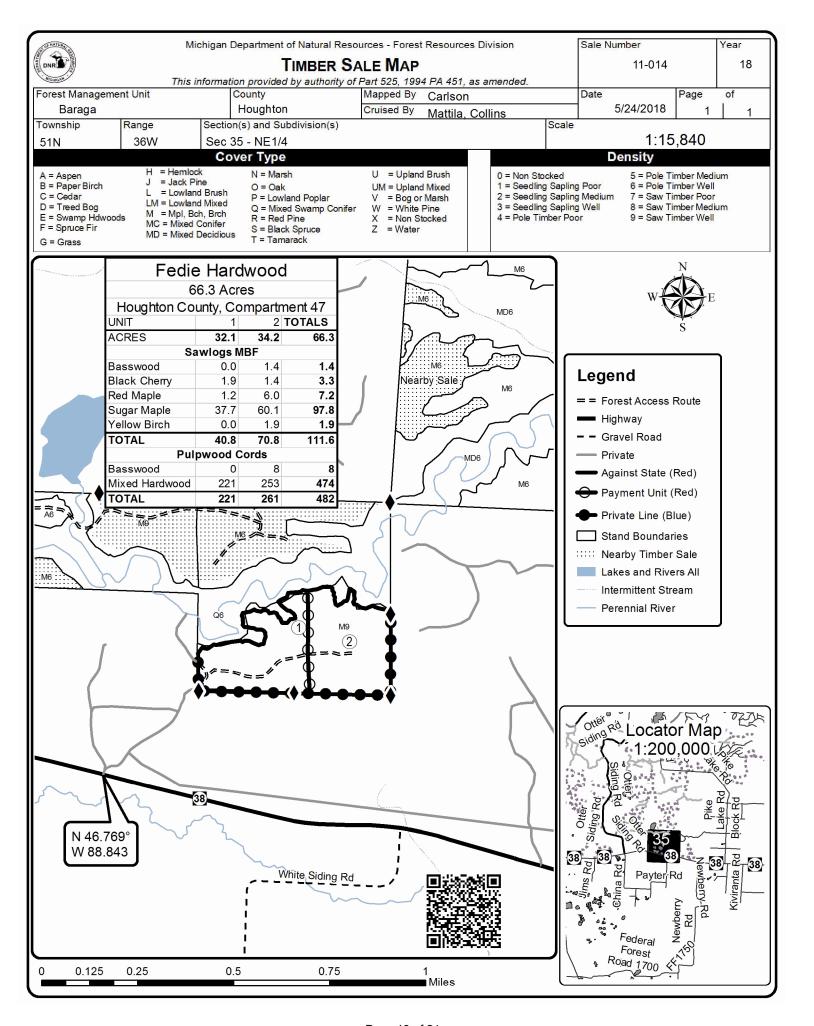
#### 7.3 - Contract Modifications

#### 7.3.1 - Emerald Ash Borer

7.3.1.2 - Emerald ash borer, ash or firewood on sale (2/05)

There is ash and/or "firewood" in this sale and it is located within an emerald ash borer quarantined area. The Director of the Michigan Department of Agriculture (MDA) by the authority of Act No. 72 of the Public Acts of 1945, as amended, and Quarantine Regulation No. 620, has promulgated this quarantine to prevent the further spread of this pest and sets forth: definitions, regulated articles, regulated areas, conditions of movement, violations and penalties, and special exemptions. The Purchaser must comply with this quarantine. Contact the MDA for further information.

Section Name: Sale Specific Current as of 11/7/2018 10:49:59AM



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TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

EEDEDAI ID:

### **BID FORM**

BARAGA MANAGEMENT UNIT **BARAGA OFFICE** 

# Fedie Hardwoods (11-014-18) T51N, R36W, SEC. 35; Houghton COUNTY

In response to the notice of sale to be held 9:00 a.m. (local time) on December 6, 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.

PRODUCTS & SPECIES	<u>ESTIMATED</u>	VOLUME*	<u>AD</u>	<u>VERTISED PRICE</u>	BID PRICE/UNIT
Sawtimber					
Basswood	1.40	MBF	\$	100.00/MBF	\$
Black Cherry	3.30	MBF	\$	175.00/MBF	\$
Red Maple	7.20	MBF	\$	234.00/MBF	\$
Sugar Maple	97.80	MBF	\$	367.00/MBF	\$
Yellow Birch	1.90	MBF	\$	180.00/MBF	\$
Pulpwood					
Basswood	8.00	Cords	\$	11.40/Cord	\$
Mixed Hardwood	474.00	Cords	\$	18.10/Cord	\$

\*The volumes are statistically estimated within plus (+) or minus (-) 19.37 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:	R:				
	Company or individual bidding:					
	Company representative's name:					
	Address:					
	City:	State:	Zip:			
IF AVAIL	ABLE, PLEASE PLACE	THE PERSONALIZED LAB	EL FROM YOUR PROSE	PECTUS IN THE ABOVE BOX.		
Individua	I or company represent	ative's signature:		Date:		
Phone nu	one 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



#### Michigan Department of Natural Resources Forest Resources Division

# TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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.						
Ple	Please Check Appropriate Categories:						
1.	My business is organized as (you <b>must</b> check <u>one</u> of the boxes below):  A. □ Sole Proprietorship (individual)  B. □ Partnership  C. □ Corporation						
2.	<ul> <li>A.  \[ \] I certify my business is a sole proprietorship and it has no Worker's Compensation Laws.</li> <li>B.  \[ \] I certify my business has satisfied its o bligation to the Worker's Country (BWC-337, Rev. 5/96). I will provide a copy of the questions or a copy of the BWC-337, please call the Worker's Compensation Policy one (21) days of the contract award.</li> </ul>	rker's Compensation Act through the use of an approved Notice of the Notice of Exclusion within 21 days of the contract award. (For ker's Compensation Bureau at 517-322-1195).  I will provide an original Certificate of Insurance within twenty- e the number of <b>both</b> full-time and part-time employees, other					
	Full-time Employees	Part-time Employees					
Nam	ame of Business	Federal ID (or) Social Security No.					
Add	ddress	Telephone ( )					
City	ty State	ZIP					
in fa _	hereby certify that the above information is true and correct. factors affecting my coverage during any of my present and  Signature of Owner or Authorized Representative	I agree to notify the Michigan DNR of any changes that occur future operations.					
T	Title	Date					

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

PR 4031-5 (Rev. 10/30/2012)

EEDEDAI ID:

### **BID FORM**

BARAGA MANAGEMENT UNIT BARAGA OFFICE

#### Hodges Hills (11-008-18)

T53N, R34W, SEC. 19; T53N, R34W, SEC. 30; Houghton COUNTY

In response to the notice of sale to be held 9:00 a.m. (local time) on December 6, 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.

PRODUCTS & SPECIES	<b>ESTIMATED</b>	VOLUME*	<u>AD</u>	VERTISED PRICE	<b>BID PRICE/UNIT</b>
Sawtimber					
Basswood	5.30	MBF	\$	100.00/MBF	\$
Red Maple	13.00	MBF	\$	234.00/MBF	\$
Sugar Maple	78.70	MBF	\$	367.00/MBF	\$
Yellow Birch	3.50	MBF	\$	180.00/MBF	\$
Pulpwood					
Balsam Fir	50.00	Cords	\$	20.80/Cord	\$
Basswood	43.00	Cords	\$	11.40/Cord	\$
Mixed Hardwood	741.00	Cords	\$	18.10/Cord	\$
Quaking Aspen	186.00	Cords	\$	31.00/Cord	\$
White Spruce	58.00	Cords	\$	32.65/Cord	\$
1					

<sup>\*</sup>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.

	1 LDLIVAL ID		OLCONIT I NOMBLI	····.	i
	Company or individual I	oidding:			
	Company representativ	e's name:			
	Address:				
	City:	State:	Zip:		
IF AVAIL	ABLE, PLEASE PLACE	THE PERSONALIZED LABEL I	FROM YOUR PROSI	SPECTUS IN THE ABOVE BOX.	
Individual	l or company representat	ive's signature:		Date:	
Phone number :			mail (optional):		

OF SOCIAL SECURITY NUMBER:

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



#### Michigan Department of Natural Resources Forest Resources Division

# TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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.					
Ple	Please Check Appropriate Categories:					
1.	<ul> <li>My business is organized as (you must check one of the boxes below):</li> <li>A. □ Sole Proprietorship (individual)</li> <li>B. □ Partnership</li> <li>C. □ Corporation</li> </ul>					
2.	<ul> <li>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.</li> <li>B. ☐ I certify my business has satisfied its o bligation 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).</li> <li>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.</li> </ul>					
	than yourself, including family members and active partners.  Full-time Employees	e the number of <b>both</b> full-time and part-time employees, other ers (if none, you must enter "0").  Part-time Employees				
Nan	ame of Business	Federal ID (or) Social Security No.				
Add	Idress	Telephone ( )				
City	ty State	ZIP				
in f	nereby certify that the above information is true and correct. factors affecting my coverage during any of my present and  Signature of Owner or Authorized Representative	I agree to notify the Michigan DNR of any changes that occur future operations.				
Ī	Title	Date				

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

PR 4031-5 (Rev. 10/30/2012)