

# DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

# **TIMBER SALE PROSPECTUS #6244**

SCHEDULED SALE DATE AND TIME: 11:00 a.m. (local time) on September 25, 2018. LOCATION: PLAINWELL OFFICE, 621 NORTH 10TH ST, PLAINWELL, MI 49080.

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 Game Area Manager, BARRY SGA-WILD, for certain timber on the following described lands:

Kiser Road (20-001-18) / T03N, R10W, SEC. 10, NENW,W1/2NE,SESW,W1/2SE.

T03N, R10W, SEC. 11, W1/2NW. T03N, R10W, SEC. 2, W1/2SW. T03N, R10W, SEC. 3, SESW,SE.

Barry County, Advertised Price \$114,432.95, 99.2 Acres, Red Pine, Jack Pine.

SALE NOTE: Access may be through other public land.

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

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

Bids must be received by the Unit Manager, PLAINWELL OFFICE, 621 NORTH 10TH ST, PLAINWELL, MI 49080, no later than 11:00 a.m. (local time) on September 25, 2018. For further information concerning this sale, contact Cynthia McQueer at 269-685-9074.

#### 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

#### Kiser Road (20-001-18)

T03N, R10W, SEC. 10; T03N, R10W, SEC. 11; T03N, R10W, SEC. 2; T03N, R10W, SEC. 3.

Barry County (Advertised Price \$114,432.95)

SALE NOTE: Access may be through other public land.

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

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE
Sawtimber Red Pine Pulpwood	199.30 MBF	\$ 101.00 / MBF
Jack Pine	269.00 Cords	\$ 14.45 / Cord
Red Maple	10.00 Cords	\$ 16.40 / Cord
Red Pine	2,514.00 Cords	\$ 35.90 / 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 \$5,722.00 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	30.7%
02	20.3%
03	49.0%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 03/15/2020.

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

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Pine	Sawtimber	57.6	MBF	33.7	\$35,134.75
	Jack Pine	Pulpwood	105.0	Cords		
	Red Maple		3.0	Cords		
	Red Pine		773.0	Cords		
2	Red Pine	Sawtimber	69.1	MBF	32.9	\$23,249.30
	Jack Pine	Pulpwood	164.0	Cords		
	Red Maple		7.0	Cords		
	Red Pine		384.0	Cords		
3	Red Pine	Sawtimber	72.6	MBF	32.6	\$56,048.90
	Red Pine	Pulpwood	1,357.0	Cords		
TOTAL:		199.3	MBF			
		TOTAL:	2,793.0	Cords		

# Sale Specific Conditions & Requirements

Sale Name: Kiser Road Sale Number: 20-001-18 Seg#: 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 red paint.

# 2 - Timber Specifications

#### 2.1 - Included Timber

# 2.1.4 - Designated timber unit(s) (6/17)

Within Payment Unit(s) 1, 2, and 3, all red and jack pine, aspen, red maple, and tulip trees are designated for cutting, 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 10 inches.

# 2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for all trees.

#### 2.2.4 - Skidding length (2/14)

Skidding of unlimbed tops or lengths over 17 feet is not permissible unless approved by the Unit Manager or his/her representative.

#### 2.3 - Log Rule

#### 2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the International ¼ Inch Log Rule.

# 3 - Payments

# 3.3 - Pre-measured Sales

#### 3.3.4 - Dividing payment units (7/14)

Payment Unit(s) may be divided at the request of the Purchaser and upon approval of the Unit Manager. Dividing Payment Units is a contract modification which requires a Timber Sale Contract Supplement. There will be only one division per Payment Unit.

#### 3.4 - Damaged Timber

#### 3.4.1 - 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 oak and hickory tree seedlings and saplings.

Within the sale area, if oak or hickory tree or saplings (2" to 8" at DBH) are damaged, stems must be cut off at ground level and the sale administrator must be notified of the damage.

#### 4 - Transportation

#### 4.1 - Construction

# 4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads must be approved by sale administrator and 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. 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. In general, this will require constructing earthen berms at strategic locations. 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.

#### 4.1.11 - Permits (2/12)

The Purchaser will secure any necessary highway permits that may be required.

#### 4.2 - Maintenance

#### 4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative. The restriction may occur during wet weather conditions.

# 4.2.4 - Grading (10/16)

For completion of the sale, state game area roads must be returned to 2 wheel drive passable condition. 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.

# 4.3 - Public Right-of-Way

#### 4.3.1 - MDOT R-O-W (11/14)

The Michigan Department of Transportation (MDOT) must be contacted prior to harvesting timber within the MDOT right-of-way.

# 4.3.2 - County R-O-W (12/06)

The county must be contacted prior to crossing or harvesting in the county road R-O-W.

#### 4.4 - Access

# 4.4.3 - Access gate (12/08)

The access gate must be closed at the completion of each day unless otherwise approved by the Unit Manager or his/her representative.

#### 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 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.

#### 5.1.6 - 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

# 5.2.1.1 - Slash within sale area (9/16)

No trees are to be felled outside the sale area and all slash is to be kept at least 10 feet back from the red paint line. If sale boundary lines are along a public road or highway, then slash must be removed 50' from these lines per General Condition & Requirement 5.2.1.

#### 5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 72 inches in height.

# 5.2.1.10 - No slash in openings (5/10)

No brush or logging debris is to be left in the maintained wildlife opening which is indicated by G0 on the Timber Sale Map. Any damage to the opening shall be repaired according to specifications of the Unit Manager or his/her representative.

# 5.2.3 - Operating Restrictions

# 5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1, 2, and 3, unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of 11/14 to 11/19. This restriction is because of firearm deer season.

# 5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1, 2, and 3, 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 and oak wilt.

# 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.

# 5.4.4 - Slope protection (5/15)

Skid trails and roads on slopes shall be water barred with slash, stumps, and/or clean straw bales native to the area as soon as use is complete to prevent erosion.

#### 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 roads adjacent to the sale area prior to beginning operations. The road must be posted at locations where trucks and equipment will be working on road right of ways 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.

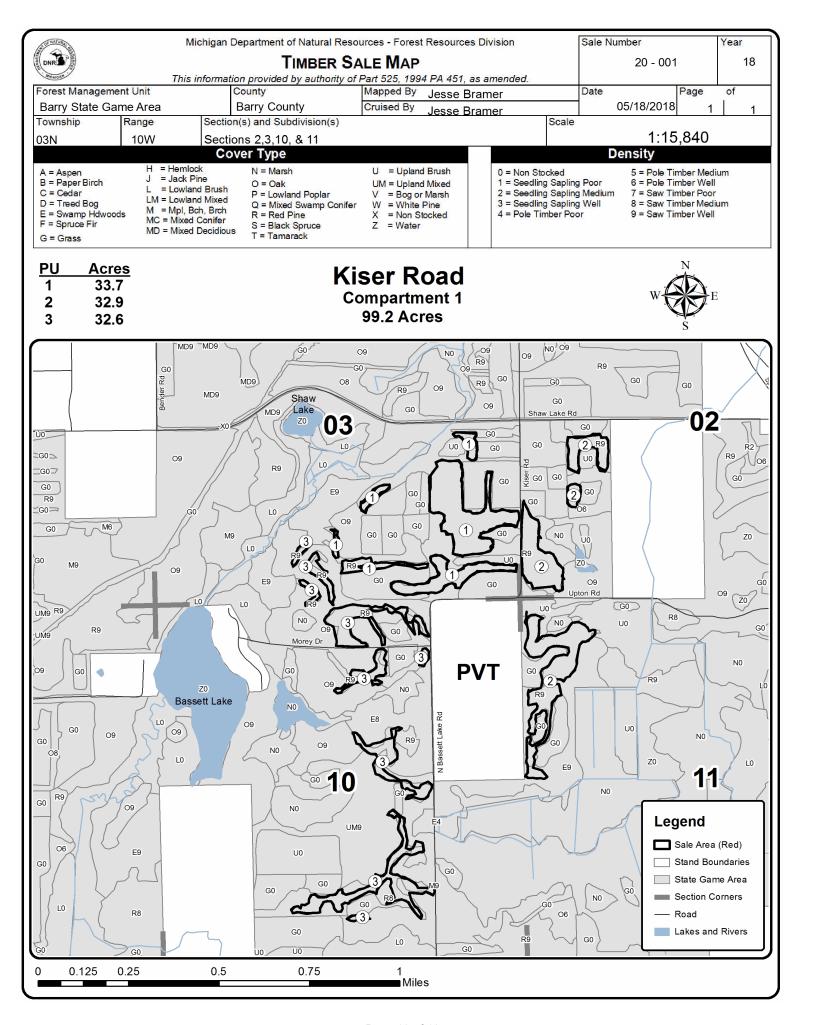
# 7 - Other Conditions

#### 7.10 - Certified Timber

# 7.10.1 - Non-certified timber (2/16)

The area encompassed by this timber sale is not certified to the standards of the Forest Stewardship Council (FSC) or the Sustainable Forestry Initiative (SFI). Forest products from this sale may not be delivered to the mill as "FSC and / or SFI certified". The lands within this sale are managed as a State Game Area.

Section Name: Sale Specific Current as of 7/24/2018 8:44:43AM



# **BID FORM**

**BARRY SGA-WILD** PLAINWELL OFFICE

#### Kiser Road (20-001-18)

T03N, R10W, SEC. 10; T03N, R10W, SEC. 11; T03N, R10W, SEC. 2; T03N, R10W,

In response to the notice of sale to be held 11:00 a.m. (local time) on September 25, 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	ESTIMATED '	ESTIMATED VOLUME*		ADVERTISED PRICE		<b>BID PRICE/UNIT</b>	
Sawtimber							
Red Pine	199.30	MBF	\$	101.00/MBF	\$		
Pulpwood							
Jack Pine	269.00	Cords	\$	14.45/Cord	\$		
Red Maple	10.00	Cords	\$	16.40/Cord	\$		
Red Pine	2,514.00	Cords	\$	35.90/Cord	\$		

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 SOCI	AL SECURITY NUMBE	R:		_	
	Company or individ	dual bidding:						
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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

<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.



#### 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 <u>one</u> of the boxes below):</li> <li>A.   Sole Proprietorship (individual)</li> <li>B.   Partnership</li> <li>C.   Corporation</li> </ul>					
	<ul> <li>You must check one of the boxes below:</li> <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> <li>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").</li> </ul>					
Nam	lame of Business	ederal ID (or) Social Security No.				
Add	Address Te	elephone )				
City	City State ZI	P				
in fa	hereby certify that the above information is true and correct. I am factors affecting my coverage during any of my present and fut.  Signature of Owner or Authorized Representative					
	THE	Dale				

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

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