

# DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN TIMBER SALE PROSPECTUS #7449

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on May 16, 2024.

LOCATION: NEWBERRY MGMT UNIT, PO BOX 428, 5666 S STATE HWY M 123, NEWBERRY, MI 49868.

PROSPECTUS NOTE: The Timber Sale on this prospectus has been reduced due to "no bid" on previous prospectus.

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

Halifax Hellscape RP Salvage (42-007-24) / T48N, R08W, SEC. 16, NENE. Luce County, Advertised Price \$1,366.95, 5.9 Acres, Red Pine.

SALE NOTE: Note that this is a salvage sale. Most of the trees marked are lying down or are residual trees that were damaged or broken off during a wind event. Harvest as quickly as possible to avoid deterioration.

No new roads will be permitted. All operations are limited to existing roads. Skid trails only will be allowed.

The ditch along highway M-123 will need to be crossed to access the sale area. See Sale Spec 5.2.17 for details.

There will be no extensions granted on this contract. The purpose of this sale is to remove trees that have blown down before an insect infestation occurs.

#### BID INSTRUCTIONS (VER. 10/10/2022):

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

Bids must be received by the Unit Manager, NEWBERRY OFFICE, PO Box 428 5666 S STATE HWY M 123, NEWBERRY, MI 49868, no later than 3:00 p.m. (local time) on May 16, 2024. For further information concerning this sale, contact Keith Magnusson at 906-291-0120 extension n/a.

#### 2. Bidder's Qualifications (10/22)

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. A person must be 18 years of age or older to purchase timber. Permanent employees of the Department of Natural Resources or members of their immediate household may not bid. Former employees, in the permanent or seasonal class, may not bid until 3 months after the last day of active duty. 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. Worker's Compensation (10/22)

Purchaser shall obtain worker's 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. Verification of Worker's Disability Compensation Act Compliance must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract. In addition, if applicable, Notice of Exclusion or Certificate of Insurance must also be submitted.

#### 10. Timber Sale Contract (10/22)

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).

#### 11. Disclaimer of Estimates and Bidder's Warranty of Inspection (10/22)

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.

# 12. Certification and Chain-of-Custody (10/22)

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.

# 13. Good Neighbor Authority (GNA) Requirements (10/22)

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).

- 14. Good Neighbor Authority (GNA) Requirements, con't (10/22) 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.

Scott Bowen Director

#### TIMBER SALE INFORMATION

Halifax Hellscape RP Salvage (42-007-24)
T48N, R08W, SEC. 16.
Luce County (Advertised Price \$1,366.95)

SALE NOTE: Note that this is a salvage sale. Most of the trees marked are lying down or are residual trees that were damaged or broken off during a wind event. Harvest as quickly as possible to avoid deterioration.

No new roads will be permitted. All operations are limited to existing roads. Skid trails only will be allowed.

The ditch along highway M-123 will need to be crossed to access the sale area. See Sale Spec 5.2.17 for details.

There will be no extensions granted on this contract. The purpose of this sale is to remove trees that have blown down before an insect infestation occurs.

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. All units of volume listed below were estimated using the Inventory Manager computer program and the new Michigan taper model. Bids must be at or above the following advertised price for each product and species:

PRODUCTS & SPECIES ESTIMATED UNITS\* ADVERTISED PRICE
Pulpwood

Red Pine 39 Cords \$ 35.05 / Cord

\* 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 \$68.00 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:

PAYMENT UNIT NUMBER

PERCENT OF TOTAL SALE VALUE

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 12/31/2024.

#### **SALE STATISTICS**

Volumes were calculated in cubic feet using the Michigan taper model. Cubic foot volume includes all wood inside bark for the product indicated. For display purposes, cubic feet were converted to cords and MBF using a simple conversion factor, e.g. 79 cubic feet per cord and 185 cubic feet per MBF. The cubic foot volumes are precise; the cords and MBF volumes are not. Cubic foot volume cannot be directly converted to cords or boards with precision.

# **SALE VOLUMES**

The total estimated sale volume may not equal the sum of the species/products due to the nature of statistical calculations associated with double sampling methodology.

VOLUME			STATISTICAL RANGE IN CORDS	
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
3,114	39	0.00%	39	39

#### **VDU VOLUMES**

A VDU is a Volume Determination Unit. Volumes and their associated statistics are calculated at the VDU level and summarized to the sale level. There is often a one to one relationship between a VDU and a Payment Unit, but not always, depending on the cruise design. Refer to the VDU TO PAYMENT UNIT table.

	VOLUME			RANGE IN CORDS	
VDU	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
16	3,114	39	0.00%	39	39
TOTAL:	3,114	39		39	39

# **VDU TO PAYMENT UNIT**

When a VDU is associated with more than one Payment Unit (PU), the VDU volumes are assigned to the PU based on acres of the VDU within the PU.

VDU	VDU ACRES	PU	PU ACRES
16	5.9	1	5.9
TOTAL:	5.9		5.9

# **DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)**

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Pine	Pulpwood	39	Cords	5.9	\$1,366.95
		TOTAL:	39	Cords		

## Sale Specific Conditions & Requirements

Sale Name: Halifax Hellscape RP Salvage Sale Number: 42-007-24 Seq#: 2

#### 1 - Sale Area

#### 1.2 - Boundaries

#### 1.2.1 - Painted boundaries (9/19)

The sale boundary is unpainted and identified by the blowdown area shown on the Timber Sale Map. Exterior sale boundary lines against state can be identified by following the trees marked with green paint along the edge of the blowdown area. The northern boundary is unpainted and identified by M-123.

# 2 - Timber Specifications

#### 2.1 - Included Timber

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

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

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

Note that this is a salvage sale. Most of the trees marked are lying down or are residual trees that were damaged or broken off during a wind event.

#### 4 - Transportation

#### 4.1 - Construction

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

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

#### 4.1.12 - No new roads (1/12)

No new roads will be permitted. All operations are limited to existing roads. Skid trails only will be allowed.

#### 4.2 - Maintenance

#### 4.2.5 - Two wheel drive condition (2/04)

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

# 5 - Operations

#### 5.2 - Conduct of Operations

#### 5.2.1 - Slash

## 5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

#### 5.2.3 - Operating Restrictions

#### 5.2.3.6 - Bark beetle restriction (12/08)

In the event drought creates a high risk of pine bark beetle infestation, pine is not to be cut during the period March 1 through July 1, unless all portions of trees greater than two inches in diameter are removed from the sale area, reduced to chips, or treated to the satisfaction of the Unit Manager or his/her representative, within fifteen days of being severed from the stump. Pine log decks, pulpwood piles and treetops that are piled for chipping in the fall or winter within a 1/4 mile of susceptible sites must be removed before March 15. Residual slash must not be placed in piles or rows and must be spread over the site for quick drying. The Department of Natural Resources will exercise this specification if the risk of damage warrants.

#### 5.2.17 - Timber Mats and Interlocking Composite Mats (5/23)

The ditch along highway M-123 will need to crossed to access the sale area. If permitted by MDOT, crane mats may be the

best option. If available, mats may be borrowed from the DNR. A Timber Sale Contract Amendment will be used to document the Purchaser's use of the DNR's mats. Contact the sale administrator regarding availability and pick-up. All mats must be cleaned prior to drop off. This may include, but is not limited to, power washing and brushing to remove mud and debris. A charge of \$700.00 per timber mat and \$2,000.00 per composite mat will be assessed for all damaged or non-returned mats. Damage for the crane/timber mats is defined as three or more broken cants.

#### 5.2.31 - Landing locations (9/13)

It is recommended that landing areas be within the sale or along the abandoned road immediately to the west of the sale area. The ditch along M-123 will need to crossed to gain access to the sale area.

#### 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 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.

#### 6 - Safety and Fire Prevention

## 6.2 - Signing

#### 6.2.1 - Road posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on M-123 prior to beginning operations. The road must be posted approximately 350 feet 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

#### 7.2 - Extensions

### 7.2.2 - No extensions (3/09)

There will be no extensions granted on this contract. The purpose of this sale is to remove trees that have blown down before an insect infestation occurs.

#### 7.2.3 - Salvage extension (6/13)

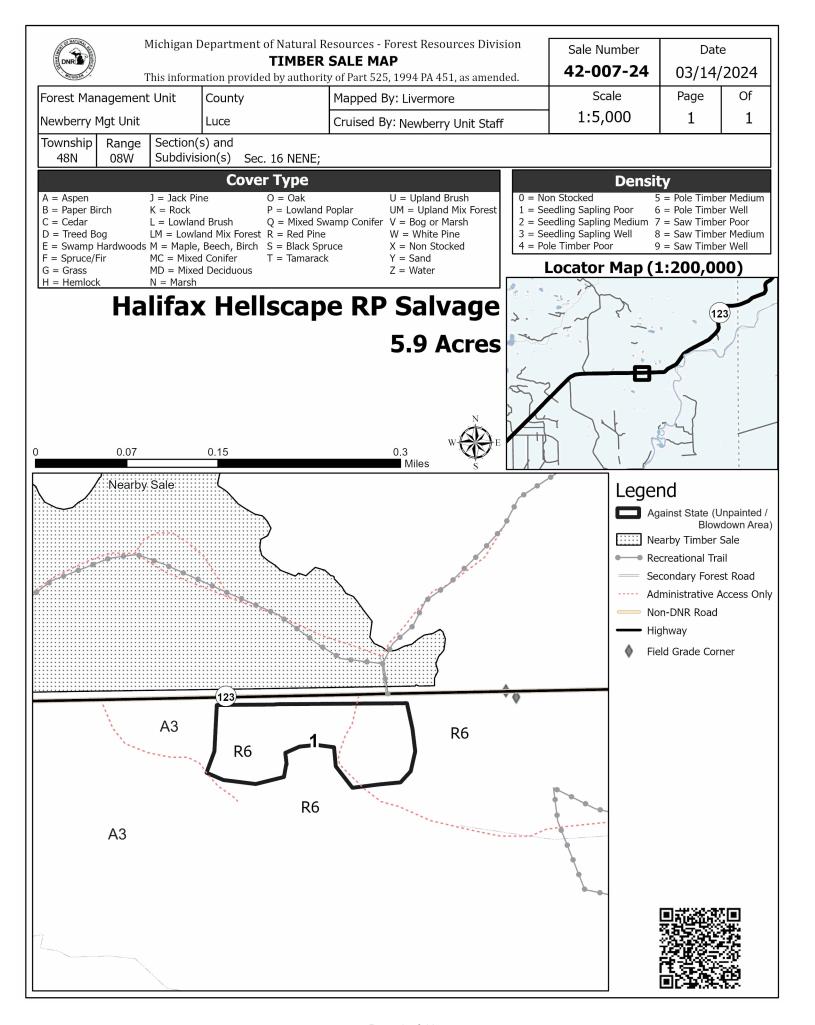
This is a salvage sale with a short contract length. The sale must be harvested promptly. One (1), twelve (12) month extension can be applied to one (1) other State Forest Timber Sale Contract owned by the purchaser or owned by one (1) designated sub-contractor of the Purchaser that works this contract. To qualify, the contract expiration date of the contract to be extended must be within twelve (12) months from the issue date of this contract. If this is the first extension on the other State Forest Timber Sale Contract, then the 5% extension fee will be waived. If this is an additional extension, the 10% fee will be reduced to 5%. The salvage extension must be used before this contract is closed-out. This specification does not alleviate the purchaser from any contractual obligations of the extended State Forest Timber Sale Contract. Per General Condition & Requirement 7.2, extensions are at the sole discretion of the DNR.

#### 7.5 - Loss

# 7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from windthrow. 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 3/25/2024 8:39:36AM



TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

# **BID FORM**

NEWBERRY MANAGEMENT UNIT NEWBERRY OFFICE

Halifax Hellscape RP Salvage (42-007-24)
T48N, R08W, SEC. 16; Luce COUNTY

RODUCTS & SPECIES	ESTIMATED V	<u>'OLUME*</u>	<u>AD</u>	VERTISED PRICE	BID PRICE/UNIT	
Ilpwood Red Pine	39 (	39 Cords		35.05/Cord	\$	
hese estimated volumes a eir own estimates of quanti	-	adjustment. P	rospective	e bidders are urged to	examine this timber and to make	
nderstand that any or all b ected. I also understand the contract based upon equ	at consideration and awar	ding a contrac	t will be b		oid or the bid form may be erformance and ability to complet	
FEDERAL ID:	0	r SOCIAL SEC	CURITY N	UMBER:		
Company or indivi	dual bidding:					
Company represe	ntative's name:					
00paj .op.000						
Address:						
	State:					
City:	State:		Zip:			
City:	State: CE THE PERSONALIZED	) LABEL FROI	Zip: M YOUR I	PROSPECTUS IN TH	E ABOVE BOX.	
City:AVAILABLE, PLEASE PLA	State:  ACE THE PERSONALIZED entative's signature:	) LABEL FROI	Zip:	PROSPECTUS IN TH		

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



Title

Signature of Owner or Authorized Representative

#### 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:				
r orest management omt.				

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 <b>must</b> A. □ Sole Proprietorship (individual)	check <u>one</u> of th	e boxes belov	v):				
	B. Partnership							
	C. Corporation							
2.	You <b>must</b> check <u>one</u> of the boxes below	v:						
	A. \(\square\) I certify my business is a sole propriet Worker's Compensation Laws.	orship and it has ı	s no employees but the sole proprietor. I am not subject to the					
	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).							
	C.  I certify my business has a Worker's Conne (21) days of the contract award.	Compensation Pol	icy. I will provic	le an original Certificate o	of Insurance within twenty-			
3.	If you have checked item 2(A) or 2(B), than yourself, including family members				d part-time employees, o	ther		
	Full-time En	nployees			Part-time Employees			
Name of Business		Federal ID (or) Social Security No.						
Address		Telephone ( )						
City	,	State	ZIP					
	ereby certify that the above information is factors affecting my coverage during any c				R of any changes that occ	ur		

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

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

Date