

## DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

#### TIMBER SALE PROSPECTUS

Notice is hereby given that bids will be received by the Unit Manager, GAYLORD MANAGEMENT UNIT, for certain timber on the following described lands:

WARREN ROAD RED PINE / T33N, R03W, SEC. 06, N1/2 SE1/4.
CHEBOYGAN COUNTY (Appr. \$16,039.80)

COMP 145 HARDWOOD / T33N, R03W, SEC. 06, NE1/4, E1/2NW, NWSE. CHEBOYGAN COUNTY (Appr. \$68,674.55)

COMP 148 HARDWOOD / T33N, R03W, SEC. 05, N1/2SW.
T33N, R03W, SEC. 06, E1/2NE, NESE.
CHEBOYGAN COUNTY (Appr. \$13,354.40)

SALE DATE AND TIME: 3:00 p.m. on January 06, 2009.

INDIAN RIVER

#### BID INSTRUCTIONS (Ver. 06/23/2008):

- 1. <u>Bid Location</u>, Date, and Time: Bids must be received by the Unit Manager, Gaylord Management Unit, Indian River Field Office, PO Box 10, 6984 Wilson, Indian River, MI 49749, no later than 3:00 p.m. on January 6, 2009. For further information concerning this sale, contact the Unit Manager at 231-238-9314.
- 2. Bidder's Qualifications: 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, that 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/FMFM 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. <u>Preparation of Sealed Bids:</u> Bids shall be manually signed in ink; 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 forms, each erasure or change must be initialed by the person signing the bid.
- 4. Submission of Sealed Bids: Bid forms may be obtained from the Unit Manager. All 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) that it is a "Bid for Timber," and (b) the sale name or number, and (c) 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.
- 5. <u>Public Opening of Sealed Bids:</u> If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.
- 6. Award of Contract: 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. <u>Down Payment:</u> 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. <u>Performance Security:</u> 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: Additional conditions and requirements common to all timber sales are listed on the timber sale contract (R4031) and are available on line at <a href="https://www.michigan.gov/dnr">www.michigan.gov/dnr</a>. Contact the Unit Manager for additional information or a sample contract. Within 21 days of the date of the award letter, the bidder must sign the contract and provide the required down payment, performance security, and verification of worker's disability compensation. The down payment and performance security shall be in accordance with the provisions of the timber sale contract, in the sums stated in this prospectus. If these actions are not taken, then the Bidder, the Bidder's corporation, and the corporation's principals may not be permitted to bid on State timber sales for a period of 1 year. In addition, the Bidder certifies that if awarded this contract, the Bidder will complete the timber sale contract in accordance with its terms and any modifications thereof including requirements to purchase, cut, and remove the included timber by the termination date.

10. Disclaimer of Estimates and Bidder's Warranty of Inspection: 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: 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-090N and the Sustainable Forestry Initiative (SFI) - Certificate # NSF-SFIS-5Y031-S1. Forest products from this sale may be delivered to the mill as "FSC 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.

REBECCA A. HUMPHRIES Director

#### WARREN ROAD RED PINE (111-08-01)

A timber sale contract for this <u>LUMP SUM SEALED</u> timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE
PULPWOOD		
RED PINE	399.00 CORDS	\$ 40.20/CORD

\*The volumes are statistically estimated within plus (+) or minus (-) 9.87 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.

#### BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$802.00 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 may 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.
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on September 30, 2010.



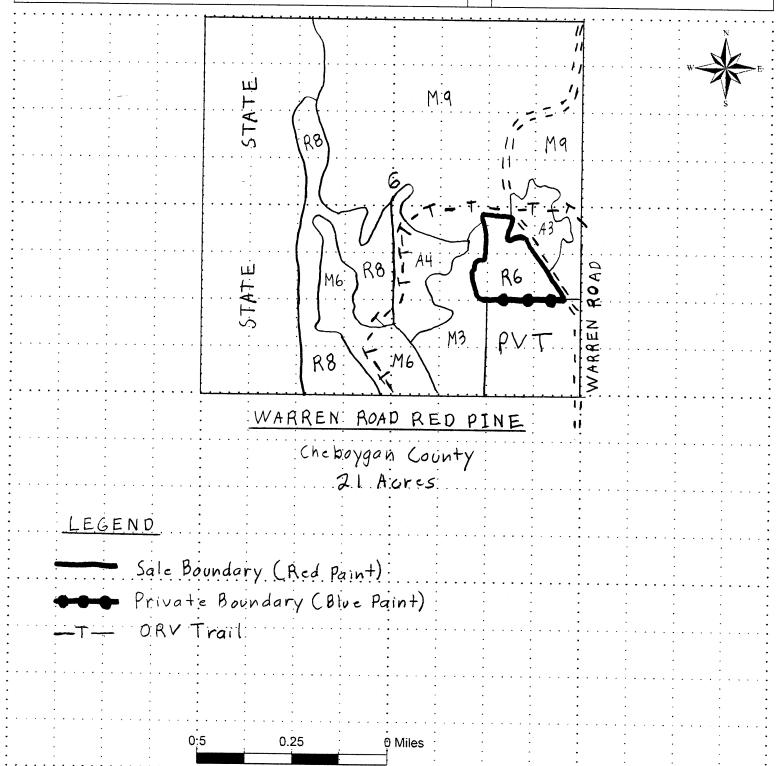
## Michigan Department of Natural Resources - Forest, Mineral & Fire Management TIMBER SALE MAP

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

Sale Number 52 -111-08-01

Year OB

Forest Management Unit County Mapped By Scheele Date Page of GFMU-Indian River Cheboygan 5/14/08 Cruised By Scheele Township Range Section(s) and Subdivision(s) N1/2 SE1/4 33 N 3 W Section **Cover Type** Density G = Grass A = Aspen O = Oak U = Upland Brush 0 = Non Stocked 5 = Pole Timber Medium B = Paper Birch H = Hemlock P = Lowland Poplar V = Bog or Marsh 1 = Seedling Sapling Poor 6 = Pole Timber Well C = Cedar J = Jack Pine W = White Pine Q = Mixed Swamp Cnfr 2 = Seedling Sapling Medium 7 = Saw Timber Poor D = Treed Bog L = Lowland Brush R = Red Pine X = Non Stocked 3 = Seedling Sapling Well 8 = Saw Timber Medium E = Swamp Hdwoods M = Mpl, Bch, Brch S = Black Spruce Z = Water 4 = Pole Timber Poor 9 = Saw Timber Well F = Spruce Fir N = Marsh T = Tamarack



#### Sale Specific Conditions & Requirements

Sale Name: Warren Road Red Pine Sale Number: 52-111-08-01

#### 1 - Sale Area

#### 1.2 - Boundaries

#### 1.2.1 - Painted boundaries (6/05)

The sale boundary is 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.

#### 2 - Timber Specifications

#### 2.1 - Included Timber

#### 2.1.8 - Designated plantation row unit(s) (3/07)

Within Payment Unit(s) 1, all RED PINE trees which meet minimum piece specifications in 2.2 Utilization, within designated plantation rows are designated for cutting. Plantation rows designated for cutting are every third row. Begin with the third row in from the outside of the plantation.

#### 3 - Payments

#### 3.3 - Pre-measured Sales

#### 3.3.4 - Dividing payment units (7/05)

Payment unit(s) 1 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.

#### 4 - Transportation

#### 4.1 - Construction

#### 4.1.6 - Road construction (6/07)

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. 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 (4/07)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth.

Sale Name: Warren Road Red Pine Sale Number: 52-111-08-01

#### 5 - Operations

#### 5.1 - Notification

#### 5.1.1 - Pre-sale conference (2/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning to determine landing and road locations. The Unit Manager or their representative must be contacted at least 3 days in advance to schedule the conference.

#### 5.2 - Conduct of Operations

#### 5.2.1 - Slash

#### 5.2.1.1 - Slash within sale area (2/04)

No trees are to be felled outside the sale area and all slash is to be kept at least 10 feet back from the blue paint line.

#### 5.2.1.7 - Slash must be scattered (2/04)

Unless otherwise directed, slash and logging debris shall be uniformly scattered over the sale area and not left in piles or windrows. Slash shall not be allowed to accumulate at the landings. All slash work shall be done concurrently with harvesting.

#### 5.2.2 - Snags

#### 5.2.2.1 - Den trees (2/04)

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

#### 5.2.15 - Bark beetle restriction (2/04)

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 their representative, within fifteen days of being severed from the stump. Pine logs, pulpwood piles and treetop piles for chipping that are decked 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 option if the risk of damage warrants.

#### 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

Section Name: Sale Specific Page 2 of 3 Current as of 11/13/2008 2:56:42PM

#### Sale Name: Warren Road Red Pine Sale Number: 52-111-08-01

#### 5.4.1 - Rutting restriction, general (5/08)

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. In addition, operations are to cease immediately if equipment and weather conditions result in rutting on skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or their representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or their representative's approval, the Purchaser may return to the area when the weather conditions have changed and/or the risk of rutting has decreased.

#### 5.8 - Protection of Habitat of Endangered Species

#### 5.8.5 - Protection of raptor nests (9/05)

All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager and 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 (5/05)

The purchaser is responsible for posting and maintaining caution signs on Warren Road prior to beginning operations. The road must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed.

Section Name: Sale Specific

#### COMP 145 HARDWOOD (122-08-01)

A timber sale contract for this <u>LUMP SUM SEALED</u> timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

SPECIES SAWLOGS	ESTIMATED VOLUME*	APPRAISED PRICE
SUG. MAPLE	94.00 MBF	\$ 323.00/MBF
BASSWOOD	213.00 MBF	\$ 56.00/MBF
PULPWOOD		\$ 30.007 MDI
MIX HARDWD	1119.00 CORDS	\$ 10.10/CORD

In addition, the successful bidder agrees to purchase the following species at the indicated appraised price:

SPECIES	ESTIMATED '	VOLUME*	AP	PRAISED PRICE
SAWLOGS			¥	
RED MAPLE	63.00	MBF	\$	68.00/MBF
WHITE ASH	42.00	MBF	\$	57.00/MBF
BEECH	15.00	MBF	\$	53.00/MBF
B.T. ASPEN	9.00	MBF	\$	84.00/MBF
BLK CHERRY	1.00	MBF	\$	125.00/MBF
MIX HARDWD	5.00	MBF	\$	88.00/MBF
PULPWOOD				
BASSWOOD	671.00	CORDS	\$	6.10/CORD
B.T. ASPEN	119.00	CORDS	\$	18.45/CORD

<sup>\*</sup>The volumes are statistically estimated within plus (+) or minus (-) 19.99 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.

#### BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$3,500.00 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 may 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
  - (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	
	1				33%			
	2				20%			
	3				29%			
	4				18%			

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on December 31, 2011.



FOREST MANAGEMENT UNIT

Gaylord Management Unit

#### Michigan Department of Natural Resources - Forest, Mineral & Fire Management TIMBER SALE MAP

This information is provided by authority of Part 525 of Act 451, PA 1994, as amended. MAPPED BY Harig

CRUISED BY Contractor

SALE NUMBER	YEAR
52 - 122	08
DATE	PAGE OF
9/5/2008	1   1

TOWNSHIP RANGE SECTION(S) AND SUBDIVISION(S) 33N 03W 6: NE1/4, E1/2NW, NWSE

**SCALE** 1:15,840

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	100		1012

Cheboygan

COUNTY

A = Aspen H = Hemlock B = Paper Birch J = Jack Pine C = Cedar L = Lowland Brush

E = Swamp Hdwoods M = Mpl, Bch, Brch F = Spruce Fir N = Marsh G = Grass O = Oak

P = Lowland Poplar Q = Mixed Swamp Cnfr R = Red Pine

S = Black Spruce

U = Upland Brush

T = Tamarack

V = Bog or Marsh W = White Pine X = Non Stocked Z = Water

Density

0 = Non Stocked 1 = Seedling Sapling Poor 2 = Seedling Sapling Medium

3 = Seedling Sapling Well 4 = Pole Timber Poor

5 = Pole Timber Medium 6 = Pole Timber Well

7 = Saw Timber Poor 8 = Saw Timber Medium

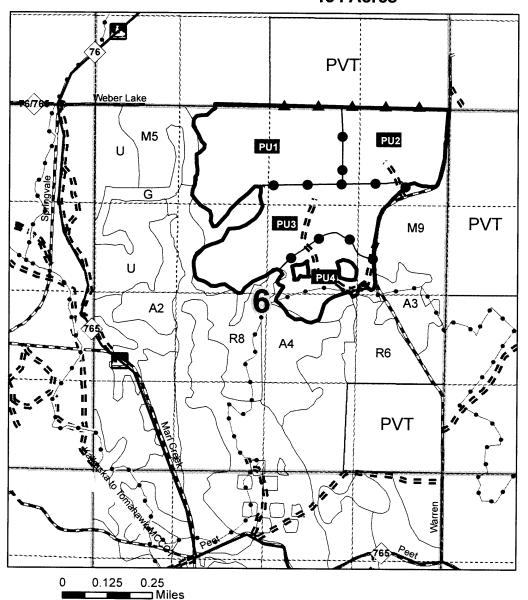
9 = Saw Timber Well

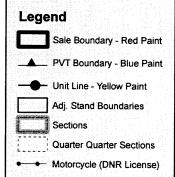
## Comp 145 Hardwood

**PU# ACRES** 63 2 40 3 57 24

**Cheboygan County Compartment 145** 184 Acres







Locator Map

1:100,000

Peet 20

#### Sale Specific Conditions & Requirements

Sale Name: Comp 145 Hardwood Sale Number: 52-122-08-01

#### 1 - Sale Area

#### 1.2 - Boundaries

#### 1.2.1 - Painted boundaries (6/05)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and yellow 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 yellow paint. Do not cut painted boundary line trees unless also marked with orange paint. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

#### 2 - Timber Specifications

#### 2.1 - Included Timber

#### 2.1.1 - Clearcut unit(s) with unmerchantable trees (2/04)

Within Payment Unit(s) 4, cut all trees that are two (2) inches or more in diameter measured at a point of four and one-half (4-1/2) feet above ground level regardless of merchantability except OAK.

#### 2.1.3 - Cut tree marked unit(s) (8/04)

Within Payment Unit(s) 1,2 and 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

#### 2.2 - Utilization

#### 2.2.6 - Roundwood operation required (5/07)

The skidding of whole trees or tree segments with limbs attached is prohibited within Payment Units 1,2 and 3. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

#### 3 - Payments

#### 3.3 - Pre-measured Sales

#### 3.3.4 - Dividing payment units (7/05)

Payment unit(s) 1,2,3 and 4 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.

#### 3.4 - Damaged Timber

#### Sale Name: Comp 145 Hardwood Sale Number: 52-122-08-01

#### 3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

No damage is acceptable to merchantable trees. Within the sale area, if more than 5% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

#### 4 - Transportation

#### 4.1 - Construction

#### 4.1.6 - Road construction (6/07)

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. 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 (4/07)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth.

#### 4.2 - Maintenance

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

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

#### 5 - Operations

#### 5.1 - Notification

#### 5.1.1 - Pre-sale conference (2/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations The Unit Manager or their representative must be contacted at least 3 days in advance to schedule the conference.

#### 5.2 - Conduct of Operations

#### 5.2.1 - Slash

5.2.1.7 - Slash must be scattered (2/04)

Unless otherwise directed, slash and logging debris shall be uniformly scattered over the sale area and not left in

#### Sale Name: Comp 145 Hardwood Sale Number: 52-122-08-01

piles or windrows. Slash shall not be allowed to accumulate at the landings. All slash work shall be done concurrently with harvesting.

#### 5.2.2 - Snags

#### 5.2.2.1 - Den trees (2/04)

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

#### 5.2.12 - Bark slippage restriction (3/07)

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.

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

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

#### 5.2.39 - ORV trail protection (9/07)

The ORV trail is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers. Maintain a 20 foot wide slash, debris, and rut free zone daily using the ORV trail as the centerline. Do not run equipment down the ORV trail. Skidding across the trail may only occur in locations approved by the sale administrator.

#### 5.4 - Soil Protection

#### 5.4.1 - Rutting restriction, general (5/08)

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. In addition, operations are to cease immediately if equipment and weather conditions result in rutting on skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or their representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or their representative's approval, the Purchaser may return to the area when the weather conditions have changed and/or the risk of rutting has decreased.

#### 5.8 - Protection of Habitat of Endangered Species

#### 5.8.5 - Protection of raptor nests (9/05)

All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager and Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

#### 6 - Safety and Fire Prevention

#### 6.2 - Signing

#### 6.2.3 - Recreational trail posting (7/04)

The purchaser is responsible for posting and maintaining caution signs on the ORV trail prior to beginning operations. The trail must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic at both ends of the trail. The purchaser must maintain the signs for the duration of the sale.

Section Name: Sale Specific Page 3 of 3 Current as of 9/9/2008 12:48:19PM

#### COMP 148 HARDWOOD (123-08-01)

A timber sale contract for this <u>LUMP SUM SEALED</u> timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE
SAWLOGS		
SUG. MAPLE	12.00 MBF	\$ 310.00/MBF
BASSWOOD	71.00 MBF	\$ 51.00/MBF
PULPWOOD		
MIX HARDWD	341.00 CORDS	\$ 9.20/CORD

In addition, the successful bidder agrees to purchase the following species at the indicated appraised price:

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE
SAWLOGS		
RED MAPLE	5.00 MBF	\$ 64.00/MBF
WHITE ASH	5.00 MBF	\$ 45.00/MBF
BEECH	8.00 MBF	\$ 42.00/MBF
B.T. ASPEN	7.00 MBF	\$ 69.00/MBF
PULPWOOD		
BASSWOOD	164.00 CORDS	\$ 5.55/CORD
B.T. ASPEN	35.00 CORDS	\$ 17.20/CORD

<sup>\*</sup>The volumes are statistically estimated within plus (+) or minus (-) 30.12 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.

#### BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$750.00 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 may 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

1 53%
2 47%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on December 30, 2010.

### Michigan Department of Natural Resources - Forest, Mineral & Fire Management

TIMBER SALE MAP

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

SALE NUMBER YEAR 52 - 123 08

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FOREST MANAGEMEN	TUNIT	COUNTY	MAPPED BY Hario	567		
Gaylord Manag	omont I luit	Chahairean		DATE	PAGE	OF
Gaylord Manag	ement Onit	Cheboygan	CRUISED BY Contractor	9/8/2008	1	1 1
TOWNSHIP	RANGE	SECTIONICS AND CHIEDRICION		3/3/2000	<u> </u>	·
	I PANTAGE	SECTION(S) AND SUBDIVISION	(5)			

33N 03W 5: N1/2SW 6: E1/2NE, NESE **SCALE** 1:15,840

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

#### Density

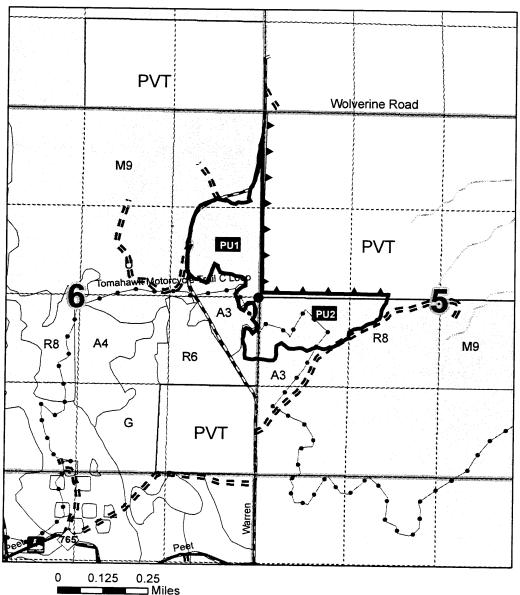
- 0 = Non Stocked
- 1 = Seedling Sapling Poor
- 2 = Seedling Sapling Medium
- 3 = Seedling Sapling Well
- 4 = Pole Timber Poor
- 5 = Pole Timber Medium
  - 6 = Pole Timber Well
  - 7 = Saw Timber Poor
  - δ = Saw Timber Medium 9 = Saw Timber Well

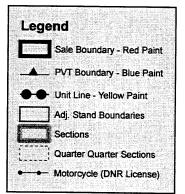
#### **PU# ACRES** 34 30

## Comp 148 Hardwood **Cheboygan County**

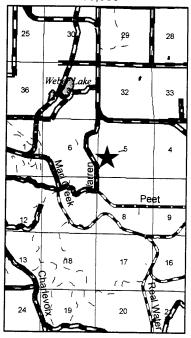
Compartment 145/148 64 Acres







Locator Map 1:100,000



#### Sale Specific Conditions & Requirements

Sale Name: Comp 148 Hardwood Sale Number: 52-123-08-01

#### 1 - Sale Area

#### 1.2 - Boundaries

#### 1.2.1 - Painted boundaries (6/05)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and yellow 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 yellow paint. Do not cut painted boundary line trees unless also marked with orange paint. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

#### 2 - Timber Specifications

#### 2.1 - Included Timber

#### 2.1.3 - Cut tree marked unit(s) (8/04)

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

#### 2.2.6 - Roundwood operation required (5/07)

The skidding of whole trees or tree segments with limbs attached is prohibited. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

#### 3 - Payments

#### 3.3 - Pre-measured Sales

#### 3.3.4 - Dividing payment units (7/05)

Payment unit(s) 1 and 2 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.

#### 3.4 - Damaged Timber

#### Sale Name: Comp 148 Hardwood Sale Number: 52-123-08-01

#### 3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

No damage is acceptable to merchantable trees. Within the sale area, if more than 5% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

#### 4 - Transportation

#### 4.1 - Construction

#### 4.1.6 - Road construction (6/07)

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. 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 (4/07)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth.

#### 4.2 - Maintenance

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

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

#### 5 - Operations

#### 5.1 - Notification

#### 5.1.1 - Pre-sale conference (2/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations. The Unit Manager or their representative must be contacted at least 3 days in advance to schedule the conference.

#### 5.2 - Conduct of Operations

#### 5.2.1 - Slash

#### 5.2.1.7 - Slash must be scattered (2/04)

Unless otherwise directed, slash and logging debris shall be uniformly scattered over the sale area and not left in

#### Sale Name: Comp 148 Hardwood Sale Number: 52-123-08-01

piles or windrows. Slash shall not be allowed to accumulate at the landings. All slash work shall be done concurrently with harvesting.

#### 5.2.2 - Snags

#### 5.2.2.1 - Den trees (2/04)

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

#### 5.2.12 - Bark slippage restriction (3/07)

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.

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

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

#### 5.2.39 - ORV trail protection (9/07)

The ORV trail is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers. Maintain a 20 foot wide slash, debris, and rut free zone daily using the ORV trail as the centerline. Do not run equipment down the ORV trail. Skidding across the trail may only occur in locations approved by the sale administrator.

#### 5.4 - Soil Protection

#### 5.4.1 - Rutting restriction, general (5/08)

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. In addition, operations are to cease immediately if equipment and weather conditions result in rutting on skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or their representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or their representative's approval, the Purchaser may return to the area when the weather conditions have changed and/or the risk of rutting has decreased.

#### 5.8 - Protection of Habitat of Endangered Species

#### 5.8.5 - Protection of raptor nests (9/05)

All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager and Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

#### 6 - Safety and Fire Prevention

#### 6.2 - Signing

#### 6.2.3 - Recreational trail posting (7/04)

The purchaser is responsible for posting and maintaining caution signs on the ORV trail prior to beginning operations. The trail must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic at both ends of the trail. The purchaser must maintain the signs for the duration of the sale.

## GAYLORD MANAGEMENT UNIT INDIAN RIVER OFFICE

# WARREN ROAD RED PINE (111-08-01) T33N, R03W, SEC. 06, N1/2 SE1/4. CHEBOYGAN COUNTY

In response to the notice of sale to be held 3:00 p.m. on January 06, 2009, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

SPECIES	APPRAISED PRIC	E BID PRICE	ESTIMATED VOLUME* = VALUE
PULPWOOD			
RED PINE	\$ 40.20/CORD	\$x	399.00 CORDS = \$
			TOTAL BID VALUE \$
estimated volumes	are final and not sul	oject to adjustment	) or minus (-) 9.87%. These t. Prospective bidders are urged f quantity and quality.
will be the basis of must be bid or the awarding a contract	to determine total bid bid form may be rejec	d value. All bids cted. I also under my past performanc	at the individual unit bid price must be signed and all bid items stand that consideration and e and ability to complete the control.
(bidder's	s printed name)	(bidder's s	ignature)
Address/Telephor	ne		
			· · · · · · · · · · · · · · · · · · ·

THE WINNING BIDDER MUST COMPLETE THE FORM ON THE REVERSE SIDE WITHIN 21 DAYS OF SALE AWARD



#### Michigan Department of Natural Resources Forest, Mineral and Fire Management

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

As required by Act 317 P.A. 1969 (Worker's Compensation) and Part 525

FOR DEPARTMENT USE ONLY						
Sale or Permit No						
Year:	Туре:					
Forest Area:						

	of Act 451 of 1994, as amended.						
	VERIFICATION OF WORKER'S DISABI						
•	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 E days of the contract award and prior to the issuance of the	xclusion or Cer timber sale con	tificate of Insurance must be submitted within 21 tract.				
•	All Information must be typed or printed except for written	signatures.					
Ple	ase Check Appropriate Categories:						
1.	My business is organized as (you must check one of the boxes  A. Sole Proprietorship (individual)  B. Partnership  C. Corporation	below):					
2.	You <b>must</b> check <u>one</u> of the boxes below:  A.   I certify that my business is a sole proprietorship and i Worker's Compensation Laws.	t has no employ	ees but the sole proprietor. I am not subject to the				
	<ul> <li>B.  I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).</li> <li>C.  I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.</li> </ul>						
3.	If you have checked item 2(A) or 2(B), you must indicate the including family members and active partners (if none, you must	e number of both enter "0").	h full and part time employees other than yourself				
	Full Time Employees		Part Time Employees				
Nam	e of Business	Federal ID (or) So	ocial Security No.				
			•				
Addr	ess	Telephone No.					
City	State	43	Zip + 4				
COVE	reby certify that the above information is true and correct. I agree erage during any of my present and future operations.  ignature of Owner or Authorized Representative	to notify the DN	R of any changes that occur in factors affecting my				
Ti	tle	Date					

## GAYLORD MANAGEMENT UNIT INDIAN RIVER OFFICE

## T33N, R03W, SEC. 06, NE1/4, E1/2NW, NWSE. CHEBOYGAN COUNTY

In response to the notice of sale to be held 3:00 p.m. on January 06, 2009, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

SPECIES SAWLOGS	APPRAISED PRICE	BID PRICE	ESTIMATED VOLUME* = VALUE
SUG. MAPLE	\$ 323.00/MBF	\$x	94.00 MBF = \$
BASSWOOD PULPWOOD	\$ 56.00/MBF	\$X	213.00 MBF = \$
MIX HARDWD	\$ 10.10/CORD	\$x	1119.00 CORDS = \$
			SUBTOTAL 1 \$

In addition, the successful bidder agrees to purchase the following species at the appraised price:

SPECIES	APPRAISED PRICE	ESTIMATED VOLUME*	VALUE
SAWLOGS			
RED MAPLE	\$ 68.00/MBF	63.00 MBF	= \$ 4,284.00
WHITE ASH	\$ 57.00/MBF	42.00 MBF	= \$ 2,394.00
BEECH	\$ 53.00/MBF	15.00 MBF	= \$ 795.00
B.T. ASPEN	\$ 84.00/MBF	9.00 MBF	= \$ 756.00
BLK CHERRY	\$ 125.00/MBF	1.00 MBF	= \$ 125.00
MIX HARDWD	\$ 88.00/MBF	5.00 MBF	= \$ 440.00
PULPWOOD			
BASSWOOD	\$ 6.10/CORD	671.00 CORDS	= \$ 4,093.10
B.T. ASPEN	\$ 18.45/CORD	119.00 CORDS	= \$ 2,195.55
		SUBTOTAL 2	\$ 15,082.65
	SUBTOTAL 1 + SUBTO	OTAL 2 = TOTAL BID	VALUE \$

<sup>\*</sup>These volumes are statistically estimated within plus (+) or minus (-) 19.99%. 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, and that the individual unit bid price will be the basis to determine total bid value. 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 manpower subject to my control.

(bidder's printed name)			(bi	idde	er's	sig	natu	re)	<del></del>		
Address/Telepho	ne										
THE	WINNING	BIDDER	MUST	COMPLE	re T	HE	FORM	ON	THE	REVERSE	SIDE
				21 DAYS							



## Michigan Department of Natural Resources Forest, Mineral and Fire Management

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

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525

FOR DEPARTMENT USE ONLY					
Sale or Permit No					
Year:	Туре:				
Forest Area:					

	of Act 451 of 1994, as amended.	Trait 525	rulest Alea.				
	VERIFICATION OF WORKER'S DISAE	BILITY COMPENS	ATION ACT COMPLIANCE				
•	This verification must be completed and submitted within sale contract.	21 days of contr	act award and prior to the issuance of the timber				
•	In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 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	ease Check Appropriate Categories:						
1.	My business is organized as (you must check one of the boxe	s below):					
	A. Sole Proprietorship (individual)						
	B. Partnership						
	C. Corporation						
2.	You must check one of the boxes below:						
	A.  I certify that my business is a sole proprietorship and Worker's Compensation Laws.	it has no employ	ees but the sole proprietor. I am not subject to the				
B.  I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approve Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contra award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).							
	C.    I certify that my business has a Worker's Compensati days of the contract award.						
3.	If you have checked item 2(A) or 2(B), you <b>must</b> indicate th including family members and active partners (if none, you must	ne number of <b>bot</b> l st enter "0").	n full and part time employees other than yourself				
	Full Time Employees		Part Time Employees				
Jam	ne of Business	Test VIB ( ) 0					
Vali	ie di Dusilless	rederal ID (or) So	ocial Security No.				
Addı	ress	Telephone No.					
City	State		Zip + 4				
:OV6	reby certify that the above information is true and correct. I agreerage during any of my present and future operations.	ee to notify the DN	R of any changes that occur in factors affecting my				
<del>_</del>	itle	 Date					
·		Date					

## GAYLORD MANAGEMENT UNIT INDIAN RIVER OFFICE

# COMP 148 HARDWOOD (123-08-01) T33N, R03W, SEC. 05, N1/2SW. T33N, R03W, SEC. 06, E1/2NE, NESE. CHEBOYGAN COUNTY

In response to the notice of sale to be held 3:00 p.m. on January 06, 2009, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

Δ,	PPRATERN DRICE	BID	DDTCE	EGETWANED WOLLD	·
<u> </u>	TIGHTOED PRICE	PID	FRICE	ESTIMATED VOLUM	E* = VALUE
\$	310.00/MBF	\$	х	12.00 MBF	<b>=</b> \$
\$	51.00/MBF	\$	х	71.00 MBF	= \$
\$	9.20/CORD	\$	x	341.00 CORDS	= \$
				SUBTOTAL 1 \$	
	\$ \$	APPRAISED PRICE \$ 310.00/MBF \$ 51.00/MBF	\$ 310.00/MBF \$ 51.00/MBF \$	APPRAISED PRICE         BID PRICE           \$ 310.00/MBF         \$	APPRAISED PRICE         BID PRICE         ESTIMATED VOLUM           \$ 310.00/MBF         \$

In addition, the successful bidder agrees to purchase the following species at the appraised price:

SPECIES SAWLOGS	APPRAISED PRICE	ESTIMATED VOLUME*	VALUE
RED MAPLE	\$ 64.00/MBF	5.00 MBF	= \$ 320.00
WHITE ASH	\$ 45.00/MBF	5.00 MBF	= \$ 225.00
BEECH	\$ 42.00/MBF	8.00 MBF	= \$ 336.00
B.T. ASPEN	\$ 69.00/MBF	7.00 MBF	= \$ 483.00
PULPWOOD			,
BASSWOOD	\$ 5.55/CORD	164.00 CORDS	= \$ 910.20
B.T. ASPEN	\$ 17.20/CORD	35.00 CORDS	= \$ 602.00
		SUBTOTAL 2	\$ 2,876.20
	SUBTOTAL 1 + SUBTO	TAL 2 = TOTAL BID	VALUE \$

<sup>\*</sup>These volumes are statistically estimated within plus (+) or minus (-) 30.12%. 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, and that the individual unit bid price will be the basis to determine total bid value. 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 manpower subject to my control.

(bidder's printed	i name)	(	bidd	er's	sig	natu	re)	
Address/Telephone								
THE WINNING	BIDDER MUST	COMPLETE	THE	FORM	ON	THE	REVERSE	SIDE
	WITHIN	21 DAYS O	F SA	LE AW	ARD			



#### Michigan Department of Natural Resources Forest, Mineral and Fire Management

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

FOR DEPARTMENT USE ONLY					
Sale or Permit No					
Year:	Туре:				
Forest Area:					

	As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 Forest Area: 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 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	ase 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.	You <b>must</b> check <u>one</u> of the boxes below:  A.  I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws.  B.  I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved							
3.	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 that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.  If you have checked item 2(A) or 2(B), you must indicate the number of both full and part time employees other than yourself							
	including family members and active partners (if none, you must enter "0").  Full Time Employees Part Time Employees							
Van	ne of Business Federal ID (or) Social Security No.							
₹dd	Telephone No.							
City	State Zip + 4							
cov	ereby certify that the above information is true and correct. I agree to notify the DNR of any changes that occur in factors affecting my erage during any of my present and future operations.							
(	Signature of Owner or Authorized Representative							
7	Fitle Date							