

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:

BERRY CREEK HARDWOOD / T34N, R03W, SEC. 15, NWNW, S1/2NW, SW, SWSE.
CHEBOYGAN COUNTY (Appr. \$32,388.95)
SALE ACRES: 175

SHIRE ASPEN / T33N, R03W, SEC. 24, NE1/4.
CHEBOYGAN COUNTY (Appr. \$28,590.55)
SALE ACRES: 49

SUMMER RED PINE / T37N, R04W, SEC. 32, NE1/4, W1/2SE.

EMMET COUNTY (Appr. \$110,256.80)

SALE ACRES: 159

SALE DATE AND TIME: 3:00 p.m on March 2, 2010.

INDIAN RIVER

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

- 1. <u>Bid Location, Date, and Time:</u> Bids must be received by the Unit Manager, Gaylord Management Unit, Indian River Field Office, 6984 Wilson Road, Indian River, 49749, no later than 3:00 p.m. on March 2, 2010. For further information concerning this sale, contact the Unit Manager at 231-238-9314.
- 2. <u>Bidder's Qualifications:</u> 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 <u>not permitted</u> 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. <u>Submission of Sealed Bids</u>: Bid forms may be obtained from the Unit Manager. All bids must be submitted on the bid form and in an <u>envelope clearly identified</u> 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. Performance Security: 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. <u>Timber Sale Contract:</u> 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/dnr. 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

BERRY CREEK HARDWOOD (112-09-01)

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*	AP	PRAISED PRICE
SAWLOGS			
SUG. MAPLE	48.00 MBF	\$	310.00/MBF
BASSWOOD	147.00 MBF	\$	62.00/MBF
PULPWOOD			
BASSWOOD	392.00 CORDS	\$	9.50/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	6.00 MBF	\$ 90.00/MBF
WHITE ASH	7.00 MBF	\$ 132.00/MBF
BEECH	11.00 MBF	\$ 40.00/MBF
PULPWOOD		
SUG. MAPLE	479.00 CORDS	\$ 5.50/CORD
RED MAPLE	3.00 CORDS	\$ 11.65/CORD
WHITE ASH	4.00 CORDS	\$ 9.75/CORD
BEECH	6.00 CORDS	\$ 9.75/CORD

^{*}The volumes are statistically estimated within plus (+) or minus (-) 20.22 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 \$1,620.00, 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 50%
50%

- 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, 2012.



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 52-112-09-01 09 DATE PAGE

Density

CRUISED BY SCHEELE Cheboygan Gaylord Management Unit 09/15/2009 1 1 TOWNSHIP SECTION(S) AND SUBDIVISION(S) RANGE **SCALE** 1:15,840 34N 03W Section 15: NWNW, S1/2NW, SW1/4, and SWSE

MAPPED BY SCHEELE

	C	over Type
۱ = Aspen	H = Hemlock	P = Lowland Poplar

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

E = Swamp Hdwoods M = Mpl. Bch, Brch F = Spruce Fir N = Marsh G = Grass 0 = 0ak

R = Red Pine S = Black Spruce T = Tamarack

COUNTY

V = Bog or Marsh Q = Mixed Swamp Cnfr W = White Pine X = Non Stocked

Z = Water

1 = Seedling Sapling Poor

0 = Non Stocked

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

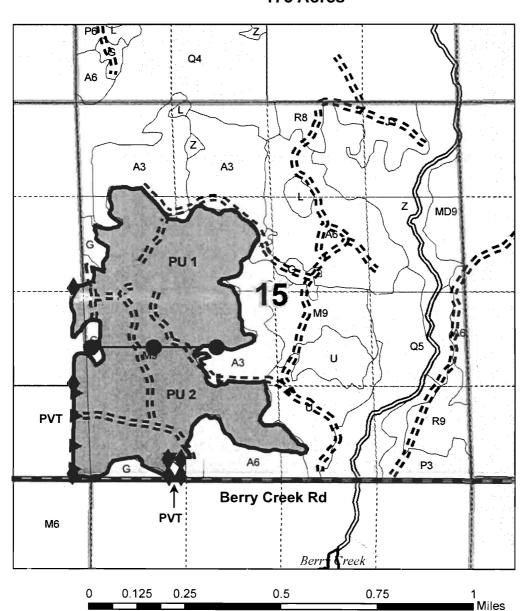
9 = Saw Timber Well

BERRY CREEK HARDWOOD

Cheboygan County 175 Acres

U = Upland Brush





Legei	nd
-	Sale Boundary- Red Paint
	PVT Line- Blue Paint
	PU Line- Yellow Paint
•	Survey Corners
l	Quarter Quarter Sections Sections Adj. Stand Boundaries Highway Gravel Road
	Poor Dirt Road

Payment Unit	Acres
1	88
2	87

Sale Specific Conditions & Requirements

Sale Name: Berry Creek Hardwood Sale Number: 52-112-09-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

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) (12/08)

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

2.2 - Utilization

2.2.6 - 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 (12/08)

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: Berry Creek Hardwood Sale Number: 52-112-09-01

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 (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. 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

4.2.4 - Grading (12/08)

Roads must be graded after the sale is completed. In general, this will require a road grader or bull dozer to shape up the roads after forest products have been hauled off site. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

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 (12/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations. The Unit Manager or his/her representative must be contacted at least 2 days in advance to schedule the conference.

5.2 - Conduct of Operations

Section Name: Sale Specific Page 2 of 4 Current as of 1/25/2010 3:31:49PM

Sale Name: Berry Creek Hardwood Sale Number: 52-112-09-01

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.

5.2.2 - Hazard Trees/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.

5.2.2.2 - Snag tree creation (1) (2/04)

Trees marked with 2 horizontal lines must be girdled by making two saw cuts, 2 inches deep completely around the tree. The tree must be left standing.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

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

5.2.3.9 - Beech hauling restriction (8/09)

American beech wood products with bark still attached, other than chips, are not to be transported from stands infested with beech bark disease to uninfested beech areas from July 15 to November 15. Beech scale is mobile at this time of year and can move from infested wood to live beech. (See Map of current beech scale distribution on the DNR Forest Health Website, www.michigan.gov/dnr.)

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 (1/09)

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

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (4/09)

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

Section Name: Sale Specific Page 3 of 4 Current as of 1/25/2010 3:31:49PM

Sale Name: Berry Creek Hardwood Sale Number: 52-112-09-01

6.2.1 - Road posting (1/09)

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

SHIRE ASPEN (136-09-01)

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*	APE	PRAISED PRICE
B.T. ASPEN PULPWOOD	91.20 MBF	\$	86.00/MBF
SUG. MAPLE	368.00 CORDS	\$	8.90/CORD
BASSWOOD	249.00 CORDS	\$	8.65/CORD
B.T. ASPEN	607.00 CORDS	\$	19.45/CORD

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

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE
SAWLOGS		
SUG. MAPLE	7.00 MBF	\$ 276.00/MBF
RED MAPLE	2.70 MBF	\$ 85.00/MBF
BASSWOOD	20.70 MBF	\$ 54.00/MBF
PULPWOOD		
RED MAPLE	25.00 CORDS	\$ 8.90/CORD
BALSAM FIR	3.00 CORDS	\$ 3.45/CORD

^{*}The volumes are statistically estimated within plus (+) or minus (-) 24.54 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:

- A bond in the amount of \$1,500.00, 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 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 November 30, 2012.

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

TIMBER SALE MAP

SALE NUMBER 52-136-09-01

YEAR 09

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

PAGE

FOREST MANAGEMENT UNIT Gaylord Management Unit TOWNSHIP RANGE

COUNTY Cheboygan SECTION(S) AND SUBDIVISION(S)

CRUISED BY Contractors

8/4/2009

DATE

N = Marsh

O = Oak

SCALE 1:15,840

Cover	IVO	=
		÷

24: NE1/4

H = Hemlock A = AspenB = Paper Birch J = Jack Pine L = Lowland Brush C = Cedar E = Swamp Hdwoods M = Mpl. Bch. Brch.

03W

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

3 = Seedling Sapling Well 4 = Pole Timber Poor

0 = Non Stocked

1 = Seedling Sapling Poor 2 = Seedling Sapling Medium

Density

5 = Pole Timber Medium

6 = Pole Timber Well

7 = Saw Timber Poor 8 = Saw Timber Medium

9 = Saw Timber Well

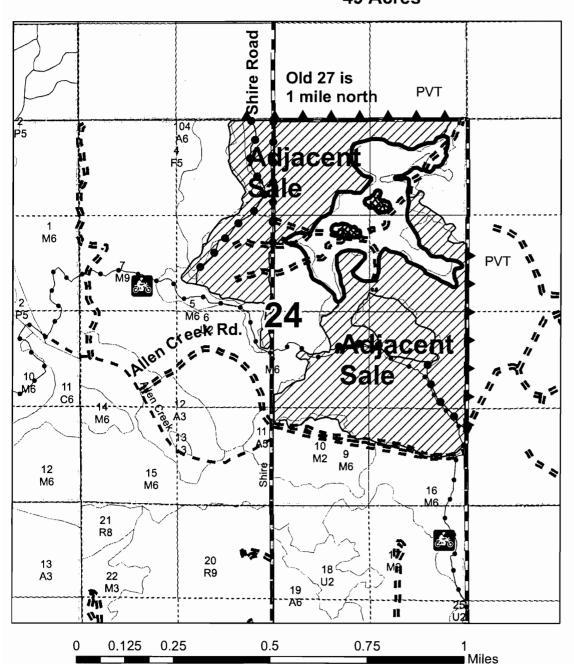
PU# ACRES 49

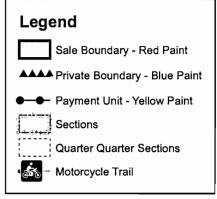
F = Spruce Fir

G = Grass

Shire Aspen **Cheboygan County Compartment 159** 49 Acres







Retention area

Sale Specific Conditions & Requirements

Sale Name: Shire Aspen Sale Number: 52-136-09-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary is marked and identified by red paint. Exterior sale boundary lines against state are marked with red paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (4/09)

Within Payment Unit(s) 1, cut all trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability Reserve areas identified in accordance with 2.4.3 - Reserve areas, within clearcutting unit boundaries, are not Included Timber and are to be protected.

2.4 - Special Protection

2.4.3 - Reserve areas (1/09)

The Purchaser shall protect reserve areas from damage by the Purchaser's operations. Reserve areas are marked with a red boundary line. The Purchaser shall not cut live or dead trees within reserve areas. If the Purchaser's operations have cut or damaged reserve areas through carelessness, the Purchaser shall pay \$200.00 as fixed, agreed and liquidated damages for each acre or part thereof cut or damaged. Such payment does not constitute ownership of the undesignated timber.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

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

4.1.3 - Slash and earthen piles (8/04)

Piles or windrows of earth along roads and landings that have been widened or constructed shall be leveled. Slash from road maintenance or construction, including stumps, shall be dispersed throughout the sale.

Sale Name: Shire Aspen Sale Number: 52-136-09-01

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. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

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 (12/08)

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

5.2 - Conduct of Operations

5.2.2 - Hazard Trees/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.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (4/09)

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.

SUMMER RED PINE (147-09-01)

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 PRIC	E
SAWLOGS			
RED PINE	335.00 MBF	\$ 137.00/MBF	ı
PULPWOOD			
RED PINE	1,927.00 CORDS	\$ 33.40/COR	D

^{*}The volumes are statistically estimated within plus (+) or minus (-) 13.04 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 \$7,500.00, 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 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				15%		
	2				15%		
	3				15%		
	4				25%		
	5				20%		
	6				10%		

- 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, 2012.

STATE OF MICHIGAN DEPARTMENT OF NATURAL RESOURCES TIMBER SALE MAP

SALE YEAR SALE TYPE

STATE FOREST AND		MT. UNIT -	NORTH	D.STACK	<u>S</u>	DATE	09/29/2009
T37N F	RO4W Section(s	32 COVER TYPE		sub. NE /4 , \	n1/2SE	Scale: 1	
A - Aspen B - Paper Birch C - Cedar E - Swamp Hdwds F - Spruce Fir G - Grass	H - Hemlock J - Jack Pine L - Lowland Bru: M - Mpi, Bch, Br N - Marsh O - Oak	P - Low Q - Mx: sh R - Red ch S - Blac T - Tam	k Spruce	V - Bog or Marsh W - White Pine X - Non Stocked Z - Water	1 - Non Stocke 2 - Seedling Sa 3 - Seedling Sa 4 - Pole Timber 5 - Pole Timber	d upling Poor upling Well r Poor r Medium	7 - Saw Timber Poor 8 - Saw Timber Medium 9 - Saw Timber Well
COM	PARTMENT 12	2	SUMME	R RED PINE			N.
: : · · · · : : · · · · :			EMMI	ET COUNTY	·		
		•	1.50	ACRES			
UNIT 13	ACRES.	<u>}-= </u>			RD	: L. SALE	AREA RE
UNIT 2-3	5. ACRES =	M9)	R	PUL	PU2		IC BOUNDARY:
UNIT3-2	3.ACRES		ADJACE	WYWYY	R6/) .	
UNJT 4 - 34	ACRES	. M6 (A3	TIMBER	SALE PU	PUA	•	TE BOUNDARY
UNIT 5 - 2	BACRES	<u>}</u>		32		BLVI.	
6 TINU	ACRES	 <u> </u> :		R6		ti baymei	NT UNIT LINE
		PRJN	AT.E.	PU.5 . (A)	.PRIVATE.	POPAL FINAL FIRE	W PAINT - xxx
		l:		BY PUG) = <u></u>	
•••••	• • • • • • • • • • • • • • • • • • • •	ROBINSON			: RD	<u>.</u>	
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			:		•	:	

Sale Specific Conditions & Requirements

Sale Name: Summer Red Pine Sale Number: 52-147-09-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary and payment unit boundaries are marked and identified by RED, BLUE and YELLOW paint. Exterior sale boundary lines adjacent to state-owned land are marked with red paint. Exterior sale boundary lines adjacent to privately owned land are marked with blue paint. Interior payment unit boundaries are marked with yellow paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1-6, RED PINE trees are designated for cutting when marked with ORANGE paint above and below stump height, regardless of merchantability. Also, any mixed hardwood or mixed aspen trees that block the movement of equipment within skidrows may be felled and left on site.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the sale area shall not exceed 6 inches for all trees.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

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.

3.4 - Damaged Timber

Section Name: Sale Specific Page 1 of 3 Current as of 9/29/2009 2:03:37PM

Sale Name: Summer Red Pine Sale Number: 52-147-09-01

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, or at a rate of \$25 per sawtimber tree and \$10 per pole sized tree, whichever is greater.

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

Piles or windrows of earth along roads and landings that have been widened or constructed shall be leveled. Slash from road maintenance or construction, including stumps, shall be dispersed throughout the sale area.

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 (12/08)

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.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.2 - Slash Removal

5.2.1.2.2 - Slash removal, right-of-way (12/04)

All slash must be removed at least 20 feet from the cleared right-of-way of Camp and Popal roads.

Sale Name: Summer Red Pine Sale Number: 52-147-09-01

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.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (4/09)

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.

BERRY CREEK HARDWOOD (112-09-01) T34N, R03W, SEC. 15, NWNW, S1/2NW, SW, SWSE. CHEBOYGAN COUNTY

In response to the notice of sale to be held 3:00 p.m. on March 2, 2010, 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	\$ 310.00/MBF	\$ X	48.00 MBF = \$
BASSWOOD	\$ 62.00/MBF	\$x	147.00 MBF = \$
PULPWOOD			
BASSWOOD	\$ 9.50/CORD	\$X	392.00 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	\$ 90.00/MBF	6.00 MBF	= \$ 540.00
WHITE ASH	\$ 132.00/MBF	7.00 MBF	= \$ 924.00
BEECH	\$ 40.00/MBF	11.00 MBF	= \$ 440.00
PULPWOOD			
SUG. MAPLE	\$ 5.50/CORD	479.00 CORDS	= \$ 2,634.50
RED MAPLE	\$ 11.65/CORD	3.00 CORDS	= \$ 34.95
WHITE ASH	\$ 9.75/CORD	4.00 CORDS	= \$ 39.00
BEECH	\$ 9.75/CORD	6.00 CORDS	= \$ 58.50
		SUBTOTAL 2	\$ 4,670.95
	SUBTOTAL 1 + S	JBTOTAL 2 = TOTAL BID	VALUE \$

*These volumes are statistically estimated within plus (+) or minus (-) 20.22%. 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)	(bidder's signature)
Address/Telephone	

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

FOR DEPARTMENT USE ONLY							
Sale or Permit N							
Year:	Type:						
Forest Area:							
li diest Alea.							
II .							

	As required by Act 317, P.A. 1969 (Worker's Compensation) and Par of Act 451 of 1994, as amended.	7 525	Forest Area:					
	VERIFICATION OF WORKER'S DISABILIT	TY COMPENS	SATION 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	lease Check Appropriate Categories:							
1.	My business is organized as (you must check <u>one</u> of the boxes be A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation	elow):						
2.	 A.	the Worker's	Compensation Act through the use of an approved					
3.	Notice of Exclusion (BWC-337, Rev. 5/96). I will provide award. (For questions or a copy of the BWC-337, please of the centify that my business has a Worker's Compensation days of the contract award. If you have checked item 2(A) or 2(B), you must indicate the rincluding family members and active partners (if none, you must exclusive partners).	call the Worke Policy. I will number of bo	er's Compensation Bureau at 517-322-1195). provide an original Certificate of Insurance within 21					
	Full Time Employees		Part Time Employees					
Var	ame of Business	Federal ID (or) S	Social Security No.					
١dc	ddress	Telephone No.						
City	ty State		Zip + 4					
ov -	nereby certify that the above information is true and correct. I agree to overage during any of my present and future operations. Signature of Owner or Authorized Representative	to notify the D	NR of any changes that occur in factors affecting my					
-	Title	Dat	te					

GAYLORD MANAGEMENT UNIT INDIAN RIVER

SHIRE ASPEN (136-09-01) T33N, R03W, SEC. 24, NE1/4. CHEBOYGAN COUNTY

In response to the notice of sale to be held 3:00 p.m. on March 2, 2010, 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

SPECIES	AP	PRAISED PRICE	BID PRICE	ESTIMAT	ED VOLUM	$E^* = VALUE$
SAWLOGS						
B.T. ASPEN	\$	86.00/MBF	\$	X 91.20	MBF	= \$
PULPWOOD						
SUG. MAPLE	\$	8.90/CORD	\$	-	CORDS	= \$
BASSWOOD	\$	8.65/CORD	\$	X 249.00	CORDS	= \$
B.T. ASPEN	\$	19.45/CORD	\$	x 607.00	CORDS	= \$
				SUBTOTA	AL 1 \$	
In addition, the sappraised price:	uccessful	bidder agrees	to purchase t	the following	ng specie	s at the
SPECIES	APPR	AISED PRICE	ESTIMAI	ED VOLUME*	VA	LUE
SAWLOGS						
SUG. MAPLE	\$	276.00/MBF	7.	00 MBF	= \$ 1	,932.00
RED MAPLE	\$	85.00/MBF	2.	70 MBF		229.50
BASSWOOD	\$	54.00/MBF		70 MBF	-	,117.80
PULPWOOD					·	,
RED MAPLE	\$	8.90/CORD	25.	00 CORDS	= \$	222.50
BALSAM FIR	\$	3.45/CORD		00 CORDS	= \$	10.35
				SUBTOTAL 2	2 \$ <u>3</u>	,512.15
	S	JBTOTAL 1 +	SUBTOTAL 2 =	TOTAL BII	VALUE \$	
*These volumes are						
estimated volumes						
to examine this time	mber and	to make their	own estimates	of quantity	gand qua	lity.
		_				

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)	(bidder's signature)
Address/Telephone	

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**

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

Tit	tie	D	ate					
Si	gnature of Owner or Authorized Representative							
her ove	eby certify that the above information is true and rage during any of my present and future operate	d correct. I agree to notify the tions.	DNR of any changes that occur in factors affecting my					
ity	State		Zip + 4					
Addr	ess	Telephone No.						
	e of Business		Social Security No.					
	Full Time Emp	loyees	Part Time Employees					
3.	days of the contract award. If you have checked item 2(A) or 2(B), you n including family members and active partners (it		ooth full and part time employees other than yourself					
	C. I certify that my business has a Worke	• •	ill provide an original Certificate of Insurance within 21					
	Notice of Exclusion (BWC-337, Rev. 5	/96). I will provide a copy of	's Compensation Act through the use of an approved the Notice of Exclusion within 21 days of the contract ker's Compensation Bureau at 517-322-1195).					
	Worker's Compensation Laws.		loyees but the sole proprietor. I am not subject to the					
2.								
	C. Corporation							
	A. Sole Proprietorship (individual)B. Partnership							
1.		one of the boxes below):						
Ple	ease Check Appropriate Categories:							
•	All Information must be typed or printed except for written signatures.							
•	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.							
•	This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.							
			NSATION ACT COMPLIANCE					
_	of Act 451 of 1994, as am							
	As required by Act 317, P.A. 1969 (Worker's C		Forest Area:					

GAYLORD MANAGEMENT UNIT INDIAN RIVER

SUMMER RED PINE (147-09-01) T37N, R04W, SEC. 32, NE1/4, W1/2SE. EMMET COUNTY

In response to the notice of sale to be held 3:00 p.m. on March 2, 2010, 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	<u>S</u>	AP	PRAISED PRICE	В	ID PRICE		ESTIMATED VOLUME	* =	VALUE
SAWLOGS	Š								
RED	PINE	\$	137.00/MBF	\$		_X	335.00 MBF	=	\$
PULPWOO	DD								
RED	PINE	\$	33.40/CORD	\$		_x	1,927.00 CORDS	=	\$
						TO	TAL BID VALUE \$		
estimat	volumes are stati: ted volumes are fin mine this timber an	nal	and not subject	et to	adjustm	ent.	Prospective bid	der	s are urged
will be must be awardin	rstand that any or e the basis to dete e bid or the bid fo ng a contract will ct based upon equi	erm: orm be	ine total bid v may be rejecte based upon my	value ed. I past	. All b also un perform	ids ders ance	must be signed and tand that consider and ability to co	d a rat	ll bid items ion and
	(bidder's prin	ted	name)		(bidder'	s si	gnature)		
Addı	ress/Telephone					_			

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 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.			
Please Check Appropriate Categories:				
1.	My business is organized as (you must check <u>one</u> of the boxes below): A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation			
2.	 You must check one of the boxes below: A.			
3. 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	
Name of Business Federa			ocial Security No.	
		readiants (et/) escala escality (etc.		
Address		Telephone No.		
City	ity State		Zip + 4	
hereby certify that the above information is true and correct. I agree to notify the DNR of any changes that occur in factors affecting my coverage during any of my present and future operations. Signature of Owner or Authorized Representative				
Ţ	Title	Date		