

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS

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

DRIP III / T42N, R06E, SEC. 02, SENE.
CHIPPEWA COUNTY (Appr. \$12,807.15)

LUCKY 13 ASPEN / T41N, R05E, SEC. 11, W1/2NE, SENE, NESE.
CHIPPEWA COUNTY (Appr. \$12,393.37)

MARBLEHEAD SOUTH / T41N, R07E, SEC. 01, S1/2SW.

T41N, R07E, SEC. 12, W1/2NW, NENW.

T41N, R07E, SEC. 11, NE1/4, E1/2NW, N1/2SE, NESW.

CHIPPEWA COUNTY (Appr. \$26,214.40)

SALE DATE AND TIME: 10:00 a.m. on January 11, 2010.

SAULT STE. MARIE

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

- 1. <u>Bid Location</u>, <u>Date</u>, <u>and Time</u>: Bids must be received by the Unit Manager, Sault Ste Marie Management Unit, Box 798, 2001 Ashmun, Sault Ste Marie, MI 49783, no later than 10:00 a.m. on January 11, 2010. For further information concerning this sale, contact the Unit Manager at 906-635-5281.
- 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 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. Public Opening of Sealed Bids: 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. 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 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

DRIP III (003-09-01)

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*	APP	RAISED PRICE
SAWLOGS			
N.W. CEDAR	43.00 MBF	\$	64.00/MBF
PULPWOOD			
N.W. CEDAR	203.00 CORDS	\$	29.50/CORD
MIX ASPEN	200.00 CORDS	\$	15.10/CORD

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

SPECIES	ESTIMATED VOLUME*		APPRAISED PRICE		
SAWLOGS					
W. SPRUCE	.80 1	MBF	\$	41.00/MBF	
MIX ASPEN	9.00 1	MBF	\$	35.00/MBF	
PULPWOOD					
B. POPLAR	34.00 (CORDS	\$	2.50/CORD	
BALSAM FIR	26.00	CORDS	\$	11.05/CORD	
W. SPRUCE	21.00	CORDS	\$	15.55/CORD	

^{*}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 \$650.00, 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 July 31, 2012.



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

Year

County

Mapped By CARON -09-01

Forest Management Unit

Cruised By

LAKE SUPERIOR STATE Township

= Aspen

B = Paper Birch

= Treed Bog

= Spruce Fir

E = Swamp Hdwoods

C = Cedar

Range

CHIPPEWA -SSM Section(s) and Subdivision(s)

6E

G = Grass

N = Marsh

H = Hemlock

J = Jack Pine

L = Lowland Brush

M = Mpl, Bch, Brch

Section 2 SE NE

Cover Type

O = Oak

P = Lowland Poplar

Q = Mixed Swamp Cnfr

R = Red Pine

S = Black Spruce T = Tamarack

X = Non Stocked

U = Upland Brush V = Bog or Marsh W = White Pine

Z = Water

Density

5 = Pole Timber Medium

0 = Non Stocked 1 = Seedling Sapling Poor

2 = Seedling Sapling Medium 3 = Seedling Sapling Well 4 = Pole Timber Poor

6 = Pole Timber Well 7 = Saw Timber Poor

8 = Saw Timber Medium 9 = Saw Timber Well

DRIP III



22 ACRES DRUMMOND ISLAND

PRIVATE

49 of Orip2

EAST MAXTON ROAD

PRIVAT

PRIVATE

A3

small

Red Line

Blue Line

Unit Number

COUNTY Rd. Snowmobile Trail

0:5

0.25

0 Miles

Sale Specific Conditions & Requirements

Sale Name: Drip Iii Sale Number: 45-003-09-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

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. Do not cut painted boundary line trees.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (12/08)

Within Payment Unit(s) 1, cut all trees that are four (4) 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 do not cut pine, maple, elm, white birch, and black ash. In addition, when cutting cedar, at least 27 trees per acre with a minimum dbh of 6" must be left at approximately 40 foot spacing throughout the sale.

3 - Payments

3.4 - Damaged Timber

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

Within the sale area, if more than 25% of the tree seedlings or saplings (1/4" to 4.5" DBH) within a specified portion of the sale area are damaged, liquidated damages will be assessed at \$300 per acre for all acreage within that specified portion of the sale area that was damaged.

4 - Transportation

4.1 - Construction

Sale Name: Drip Iii Sale Number: 45-003-09-01

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 pushed back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least a few feet back 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. Overgrown roads that are reopened shall be considered new roads. All stumps and slash from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. The stumps and slash must be scattered along the road system to prohibit vehicular movement. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

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

4.4 - Access

4.4.1 - Private property access (12/08)

Permission for access across private land is the responsibility of the purchaser. Should the purchaser desire to cross private land, a copy of the written permission from the private land-owner may be required by the DNR. Permission to cross private land must include access for DNR representatives to inspect the sale at any time.

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 5 days in advance to schedule the conference.

5.1.4 - Post-sale conference (2/04)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

Sale Name: Drip Iii Sale Number: 45-003-09-01

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.

5.2.4 - Dead and Down Creation

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed.

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

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

5.2.41 - Snowmobile trail protection (1/09)

If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. Do not cut or damage posts with orange trail markers or traffic control signs. If East Maxton Rd road is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail. Caution signs must be placed along the road at varoius intervals in both directions to warn of logging traffic during the period of December 1 to March 31. Contact the local snowmobile club to assist in placing signs. Signs are the responsibility of the purchaser.

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 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 6 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 (12/08)

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.

LUCKY 13 ASPEN (006-08-01)

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	6.90 MBF	\$ 598.00/MBF
P. BIRCH	10.20 MBF	\$ 144.00/MBF
MIX ASPEN	34.30 MBF	\$ 43.00/MBF
PULPWOOD		
MIX ASPEN	190.00 CORDS	\$ 13.90/CORD

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

SPECIES	ESTIMATED VOLUME*	APF	APPRAISED PRICE		
SAWLOGS					
W. SPRUCE	8.80 MBF	\$	45.00/MBF		
PULPWOOD					
P. BIRCH	81.00 CORDS	\$	8.65/CORD		
BALSAM FIR	43.00 CORDS	\$	13.00/CORD		
W. SPRUCE	28.00 CORDS	\$	13.35/CORD		
MIX HARDWD	103.00 CORDS	\$	6.34/CORD		

*The volumes are statistically estimated within plus (+) or minus (-) 14.73 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 \$700.00, 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 July 31, 2012.



A → Aspen

Paper Birch

Cedar

f = Treed Bog

MICHIGAN Department of Natural Resources - Forest, Willield & File Management

TIMBER SALE MAP

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

Cover Type O = Oak

P = Lowland Poplar

R = Red Pine

Q = Mixed Swamp Cnfr

45-00 -08-01

08

Mapped By Page of County Forest Management Unit WISE 8-15-08 1 CHIPPEWA Cruised By SAULT STE MARIE WISE

U = Upland Brush

V = Bog or Marsh

W = White Pine

Z = Water

X = Non Stocked

Township Range

R5E T41 N

G = Grass

H = Hemlock

J = Jack Pine

= Lowland Brush

Section(s) and Subdivision(s) WYZNE, NESE SENE Y4

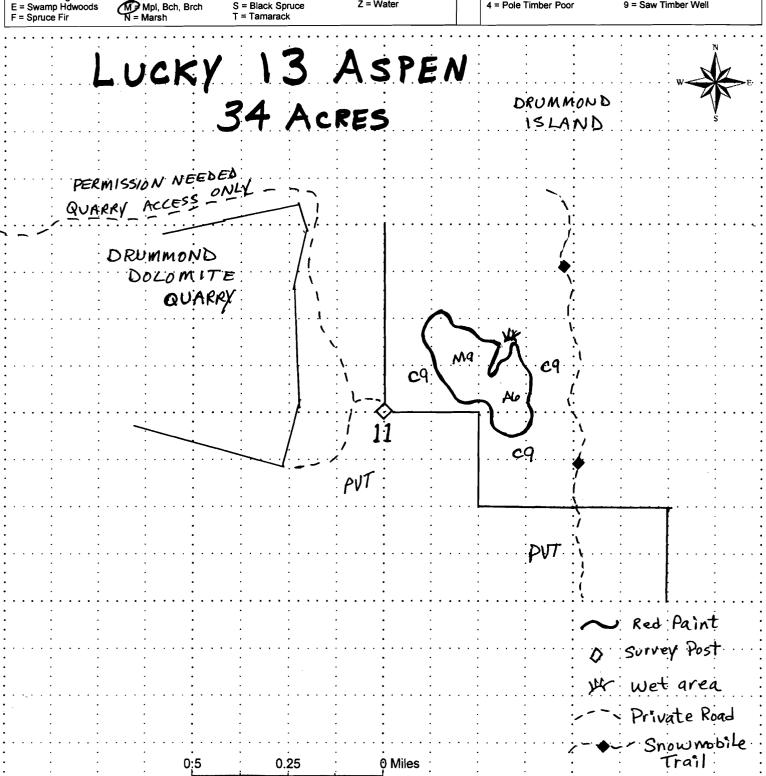
Density

- 5 = Pole Timber Medium
- 1 = Seedling Sapling Poor
- 2 = Seedling Sapling Medium
- 3 = Seedling Sapling Well
- 4 = Pole Timber Poor

0 = Non Stocked

- 6 = Pole Timber Well 7 = Saw Timber Poor 8 = Saw Timber Medium

- 9 = Saw Timber Well



Sale Specific Conditions & Requirements

Sale Name: Lucky 13 Aspen Sale Number: 45-006-08-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (6/05)

The sale boundary is marked and identified by red paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, cut all SUGAR MAPLE trees that are marked with yellow paint above and below stump height, and all trees of other species that are 4 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 cedar, oak, hemlock, pine, and yellow birch.

3 - Payments

3.4 - Damaged Timber

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings. 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 marked area, if more than 25 % 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.

Sale Name: Lucky 13 Aspen Sale Number: 45-006-08-01

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. Stumps and brush must be placed along the remainder of the trail. These roads must be rendered impassable to cars and trucks. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.1 - Hauling restriction (3/07)

Hauling may be restricted on forest roads or the Quarry Road by the sale administrator or Drummond Dolomite. The restriction may occur during spring breakup or wet weather conditions, or other Quarry operations.

4.4 - Access

4.4.1 - Private property access (8/04)

Permission for access across private land is the responsibility of the purchaser. The only access to this sale is from the Quarry Road owned by Drummond Dolomite. Access from the east will not be permitted. Permission to cross private land must include access for DNR representatives to inspect the sale at any time.

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 to determine landing and road locations. The Unit Manager or their representative must be contacted at least 5 days in advance to schedule the conference.

5.1.4 - Post-sale conference (2/04)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - 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 5 feet back from the red 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.

Sale Name: Lucky 13 Aspen Sale Number: 45-006-08-01

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (3/07)

Within Payment Unit(s) 1, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of December 1 to March 31. This restriction is because of wildlife habitat concerns.

5.2.4 - Dead and Down Creation

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed.

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 6 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 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.

MARBLEHEAD SOUTH (008-08-01)

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*	AF	PRAISED PRICE
SAWLOGS			
SUG. MAPLE	24.50 MBF	\$	410.00/MBF
PULPWOOD			
W. SPRUCE	843.00 CORDS	\$	7.10/CORD
MIX ASPEN	1,082.00 CORDS	\$	6.80/CORD

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

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE
SAWLOGS		
BEECH	1.40 MBF	\$ 49.50/MBF
W. SPRUCE	24.90 MBF	\$ 31.00/MBF
MIX ASPEN	19.10 MBF	\$ 30.00/MBF
PULPWOOD		
B. POPLAR	185.00 CORDS	\$ 2.70/CORD
BALSAM FIR	42.00 CORDS	\$ 6.90/CORD
MIX HARDWD	178.00 CORDS	\$ 3.50/CORD

^{*}The volumes are statistically estimated within plus (+) or minus (-) 7.26 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 \$1,600.00, to insure faithful performance of the conditions of the contract, will be deposited by the successful bidder within 21 days of the sale award.
- 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				14%		
	2				14%		
	3				14%		
	4				14%		
	5				15%		
	6				15%		
	7				14%		

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on July 31, 2013.



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

45-008-08-01

Year 08

Date Page County DRUMMOND 13 Mapped By J. WISE of Forest Management Unit 1 9-8-08 Cruised By J. WISE CHIPPEWA SAULT STE MARIE Section(s) and Subdivision(s) 1 SY2 SW Township

Range 41 N NE Y+ EYZNW. NYZSE, NESW 7 E **Cover Type**

12-WENW, NENW

Density

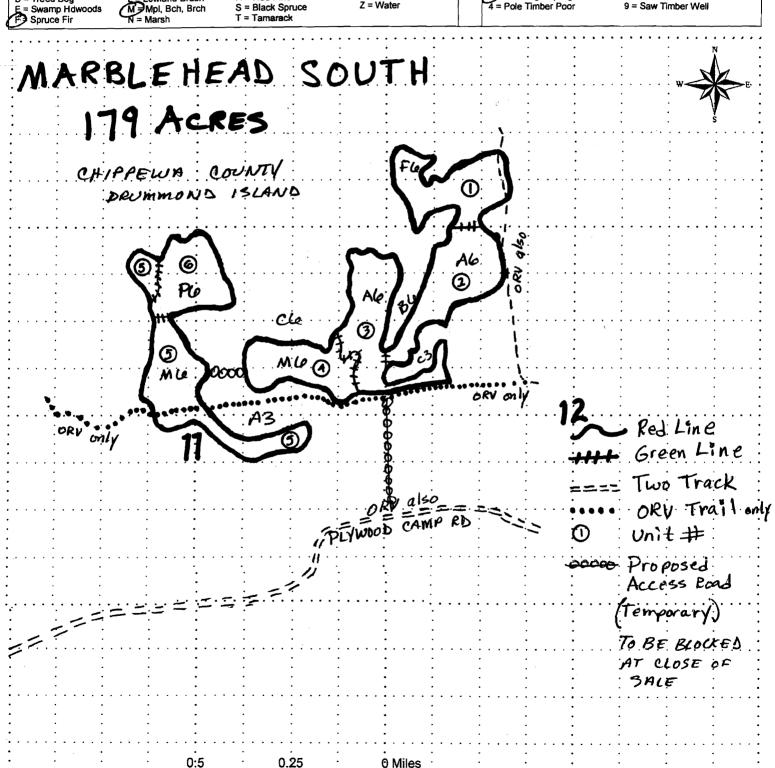
≜ Aspen = Paper Birch Cedar = Treed Bog

G = Grass H = Hemlock J = Jack Pine L = Lowland Brush Mpl, Bch, Brch O = Oak P → Lowland Poplar Q = Mixed Swamp Cnfr R = Red Pine

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

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

5 = Pole Timber Medium 6= Pole Timber Well 7 = Saw Timber Poor 8 = Saw Timber Medium 9 = Saw Timber Well





iviicnigan 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

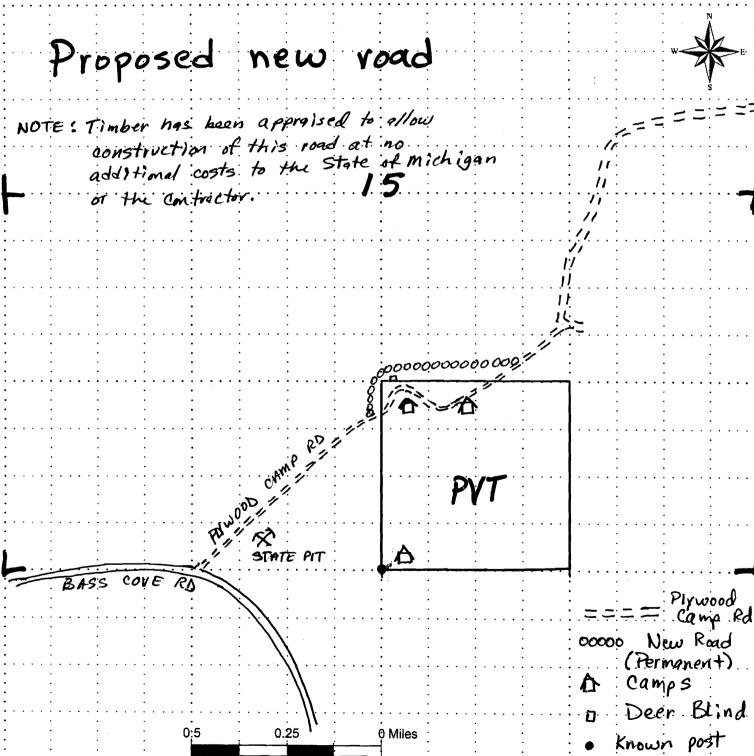
Year

45-008-08-01

08

S. MCHGM. S					10 000 00	
Forest Management	Jnit	County	Mapped By	ISC	Date	Page of
SAULT ST	E MARIE	CHIPPEWA	Cruised By		9-8-09	2 2
Township	Range	Section(s) and Subdivisi		- /-	1# - 1/-	
41 N	75	15 NESU	NWSE	Scale	1" = 18 1	MILE

U = Upland Brush 0 = Non Stocked 5 = Pole Timber Medium O = Oak A = Aspen G = Grass V = Bog or Marsh 1 = Seedling Sapling Poor 6 = Pole Timber Well P = Lowland Poplar B = Paper Birch H = Hemlock W = White Pine 2 = Seedling Sapling Medium Q = Mixed Swamp Cnfr 7 = Saw Timber Poor C = Cedar J = Jack Pine R = Red Pine X = Non Stocked 3 = Seedling Sapling Well 8 = Saw Timber Medium D = Treed Bog L = Lowland Brush S = Black Spruce Z = Water 4 = Pole Timber Poor 9 = Saw Timber Well E = Swamp Hdwoods M = Mpl, Bch, Brch T = Tamarack F = Spruce Fir N = Marsh



Sale Specific Conditions & Requirements

Sale Name: Marblehead South Sale Number: 45-008-08-01

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 red and green paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with green paint. Do not cut red painted boundary line trees or green painted unit line trees.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, 2, 3, and 6, cut all trees that are four (4) inches or more in diameter measured at a point of four and one-half (4-1/2) feet above ground level regardless of merchantability. DO NOT CUT cedar, oak, hemlock, pine, and white birch. Also, in Unit 6 do not cut any sugar maple with a 12 inch dbh or larger.

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

Within Payment Unit(s) 4 and 5, all trees are designated for cutting when marked with yellow paint above and below stump height, regardless of merchantability. Do not cut any other trees in these units.

2.2 - Utilization

2.2.4 - Skidding length (2/04)

Skidding of unlimbed tops or lengths over 17 feet is not permissible in Units 4 and 5 without permission from the Unit Manager or the sale administrator.

3 - Payments

3.4 - Damaged Timber

Sale Name: Marblehead South Sale Number: 45-008-08-01

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings in Units 5 and 6. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

Within the Units 5 and 6, if more than 25% of the tree seedlings or saplings (1/4" to 4.5" DBH) within a specified portion of the sale area are damaged, liquidated damages will be assessed at \$300 per acre for all acreage within that specified portion of the sale area that was damaged.

No damage is acceptable to undesignated 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.

3.6 - Payment Unit Cutting Schedule

3.6.3 - Operating schedule (12/08)

Unless changed by written agreement, only 2 Payment Unit(s) may be operated at any one time. All contractual requirements on a Payment Unit shall be completed and accepted by the Unit Manager or his/her representative prior to the opening of an additional Payment Unit.

4 - Transportation

4.1 - Construction

4.1.4 - Timber removed for construction (2/04)

Trees cut or damaged in the process of a pre-approved road, landing or skid trail construction will be decked in an area separate from wood removed from the timber sale until such time as it is scaled and paid for.

4.1.6 - Road construction (1/09)

Construction of new roads shall be completed before any sale operations and shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge or if large, removed from the area and diposed of at an approved location. The section of new road to be built around the private 40 in T41N R7E SWSE Sec 15 will be approximately 1/4 mile in length and be entirely on State land. Contruction shall be coordinated with the Unit Manager and or sale administrator. The road shall be passable by two wheel drive vehicle have a cleared right of way of approximately 16 ft with a minimum usable road surface of 12 ft. The amount of gravel to be placed along the road surface shall not be less than 100 cubic yards and placement directed by the sale administrator. Contact the sale administrator for the possible location of gravel on State land. Minimum bids have been lowered to reflect construction costs. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

Sale Name: Marblehead South Sale Number: 45-008-08-01

4.1.7 - Road closure (4/07)

Some new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth at the beginning. Stumps, slash and brush must be placed along the remainder of the road. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

4.1.11 - Permits (5/07)

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

4.2 - Maintenance

4.2.1 - Hauling restriction (3/07)

Hauling may be restricted on forest roads by the Unit Manager or their representative. The restriction may occur during spring breakup or during wet weather conditions.

4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins. Contact the sale administrator regarding the availability of onsite sand or gravel from adjacent State-owned lands.

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 5 days in advance to schedule the conference.

5.1.4 - Post-sale conference (2/04)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.2 - 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.

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (3/07)

Within Payment Unit(s) 1-6, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of October1 to March 31. This restriction is because of the deer yard and to help eliminate possible

Sale Name: Marblehead South Sale Number: 45-008-08-01

snowmobile traffice hazards.

5.2.4 - Dead and Down Creation

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed. Exception: All dead trees within 50' of south private property line will be cut and left on the ground.

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 Plywood Camp Road is an ORV trail and is shown on the Timber Sale Map. The ORV trail runs through Unit 5. Do not cut trees or damage posts with orange ORV markers. Maintain a 10 foot wide slash, debris, and rut free zone daily using the ORV trail as the centerline. Do not run equipment down the ORV trail. If permission is granted to cut in the snow free period, skidding across the trail may only occur in locations approved by the sale administrator and signs must be placed at each end of the trail to warn of logging activity.

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 6 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 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.

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

DRIP III (003-09-01) T42N, R06E, SEC. 02, SENE. CHIPPEWA COUNTY

In response to the notice of sale to be held 10:00 a.m. on January 11, 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		RAISED PRICE	BID P	RICE	ESTIMATED VOLUME* = VALUE		VALUE	
SAWLOGS N.W. CEDAR		64.00/MBF	Ś	х	43.00	MDF	=	ė
PULPWOOD	\$	04.00/MBF	۶	^	13.00	MBF	_	٩
N.W. CEDAR	\$	29.50/CORD	\$	x	203.00	CORDS	=	\$
MIX ASPEN	\$	15.10/CORD	\$	X	200.00	CORDS	=	\$
					SUBTOTAL	.1 \$		

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

SPECIES SAWLOGS	APPRAISED PRICE	ESTIMATED VOLUME*	VA	<u>LUE</u>
W. SPRUCE	\$ 41.00/MBF	.80 MBF	= \$	32.80
	•		•	
MIX ASPEN	\$ 35.00/MBF	9.00 MBF	= \$	315.00
PULPWOOD				
B. POPLAR	\$ 2.50/CORD	34.00 CORDS	= \$	85.00
BALSAM FIR	\$ 11.05/CORD	26.00 CORDS	= \$	287.30
W. SPRUCE	\$ 15.55/CORD	21.00 CORDS	= \$	326.55
		SUBTOTAL 2	\$ <u>1</u>	,046.65
	SUBTOTAL 1 +	SUBTOTAL 2 = TOTAL BII	VALUE \$	

^{*}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

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.

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

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.						
Plea	se Check Appropriate Categories:						
l.	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.						
Van	e of Business Federal ID (or) Social Security No.						
Add	Telephone No.						
City	State Zip + 4						
 -	eby certify that the above information is true and correct. I agree to notify the DNR of any changes that occur in factors affecting my change and future operations.						
1	itle Date						

SAULT STE. MARIE MANAGEMENT UNIT SAULT STE. MARIE

T41N, R05E, SEC. 11, W1/2NE, SENE, NESE. CHIPPEWA COUNTY

In response to the notice of sale to be held 10:00 a.m. on January 11, 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	\$ 598.00/MBF	\$ X	6.90 MBF	= \$
P. BIRCH	\$ 144.00/MBF	\$X	10.20 MBF	= \$
MIX ASPEN	\$ 43.00/MBF	\$X	34.30 MBF	= \$
PULPWOOD				
MIX ASPEN	\$ 13.90/CORD	\$X	190.00 CORDS	= \$
			SUBTOTAL 1 \$	

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

SPECIES SAWLOGS	APPR	AISED PRICE	ESTIMATED V	VOLUME*	•	VALUE
W. SPRUCE	\$	45.00/MBF	8.80 1	MBF	= \$	396.00
PULPWOOD						
P. BIRCH	\$	8.65/CORD	81.00 (CORDS	= \$	700.65
BALSAM FIR	\$	13.00/CORD	43.00	CORDS	= \$	559.00
W. SPRUCE	\$	13.35/CORD	28.00 (CORDS	= \$	373.80
MIX HARDWD	\$	6.34/CORD	103.00	CORDS	= \$	653.02
			SUI	BTOTAL 2	Ś	2,682.47

STOTAL 2 = TOTAL BID VALUE S

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

^{*}These volumes are statistically estimated within plus (+) or minus (-) 14.73%. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.



Michigan Department of Natural Resources Forest, 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 of Act 451 of 1994, as amended.

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

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:	ease Check Appropriate Categories:						
1.	My business is organized as (you must check <u>one</u> of th A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation	ne boxes below):					
2.	 You must check one 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 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 Comdays of the contract award.	pensation Policy.	will provide an original Certificate of Insurance within 21				
3.	If you have checked item 2(A) or 2(B), you must ind including family members and active partners (if none, y		of both full and part time employees other than yourself Part Time Employees				
lan	me of Business	Federal ID	(or) Social Security No.				
۸dd	dress	Telephone	No.				
City	State		Zip + 4				
ov _	ereby certify that the above information is true and correct verage during any of my present and future operations. Signature of Owner or Authorized Representative	t. I agree to notify t	he DNR of any changes that occur in factors affecting my				
-	Title		Date				

VALUE

SPECIES

MARBLEHEAD SOUTH (008-08-01)

T41N, R07E, SEC. 01, S1/2SW.

T41N, R07E, SEC. 12, W1/2NW, NENW.

T41N, R07E, SEC. 11, NE1/4, E1/2NW, N1/2SE, NESW. CHIPPEWA COUNTY

In response to the notice of sale to be held 10:00 a.m. on January 11, 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	API	PRAISED PRICE	BID P	RICE	ESTIMATE	VOLUME*	= VALUE
SAWLOGS SUG. MAPLE	\$	410.00/MBF	\$	х	24.50	MBF	= \$
PULPWOOD	•	·	·				
W. SPRUCE	\$	7.10/CORD	\$	x	843.00	CORDS	= \$
MIX ASPEN	\$	6.80/CORD	\$	x	1,082.00	CORDS	= \$
					SUBTOTAL	1 \$	

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

APPRAISED PRICE

AWLOGS						
BEECH	\$ 49.50/MBF	1.40	MBF	=	\$	69.30
W. SPRUCE	\$ 31.00/MBF	24.90	MBF	=	\$	771.90
MIX ASPEN	\$ 30.00/MBF	19.10	MBF	=	\$	573.00
ULPWOOD						
B. POPLAR	\$ 2.70/CORD	185.00	CORDS	=	\$	499.50
BALSAM FIR	\$ 6.90/CORD	42.00	CORDS	=	\$	289.80
MIX HARDWD	\$ 3.50/CORD	178.00	CORDS	=	\$	623.00
		S	UBTOTAL 2		\$_	2,826.50

ESTIMATED VOLUME*

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	

^{*}These volumes are statistically estimated within plus (+) or minus (-) 7.26%. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.



Michigan Department of Natural Resources Forest, 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:						

COMPENSATION AC		'			
As required by Act 317, P.A. 1969 (Wol of Act 451 of 1994,	Part 525	Forest Area:			
VERIFICATION (OF WORKER'S DISABIL	LITY COMPENS	SATION ACT COMF	PLIANCE	
 This verification must be completed a sale contract. 	and submitted within 2	1 days of conti	act award and pric	or to the issuance of the timber	
 In addition, if boxes 2B or 2C are che days of the contract award and prior 				ce must be submitted within 21	
All Information must be typed or print	ted except for written s	signatures.			
Please Check Appropriate Categories:					
 My business is organized as (you must A.	check <u>one</u> of the boxes	below):			
Worker's Compensation Laws. B. I certify that my business has s	cole proprietorship and it	the Worker's	Compensation Act	roprietor. I am not subject to the through the use of an approved on within 21 days of the contract	
award. (For questions or a copy C. I certify that my business has a days of the contract award. 3. If you have checked item 2(A) or 2(B), including family members and active par	Worker's Compensation you must indicate the	n Policy. I will post	provide an original (Certificate of Insurance within 21	
Full Tim	ne Employees			_ Part Time Employees	
Name of Business		Federal ID (or) Social Security No.			
Address		Telephone No.			
Dity	State		Zip + 4		
hereby certify that the above information is to overage during any of my present and future Signature of Owner or Authorized Represe	operations.	to notify the DN	IR of any changes t	hat occur in factors affecting my	
Title					