



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #4805

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on January 24, 2013.

LOCATION: PIGEON RIVER COUNTRY MGMT UNIT, 9966 TWIN LAKES RD, VANDERBILT, MI 49795.

PROSPECTUS NOTE: The bidder is advised to inspect the sale area and review the location, estimated volumes, operating costs and contract terms of proposed sales. Please be aware that some landowners may request 60 days or more notice for access across their land.

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

OLD GRADE HARDWOOD (53-007-12-01) / T33N, R01W, SEC. 01, SW 1/4.

T33N, R01W, SEC. 12, N1/2 OF SW1/4, SE/SW.

T33N, R01W, SEC. 12, NW1/4, W1/2 OF NE1/4, NW/SE.

Cheboygan County, Advertised Price \$92,179.50, 184.0 Acres

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

2 LITTLE PIGS HARDWOODS (53-010-12-01) / T31N, R01W, SEC. 10, NE1/4, SENW, NESW, SE1/4.

T31N, R01W, SEC. 15, NENE.

Otsego County, Advertised Price \$32,440.50, 135.0 Acres

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

BID INSTRUCTIONS (VER. 10/18/2012):

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

Bids must be received by the Unit Manager, PIGEON RIVER COUNTRY OFFICE, 9966 TWIN LAKES RD, VANDERBILT, MI 49795, no later than 9:00 a.m. (local time) on January 24, 2013. For further information concerning this sale, contact Scott Whitcomb at 989-983-4101.

2. Bidder's Qualifications (2/12)

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/FRD No-Bid List. This list contains the names of purchasers who previously failed to execute a contract within 21-days or who have a history of poor performance.

3. Preparation of Sealed Bids (1/11)

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 (6/11)

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) the sale name or number and (b) the date and time of bid opening as shown in the prospectus. Bids received after the time specified in the sale prospectus are late bids and will be rejected.

5. Public Opening of Sealed Bids (1/11)

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 (1/11)

Award of the contract will be made to the Bidder whose bid, conforming to the prospectus, is most advantageous to the State of Michigan on the basis of total value at rates bid for the estimated quantities. The State reserves the right to reject any bid or waive any minor irregularity in bids received. A written award mailed (or otherwise furnished) to the successful Bidder shall be deemed to result in a binding contract without further action by either party.

7. Down Payment (1/11)

The Bidder to whom award is made must make a down payment within 21 days of the sale award. The amount of the down payment will be calculated as shown in the Bond and Payment Schedule of this prospectus. Only cash may be used to meet this requirement.

8. Performance Security (1/11)

As guarantee of faithful performance, a cash bond, certificate of deposit, surety bond or irrevocable letter of credit (LOC) is required within 21 days of the sale award. The amount of the performance security is shown in the Bond and Payment Schedule of this prospectus. If an LOC or surety is used, the coverage must extend for at least 6 months beyond the contract expiration.

9. Timber Sale Contract (10/12)

Additional conditions and requirements common to all timber sales are listed on the timber sale contract (R4031) and are available on line at www.michigan.gov/timber. Contact the Unit Manager for additional information or a sample contract. Within 21 days of the date of the award letter, the bidder must sign the contract and provide the required down payment, performance security, and verification of worker's disability compensation. The down payment and performance security shall be in accordance with the provisions of the timber sale contract, in the sums stated in this prospectus. If these actions are not taken, then the Bidder, the Bidder's corporation, and the corporation's principals may not be permitted to bid on State timber sales for a period of 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 (1/11)

Before submitting this bid, the Bidder is advised and cautioned to inspect the sale area, review the requirements of the sale contract, and take other steps as may be reasonably necessary to ascertain the location, estimated volumes, construction estimates, and operating costs of the proposed sale. Failure to do so will not relieve the Bidder from responsibility for completing the contract.

The Bidder warrants that this bid is submitted solely on the basis of the Bidder's examination and inspection of the quality and quantity of the timber offered for sale and the Bidder's opinion of the value thereof and the costs of recovery. No reliance should be placed on the State of Michigan's estimates of timber quality, quantity or costs of recovery. Bidder further acknowledges that the State of Michigan: (i) expressly disclaims any warranty of fitness of timber for any purpose; (ii) offers this timber as is without any warranty of quality (merchantability) or quantity and (iii) expressly disclaims any warranty as to the quantity or quality of timber sold.

11. Certification and Chain-of-Custody (10/11)

Unless otherwise indicated in the contract under section 7 – Other Conditions of the Sale Specific Conditions & Requirements, the area encompassed by this timber sale is certified to the standards of the Forest Stewardship Council (FSC) - Certificate #SCS-FM/COC-00090N and the Sustainable Forestry Initiative (SFI) - Certificate # NSF-SFIS-5Y031-S1. Forest products from this sale may be delivered to the mill as "FSC Pure 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.

KEITH CREAGH

Director

TIMBER SALE INFORMATION

OLD GRADE HARDWOOD (53-007-12-01)
 T33N, R01W, SEC. 01; T33N, R01W, SEC. 12.
 Cheboygan County (Advertised Price \$92,179.50)

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

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

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Basswood	251.00 MBF	\$ 93.00 / MBF
Sugar Maple	79.00 MBF	\$ 361.00 / MBF
White Ash	229.00 MBF	\$ 68.00 / MBF
Pulpwood		
Basswood	398.00 Cords	\$ 7.95 / Cord
Q. Aspen	326.00 Cords	\$ 14.60 / Cord
Sugar Maple	504.00 Cords	\$ 6.80 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$13,394.60:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Mixed Hardwood	62.00 MBF	\$ 75.00 / MBF
Mixed Softwood	12.00 MBF	\$ 48.00 / MBF
Q. Aspen	42.00 MBF	\$ 43.00 / MBF
Pulpwood		
Mixed Hardwood	228.00 Cords	\$ 15.65 / Cord
Mixed Softwood	86.00 Cords	\$ 17.80 / Cord
White Ash	243.00 Cords	\$ 5.20 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 8.86 percent. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

1. A bond in the amount of **\$6,000.00** to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
01	20%
02	25%
03	25%
04	15%
05	15%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2016.

Sale Specific Conditions & Requirements

Sale Name: Old Grade Hardwood Sale Number: 53-007-12-01

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 and yellow paint, respectively.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (8/11)

Within Payment Unit(s) 4 and 5, 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.

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

Within Payment Unit(s) 1, 2 and 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. Any trees marked with an orange "X" should be cut and left to lay where they fall.

2.2 - Utilization

2.2.6 - Roundwood operation required (5/07)

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

2.2.8 - Utilization and removal (2/11)

Retain on site no less than 1/6 to 1/3 of the slash from harvested trees (tree tops and limbs less than four inches in diameter).

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment unit(s) 1, 2 and 3 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.

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 (10/11)

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. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days.

4.1.11 - Permits (2/12)

The Purchaser will secure any necessary County Road hauling permits that may be required. Clute Road does have permanent weight restrictions and does require a permit.

4.2 - Maintenance

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. Portions of Road 19 will require a considerable amount of fill in order to be able to truck wood out. Purchaser shall provide equipment and labor, however, contact the sale administrator regarding the availability of gravel and other materials that may be needed to build up the road.

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.

4.4 - Access

4.4.3 - Access gate (12/08)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations.

5.1.4 - Post-sale conference (6/11)

A post-sale conference on site between the Purchaser and sale administrator is required 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 10 feet back from the red paint line.

5.2.1.10 - No slash in openings (5/10)

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

5.2.2 - 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

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1 - 3, unless changed by written agreement, cutting and skidding are not permitted during the period of May 1 to July 1. This restriction is because of bark slippage.

5.2.3.9 - Beech hauling restriction (3/11)

American beech wood products with bark still attached, other than chips, are not to be transported from stands infested with beech scale to or through 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.)

5.2.4 - 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.

5.4 - 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.

5.4.6 - Wet area protection (5/10)

No harvesting operations, including skidding and felling, are to take place within the vernal pond areas or drainages. When harvesting occurs, there should be no disturbance to the vernal pond depression. All equipment, trees and tops should be kept out of this area. Within 100 feet of the pond, equipment should only be used when the soil is in a dry or frozen condition. Care must be taken by the purchaser to identify and avoid operating in these areas of the timber sale.

5.8 - Protection of Endangered Species

5.8.3 - Red shoulder hawk (1) (3/07)

In the event that an active red shoulder hawk nest is found, the contract may be amended to protect the nest site. The harvesting time may be altered or reduced. Harvest operations may be limited to July 1 to March 15. This limitation may be selectively imposed on a specific portion of the sale, or it could apply to the entire sale. In addition, an area surrounding the nest tree could be designated as a "no-cut" zone with appropriate adjustments made to the timber sale value. These restrictions shall apply to all raptor nests found within the sale area.

7 - Other Conditions

7.3 - Contract Modifications

7.3.1 - Emerald Ash Borer

7.3.1.2 - Emerald ash borer, ash or firewood on sale (2/05)

There is ash and/or "firewood" in this sale and it is located within an emerald ash borer quarantined area. The Director of the Michigan Department of Agriculture (MDA) by the authority of Act No. 72 of the Public Acts of 1945, as amended, and Quarantine Regulation No. 620, has promulgated this quarantine to prevent the further spread of this pest and sets forth: definitions, regulated articles, regulated areas, conditions of movement, violations and penalties, and special exemptions. The purchaser must comply with this quarantine. Contact the MDA for further information.



TIMBER SALE MAP

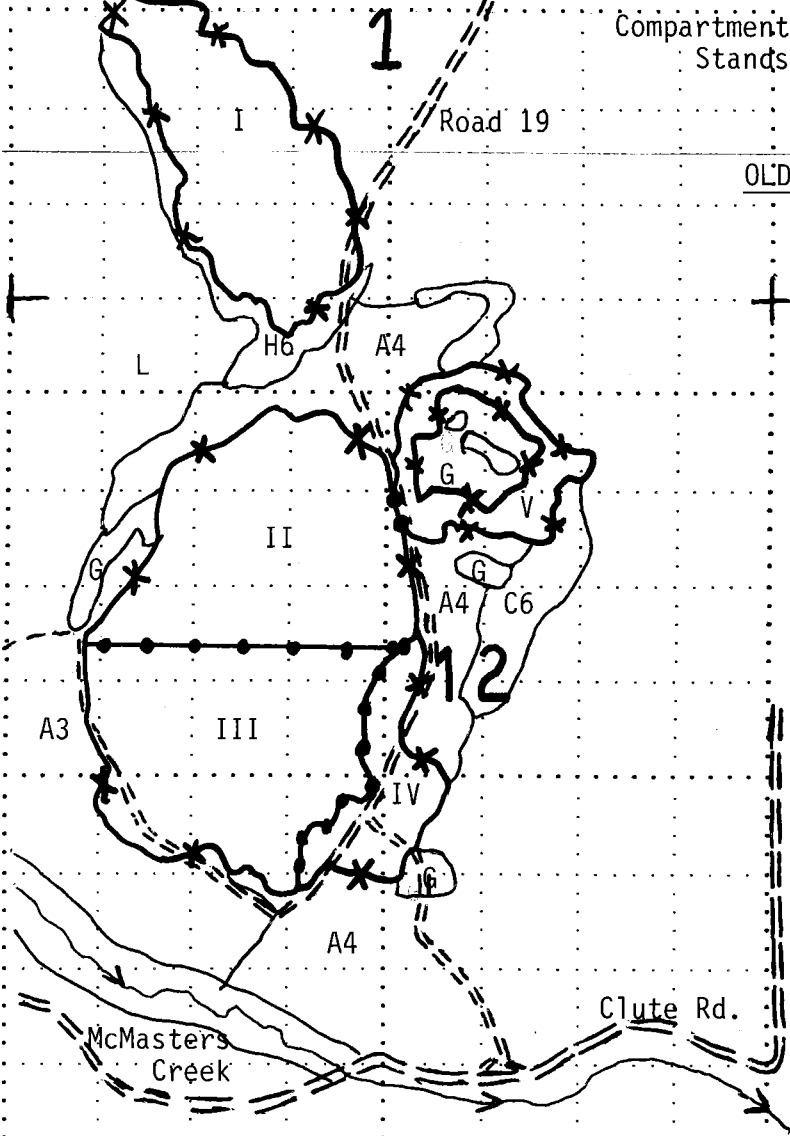
This information provided by authority of Part 525 of Act 451, PA 1994, as amended.

Sale Number	Year
53-007-12-01	2012

Forest Management Unit	County	Mapped By Rick McDonald	Date	Page	of
Pigeon River Country FMU	Cheboygan	Cruised By Rick McDonald	9/7/2012		

Township	Range	Section(s) and Subdivision(s)	NW/SE	Scale
33N	01W	(1)SW $\frac{1}{4}$, (12)NW $\frac{1}{4}$, W $\frac{1}{2}$ of NE $\frac{1}{4}$, N $\frac{1}{2}$ of SW $\frac{1}{4}$, SE/SW		4" ... = 1 mile

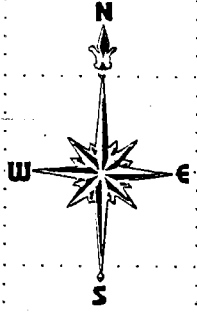
Cover Type				Density	
A = Aspen	H = Hemlock	P = Lowland Poplar	V = Bog or Marsh	0 = Non Stocked	5 = Pole Timber Medium
B = Paper Birch	J = Jack Pine	Q = Mixed Swamp Cnfr	W = White Pine	1 = Seedling Sapling Poor	6 = Pole Timber Well
C = Cedar	L = Lowland Brush	R = Red Pine	X = Non Stocked	2 = Seedling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



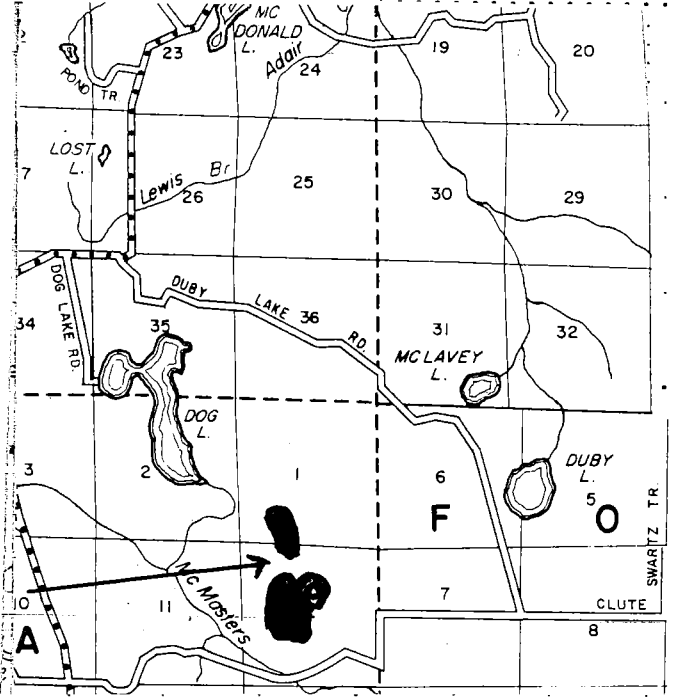
Compartment 12
Stands 30,36,41,42

OLD GRADE HARDWOOD (184 acres)

Unit I	44 acres
II	58
III	53
IV	15
V	14



- IMPROVED GRAVEL ROAD
- OPEN FOREST ROAD
- CLOSED ROAD
- STREAM/CREEK
- SALE AREA BOUNDARY
- PAYMENT UNIT BOUNDARY



TIMBER SALE INFORMATION

2 LITTLE PIGS HARDWOODS (53-010-12-01)

T31N, R01W, SEC. 10; T31N, R01W, SEC. 15.

Otsego County (Advertised Price \$32,440.50)

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

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

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Basswood	54.00 MBF	\$ 96.00 / MBF
Sugar Maple	31.00 MBF	\$ 315.00 / MBF
White Ash	111.00 MBF	\$ 76.00 / MBF
Pulpwood		
Basswood	364.00 Cords	\$ 7.95 / Cord
Sugar Maple	463.00 Cords	\$ 5.95 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$3,406.85:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Beech	10.00 MBF	\$ 47.00 / MBF
Pulpwood		
Beech	72.00 Cords	\$ 10.90 / Cord
Mixed Hardwood	73.00 Cords	\$ 14.45 / Cord
White Ash	211.00 Cords	\$ 5.20 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 18.04 percent. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

1. A bond in the amount of **\$2,000.00** to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
01	19%
02	19%
03	21%
04	25%
05	16%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2015.

Sale Specific Conditions & Requirements

Sale Name: 2 Little Pigs Hardwoods Sale Number: 53-010-12-01

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 and yellow 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. Interior retention areas are marked with red paint. Do not enter retention areas.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) #'s 1-5, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all ash trees except for those marked with green paint. Any other tree species marked with green paint must be felled and left on site for wildlife.

2.1.11 - Description of timber note (2/04)

Note that Mixed Hardwood pulpwood includes 6 cords of red maple, 15 cords of paper birch, and 52 cords of ironwood.

2.2 - Utilization

2.2.6 - Roundwood operation required (5/07)

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

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. 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 10% 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 \$200 dollars per sawtimber tree and \$25 dollars per pole sized tree, whichever is greater. Such payment does not constitute ownership of the undesignated timber.

3.6 - Payment Unit Cutting Schedule

3.6.2 - One active unit (12/08)

Each Payment Unit must be completed to the satisfaction of the Unit Manager or his/her representative before the next unit may be opened.

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.

4.1.6 - Road construction (1/09)

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 (10/11)

Overgrown roads that are reopened shall be considered new roads and must be blocked to vehicle traffic upon completion of the sale. Some existing roads may also need to be closed, see the timber sale administrator for locations. In general, this will require constructing earthen berms at strategic locations.

4.1.12 - No new roads (1/12)

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

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on Tin Shanty Road by the Unit Manager or his/her 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. Fill material may not be sourced from state land.

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.

4.4 - Access

4.4.3 - Access gate (12/08)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 10 days in advance to schedule the conference.

5.1.3 - Well heads and natural gas pipelines (7/07)

The Purchaser is responsible for contacting the gas or pipeline company prior to operating equipment in the vicinity of well heads or natural gas pipelines.

5.1.4 - Post-sale conference (6/11)

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

5.2.1.9 - No Slash:pipe/powerline, oil/gas sites (2/04)

All pipelines, power lines, oil or gas storage sites and related access roads are to remain free of slash at all times.

5.2.1.10 - No slash in openings (5/10)

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

5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, the sale area shall be left with slash evenly distributed. Bunched tops within the cutting area shall be broken up and scattered. Stumps shall be cut low to the ground. Processing sites shall not be left with a compacted layer of slash; tops from these sites shall be hauled back into the cut area and scattered.

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

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) #'s 1-5, cutting and skidding are not permitted during the period of March 15 to July 15. This restriction is because of bark slippage and to protect the site from rutting damage.

5.2.3.9 - Beech hauling restriction (3/11)

American beech wood products with bark still attached, other than chips, are not to be transported from stands infested with beech scale to or through 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.)

5.2.4 - Dead and Down Creation

5.2.4.1 - Dead and down creation, marked trees (12/08)

All trees marked with a "X" of green paint, with the exception of ash, must be felled and left on site for wildlife. They must be felled in such a way so as to avoid damage to residual timber. These trees have been taken off the timber tally.

5.2.32 - Decking/landing restoration (9/11)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand.

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)

Rutting is not acceptable within the Sale Area. 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 25 feet in length. The Purchaser will be assessed a fine of \$150.00 dollars for each occurrence of rutting damage that exceeds the previously stated threshold. 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)

To protect an active raptor nest within the Sale Area, no cutting, skidding, and hauling are permitted within the Sale Area from March 1 to August 15. All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The purchaser is responsible for posting and maintaining caution signs on Tin Shanty Road prior to beginning operations. The road must be posted 200 feet north and south of 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.



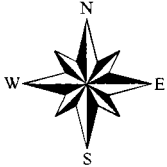
Michigan Department of Natural Resources – Forest, Mineral & Fire Management
TIMBER SALE MAP

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

SALE NUMBER	YEAR
53 - 010	12
DATE	PAGE OF
08/13/2012	1 1

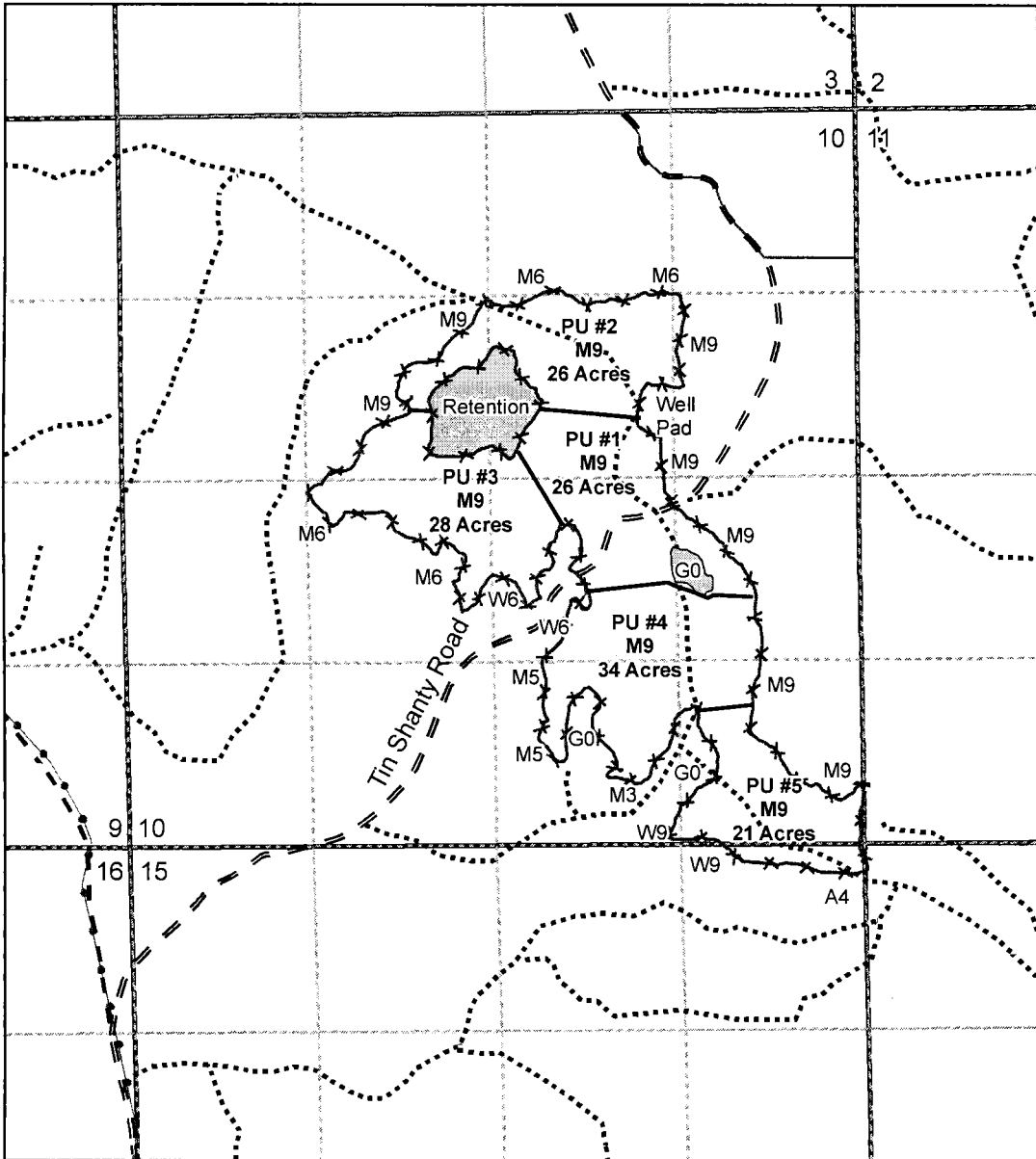
FOREST MANAGEMENT UNIT Pigeon River	COUNTY Otsego	MAPPED BY Rekowski
TOWNSHIP 31N	RANGE 01W	CRUISED BY Metcalf Forestry
SECTION(S) AND SUBDIVISION(S) 10: NE1/4, SENW, NESW, SE1/4; 15: NENE		SCALE 1:15,840

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



2 Little Pigs Hardwoods
 Otsego County
 Compartment 47
 135 Cut Acres

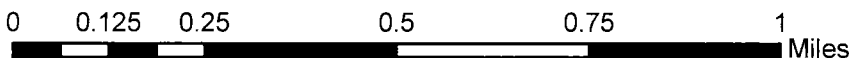
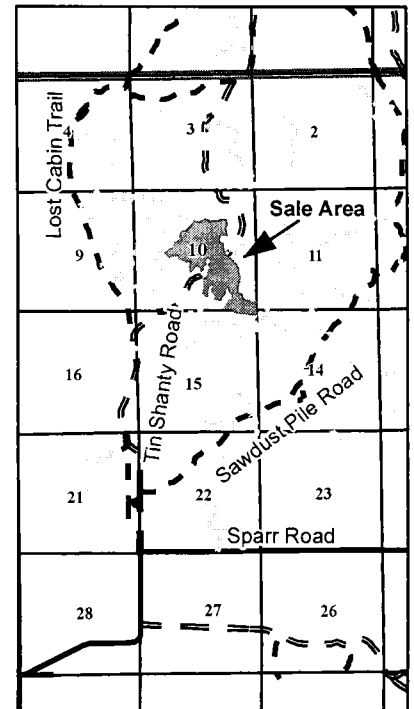
PU#	CUT ACRES	RET ACRES
1	26	0
2	26	5
3	28	5
4	34	0
5	21	0



Legend

- Sale Boundary - Red Paint
- PU Lines - Yellow Paint
- Retention - Red Paint
- Closed Roads

Locator Map
1:100,000



OLD GRADE HARDWOOD (53-007-12-01)
T33N, R01W, SEC. 01; T33N, R01W, SEC. 12, Cheboygan County

In response to the notice of sale to be held 9:00 a.m. (local time) on January 24, 2013, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Sawlogs			
Basswood	251.00 MBF	\$ 93.00 / MBF	\$ _____ / MBF
Sugar Maple	79.00 MBF	\$ 361.00 / MBF	\$ _____ / MBF
White Ash	229.00 MBF	\$ 68.00 / MBF	\$ _____ / MBF
Pulpwood			
Basswood	398.00 Cords	\$ 7.95 / Cord	\$ _____ / Cord
Q. Aspen	326.00 Cords	\$ 14.60 / Cord	\$ _____ / Cord
Sugar Maple	504.00 Cords	\$ 6.80 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$13,394.60 :

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Mixed Hardwood	62.00 MBF	\$ 75.00 / MBF
Mixed Softwood	12.00 MBF	\$ 48.00 / MBF
Q. Aspen	42.00 MBF	\$ 43.00 / MBF
Pulpwood		
Mixed Hardwood	228.00 Cords	\$ 15.65 / Cord
Mixed Softwood	86.00 Cords	\$ 17.80 / Cord
White Ash	243.00 Cords	\$ 5.20 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 8.86 percent. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

I understand that any or all bids may be rejected. All bids must be signed and all bid items must be bid or the bid form may be rejected. I also understand that consideration and awarding a contract will be based upon my past performance and ability to complete the contract based upon equipment and staffing subject to my control.

FEDERAL ID: ____ - ____ - ____ or SOCIAL SECURITY NUMBER: ____ - ____ - ____

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

IF AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.

Individual or company representative's signature: _____ Date: _____

Phone number : _____ Email (optional): _____

THE WINNING BIDDER MUST COMPLETE THE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE (ON REVERSE SIDE IF DOUBLE SIDED) WITHIN 21 DAYS OF SALE AWARD DATE



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 Number (XX - XXX - XX - XX)	
Forest Management Unit:	

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 one of the boxes below):
 - A. Sole Proprietorship (individual)
 - B. Partnership
 - C. Corporation
2. You **must** check one of the boxes below:
 - A. I certify that my business is a sole proprietorship and 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 Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.
3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0").

_____ Full-time Employees

_____ Part-time Employees

Name of Business		Federal ID (or) Social Security No.	
Address		Telephone ()	
City	State	ZIP	

I hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that occur in factors affecting my coverage during any of my present and future operations.

Signature of Owner or Authorized Representative

Title

Date

2 LITTLE PIGS HARDWOODS (53-010-12-01)
T31N, R01W, SEC. 10; T31N, R01W, SEC. 15, Otsego County

In response to the notice of sale to be held 9:00 a.m. (local time) on January 24, 2013, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Sawlogs			
Basswood	54.00 MBF	\$ 96.00 / MBF	\$ _____ / MBF
Sugar Maple	31.00 MBF	\$ 315.00 / MBF	\$ _____ / MBF
White Ash	111.00 MBF	\$ 76.00 / MBF	\$ _____ / MBF
Pulpwood			
Basswood	364.00 Cords	\$ 7.95 / Cord	\$ _____ / Cord
Sugar Maple	463.00 Cords	\$ 5.95 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$3,406.85 :

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED UNITS*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Beech	10.00 MBF	\$ 47.00 / MBF
Pulpwood		
Beech	72.00 Cords	\$ 10.90 / Cord
Mixed Hardwood	73.00 Cords	\$ 14.45 / Cord
White Ash	211.00 Cords	\$ 5.20 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 18.04 percent. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

I understand that any or all bids may be rejected. All bids must be signed and all bid items must be bid or the bid form may be rejected. I also understand that consideration and awarding a contract will be based upon my past performance and ability to complete the contract based upon equipment and staffing subject to my control.

FEDERAL ID: ____ - ____ - ____ or SOCIAL SECURITY NUMBER: ____ - ____ - ____

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

IF AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.

Individual or company representative's signature: _____ Date: _____

Phone number : _____ Email (optional): _____

THE WINNING BIDDER MUST COMPLETE THE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE (ON REVERSE SIDE IF DOUBLE SIDED) WITHIN 21 DAYS OF SALE AWARD DATE



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 Number (XX - XXX - XX - XX)	
Forest Management Unit:	

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.
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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.
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 - C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.
3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0").

_____ Full-time Employees

_____ Part-time Employees

Name of Business		Federal ID (or) Social Security No.
Address		Telephone ()
City	State	ZIP

I hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that occur in factors affecting my coverage during any of my present and future operations.

Signature of Owner or Authorized Representative

Title

Date