

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5003

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on December 4, 2013. LOCATION: CRYSTAL FALLS MGT UNIT, 1420 US-2 WEST, CRYSTAL FALLS, MI 49920.

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

HINTZ MIX (12-051-13-01) / T43N, R29W, SEC. 01, S1/2SW1/4.

T43N, R29W, SEC. 02, S1/2SW, S1/2SE.

T43N, R29W, SEC. 03, S1/2SE, 10 NENE.

T43N, R29W, SEC. 11, NE1/4, S1/2NW, NWNW, 12 NW1/4.

Dickinson County, Advertised Price \$188,530.40, 305.0 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.

JANITOR (12-057-13-01) / T43N, R28W, SEC. 07, SWSW.

T43N, R28W, SEC. 18, W1/2NW.

T43N, R29W, SEC. 11, S1/2SE 12 S1/2SW, SESE.

T43N, R29W, SEC. 13, E1/2NE, NWNE, NENW.

Dickinson County, Advertised Price \$30,408.35, 65.0 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.

LEFTOVER PINE (12-059-13-01) / T42N, R32W, SEC. 04, N1/2SE, NESW, SENW, SWNE.

T42N, R32W, SEC. 09, NWNE, NENW.

Iron County, Advertised Price \$112,831.20, 86.0 Acres

SALE NOTE: Stand 39 and 65 will be scarified after cutting.

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

BID INSTRUCTIONS (VER. 06/06/2013):

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

Bids must be received by the Unit Manager, CRYSTAL FALLS OFFICE, 1420 US-2 WEST, CRYSTAL FALLS, MI 49920, no later than 3:00 p.m. (local time) on December 4, 2013. For further information concerning this sale, contact Eric Thompson at 906-786-2354 extension 142.

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 (6/13)

If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.

If a bidder, present at a bid opening, has submitted bids on more than one sale, that bidder may withdraw their unopened bid envelopes after being declared the successful bidder on one sale.

6. Award of Contract (1/11)

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

7. Down Payment (1/11)

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

8. Performance Security (1/11)

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

9. 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 (3/13)

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 100% and / or SFI certified" as long as the contractor hauling the forest products is chain-of-custody (COC) certified or covered under a COC certificate from the destination mill. The purchaser is responsible for maintaining COC after leaving the sale area.

KEITH CREAGH
Director

TIMBER SALE INFORMATION

HINTZ MIX (12-051-13-01)

T43N, R29W, SEC. 01; T43N, R29W, SEC. 02; T43N, R29W, SEC. 03; T43N,

R29W, SEC. 11.

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:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ERTISED PRICE
Pulpwood			
Mixed Aspen	4,130.00 Cords	\$	27.50 / Cord
Mixed Hardwood	1,941.00 Cords	\$	24.45 / Cord
Mixed Softwood	885.00 Cords	\$	25.35 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$5,063.20:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>AD\</u>	/ERTISED PRICE
Sawlogs			
Basswood	26.60 MBF	\$	92.00 / MBF
Sugar Maple	0.80 MBF	\$	330.00 / MBF
Pulpwood			
Basswood	196.00 Cords	\$	12.00 / Cord

^{*} The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$10,000.00 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:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	13%
02	23%
03	17%
04	5%
05	9%
06	9%
07	10%
08	8%
09	6%

- 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: Hintz Mix Sale Number: 12-051-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary and Payment Unit boundaries are 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. Interior Payment Unit boundaries are marked with red paint. Red painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, 2, 3, and 5-9, cut all aspen and mixed hardwood 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. In addition, cut spruce and balsam fir with a stump diameter of 6 inches and greater. In Payment Unit 3, red pine marked with orange paint are also designated for cutting.

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

Within Payment Unit(s) 4, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.2 - Utilization

2.2.4 - Skidding length (2/11)

Skidding of unlimbed tops or lengths over 17 feet is not permissible in unit 4 unless approved by the Unit Manager or his/her representative.

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.

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. 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.

4.2.5 - Two wheel drive condition (2/04)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

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 10 days in advance to schedule the conference.

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

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 36 inches in height.

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) 4, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

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.

Section Name: Sale Specific Current as of 10/17/2013 4:07:03PM

DNR

Michigan Department of Natural Resources - Forest Management TIMBER SALE MAP

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

SALE NUMBER 120511301 YEAR 2013

FOREST MANAGEMENT UNIT: COUNTY MAPPED BY Scott Sebero DATE PAGE OF CRYSTAL FALLS Dickinson CRUISED BY Scott Sebero 12/20/2012 TOWNSHIP RANGE SECTION(S) AND SUBDIVISION(S) 1 S1/2SW; 2 S1/2SW,S1/2SE; 3 S1/2SE 10 NENE; 11 NE1/4,S1/2NW,NWNW 12 NW1/4 29W Scale: |.....4 inches......| = 1 mlle 43N Cover Type Density A = Aspen B = Paper Birch H = Hemlock P.= Lowland Poplar Q = Mixed Swamp Cnfr V = 8og or Marsh W = White Pine 0 = Non Stocked 5 = Pole Timber Medium 6 = Pole Timber Well 1 = Seedling Sapling Poor 2 = Seedling Sapling Medium J = Jack Pine C = Cedar X = Non Stocked R = Red Pine L = Lowland Brush 7 = Saw Timber Poor E = Swamp Hdwoods M = Mpl, Bch, Brch S = Black Spruce Z = Water 3 = Seedling Sapling Well 8 = Saw Timber Medium 4 = Pole Timber Poor 9 = Saw Timber Well F = Spruce Fir N = Marsh T = Tamarack G = Grass Q = QakU = Upland Brush State of **Hintz Mix** MI 645 305 Acres 3 2 Unit 1 - 38 acres Unit 2 - 61 acres Unit 3 -- 48 acres Sić Unit 4 -- 34 acres Turner Creek Unit 5 -- 25 acres Unit 6 -- 28 acres 10 Unit 7 -- 31 acres Unit 8 -- 20 acres Unit 9 -- 20 acres R6 R5 PU2 Q\$ URNER €14 CRECK 45 LEGEND BLUE PROPERTY LINE -XX œ **RED BOUNDARY LINE** RED UNIT LINE - 日日 MZ TRAIL ROAD = >= > SURVEY CORNER **CENTER SECTION** I **PAYMENT UNIT** PU 4 PRIVATE PROPERTY PVT.

TIMBER SALE INFORMATION

JANITOR (12-057-13-01)

T43N, R28W, SEC. 07; T43N, R28W, SEC. 18; T43N, R29W, SEC. 11; T43N,

R29W, SEC. 13.

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:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Pulpwood			
Mixed Aspen	589.00 Cords	\$	27.50 / Cord
Mixed Hardwood	68.00 Cords	\$	24.45 / Cord
Mixed Softwood	495.00 Cords	\$	25.35 / Cord

^{*} The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$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:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	21%
02	27%
03	35%
04	17%

- 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: Janitor Sale Number: 12-057-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary is marked and identified by 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 (8/11)

Within Payment Unit(s) 1 through 4, cut all aspen and mixed hardwood 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. Cut all spruce and balsam fir and tamarack measuring 6 inches and greater at the stump. No red pine, white pine, cedar, hemlock or oak are to be cut in any unit.

2.2 - Utilization

2.2.11 - Chipping restriction (11/12)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. If chipping is done, chip piles must be removed within 60 days of the sale expiration date and residual chip depth at the landing may not exceed 4 inches.

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.

4 - Transportation

4.1 - Construction

4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price.

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.

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference 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 10 days in advance to schedule the conference.

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

5.2.1.1 - 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.

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 36 inches in height.

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 (9/11)

Within Payment Unit(s) 1, 2 and 3, railroad tracks will not be driven on or crossed, except at designated crossings. No trees will be dropped on or across tracks. This restriction is prevent damage to the tracks.

5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of Turner Road.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

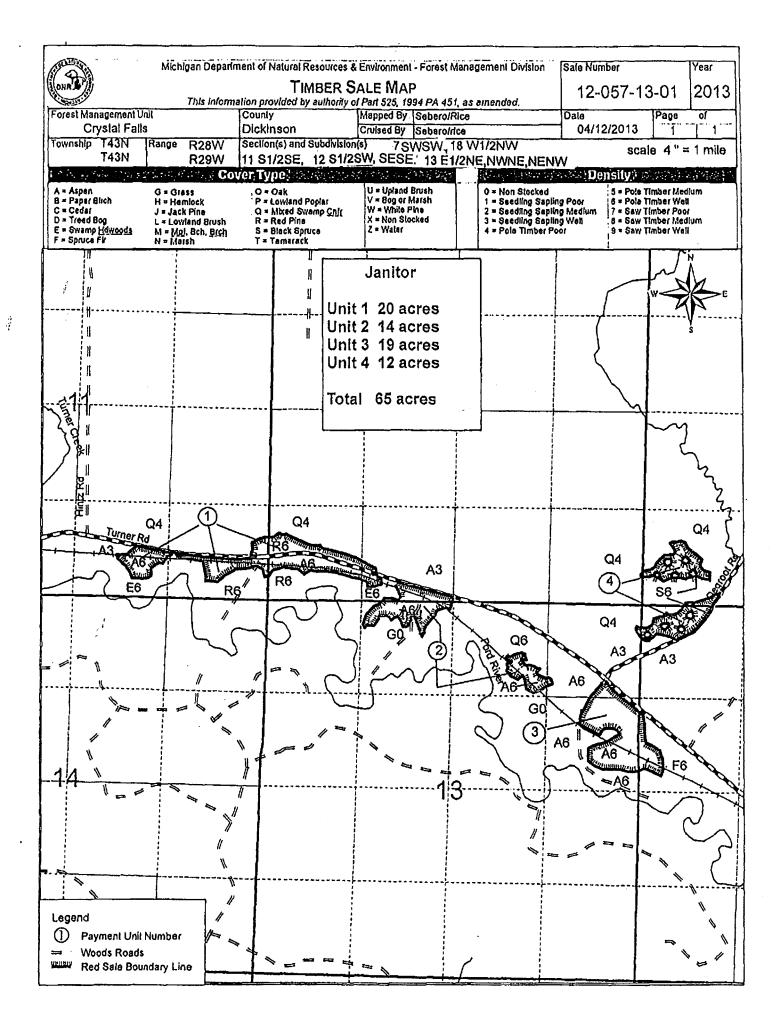
Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the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

5.5 - Protection of Improvements

5.5.3 - Protection of improvements detail (8/04)

The following are specific protection measures for this sale. Care must be taken not to damage buried phone lines or phone boxes. The phone line and boxes run along the north side of Turner Road.

Section Name: Sale Specific Current as of 10/3/2013 11:01:31AM



TIMBER SALE INFORMATION

LEFTOVER PINE (12-059-13-01)

T42N, R32W, SEC. 04; T42N, R32W, SEC. 09.

Iron County (Advertised Price \$112,831.20)

SALE NOTE: Stand 39 and 65 will be scarified after cutting.

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

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ERTISED PRICE
Pulpwood			
Jack Pine	1,625.00 Cords	\$	50.70 / Cord
Red Pine	536.00 Cords	\$	55.10 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$910.10:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ADVERTISED PRICE	
Pulpwood				
O Asnen	38.00 Cords	\$	23.95 / Cord	

^{*} The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of **\$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:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	34%
02	22%
03	14%
04	10%
05	10%
06	10%

- 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: Leftover Pine Sale Number: 12-059-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary and Payment Unit boundaries are 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. Interior Payment Unit boundaries are marked with red paint. Red painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, 2 and 5, cut all aspen and mixed hardwood 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. In addition, cut all jack pine, spruce and balsam fir with a stump diameter of 6 inches and greater. No red pine, white pine, or oak may be cut.

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

Within Payment Unit(s) 3, 4 and 6, red pine are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all jack pine, maple and aspen with one or more pulpwood stick. No oak or white pine will be cut.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the sale area shall not exceed 6 inches for all trees. This is in order to facilitate scarification operations.

2.2.10 - No chipping tops and limbs (4/12)

Within Payment Unit(s) 1, 2 and 5, chipping of the bole, 2-inches in diameter or greater, is allowed. Chipping of limbs or portions of the tree less than 2-inches in diameter is not permitted. Limbs and the remaining top must be left on site and scattered.

2.2.11 - Chipping restriction (11/12)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. If chipping is done, chip piles must be removed within 60 days of the sale expiration date and residual chip depth at the landing may not exceed 4 inches.

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 oak 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.

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. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

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

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser. Permission to cross private land must include access for DNR to inspect the sale at any time.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

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 10 days in advance to schedule the conference.

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

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 36 inches in height.

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

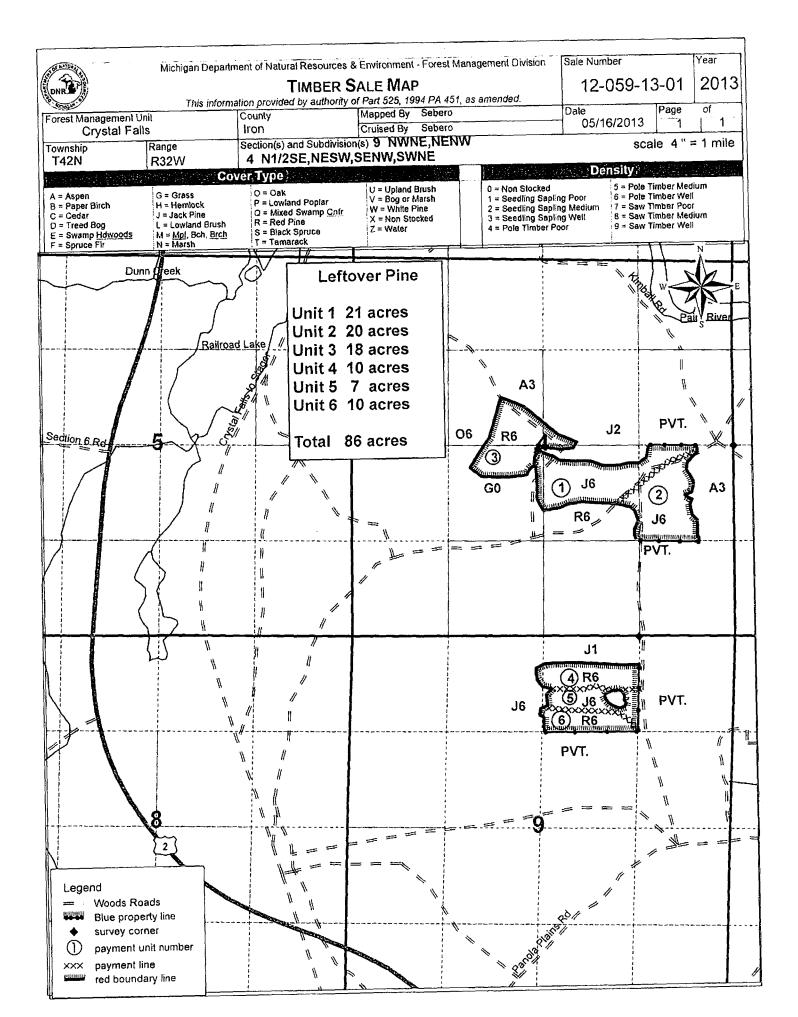
5.2.3.6 - Bark beetle restriction (12/08)

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

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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



BID FORM

HINTZ MIX (12-051-13-01)

T43N, R29W, SEC. 01; T43N, R29W, SEC. 02; T43N, R29W, SEC. 03; T43N, R29W, SEC. 11, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on December 4, 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.

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE	BID PRICE
Pulpwood			
Mixed Aspen	4,130.00 Cords	\$ 27.50 / Cord	\$ / Cord
Mixed Hardwood	1,941.00 Cords	\$ 24.45 / Cord	\$ / Cord
Mixed Softwood	885.00 Cords	\$ 25.35 / Cord	\$ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$5,063.20:

PRODUCTS & SPECIES	ESTIMATED UNITS*	AD	VERTISED PRICE
Sawlogs	·		
Basswood	26.60 MBF	\$	92.00 / MBF
Sugar Maple	0.80 MBF	\$	330.00 / MBF
Pulpwood			
Basswood	196.00 Cords	\$	12.00 / Cord

^{*} The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

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 SE	CURITY NUMBER:			
	Company or individual bidding:					
	Company representative's name:					
	Address:					
	City:	State:	Zip:			
F AVAIL	ABLE, PLEASE PLACE THE PERSO	NALIZED LABEL FRO	OM YOUR PROSPECTUS IN	THE ABOVE BOX.		
ndividual	or company representative's signatu	re:		Date:		
Phone nu	ımber :	Emai	l (optional):			



sale contract.

Name of Business

Address

Michigan Department of Natural Resources & Environment Forest Management Division

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:		

•	In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract.					
•	All Information must be typed or printed except for written signatures.					
Ple	ase Check Appropriate Categories:					
1.	My business is organized as (you must check <u>one</u> of the boxes below):					
	A. Sole Proprietorship (individual)					
	B. Partnership					
	C. Corporation					
2.	You must check <u>one</u> of the boxes below:					
	A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws.					
	B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved 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

Federal ID (or) Social Security No.

than yourself, including family members and active partners (if none, you must enter "0").

Full-time Employees

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

		()
City	State	ZIP
I hereby certify that the above information is occur in factors affecting my coverage during Signature of Owner or Authorized Representative		I agree to notify the Michigan DNRE of any changes that ent and future operations. Date
riue		Date

Telephone

Part-time Employees

BID FORM

JANITOR (12-057-13-01)

T43N, R28W, SEC. 07; T43N, R28W, SEC. 18; T43N, R29W, SEC. 11; T43N, R29W, SEC. 13, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on December 4, 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.

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE	BID PRICE
Pulpwood		.	
Mixed Aspen	589.00 Cords	\$ 27.50 / Cord	\$ / Cord
Mixed Hardwood	68.00 Cords	\$ 24.45 / Cord	\$ / Cord
Mixed Softwood	495.00 Cords	\$ 25.35 / Cord	\$ / Cord

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 S	SOCIAL SECURITY NUMBER:_		
	Company or individual	idual bidding:	<u></u>		
	Company represer	entative's name:			
	Address:				
	City:	State:	Zip:		
F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.					
ndividual or company representative's signature:			Date:		
Phone number : Email (optional):					

^{*} 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.



Michigan Department of Natural Resources & Environment Forest Management Division

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
- 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:				
 My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership Corporation 					
 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 than yourself, including family members and active partners. Full-time Employees	the number of both full-time and part-time employees, other ers (if none, you must enter "0"). Part-time Employees			
Name of Business		Federal ID (or) Social Security No.			
Address		Telephone ()			
City	State	ZIP			
occ _	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				
T	Title	Date			

BID FORM

CRYSTAL FALLS MANAGEMENT UNIT

CRYSTAL FALLS OFFICE

<u>LEFTOVER PINE (12-059-13-01)</u> T42N, R32W, SEC. 04; T42N, R32W, SEC. 09, Iron County

In response to the notice of sale to be held 3:00 p.m. (local time) on December 4, 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.

be rejected.					
PRODUCTS & SPECIES Pulpwood	ESTIMATED UNITS	<u>* AD\</u>	/ERTISED PRICE	BID PRICE	
Jack Pine	1,625.00 Cords	\$	50.70 / Cord	\$	/ Cord
Red Pine	536.00 Cords	\$	55.10 / Cord	\$	_ / Cord
In addition, the successful bidder	agrees to purchase the follow	wing species at t	he indicated advertise	ed price for a total va	lue of \$910.10 :
PRODUCTS & SPECIES Pulpwood	ESTIMATED UNITS	<u>* AD\</u>	/ERTISED PRICE		
Q. Aspen	38.00 Cords	\$	23.95 / Cord		
* The estimated units are final and estimates of quantity and quality.	not subject to adjustment.	Prospective bidd	lers are urged to exar	nine this timber and	to make their own
I understand that any or all bids munderstand that consideration and equipment and staffing subject to	awarding a contract will be	•			•
FEDERAL ID: or SOCIAL SECURITY NUMBER: Company or individual bidding: Company representative's name:					
Address:					
City:	State:	Zip:			
IF AVAILABLE, PLEASE PLACE	THE PERSONALIZED LABE	L FROM YOUR	PROSPECTUS IN T	HE ABOVE BOX.	
Individual or company representat	ive's signature:			Date:	
Phone number :		Email (optional):		



Michigan Department of Natural Resources & Environment Forest Management Division

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 Heit	
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.

Ple	lease Check Appropriate Categories:					
1.	My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation					
2.	You must check <u>one</u> of the boxes below:					
	A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws.	ě				
	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					
Nam	me of Business Federal ID (or) Social Security No.					
Add	dress Telephone ()					
City	y State ZIP					
	nereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that ocur in factors affecting my coverage during any of my present and future operations.					
-	Signature of Owner or Authorized Representative					
-	Title Date					