

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5272

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on December 11, 2014.

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:

<u>UP NORTH ASPEN</u> (53-018-14-01) / T34N, R01W, SEC. 21, E1/2 OF SW1/4, NW/SE.

T34N, R01W, SEC. 21, NW/NE, N1/2 OF NW1/4.

Cheboygan County, Advertised Price \$29,290.55, 67.0 Acres

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions.

BLUE LAKES BUFFET (53-021-14-01) / T32N, R01E, SEC. 07, SWSE, SESW.

T32N, R01E, SEC. 17, NWNW.

T32N, R01E, SEC. 18, NENW, E1/2NE, SWSE, S1/2SW.

T32N, R01E, SEC. 19, NW1/4.

Montmorency County, Advertised Price \$22,037.95, 77.0 Acres

TRAILSIDE RED PINE II (53-022-14-01) / T34N, R01W, SEC. 27, SW/SW.

T34N, R01W, SEC. 28, SE/SE.

T34N, R01W, SEC. 33, NE/NE.

T34N, R01W, SEC. 34, NW/NW.

Cheboygan County, Advertised Price \$10,712.00, 13.0 Acres

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions.

BID INSTRUCTIONS (VER. 10/01/2014):

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 December 11, 2014. 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 (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 (9/14)

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 expiration 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 (10/14)

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-SF5. 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

UP NORTH ASPEN (53-018-14-01)

T34N, R01W, SEC. 21.

Cheboygan County (Advertised Price \$29,290.55)

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions.

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
Sawlogs			
Mixed Aspen	192.00 MBF	\$	56.00 / MBF
Mixed Hardwood	52.00 MBF	\$	79.00 / MBF
Pulpwood			
Mixed Aspen	789.00 Cords	\$	10.60 / Cord
Mixed Hardwood	337.00 Cords	\$	10.75 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,444.40:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE	
Pulpwood			
Mixed Softwood	126.00 Cords	\$	19.40 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 11.67 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 \$1,000.00 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:

PERCENT OF TOTAL SALE VALUE PAYMENT UNIT NUMBER 01 55%

02 45%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2016.

Sale Specific Conditions & Requirements

Sale Name: Up North Aspen Sale Number: 53-018-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary is marked and identified by red.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (6/14)

Within Payment Unit(s) I and II, cut all trees that are two (2) inches or more at DBH except do not cut any Oak. Also, leave all Red and White Pine greater than 16" dbh.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) may be divided at the request of the Purchaser and upon approval of the Unit Manager. Dividing Payment Units is a contract modification which requires a Timber Sale Contract Supplement. There will be only one division per Payment Unit.

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.

4.2 - Maintenance

4.2.4 - Grading (10/13)

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

4.2.5 - Two wheel drive condition (2/04)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (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

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 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) I and II, unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of May 1 to July 1. This restriction is to limit the effects of overbrowsing by Elk and Deer.

5.2.4 - Dead and Down Creation

5.2.4.1 - Dead and down creation, marked trees (10/13)

All trees marked with a band of green paint must be left until all merchantable timber has been cut and taken to the landing. At which time, they are to be cut, felled, and left on the ground.

5.2.40 - Pathway protection (10/10)

The North Spur of the Shore To Shore Trail is a horse trail and is shown on the Timber Sale Map. Do not cut trees or damage posts with blue pathway markers.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

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

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on the Shore To Shore Trail prior to beginning operations. The trail must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed.

Section Name: Sale Specific Current as of 11/17/2014 10:58:55AM



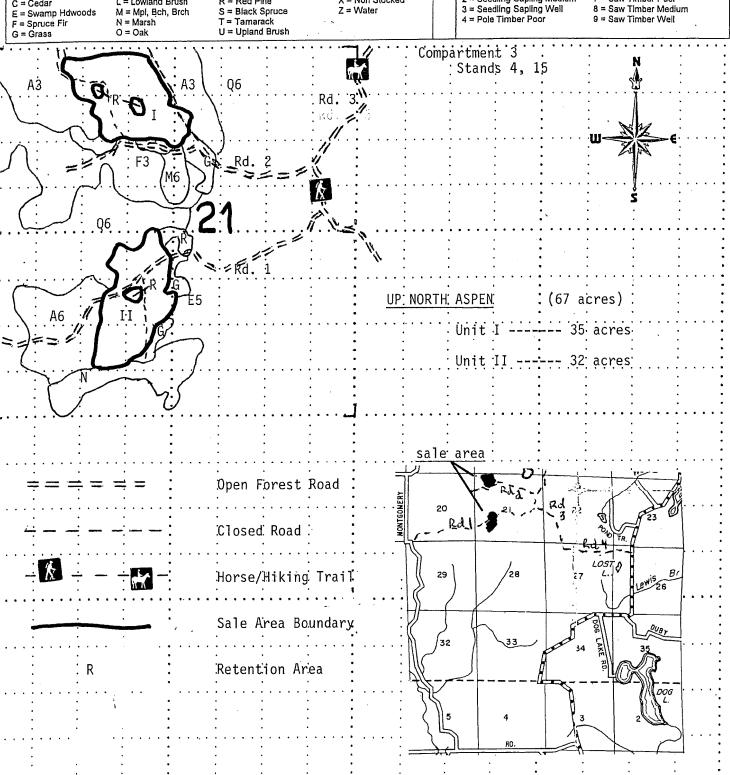
Michigan Department of Natural Resources - Forest, Mineral & Fire Management TIMBER SALE MAP

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

Sale Number Year 53-018-14-01

2014 Date Page of Mapped By Forest Management Unit County Rick McDonald Pigeon River Country FMU Cruised By 8/07/2014 Cheboygan Rick McDonald Scale Section(s) and Subdivision(s) Township Range

|... 4" ...|= 1 mile 21 - NW/NE, $N_{\frac{1}{2}}$ of $NW_{\frac{1}{4}}$, $E_{\frac{1}{2}}$ of $SW_{\frac{1}{4}}$, NW/SE34N 01W **Cover Type** Density V = Bog or Marsh W = White Pine 0 = Non Stocked 5 = Pole Timber Medium P = Lowland Poplar H = Hemlock A = Aspen 1 = Seedling Sapling Poor 6 = Pole Timber Well Q = Mixed Swamp Cnfr B = Paper Birch J = Jack Pine X = Non Stocked 2 = Seedling Sapling Medium 7 = Saw Timber Poor R = Red Pine L = Lowland Brush C = Cedar Z = Water 3 = Seedling Sapling Well 8 = Saw Timber Medium M = Mpl, Bch, Brch 4 = Pole Timber Poor 9 = Saw Timber Well



TIMBER SALE INFORMATION

BLUE LAKES BUFFET (53-021-14-01)

T32N, R01E, SEC. 07; T32N, R01E, SEC. 17; T32N, R01E, SEC. 18; T32N, R01E, SEC. 19.

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*	AD\	/ERTISED PRICE
Sawlogs			
Red Oak	80.50 MBF	\$	169.00 / MBF
White Oak	15.70 MBF	\$	87.00 / MBF
Pulpwood			
Red Maple	181.00 Cords	\$	9.65 / Cord
Red Oak	211.00 Cords	\$	10.85 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$3,031.55:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ERTISED PRICE
Sawlogs			
Red Pine	7.20 MBF	\$	150.00 / MBF
Pulpwood			
Jack Pine	1.00 Cords	\$	14.15 / Cord
Mixed Aspen	104.00 Cords	\$	9.70 / Cord
Red Pine	6.00 Cords	\$	42.15 / Cord
White Oak	54.00 Cords	\$	7.05 / Cord
White Pine	25.00 Cords	\$	11.80 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 17.55 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 **\$1,500.00** to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment 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	5%
02	5%
03	32%
04	52%
05	6%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 03/31/2016.

Sale Specific Conditions & Requirements

Sale Name: Blue Lakes Buffet Sale Number: 53-021-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

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. Red and yellow painted boundary line trees are not Included Timber and are to be protected. Interior retention areas are marked with a red "X". Do not enter retention areas.

2 - Timber Specifications

2.1 - Included Timber

2.1.4 - Species designation unit(s) (12/08)

Within Payment Unit(s) #1, all red pine, aspen, red maple, spruce, and fir trees greater than 2 inches DBH are designated for cutting, except for those marked with green paint. Within Payment Unit #2, all red maple, oak, aspen, and fir trees greater than 2 inches DBH are designated for cutting, except for those marked with green paint.

2.1.7 - Leave tree marked unit(s) (6/14)

Within Payment Unit(s) #'s 3-5, cut all trees that are two (2) inches or more at DBH except hemlock and trees marked with green paint above and below stump height. Do not cut any dead oak within any of these Payment Units.

2.1.11 - Description of timber note (2/04)

Note that red maple pulpwood contains three cords of sugar maple.

2.2 - Utilization

2.2.2 - Chipping required (5/14)

Payment Unit #'s 3-5 must be chip harvested to facilitate future silvicultural activities. Products must be produced as roundwood and forwarded to decking areas in final product length, but the tops must be left intact and skidded to the landing for chipping in order to minimize the amount of residual slash. Do not chip 1/6 to 1/3 of the slash from harvested trees (tree tops and limbs less than four inches in diameter).

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH. This is in order to facilitate planting operations.

2.2.11 - Chipping restriction (9/13)

If chipping occurs on this sale, the landing size and locations must be approved by the Unit Manager or his/her representative.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/14)

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

4 - Transportation

4.1 - Construction

4.1.3 - 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.

4.1.7 - Road closure (10/11)

Overgrown roads that are reopened must be blocked to vehicle traffic upon completion of the sale. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. These roads must be rendered

impassable to cars and trucks. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

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.

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

4.4.3 - Access gate (12/08)

The access gate to Payment Unit #'s 4-5 must be locked at all times. This is to prevent someone other than the Purchaser from going through the gate and being locked in.

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.

5.1.4 - 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

5.2.1.14 - Chipping of slash (10/08)

If tops are chipped, they must be skidded to the landing separately from the bole section of the tree. Skidding of tops must be done in such a way as to minimize damage to the residual trees.

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

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) #'s 1-5, unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.32 - Decking/landing restoration (9/13)

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. Wood debris, chips and "cookies" from trimmings must be removed or scattered away from landing and loading areas and may not be windrowed on the edge.

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

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

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

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 the closed road which accesses Payment Unit #'s 4-5 prior to beginning operations. The road must be posted near the intersection with Blue Lakes Road 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.

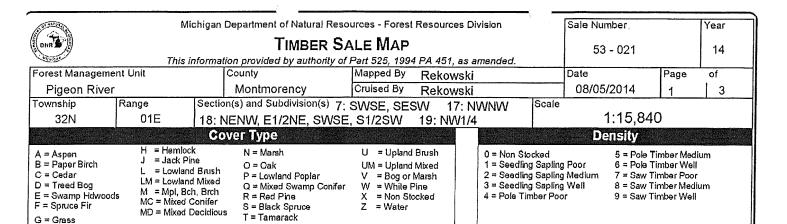
7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from oak decline. The Purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.

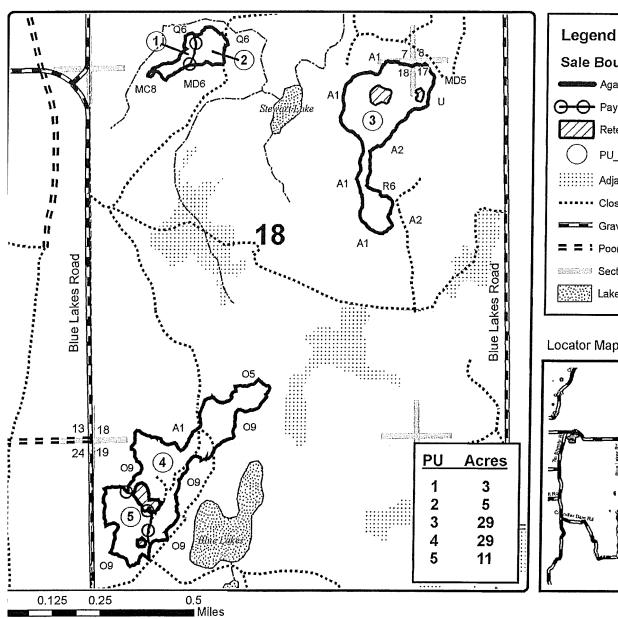
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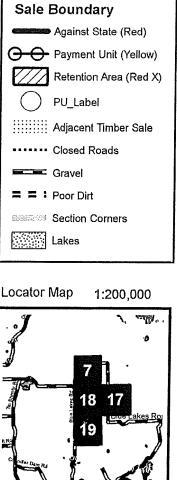


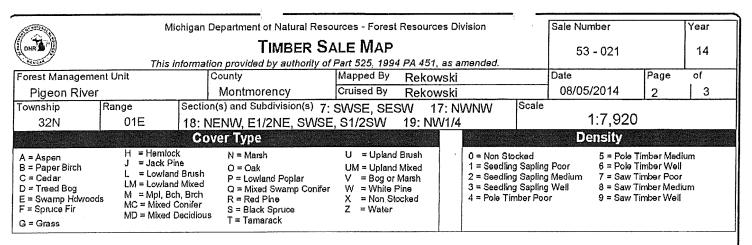


Blue Lakes Buffet

Compartment 59 77 Cut Acres



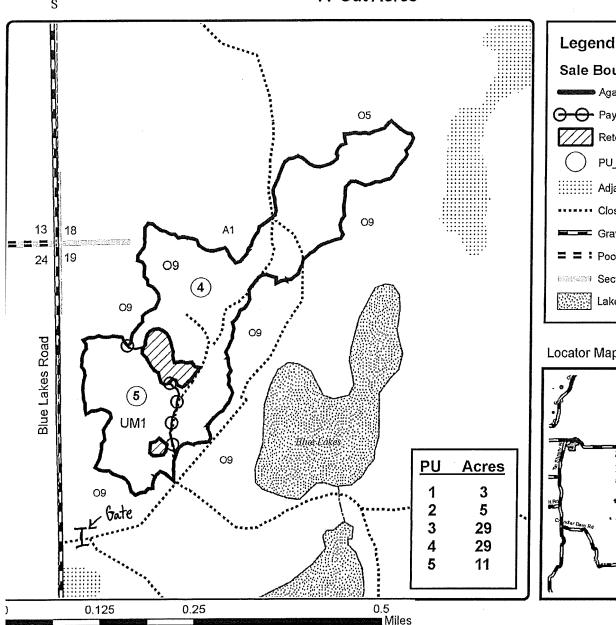


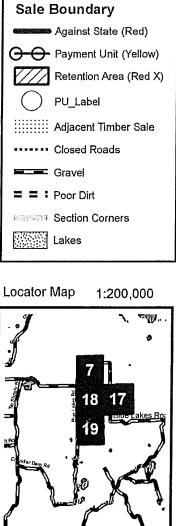


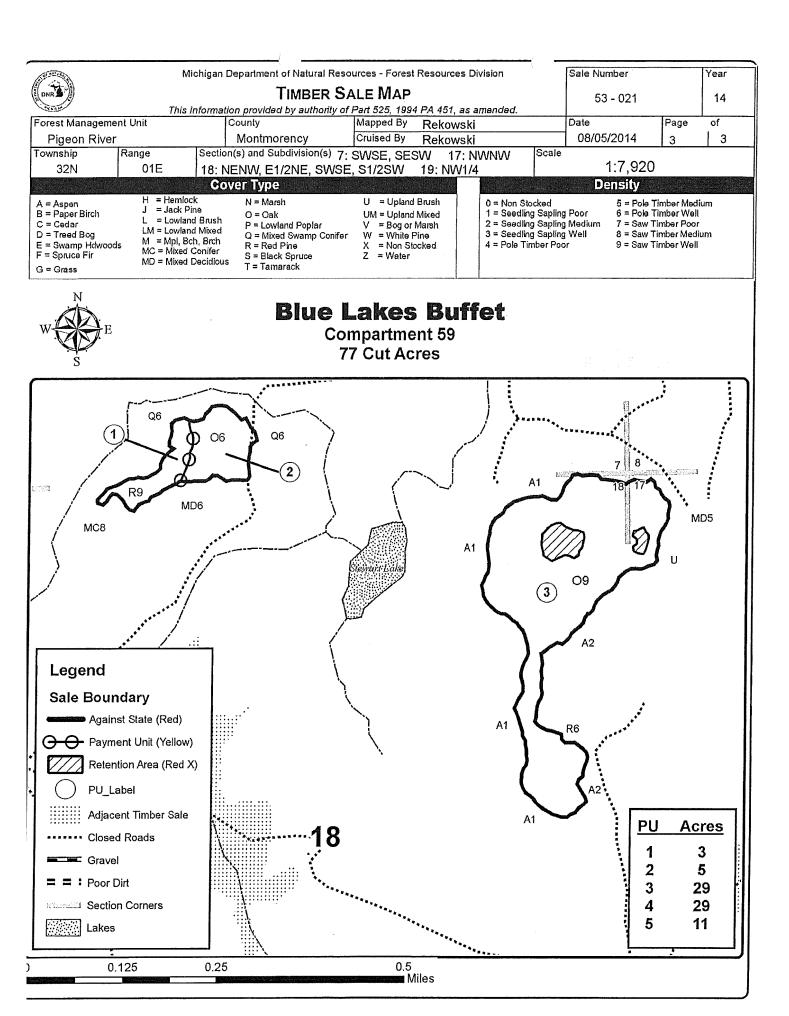


Blue Lakes Buffet

Compartment 59 77 Cut Acres







TIMBER SALE INFORMATION

TRAILSIDE RED PINE II (53-022-14-01)

T34N, R01W, SEC. 27; T34N, R01W, SEC. 28; T34N, R01W, SEC. 33; T34N, R01W, SEC. 34.

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions.

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*	AD\	VERTISED PRICE
Sawlogs			
Red Pine	72.00 MBF	\$	128.00 / MBF
White Pine	11.00 MBF	\$	56.00 / MBF

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$880.00:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Pulpwood			
Mixed Aspen	3.00 Cords	\$	10.60 / Cord
Red Maple	2.00 Cords	\$	10.60 / Cord
Red Pine	16.00 Cords	\$	46.00 / Cord
White Pine	7.00 Cords	\$	13.00 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 24.00 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 \$1,000.00 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 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 12/31/2016.

Sale Specific Conditions & Requirements

Sale Name: Trailside Red Pine Ii Sale Number: 53-022-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary is marked and identified by red paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, all Red and White Pine trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. Cut all other merchantable species which meet minimum specifications in 2.2 utilization.

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.

4.2 - 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

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 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) 1, 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.

5.2.40 - Pathway protection (10/10)

The High Country Pathway is a hiking trail and is shown on the Timber Sale Map. Do not cut trees or damage posts with

blue pathway markers. Maintain a 20-foot wide slash, debris, and rut free zone daily, using the pathway as the centerline. Do not run equipment down the pathway. Skidding across the trail may only occur in locations approved by the sale administrator.

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.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on the High Country Pathway prior to beginning operations. The trail must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed. This requirement may be waved during winter months at the discretion of the administrator.

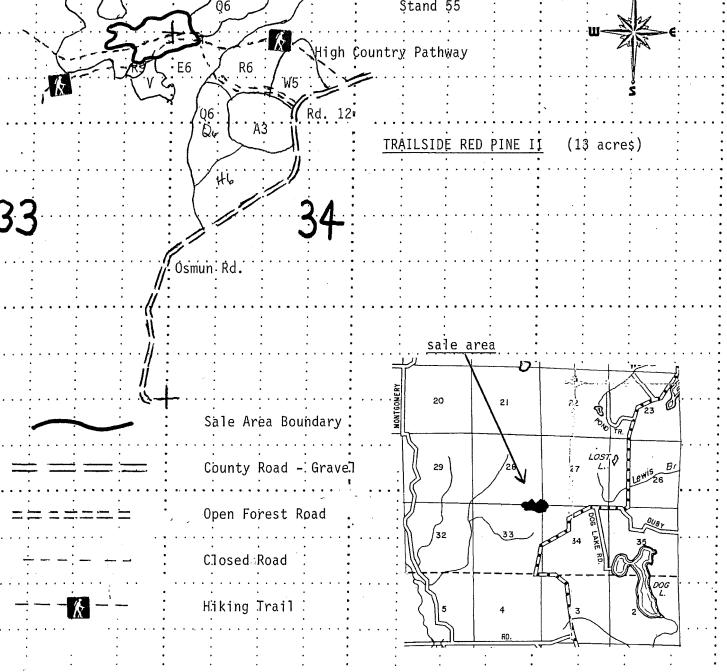
Section Name: Sale Specific Current as of 11/17/2014 11:11:28AM



.ural Resources - Forest, Mineral & Fire Managemer Michigan Department of

Sale Number

Year **TIMBER SALE MAP** This information provided by authority of Part 525 of Act 451, PA 1994, as amended. 53-022-14-01 2014 Date Forest Management Unit County Mapped By Rick McDonald Page of Pigeon River Country FMU Cheboygan Cruised By Rick McDonald 8/22/2014 Township Range Section(s) and Subdivision(s) Scale 4" ...| = 1 mile 34N 01W (27)SW/SW, (28)SE/SE. (33)NE/NE, (34)NW/NW**Cover Type** Density P = Lowland Poplar V = Bog or Marsh W = White Pine 0 = Non Stocked 5 = Pole Timber Medium H = Hemlock A = Aspen 1 = Seedling Sapling Poor 6 = Pole Timber Well Q = Mixed Swamp Cnfr B = Paper Birch J = Jack Pine R = Red Pine X = Non Stocked 2 = Seedling Sapling Medium 7 = Saw Timber Poor C = Cedar L = Lowland Brush M = Mpl, Bch, Brch N = Marsh S = Black Spruce Z = Water 3 = Seedling Sapling Well 8 = Saw Timber Medium E = Swamp Hdwoods 4 = Pole Timber Poor 9 = Saw Timber Well T = Tamarack F = Spruce Fir U = Upland Brush 0 = 0akG = Grass Compartment 3 Stand 57 Ά3 Compartment:4 06 Stand 55 High Country Pathway Q6 TRAILSIDE RED PINE II (13 acres)



BID FORM

PIGEON RIVER COUNTRY MANAGEMENT UNIT
PIGEON RIVER COUNTRY OFFICE

<u>UP NORTH ASPEN (53-018-14-01)</u> T34N, R01W, SEC. 21, Cheboygan County

In response to the notice of sale to be held 9:00 a.m. (local time) on December 11, 2014, 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	ESTIMATE	D UNITS*	ADVI	ERTISED PRICE	BID PRICE	
Sawlogs						
Mixed Aspen	192.00	MBF	\$	56.00 / MBF	\$	/ MBF
Mixed Hardwood	52.00	MBF	\$	79.00 / MBF	\$	/ MBF
Pulpwood						
Mixed Aspen	789.00	Cords	\$	10.60 / Cord	\$	/ Cord
Mixed Hardwood	337.00	Cords	\$	10.75 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,444.40:

PRODUCTS & SPECIES	ESTIMATED UNITS*	AD\	/ERTISED PRICE
Pulpwood			
Mixed Softwood	126.00 Cords	\$	19.40 / 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 SOCIAL SEC	:URITY NUMBER:		
	Company or individual bidding:				
	Company representative's name:				
	Address:			_	
	City:	State:	Zip:		
F AVAIL	ABLE, PLEASE PLACE THE PERSOI	NALIZED LABEL FRO	M YOUR PROSPECTUS IN T	THE ABOVE BOX.	_
Individual	or company representative's signatur	re:		Date:	
Phone nu	ımber :	Fmail	(optional):		

^{*} The total volume is statistically estimated within plus (+) or minus (-) 11.67 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.



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:	

•	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 sig	natures.				
Ple	ease Check Appropriate Categories:					
1.	 My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 					
2.	You must check one of the boxes below:					
	 I certify that my business is a sole proprietorship and it is Worker's Compensation Laws. 	nas no employees but the sole proprietor. I am not subject to the				
	B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an 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 days of the contract award.	Policy. I will provide an original Certificate of Insurance within 21				
3.	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	ne of Business	Federal ID (or) Social Security No.				
Addr	iress	Telephone ()				
City	State	ZIP				
I he	ereby certify that the above information is true and correct.	I agree to notify the Michigan DNRE of any changes that				

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

Date

occur in factors affecting my coverage during any of my present and future operations.

Signature of Owner or Authorized Representative

Title

EEDEDAL ID.

BID FORM

PIGEON RIVER COUNTRY MANAGEMENT UNIT PIGEON RIVER COUNTRY OFFICE

BLUE LAKES BUFFET (53-021-14-01)

T32N, R01E, SEC. 07; T32N, R01E, SEC. 17; T32N, R01E, SEC. 18; T32N, R01E, SEC. 19, Montmorency County

In response to the notice of sale to be held 9:00 a.m. (local time) on December 11, 2014, 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
Sawlogs			
Red Oak	80.50 MBF	\$ 169.00 / MBF	\$ / MBF
White Oak	15.70 MBF	\$ 87.00 / MBF	\$ / MBF
Pulpwood			
Red Maple	181.00 Cords	\$ 9.65 / Cord	\$ / Cord
Red Oak	211.00 Cords	\$ 10.85 / Cord	\$ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$3,031.55:

PRODUCTS & SPECIES	ESTIMATED UNITS*		<u>ADVE</u>	ERTISED PRICE
Sawlogs				
Red Pine	7.20	MBF	\$	150.00 / MBF
Pulpwood				
Jack Pine	1.00	Cords	\$	14.15 / Cord
Mixed Aspen	104.00	Cords	\$	9.70 / Cord
Red Pine	6.00	Cords	\$	42.15 / Cord
White Oak	54.00	Cords	\$	7.05 / Cord
White Pine	25.00	Cords	\$	11.80 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 17.55 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 SECU	RITY NUMBER:	
	Company or individu	al bidding:			
	Company representa	ative's name:			
	Address:				
	City:	St	rate:	Zip:	
F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.					
ndividual	or company represer	ntative's signature: _			Date:
Phone nu	ımber :		Email (o	ptional):	



Title

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 WO	RKER'S DISABIL	ITY CO	VIPE	ENSATION 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 e	except for written s	ignature	S .		
Ple	ease 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.	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 Er	mployees			Part-time Employees	
Nam	ne of Business		Federal I	D (or)	or) Social Security No.	
Add	ress		Telephor))		
City		State	ZIP			
000	ereby certify that the above information is our in factors affecting my coverage during Signature of Owner or Authorized Representative				notify the Michigan DNRE of any changes that ure operations.	

Date

BID FORM

PIGEON RIVER COUNTRY MANAGEMENT UNIT PIGEON RIVER COUNTRY OFFICE

TRAILSIDE RED PINE II (53-022-14-01)

T34N, R01W, SEC. 27; T34N, R01W, SEC. 28; T34N, R01W, SEC. 33; T34N, R01W, SEC. 34, Cheboygan County

In response to the notice of sale to be held 9:00 a.m. (local time) on December 11, 2014, 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

pe rejected.						
PRODUCTS & SPECIES Sawlogs	<u>ESTIMATE</u>	O UNITS*	<u>ADV</u>	ERTISED PRICE	BID PRICE	
Red Pine	72.00	MBF	\$	128.00 / MBF	\$	_ / MBF
White Pine	11.00	MBF	\$	56.00 / MBF	\$	_ / MBF
n addition, the successful bidder agree	es to purchase	the following specie	es at th	e indicated advertised	I price for a total va	alue of \$880.00 :
PRODUCTS & SPECIES	<u>ESTIMATEI</u>	<u>D UNITS*</u>	ADV	ERTISED PRICE		
Pulpwood						
Mixed Aspen	3.00	Cords	\$	10.60 / Cord		
Red Maple	2.00	Cords	\$	10.60 / Cord		
Red Pine	16.00	Cords	\$	46.00 / Cord		
White Pine	7.00	Cords	\$	13.00 / Cord		
The total volume is statistically estima	•	. ,	•			ot subject to adjustment.
Prospective bidders are urged to exam	line this timber	and to make their o	wn es	timates of quantity and	i quality.	
understand that any or all bids may bunderstand that consideration and awa	•	•				•

also nd 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	L SECURITY NUMBE	R:		
	Company or individual bio	dding:				
	Company representative's name:					
	Address:					
	City:	State:	Zip:			
IF AVAIL	ABLE, PLEASE PLACE TH	1E PERSONALIZED LABEL	FROM YOUR PROS	PECTUS IN THE ABOVE BOX.		
Individua	I or company representativ	e's signature:		Date:		
Phone nu	umber :	E	Email (optional):			



Address

Title

City

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:	

•	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 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					
Nam	e of Business Federal ID (or) Social Security No.					

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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.

Telephone

ZIP

Signature of Owner or Authorized Representative

State

Date