

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5265

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on January 21, 2015. 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:

SILVER PALACE (12-006-14-01) / T43N, R27W, SEC. 19, SWSW, NESW, NWSE.

T43N, R27W, SEC. 30, N1/2NW,W1/2SE.

T43N, R27W, SEC. 31, N1/2NE.

T43N, R27W, SEC. 32, NWNW T43NR28W S25:NENE.

Dickinson County, Advertised Price \$78,584.35, 125.0 Acres

SALE NOTE: Units 2-5 are accessed through private land. Best access to Unit 7 will be from the east. Units 1, 6 and the north 9 acres of Unit 2 are winter/dry summer harvest.

Access may be through private land.

HARDWARE RALPH (12-012-14-01) / T43N, R28W, SEC. 25, SESE, SWNE, NESW.

T43N, R28W, SEC. 25, W1/2SE.

Dickinson County, Advertised Price \$72,834.55, 128.0 Acres

SALE NOTE: Best access is through private, who is aware of the sale. Landowner will require at least 3 weeks notification prior to starting Unit 5 to remove fencing. Administrator has contact info for this landowner. MISS DIG (811) will also need to be contacted for permission and requirements to cross or haul on pipeline for Unit 5. Units 2 & 4 are winter cut only.

Access may be through private land.

BROKEN LEG PINE (12-013-14-01) / T43N, R28W, SEC. 26, NWNW.

T43N, R28W, SEC. 26, S1/2S1/2, NESE.

T43N, R28W, SEC. 27, NESE.

Dickinson County, Advertised Price \$41,306.30, 62.0 Acres

SALE NOTE: Escanaba & Lake Superior Railroad will need to be contacted for permission & permits to cross railroad tracks to access Units 1-3. MISS DIG (811) will also need to be contacted for permission and requirements to haul on pipeline for Units 2 & 3. Purchaser will need permission from West Branch Township to cross a short portion of their land on the north side of Unit 2. Overhead powerlines are located in Unit 1. Acreage in pipelines was deducted from sale acres.

Access may be through other public land.

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

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 January 21, 2015. For further information concerning this sale, contact Ben Wiese at 906-875-6622.

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

SILVER PALACE (12-006-14-01)

T43N, R27W, SEC. 19; T43N, R27W, SEC. 30; T43N, R27W, SEC. 31; T43N, R27W, SEC. 32.

SALE NOTE: Units 2-5 are accessed through private land. Best access to Unit 7 will be from the east. Units 1, 6 and the north 9 acres of Unit 2 are winter/dry summer harvest.

Access may be through private 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	1,109.00 Cords	\$	32.35 / Cord
Mixed Hardwood	213.00 Cords	\$	25.95 / Cord
Mixed Softwood	964.00 Cords	\$	33.60 / Cord
Tamarack	160.00 Cords	\$	28.75 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$190.45:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE	
Pulpwood			
Basswood	13.00 Cords	\$	14.65 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 10.09 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 **\$4,000.00** 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	15%
02	24%
03	20%
04	29%
05	2%
06	1%
07	9%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2017.

Sale Specific Conditions & Requirements

Sale Name: Silver Palace Sale Number: 12-006-14-01

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 blue, red and/or yellow paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

Note: The center line of CR 426 is the north private line for Unit 1 and there is no blue paint. Also the east boundary for Unit 6 does not have red paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1-4, 6, and 7, cut all trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability EXCEPT:cedar, red pine, and white pine. NOTE: North 9 acres of Unit 2 is a winter/dry summer cut; plan accordingly.

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

Within Payment Unit(s) 5, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

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.

4.1.6 - 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 5 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. Stumps and brush will be placed along stretches of the trail. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

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

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.

4.3 - Public Right-of-Way

4.3.2 - County R-O-W (12/06)

The county must be contacted prior to decking along the county road R-O-W. This applies to County Road 426.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser.

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 5 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 paint line.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1 and 6, and the north 9 acres of Unit 2, cutting and skidding are limited to frozen ground or dry summer ground, unless changed by written agreement. This restriction is because of wet soils.

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 5, cutting and skidding are not permitted during the period of April 1 to July 15. This restriction is because of bark slippage.

5.2.32 - Decking/landing restoration (9/13)

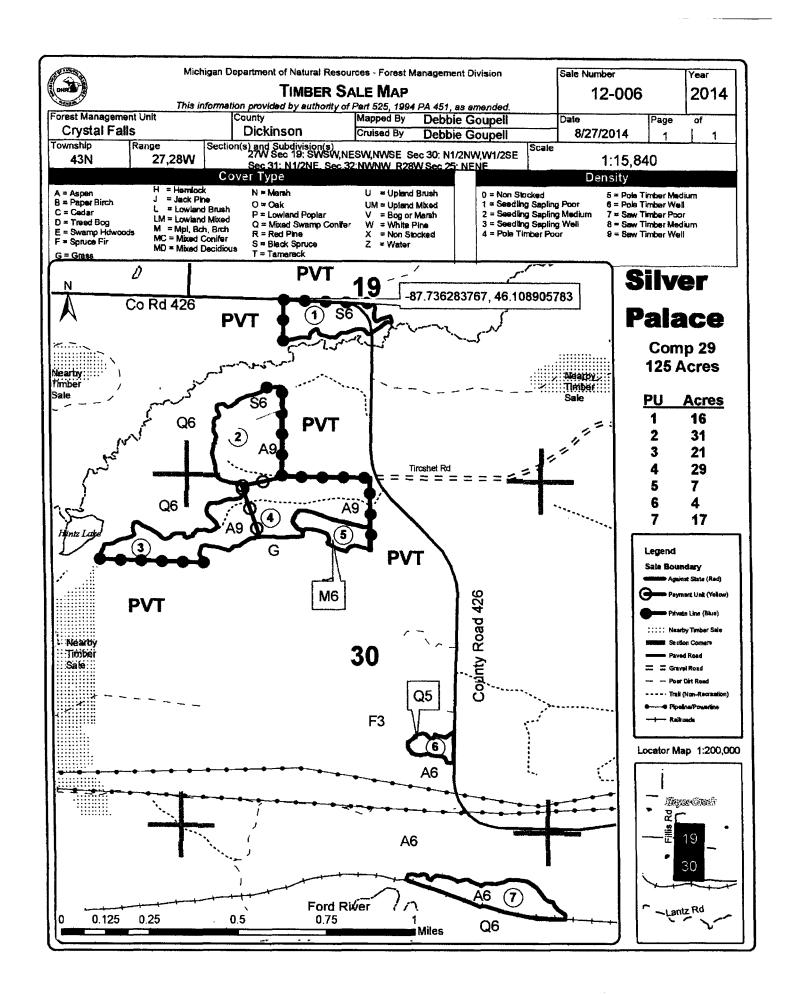
All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand. Wood debris and wood chips must be removed or scattered away from landing and loading areas or may be windrowed on the edge.

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 10/20/2014 9:52:25AM



TIMBER SALE INFORMATION

HARDWARE RALPH (12-012-14-01)

T43N, R28W, SEC. 25.

Dickinson County (Advertised Price \$72,834.55)

SALE NOTE: Best access is through private, who is aware of the sale. Landowner will require at least 3 weeks notification prior to starting Unit 5 to remove fencing. Administrator has contact info for this landowner. MISS DIG (811) will also need to be contacted for permission and requirements to cross or haul on pipeline for Unit 5. Units 2 & 4 are winter cut only.

Access may be through private 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>AD\</u>	/ERTISED PRICE
Sawlogs			
Red Pine	35.40 MBF	\$	112.00 / MBF
Sugar Maple	21.80 MBF	\$	621.00 / MBF
Pulpwood			
Mixed Aspen	685.00 Cords	\$	28.05 / Cord
Mixed Hardwood	710.00 Cords	\$	24.10 / Cord
Red Pine	246.00 Cords	\$	48.90 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,977.30:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Sawlogs			
Basswood	22.60 MBF	\$	135.00 / MBF
Mixed Hardwood	1.50 MBF	\$	81.00 / MBF
Pulpwood			
Basswood	74.00 Cords	\$	13.60 / Cord
Mixed Softwood	132.00 Cords	\$	21.20 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 12.75 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 **\$4,000.00** 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:

, ,	5 5
PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	16%
02	18%
03	12%
04	5%
05	18%
06	31%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2017.

Sale Specific Conditions & Requirements

Sale Name: Hardware Ralph Sale Number: 12-012-14-01

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 blue, red and yellow paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. The painted boundary line trees are not Included Timber and are to be protected unless marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 4, cut all trees that are two (2) inches or more at DBH except red or white pine.

Within Payment Unit 6, cut all trees that are two (2) inches or more at DBH except red or white pine, UNLESS marked with orange paint. Trees marked with orange are to be cut.

Within Payment Unit 2, cut all trees that are four (4) inches or more at DBH except sugar maple saplings. These saplings are to be protected as much as possible.

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

Within Payment Unit(s) 1, 3, & 5, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all jack pine.

2.1.11 - Description of timber note (2/04)

Note that the mixed hardwood sawlogs contain an estimated 1 MBF paper birch, 0.2 MBF red maple, 0.5 MBF yellow birch.

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.

4.1.6 - 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. Please contact the landowner to discuss any

restrictions they may require.

NOTE: At least 3 weeks notice to landowner must be provided prior to starting Payment Unit 5 as there are fences that need to be removed for operations.

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 5 days in advance to schedule the conference.

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

The Purchaser is responsible for contacting the MissDig/EarthNet system at 811 prior to operating equipment in the vicinity of well heads or natural gas pipelines. Purchaser must specifically indicate they will be "crossing a high pressure gasline with heavy equipment." EarthNet will contact the gasline company who will make the determination for road improvement needs to haul on the pipeline on the existing road system

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.

5.1.6 - Utility R.O.W. (10/08)

It is the responsibility of the Purchaser to obtain permission from the utility company to utilize the power line R.O.W. for operations.

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 paint line.

5.2.1.2 - Slash Removal

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

All slash must be removed at least 10 feet from the cleared right-of-way of gas pipelines.

5.2.1.10 - No slash in openings (5/10)

No brush or logging debris is to be left on the pipeline. Any damage to the opening shall be repaired according to specifications of the Unit Manager or his/her representative.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 2 and 4, cutting and skidding are limited to frozen ground conditions only (November 1 to March 31). This restriction is to protect the advanced sugar maple regeneration in Payment Unit 2 and to encourage coppice sprouting in Payment Unit 4.

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1, 3, & 5, cutting and skidding are not permitted during the period of April 1 to July 15. This restriction is because of bark slippage.

5.2.3.11 - Coppice regeneration protection (4/10)

To promote aspen regeneration in Payment Unit 4, harvesting is limited to November 1st through March 31st. Any post harvest operations, such as chipping, must be completed before sprouting of regeneration occurs. If it is anticipated that chipping will be delayed, then tops shall be carried to one central location or left unchipped. The Unit Manager or his/her representative may cease such operations if sprouting occurs before the operation is complete.

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.

5.2.37 - No decking areas (12/08)

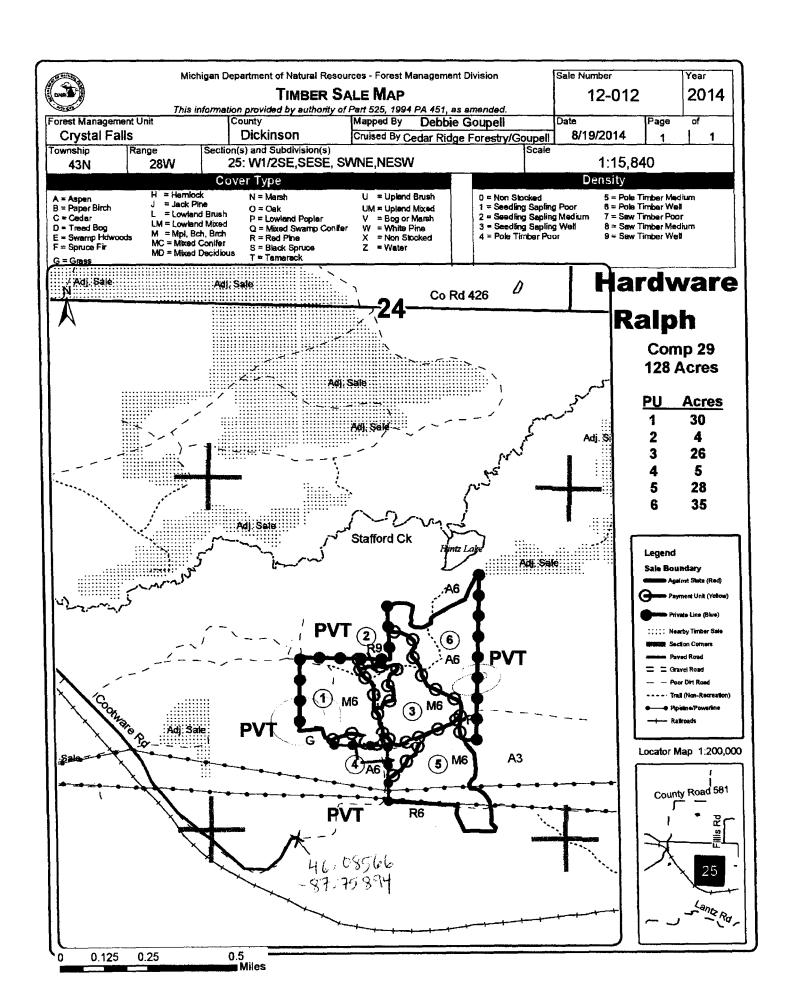
No decking is allowed on the pipelines without permission of the pipeline company.

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 11/10/2014 8:17:22AM



TIMBER SALE INFORMATION

BROKEN LEG PINE (12-013-14-01)

T43N, R28W, SEC. 26; T43N, R28W, SEC. 27.

Dickinson County (Advertised Price \$41,306.30)

SALE NOTE: Escanaba & Lake Superior Railroad will need to be contacted for permission & permits to cross railroad tracks to access Units 1-3. MISS DIG (811) will also need to be contacted for permission and requirements to haul on pipeline for Units 2 & 3. Purchaser will need permission from West Branch Township to cross a short portion of their land on the north side of Unit 2. Overhead powerlines are located in Unit 1. Acreage in pipelines was deducted from sale acres.

Access may be through other public 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>AD\</u>	/ERTISED PRICE
Sawlogs			
Red Pine	51.00 MBF	\$	135.00 / MBF
Pulpwood			
Mixed Aspen	190.00 Cords	\$	30.20 / Cord
Mixed Softwood	174.00 Cords	\$	31.20 / Cord
Red Pine	428.00 Cords	\$	52.70 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$698.90:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVE	RTISED PRICE
Pulpwood			
Mixed Hardwood	29.00 Cords	\$	24.10 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 17.02 percent. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$2,200.00 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	18%
02	16%
03	41%
04	25%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2016.

Sale Specific Conditions & Requirements

Sale Name: Broken Leg Pine Sale Number: 12-013-14-01

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 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.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, cut all trees that are two (2) inches or more at DBH EXCEPT: Cedar, Pine, and Oak.

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

Within Payment Unit(s) 2-4, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, aspen, maple, spruce, balsam, cherry, ironwood, and birch are to be cut unless marked with green paint.

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.

4.1.11 - Permits (2/12)

The Purchaser will secure any necessary railroad crossing permits that may be required. Escanaba & Lake Superior RR will need to be contacted to request permission to cross their railroad tracks for access to Units 1-3. The Sale Administrator has E&LS contact name and number, if needed.

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.

4.3 - Public Right-of-Way

4.3.2 - County R-O-W (12/06)

The county must be contacted prior to decking anywhere along the county road R-O-W. This applies to Cootware Road.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the purchaser. West Branch Township owns a short distance of trail on the north side of Unit 2 and will need to grant permission to Purchaser. Escanaba & Lake Superior RR will also need to be contacted to cross their railroad tracks for access to Units 1-3. The Sale administrator has E&LS contact name and number, if needed. Any required permits from the railroad will be the responsibility of the purchaser.

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 5 days in advance to schedule the conference.

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

The Purchaser is responsible for contacting the MissDig/EarthNet system at 811 prior to operating equipment in the vicinity of well heads or natural gas pipelines. Purchaser must specifically indicate they will be "crossing a high pressure gasline with heavy equipment." EarthNet will contact the gasline company who will make the determination for road improvement needs to haul on the pipeline on the existing road system.

In addition, extreme caution must be used when operating in Unit 1 due to the overhead powerline, located between the railroad and Cootware Road.

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 paint line.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 2-4, unless changed by written agreement, cutting and skidding are not permitted during the period of April 1 to July 15. This restriction is because of bark slippage.

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.

5.2.32 - Decking/landing restoration (9/13)

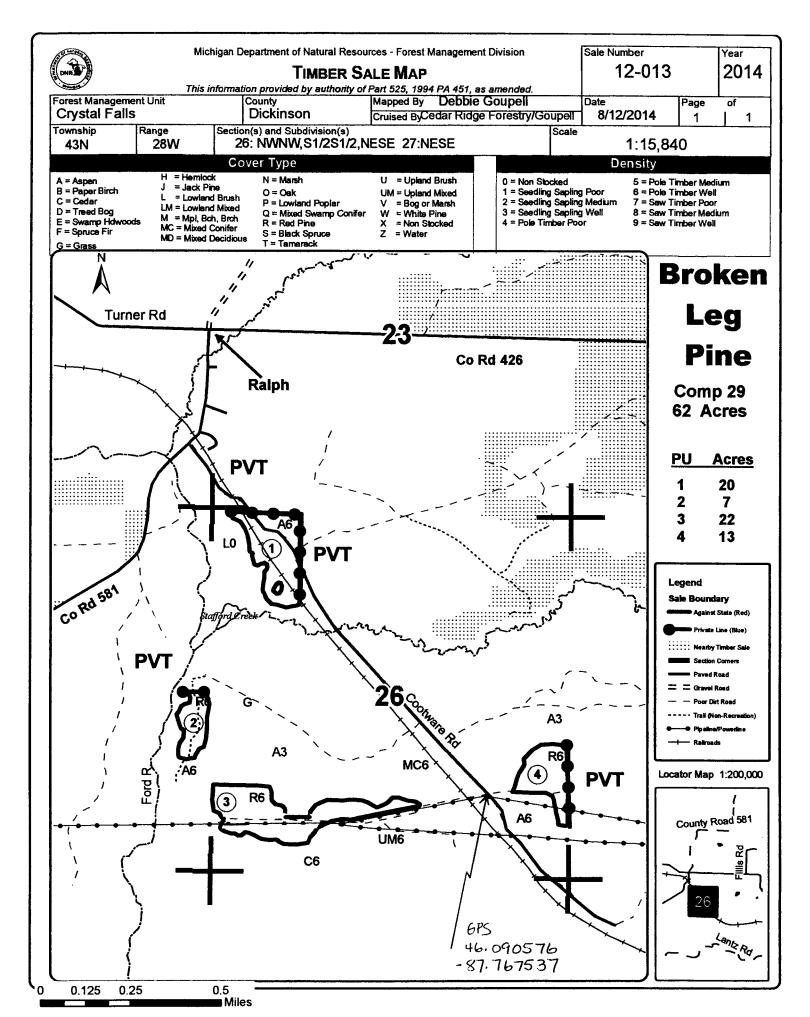
All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand.

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 10/23/2014 5:21:40PM



BID FORM

SILVER PALACE (12-006-14-01)

T43N, R27W, SEC. 19; T43N, R27W, SEC. 30; T43N, R27W, SEC. 31; T43N, R27W, SEC. 32, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on January 21, 2015, 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*	AD\	/ERTISED PRICE	BID PF	RICE
Pulpwood						
Mixed Aspen	1,109.00	Cords	\$	32.35 / Cord	\$	/ Cord
Mixed Hardwood	213.00	Cords	\$	25.95 / Cord	\$	/ Cord
Mixed Softwood	964.00	Cords	\$	33.60 / Cord	\$	/ Cord
Tamarack	160.00	Cords	\$	28.75 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$190.45:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED I	
Pulpwood			
Basswood	13.00 Cords	\$	14.65 / 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 SECU	JRITY NUMBER:		
	Company or individual bidding:				
	Company representative's name:				
	Address:			_	
	City:	State:	Zip:		
- IF AVAIL	ABLE, PLEASE PLACE THE PERSO	NALIZED LABEL FROM	1 YOUR PROSPECTUS IN	THE ABOVE BOX.	
Individual	or company representative's signature	re:		Date:	_
Phone nu	mber :	Email (optional):		

^{*} The total volume is statistically estimated within plus (+) or minus (-) 10.09 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.



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

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

EEDEDVI ID:

BID FORM

HARDWARE RALPH (12-012-14-01) T43N, R28W, SEC. 25, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on January 21, 2015, 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*	AD\	VERTISED PRICE	BID PI	RICE
Sawlogs						
Red Pine	35.40	MBF	\$	112.00 / MBF	\$	/ MBF
Sugar Maple	21.80	MBF	\$	621.00 / MBF	\$	/ MBF
Pulpwood						
Mixed Aspen	685.00	Cords	\$	28.05 / Cord	\$	/ Cord
Mixed Hardwood	710.00	Cords	\$	24.10 / Cord	\$	/ Cord
Red Pine	246.00	Cords	\$	48.90 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,977.30:

ESTIMATED UNITS	<u>* AD</u>	VERTISED PRICE
22.60 MBF	\$	135.00 / MBF
1.50 MBF	\$	81.00 / MBF
74.00 Cords	\$	13.60 / Cord
132.00 Cords	\$	21.20 / Cord
	22.60 MBF 1.50 MBF 74.00 Cords	22.60 MBF \$ 1.50 MBF \$ 74.00 Cords \$

^{*} The total volume is statistically estimated within plus (+) or minus (-) 12.75 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.

or SOCIAL SECLIPITY NUMBER:

		0,000,1202		
	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):	



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 t	imber sale contract.			
•	All Information must be typed or printed except for written s	gnatures.			
Ple	ease Check Appropriate Categories:				
1.	My business is organized as (you must check <u>one</u> of the A. Sole Proprietorship (individual) B. Partnership C. Corporation	boxes below):			
2.	 You must check one of the boxes below: A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws. B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195). C. I certify that my business has a Worker's 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			
Nam	me of Business	Federal ID (or) Social Security No.			
Addr	dress	Telephone ()			
City	State	ZIP			
occ _	ereby certify that the above information is true and correct. Cur in factors affecting my coverage during any of my prese	I agree to notify the Michigan DNRE of any changes that ent and future operations.			
T	Title	Date			

BID FORM

CRYSTAL FALLS MANAGEMENT UNIT

CRYSTAL FALLS OFFICE

BROKEN LEG PINE (12-013-14-01) T43N, R28W, SEC. 26; T43N, R28W, SEC. 27, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on January 21, 2015, 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*	ADV	<u>/ERTISED PRICE</u>	BID PRICE	
Sawlogs						
Red Pine	51.00	MBF	\$	135.00 / MBF	\$	/ MBF
Pulpwood						
Mixed Aspen	190.00	Cords	\$	30.20 / Cord	\$	/ Cord
Mixed Softwood	174.00	Cords	\$	31.20 / Cord	\$	/ Cord
Red Pine	428.00	Cords	\$	52.70 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$698.90:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ERTISED PRICE
Pulpwood			
Mixed Hardwood	29.00 Cords	\$	24.10 / 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 SECU	JRITY NUMBER:		
	Company or individual bidding:				
	Company representative's name:				
	Address:				
	City:	State:	Zip:		
F AVAIL	ABLE, PLEASE PLACE THE PERSO	NALIZED LABEL FROM	YOUR PROSPECTUS IN	THE ABOVE BOX.	
Individual	or company representative's signatu	re:		Date:	
Phone nu	mber :	Email (optional):		

^{*} The total volume is statistically estimated within plus (+) or minus (-) 17.02 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)	
Farest Management Heits	
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	Please Check Appropriate Categories:	
1.	 My business is organized as (you must check <u>one</u> of the boxes below): A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation 	
2.	. You must check <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.	t
	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 EmployeesPart-time Employees	
Nan	ame of Business Federal ID (or) Social Security No.	
Add	Telephone ()	
City	ty State ZIP	
	nereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that occur in factors affecting my coverage during any of my present and future operations.	
-	Signature of Owner or Authorized Representative	
-	Title Date	