

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5304

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on March 18, 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:

DOG TAXI HARDWOODS (12-051-14-01) / T43N, R29W, SEC. 14, NENW.

T43N, R29W, SEC. 14, S1/2NE,N1/2SE,N1/2SW,S1/2NW.

T43N, R29W, SEC. 23, E1/2, SW1/4, E1/2NW.

T43N, R29W, SEC. 24, N1/2SW, SESW, NW1/4.

Dickinson County, Advertised Price \$278,318.15, 611.0 Acres

MIXED FRUIT (12-066-14-01) / T43N, R29W, SEC. 13, NW1/4,SWNE.

T43N, R29W, SEC. 14, NE1/4,W1/2NW.

T43N, R29W, SEC. 15, NENE.

Dickinson County, Advertised Price \$79,542.55, 101.0 Acres

DARTER MIX (12-067-14-01) / T43N, R29W, SEC. 19, NWSW.

T43N, R29W, SEC. 24, N1/2SE, SWSE, NESW, E1/2NW, SWNE.

Dickinson County, Advertised Price \$39,147.10, 69.0 Acres

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 March 18, 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

DOG TAXI HARDWOODS (12-051-14-01)

T43N, R29W, SEC. 14; T43N, R29W, SEC. 23; T43N, R29W, SEC. 24.

Dickinson County (Advertised Price \$278,318.15)

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			
Basswood	368.70 MBF	\$	146.00 / MBF
Sugar Maple	117.10 MBF	\$	673.00 / MBF
Pulpwood			
Basswood	2,161.00 Cords	\$	13.60 / Cord
Mixed Hardwood	3,498.00 Cords	\$	24.10 / Cord
Q. Aspen	933.00 Cords	\$	33.65 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$592.80:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADVI</u>	ERTISED PRICE
Pulpwood			
Mixed Softwood	19.00 Cords	\$	31.20 / Cord

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

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$15,000.00 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	7%
02	5%
03	5%
04	6%
05	16%
06	8%
07	13%
08	7%
09	13%
10	9%
11	9%
12	2%

- 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: Dog Taxi Hardwoods Sale Number: 12-051-14-01

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. Interior Payment Unit boundaries are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected. Red painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 through 12, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.1.11 - Description of timber note (2/04)

Note that Mixed hardwood includes maple, birch, ash, elm, and ironwood.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within Payment Unit(s) 1 through 12 shall not exceed stump diameter.

2.2.11 - Chipping restriction (9/14)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. In addition, brush or chips may not be stored or stockpiled on-site for more than 60 days past the sale expiration date. Residual chip depth at the landing may not exceed 4 inches.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the International ¼ Inch Log Rule.

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

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.

4.1.4 - 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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

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

5.1.4 - Post-sale conference (6/11)

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

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.8 - Slash height (12/08)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

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

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

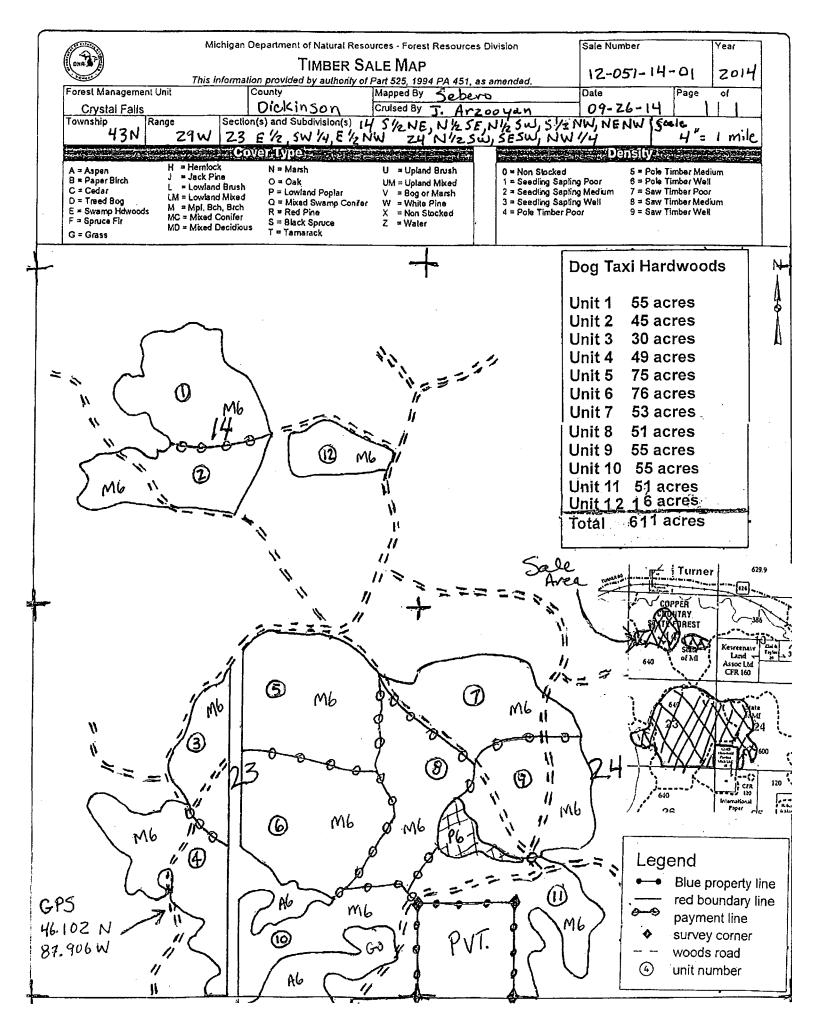
Within Payment Unit(s) 1 through 12, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

Section Name: Sale Specific Current as of 10/23/2014 4:32:55PM



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TIMBER SALE INFORMATION

MIXED FRUIT (12-066-14-01)

T43N, R29W, SEC. 13; T43N, R29W, SEC. 14; T43N, R29W, SEC. 15.

Dickinson County (Advertised Price \$79,542.55)

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			
Mixed Pine	26.40 MBF	\$	117.00 / MBF
Pulpwood			
Mixed Hardwood	232.00 Cords	\$	24.10 / Cord
Mixed Softwood	488.00 Cords	\$	31.20 / Cord
Q. Aspen	471.00 Cords	\$	33.65 / Cord
Red Pine	759.00 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 \$2,672.70:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>adve</u>	ERTISED PRICE
Pulpwood			
White Pine	118.00 Cords	\$	22.65 / Cord

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

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of **\$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 VALUI
01	17%
02	30%
03	9%
04	16%
05	28%

- 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: Mixed Fruit Sale Number: 12-066-14-01

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. Interior Payment Unit boundaries are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected. Red painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 3, cut all aspen and mixed hardwood trees that are two (2) inches or more at DBH except oak. Cut all spruce, balsam, and jack pine with one or more pulpwood sticks. No red pine, white pine, cedar, hemlock, or oak will be cut.

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

Within Payment Unit(s) 1, 2, 4, and 5, red pine and white pine are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all aspen, basswood, birch, and maple that are 2" DBH or greater. Cut all jack pine, spruce, balsam, and tamarack with one or more pulpwood stick.

2.1.11 - Description of timber note (2/04)

Note that mixed hardwood includes maple, birch, ash, basswood, and ironwood. Mixed softwood includes balsam, spruce, tamarack, and jack pine. Mixed pine logs include red pine and white pine.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within Payment Units 1, 2, 4, and 5 shall not exceed stump diameter.

2.2.11 - Chipping restriction (9/13)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. The landing size and locations must be approved by the Unit Manager or his/her representative. In addition, brush or chips may not be stored or stockpiled on-site for more than 60 days past the sale expiration date. Residual chip depth at the landing may not exceed 4 inches.

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

Piles or windrows of earth along roads and landings that have been widened or constructed shall be leveled. Slash from road maintenance or construction, including stumps, shall be dispersed throughout the sale.

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge.

Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

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

5.1.4 - Post-sale conference (6/11)

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

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.8 - Slash height (12/08)

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

5.2.1.11 - Slash for reforestation (5/07)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

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

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1, 2, 4, 5, and 6, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 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.

5.2.38 - 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.

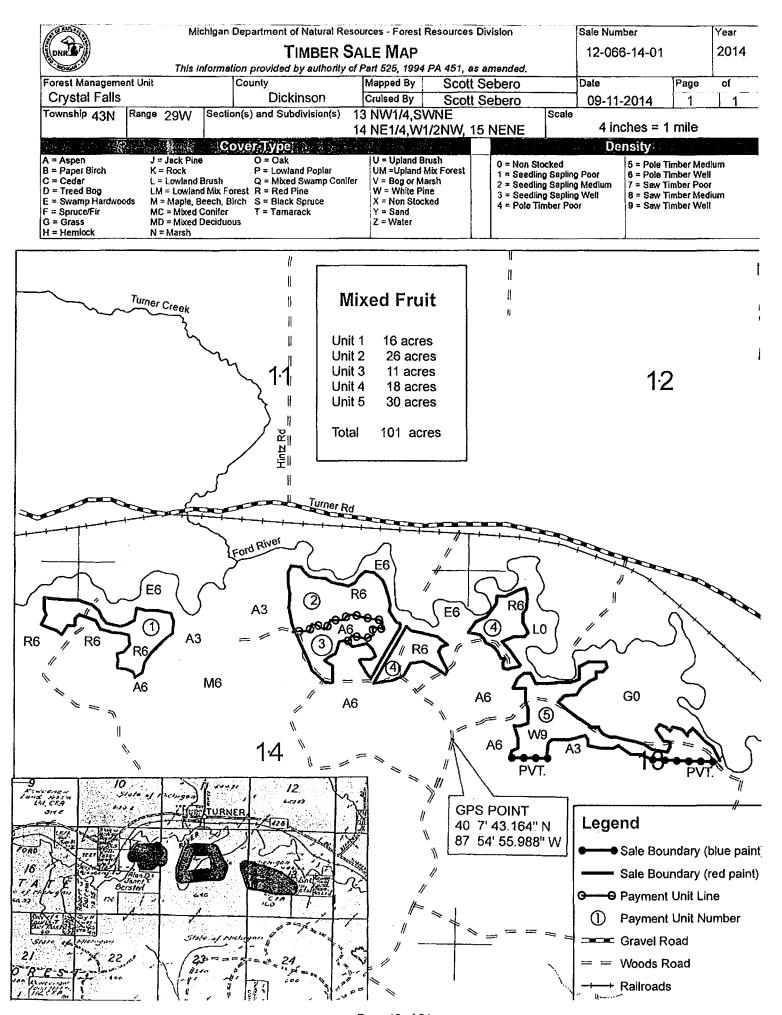
7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from spruce budworm. 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.

Section Name: Sale Specific Current as of 12/16/2014 11:23:34AM



TIMBER SALE INFORMATION

DARTER MIX (12-067-14-01)

T43N, R29W, SEC. 19; T43N, R29W, SEC. 24. Dickinson County (Advertised Price \$39,147.10)

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 Hardwood	13.90 MBF	\$	88.00 / MBF
Pulpwood			
Mixed Hardwood	226.00 Cords	\$	24.10 / Cord
Mixed Softwood	486.00 Cords	\$	31.20 / Cord
Paper Birch	372.00 Cords	\$	26.10 / Cord
Q. Aspen	226.00 Cords	\$	33.65 / Cord

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

BOND AND PAYMENT SCHEDULE:

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

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	33%
02	39%
03	21%
04	7%

- 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: Darter Mix Sale Number: 12-067-14-01

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 paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected. Red painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 and 2, cut all trees that are two (2) inches or more at DBH except oak, cedar, red pine, white pine, and hemlock.

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

Within Payment Unit(s) 3 and 4, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all aspen, jack pine, spruce, balsam, and tamarack with one or more pulpwood stick.

2.1.11 - Description of timber note (2/04)

Note that mixed hardwood logs include maple, birch, and basswood. Mixed hardwood pulp includes maple, birch, basswood, ash, balm, and ironwood. Mixed softwood pulp includes balsam, spruce, tamarack, and jack pine.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within Payment Units 3 and 4 shall not exceed stump diameter.

2.2.11 - Chipping restriction (9/13)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. The landing size and locations must be approved by the Unit Manager or his/her representative. In addition, brush or chips may not be stored or stockpiled on-site for more than 60 days past the sale expiration date. Residual chip depth at the landing may not exceed 4 inches.

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

Piles or windrows of earth along roads and landings that have been widened or constructed shall be leveled. Slash from road maintenance or construction, including stumps, shall be dispersed throughout the sale.

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

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

5.1.4 - Post-sale conference (6/11)

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

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.8 - Slash height (12/08)

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

5.2.1.11 - Slash for reforestation (5/07)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

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

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 3 and 4, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

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.

Section Name: Sale Specific Current as of 12/16/2014 12:40:13PM

AT MANAGEMENT	Michigan	Department of Natural Resor	urces - Forest Res	ources Division	Sale Number	Year
ONR		TIMBER SA	LE MAP		12-06714-01	2014
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Forest Managemer Crystal Falls	nt Unit	County Dickinson		Scott Sebero	Date	Page of
	Range 29W Section	on(s) and Subdivision(s)	Cruised By 19 NWS	Scott Sebero W Sca	09-11-2014	
. 4014		N1/2SE,SWSE,NESW			4 inches = 1	mile
		over Type			Density	
A = Aspen B = Paper Birch	J = Jack Pine K = Rock	O = Oak P = Lowland Poplar	U = Upland Brush UM =Upland Mix F	orest 0 = Non Stocked 1 = Seedling Sap		mber Medium
C = Cedar D = Treed Bog	L = Lowland Brush LM = Lowland Mix Fe	Q = Mixed Swamp Conifer prest R = Red Pine	V = Bog or Marsh W = White Pine	2 = Seedling Sap 3 = Seedling Sap	ling Medium 7 = Saw Ti	
E = Swamp Hardwood F = Spruce/Fir		Firch S = Black Spruce T = Tamarack	X = Non Slocked Y = Sand	4 = Pole Timber I		
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Page 18 of 24

BID FORM

DOG TAXI HARDWOODS (12-051-14-01)

T43N, R29W, SEC. 14; T43N, R29W, SEC. 23; T43N, R29W, SEC. 24, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on March 18, 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 PRICE	
Sawlogs						
Basswood	368.70	MBF	\$	146.00 / MBF	\$	_ / MBF
Sugar Maple	117.10	MBF	\$	673.00 / MBF	\$	_ / MBF
Pulpwood						
Basswood	2,161.00	Cords	\$	13.60 / Cord	\$	_ / Cord
Mixed Hardwood	3,498.00	Cords	\$	24.10 / Cord	\$	_ / Cord
Q. Aspen	933.00	Cords	\$	33.65 / Cord	\$	_ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$592.80:

PRODUCTS & SPECIES	ESTIMATED UNITS*	AD\	ERTISED PRICE
Pulpwood	·		
Mixed Softwood	19.00 Cords	\$	31.20 / 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 SECURITY NUMBER:								
	Company or individual bidding:								
	Company representative's name:								
	Address:								
	City:	State:	Zip:						
F AVAIL	ABLE, PLEASE PLACE THE PERSO	NALIZED LABEL FRO	OM YOUR PROSPECTUS IN	THE ABOVE BOX.					
ndividual	ndividual or company representative's signature: Date:								
Phone nu	ımber :	Emai	l (optional):						

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



sale contract.

Name of Business

Address

Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

FOR DEPARTMENT USE ONLY	
Sale Number (XX – XXX – XX – XX)	
Forest Management Unit:	

•	In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract.
•	All Information must be typed or printed except for written signatures.
Ple	ase Check Appropriate Categories:
1.	My business is organized as (you must check <u>one</u> of the boxes below):
	A. Sole Proprietorship (individual)
	B. Partnership
	C. Corporation
2.	You must check <u>one</u> of the boxes below:
	A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws.
	B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).
	C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.

3. If you have checked item 2(A) or 2(B), you must indicate the number of both full-time and part-time employees, other

Federal ID (or) Social Security No.

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

Full-time Employees

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber

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

Telephone

Part-time Employees

BID FORM

MIXED FRUIT (12-066-14-01)

T43N, R29W, SEC. 13; T43N, R29W, SEC. 14; T43N, R29W, SEC. 15, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on March 18, 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\	/ERTISED PRICE	BID PI	RICE
Sawlogs						
Mixed Pine	26.40	MBF	\$	117.00 / MBF	\$	/ MBF
Pulpwood						
Mixed Hardwood	232.00	Cords	\$	24.10 / Cord	\$	/ Cord
Mixed Softwood	488.00	Cords	\$	31.20 / Cord	\$	/ Cord
Q. Aspen	471.00	Cords	\$	33.65 / Cord	\$	/ Cord
Red Pine	759.00	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 \$2,672.70:

PRODUCTS & SPECIES	ESTIMATED UNITS*	AD\	/ERTISED PRICE
Pulpwood			
White Pine	118.00 Cords	\$	22.65 / Cord

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

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

	FEDERAL ID:	or SOCI	IAL SECURITY NUMBER:_		ш
	Company or individual bidding:_				ш
	Company representative's name	e:			
	Address:				
	City:	State:	Zip:		
F AVAIL	ABLE, PLEASE PLACE THE PER	RSONALIZED LABI	EL FROM YOUR PROSPE	CTUS IN THE ABOVE BOX.	
ndividual	or company representative's sign	nature:		Date:	
Phone nu	ımber :		Email (optional):		



Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

FOR DEPARTMENT USE ONLY	
Sale Number (XX – XXX – XX – XX)	
Forest Management 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):
 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 approximate Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contral 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 the 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

<u>DARTER MIX (12-067-14-01)</u> T43N, R29W, SEC. 19; T43N, R29W, SEC. 24, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on March 18, 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\	/ERTISED PRICE	BID F	RICE
Sawlogs	·			<u>. </u>		
Mixed Hardwood	13.90	MBF	\$	88.00 / MBF	\$	/ MBF
Pulpwood						
Mixed Hardwood	226.00	Cords	\$	24.10 / Cord	\$	/ Cord
Mixed Softwood	486.00	Cords	\$	31.20 / Cord	\$	/ Cord
Paper Birch	372.00	Cords	\$	26.10 / Cord	\$	/ Cord
Q. Aspen	226.00	Cords	\$	33.65 / Cord	\$	/ Cord

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

	FEDERAL ID:	or SOCIAL SE	CURITY NUMBER:	
	Company or individual bidding:			
	Company representative's name:			
	Address:			
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^{*} 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)	
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Forest Management Unit:	

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.
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 All Information must be typed or printed except for written signatures.

Ple	lease Check Appropriate Categories:			
1.	My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation			
2.	You must check <u>one</u> of the boxes below:			
	A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws.	ě		
	B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).	:		
	C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.			
 If you have checked item 2(A) or 2(B), you must indicate the number of both full-time and part-time employees, oth than yourself, including family members and active partners (if none, you must enter "0"). 				
	Full-time Employees Part-time Employees			
Nam	me of Business Federal ID (or) Social Security No.			
Add	dress Telephone ()			
City	y State ZIP			
	nereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that ocur in factors affecting my coverage during any of my present and future operations.			
-	Signature of Owner or Authorized Representative			
-	Title Date			