



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #5626

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on July 20, 2016.

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:

SOGGY TRAIL (12-075-15) / T42N, R35W, SEC. 34, NESE.

Iron County, Advertised Price \$5,441.50, 11.0 Acres, Aspen, Spruce/Fir/Tamarack.

SALE NOTE: Access may be through private land.

BEAVER POND (12-077-15) / T44N, R32W, SEC. 31, N1/2NW,N1/2NE,SENE.

T44N, R32W, SEC. 32, W1/2NE,W1/2NW,NWSW.

Iron County, Advertised Price \$66,942.35, 146.0 Acres, Aspen, Hardwood.

SALE NOTE: Access may be through private land.

THREE LAKES PINE (12-079-15) / T42N, R31W, SEC. 01, SWNE, NW1/4.

T42N, R31W, SEC. 02, E1/2SW.

T42N, R31W, SEC. 02, S1/2NE,N1/2SE,SWSE,S1/2NW.

Iron County, Advertised Price \$81,880.10, 195.0 Acres, Red Pine, Spruce/Fir/Tamarack.

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

BID INSTRUCTIONS (VER. 05/04/2016):

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 July 20, 2016. For further information concerning this sale, contact Dan McNamee at 906-875-6622.

2. Bidder's Qualifications (5/16)

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, the 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 (5/16)

Bid Forms may be completed online thru Michigan DNR Timber Sale Online Bidding (OLB) at www.michigan.gov/timberbidding or by completing the hardcopy Bid Form found in the Timber Sale Prospectus. Hardcopy Bid Forms shall be manually signed in ink. Registration in OLB is considered your 'signature' for all bids submitted thru that system. 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 hardcopy Bid Form, each erasure or change must be initialed by the person signing the bid.

4. Submission of Sealed Bids (5/16)

Bid forms may be obtained from the Unit Manager or thru OLB. Bids may be submitted hardcopy or thru OLB. All hardcopy 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.

It is possible for a bidder to submit multiple bids on a single sale. For example, a bid may be submitted hardcopy and a bid may be submitted thru OLB. Or, two bidders from the same company could both submit bids on the same sale. If this were to happen, the State would accept all bids received and award the contract accordingly. All bidding and contractual requirements would apply to all bids received.

5. Public Opening of Sealed Bids (5/16)

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 or announce the withdraw of their online bid 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.

DR. WILLIAM MORITZ
Director

TIMBER SALE INFORMATION

SOGGY TRAIL (12-075-15)

T42N, R35W, SEC. 34.

Iron County (Advertised Price \$5,441.50)

SALE NOTE: 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:

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Pulpwood | | |
| Mixed Softwood | 182.00 Cords | \$ 25.25 / Cord |
| Quaking Aspen | 28.00 Cords | \$ 26.90 / Cord |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$92.80:

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Pulpwood | | |
| Mixed Hardwood | 4.00 Cords | \$ 23.20 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 31.82 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 \$500.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The remainder is due before cutting begins.
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2017.

Sale Specific Conditions & Requirements

Sale Name: SOGGY TRAIL

Sale Number: 12-075-15 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary is marked and identified by red paint. Exterior sale boundary lines against state are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected.

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

4 - Transportation

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.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

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

5.1.4 - Post-sale conference (6/11)

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

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.8 - Slash height (12/08)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

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

5.2.22 - Operating Caution

5.2.22.2 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 1 , cutting and skidding occur during dry summer or frozen winter conditions. The reason for the recommendation is because of wet conditions in the access to the southern block of the Payment Unit.

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.



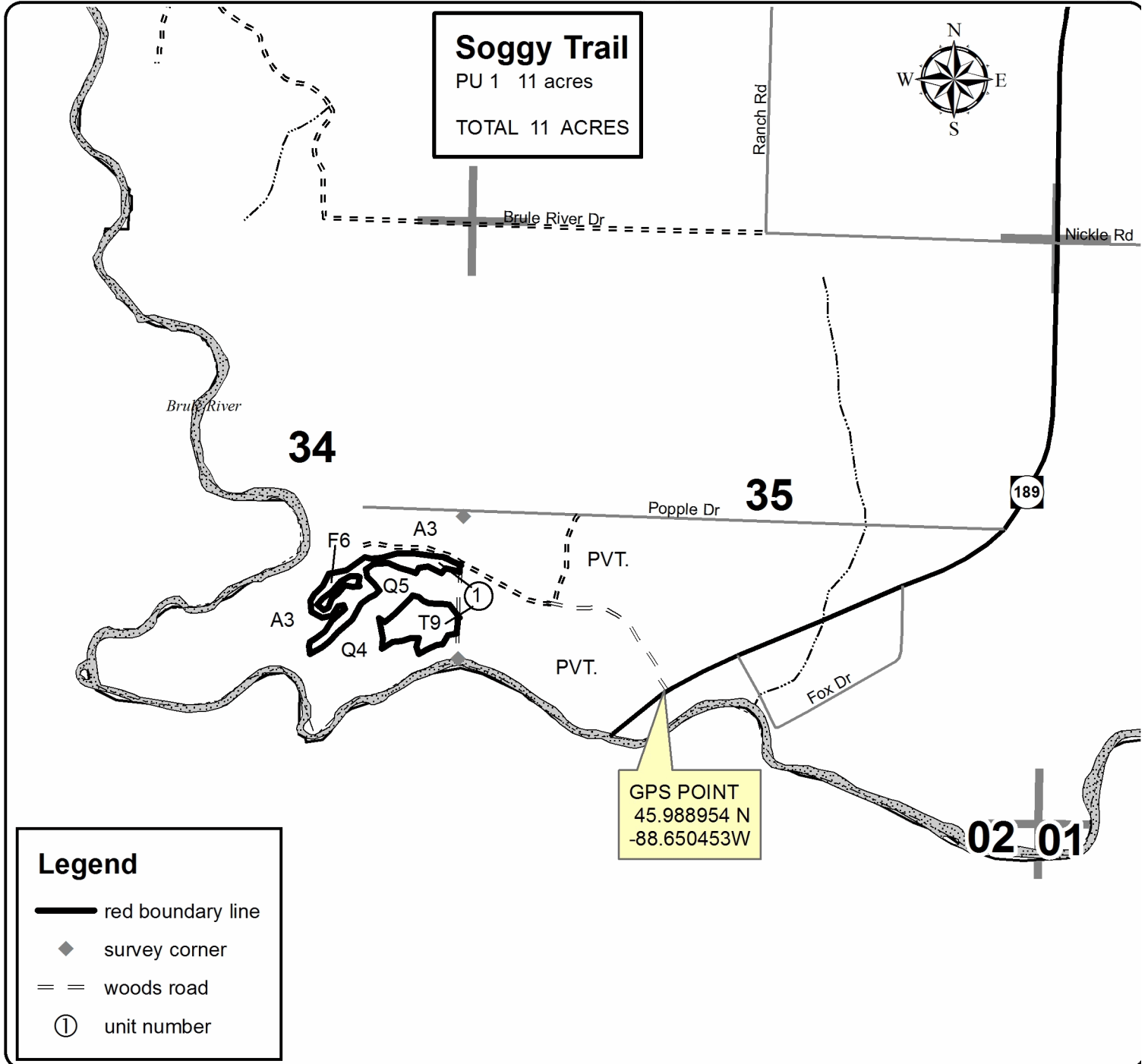
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|--------------|------|
| Sale Number | Year |
| 12-075-15-01 | 2015 |

TIMBER SALE MAP

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

| | | | | | |
|--|-----------------------|---|---------------------------|------------------|----------------|
| Forest Management Unit CRYSTAL FALLS | County Iron | Mapped By SCOTT SEBERO | Date 09/28/2015 | Page 1 | of 1 |
| Township 42N | Range 35W | Section(s) and Subdivision(s) 34 NESE | Scale 1:15,840 | | |

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



TIMBER SALE INFORMATION

BEAVER POND (12-077-15)

T44N, R32W, SEC. 31; T44N, R32W, SEC. 32.
Iron County (Advertised Price \$66,942.35)

SALE NOTE: 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:

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Pulpwood | | |
| Mixed Hardwood | 1,440.00 Cords | \$ 23.20 / Cord |
| Mixed Softwood | 381.00 Cords | \$ 25.25 / Cord |
| Quaking Aspen | 889.00 Cords | \$ 26.90 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 7.82 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.
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2018.

Sale Specific Conditions & Requirements

Sale Name: BEAVER POND

Sale Number: 12-077-15 Seq#: 1

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. The painted boundary line trees are not Included Timber and are to be protected.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, 2, 3 & 4, cut all aspen and mixed hardwood trees that are two (2) inches or more at DBH except oak. Cut all spruce, balsam, tamarack and jack pine with one or more pulpwood sticks. No red or white pine, cedar, hemlock or oak will be cut.

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

Within Payment Unit(s) 1A, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition to marked trees, cut all aspen, balsam, spruce, jack pine and tamarack with one or more pulpwood stick.

2.2 - Utilization

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 Scribner Decimal C 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

4.1.1 - Stream crossings, general (3/11)

All stream crossing structures will be temporary and therefore, shall be provided by the Purchaser, and must be removed upon completion of the sale. All permits for stream crossings will be provided by the Purchaser.

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.

4.4 - Access

4.4.1 - Private property access (3/11)

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

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

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 4, in the small red pine area north of the railroad tracks, unless changed by written agreement, cutting and skidding are limited to bare ground. This restriction is because scarification is needed to promote pine regeneration.

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1A, 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.

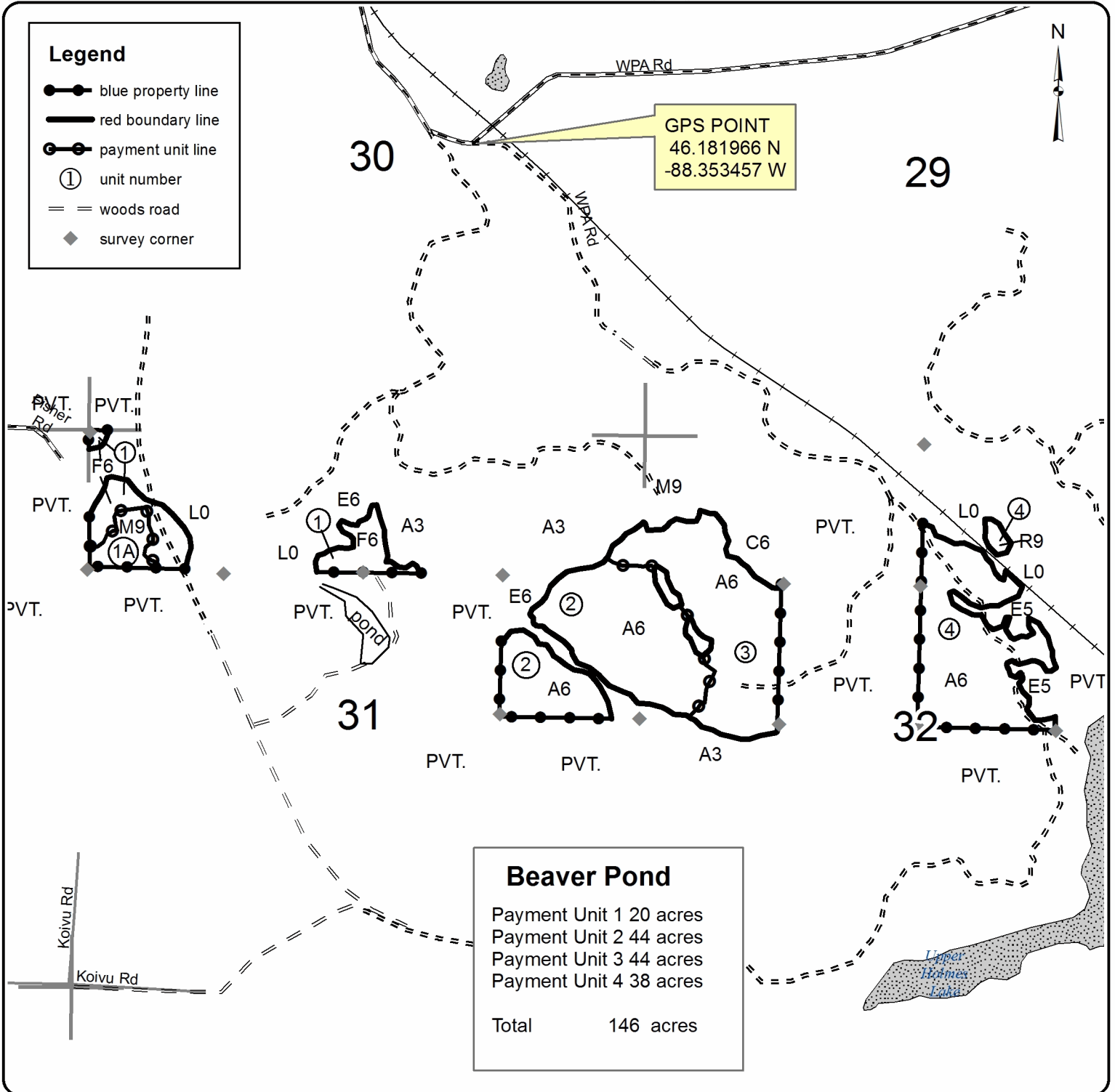


| | |
|--------------|------|
| Sale Number | Year |
| 12-077-15-01 | 2015 |

TIMBER SALE MAP

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

| Forest Management Unit Crystal Falls | | County Iron | Mapped By Sebero | Date 09/28/2015 | Page 1 | of 1 |
|---|----------------------|---|---------------------|-----------------------------|------------------------|---------|
| Township 44N | Range 32W | Section(s) and Subdivision(s) 31 N1/2NW,N1/2NE,SENE 32 W1/2NE,W1/2NW,NWSW | | Scale 4" = 1 mile | | |
| Cover Type | | | | Density | | |
| A = Aspen | H = Hemlock | N = Marsh | U = Upland Brush | 0 = Non Stocked | 5 = Pole Timber Medium | |
| B = Paper Birch | J = Jack Pine | O = Oak | UM = Upland Mixed | 1 = Seedling Sapling Poor | 6 = Pole Timber Well | |
| C = Cedar | L = Lowland Brush | P = Lowland Poplar | V = Bog or Marsh | 2 = Seedling Sapling Medium | 7 = Saw Timber Poor | |
| D = Tread Bog | LM = Lowland Mixed | Q = Mixed Swamp Conifer | W = White Pine | 3 = Seedling Sapling Well | 8 = Saw Timber Medium | |
| E = Swamp Hdwoods | M = Mpl, Bch, Brch | R = Red Pine | X = Non Stocked | 4 = Pole Timber Poor | 9 = Saw Timber Well | |
| F = Spruce Fir | MC = Mixed Conifer | S = Black Spruce | Z = Water | | | |
| G = Grass | MD = Mixed Deciduous | T = Tamarack | | | | |



TIMBER SALE INFORMATION

THREE LAKES PINE (12-079-15)
T42N, R31W, SEC. 01; T42N, R31W, SEC. 02.
Iron County (Advertised Price \$81,880.10)

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

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Sawtimber | | |
| Red Pine | 345.30 MBF | \$ 113.00 / MBF |
| Pulpwood | | |
| Mixed Softwood | 258.00 Cords | \$ 22.20 / Cord |
| Red Pine | 800.00 Cords | \$ 44.35 / Cord |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,653.60:

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Pulpwood | | |
| Tamarack | 78.00 Cords | \$ 21.20 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 15.82 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 \$5,000.00 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.
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2019.

Sale Specific Conditions & Requirements

Sale Name: THREE LAKES PINE

Sale Number: 12-079-15 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

Timber sale boundary lines against private property are marked with blue paint. Sale boundary lines against state land are marked with double red paint dots. Interior Payment Unit boundaries are marked with double red paint slashes. Interior Payment Unit boundary trees may not be cut unless marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 - 10, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all spruce and balsam fir 2 sticks tall and larger. Cut all tamarack 1 stick tall and larger.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH.

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. Chip piles must be removed within 60 days of the sale expiration. In addition, after chip pile removal, residual chip depth at the landing may not exceed 4 inches.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

Improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows. 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)

Any berms that are removed for operations shall be restored within 30 days of sale completion. Contact the sale administrator for design and placement.

4.1.12 - No new roads (1/12)

No new roads will be permitted.

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 has been obtained by the DNR. Keweenaw Land Company has been notified of the potential road use crossing their land. It is the responsibility of the Purchaser to obtain any necessary road use permits from Keweenaw Land prior to hauling.

5 - 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.

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 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

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1 - 10, unless changed by written agreement, cutting, skidding, and hauling are not permitted from March 1 to July 15. In addition, Payment Unit 2 may not be left as the last Payment Unit to cut. This restriction is to avoid spring break up conditions and bark slip season.

5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of the Camp 5 Road without permission of the sale administrator and the Iron County Road Commission.

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

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

5.2.41 - Snowmobile trail protection (9/11)

The southernmost woods road is a snowmobile trail as shown on the timber sale map. Do not cut or damage posts with orange trail markers or traffic control signs. Any road maintenance/restoration must be done prior to December 1. If the trail road is to be used for hauling after December 1, a snow covered base must be left on the trail. Logging warning signs must also be posted at each end of the sale during operations. Maintain a 20 foot wide slash, debris, and rut free zone daily using the snowmobile trail as the centerline. All stumps within 20 feet of the snowmobile trail must be cut at ground level. No decking of forest products will be permitted along the snowmobile trail after December 1.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.



TIMBER SALE MAP

12-079-15-01

2015

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

| | | | | | | |
|--|---------------------|--|--|-----------------------------------|------------------|----------------|
| Forest Management Unit Crystal Falls | | County Iron | Mapped By Rice Marked By: Guenther | Date 9/22/15 | Page 1 | of 1 |
| Township 42N | Range 31W | Section(s) and Subdivision(s) sec. 1 SWNE, NW1/4 sec 2 S1/2NE, N1/2SE, SWNE, S1/2NW, E1/2SW | | Scale 4 inches = 1 mile | | |

Cover Type

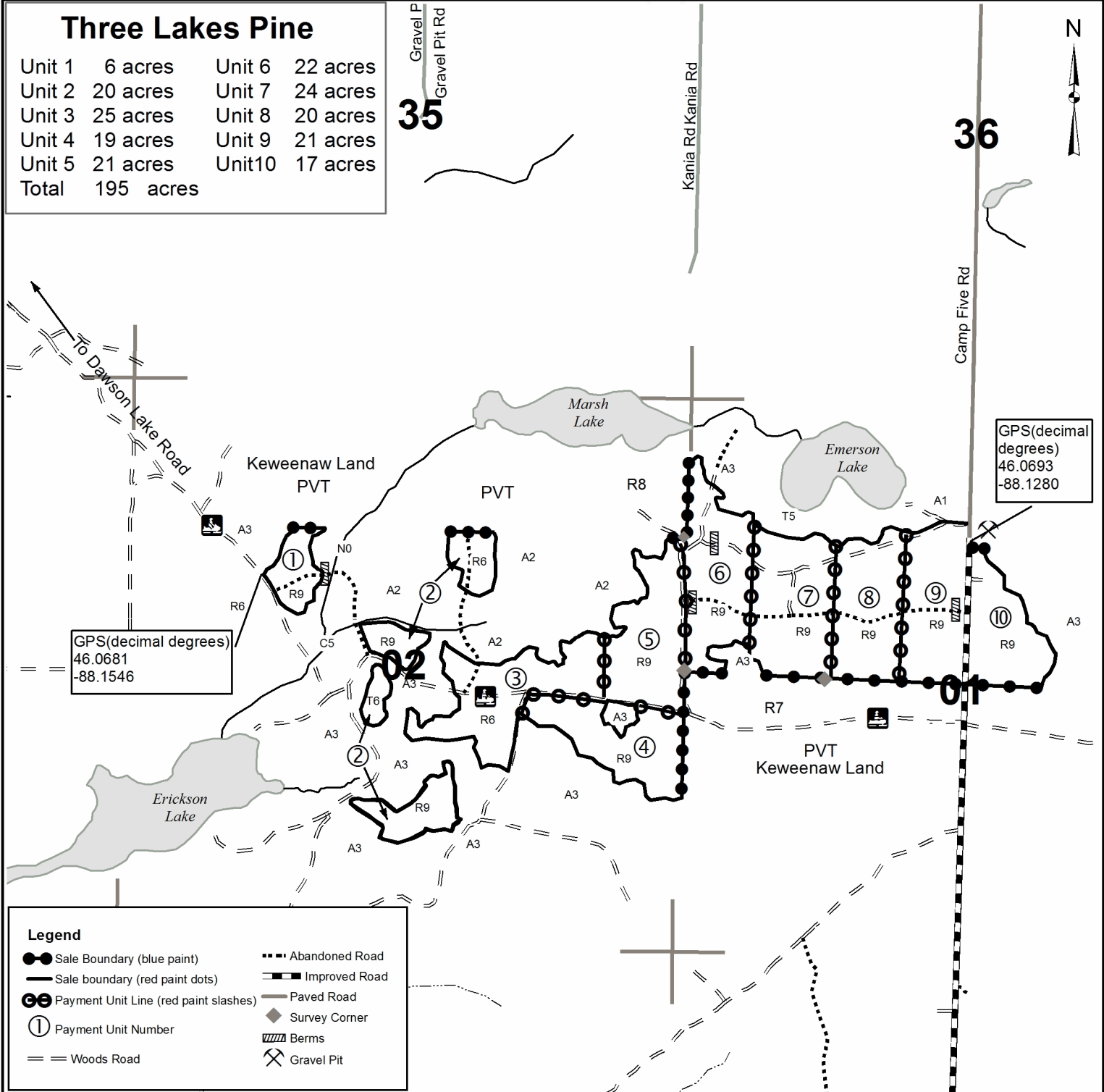
| | | | |
|-------------------|----------------------|-------------------------|-------------------|
| A = Aspen | H = Hemlock | N = Marsh | U = Upland Brush |
| B = Paper Birch | J = Jack Pine | O = Oak | UM = Upland Mixed |
| C = Cedar | L = Lowland Brush | P = Lowland Poplar | V = Bog or Marsh |
| D = Treed Bog | LM = Lowland Mixed | Q = Mixed Swamp Conifer | W = White Pine |
| E = Swamp Hdwoods | M = Mpl, Bch, Brch | R = Red Pine | X = Non Stocked |
| F = Spruce Fir | MC = Mixed Conifer | S = Black Spruce | Z = Water |
| G = Grass | MD = Mixed Deciduous | T = Tamarack | |

Density

| | |
|-----------------------------|------------------------|
| 0 = Non Stocked | 5 = Pole Timber Medium |
| 1 = Seedling Sapling Poor | 6 = Pole Timber Well |
| 2 = Seedling Sapling Medium | 7 = Saw Timber Poor |
| 3 = Seedling Sapling Well | 8 = Saw Timber Medium |
| 4 = Pole Timber Poor | 9 = Saw Timber Well |

Three Lakes Pine

| | |
|------------------------|------------------|
| Unit 1 6 acres | Unit 6 22 acres |
| Unit 2 20 acres | Unit 7 24 acres |
| Unit 3 25 acres | Unit 8 20 acres |
| Unit 4 19 acres | Unit 9 21 acres |
| Unit 5 21 acres | Unit 10 17 acres |
| Total 195 acres | |



FORM

SOGGY TRAIL (12-075-15)
T42N, R35W, SEC. 34; Iron COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on July 20, 2016, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>ADVERTISED PRICE</u> | <u>BID PRICE</u> |
|-------------------------------|--------------------------|-------------------------|------------------|
| Pulpwood | | | |
| Mixed Softwood | 182.00 Cords | \$ 25.25/Cord | \$ _____ |
| Quaking Aspen | 28.00 Cords | \$ 26.90/Cord | \$ _____ |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$92.80 :

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|--------------------------|-------------------------|
| Pulpwood | | |
| Mixed Hardwood | 4.00 Cords | \$ 23.20/Cord |

*The volumes are statistically estimated within plus (+) or minus (-) 31.82 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

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

FEDERAL ID: _____ or SOCIAL SECURITY NUMBER: _____

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

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

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

Phone number : _____ Email (optional): _____

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



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

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

*As required by Act 317, P.A. 1969 (Worker's Compensation) and
Part 5 of Act 451 of 1994, as amended.*

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 twenty-one (21) days of the contract award and prior to the issuance of the timber sale contract.
- All information must be typed or printed except for written signatures.

Please Check Appropriate Categories:

1. My business is organized as (you **must** check one of the boxes below):
 - A. Sole Proprietorship (individual)
 - B. Partnership
 - C. Corporation

2. You **must** check one of the boxes below:
 - A. I certify 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 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 my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within twenty-one (21) days of the contract award.

3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0").

_____ Full-time Employees

_____ Part-time Employees

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

I hereby certify that the above information is true and correct. I agree to notify the Michigan DNR 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

Please complete the "SEALED BID" information on the next page

BEAVER POND (12-077-15)
T44N, R32W, SEC. 31; T44N, R32W, SEC. 32; Iron COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on July 20, 2016, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>ADVERTISED PRICE</u> | <u>BID PRICE</u> |
|-------------------------------|--------------------------|-------------------------|------------------|
| Pulpwood | | | |
| Mixed Hardwood | 1,440.00 Cords | \$ 23.20/Cord | \$ _____ |
| Mixed Softwood | 381.00 Cords | \$ 25.25/Cord | \$ _____ |
| Quaking Aspen | 889.00 Cords | \$ 26.90/Cord | \$ _____ |

*The volumes are statistically estimated within plus (+) or minus (-) 7.82 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

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

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

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

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

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

Phone number : _____ Email (optional): _____



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

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

*As required by Act 317, P.A. 1969 (Worker's Compensation) and
Part 5 of Act 451 of 1994, as amended.*

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.

Please Check Appropriate Categories:

1. My business is organized as (you **must** check one of the boxes below):
 - A. Sole Proprietorship (individual)
 - B. Partnership
 - C. Corporation

2. You **must** check one of the boxes below:
 - A. I certify 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 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 my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within twenty-one (21) days of the contract award.

3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0").

_____ Full-time Employees

_____ Part-time Employees

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

I hereby certify that the above information is true and correct. I agree to notify the Michigan DNR 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

Please complete the "SEALED BID" information on the next page

THREE LAKES PINE (12-079-15)
T42N, R31W, SEC. 01; T42N, R31W, SEC. 02; Iron COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on July 20, 2016, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>ADVERTISED PRICE</u> | <u>BID PRICE</u> |
|-------------------------------|--------------------------|-------------------------|------------------|
| Sawtimber | | | |
| Red Pine | 345.30 MBF | \$ 113.00/MBF | \$ _____ |
| Pulpwood | | | |
| Mixed Softwood | 258.00 Cords | \$ 22.20/Cord | \$ _____ |
| Red Pine | 800.00 Cords | \$ 44.35/Cord | \$ _____ |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,653.60 :

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|--------------------------|-------------------------|
| Pulpwood | | |
| Tamarack | 78.00 Cords | \$ 21.20/Cord |

*The volumes are statistically estimated within plus (+) or minus (-) 15.82 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

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

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

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

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

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

Phone number : _____ Email (optional): _____

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



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

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

*As required by Act 317, P.A. 1969 (Worker's Compensation) and
Part 5 of Act 451 of 1994, as amended.*

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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- All information must be typed or printed except for written signatures.

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1. My business is organized as (you **must** check one of the boxes below):
 - A. Sole Proprietorship (individual)
 - B. Partnership
 - C. Corporation

2. You **must** check one of the boxes below:
 - A. I certify 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 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 my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within twenty-one (21) days of the contract award.

3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0").

_____ Full-time Employees

_____ Part-time Employees

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

I hereby certify that the above information is true and correct. I agree to notify the Michigan DNR 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

Please complete the "SEALED BID" information on the next page