

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5559

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on June 22, 2016. LOCATION: BALDWIN FIELD OFFICE, 2468 WEST 24TH ST, BALDWIN, MI 49304.

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

GROUSE HAVEN MIX (63-009-15) / T18N, R09W, SEC. 03, SWSW.

T18N, R09W, SEC. 04, NWNE,SWNE,SENW,SW1/4,NWSW,NESW.

T18N, R09W, SEC. 04, SESW.

Osceola County, Advertised Price \$151,133.15, 156.0 Acres, Aspen, Red Pine.

GROUSE GEMS (63-010-15) / T18N, R09W, SEC. 03, NW1/4,NWNE,SWNE,NWSE,SW1/4.
T18N, R09W, SEC. 04, NENE,SENE,SESE.
Osceola County, Advertised Price \$138,550.85, 133.0 Acres, Aspen, Red Pine.

FINCH A&P (63-011-15) / T18N, R09W, SEC. 11, NENW, SENW, NWNE, SWNE, SENE. T18N, R09W, SEC. 11, NWSE, NESE, SESE.

Osceola County, Advertised Price \$96,517.45, 115.0 Acres, Aspen, Red Pine.

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

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

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

Bids must be received by the Unit Manager, BALDWIN OFFICE, 2468 WEST 24TH ST, BALDWIN, MI 49304, no later than 3:00 p.m. (local time) on June 22, 2016. For further information concerning this sale, contact Cheryl Nelson at 231-745-4651 extension 6942.

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

GROUSE HAVEN MIX (63-009-15)
T18N, R09W, SEC. 03; T18N, R09W, SEC. 04.
Osceola County (Advertised Price \$151,133.15)

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*		<u>ADVE</u>	ADVERTISED PRICE		
Sawtimber						
Mixed Aspen	346.10	MBF	\$	102.00 / MBF		
Red Pine	155.70	MBF	\$	91.00 / MBF		
Pulpwood						
Mixed Aspen	2,105.00	Cords	\$	23.35 / Cord		
Red Maple	726.00	Cords	\$	26.70 / Cord		
Red Pine	752.00	Cords	\$	37.20 / Cord		

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$5,151.90:

PRODUCTS & SPECIES	ESTIMATED UNITS*		ADVERTISED PRICE		
Sawtimber					
Black Cherry	1.40	MBF	\$	173.00 / MBF	
Red Maple	31.50	MBF	\$	136.00 / MBF	
Pulpwood					
Black Cherry	16.00	Cords	\$	14.10 / Cord	
Paper Birch	19.00	Cords	\$	7.50 / Cord	
Sugar Maple	14.00	Cords	\$	18.40 / Cord	

^{*} The total volume is statistically estimated within plus (+) or minus (-) 10.30 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 \$7,700.00 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 06/22/2018.

Sale Specific Conditions & Requirements

Sale Name: GROUSE HAVEN MIX Sale Number: 63-009-15 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 boundary line for the southern portion of Payment Unit 3 is identifiable by a cover type change from red pine to aspen. 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 and 4, cut all trees that are two (2) inches or more at DBH except oak and black cherry.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the planted red pine areas shall not exceed 6 inches for all trees. This is in order to facilitate planting operations.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

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

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/14)

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

4 - Transportation

4.1 - Construction

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

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

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

4.3 - Public Right-of-Way

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

The county must be contacted prior to crossing or harvesting in the county road R-O-W.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

5.1.4 - Post-sale conference (6/11)

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

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

5.2.3 - Operating Restrictions

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) 1, 2, 3 and 4, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.4 - Dead and Down Creation

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

All trees marked with a band of green paint must be cut and left. The trees are to be cut into 8 foot pieces, and piled in a "spoke-like" pattern.

5.2.4.4 - Dead and down creation, grouse (8/13)

To encourage grouse and other wildlife, in Payment Unit(s) 2, 3 and 4, leave one, 10" diameter or larger log-length (8 foot minimum) piece on the ground for every 2 acres and at least six (6) large tops per acre. These will be evenly scattered throughout the unit.

5.2.29 - Shrub protection (9/07)

Do not cut or damage hawthorn, witch-hazel, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

5.2.32 - Decking/landing restoration (9/13)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand. Wood debris, chips and "cookies" from trimmings must be removed or scattered away from landing and loading areas and may not be windrowed on the edge. Landing must be seeded once operations have been completed. The seed used to restore the landing must be approved by the DNR. The seed must be provided by the producer.

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

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

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

5.4.4 - Slope protection (5/15)

Skid trails and roads on slopes shall be water barred with slash, stumps, and/or clean straw bales native to the area as soon as use is complete to prevent erosion.

5.4.6 - Wet area protection (5/10)

No harvesting operations, including skidding and felling, are to take place within the vernal pond areas or drainages. When harvesting occurs, there should be no disturbance to the vernal pond depression. All equipment, trees and tops should be kept out of this area. Within 100 feet of the pond, equipment should only be used when the soil is in a dry or frozen condition. Care must be taken by the Purchaser to identify and avoid operating in these areas of the timber sale.

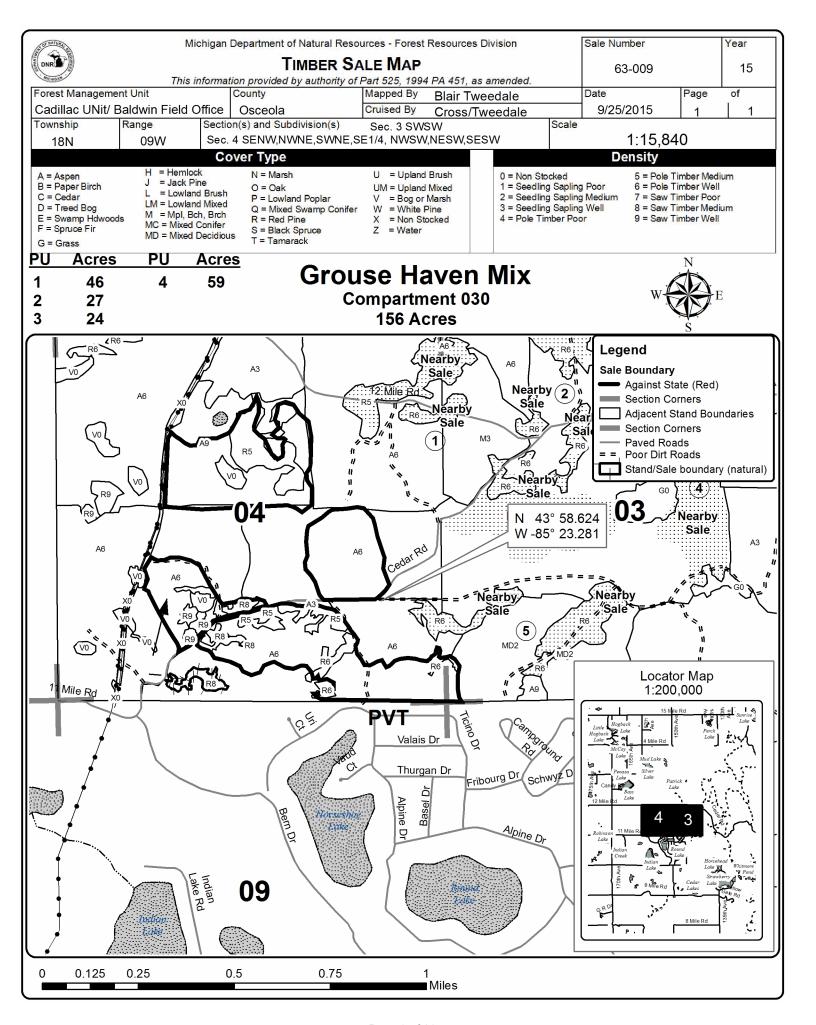
6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on the haul roads prior to beginning operations. The road must be posted 200 feet from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

Section Name: Sale Specific Current as of 4/26/2016 8:22:46AM



TIMBER SALE INFORMATION

GROUSE GEMS (63-010-15)

T18N, R09W, SEC. 03; T18N, R09W, SEC. 04. Osceola County (Advertised Price \$138,550.85)

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*		ADVERTISED PRICE		
Sawtimber					
Mixed Aspen	289.60	MBF	\$	115.00 / MBF	
Red Pine	165.60	MBF	\$	96.00 / MBF	
Pulpwood					
Mixed Aspen	1,869.00	Cords	\$	24.80 / Cord	
Red Pine	936.00	Cords	\$	38.90 / Cord	

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,587.65:

ESTIMATE	ED UNITS*	ADVERTISED PRICE		
9.30	MBF	\$	136.00 / MBF	
7.00	Cords	\$	18.40 / Cord	
9.00	Cords	\$	13.45 / Cord	
190.00	Cords	\$	26.70 / Cord	
	9.30 7.00 9.00	7.00 Cords 9.00 Cords	9.30 MBF \$ 7.00 Cords \$ 9.00 Cords \$	

^{*} The total volume is statistically estimated within plus (+) or minus (-) 9.56 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 \$7,000.00 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 06/22/2018.

Sale Specific Conditions & Requirements

Sale Name: GROUSE GEMS Sale Number: 63-010-15 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. Red Pine units are identified by natural stand boundaries, with scattered red paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, 3 and 4, cut all trees that are two (2) inches or more at DBH, except in Payment Unit(s) 3 and 4, do not cut Oak or Black Cherry. In the small red pine pocket of Payment Unit 3, third row thin the red pine.

2.1.8 - Designated plantation row unit(s) (12/08)

Within Payment Unit(s) 2 and 5, all trees which meet minimum piece specifications in 2.2 Utilization, within designated plantation rows are designated for cutting. Designated plantation rows are every third row. Begin with the third row in from the outside of the plantation, then continue every third row. Because of the variability of row direction, it shall be the responsibility of the producer to maintain the third row sequence.

2.2 - Utilization

2.2.2 - Chipping required (5/14)

Payment Unit 1 must be chip harvested to facilitate future silvicultural activities. Chipping may be optional in Units 3 and 4. The Purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled. Do not chip 1/6 to 1/3 of the slash from harvested trees (tree tops and limbs less than four inches in diameter).

2.2.3 - Stump heights (4/07)

Stump heights within Payment Unit(s) 1 shall not exceed 6 inches for all trees. This is in order to facilitate planting operations.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/14)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured.

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

4 - Transportation

4.1 - Construction

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

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

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

sale.

4.3 - Public Right-of-Way

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

The county must be contacted prior to crossing or harvesting in the county road R-O-W.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

5.1.4 - Post-sale conference (6/11)

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

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

5.2.3 - Operating Restrictions

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) 1, 2, 3 and 4 unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.4 - Dead and Down Creation

5.2.4.4 - Dead and down creation, grouse (8/13)

To encourage grouse and other wildlife, in Payment Unit(s) 3 and 4, leave one, 10" diameter or larger log-length (8 foot minimum) piece on the ground for every 2 acres, and at least six (6) large tops per acre. These will be evenly scattered throughout the unit.

5.2.29 - Shrub protection (9/07)

Do not cut or damage hawthorn, witch-hazel, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

5.2.32 - Decking/landing restoration (9/13)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand. Wood debris, chips and "cookies" from trimmings must be removed or scattered away from landing and loading areas and may not be windrowed on the edge. The landings must be seeded, with seed approved by the DNR. The producer will provide the seed.

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

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

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

5.4.4 - Slope protection (5/15)

Skid trails and roads on slopes shall be water barred with slash, stumps, and/or clean straw bales native to the area as soon as use is complete to prevent erosion.

5.4.6 - Wet area protection (5/10)

No harvesting operations, including skidding and felling, are to take place within the vernal pond areas or drainages. When harvesting occurs, there should be no disturbance to the vernal pond depression. All equipment, trees and tops should be kept out of this area. Within 100 feet of the pond, equipment should only be used when the soil is in a dry or frozen condition. Care must be taken by the Purchaser to identify and avoid operating in these areas of the timber sale.

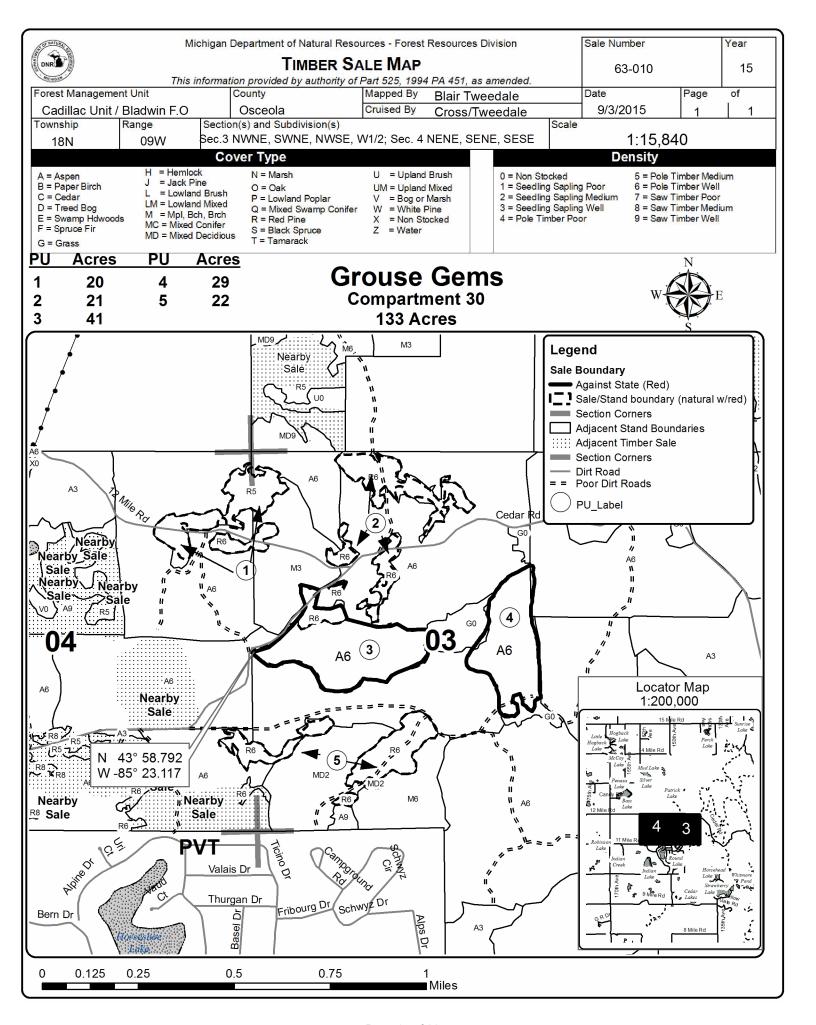
6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on all haul roads prior to beginning operations. The road must be posted 200 feet from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

Section Name: Sale Specific Current as of 4/26/2016 8:47:18AM



TIMBER SALE INFORMATION

FINCH A&P (63-011-15)

T18N, R09W, SEC. 11.

Osceola County (Advertised Price \$96,517.45)

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

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

PRODUCTS & SPECIES	ESTIMATED UNITS*		ADVERTISED PRICE	
Sawtimber				
Mixed Aspen	60.10	MBF	\$	115.00 / MBF
Red Pine	179.10	MBF	\$	104.00 / MBF
Pulpwood				
Mixed Aspen	1,157.00	Cords	\$	23.35 / Cord
Red Maple	257.00	Cords	\$	25.85 / Cord
Red Pine	899.00	Cords	\$	40.05 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,315.20:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Sawtimber			
Red Maple	6.30 MBF	\$	149.00 / MBF
Pulpwood			
Black Cherry	30.00 Cords	\$	12.55 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 9.05 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 \$4,850.00 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 06/22/2018.

Sale Specific Conditions & Requirements

Sale Name: FINCH A&P Sale Number: 63-011-15 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 Interior Payment Unit boundary between Payment Unit 1 and 2 is a natural stand boundary (aspen next to planted red pine). 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 trees that are two (2) inches or more at DBH. Do not cut oak, black cherry and green marked trees.

2.1.8 - Designated plantation row unit(s) (12/08)

Within Payment Unit(s) 2, all red pine, cherry and aspen trees which meet minimum piece specifications in 2.2 Utilization, within designated plantation rows are designated for cutting. Designated plantation rows are every third row, begin with the third row in from the outside of the plantation, then continue every third row. Because of the variability of row direction, it shall be the responsibility of the producer to maintain the third row sequence. Also, final harvest pockets of aspen. Do not cut oak.

2.2 - Utilization

2.2.6 - Roundwood operation required (5/07)

The skidding of whole trees or tree segments with limbs attached is prohibited within Payment Unit(s) 2. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 1 may be divided at the request of the Purchaser and upon approval of the Unit Manager. Dividing Payment Units is a contract modification which requires a Timber Sale Contract Supplement. There will be only one division per Payment Unit.

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/14)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. No damage is acceptable to merchantable trees. Within the sale area, if more than 2 % of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber, or at a rate of \$50 per sawtimber tree and \$25 per pole sized tree, whichever is greater.

4 - Transportation

4.1 - Construction

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 double earthen berms at strategic locations. Stumps and brush must be placed along the remainder of the trail. These roads must be rendered impassable to cars and

trucks. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.4 - Grading (12/14)

For completion of the sale, state forest roads must be graded. In general, this will require a road grader or bull dozer to shape up the roads after forest products have been hauled off site. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

4.2.5 - Two wheel drive condition (2/04)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations. The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

5.1.4 - Post-sale conference (6/11)

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

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

5.2.3 - Operating Restrictions

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) 1 and 2, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.3.6 - 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.

5.2.4 - Dead and Down Creation

5.2.4.2 - Dead and down creation, hare and grouse (1/14)

To improve habitat for snowshoe hare, grouse, and other species, the Purchaser is to leave two trees, nine (9) inches or larger in diameter on the ground for every two acres. They should be scattered throughout the sale or positioned per the sale administrators instructions. If possible, the logs or trees should be felled so they overlap. Note these pieces should

have a minimum length of five feet.

5.2.20 - Equipment width (2/04)

Equipment used to remove designated rows must be capable of moving through cut rows without damaging residual trees.

5.2.29 - Shrub protection (9/07)

Do not cut or damage hawthorn, witch-hazel, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

5.2.32 - Decking/landing restoration (9/13)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand. Wood debris, chips and "cookies" from trimmings must be removed or scattered away from landing and loading areas and may not be windrowed on the edge. Landing must be seeded after completion of sale. The seed must be approved by the DNR, and must be provided by the producer.

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

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

5.2.39 - ORV trail/route protection (12/12)

The Evart Motorcycle trail is an ORV trail or route and is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers. All stumps within 5 feet of the trail must be cut flush with the ground. Maintain a 20 foot wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline. Do not run equipment down the ORV trail or route. Skidding across the trail or route may only occur in locations approved by the sale administrator.

5.4 - Soil Protection

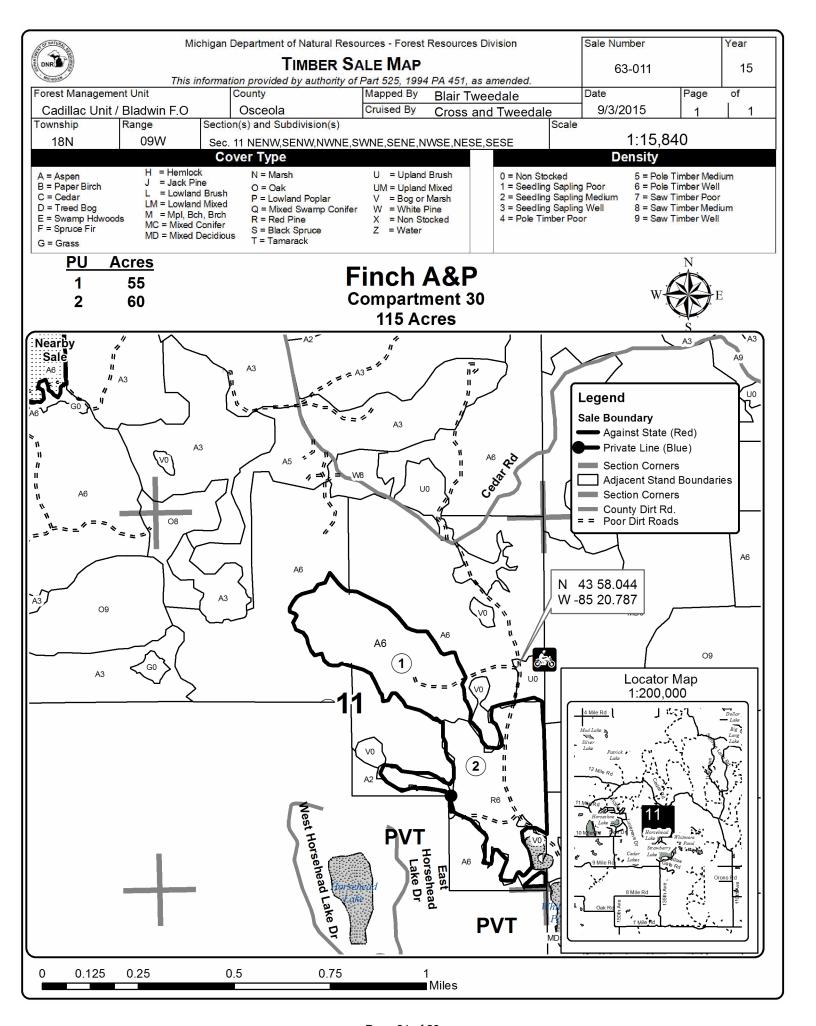
5.4.1 - Rutting restriction, general (1/09)

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

5.4.4 - Slope protection (5/15)

Skid trails and roads on slopes shall be water barred with slash, stumps, and/or clean straw bales native to the area as soon as use is complete to prevent erosion.

Section Name: Sale Specific Current as of 4/26/2016 8:35:57AM



Page 22 of 28

BID

CADILLAC MANAGEMENT UNIT BALDWIN OFFICE

FINCH A&P (63-011-15) T18N, R09W, SEC. 11; Osceola COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on June 22, 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.

PRODUCTS & SPECIES Sawtimber	<u>ESTIMATED</u>	VOLUME*	<u>AD</u>	VERTISED PRICE	BID PRICE
Mixed Aspen	60.10	MBF	\$	115.00/MBF	\$
Red Pine	179.10	MBF	\$	104.00/MBF	\$
Pulpwood					
Mixed Aspen	1,157.00	Cords	\$	23.35/Cord	\$
Red Maple	257.00	Cords	\$	25.85/Cord	\$
Red Pine	899.00	Cords	\$	40.05/Cord	\$

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,315.20:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	<u>A</u>	DVERTISED PRICE
Sawtimber			
Red Maple	6.30 MBF	\$	149.00/MBF
Pulpwood			
Black Cherry	30.00 Cords	\$	12.55/Cord

*The volumes are statistically estimated within plus (+) or minus (-) 9.05 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 SEC	ORITY NUMBER:				
	Company or individual bidding:						
	Company representative's name:						
	Address:			_			
	City:	State:	Zip:				
F AVAIL	ABLE, PLEASE PLACE THE PERSO	NALIZED LABEL FROI	M YOUR PROSPECTUS IN	THE ABOVE BOX.			
ndividual	or company representative's signatu	ıre:		Date:			
Phone nu	ımber :	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



Title

Michigan Department of Natural Resources Forest Resources Division

TIMBER SALE **VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE**

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

As required by Act 317 P.A. 1969 (Morker's Compensation) and

	Part 5 of Act 451 of 1994, as amend		nu .			
VE	RIFICATION OF WORKER'S DISABILITY CO	MPENSAT	ION ACT COM	PLIANCE		
•	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	t for written	signatures.			
Ple	ease Check Appropriate Categories:					
1.	My business is organized as (you must check	cone 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 my business is a sole proprietorship Worker's Compensation Laws.	and it has no	employees but t	he sole proprietor. I am not subject to the		
	B. I certify my business has satisfied its o bligate Exclusion (BWC-337, Rev. 5/96). I will proviquestions or a copy of the BWC-337, please	ide a copy of	the Notice of Exc	clusion within 21 days of the contract award. (For		
	C. I certify my business has a Worker's Compe one (21) days of the contract award.	nsation Polic	y. I will provide a	n original Certificate of Insurance within twenty-		
3.	If you have checked item 2(A) or 2(B), you nethan yourself, including family members and a			of both full-time and part-time employees, other u must enter "0").		
	Full-time Employe	es		Part-time Employees		
				art amo Employess		
Nam	ne of Business		Federal ID (or) S	ocial Security No.		
Address			Telephone			
			()			
City	State		ZIP			
	ereby certify that the above information is true a actors affecting my coverage during any of my			fy the Michigan DNR of any changes that occur		
,,,,	actors affecting my coverage during any or my	Diesein and	ruture operatio			
_						
S	Signature of Owner or Authorized Representative					

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

Date

BID

CADILLAC MANAGEMENT UNIT BALDWIN OFFICE

GROUSE GEMS (63-010-15)

T18N, R09W, SEC. 03; T18N, R09W, SEC. 04; Osceola COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on June 22, 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.

PRODUCTS & SPECIES Sawtimber	ESTIMATED VOLUME*	ADVERTISED PRICE	BID PRICE
Mixed Aspen	289.60 MBF	\$ 115.00/MBF	\$
Red Pine	165.60 MBF	\$ 96.00/MBF	\$
Pulpwood			
Mixed Aspen	1,869.00 Cords	\$ 24.80/Cord	\$
Red Pine	936.00 Cords	\$ 38.90/Cord	\$

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,587.65:

PRODUCTS & SPECIES	ESTIMATED	VOLUME*	AD	VERTISED PRICE
Sawtimber				
Red Maple	9.30	MBF	\$	136.00/MBF
Pulpwood				
Beech	7.00	Cords	\$	18.40/Cord
Black Cherry	9.00	Cords	\$	13.45/Cord
Red Maple	190.00	Cords	\$	26.70/Cord

^{*}The volumes are statistically estimated within plus (+) or minus (-) 9.56 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 SECU	JRITY NUMBER:		
	Company or individual bidding:				
	Company representative's name:				
	Address:				
	City:	State:	_ Zip:		
F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.					
ndividual	ividual or company representative's signature: Date:				
Phone nu	hone 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



Michigan Department of Natural Resources Forest Resources Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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.

•	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 signature 	es.			
PΙε	Please Check Appropriate Categories:				
1.	 My business is organized as (you must check one of the boxes b A. Sole Proprietorship (individual) B. Partnership Corporation 	elow):			
2.	2. You must check <u>one</u> of the boxes below:				
	A. I certify my business is a sole proprietorship and it has no employe Worker's Compensation Laws.	es but the sole proprietor. I am not subject to the			
	B. I certify my business has satisfied its o bligation to the Worker's Co Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notic questions or a copy of the BWC-337, please call the Worker's Con	e of Exclusion within 21 days of the contract award. (For			
	C. I certify my business has a Worker's Compensation Policy. I will prone (21) days of the contract award.	ovide an original Certificate of Insurance within twenty-			
3.	 If you have checked item 2(A) or 2(B), you must indicate the nuthan yourself, including family members and active partners (if no 				
	Full-time Employees	Part-time Employees			
lan	lame of Business Federal	ID (or) Social Security No.			
Add	Address Telepho (ne)			
City	City State ZIP				
n f	hereby certify that the above information is true and correct. I agree in factors affecting my coverage during any of my present and future of Signature of Owner or Authorized Representative				
_	Title	Date			

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

PR 4031-5 (Rev. 10/30/2012)

BID

CADILLAC MANAGEMENT UNIT BALDWIN OFFICE

GROUSE HAVEN MIX (63-009-15)

T18N, R09W, SEC. 03; T18N, R09W, SEC. 04; Osceola COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on June 22, 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.

PRODUCTS & SPECIES	<u>ESTIMATED</u>	VOLUME*	<u>AD</u>	VERTISED PRICE	BID PRICE
Sawtimber Mixed Aspen	346.10	MBF	\$	102.00/MBF	\$
Red Pine	155.70		\$	91.00/MBF	\$
Pulpwood			•		
Mixed Aspen	2,105.00	Cords	\$	23.35/Cord	\$
Red Maple	726.00	Cords	\$	26.70/Cord	\$
Red Pine	752.00	Cords	\$	37.20/Cord	\$

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$5,151.90:

PRODUCTS & SPECIES	ESTIMATED VOLUME*		AD\	VERTISED PRIC	<u>:E</u>
Sawtimber					
Black Cherry	1.40	MBF	\$	173.00/MBF	
Red Maple	31.50	MBF	\$	136.00/MBF	
Pulpwood					
Black Cherry	16.00	Cords	\$	14.10/Cord	
Paper Birch	19.00	Cords	\$	7.50/Cord	
Sugar Maple	14.00	Cords	\$	18.40/Cord	

*The volumes are statistically estimated within plus (+) or minus (-) 10.30 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 SECU	RITY NUMBER:			
	Company or individual bidding:					
	Company representative's name:					
	Address:					
	City:		Zip:			
F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.						
ndividual	dividual or company representative's signature: Date:					
Phone nu	one 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



Michigan Department of Natural Resources Forest Resources Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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 sign	gnatures.				
Ple	ease Check Appropriate Categories:					
1.	My business is organized as (you must check <u>one</u> of the boxes below): A. □ Sole Proprietorship (individual) B. □ Partnership C. □ Corporation					
2.	 You must check one of the boxes below: A. I certify 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 o bligation 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 than yourself, including family members and active partners Full-time Employees	the number of both full-time and part-time employees, other is (if none, you must enter "0"). Part-time Employees				
Nam	me of Business	Federal ID (or) Social Security No.				
Add	dress	Telephone ()				
City) State	ZIP				
in fa _	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					
Ţ	Title	Date				

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

PR 4031-5 (Rev. 10/30/2012)