

## DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

#### TIMBER SALE PROSPECTUS #5711

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on October 5, 2016. LOCATION: BALDWIN FIELD OFFICE, 2468 WEST 24TH ST, BALDWIN, MI 49304.

PROSPECTUS NOTE: These are Good Neighbor Authority (GNA) timber sales on National Forest land. These timber sales were set-up and are being advertised by the Michigan DNR for the US Forest Service. The contracts will be awarded and administered by the Michigan DNR. Please note items 12 and 13 of the Bid Instructions and the Sale Specific Conditions & Requirements which contain the acronym 'GNA' in their title.

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.

#### GNA Railroad Grade Pine (63-801-16)

Lake County, Advertised Price \$26,008.10, 34.1 Acres, Hardwood, Red Pine.

SALE NOTE: Access may be through private or other public land.

#### GNA 12 Acre Wood Pine (63-802-16)

Lake County, Advertised Price \$18,919.05, 11.5 Acres, Jack Pine, Red Pine.

SALE NOTE: Access may be through private or other public land.

#### **GNA Red Zone Pine** (63-803-16)

Wexford County, Advertised Price \$115,593.70, 108.9 Acres, Hardwood, Red Pine.

SALE NOTE: Access may be through other public land.

#### BID INSTRUCTIONS (VER. 09/02/2016):

#### 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 October 5, 2016. For further information concerning this sale, contact Staniulis, Di Ann at 231-745-4651 extension 6925.

#### 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 (7/16)

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 withdrawal 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 (7/16)

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.

#### 12. Good Neighbor Authority (GNA) Requirements (7/16)

If the name of this timber sales contains the acronym GNA, it is authorized by the Good Neighbor Authority (GNA) and covered by various agreements between the U.S. Forest Service and the State. The timber sale occurs on federal land and the following conditions apply:

GNA contracts on US Forest Service land will not be awarded to purchasers on the Federal list of excluded parties. The System for Award Management (SAM) will be checked for active excluded parties prior to award of contract. In addition, the Bidder to whom award is made must complete an Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants (AD-3031).

#### 13. Good Neighbor Authority (GNA) Requirements, con't (9/16)

Bidder certifies, by signing this bid form, that to the best of Bidder's knowledge that the following representations are accurate and complete.

- a. That the Bidder and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntary excluded from timber sales (covered transactions) by any Federal department or agency.
- b. That the Bidder and its principals have not within a 3-year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

- c. That the Bidder and its principals are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph b of this certification.
- d. That the Bidder and its principals have not within a 3-year period preceding this bid had one or more public transactions (Federal, State, or local) terminated for breach or default of a timber or forest product contract.

Bidders that cannot certify this requirement, in whole or in part, shall submit an explanation with their bid.

KEITH CREAGH Director

#### TIMBER SALE INFORMATION

#### GNA Railroad Grade Pine (63-801-16)

Lake County (Advertised Price \$26,008.10)

SALE NOTE: Access may be through private or other public land.

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

PRODUCTS & SPECIES	<b>ESTIMATED UNITS*</b>		<u>ADVE</u>	ADVERTISED PRICE	
Sawtimber					
Red Maple	9.40	MBF	\$	111.00 / MBF	
Red Pine	76.00	MBF	\$	159.00 / MBF	
Pulpwood					
Mixed Oak	9.00	Cords	\$	21.50 / Cord	
Red Maple	171.00	Cords	\$	25.20 / Cord	
Red Pine	142.00	Cords	\$	59.00 / Cord	

<sup>\*</sup> The total volume is statistically estimated within plus (+) or minus (-) 19.21 percent. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

#### **BOND AND PAYMENT SCHEDULE:**

- 1. A bond in the amount of \$1,300.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
  - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
  - (b) The remainder is due before cutting begins.
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2018.

#### **Description of Timber by Payment Unit (PU)**

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Maple	Sawtimber	9.4	MBF	34.1	\$26,008.10
	Red Pine		76.0	MBF		
	Mixed Oak	Pulpwood	9.0	Cords		
	Red Oak	Sawtimber	0.5	MBF		
	White Oak		0.5	MBF		
	Red Oak	Pulpwood	5.0	Cords		
	White Oak		2.0	Cords		
	Red Maple		171.0	Cords		
	Red Pine		142.0	Cords		
		TOTAL:	86.4	MBF		
		TOTAL:	329.0	Cords		

#### Sale Specific Conditions & Requirements

Sale Name: GNA Railroad Grade Pine Sale Number: 63-801-16 Seg#: 1

#### 1 - Sale Area

#### 12 - Boundaries

#### 1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified by orange paint. The painted boundary line trees are not Included Timber and are to be protected.

#### 2 - Timber Specifications

#### 2.1 - Included Timber

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

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

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

Within Payment Unit(s) 1, all red maple are designated for cutting regardless of merchantability.

#### 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 6 inches for trees smaller than 10 inches DBH.

#### 2.2.10 - No chipping tops and limbs (4/12)

Within Payment Unit(s) 1, chipping of the bole, 2-inches in diameter or greater, is allowed. Chipping of limbs or portions of the tree less than 2-inches in diameter is not permitted. Limbs and the remaining top must be left on site and scattered.

#### 2.2.12 - GNA, cut and remove included timber (1/16)

Unless provided otherwise herein, the DNR agrees to sell and permit Purchaser to cut and remove included timber and Purchaser agrees to purchase, cut, and remove included timber.

#### 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, or at a rate of \$50 per sawtimber tree and \$10 per pole sized tree, whichever is greater.

#### 4 - Transportation

#### 4.1 - Construction

#### 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 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. 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 has been obtained by the DNR. Access to the sale area is from snowmobile trail 340, this trail goes through private property.

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

#### 5.2.38 - 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)

Trail 340 is a snowmobile trail and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. The road maintenance/restoration must be done prior to December 1. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st. The snowmobile trail may not be used for any timber sale operations from December 1 to March 31. No decking of forest products will be permitted along the snowmobile trail. All stumps within 20 feet of the snowmobile trail must be cut at ground level.

#### 5.4 - Soil Protection

#### 5.4.1 - Rutting restriction, general (7/16)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and/or 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.

#### 5.4.2 - Skid trails (2/04)

Skid trails up and down slopes should be avoided. If however this is unavoidable, these trails will be left in a non-erodible condition using water bars, logs, and slash. Placing of slash on these skid trails while logging is ongoing may alleviate need for any further action. At the direction of the sale administrator, seed, fertilizer, and mulch may also be required.

#### 5.6 - Debris and Waste Material

#### 5.6.2 - GNA, equipment cleaning (1/16)

- (a) Areas, known by the DNR prior to timber sale advertisement, that are infested with invasive species of concern are shown on the Timber Sale Map. A current list of invasive species of concern and a map showing the extent of known infestations is available from the DNR. For purposes of this provision, "Off-Road Equipment" includes all logging and construction machinery, except for log trucks, chip vans, service vehicles, water trucks, pickup trucks, cars, and similar vehicles.
- (b) Purchaser shall adhere to the following requirements with regard to cleaning "Off-Road Equipment":
- (i) Prior to moving Off-Road Equipment onto the Sale Area, Purchaser shall identify the location of the equipment's most recent operation. Purchaser shall not move any Off-Road Equipment that last operated in an area infested with one or more invasive species of concern onto Sale Area without having cleaned such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and having notified the DNR, as provided in (iii). If the location of prior operation cannot be identified, then Purchaser shall assume that the location is infested with invasive species of concern.
- (ii) Prior to moving Off-Road Equipment from a cutting unit that is shown on the Timber Sale Map to be infested with invasive species of concern to, or through any other area that is shown as being free of invasive species of concern, or infested with a different invasive species, Purchaser shall clean such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and shall notify the DNR, as provided in (iii).
- (iii) Prior to moving any Off-Road Equipment subject to the cleaning requirements set forth above, Purchaser shall advise DNR of its cleaning measures and make the equipment available for inspection. DNR shall have 2 days, excluding weekends and State holidays, to inspect equipment after it has been made available. After satisfactory inspection or after such 2 day period, Purchaser may move the equipment as planned. Equipment shall be considered clean when a visual inspection does not disclose seeds, soil, vegetative matter, and other debris that could contain or hold seeds. Purchaser shall not be required to disassemble equipment unless so directed by the DNR after inspection.
- (iv) If Purchaser desires to clean Off-Road Equipment on National Forest land, such as at the end of a project or prior to moving to, or through an area that is free of invasive species of concern, Purchaser shall obtain prior approval from the Unit Manager or his/her representative as to the location for such cleaning and measures, if any, for controlling impacts.
- (v) Unit Manager or his/her representative may order delay, interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.
- (c) Nothing contained in this Condition & Requirement shall be interpreted as creating any warranty on the part of the DNR that all locations of invasive species of concern have been described herein, elsewhere in this Contract, or designated on the ground. Following sale advertisement, additional locations may be described or designated, and other species may be added to the list of invasive species of concern. In such event, the Unit Manager or his/her representative may order delay, interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.
- (d) The parties shall promptly communicate with one another with respect to description or designation of additional locations; discovery of locations of new species or new infestation; and, addition of species to the list of invasive species of concern.

#### 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 Trail 340 prior to beginning operations. The road must be posted at appropriate distances 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.

#### 7 - Other Conditions

**SKIP** 

#### 7.1.1 - GNA, title (7/16)

General Condition & Requirement 7.1 is inapplicable. The following applies to this contract.

All right, title, and interest in and to any Included Timber shall remain in USDA Forest Service with the State of Michigan acting on behalf of the USDA Forest Service under this GNA contract, until it has been Measured, removed from Sale Area or other authorized cutting area, and paid for, at which time title shall vest in Purchaser. Title to any Included Timber that has been Measured and paid for, but not removed from Sale Area or other authorized cutting area by Purchaser on or prior to Termination Date, shall remain in USDA Forest Service.

#### 7.3 - Contract Modifications

#### 7.3.3 - Modification for reforestation (8/05)

When contractual work of Purchaser has been accepted for any Payment Unit identified on Sale Area Map, Payment Unit will be eliminated from the Sale Area on written notice so that reforestation operations can begin.

#### 7.3.4 - GNA, contract suspension and modification (5/16)

- (a) The Unit Manager may, by written order, delay or interrupt authorized operations under this contract or, notwithstanding Condition & Requirement 7.3, modify this contract, in whole or in part:
- (i) To prevent environmental degradation or resource damage, including, but not limited to, harm to habitat, plants, animals, cultural resources, or cave resources;
- (ii) To ensure consistency with land and resource management plans or other documents prepared pursuant to the National Environmental Policy Act of 1969, 42 USC 4321-4347;
- (iii) To conduct environmental analysis, including, but not limited to, engaging in consultation pursuant to the Endangered Species Act of 1973, 16 USC 1531, et seq.; or
- (iv) Upon agreement of the Forest Service, due to administrative appeal or litigation, regardless of whether the Unit Manager's order is required by a court order or this contract is named in such a proceeding.
- (b) In the event of an order delaying or interrupting Purchaser's Operations under this Condition & Requirement, Purchaser's remedy shall be:
- (i) a no cost contract extension,
- (ii) reimbursement for Out-of-Pocket Expenses,

however, the foregoing remedies shall be available only to the extent that the Unit Manager's order was the sole and exclusive cause of the delay or interruption of Purchaser's operations.

- (c) Remedies awarded to the Purchaser shall not be duplicative, and the Unit Manager shall have the right to structure remedies provided herein to avoid duplicative compensation.
- (d) Purchaser agrees that this Condition & Requirement, and the remedies provided herein shall apply regardless of any finding by any court that the DNR failed to comply with any statute, regulation and/or policy in connection with awarding, advertising, or authorizing this sale, or a similar sale.

#### 7.5 - Loss

#### 7.5.2 - GNA, liability for loss (7/16)

If Included Timber is destroyed or damaged by an unexpected event that changes the nature of Included Timber, such as wind, flood, insects, disease, or similar cause, the Purchaser shall bear the timber value loss resulting from such destruction or damage.

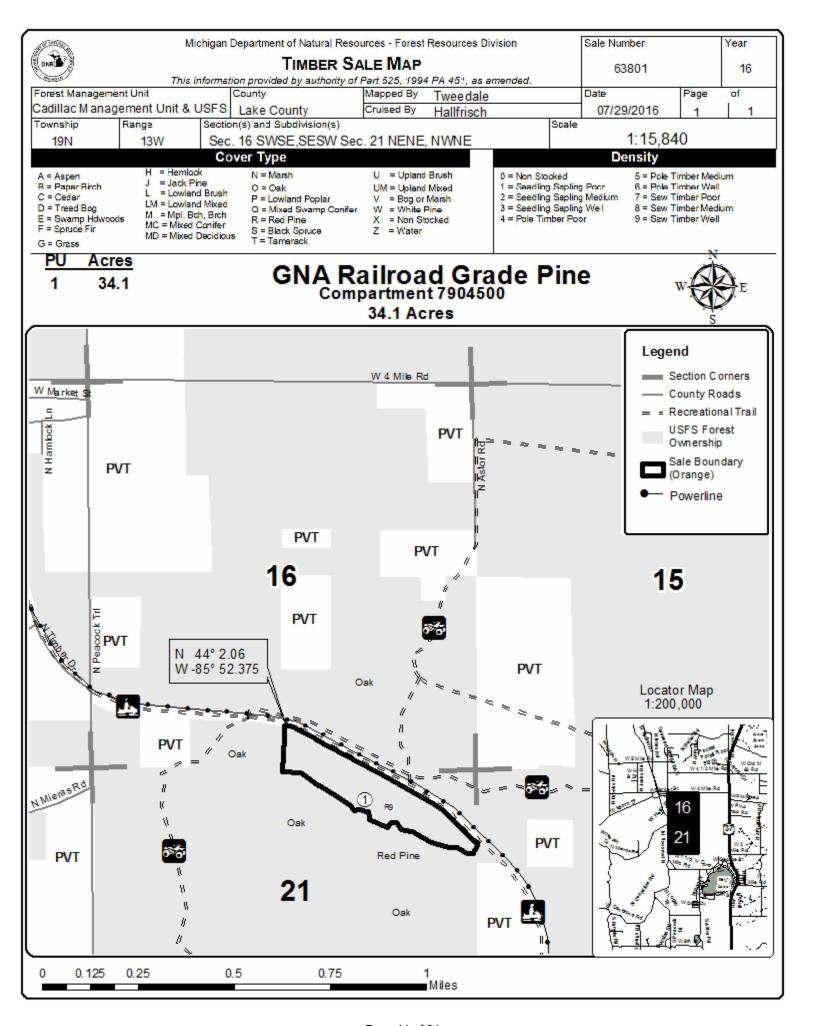
Deterioration or loss of timber value due to delay or interruption under 7.3.4 - GNA, contract suspension and modification, shall be borne by the party holding title. In this event, Included Timber to which USDA Forest Service holds title, Purchaser of the State GNA contract will not be obligated to remove and pay for such timber. This Subsection shall not be construed to relieve either party of liability for negligence.

#### 7.10 - Certified Timber

#### 7.10.1 - Non-certified timber (2/16)

The area encompassed by this timber sale is not certified to the standards of the Forest Stewardship Council (FSC) or the Sustainable Forestry Initiative (SFI). Forest products from this sale may not be delivered to the mill as "FSC and / or SFI certified". The lands within this sale belong to the National Forest system and are being managed by the State as part of a Good Neighbor Authority (GNA) agreement.

Section Name: Sale Specific Current as of 9/6/2016 1:28:48PM



#### TIMBER SALE INFORMATION

GNA 12 Acre Wood Pine (63-802-16)

Lake County (Advertised Price \$18,919.05)

SALE NOTE: Access may be through private or other public land.

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

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE
Sawtimber Red Pine Pulpwood	73.10 MBF	\$ 141.00 / MBF
Jack Pine	30.00 Cords	\$ 19.50 / Cord
Red Pine	154.00 Cords	\$ 52.05 / Cord
White Oak	3.00 Cords	\$ 3.75 / Cord

<sup>\*</sup> The total volume is statistically estimated within plus (+) or minus (-) 24.60 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 \$946.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
  - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
  - (b) The remainder is due before cutting begins.
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2018.

#### Description of Timber by Payment Unit (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Pine	Sawtimber	73.1	MBF	11.5	\$18,919.05
	Jack Pine	Pulpwood	30.0	Cords		
	Jack Pine	Sawtimber	2.2	MBF		
	Jack Pine	Pulpwood	26.0	Cords		
	Red Pine		154.0	Cords		
	White Oak		3.0	Cords		
		TOTAL:	75.3	MBF		
		TOTAL:	213.0	Cords		

#### Sale Specific Conditions & Requirements

Sale Name: GNA 12 Acre Wood Pine Sale Number: 63-802-16 Seg#: 1

#### 1 - Sale Area

#### 1.2 - Boundaries

#### 1.2.1 - Painted boundaries (1/14)

The sale boundary is marked and identified by orange paint. The painted boundary line trees are not Included Timber and are to be protected.

#### 2 - Timber Specifications

#### 2.1 - Included Timber

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

Within Payment Unit(s) 1, all trees which meet minimum piece specifications in 2.2 Utilization, within designated plantation rows are designated for cutting. Designated plantation rows follow a take two, leave three pattern. Begin harvest with the third row in from the south side of the plantation, marked with yellow paint, then continue with the take two rows, leave three rows pattern. Because of slight variability of row direction, it shall be the responsibility of the producer to maintain the harvest two, leave three row sequence.

#### 2.2 - Utilization

#### 2.2.2 - Chipping required (5/14)

Payment Unit 1 must be chip harvested to reduce fuel loading. 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 the slash from harvested hardwood trees (tree tops and limbs less than four inches in diameter).

#### 2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 6 inches for trees smaller than 10 inches DBH.

#### 2.2.12 - GNA, cut and remove included timber (1/16)

Unless provided otherwise herein, the DNR agrees to sell and permit Purchaser to cut and remove included timber and Purchaser agrees to purchase, cut, and remove included timber.

#### 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, or at a rate of \$50 per sawtimber tree and \$10 per pole sized tree, whichever is greater.

#### 4 - Transportation

#### 4.1 - Construction

#### 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 chipped, utilized or otherwise removed from the sale. 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 double earthen berms at strategic locations. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

#### 4.2 - Maintenance

#### 4.2.5 - 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, 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 orange paint line.

#### 5.2.2 - Hazard Trees/Snags

#### 5.2.2.1 - Den trees (2/04)

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

#### 5.2.3 - Operating Restrictions

#### 5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of September 15 to May 15. This restriction is to avoid migrating RFSS reptiles.

#### 5.2.3.4 - Oak wilt restriction (6/10)

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

#### 5.2.38 - 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 (7/16)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and/or 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.

#### 5.4.3 - Erosion control (12/08)

Skid trails or haul roads may require erosion control structures or berms per direction of the Unit Manager or his/her

representative.

#### 5.6 - Debris and Waste Material

#### 5.6.2 - GNA, equipment cleaning (1/16)

- (a) Areas, known by the DNR prior to timber sale advertisement, that are infested with invasive species of concern are shown on the Timber Sale Map. A current list of invasive species of concern and a map showing the extent of known infestations is available from the DNR. For purposes of this provision, "Off-Road Equipment" includes all logging and construction machinery, except for log trucks, chip vans, service vehicles, water trucks, pickup trucks, cars, and similar vehicles.
- (b) Purchaser shall adhere to the following requirements with regard to cleaning "Off-Road Equipment":
- (i) Prior to moving Off-Road Equipment onto the Sale Area, Purchaser shall identify the location of the equipment's most recent operation. Purchaser shall not move any Off-Road Equipment that last operated in an area infested with one or more invasive species of concern onto Sale Area without having cleaned such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and having notified the DNR, as provided in (iii). If the location of prior operation cannot be identified, then Purchaser shall assume that the location is infested with invasive species of concern.
- (ii) Prior to moving Off-Road Equipment from a cutting unit that is shown on the Timber Sale Map to be infested with invasive species of concern to, or through any other area that is shown as being free of invasive species of concern, or infested with a different invasive species, Purchaser shall clean such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and shall notify the DNR, as provided in (iii).
- (iii) Prior to moving any Off-Road Equipment subject to the cleaning requirements set forth above, Purchaser shall advise DNR of its cleaning measures and make the equipment available for inspection. DNR shall have 2 days, excluding weekends and State holidays, to inspect equipment after it has been made available. After satisfactory inspection or after such 2 day period, Purchaser may move the equipment as planned. Equipment shall be considered clean when a visual inspection does not disclose seeds, soil, vegetative matter, and other debris that could contain or hold seeds. Purchaser shall not be required to disassemble equipment unless so directed by the DNR after inspection.
- (iv) If Purchaser desires to clean Off-Road Equipment on National Forest land, such as at the end of a project or prior to moving to, or through an area that is free of invasive species of concern, Purchaser shall obtain prior approval from the Unit Manager or his/her representative as to the location for such cleaning and measures, if any, for controlling impacts.
- (v) Unit Manager or his/her representative may order delay, interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.
- (c) Nothing contained in this Condition & Requirement shall be interpreted as creating any warranty on the part of the DNR that all locations of invasive species of concern have been described herein, elsewhere in this Contract, or designated on the ground. Following sale advertisement, additional locations may be described or designated, and other species may be added to the list of invasive species of concern. In such event, the Unit Manager or his/her representative may order delay, interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.
- (d) The parties shall promptly communicate with one another with respect to description or designation of additional locations; discovery of locations of new species or new infestation; and, addition of species to the list of invasive species of concern.

#### 5.8 - Protection of Endangered Species

#### 5.8.5 - Protection of raptor nests (3/13)

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

#### 6 - Safety and Fire Prevention

6.2 - Signing

#### 6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on 68th street prior to beginning operations. The road must be posted at appropriate distances 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.

#### 7 - Other Conditions

**SKIP** 

#### 7.1.1 - GNA, title (7/16)

General Condition & Requirement 7.1 is inapplicable. The following applies to this contract.

All right, title, and interest in and to any Included Timber shall remain in USDA Forest Service with the State of Michigan acting on behalf of the USDA Forest Service under this GNA contract, until it has been Measured, removed from Sale Area or other authorized cutting area, and paid for, at which time title shall vest in Purchaser. Title to any Included Timber that has been Measured and paid for, but not removed from Sale Area or other authorized cutting area by Purchaser on or prior to Termination Date, shall remain in USDA Forest Service.

#### 7.3 - Contract Modifications

#### 7.3.3 - Modification for reforestation (8/05)

When contractual work of Purchaser has been accepted for any Payment Unit identified on Sale Area Map, Payment Unit will be eliminated from the Sale Area on written notice so that reforestation operations can begin.

- 7.3.4 GNA, contract suspension and modification (5/16)
- (a) The Unit Manager may, by written order, delay or interrupt authorized operations under this contract or, notwithstanding Condition & Requirement 7.3, modify this contract, in whole or in part:
- (i) To prevent environmental degradation or resource damage, including, but not limited to, harm to habitat, plants, animals, cultural resources, or cave resources;
- (ii) To ensure consistency with land and resource management plans or other documents prepared pursuant to the National Environmental Policy Act of 1969, 42 USC 4321-4347;
- (iii) To conduct environmental analysis, including, but not limited to, engaging in consultation pursuant to the Endangered Species Act of 1973, 16 USC 1531, et seq.; or
- (iv) Upon agreement of the Forest Service, due to administrative appeal or litigation, regardless of whether the Unit Manager's order is required by a court order or this contract is named in such a proceeding.
- (b) In the event of an order delaying or interrupting Purchaser's Operations under this Condition & Requirement, Purchaser's remedy shall be:
- (i) a no cost contract extension,
- (ii) reimbursement for Out-of-Pocket Expenses,

however, the foregoing remedies shall be available only to the extent that the Unit Manager's order was the sole and exclusive cause of the delay or interruption of Purchaser's operations.

- (c) Remedies awarded to the Purchaser shall not be duplicative, and the Unit Manager shall have the right to structure remedies provided herein to avoid duplicative compensation.
- (d) Purchaser agrees that this Condition & Requirement, and the remedies provided herein shall apply regardless of any finding by any court that the DNR failed to comply with any statute, regulation and/or policy in connection with awarding, advertising, or authorizing this sale, or a similar sale.

#### 7.5.2 - GNA, liability for loss (7/16)

If Included Timber is destroyed or damaged by an unexpected event that changes the nature of Included Timber, such as wind, flood, insects, disease, or similar cause, the Purchaser shall bear the timber value loss resulting from such destruction or damage.

Deterioration or loss of timber value due to delay or interruption under 7.3.4 - GNA, contract suspension and modification, shall be borne by the party holding title. In this event, Included Timber to which USDA Forest Service holds title, Purchaser of the State GNA contract will not be obligated to remove and pay for such timber. This Subsection shall not be construed to relieve either party of liability for negligence.

#### 7.10 - Certified Timber

#### 7.10.1 - Non-certified timber (2/16)

The area encompassed by this timber sale is not certified to the standards of the Forest Stewardship Council (FSC) or the Sustainable Forestry Initiative (SFI). Forest products from this sale may not be delivered to the mill as "FSC and / or SFI certified". The lands within this sale belong to the National Forest system and are being managed by the State as part of a Good Neighbor Authority (GNA) agreement.

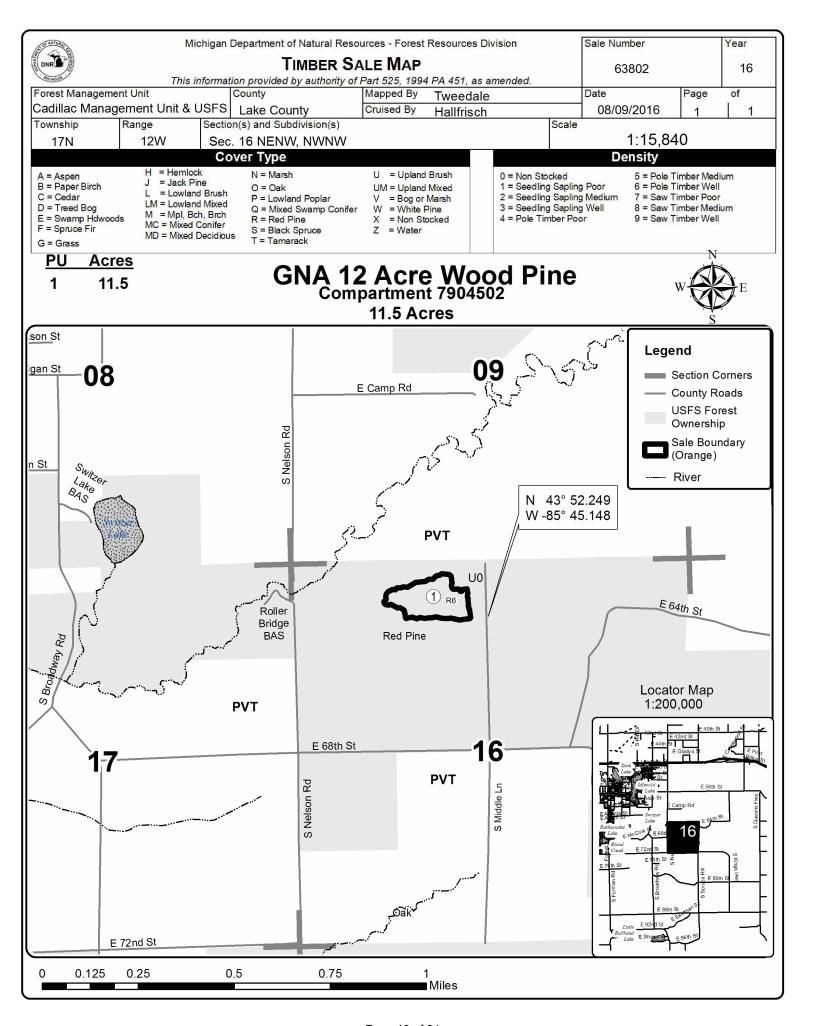
#### 8 - Performance and Settlement

SKIP

#### 8.3.1 - Completion of contract, chipping (1/16)

In addition to cutting, all chipping must be completed by the contract expiration date. If chipping has not been completed, an extension fee or damages may be charged per General Condition & Requirement 7.2 and 8.3.

Section Name: Sale Specific Current as of 9/7/2016 3:38:50PM



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#### TIMBER SALE INFORMATION

#### GNA Red Zone Pine (63-803-16)

Wexford County (Advertised Price \$115,593.70)

SALE NOTE: Access may be through other public land.

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

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE
Sawtimber		
Red Pine	356.80 MBF	\$ 159.00 / MBF
Pulpwood		
Red Maple	14.00 Cords	\$ 4.25 / Cord
Red Pine	1,153.00 Cords	\$ 51.00 / Cord

<sup>\*</sup> The total volume is statistically estimated within plus (+) or minus (-) 13.28 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 \$5,780.00 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 12/31/2018.

#### **Description of Timber by Payment Unit (PU)**

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Pine	Sawtimber	203.1	MBF	36.0	\$60,648.90
	Red Pine	Pulpwood	556.0	Cords		
2	Red Pine	Sawtimber	103.0	MBF	24.3	\$22,246.25
	Red Maple	Pulpwood	1.0	Cords		
	Red Maple		1.0	Cords		
	Red Pine		115.0	Cords		
3	Red Pine	Sawtimber	50.7	MBF	48.6	\$32,698.55
	Red Maple	Pulpwood	13.0	Cords		
	Red Maple	Sawtimber	2.8	MBF		
	Red Maple	Pulpwood	7.0	Cords		
	Red Pine		482.0	Cords		
		TOTAL:	359.6	MBF		
		TOTAL:	1,175.0	Cords		

#### Sale Specific Conditions & Requirements

Sale Name: GNA Red Zone Pine Sale Number: 63-803-16 Seg#: 1

#### 1 - Sale Area

#### 1.2 - Boundaries

#### 1.2.1 - Painted boundaries (1/14)

The sale boundary is marked and identified by orange paint. The painted boundary line trees are not Included Timber and are to be protected unless marked with blue paint. In addition, without permission of the Unit Manager or his/her representative, operations must stay within painted payment unit boundaries.

#### 2 - Timber Specifications

#### 2.1 - Included Timber

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

Within Payment Unit(s) 1, 2, and 3, all trees are designated for cutting when marked with blue paint above and below stump height, regardless of merchantability.

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

Within Payment Unit(s) 1, 2, and 3, all red maple and beech are designated for cutting which meet minimum piece specifications in 2.2 - Utilization.

#### 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 6 inches for trees smaller than 10 inches DBH.

#### 2.2.12 - GNA, cut and remove included timber (1/16)

Unless provided otherwise herein, the DNR agrees to sell and permit Purchaser to cut and remove included timber and Purchaser agrees to purchase, cut, and remove included timber.

#### 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, or at a rate of \$50 per sawtimber tree and \$10 per pole sized tree, whichever is greater.

#### 4 - Transportation

#### 4.1 - Construction

#### 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 double earthen berms at strategic locations. 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

#### 4.2.5 - 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 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 orange paint line. If sale boundary lines are along a public road or highway, then slash must be removed 50 feet from these lines per General Condition & Requirement 5.2.1.

#### 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, 2, and 3, cutting, skidding, and hauling are limited to the period of August 1 to March 15. This restriction is because of core marten habitat and the northern long-eared bat.

#### 5.2.4 - Dead and Down Creation

#### 5.2.4.6 - Dead and down creation, other (9/09)

To create wildlife habitat, within Payment Unit(s) 1, 2, and 3, create large slash piles during harvest operations. Create these piles so that they can be manipulated by equipment at a later date if needed.

#### 5.2.32 - Decking/landing restoration (9/13)

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

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

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

#### 5.4 - Soil Protection

#### 5.4.1 - Rutting restriction, general (7/16)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and/or 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.

#### 5.4.3 - Erosion control (12/08)

Skid trails or haul roads may require erosion control structures or berms per direction of the Unit Manager or his/her representative.

#### 5.6 - Debris and Waste Material

#### 5.6.2 - GNA, equipment cleaning (1/16)

- (a) Areas, known by the DNR prior to timber sale advertisement, that are infested with invasive species of concern are shown on the Timber Sale Map. A current list of invasive species of concern and a map showing the extent of known infestations is available from the DNR. For purposes of this provision, "Off-Road Equipment" includes all logging and construction machinery, except for log trucks, chip vans, service vehicles, water trucks, pickup trucks, cars, and similar vehicles.
- (b) Purchaser shall adhere to the following requirements with regard to cleaning "Off-Road Equipment":
- (i) Prior to moving Off-Road Equipment onto the Sale Area, Purchaser shall identify the location of the equipment's most recent operation. Purchaser shall not move any Off-Road Equipment that last operated in an area infested with one or more invasive species of concern onto Sale Area without having cleaned such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and having notified the DNR, as provided in (iii). If the location of prior operation cannot be identified, then Purchaser shall assume that the location is infested with invasive species of concern.
- (ii) Prior to moving Off-Road Equipment from a cutting unit that is shown on the Timber Sale Map to be infested with invasive species of concern to, or through any other area that is shown as being free of invasive species of concern, or infested with a different invasive species, Purchaser shall clean such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and shall notify the DNR, as provided in (iii).
- (iii) Prior to moving any Off-Road Equipment subject to the cleaning requirements set forth above, Purchaser shall advise DNR of its cleaning measures and make the equipment available for inspection. DNR shall have 2 days, excluding weekends and State holidays, to inspect equipment after it has been made available. After satisfactory inspection or after such 2 day period, Purchaser may move the equipment as planned. Equipment shall be considered clean when a visual inspection does not disclose seeds, soil, vegetative matter, and other debris that could contain or hold seeds. Purchaser shall not be required to disassemble equipment unless so directed by the DNR after inspection.
- (iv) If Purchaser desires to clean Off-Road Equipment on National Forest land, such as at the end of a project or prior to moving to, or through an area that is free of invasive species of concern, Purchaser shall obtain prior approval from the Unit Manager or his/her representative as to the location for such cleaning and measures, if any, for controlling impacts.
- (v) Unit Manager or his/her representative may order delay, interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.
- (c) Nothing contained in this Condition & Requirement shall be interpreted as creating any warranty on the part of the DNR that all locations of invasive species of concern have been described herein, elsewhere in this Contract, or designated on the ground. Following sale advertisement, additional locations may be described or designated, and other species may be added to the list of invasive species of concern. In such event, the Unit Manager or his/her representative may order delay, interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.

(d) The parties shall promptly communicate with one another with respect to description or designation of additional locations; discovery of locations of new species or new infestation; and, addition of species to the list of invasive species of concern.

#### 5.8 - Protection of Endangered Species

#### 5.8.5 - Protection of raptor nests (3/13)

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

#### 6 - Safety and Fire Prevention

#### 6.2 - Signing

#### 6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on 21 Road and 38 Road prior to beginning operations. The road must be posted at appropriate distances 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.

#### 7 - Other Conditions

**SKIP** 

#### 7.1.1 - GNA, title (7/16)

General Condition & Requirement 7.1 is inapplicable. The following applies to this contract.

All right, title, and interest in and to any Included Timber shall remain in USDA Forest Service with the State of Michigan acting on behalf of the USDA Forest Service under this GNA contract, until it has been Measured, removed from Sale Area or other authorized cutting area, and paid for, at which time title shall vest in Purchaser. Title to any Included Timber that has been Measured and paid for, but not removed from Sale Area or other authorized cutting area by Purchaser on or prior to Termination Date, shall remain in USDA Forest Service.

#### 7.3 - Contract Modifications

#### 7.3.3 - Modification for reforestation (8/05)

When contractual work of Purchaser has been accepted for any Payment Unit identified on Sale Area Map, Payment Unit will be eliminated from the Sale Area on written notice so that reforestation operations can begin.

#### 7.3.4 - GNA, contract suspension and modification (5/16)

- (a) The Unit Manager may, by written order, delay or interrupt authorized operations under this contract or, notwithstanding Condition & Requirement 7.3, modify this contract, in whole or in part:
- (i) To prevent environmental degradation or resource damage, including, but not limited to, harm to habitat, plants, animals, cultural resources, or cave resources;
- (ii) To ensure consistency with land and resource management plans or other documents prepared pursuant to the National Environmental Policy Act of 1969, 42 USC 4321-4347;
- (iii) To conduct environmental analysis, including, but not limited to, engaging in consultation pursuant to the Endangered Species Act of 1973, 16 USC 1531, et seq.; or
- (iv) Upon agreement of the Forest Service, due to administrative appeal or litigation, regardless of whether the Unit Manager's order is required by a court order or this contract is named in such a proceeding.
- (b) In the event of an order delaying or interrupting Purchaser's Operations under this Condition & Requirement, Purchaser's remedy shall be:
- (i) a no cost contract extension,

(ii) reimbursement for Out-of-Pocket Expenses,

however, the foregoing remedies shall be available only to the extent that the Unit Manager's order was the sole and exclusive cause of the delay or interruption of Purchaser's operations.

- (c) Remedies awarded to the Purchaser shall not be duplicative, and the Unit Manager shall have the right to structure remedies provided herein to avoid duplicative compensation.
- (d) Purchaser agrees that this Condition & Requirement, and the remedies provided herein shall apply regardless of any finding by any court that the DNR failed to comply with any statute, regulation and/or policy in connection with awarding, advertising, or authorizing this sale, or a similar sale.

#### 7.5 - Loss

#### 7.5.2 - GNA, liability for loss (7/16)

If Included Timber is destroyed or damaged by an unexpected event that changes the nature of Included Timber, such as wind, flood, insects, disease, or similar cause, the Purchaser shall bear the timber value loss resulting from such destruction or damage.

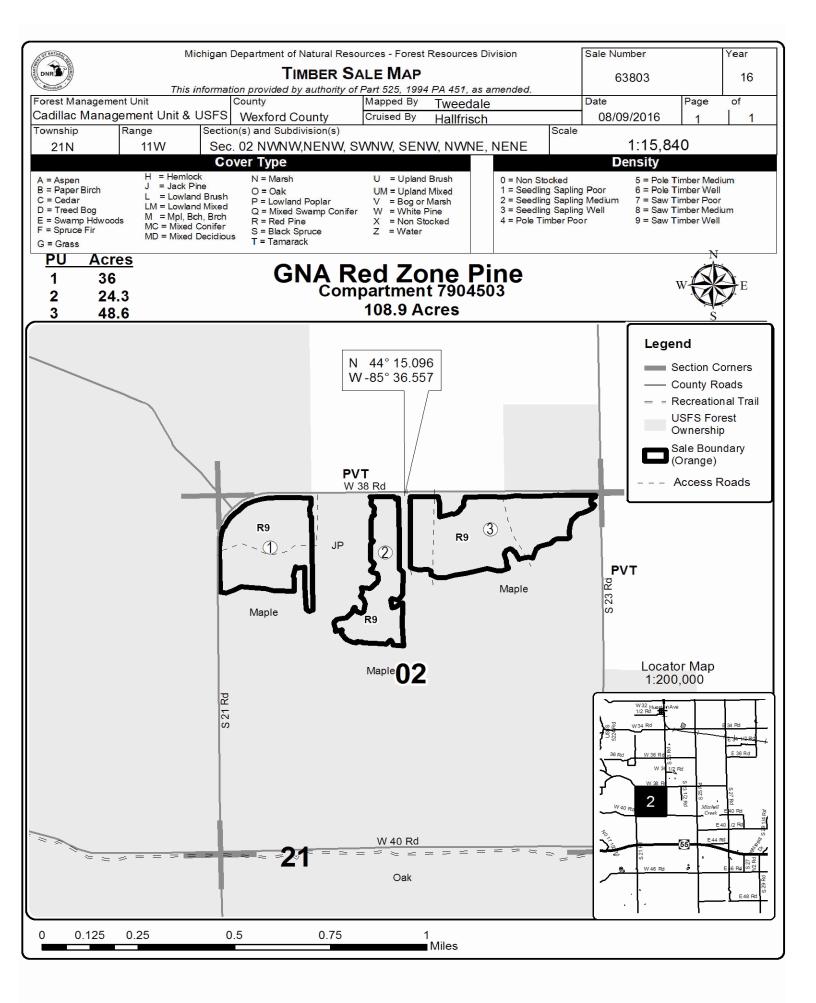
Deterioration or loss of timber value due to delay or interruption under 7.3.4 - GNA, contract suspension and modification, shall be borne by the party holding title. In this event, Included Timber to which USDA Forest Service holds title, Purchaser of the State GNA contract will not be obligated to remove and pay for such timber. This Subsection shall not be construed to relieve either party of liability for negligence.

#### 7.10 - Certified Timber

#### 7.10.1 - Non-certified timber (2/16)

The area encompassed by this timber sale is not certified to the standards of the Forest Stewardship Council (FSC) or the Sustainable Forestry Initiative (SFI). Forest products from this sale may not be delivered to the mill as "FSC and / or SFI certified". The lands within this sale belong to the National Forest system and are being managed by the State as part of a Good Neighbor Authority (GNA) agreement.

Section Name: Sale Specific Current as of 9/7/2016 2:45:06PM



#### **BID**

CADILLAC MANAGEMENT UNIT BALDWIN OFFICE

#### GNA Railroad Grade Pine (63-801-16)

; Lake COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on October 5, 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
Red Maple	9.40	MBF	\$	111.00/MBF	\$
Red Pine	76.00	MBF	\$	159.00/MBF	\$
Pulpwood					
Mixed Oak	9.00	Cords	\$	21.50/Cord	\$
Red Maple	171.00	Cords	\$	25.20/Cord	\$
Red Pine	142.00	Cords	\$	59.00/Cord	\$

\*The volumes are statistically estimated within plus (+) or minus (-) 19.21 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:	State:	Zip:	
IF AVAIL	ABLE, PLEASE PLACE THE PERSON	NALIZED LABEL FROM	YOUR PROSPECTUS IN T	HE ABOVE BOX.
Individual	or company representative's signature	e:		Date:
Phone nu	mber :	Email (o	ptional):	

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)
5
Forest Management Unit:

As required by Act 217 P. A. 1060 (Marker's Compensation) and

Signature of Owner or Authorized Representative

Title

	Part 5 of Act 451 of 1994, as amended.	i) and			
VE	RIFICATION OF WORKER'S DISABILITY COMPENS.	ATION ACT COMPL	IANCE		
•	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.				
•					
Ple	ease Check Appropriate Categories:				
1.	<ul> <li>My business is organized as (you must check one of the boxes below):</li> <li>A. □ Sole Proprietorship (individual)</li> <li>B. □ Partnership</li> <li>C. □ Corporation</li> </ul>				
<ul> <li>You must check one of the boxes below:</li> <li>A.  ☐ I certify my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to Worker's Compensation Laws.</li> <li>B. ☐ I certify my business has satisfied its o bligation to the Worker's Compensation Act through the use of an approve Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract at questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).</li> <li>C. ☐ I certify my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within one (21) days of the contract award.</li> </ul>			n Act through the use of an approved Notice of ion within 21 days of the contract award. (For Bureau at 517-322-1195).		
3.	If you have checked item 2(A) or 2(B), you <b>must</b> indithan yourself, including family members and active part				
	Full-time Employees	_	Part-time Employees		
Nam	ne of Business	Federal ID (or) Socia	al Security No.		
Add	ress	Telephone ( )			
City	State	ZIP			
	ereby certify that the above information is true and corre actors affecting my coverage during any of my present a				

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

Date

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

FEDERAL ID:

#### **BID**

CADILLAC MANAGEMENT UNIT BALDWIN OFFICE

#### GNA 12 Acre Wood Pine (63-802-16) ; Lake COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on October 5, 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	ESTIMATED V	OLUME*	<u>AD</u>	VERTISED PRICE	BID F	PRICE
Sawtimber Red Pine	73.10 I	MBF	\$	141.00/MBF	\$	
Pulpwood						
Jack Pine	30.00	Cords	\$	19.50/Cord	\$	
Red Pine	154.00	Cords	\$	52.05/Cord	\$	
White Oak	3.00	Cords	\$	3.75/Cord	\$	

\*The volumes are statistically estimated within plus (+) or minus (-) 24.60 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.

		<del></del>	_		
	Company or individual bidding:				Ш
	Company representative's name:			Ш	
	Address:				
	City:	State:	Zip:		
IF AVAIL	ABLE, PLEASE PLACE THE PERSO	NALIZED LABEL	FROM YOUR PROSPE	CTUS IN THE ABOVE BOX.	_
Individual	dual or company representative's signature: Date:				
Phone nu	hone number : Email (optional):				

or SOCIAL SECURITY NUMBER:

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 t				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.							
Plea	ease Check Appropriate Categories:							
	My business is organized as (you <b>must</b> check A. ☐ Sole Proprietorship (individual)  B. ☐ Partnership  C. ☐ Corporation	one of the b	oxes belo	ow):				
<ul> <li>You must check one of the boxes below:</li> <li>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.</li> <li>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).</li> <li>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.</li> </ul>			rough the use of an approved Notice of in 21 days of the contract award. (For at 517-322-1195).					
	If you have checked item 2(A) or 2(B), you methan yourself, including family members and action and some series and action and some series are series.  Full-time Employees	ctive partners						
Name	ne of Business		Federal ID	(or) Social Securi	ty No.			
Addre	ress		Telephone	)				
City	State		ZIP					
n fa Si	ereby certify that the above information is true and factors affecting my coverage during any of my properties.  Signature of Owner or Authorized Representative				higan DNR of any changes that occur			

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

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

#### BID

CADILLAC MANAGEMENT UNIT BALDWIN OFFICE

#### GNA Red Zone Pine (63-803-16) ; Wexford COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on October 5, 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	ESTIMATED VOL	<u>UME*</u> <u>A</u>	DVERTISED PRICE	BID PR	RICE
Sawtimber Red Pine	356.80 MB	<b>=</b> \$	159.00/MBF	\$	
Pulpwood					
Red Maple	14.00 Cor	ds \$	4.25/Cord	\$	
Red Pine	1,153.00 Cor	ds \$	51.00/Cord	\$	

\*The volumes are statistically estimated within plus (+) or minus (-) 13.28 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	URITY 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	vidual 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



#### 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 signatures.				
Ple	Please Check Appropriate Categories:				
1.	<ol> <li>My business is organized as (you must check one of the box</li> <li>A.  Sole Proprietorship (individual)</li> <li>B.  Partnership</li> <li>C.  Corporation</li> </ol>	xes below):			
3.	<ul> <li>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.</li> <li>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).</li> <li>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.</li> </ul>				
Nam	lame of Business	ederal ID (or) Social Security No.			
Add	Address Te	elephone )			
City	City State ZI	P			
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  Title  Date				
	THE	Dale			

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