

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #6855

<u>SCHEDULED SALE DATE AND TIME:</u> 9:00 a.m. (local time) on May 27, 2021. <u>LOCATION:</u> BARAGA MGMT UNIT, 427 US 41 NORTH, BARAGA, MI 49908.

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

<u>Free Man Mix</u> (11-004-21) / T47N, R33W, SEC. 28, N1/2NW,SENW,NE,N1/2SE. T47N, R33W, SEC. 32, SENE,SESW,SE. T47N, R33W, SEC. 33, SWNW,NENE,S1/2NE,SW,N1/2SE. T47N, R33W, SEC. 34, NW,NWSW. Baraga County, Advertised Price \$43,126.15, 361.3 Acres, Hardwood, Aspen.

SALE NOTE: Access may be through private land.

Pinnacle Hardwoods (11-008-21) / T52N, R36W, SEC. 11, NWNW,NWNE. T52N, R36W, SEC. 2 , NESW,S1/2SW,SE. Houghton County, Advertised Price \$24,738.85, 120.7 Acres, Hardwood, Sugar Maple.

BID INSTRUCTIONS (VER. 07/02/2018):

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

Bids must be received by the Unit Manager, BARAGA OFFICE, 427 US 41 North, Baraga, MI 49908, no later than 9:00 a.m. (local time) on May 27, 2021. For further information concerning this sale, contact Brad Carlson at 906-353-6651.

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 (7/18)

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 3 months after the first offense, 6 months after the second offense, and 1 year after the third offense. An offense will only be counted against the Bidder for 5 years. 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.

Payment Unit values in the State Forest Timber Sale Contract are calculated based on the advertised value of the Payment Unit as a percentage of the total advertised value of the contract. The advertised value of each Payment Unit is given in the Description of Timber by Payment Unit table on the Timber Sale Information page. For example, if the value of Payment Unit 1 is advertised as \$1,500 and the total Timber Sale value is advertised as \$10,000, the contract price for Payment Unit 1 will be 15% of the total bid price (\$1,500/\$10,000 * 100).

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.

DAN EICHINGER Director

TIMBER SALE INFORMATION

<u>Free Man Mix (11-004-21)</u>

T47N, R33W, SEC. 28; T47N, R33W, SEC. 32; T47N, R33W, SEC. 33; T47N, R33W, SEC. 34. Baraga County (Advertised Price \$43,126.15)

SALE NOTE: Access may be through private land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. All units of volume listed below were estimated using the Inventory Manager computer program and the new Michigan taper model. Bids must be at or above the following advertised price for each product and species:

PRODUCTS & SPECIES	ESTIMATE	D UNITS*	ADV	ERTISED PRICE
Sawtimber				
Paper Birch	61.2	MBF	\$	25.00 / MBF
Red Maple	131.0	MBF	\$	63.00 / MBF
Sugar Maple	65.1	MBF	\$	113.00 / MBF
Yellow Birch	98.7	MBF	\$	38.00 / MBF
Pulpwood				
Balsam Fir	276	Cords	\$	3.05 / Cord
Mixed Aspen	935	Cords	\$	6.25 / Cord
Mixed Hardwood	2,622	Cords	\$	4.60 / Cord
Mixed Spruce	443	Cords	\$	3.35 / Cord
Paper Birch	531	Cords	\$	3.55 / Cord
Tamarack	14	Cords	\$	8.60 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 4.02 percent. There are an estimated 5,758 cords on this timber sale, plus or minus 232 cords at the 95% confidence level. 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 \$3,500.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule :
- (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
- (b) The 10% down payment will be credited towards the first unit cut.

(c) Payment for each of the following units must be made before cutting begins in that unit: PAYMENT UNIT NUMBER PERCENT OF TOTAL SALE VALUE

10.6%
5.2%
11.7%
18.8%
14.2%
9.4%
20.7%
9.4%

4. If no cutting takes place, the 10% down payment will not be refunded.

5. Operations on the contract issued will terminate on 06/30/2024.

SALE STATISTICS

Volumes were calculated in cubic feet using the Michigan taper model. Cubic foot volume includes all wood inside bark for the product indicated. For display purposes, cubic feet were converted to cords and MBF using a simple conversion factor, e.g. 79 cubic feet per cord and 185 cubic feet per MBF. The cubic foot volumes are precise; the cords and MBF volumes are not. Cubic foot volume cannot be directly converted to cords or boards with precision.

SALE VOLUMES

The total estimated sale volume may not equal the sum of the species/products due to the nature of statistical calculations associated with double sampling methodology.

VOL	UME		STATISTICAL RANGE IN CORDS	
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM MAXIMUM	
454,919	5,758	4.02%	5,527	5,990

VDU VOLUMES

A VDU is a Volume Determination Unit. Volumes and their associated statistics are calculated at the VDU level and summarized to the sale level. There is often a one to one relationship between a VDU and a Payment Unit, but not always, depending on the cruise design. Refer to the VDU TO PAYMENT UNIT table.

	VOLUME			RANGE II	N CORDS
VDU	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
26	3,726	47	20.00%	38	57
42	20,887	264	12.44%	231	297
57	49,376	625	8.27%	573	677
62	14,955	189	15.79%	159	219
65	24,503	310	11.50%	275	346
67	65,349	827	13.26%	717	937
71	88,738	1,123	10.78%	1,002	1,244
126	60,681	768	8.56%	702	834
226	109,166	1,382	8.25%	1,268	1,496
TOTAL:	437,381	5,536		4,966	6,107

VDU TO PAYMENT UNIT

When a VDU is associated with more than one Payment Unit (PU), the VDU volumes are assigned to the PU based on acres of the VDU within the PU.

VDU	VDU ACRES	PU	PU ACRES
26	5.6	2	5.6
42	40.9	8	40.9
57	66.7	7	66.7
62	38.5	2	38.5
65	44.6	1	44.6
67	45.2	6	45.2
71	46.0	5	46.0
126	27.6	3	27.6
226	46.2	4	46.2
TOTAL:	361.3		361.3

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Maple	Sawtimber	16.7	MBF	44.6	\$4,555.40
	Sugar Maple		16.1	MBF		
	Yellow Birch		19.5	MBF		
	Mixed Hardwood	Pulpwood	205	Cords		
	Ironwood		5	Cords		
	Red Maple		80	Cords		
	Sugar Maple		46	Cords		
	Yellow Birch		74	Cords		
2	Red Maple	Sawtimber	17.8	MBF	44.1	\$2,261.85
	Yellow Birch		8.0	MBF		
	Balsam Fir	Pulpwood	4	Cords		
	Mixed Hardwood		177	Cords		
	Red Maple		55	Cords		
	Sugar Maple		19	Cords		
	Yellow Birch		103	Cords		
	Mixed Spruce		3	Cords		
	White Spruce		3	Cords		
3	Paper Birch	Sawtimber	17.7	MBF	27.6	\$5,056.15
Ŭ	Red Maple	Cawamber	10.5	MBF	21.0	φ0,000.10
	Yellow Birch		24.1	MBF		
	Balsam Fir	Pulpwood	3	Cords		
	Mixed Aspen	Fulpwood	107	Cords		
	Quaking Aspen		107	Cords		
	Mixed Hardwood		382	Cords		
			362 171	Cords		
	Red Maple					
	Sugar Maple		3	Cords		
	Yellow Birch		208	Cords		
	Mixed Spruce		29	Cords		
	Black Spruce		5	Cords		
	White Spruce		24	Cords		
	Paper Birch		142	Cords	10.0	* * / ** *
4	Paper Birch	Sawtimber	25.3	MBF	46.2	\$8,102.55
	Red Maple		7.5	MBF		
	Yellow Birch		22.5	MBF		
	Balsam Fir	Pulpwood	21	Cords		
	Mixed Aspen		407	Cords		
	Quaking Aspen		407	Cords		
	Mixed Hardwood		537	Cords		
	Red Maple		265	Cords		
	Sugar Maple		6	Cords		
	Yellow Birch		266	Cords		
	Mixed Spruce		91	Cords		
	Black Spruce		76	Cords		
	White Spruce		15	Cords		
	Paper Birch		214	Cords		
5	Paper Birch	Sawtimber	7.0	MBF	46.0	\$6,142.25
	Red Maple		13.8	MBF		
	Yellow Birch		3.6	MBF		
	Balsam Fir	Pulpwood	54	Cords		
	Mixed Aspen		269	Cords		
	Quaking Aspen		269	Cords		
	Mixed Hardwood		400	Cords		
	Black Cherry		4	Cords		
	-		324			
			6			
			-			
	Yellow Birch Balsam Fir Mixed Aspen <i>Quaking Aspen</i> Mixed Hardwood	Pulpwood	3.6 54 269 269 400 4 324	MBF Cords Cords <i>Cords</i> Cords		

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU), CON'T

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
5 con't	Mixed Spruce	Pulpwood	226	Cords		
	Black Spruce		210	Cords		
	White Spruce		16	Cords		
	Paper Birch		112	Cords		
	Tamarack		14	Cords		
6	Paper Birch	Sawtimber	6.1	MBF	45.2	\$4,051.7
	Red Maple		6.9	MBF		
	Balsam Fir	Pulpwood	186	Cords		
	Mixed Aspen		145	Cords		
	Balsam Poplar		21	Cords		
	Quaking Aspen		124	Cords		
	Mixed Hardwood		325	Cords		
	Red Maple		271	Cords		
	Sugar Maple		8	Cords		
	Yellow Birch		46	Cords		
	Mixed Spruce		94	Cords		
	Black Spruce		46	Cords		
	White Spruce		48	Cords		
	Paper Birch		51	Cords		
7	Paper Birch	Sawtimber	2.1	MBF	66.7	\$8,904.3
•	Red Maple		45.2	MBF	00.1	φ0,00 Π0
	Sugar Maple		30.4	MBF		
	Yellow Birch		14.4	MBF		
	Balsam Fir	Pulpwood	3	Cords		
	Mixed Hardwood		436	Cords		
	Red Maple		229	Cords		
	Sugar Maple		22 9 107	Cords		
	Yellow Birch		107	Cords		
	Paper Birch		2	Cords	40.0	.
8	Paper Birch	Sawtimber	3.0	MBF	40.9	\$4,051.9
	Red Maple		12.6	MBF		
	Sugar Maple		18.6	MBF		
	Yellow Birch		6.6	MBF		
	Balsam Fir	Pulpwood	5	Cords		
	Mixed Aspen		7	Cords		
	Quaking Aspen		7	Cords		
	Mixed Hardwood		160	Cords		
	Red Maple		73	Cords		
	Sugar Maple		24	Cords		
	Yellow Birch		63	Cords		
	Paper Birch		10	Cords		
		TOTAL:	356.0	MBF		
		TOTAL:	4,821	Cords		

Sale Specific Conditions & Requirements

Sale Name: Free Man Mix

Sale Number: 11-004-21 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (9/19)

The sale boundary and Payment Unit boundaries are marked and identified by blue and red paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with red paint. The painted boundary line trees are not included timber and are to be protected unless marked with orange paint. Red painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

2.1.2 - Clearcut unit(s) w/o unmerchantable trees (8/11)

Within Payment Unit(s) 3 - 6, cut all trees which meet minimum piece specifications in 2.2 Utilization, except for hemlock, cedar, red pine, white pine, and red oak. Also, retain all yellow birch that are 20" and larger at DBH.

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

Within Payment Unit(s) 1, 2, 7 and 8, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.2 - Utilization

2.2.4 - Skidding length (2/14)

Skidding of unlimbed tops or lengths over 17 feet is not permissible unless approved by the Unit Manager or his/her representative.

2.2.11 - Chipping restriction (9/14)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. In addition, brush or chips may not be stored or stockpiled on-site for more than 30 days.

2.3 - Log Rule

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2.3.1 - Log rule (12/08)
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All board foot volumes of sawlog size products in this contract have been determined by the Scribner Decimal C Log Rule.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (7/16)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

4 - Transportation

4.1 - Construction

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4.1.1 - Stream crossings, general (3/11)
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All stream crossing structures will be temporary and therefore, shall be provided by the Purchaser, and must be removed upon completion of the sale. All permits for stream crossings will be provided by the DNR. Please notify the DNR 90 days prior to working on any crossings that will require a EGLE permit.

4.1.3 - Slash and earthen piles (8/04)

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

from the sale.

4.1.5 - Culverts (5/14)

Roads may require the installation of culverts for cross drainage or at natural drainage-ways. If culverts are needed in these locations, their placement will be specified by the sale administrator and they shall be installed prior to hauling. The culverts shall be new, corrugated metal or plastic gauge. Culverts will be a minimum of 12 inches in diameter and 24 feet in length. If culverts are removed, fill shall be removed from wetland soils as specified. Soils shall be maintained and left in a non-erodible condition, with water bars, seed, fertilizer, mulch, and slash installed as directed by the sale administrator and as specified in the BMP manual. Stream crossing permits, if needed, will be obtained by the DNR for crossings located on state land.

4.1.6 - Road construction (1/09)

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

4.1.7 - Road closure (10/11)

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

4.2 - Maintenance

4.2.4 - Grading (10/16)

For completion of the sale, state forest roads must be graded. In general, this will require a road grader or bulldozer 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.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser. Should the Purchaser desire to cross private land, a copy of the written permission from the private land-owner may be required by the DNR.

5 - Operations

5.1 - Notification

5.1.4 - Post-sale conference (10/16)

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

5.2.1.11 - Slash for reforestation (5/07)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (10/16)

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

5.2.3 - Operating Restrictions

5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 1 - 8, unless changed by written agreement, clean up must be completed by July 15 following the harvest completion. This restriction is to allow the cleanup areas to re-vegetate before the dry season.

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1, 2, 7 and 8, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.30 - Landing/road top soil protection (2/15)

Top soil on new landings and new roads must be removed, stockpiled and saved. Upon completion of the timber sale, soil must be evenly distributed back over the area for revegetation. In addition, the area must be seeded and mulched per instructions of the sale administrator.

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

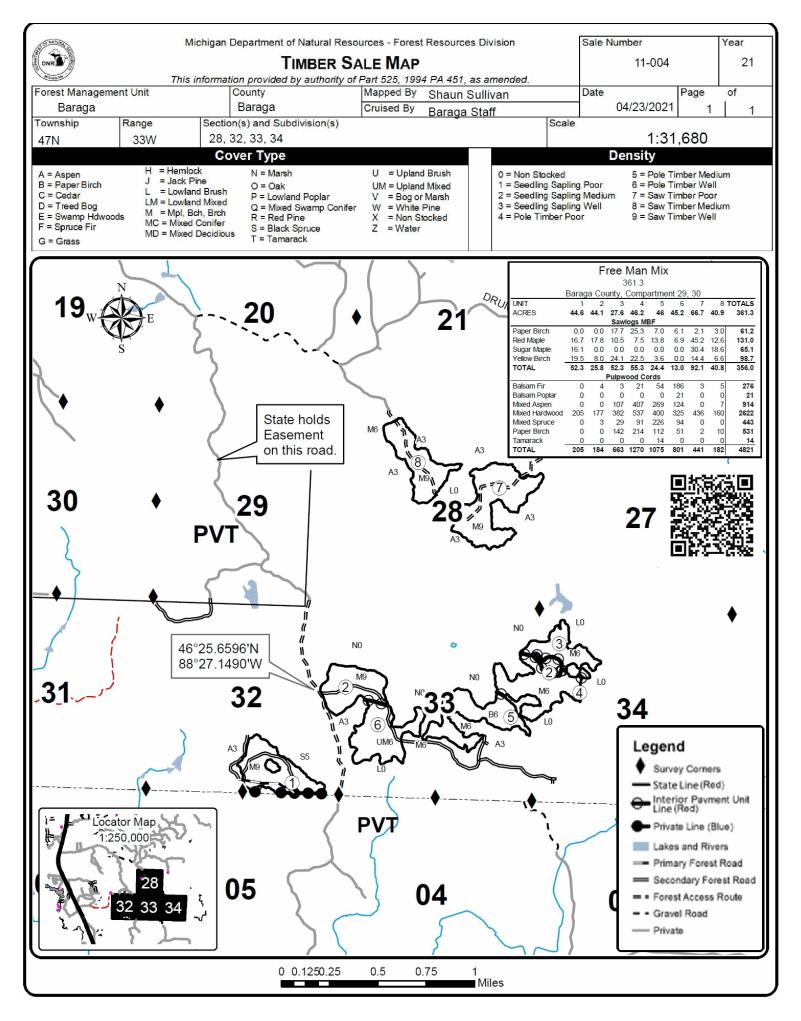
5.4.1 - Rutting restriction, general (7/16)

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.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

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



TIMBER SALE INFORMATION

Pinnacle Hardwoods (11-008-21) T52N, R36W, SEC. 11; T52N, R36W, SEC. 2. Houghton County (Advertised Price \$24,738.85)

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. All units of volume listed below were estimated using the Inventory Manager computer program and the new Michigan taper model. Bids must be at or above the following advertised price for each product and species:

PRODUCTS & SPECIES	ESTIMATE	D UNITS*	<u>ADV</u>	ERTISED PRICE
Sawtimber				
Basswood	14.0	MBF	\$	31.00 / MBF
Black Ash	1.2	MBF	\$	14.00 / MBF
Red Maple	23.6	MBF	\$	63.00 / MBF
Sugar Maple	179.2	MBF	\$	113.00 / MBF
White Ash	1.9	MBF	\$	30.00 / MBF
White Spruce	2.4	MBF	\$	31.00 / MBF
Yellow Birch	3.1	MBF	\$	38.00 / MBF
Pulpwood				
Basswood	16	Cords	\$	3.55 / Cord
Mixed Hardwood	486	Cords	\$	4.60 / Cord
White Spruce	3	Cords	\$	3.35 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 8.78 percent. There are an estimated 1, 011 cords on this timber sale, plus or minus 89 cords at the 95% confidence level. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

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

(c) Payment for each of the following units must be made before cutting begins in that unit: PAYMENT UNIT

PERCENT OF TOTAL SALE VALUE
39.9%
42.0%
18.1%

4. If no cutting takes place, the 10% down payment will not be refunded.

5. Operations on the contract issued will terminate on 06/30/2024.

SALE STATISTICS

Volumes were calculated in cubic feet using the Michigan taper model. Cubic foot volume includes all wood inside bark for the product indicated. For display purposes, cubic feet were converted to cords and MBF using a simple conversion factor, e.g. 79 cubic feet per cord and 185 cubic feet per MBF. The cubic foot volumes are precise; the cords and MBF volumes are not. Cubic foot volume cannot be directly converted to cords or boards with precision.

SALE VOLUMES

The total estimated sale volume may not equal the sum of the species/products due to the nature of statistical calculations associated with double sampling methodology.

VOL	UME		STATISTICAL RANGE IN CORDS		
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM MAXIMUM		
79,844	1,011	8.78%	922	1,099	

VDU VOLUMES

A VDU is a Volume Determination Unit. Volumes and their associated statistics are calculated at the VDU level and summarized to the sale level. There is often a one to one relationship between a VDU and a Payment Unit, but not always, depending on the cruise design. Refer to the VDU TO PAYMENT UNIT table.

	VOLUME			RANGE II	N CORDS
VDU	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
7	75,538	956	8.78%	872	1,040
TOTAL:	75,538	956		872	1,040

VDU TO PAYMENT UNIT

When a VDU is associated with more than one Payment Unit (PU), the VDU volumes are assigned to the PU based on acres of the VDU within the PU.

VDU	VDU ACRES	PU	PU ACRES
7	120.7	1	48.1
		2	50.8
		3	21.8
TOTAL:	120.7		120.7

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Basswood	Sawtimber	5.6	MBF	48.1	\$9,858.65
	Black Ash		0.5	MBF		
	Red Maple		9.4	MBF		
	Sugar Maple		71.4	MBF		
	White Ash		0.8	MBF		
	White Spruce		1.0	MBF		
	Yellow Birch		1.2	MBF		
	Basswood	Pulpwood	6	Cords		
	Mixed Hardwood		194	Cords		
	American Elm		3	Cords		
	Black Ash		1	Cords		
	Red Maple		20	Cords		
	Sugar Maple		149	Cords		
	White Ash		13	Cords		
	Yellow Birch			Cords		
			8			
	White Spruce	A	1	Cords		<u> </u>
2	Basswood	Sawtimber	5.9	MBF	50.8	\$10,404.80
	Black Ash		0.5	MBF		
	Red Maple		9.9	MBF		
	Sugar Maple		75.4	MBF		
	White Ash		0.8	MBF		
	White Spruce		1.0	MBF		
	Yellow Birch		1.3	MBF		
	Basswood	Pulpwood	7	Cords		
	Mixed Hardwood		204	Cords		
	American Elm		4	Cords		
	Black Ash		1	Cords		
	Red Maple		20	Cords		
	Sugar Maple		157	Cords		
	White Ash		13	Cords		
	Yellow Birch		9	Cords		
	White Spruce		1	Cords		
3	Basswood	Sawtimber	2.5	MBF	21.8	\$4,475.40
-	Black Ash		0.2	MBF		<i> </i>
	Red Maple		4.3	MBF		
	Sugar Maple		32.4	MBF		
	White Ash		0.3	MBF		
	White Spruce		0.4	MBF		
	Yellow Birch		0.6	MBF		
	Basswood	Pulpwood	3	Cords		
	Mixed Hardwood		88	Cords		
	American Elm		1	Cords		
	Black Ash		1	Cords		
	Red Maple		9	Cords		
	Sugar Maple		67	Cords		
	White Ash Yellow Birch		6	Cords		
	I Vollow Rirch		4	Cords		
1						
	White Spruce		1	Cords		
		TOTAL:	1 225.4	Cords MBF		

Sale Specific Conditions & Requirements

Sale Name: Pinnacle Hardwoods

Sale Number: 11-008-21 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (9/19)

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

2 - Timber Specifications

2.1 - Included Timber

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

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

2.2 - Utilization

2.2.1 - Utilization (2/04)

All listed board foot volumes of sawlog size products in this contract have been determined using a top diameter inside bark of 10 inches.

2.2.4 - Skidding length (2/14)

Skidding of lengths over 17 feet is permissible if the timber sale administrator approves the method and machinery used. If at any point damage exceeds specification 3.4.1, all the remaining wood must be skid in lengths less than 17 feet.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the Scribner Decimal C Log Rule.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (7/16)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

4 - Transportation

4.1 - Construction

4.1.1 - Stream crossings, general (3/11)

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

4.1.3 - Slash and earthen piles (8/04)

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

4.1.5 - Culverts (5/14)

Roads may require the installation of culverts for cross drainage or at natural drainage-ways. If culverts are needed in these locations, their placement will be specified by the sale administrator and they shall be installed prior to hauling. The culverts shall be new, corrugated metal or plastic gauge. Culverts will be a minimum of 12 inches in diameter and 24 feet in length. If

culverts are removed, fill shall be removed from wetland soils as specified. Soils shall be maintained and left in a non-erodible condition, with water bars, seed, fertilizer, mulch, and slash installed as directed by the sale administrator and as specified in the BMP manual. Stream crossing permits, if needed, will be obtained by the DNR for crossings located on state land.

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 or 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 a four (4') foot high berm of stumps and logs covered with earth.

4.1.12 - No new roads (1/12)

No new roads will be permitted in any Payment Unit. All operations are limited to existing roads. Skid trails only will be allowed.

4.2 - Maintenance

4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins. Contact the sale administrator regarding the availability of onsite sand or gravel from adjacent State-owned lands.

4.2.4 - Grading (10/16)

For completion of the sale, state forest roads must be graded. In general, this will require a road grader or bulldozer 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.

5 - Operations

5.2 - Conduct of Operations

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (10/16)

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

5.2.3 - Operating Restrictions

5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 1 - 3, unless changed by written agreement, all cleanup activities must be completed by the June 15 following harvest completion. This restriction is to allow the area to revegetate before the dry season.

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1 - 3, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.30 - Landing/road top soil protection (2/15)

Top soil on landings and new roads must be removed, stockpiled and saved. Upon completion of the timber sale, soil must be evenly distributed back over the area for revegetation. In addition, the area must be seeded and mulched per instructions of the sale administrator.

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.

5.4.2 - 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.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

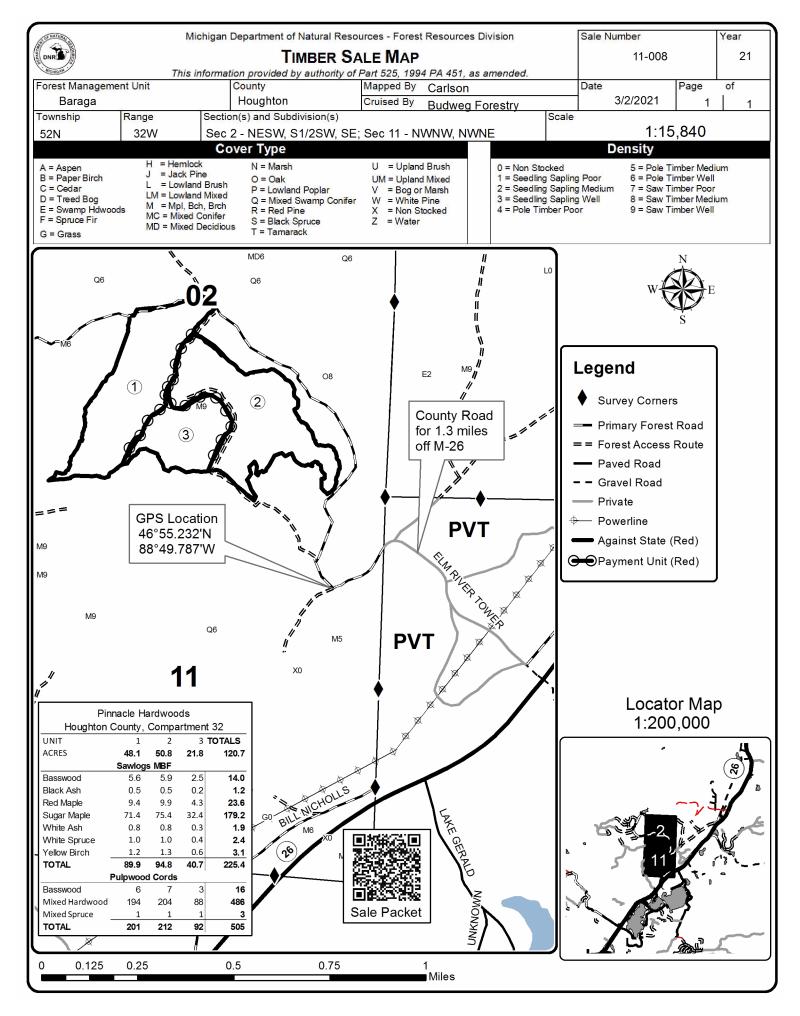
All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on the Elm River Tower 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.



TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

Free Man Mix (11-004-21)

T47N, R33W, SEC. 28; T47N, R33W, SEC. 32; T47N, R33W, SEC. 33; T47N,

In response to the notice of sale to be held 9:00 a.m. (local time) on May 27, 2021, 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/UNIT
Paper Birch	61.2	MBF	\$	25.00/MBF	\$
Red Maple	131.0	MBF	\$	63.00/MBF	\$
Sugar Maple	65.1	MBF	\$	113.00/MBF	\$
Yellow Birch	98.7	MBF	\$	38.00/MBF	\$
Pulpwood					
Balsam Fir	276	Cords	\$	3.05/Cord	\$
Mixed Aspen	935	Cords	\$	6.25/Cord	\$
Mixed Hardwood	2,622	Cords	\$	4.60/Cord	\$
Mixed Spruce	443	Cords	\$	3.35/Cord	\$
Paper Birch	531	Cords	\$	3.55/Cord	\$
Tamarack	14	Cords	\$	8.60/Cord	\$

*The volumes are statistically estimated within plus (+) or minus (-) 4.02 percent at 95% confidence level. 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:	_

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

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

Phone number :_____ Email (optional):_____

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

NTOF NATURAL ACTION	Michigan Department of Natur Forest Resources Div			FOR DEPARTMENT USE ONLY Sale Number (XX – XXX – XX – XX)			
add Michigan - 67	TIMBER SAL	E					
	VERIFICATION OF WORKE	R'S DISABII IT	Y	Forest Management Unit:			
			•	Forest Management Onit.			
		-	- d				
	As required by Act 317, P.A. 1969 (Work Part 5 of Act 451 of 1994, as	amended.					
	CATION OF WORKER'S DISABILIT						
sale	e contract.		-	ract award and prior to the issuance of the timber			
	addition, if boxes 2B or 2C are check enty-one (21) days of the contract awa			Certificate of Insurance must be submitted within timber sale contract.			
• All	Information must be typed or printed	except for written s	signatures.				
Please	Check Appropriate Categories:						
-	business is organized as (you must	check <u>one</u> of the	boxes below):				
	Sole Proprietorship (individual)						
	Partnership						
C. L	Corporation						
2. You	u must check <u>one</u> of the boxes below	v:					
A. [I certify my business is a sole propriet Worker's Compensation Laws.	orship and it has no	employees but	the sole proprietor. I am not subject to the			
	 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.						
	ou have checked item 2(A) or 2(B), n yourself, including family members			of both full-time and part-time employees, other u must enter "0").			
	Full-time Er	nnlovees		Part-time Employees			
		npioyees					
Name of E	Business		Federal ID (or)	Social Security No.			
Address			Telephone				
Otto		04-4-	()				
City		State	ZIP				
	v certify that the above information is rs affecting my coverage during any o			ify the Michigan DNR of any changes that occur ons.			
Signat	Signature of Owner or Authorized Representative						
Title			Dat	e			
			Dat	-			

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

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

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

Pinnacle Hardwoods (11-008-21)

T52N, R36W, SEC. 11; T52N, R36W, SEC. 2; Houghton COUNTY

In response to the notice of sale to be held 9:00 a.m. (local time) on May 27, 2021, 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 V	OLUME*	<u>AD'</u>	VERTISED PRICE	BID PRICE/UNIT
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Red Maple	23.6 N	/IBF	\$	63.00/MBF	\$
Sugar Maple	179.2 N	/IBF	\$	113.00/MBF	\$
White Ash	1.9 N	/IBF	\$	30.00/MBF	\$
White Spruce	2.4 N	/IBF	\$	31.00/MBF	\$
Yellow Birch	3.1 N	/IBF	\$	38.00/MBF	\$
Pulpwood					
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*The volumes are statistically estimated within plus (+) or minus (-) 8.78 percent at 95% confidence level. 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:	-

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

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

Phone number :_____ Email (optional):_____

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

TOF NATURAL PERSON	Michigan Department of Natur Forest Resources Div			FOR DEPARTMENT USE ONLY
	TIMBER SAL	E		Sale Number (XX – XXX – XX – XX)
	VERIFICATION OF WORKE	R'S DISABILIT	Y	Forest Management Unit:
				Forest Management Onit.
	As required by Act 317, P.A. 1969 (Work	-	nd	
VEDIEN	Part 5 of Act 451 of 1994, as CATION OF WORKER'S DISABILI	amended.		
				tract award and prior to the issuance of the timber
sale	e contract.		-	-
twe	nty-one (21) days of the contract awa	rd and prior to the i	issuance of th	Certificate of Insurance must be submitted within e timber sale contract.
• All I	Information must be typed or printed	except for written s	signatures.	
Please	Check Appropriate Categories:			
-	business is organized as (you must	check <u>one</u> of the	boxes below)	:
	☐ Sole Proprietorship (individual)			
	☐ Partnership			
C. L	Corporation			
	u must check <u>one</u> of the boxes below			
A. L	I certify my business is a sole propriet Worker's Compensation Laws.	orship and it has no	employees but	t the sole proprietor. I am not subject to the
	Exclusion (BWC-337, Rev. 5/96). I w questions or a copy of the BWC-337,	ill provide a copy of please call the Worl	the Notice of E ker's Compens	,
C. [I certify my business has a Worker's 0 one (21) days of the contract award.	Compensation Policy	 I will provide 	an original Certificate of Insurance within twenty-
	ou have checked item 2(A) or 2(B), n yourself, including family members			r of both full-time and part-time employees, other ou must enter "0").
	Full-time Er	nnlovees		Part-time Employees
		nproyooo		
Name of E	Business		Federal ID (or)	Social Security No.
Address			Telephone	
			()	
City		State	ZIP	
l hereby	certify that the above information is	true and correct	Lagree to not	tify the Michigan DNR of any changes that occur
	s affecting my coverage during any o			
Signati	ure of Owner or Authorized Representative			
Title			Da	te

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