

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #6794

<u>SCHEDULED SALE DATE AND TIME:</u> 3:00 p.m. (local time) on December 17, 2020. <u>LOCATION:</u> NEWBERRY MGMT UNIT, 5666 S STATE HWY M 123, NEWBERRY, MI 49868.

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

<u>Stair Step Swamp</u> (42-011-19) / T45N, R09W, SEC. 10, N1/2NW,SENW,NESW,SE. T45N, R09W, SEC. 11, NWSW. T45N, R09W, SEC. 3 , SWSW. Luce County, Advertised Price \$22,688.90, 98.2 Acres, Hardwood, Aspen.

SALE NOTE: The Advertised Price has been reduced due to 'No Bid' on Prospectus 6684 dated 8-13-2020.

Roads may require the installation of culverts for cross drainage or at natural drainage-ways. See Sale Spec 4.1.5 for details.

Permission for access across private land is the responsibility of the Purchaser.

Harvesting is not permitted during the period of April 1 to December 15 due to the low ground nature of the sale.

Some roads or skid trails may require extra protection such as that afforded by timber mats, interlocking composite mats, or another approved system. See Sale Spec 5.2.17 for details.

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

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

Bids must be received by the Unit Manager, NEWBERRY OFFICE, 5666 S STATE HWY M 123, NEWBERRY, MI 49868, no later than 3:00 p.m. (local time) on December 17, 2020. For further information concerning this sale, contact Keith Magnusson at 906-293-3293 extension 4740.

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>Stair Step Swamp (42-011-19)</u> T45N, R09W, SEC. 10; T45N, R09W, SEC. 11; T45N, R09W, SEC. 3.

Luce County (Advertised Price \$22,688.90)

SALE NOTE: The Advertised Price has been reduced due to 'No Bid' on Prospectus 6684 dated 8-13-2020.

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Some roads or skid trails may require extra protection such as that afforded by timber mats, interlocking composite mats, or another approved system. See Sale Spec 5.2.17 for details.

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 T-Sale computer program and our traditional volume equations. Bids must be at or above the following advertised price for each product and species:

| PRODUCTS & SPECIES | ESTIMATED UNITS* | | AD\ | /ERTISED PRICE |
|--------------------|------------------|-------|-----|----------------|
| Sawtimber | | | | |
| Paper Birch | 68.6 | MBF | \$ | 32.00 / MBF |
| Red Maple | 30.1 | MBF | \$ | 43.00 / MBF |
| Sugar Maple | 6.4 | MBF | \$ | 125.00 / MBF |
| Yellow Birch | 40.4 | MBF | \$ | 38.00 / MBF |
| Pulpwood | | | | |
| Balsam Fir | 113 | Cords | \$ | 5.10 / Cord |
| Mixed Aspen | 697 | Cords | \$ | 8.65 / Cord |
| Mixed Hardwood | 1,258 | Cords | \$ | 6.90 / Cord |
| Mixed Spruce | 223 | Cords | \$ | 6.65 / Cord |
| Tamarack | 33 | Cords | \$ | 2.90 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 8.51 percent. There are an estimated 2,613 cords on this timber sale, plus or minus 222 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 \$1,134.00 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

| I HOMBER | |
|----------|-------|
| 01 | 29.5% |
| 02 | 21.4% |
| 03 | 5.6% |
| 04 | 23.9% |
| 05 | 14.4% |
| 06 | 5.2% |

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

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

SALE STATISTICS

| VOL | UME | | STATISTICAL RA | ANGE IN CORDS |
|------------------|-------------|---------------|----------------|---------------|
| TOTAL CUBIC FEET | TOTAL CORDS | PERCENT ERROR | MINIMUM | MAXIMUM |
| 206,416 | 2,613 | 8.51% | 2,391 | 2,835 |

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 IN CORDS | |
|--------|------------------|-------------|---------------|----------------|---------|
| VDU | TOTAL CUBIC FEET | TOTAL CORDS | PERCENT ERROR | MINIMUM | MAXIMUM |
| 6 | 99,208 | 1,256 | 13.81% | 1,082 | 1,429 |
| 11 | 52,361 | 663 | 18.48% | 540 | 785 |
| 14 | 28,740 | 364 | 11.05% | 324 | 404 |
| 17 | 14,773 | 187 | 21.64% | 147 | 227 |
| 22 | 11,352 | 144 | 24.27% | 109 | 179 |
| TOTAL: | 206,435 | 2,613 | | 2,202 | 3,025 |

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 |
|--------|-----------|----|----------|
| 6 | 51.2 | 1 | 29.6 |
| | | 2 | 21.6 |
| 11 | 23.4 | 4 | 23.4 |
| 14 | 11.6 | 5 | 11.6 |
| 17 | 6.5 | 3 | 6.5 |
| 22 | 5.5 | 6 | 5.5 |
| TOTAL: | 98.2 | | 98.2 |

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

| | 1 | | | | | |
|----|----------------|-----------|----------|-------|-------|-----------------|
| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
| 1 | Paper Birch | Sawtimber | 12.4 | MBF | 29.6 | \$6,678.70 |
| | Red Maple | | 16.5 | MBF | | |
| | Sugar Maple | | 3.7 | MBF | | |
| | Yellow Birch | | 23.4 | MBF | | |
| | Balsam Fir | Pulpwood | 38 | Cords | | |
| | Balsam Fir | Sawtimber | 2.2 | MBF | | |
| | Balsam Fir | Pulpwood | 34 | Cords | | |
| | Mixed Aspen | , apricea | 45 | Cords | | |
| | Quaking Aspen | | 45 | Cords | | |
| | Mixed Hardwood | | 426 | Cords | | |
| | Black Ash | | 56 | Cords | | |
| | | | | | | |
| | Paper Birch | | 62 | Cords | | |
| | Red Maple | | 97 | Cords | | |
| | Sugar Maple | | 33 | Cords | | |
| | Yellow Birch | | 178 | Cords | | |
| | Mixed Spruce | | 105 | Cords | | |
| | Black Spruce | | 8 | Cords | | |
| | White Spruce | | 97 | Cords | | |
| 2 | Paper Birch | Sawtimber | 9.1 | MBF | 21.6 | \$4,863.40 |
| | Red Maple | | 12.0 | MBF | | |
| | Sugar Maple | | 2.7 | MBF | | |
| | Yellow Birch | | 17.0 | MBF | | |
| | Balsam Fir | Pulpwood | 27 | Cords | | |
| | Balsam Fir | Sawtimber | 1.6 | MBF | | |
| | Balsam Fir | Pulpwood | 24 | Cords | | |
| | Mixed Aspen | | 32 | Cords | | |
| | Quaking Aspen | | 32 | Cords | | |
| | Mixed Hardwood | | 312 | Cords | | |
| | Black Ash | | 41 | Cords | | |
| | Paper Birch | | 46 | Cords | | |
| | Red Maple | | 71 | Cords | | |
| | Sugar Maple | | 24 | Cords | | |
| | Yellow Birch | | 130 | Cords | | |
| | Mixed Spruce | | 76 | Cords | | |
| | Black Spruce | | 5 | Cords | | |
| | White Spruce | | 71 | Cords | | |
| 3 | Paper Birch | Sawtimber | 2.8 | MBF | 6.5 | \$1,276.80 |
| Ū | Balsam Fir | Pulpwood | 12 | Cords | 0.0 | ψ1,270.00 |
| | Balsam Fir | | 12 | Cords | | |
| | Mixed Aspen | | 38 | Cords | | |
| | Quaking Aspen | | 38 | Cords | | |
| | Mixed Hardwood | | | | | |
| | | | 98 | Cords | | |
| | Paper Birch | | 98 | Cords | | |
| | Mixed Spruce | | 6 | Cords | | |
| | White Spruce | | 6 | Cords | | |
| | Tamarack | | 28 | Cords | | |
| 4 | Paper Birch | Sawtimber | 7.7 | MBF | 23.4 | \$5,414.30 |
| | Balsam Fir | Pulpwood | 14 | Cords | | |
| | Balsam Fir | | 14 | Cords | | |
| | Mixed Aspen | | 424 | Cords | | |
| | Balsam Poplar | | 58 | Cords | | |
| | Quaking Aspen | | 366 | Cords | | |
| | Mixed Hardwood | | 178 | Cords | | |
| | Paper Birch | | 172 | Cords | | |
| | Red Maple | | 6 | Cords | | |
| | Mixed Spruce | | 28 | Cords | | |
| | i ' | | - | 1 | | |

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

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|---------|----------------|-----------|----------|-------|-------|-----------------|
| 4 con't | Black Spruce | Pulpwood | 28 | Cords | | |
| | Tamarack | | 5 | Cords | | |
| 5 | Paper Birch | Sawtimber | 33.8 | MBF | 11.6 | \$3,262.20 |
| | Red Maple | | 1.6 | MBF | | |
| | Balsam Fir | Pulpwood | 15 | Cords | | |
| | Balsam Fir | | 15 | Cords | | |
| | Mixed Aspen | | 72 | Cords | | |
| | Balsam Poplar | | 46 | Cords | | |
| | Quaking Aspen | | 26 | Cords | | |
| | Mixed Hardwood | | 197 | Cords | | |
| | Black Ash | | 3 | Cords | | |
| | Paper Birch | | 185 | Cords | | |
| | Red Maple | | 9 | Cords | | |
| | Mixed Spruce | | 8 | Cords | | |
| | White Spruce | | 8 | Cords | | |
| 6 | Paper Birch | Sawtimber | 2.8 | MBF | 5.5 | \$1,188.40 |
| | Balsam Fir | Pulpwood | 6 | Cords | | |
| | Balsam Fir | | 6 | Cords | | |
| | Mixed Aspen | | 86 | Cords | | |
| | Balsam Poplar | | 29 | Cords | | |
| | Quaking Aspen | | 57 | Cords | | |
| | Mixed Hardwood | | 47 | Cords | | |
| | Paper Birch | | 47 | Cords | | |
| | | TOTAL: | 145.5 | MBF | | |
| | | 2,323 | Cords | | | |

Sale Name: Stair Step Swamp

Sale Number: 42-011-19 Seq#: 3

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and yellow 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 yellow paint. The painted boundary line trees are not Included Timber and are to be protected. Yellow 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) 1 - 6, cut all trees which meet minimum piece specifications in 2.2 Utilization, except do not cut cedar. In addition, within Payment Units 1, 2, and 5, do not cut trees marked in green paint (yellow birch & white pine). Also, within Payment Units 1 and 2, do not cut hemlock.

2.2 - Utilization

2.2.10 - No chipping tops and limbs (8/16)

Within Payment Unit(s) 1 - 6, chipping of limbs or tops is not permitted. Limbs and the remaining top must be left on site and scattered.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 1 and 2 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 Amendment. 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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

4 - Transportation

4.1 - Construction

4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price.

4.1.5 - 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.

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. All new roads built into the sale must be blocked to vehicle traffic within 30 days of completion of hauling. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

4.1.11 - Permits (2/12)

The DNR will secure any necessary highway and stream crossing permits that may be required.

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. A copy of the written permission from the private landowner must be given to the Unit Manager within 30 days of the bid opening and prior to the beginning of operations.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/16)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations a Payment Unit 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 (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

5.2.1.8 - Slash height (12/08)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (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

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1 - 6, unless changed by written agreement, cutting, skidding and hauling are not permitted during the period of April 1 to December 15. This restriction is because of the low ground nature of the sale.

5.2.17 - Timber Mats and Interlocking Composite Mats (3/18)

Some roads or skid trails may require extra protection such as that afforded by timber mats, interlocking composite mats, or another approved system. If available, mats may be borrowed from the DNR. A Timber Sale Contract Supplement will be used to document the Purchaser's use of the DNR's mats. Contact the sale administrator regarding availability and pick-up.

Timber mats are available from various field offices. Composite mats are only available from the Grayling field office. The Purchaser is responsible for picking up and hauling the mats to and from the site. The composite mats will require DNR staff onsite for installation and removal. Contact the sale administrator to schedule at least 30 days before desired install/removal date. All mats must be cleaned prior to drop off. This may include, but is not limited to, power washing and brushing to remove mud and debris. A charge of \$400.00 per timber mat and \$2,000.00 per composite mat will be assessed for all damaged or non-returned mats. Damage for the crane/timber mats is defined as three or more broken cants. Damage for the composite mats is defined as three or more broken cants.

5.2.31 - Landing locations (9/13)

In general, landings are limited to a "T" turnaround which will accommodate a truck with a 50 foot trailer, unless otherwise approved by the Sale Administrator and/or Unit Manager.

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.

5.8 - 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)

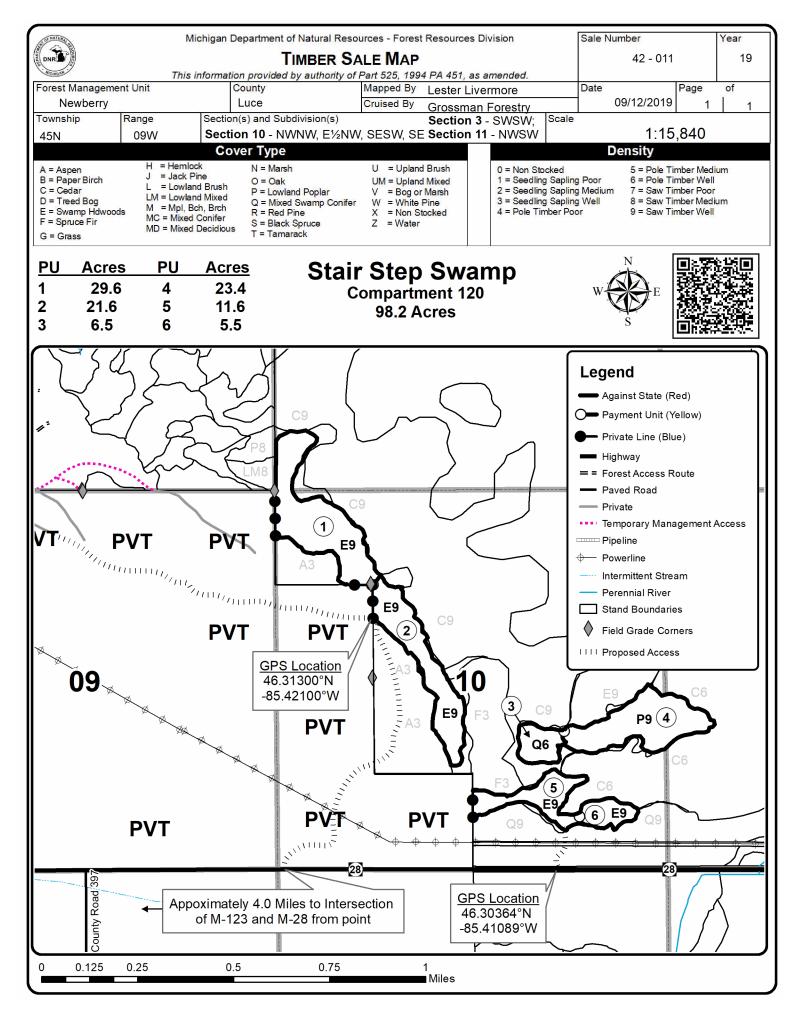
The Purchaser is responsible for posting and maintaining caution signs on Highway M-28 prior to beginning operations. The road must be posted at appropriate distances from the sale area in accordance with M-DOT standards, this is to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

7 - Other Conditions

7.2 - Extensions

7.2.5 - Weather related extension (1/13)

If weather conditions during the operating period of this contract prevent harvesting, this sale may qualify for a weather related extension. If approved, the normal extension fee would be waived. To qualify, there must be a documented attempt each year to harvest in the difficult portion of the sale.



TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

Stair Step Swamp (42-011-19)

T45N, R09W, SEC. 10; T45N, R09W, SEC. 11; T45N, R09W, SEC. 3; Luce

In response to the notice of sale to be held 3:00 p.m. (local time) on December 17, 2020, 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 | 68.6 | MBF | \$ | 32.00/MBF | \$ |
| Red Maple | 30.1 | MBF | \$ | 43.00/MBF | \$ |
| Sugar Maple | 6.4 | MBF | \$ | 125.00/MBF | \$ |
| Yellow Birch | 40.4 | MBF | \$ | 38.00/MBF | \$ |
| Pulpwood | | | | | |
| Balsam Fir | 113 | Cords | \$ | 5.10/Cord | \$ |
| Mixed Aspen | 697 | Cords | \$ | 8.65/Cord | \$ |
| Mixed Hardwood | 1,258 | Cords | \$ | 6.90/Cord | \$ |
| Mixed Spruce | 223 | Cords | \$ | 6.65/Cord | \$ |
| Tamarack | 33 | Cords | \$ | 2.90/Cord | \$ |

*The volumes are statistically estimated within plus (+) or minus (-) 8.51 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:

Phone number :

Email (optional):____

Date:

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

| NOF NATURAL PESSOL | Michigan Department of Natura Forest Resources Divi | | | FOR DEPARTMENT USE ONLY |
|--------------------|--|--------------------------|----------------|---|
| A DNR A | TIMBER SAL | E | | Sale Number (XX – XXX – XX – XX) |
| TCHIGH | VERIFICATION OF WORKE | - R'S DISABILITY | | |
| | COMPENSATION ACT C | | | Forest Management Unit: |
| | As required by Act 317, P.A. 1969 (Work Part 5 of Act 451 of 1994, as | er's Compensation) and | | |
| VERIFIC | ATION OF WORKER'S DISABILIT | | | IPLIANCE |
| | verification must be completed and contract. | submitted within 21 | days of cont | tract award and prior to the issuance of the timber |
| | dition, if boxes 2B or 2C are check ty-one (21) days of the contract awar | | | Certificate of Insurance must be submitted within e timber sale contract. |
| All In | formation must be typed or printed o | except for written sig | gnatures. | |
| Please C | heck Appropriate Categories: | | | |
| 1. Myb | usiness is organized as (you must | check one of the bo | oxes below): | |
| A. 🗆 | Sole Proprietorship (individual) | | | |
| В. 🗆 | Partnership | | | |
| C. 🗆 | Corporation | | | |
| 2. You | must check <u>one</u> of the boxes belov | / : | | |
| A. 🗆 | I certify my business is a sole propriet Worker's Compensation Laws. | orship and it has no ei | mployees but | the sole proprietor. I am not subject to the |
| В. 🗌 | | Il provide a copy of the | e Notice of Ex | cation Act through the use of an approved Notice of clusion within 21 days of the contract award. (For ation Bureau at 517-322-1195). |
| C. 🗆 | I certify my business has a Worker's C one (21) days of the contract award. | Compensation Policy. | I will provide | an original Certificate of Insurance within twenty- |
| | a have checked item 2(A) or 2(B), yourself, including family members | | | of both full-time and part-time employees, other u must enter "0"). |
| | | | | |
| | Full-time En | nployees | | Part-time Employees |
| Name of Dec | | I. | | |
| Name of Bu | Siness | r | | Social Security No. |
| Address | | ٢ | Telephone | |
| | | (| () | |
| City | | State 2 | ZIP | |
| l hereby c | pertify that the above information is | true and correct | agree to not | ify the Michigan DNR of any changes that occur |
| | affecting my coverage during any c | | | |
| | | | | |
| Signatur | e of Owner or Authorized Representative | | | |
| Signatur | | | | |
| | | | | |
| Title | | | Dat | e |
| | | | | |
| | | | | |
| | | | | |

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