

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #6809

<u>SCHEDULED SALE DATE AND TIME:</u> 3:00 p.m. (local time) on June 3, 2021. <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>Cowboy Boot Pine</u> (42-002-20) / T49N, R11W, SEC. 26, S1/2NW,S1/2NE,SW,N1/2SE,SWSE. T49N, R11W, SEC. 27, S1/2SE. Luce County, Advertised Price \$141,646.85, 223.8 Acres, White Pine, Red Pine.

SALE NOTE: It is recommended, but not required, that harvesting occur during snow free months because the need for low stumps and use of the county road.

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

Old Lookout Tower Pine (42-003-20) / T49N, R11W, SEC. 22, SESE.

T49N, R11W, SEC. 26, NW. T49N, R11W, SEC. 27, NW,NE,NESW,NWSE. T49N, R11W, SEC. 28, SENE.

Luce County, Advertised Price \$141,367.05, 220.0 Acres, Red Pine, White Pine.

SALE NOTE: Note that the red and white pine in the Sale Area is mostly sawlog size. All pine was cruised as pulp.

No new roads will be permitted in Payment Units 7 & 8. See Sale Spec. 4.1.12 for additional information.

It is recommended, but not required, that harvesting occur during snow free months because of the need for low stumps and the use of the county road, which also serves as a snowmobile trail in the winter months.

The Pine Ridge Trail is an ORV trail and is shown on the Timber Sale Map. See Sale Spec. 5.2.39 for restrictions.

The Headquarters Lake Equestrian Trail is a horse trail and is shown on the Timber Sale Map. See Sale Spec 5.2.40 for additional information.

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

BID INSTRUCTIONS (VER. 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 June 3, 2021. 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>Cowboy Boot Pine (42-002-20)</u> T49N, R11W, SEC. 26; T49N, R11W, SEC. 27. Luce County (Advertised Price \$141,646.85)

SALE NOTE: It is recommended, but not required, that harvesting occur during snow free months because the need for low stumps and use of the county road.

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

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. 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	ESTIMATE	D UNITS*	ADVE	RTISED PRICE
Sawtimber				
Red Maple	6.6	MBF	\$	71.00 / MBF
Pulpwood				
Balsam Fir	75	Cords	\$	9.45 / Cord
Jack Pine	18	Cords	\$	24.50 / Cord
Mixed Hardwood	305	Cords	\$	11.95 / Cord
Paper Birch	24	Cords	\$	10.60 / Cord
Quaking Aspen	37	Cords	\$	17.55 / Cord
Red Pine	2,083	Cords	\$	48.60 / Cord
White Pine	2,268	Cords	\$	15.00 / Cord
White Spruce	13	Cords	\$	17.40 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 10.94 percent. There are an estimated 4,835 cords on this timber sale, plus or minus 529 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 \$7,082.00 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

	FERGENT OF TOTAL SALE VA
01	6.9%
02	3.6%
03	18.1%
04	7.3%
05	9.7%
06	28.4%
07	16.6%
08	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 12/31/2024.

SALE STATISTICS

SALE VOLUMES

VOL	VOLUME		VOLUME		STATISTICAL RA	ANGE IN CORDS
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	r minimum maximum			
381,997	4,835	10.94%	4,306	5,364		

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
28	37,920	480	18.18%	393	567
77	10,949	139	52.12%	66	211
89	56,580	716	33.54%	476	956
93	98,600	1,248	19.08%	1,010	1,486
95	149,294	1,890	15.08%	1,605	2,175
98	28,653	363	27.03%	265	461
TOTAL:	381,997	4,835		3,815	5,856

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
28	20.0	5	20.0
77	14.8	2	14.8
89	29.2	1	29.2
93	71.3	3	50.8
		4	20.5
95	65.6	6	41.4
		7	24.2
98	22.9	8	22.9
TOTAL:	223.8		223.8

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Maple	Sawtimber	6.6	MBF	29.2	\$9,733.25
	Balsam Fir	Pulpwood	66	Cords		
	Mixed Hardwood		305	Cords		
	Beech		45	Cords		
	Red Maple		260	Cords		
	White Pine		318	Cords		
	White Spruce		13	Cords		
2	Quaking Aspen	Pulpwood	3	Cords	14.8	\$5,116.65
	Red Pine		90	Cords		
	White Pine		46	Cords		
3	Balsam Fir	Pulpwood	6	Cords	50.8	\$25,658.60
	Jack Pine		13	Cords		
	Paper Birch		9	Cords		
	Quaking Aspen		24	Cords		
	Red Pine		363	Cords		
	White Pine		475	Cords		
4	Balsam Fir	Pulpwood	3	Cords	20.5	\$10,367.35
	Jack Pine		5	Cords		
	Paper Birch		3	Cords		
	Quaking Aspen		10	Cords		
	Red Pine		147	Cords		
	White Pine		191	Cords		
5	Red Pine	Pulpwood	195	Cords	20.0	\$13,752.00
	White Pine		285	Cords		
6	Paper Birch	Pulpwood	8	Cords	41.4	\$40,237.40
	Red Pine		666	Cords		
	White Pine		519	Cords		
7	Paper Birch	Pulpwood	4	Cords	24.2	\$23,507.80
	Red Pine		389	Cords		
	White Pine		304	Cords		
8	Red Pine	Pulpwood	233	Cords	22.9	\$13,273.80
_	White Pine		130	Cords		,
		TOTAL:	6.6	MBF		
		TOTAL:	4,823	Cords		

Sale Specific Conditions & Requirements

Sale Name: Cowboy Boot Pine

Sale Number: 42-002-20 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 and yellow paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint.

2 - Timber Specifications

- 2.1 Included Timber
 - 2.1.4 Designated timber unit(s) (6/17)

Within Payment Unit(s) 1 - 8, all red pine, white pine, jack pine, aspen, balsam fir, spruce, and paper birch trees are designated for cutting which meet minimum piece specifications in 2.2 - Utilization. Except, do not cut any paper birch in Payment Unit 5 and leave any oak and hemlock in all Payment Units.

2.1.7 - Leave tree marked unit(s) (6/14) Within Payment Unit(s) 1 - 8 do not cut any trees marked with green paint above and below stump height.

2.1.11 - Description of timber note (2/04)

Note that the red and white pine in the Sale Area are mostly of sawlog size. All pine was cruised as pulp.

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 at DBH and 4 inches for trees smaller than 10 inches at DBH. This is to facilitate follow up cultivation operations.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 3, 6 & 7 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.

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.

4.1.6 - 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. 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. Contact the sale administrator for specific details of design and placement.

4.1.12 - No new roads (1/12)

No new roads will be permitted in Payment Units 4 - 8. All operations are limited to existing roads.

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 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

5.2.1 - Slash

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (9/16)All slash must be removed at least 10 feet from the cleared right-of-way of forest roads.

5.2.1.8 - Slash height (12/08)No slash may exceed 24 inches in height.

5.2.1.11 - Slash for reforestation (5/07)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (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

5.2.3.6 - Bark beetle restriction (12/08)

In the event drought creates a high risk of pine bark beetle infestation, pine is not to be cut during the period March 1 through July 1, unless all portions of trees greater than two inches in diameter are removed from the sale area, reduced to chips, or treated to the satisfaction of the Unit Manager or his/her representative, within fifteen days of being severed from the stump. Pine log decks, pulpwood piles and treetops that are piled for chipping in the fall or winter within a 1/4 mile of susceptible sites must be removed before March 15. Residual slash must not be placed in piles or rows and must be spread over the site for quick drying. The Department of Natural Resources will exercise this specification if the risk of damage warrants.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 1 - 8, cutting, skidding, and hauling occur during snow free months. The reason for the recommendation is because the need for low stumps and use of the county road which also serves as a snowmobile trail in the winter months.

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.

5.2.39 - ORV trail/route protection (4/18)

The Pine Ridge Trail is an ORV trail and is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers. All stumps within 5 feet of the trail must be cut flush with the ground. Maintain a 20-foot-wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline. Do not run equipment down the ORV trail.

5.2.40 - Pathway protection (10/10)

The Headquarters Lake Equestrian Trail is shown on the Timber Sale Map. Do not cut trees or damage posts with blue pathway markers. Maintain a 20-foot-wide slash, debris, and rut free zone daily, using the pathway as the centerline.

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

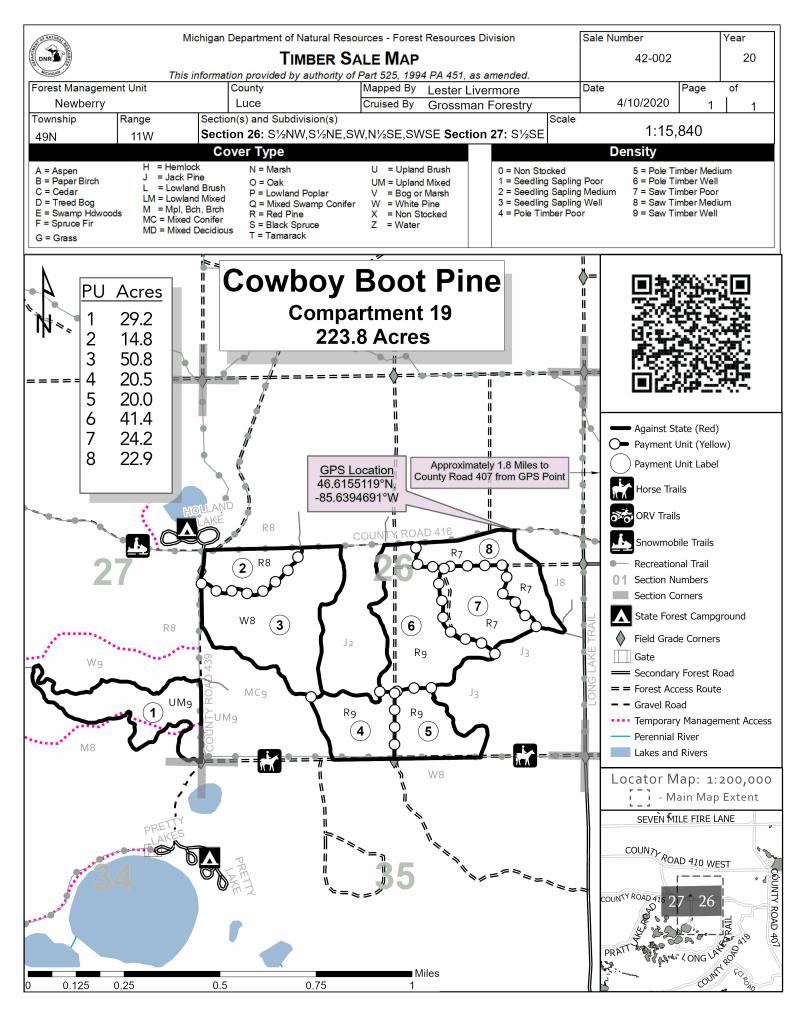
6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on County Road 416 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.

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on Pine Ridge ORV Trail and Headquarters Lake Equestrian Trail prior to beginning operations. The trail must be posted at appropriate distances from the Sale Area to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed. The DNR will provide these signs.



TIMBER SALE INFORMATION

Old Lookout Tower Pine (42-003-20)

T49N, R11W, SEC. 22; T49N, R11W, SEC. 26; T49N, R11W, SEC. 27; T49N, R11W, SEC. 28. Luce County (Advertised Price \$141,367.05)

SALE NOTE: Note that the red and white pine in the Sale Area is mostly sawlog size. All pine was cruised as pulp.

No new roads will be permitted in Payment Units 7 & 8. See Sale Spec. 4.1.12 for additional information.

It is recommended, but not required, that harvesting occur during snow free months because of the need for low stumps and the use of the county road, which also serves as a snowmobile trail in the winter months.

The Pine Ridge Trail is an ORV trail and is shown on the Timber Sale Map. See Sale Spec. 5.2.39 for restrictions.

The Headquarters Lake Equestrian Trail is a horse trail and is shown on the Timber Sale Map. See Sale Spec 5.2.40 for additional information.

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

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. 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	ESTIMATE	D UNITS*	<u>ADV</u>	ERTISED PRICE
Pulpwood				
Balsam Fir	3	Cords	\$	9.45 / Cord
Jack Pine	66	Cords	\$	24.50 / Cord
Paper Birch	9	Cords	\$	10.60 / Cord
Quaking Aspen	6	Cords	\$	17.55 / Cord
Red Pine	2,610	Cords	\$	48.60 / Cord
White Pine	845	Cords	\$	15.00 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 14.83 percent. There are an estimated 3,540 cords on this timber sale, plus or minus 525 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 \$7,068.00 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

INUMBER	PERCENT OF TOTAL SALE
01	3.9%
02	19.5%
03	13.5%
04	27.1%
05	12.1%
06	4.0%
07	10.1%
08	9.8%

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

5. Operations on the contract issued will terminate on 12/31/2024.

SALE STATISTICS

VOL	VOLUME		STATISTICAL RA	ANGE IN CORDS
TOTAL CUBIC FEET TOTAL CORDS		EET TOTAL CORDS PERCENT ERROR MINIMUM		MAXIMUM
279,684	3,540	14.83%	3,015	4,065

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
51	48,395	613	29.49%	432	793
59	28,764	364	53.37%	170	558
72	65,704	832	29.15%	589	1,074
73	10,768	136	100.97%	1	274
86	91,917	1,164	25.62%	865	1,462
88	34,136	432	37.87%	268	596
TOTAL:	279,684	3,540		2,324	4,757

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
51	48.3	7	24.6
		8	23.7
59	15.3	6	15.3
72	56.1	4	56.1
73	11.4	1	11.4
86	57.9	2	34.2
		3	23.7
88	31.0	5	31.0
TOTAL:	220.0		220.0

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Jack Pine	Pulpwood	6	Cords	11.4	\$5,457.00
	Red Pine		100	Cords		
	White Pine		30	Cords		
2	Jack Pine	Pulpwood	5	Cords	34.2	\$27,599.50
	Quaking Aspen		4	Cords		
	Red Pine		513	Cords		
	White Pine		165	Cords		
3	Jack Pine	Pulpwood	4	Cords	23.7	\$19,144.70
	Quaking Aspen		2	Cords		
	Red Pine		356	Cords		
	White Pine		114	Cords		
4	Balsam Fir	Pulpwood	3	Cords	56.1	\$38,296.65
	Jack Pine		3	Cords		
	Red Pine		768	Cords		
	White Pine		58	Cords		
5	Jack Pine	Pulpwood	48	Cords	31.0	\$17,083.20
	Red Pine		302	Cords		
	White Pine		82	Cords		
6	Paper Birch	Pulpwood	9	Cords	15.3	\$5,655.60
	Red Pine		7	Cords		
	White Pine		348	Cords		
7	Red Pine	Pulpwood	287	Cords	24.6	\$14,308.20
	White Pine		24	Cords		
8	Red Pine	Pulpwood	277	Cords	23.7	\$13,822.20
	White Pine		24	Cords		
		TOTAL:	3,539	Cords		

Sale Specific Conditions & Requirements

Sale Name: Old Lookout Tower Pine

Sale Number: 42-003-20 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 and yellow paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint, in addition County Road 416 is a boundary between Payment Unit 4 and Payment Units 2 and 3, and between Payment Units 5 and 3 as shown on the Timber Sale Map. 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

2.1.4 - Designated timber unit(s) (6/17)

Within Payment Unit(s) 1 - 8, all red pine, white pine, jack pine, aspen, balsam fir and paper birch are designated for cutting which meet minimum piece specifications in 2.2 - Utilization. Do not cut oak in any Payment Unit.

2.1.7 - Leave tree marked unit(s) (6/14)

Within Payment Unit(s) 1 - 8 do not cut any trees marked with green paint above and below stump height.

2.1.11 - Description of timber note (2/04)

Note that the red and white pine in the Sale Area is mostly of sawlog size. All pine was cruised as pulp.

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 at DBH and 4 inches for trees smaller than 10 inches at DBH. This is to facilitate follow up cultivation operations.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 2 - 5 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.

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.

4.1.6 - 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. 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. Contact the sale administrator for specific details of design and placement.

4.1.12 - No new roads (1/12)

No new roads will be permitted in Payment Units 7 & 8. All operations are limited to existing roads. Back in spurs will be allowed.

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.

5 - Operations

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (9/16)All slash must be removed at least 10 feet from the cleared right-of-way of existing forest roads.

5.2.1.8 - Slash height (12/08)No slash may exceed 24 inches in height.

5.2.1.11 - Slash for reforestation (5/07)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (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

5.2.3.6 - Bark beetle restriction (12/08)

In the event drought creates a high risk of pine bark beetle infestation, pine is not to be cut during the period March 1 through July 1, unless all portions of trees greater than two inches in diameter are removed from the sale area, reduced to chips, or treated to the satisfaction of the Unit Manager or his/her representative, within fifteen days of being severed from the stump. Pine log decks, pulpwood piles and treetops that are piled for chipping in the fall or winter within a 1/4 mile of susceptible sites must be removed before March 15. Residual slash must not be placed in piles or rows and must be spread over the site for quick drying. The Department of Natural Resources will exercise this specification if the risk of damage warrants.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 1 - 8, cutting, skidding, and hauling occur during snow free months. The reason for the recommendation is because of the need for low stumps and the use of the county road which also serves as a snowmobile trail in the winter months.

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.

5.2.39 - ORV trail/route protection (4/18)

The Pine Ridge Trail is an ORV trail and is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers. All stumps within 5 feet of the trail must be cut flush with the ground. Maintain a 20-foot-wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline. Do not run equipment down the ORV trail or route.

5.2.40 - Pathway protection (10/10)

The Headquarters Lake Equestrian Trail is a horse trail and is shown on the Timber Sale Map. Do not cut trees or damage posts with blue pathway markers. Maintain a 20-foot-wide slash, debris, and rut free zone daily, using the pathway as the centerline.

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

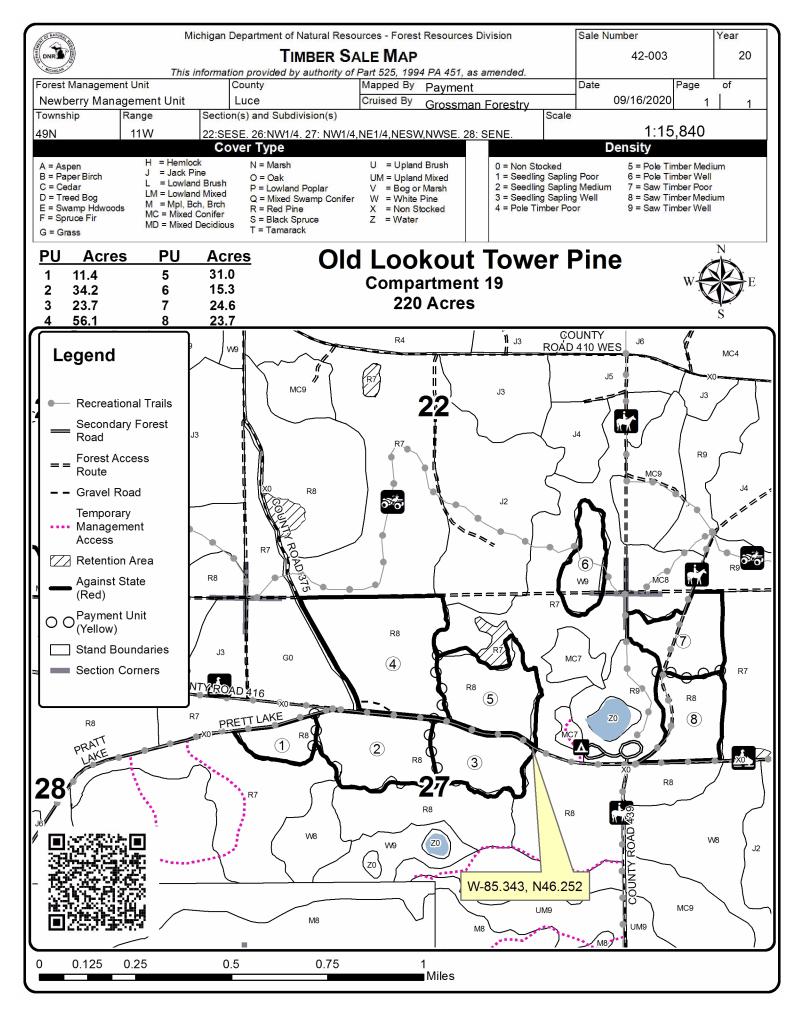
6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on County Road 416 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.

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on the Pine Ridge ORV Trail and Headquarters Lake Equestrian Trail prior to beginning operations. The trail must be posted at appropriate distances from the Sale Area to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed. The DNR will provide these signs.



TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

<u>Cowboy Boot Pine (42-002-20)</u> T49N, R11W, SEC. 26; T49N, R11W, SEC. 27; Luce COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on June 3, 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	ESTIMATED	VOLUME*	<u>AD</u>	/ERTISED PRICE	BID PRICE/UNIT
Sawtimber Red Maple	6.6	MBF	\$	71.00/MBF	\$
Pulpwood					
Balsam Fir	75	Cords	\$	9.45/Cord	\$
Jack Pine	18	Cords	\$	24.50/Cord	\$
Mixed Hardwood	305	Cords	\$	11.95/Cord	\$
Paper Birch	24	Cords	\$	10.60/Cord	\$
Quaking Aspen	37	Cords	\$	17.55/Cord	\$
Red Pine	2,083	Cords	\$	48.60/Cord	\$
White Pine	2,268	Cords	\$	15.00/Cord	\$
White Spruce	13	Cords	\$	17.40/Cord	\$

*The volumes are statistically estimated within plus (+) or minus (-) 10.94 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	IRITY 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

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	This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.						
	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.						
	 If you have checked item 2(A) or 2(B), you must indicate the number of both full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0"). 						
	Full-time Er	nnlovees		Part-time Employees			
		npioyees					
Name of E	Business		Federal ID (or)	Social Security No.			
Address			Telephone				
Otto		04-4-	()				
City		State	ZIP				
I hereby certify that the above information is true and correct. I agree to notify the Michigan DNR of any changes that occur in factors affecting my coverage during any of my present and future operations.							
Signature of Owner or Authorized Representative							
Title	Title Date			e			
				-			

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

_____ Date:_____

Old Lookout Tower Pine (42-003-20)

T49N, R11W, SEC. 22; T49N, R11W, SEC. 26; T49N, R11W, SEC. 27; T49N,

In response to the notice of sale to be held 3:00 p.m. (local time) on June 3, 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 Pulpwood	<u>ESTIMATED</u>	VOLUME*	<u>AD\</u>	ERTISED PRICE	BID PRICE/UNIT
Balsam Fir	3	Cords	\$	9.45/Cord	\$
Jack Pine	66	Cords	\$	24.50/Cord	\$
Paper Birch	9	Cords	\$	10.60/Cord	\$
Quaking Aspen	6	Cords	\$	17.55/Cord	\$
Red Pine	2,610	Cords	\$	48.60/Cord	\$
White Pine	845	Cords	\$	15.00/Cord	\$

*The volumes are statistically estimated within plus (+) or minus (-) 14.83 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	IRITY NUMBER:	<u> </u>
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):_____

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			
	 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 0 one (21) days of the contract award.	Compensation Policy	 I will provide 	an original Certificate of Insurance within twenty-			
	 If you have checked item 2(A) or 2(B), you must indicate the number of both full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0"). 						
	Full-time 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						
Signature of Owner or Authorized Representative							
Title	Title Date			te			

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