

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #6757

<u>SCHEDULED SALE DATE AND TIME:</u> 10:00 a.m. (local time) on November 9, 2020. <u>LOCATION:</u> SAULT STE MARIE MGMT UNIT, P.O. BOX 798, 4131 S. M-129, SAULT STE MARIE, MI 49783.

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, SAULT STE MARIE MANAGEMENT UNIT, for certain timber on the following described lands:

<u>D.I. Sand Bay</u> (45-001-20) / T42N, R07E, SEC. 21, SENE,NESE. T42N, R07E, SEC. 22, W1/2NW,W1/2SW. T42N, R07E, SEC. 27, NENW,NWNE,S1/2NE. Chippewa County, Advertised Price \$55,768.35, 137.2 Acres, Hardwood, Aspen.

SALE NOTE: Access to a majority of this sale is across private property. Before bidding make sure the landowner will grant permission to use their property. Contact the DNR for landowner 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. Access may be through private land.

D.I. Third Lake Mix (45-002-20) / T42N, R07E, SEC. 16, SESW,SE. Chippewa County, Advertised Price \$19,501.05, 53.1 Acres, Aspen, N White Cedar.

SALE NOTE: Access to this sale is across the Drummond Island Club. Permission must be granted prior to bidding on this sale. Contact MDNR for further details and contact information for the club.

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. Access may be through private land.

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

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

Bids must be received by the Unit Manager, SAULT STE MARIE OFFICE, P.O. Box 798 4131 S. M-129, Sault Ste Marie, MI 49783, no later than 10:00 a.m. (local time) on November 9, 2020. For further information concerning this sale, contact Jeff Wise at 906-635-5281 extension 2.

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>D.I. Sand Bay (45-001-20)</u>

T42N, R07E, SEC. 21; T42N, R07E, SEC. 22; T42N, R07E, SEC. 27. Chippewa County (Advertised Price \$55,768.35)

SALE NOTE: Access to a majority of this sale is across private property. Before bidding make sure the landowner will grant permission to use their property. Contact the DNR for landowner 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. 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 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*	ADV	ERTISED PRICE
Sawtimber				
Basswood	25.5	MBF	\$	66.00 / MBF
Paper Birch	3.8	MBF	\$	35.00 / MBF
Red Maple	3.1	MBF	\$	62.00 / MBF
Sugar Maple	154.0	MBF	\$	199.00 / MBF
White Ash	106.0	MBF	\$	42.00 / MBF
Yellow Birch	1.5	MBF	\$	68.00 / MBF
Pulpwood				
Balsam Fir	21	Cords	\$	6.65 / Cord
Mixed Aspen	485	Cords	\$	12.85 / Cord
Mixed Hardwood	1,081	Cords	\$	10.55 / Cord
Paper Birch	83	Cords	\$	7.05 / Cord
White Spruce	19	Cords	\$	10.45 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 13.56 percent. There are an estimated 2,275 cords on this timber sale, plus or minus 308 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 \$2,788.00 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
01	24.2%
02	33.0%
03	13.2%
04	29.6%

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

5. Operations on the contract issued will terminate on 06/30/2023.

SALE STATISTICS

SALE VOLUMES

VOLUME			STATISTICAL RA	ANGE IN CORDS
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
179,693	2,275	13.56%	1,966	2,583

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
13	82,144	1,040	13.29%	902	1,178
16	48,577	615	39.48%	372	858
26	48,980	620	15.44%	524	716
TOTAL:	179,701	2,275		1,798	2,751

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
13	69.7	1	29.5
		2	40.2
16	23.8	3	23.8
26	43.7	4	43.7
TOTAL:	137.2		137.2

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

White Ash Mixed Aspen Pulpwood	4.1 1.6 44.9	MBF MBF	ACRES 29.5	ADVERTISE PRICE \$13,500.55
Paper BirchSugar MapleWhite AshMixed AspenPulpwood	1.6			
Sugar MapleAWhite Ash3Mixed AspenPulpwood				\$10,000.00
White Ash Mixed Aspen Pulpwood		MBF		
Mixed Aspen Pulpwood	31.1	MBF		
	6	Cords		
Balsam Poplar	3	Cords		
Quaking Aspen	3	Cords		
	270	Cords		
Basswood	41	Cords		
Black Ash	7	Cords		
Ironwood	3	Cords		
Sugar Maple	153	Cords		
White Ash	62	Cords		
Yellow Birch	4	Cords		
Paper Birch	1	Cords		
2 Basswood Sawtimber	5.7	MBF	40.2	\$18,399.25
Paper Birch	2.2	MBF		¢:0,000.20
	61.2	MBF		
	42.4	MBF		
Mixed Aspen Pulpwood	7	Cords		
Balsam Poplar	3	Cords		
Quaking Aspen	4	Cords		
	368	Cords		
Basswood	57	Cords		
Black Ash	9	Cords		
Ironwood	5	Cords		
	208	Cords		
White Ash	84	Cords		
Yellow Birch	5	Cords		
Paper Birch	2	Cords		
3 Red Maple Sawtimber	3.1	MBF	23.8	\$7,340.00
White Ash	4.6	MBF		
Balsam Fir Pulpwood	20	Cords		
	425	Cords		
Balsam Poplar	81	Cords		
	344	Cords		
Mixed Hardwood	58	Cords		
Basswood	14	Cords		
Black Ash	4	Cords		
Ironwood	6	Cords		
Red Maple	24	Cords		
White Ash	10	Cords		
	78			
Paper Birch		Cords		
White Spruce	19	Cords		A
	15.7	MBF	43.7	\$16,528.55
	47.9	MBF		
	27.9	MBF		
Yellow Birch	1.5	MBF		
Balsam Fir Pulpwood	1	Cords		
Mixed Aspen	47	Cords		
Balsam Poplar	9	Cords		
Quaking Aspen	38	Cords		
	385	Cords		
Basswood	46	Cords		
Beech	8	Cords		
Ironwood	5	Cords		

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

				-		
PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
4 con't	Sugar Maple	Pulpwood	238	Cords		
	White Ash		82	Cords		
	Yellow Birch		6	Cords		
	Paper Birch		2	Cords		
		TOTAL:	293.9	MBF		
		TOTAL:	1,689	Cords		

Sale Specific Conditions & Requirements

Sale Name: D.I. Sand Bay

Sale Number: 45-001-20 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 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. Retention patches are marked with red paint; no harvesting activities may occur within these areas. The painted boundary line trees are not Included Timber and are to be protected unless marked with orange paint. 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

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

Within Payment Unit(s) 3, cut all deciduous trees that are two (2) inches or more at DBH, except do not cut any oak, sugar maple or yellow birch. In addition, cut all conifers that are four (4) inches or more at DBH, except do not cut any cedar, hemlock or pine.

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

Within Payment Unit(s) 1, 2 and 4, 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 un-limbed tops or lengths over seventeen (17) feet will not be permitted, unless approved by the Unit Manager or their representative.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 1, 2, 3 and 4 may be divided at the request of the Purchaser and upon approval of the Unit Manager. Dividing Payment Units is a contract modification which requires a Timber Sale Contract Supplement. There shall be only one division per Payment Unit.

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 MDNR if required.

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.

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, not left in windrows and kept a minimum of ten (10) feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least ten (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. These roads must be rendered impassable to cars and trucks. In general, this will require constructing a four (4) foot high berm of stumps and logs covered with earth. Stumps and brush must be placed along the remainder of the trail. 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 details of design and placement.

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.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser, this permission should include the MDNR for contract administration purposes. 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

5.2 - 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

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1, 2 and 4, unless changed by written agreement, cutting and skidding are not permitted during the period of May 1 to July 15. This restriction is because of bark slippage.

5.2.4 - Dead and Down Creation

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed.

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.

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, 2 and 3, cutting, skidding and hauling occur during dry summer or frozen winter conditions. The reason for the recommendation is because the road through private land is soft and wet in places along with some low ground within Payment Unit 3. This may be avoided if the road is improved to support trucking in the summer time.

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.

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

5.2.41 - Snowmobile trail protection (9/11)

The snowmobile trail and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. The road maintenance/restoration must be done prior to December 1. If the trail road is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail. Maintain a twenty (20) foot wide slash, debris and rut free zone daily using the snowmobile trail as the center-line. No decking of forest products will be permitted along the snowmobile trail. All stumps within twenty (20) feet of the snowmobile trail must be cut at ground level.

5.3 - Stream Protection

5.3.1 - Operating near stream (7/04)

No tracked or wheeled vehicles shall be operated within fifty (50) feet of flowing or vernal creeks and streams, except at an approved crossing site.

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 twelve (12) inches or greater in depth and fifty (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

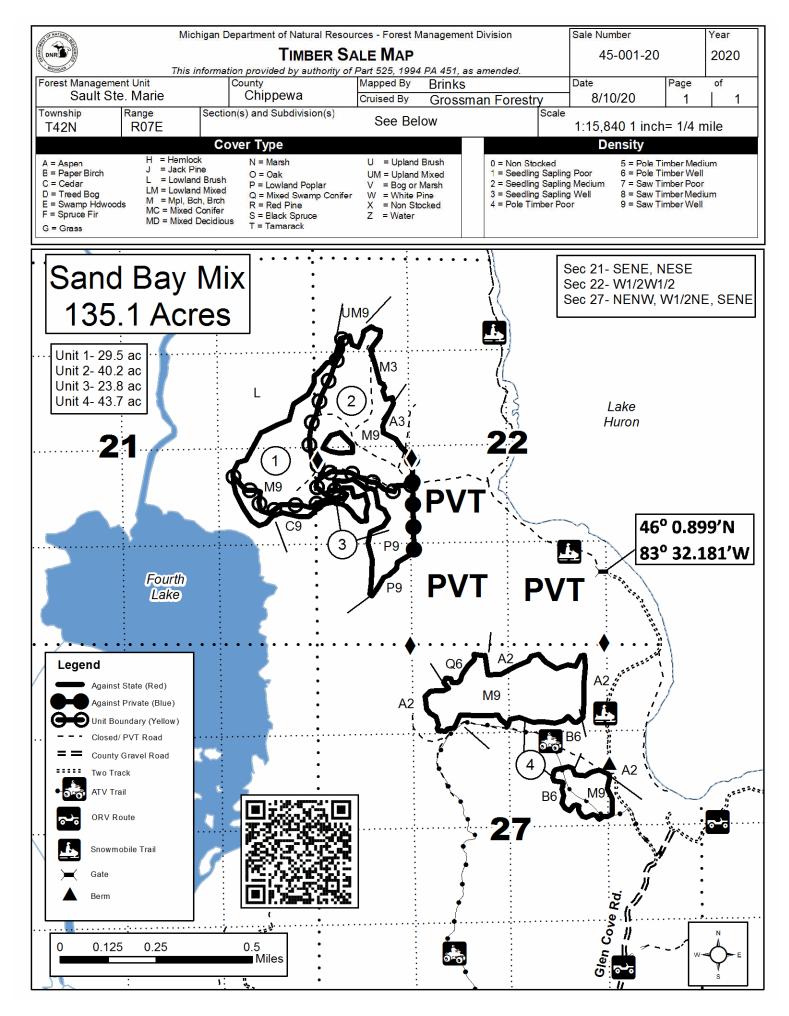
6.2 - Signing

6.2.2 - Snowmobile trail posting (8/09)

The Purchaser is responsible for posting and maintaining caution signs on the snowmobile trail prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail 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 shall provide these signs.

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on the ORV route and 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 Purchaser shall provide these signs.



TIMBER SALE INFORMATION

D.I. Third Lake Mix (45-002-20) T42N, R07E, SEC. 16. Chippewa County (Advertised Price \$19,501.05)

SALE NOTE: Access to this sale is across the Drummond Island Club. Permission must be granted prior to bidding on this sale. Contact MDNR for further details and contact information for the club.

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. Access may be through private land.

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Sawtimber				
Basswood	6.7	MBF	\$	66.00 / MBF
Sugar Maple	10.1	MBF	\$	199.00 / MBF
White Ash	2.4	MBF	\$	42.00 / MBF
Pulpwood				
Balsam Fir	30	Cords	\$	6.65 / Cord
Mixed Aspen	992	Cords	\$	12.85 / Cord
Mixed Hardwood	159	Cords	\$	10.55 / Cord
Mixed Spruce	17	Cords	\$	10.45 / Cord
N. White Cedar	506	Cords	\$	4.20 / Cord
Paper Birch	3	Cords	\$	7.05 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 11.54 percent. There are an estimated 1,747 cords on this timber sale, plus or minus 202 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:

02

- 1. A bond in the amount of \$975.00 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 VA			
01	18.7%		

81.3%

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

5. Operations on the contract issued will terminate on 06/30/2023.

SALE STATISTICS

SALE VOLUMES

VOL	UME	STATISTICAL RANGE IN CORDS		ANGE IN CORDS
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
138,045	1,747	11.54%	1,546	1,949

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
2	12,221	155	27.38%	112	197
4	125,831	1,593	10.67%	1,423	1,763
TOTAL:	138,053	1,748		1,535	1,960

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
2	8.9	1	8.9
4	44.2	2	44.2
TOTAL:	53.1		53.1

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Basswood	Sawtimber	5.7	MBF	8.9	\$3,653.05
	Sugar Maple		9.6	MBF		
	White Ash		1.1	MBF		
	Mixed Aspen	Pulpwood	19	Cords		
	Quaking Aspen		19	Cords		
	Mixed Hardwood		102	Cords		
	Basswood		15	Cords		
	Ironwood		3	Cords		
	Sugar Maple		76	Cords		
	White Ash		8	Cords		
2	Basswood	Sawtimber	1.0	MBF	44.2	\$15,848.00
	Sugar Maple		0.5	MBF		
	White Ash		1.3	MBF		
	Balsam Fir	Pulpwood	30	Cords		
	Mixed Aspen		973	Cords		
	Balsam Poplar		78	Cords		
	Quaking Aspen		895	Cords		
	Mixed Hardwood		57	Cords		
	Basswood		15	Cords		
	Black Ash		12	Cords		
	Ironwood		3	Cords		
	Red Maple		6	Cords		
	Sugar Maple		20	Cords		
	White Ash		1	Cords		
	Mixed Spruce		17	Cords		
	Black Spruce		2	Cords		
	White Spruce		15	Cords		
	N. White Cedar		506	Cords		
	Paper Birch		3	Cords		
		TOTAL:	19.2	MBF		
		TOTAL:	1,707	Cords		

Sale Specific Conditions & Requirements

Sale Name: D.I. Third Lake Mix

Sale Number: 45-002-20 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 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. Retention patches are marked with red paint; no harvesting activities may occur within these areas. 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

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

Within Payment Unit(s) 2, cut all deciduous trees that are two (2) inches or more at DBH, except do not cut any oak or yellow birch. In addition cut all conifers that are four (4) inches or more at DBH, except do not cut any hemlock or pine.

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

Within Payment Unit(s) 1, 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 un-limbed tops or lengths over seventeen (17) feet will not be permitted, unless approved by the Unit Manager or their representative.

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 Supplement. There shall be only one division per Payment Unit.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, not left in windrows and kept a minimum of ten (10) feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least ten (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. These roads must be rendered impassable to cars and trucks. In general, this will require constructing a four (4) foot high berm of stumps and logs covered with earth. 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 details of design and placement.

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.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser. The landowner is requiring that the access road be bonded. Should the Purchaser desire to cross private land, a copy of the written permission from the private landowner may be required by the MDNR. This permission must allow the MDNR access for contract administration purposes.

4.4.3 - Access gate (12/08)

The access gate must be locked at all times. This is to prevent someone other than the Purchaser from going through the gate and being locked in.

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

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1 and 2, cutting, skidding, and hauling are limited to the periods of January 1 to May 1, and July 15 to September 15. This restriction is a requirement of the private landowner, whose road is needed to access the sale area.

5.2.4 - Dead and Down Creation

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

To improve habitat for snowshoe hare, grouse, and other species, the Purchaser is to leave one brush pile, at least six (6) feet in height and twelve (12 feet) in diameter, on the ground for every 5 acres (~9 piles) within Payment Unit 2. These should be evenly scattered throughout the Payment Unit or positioned per the sale administrator's instruction.

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed.

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.

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 and 2, cutting, skidding and hauling occur during dry summer or frozen winter conditions. The reason for the recommendation is because low ground within the sale area.

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.

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

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

5.2.41 - Snowmobile trail protection (9/11)

The snowmobile trail is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or their representative prior to December 1. If the trail road is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail.

5.3 - Stream Protection

5.3.1 - Operating near stream (7/04)

No tracked or wheeled vehicles shall be operated within fifty (50) feet of flowing or vernal creeks/streams/rivers, except at an approved crossing.

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 twelve (12) inches or greater in depth and fifty (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)

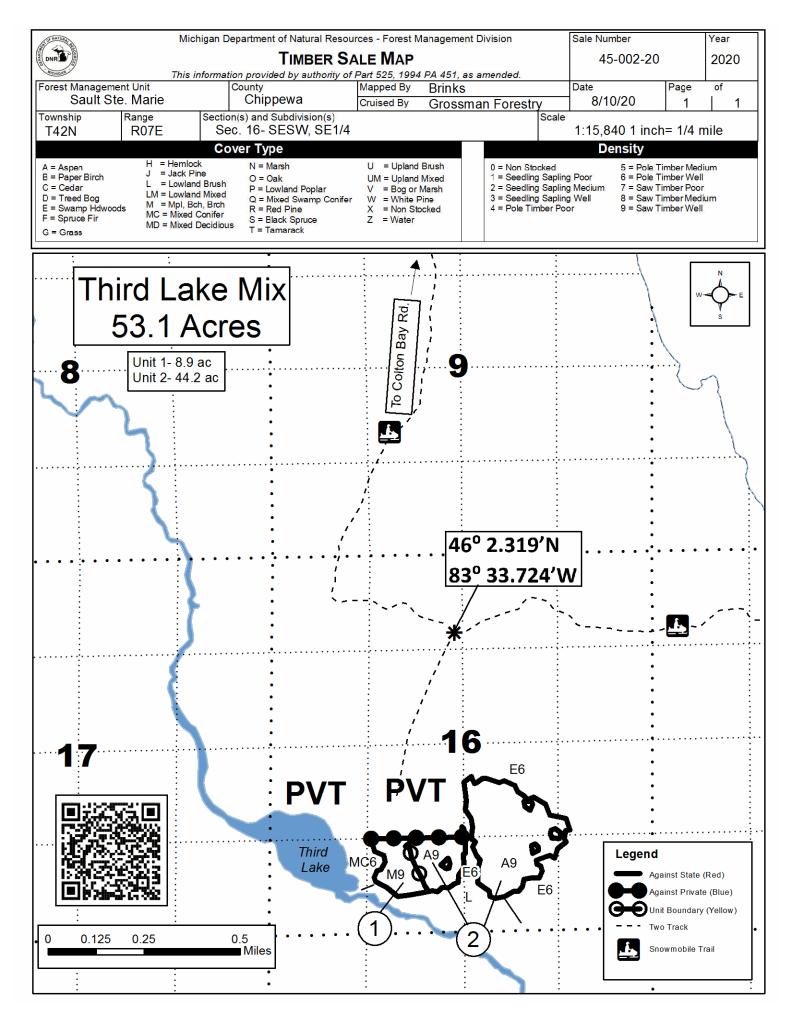
All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.2 - Snowmobile trail posting (8/09)

The Purchaser is responsible for posting and maintaining caution signs on the snowmobile trail prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail 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 shall provide these signs.



TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

D.I. Sand Bay (45-001-20)

T42N, R07E, SEC. 21; T42N, R07E, SEC. 22; T42N, R07E, SEC. 27; Chippewa

In response to the notice of sale to be held 10:00 a.m. (local time) on November 9, 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	ESTIMATED	VOLUME*	<u>AD</u>	VERTISED PRICE	BID PRICE/UNIT
Basswood	25.5	MBF	\$	66.00/MBF	\$
Paper Birch	3.8	MBF	\$	35.00/MBF	\$
Red Maple	3.1	MBF	\$	62.00/MBF	\$
Sugar Maple	154.0	MBF	\$	199.00/MBF	\$
White Ash	106.0	MBF	\$	42.00/MBF	\$
Yellow Birch	1.5	MBF	\$	68.00/MBF	\$
Pulpwood					
Balsam Fir	21	Cords	\$	6.65/Cord	\$
Mixed Aspen	485	Cords	\$	12.85/Cord	\$
Mixed Hardwood	1,081	Cords	\$	10.55/Cord	\$
Paper Birch	83	Cords	\$	7.05/Cord	\$
White Spruce	19	Cords	\$	10.45/Cord	\$

*The volumes are statistically estimated within plus (+) or minus (-) 13.56 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

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.						
	VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE							
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.							
	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 Date				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

<u>D.I. Third Lake Mix (45-002-20)</u> T42N, R07E, SEC. 16; Chippewa COUNTY

In response to the notice of sale to be held 10:00 a.m. (local time) on November 9, 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
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White Ash	2.4	MBF	\$	42.00/MBF	\$
Pulpwood					
Balsam Fir	30	Cords	\$	6.65/Cord	\$
Mixed Aspen	992	Cords	\$	12.85/Cord	\$
Mixed Hardwood	159	Cords	\$	10.55/Cord	\$
Mixed Spruce	17	Cords	\$	10.45/Cord	\$
N. White Cedar	506	Cords	\$	4.20/Cord	\$
Paper Birch	3	Cords	\$	7.05/Cord	\$

*The volumes are statistically estimated within plus (+) or minus (-) 11.54 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 SECURITY N	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

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	amended.						
	VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE							
sale	 This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract. 							
twe	 In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within twenty-one (21) days of the contract award and prior to the issuance of the timber sale contract. 							
• All 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							
Signature of Owner or Authorized Representative								
Title Date				te				

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