

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7048</u>

<u>SCHEDULED SALE DATE AND TIME:</u> 9:00 a.m. (local time) on June 16, 2022. <u>LOCATION:</u> PIGEON RIVER COUNTRY MGMT UNIT, PO BOX 456, 9966 TWIN LAKES ROAD, VANDERBILT, MI 49795.

<u>PROSPECTUS NOTE</u>: 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, PIGEON RIVER COUNTRY MANAGEMENT UNIT, for certain timber on the following described lands:

Milk Steak Mix (53-001-21) / T34N, R01E, SEC. 21, SWSW. T34N, R01E, SEC. 28, NW. Cheboygan County, Advertised Price \$17,169.45, 46.0 Acres, Aspen, Hardwood.

SALE NOTE: All units of volume listed for this sale were estimated using the Inventory Manager computer program and the new Michigan taper model.

Cornwallis Pine (53-023-21) / T33N, R01W, SEC. 26, E1/2SE. T33N, R01W, SEC. 35, NENW,S1/2NW,N1/2NE,SWNE. Cheboygan County, Advertised Price \$20,489.80, 22.5 Acres, Red Pine, Hardwood.

SALE NOTE: All units of volume listed for this sale were estimated using the Inventory Manager computer program and the new Michigan taper model.

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

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

Bids must be received by the Unit Manager, PIGEON RIVER COUNTRY OFFICE, PO Box 456 9966 Twin Lakes Road, Vanderbilt, MI 49795, no later than 9:00 a.m. (local time) on June 16, 2022. For further information concerning this sale, contact Mark Monroe at 989-983-4101 extension.

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>Milk Steak Mix (53-001-21)</u> T34N, R01E, SEC. 21; T34N, R01E, SEC. 28. Cheboygan County (Advertised Price \$17,169.45)

SALE NOTE: All units of volume listed for this sale were estimated using the Inventory Manager computer program and the new Michigan taper model.

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

PRODUCTS & SPECIES	ESTIMATE	ED UNITS*	ADVI	ERTISED PRICE
Sawtimber				
Red Maple	6.3	MBF	\$	34.00 / MBF
Red Pine	40.2	MBF	\$	81.00 / MBF
Pulpwood				
Balsam Fir	43	Cords	\$	16.10 / Cord
Black Spruce	6	Cords	\$	13.20 / Cord
Jack Pine	74	Cords	\$	17.00 / Cord
Mixed Aspen	335	Cords	\$	18.25 / Cord
Mixed Hardwood	152	Cords	\$	15.90 / Cord
Red Oak	5	Cords	\$	97.00 / Cord
Red Pine	56	Cords	\$	40.90 / Cord
White Pine	18	Cords	\$	20.20 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 8.93 percent. There are an estimated 782 cords on this timber sale, plus or minus 70 cords at the 95% confidence level. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$1,717.00 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

NIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	49.1%
02	23.6%
03	27.3%

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

5. Operations on the contract issued will terminate on 06/30/2025.

SALE STATISTICS

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

SALE VOLUMES

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

VOLUME		VOLUME		STATISTICAL RANGE IN CORDS	
TOTAL CUBIC FEET TOTAL CORDS		PERCENT ERROR	MINIMUM MAXIMUM		
61,807	782	8.93%	712	852	

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.

	VOL	UME		RANGE II	N CORDS
VDU	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
14	48,847	618	10.71%	552	685
16	12,960	164	13.61%	142	186
TOTAL:	61,807	782		694	871

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
14	34.0	1	22.9
		2	11.1
16	12.0	3	12.0
TOTAL:	46.0		46.0

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE	
1	Red Maple	Sawtimber	4.2	MBF	22.9	\$8,429.05	
	Red Pine		6.1	MBF			
	Balsam Fir	Pulpwood	26	Cords			
	Black Spruce		4	Cords			
	Jack Pine		25	Cords			
	Mixed Aspen		201	Cords			
	B. T. Aspen		132	Cords			
	Quaking Aspen		69	Cords			
	Mixed Hardwood		99	Cords			
	Paper Birch	Sawtimber	0.5	MBF			
	, Beech	Pulpwood	15	Cords			
	Paper Birch	- 1	1	Cords			
	Red Maple		79	Cords			
	Sugar Maple		3	Cords			
	Red Oak		4	Cords			
	Red Oak	Sawtimber	1.5	MBF			
	Red Oak	Pulpwood	1.0	Cords			
	Red Pine	1 010000	26	Cords			
	White Pine		20 10	Cords			
		Courtimphon					
	White Pine	Sawtimber	0.6	MBF			
-	White Pine	Pulpwood	9	Cords			
2	Red Maple	Sawtimber	2.1	MBF	11.1	\$4,051.20	
	Red Pine		3.0	MBF			
	Balsam Fir	Pulpwood	12	Cords			
	Black Spruce		2	Cords			
	Jack Pine		12	Cords			
	Mixed Aspen		98	Cords			
	B. T. Aspen		64	Cords			
	Quaking Aspen		34	Cords			
	Mixed Hardwood		50	Cords			
	Paper Birch	Sawtimber	0.3	MBF			
	Beech	Pulpwood	7	Cords			
	Paper Birch		1	Cords			
	Red Maple		39	Cords			
	Sugar Maple		2	Cords			
	Red Oak		1	Cords			
	Red Oak	Sawtimber	0.7	MBF			
	Red Pine	Pulpwood	13	Cords			
	White Pine		5	Cords			
	White Pine	Sawtimber	0.3	MBF			
	White Pine	Pulpwood	4	Cords			
3	Red Pine	Sawtimber	31.1	MBF	12.0	\$4,689.20	
l Š	Balsam Fir	Pulpwood	5	Cords	.2.0	\$ 1,000.20	
	Jack Pine		37	Cords			
	Mixed Aspen		36	Cords			
	B. T. Aspen		33	Cords			
	Quaking Aspen		3	Cords			
	Mixed Hardwood		3	Cords			
			3				
	Red Maple		-	Cords			
	Red Pine		17	Cords			
	White Pine		3	Cords			
	White Pine		3	Cords			
	TOTAL: 46.5 MBF						
		TOTAL:	689	Cords			

Sale Name: Milk Steak Mix

Sale Number: 53-001-21 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (9/19)

The sale boundary and Payment Unit boundaries are marked and identified by red and yellow paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. Red and yellow painted boundary line trees are not Included Timber and are to be protected.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1-2, cut all trees that are two (2) inches or more at DBH, except do not cut any trees marked with green paint. In addition, cut all oak trees that are marked with purple paint.

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

Within Payment Unit(s) 3, cut all trees that are two (2) inches or more at DBH, except do not cut oak or any trees marked with green paint.

3 - Payments

- 3.4 Damaged Timber
 - 3.4.1 Damaged timber (7/16)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. No damage is acceptable to undesignated live merchantable trees. Within the Sale Area, if more than 10% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber. In addition, extreme care should be taken to avoid damage to oak saplings and poletimber, which are abundant in parts of Payment Units 1-3. Some of these have been marked with green paint to aid in identification. Also, protect any clumps of pine saplings that have been marked with green paint.

4 - Transportation

4.1 - Construction

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.

4.1.7 - Road closure (10/11)

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

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4.1.12 - No new roads (1/12)
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No new roads will be permitted in any Payment Unit. All operations are limited to existing roads.

4.2 - Maintenance

4.2.4 - Grading (10/16)

For completion of the sale, Road 5/Tubbs Trail 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. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

4.2.5 - Two wheel drive condition (2/04)

All existing trail roads on and adjacent to the sale area must be passable by two-wheel drive traffic for the duration of the sale.

5 - Operations

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.11 - Slash for reforestation (3/21)

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

5.2.3.4 - Oak wilt restriction, no exceptions (1/18)

Within Payment Unit(s) 1-3, cutting, skidding, hauling within the sale and brushing of access roads to the sale are not permitted during the period of April 15 to July 15. No exceptions will be granted. This is necessary to reduce the spread of oak wilt.

5.2.4 - Dead and Down Creation

5.2.4.1 - Dead and down creation, marked trees (10/13)

All trees marked with a X of blue, orange, or green paint must be pushed over with the root ball still attached. If the diameter of the tree is too large to be pushed over, then it is acceptable to cut and leave the tree on site. These trees have been taken off the timber tally.

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.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 2, cutting, skidding, and hauling occur during dry summer or frozen winter conditions. The reason for the recommendation is because of seasonally wet soils.

5.2.32 - Decking/landing restoration (9/13)

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

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

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

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (7/16)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads which is 12 inches or greater in depth and 25 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit

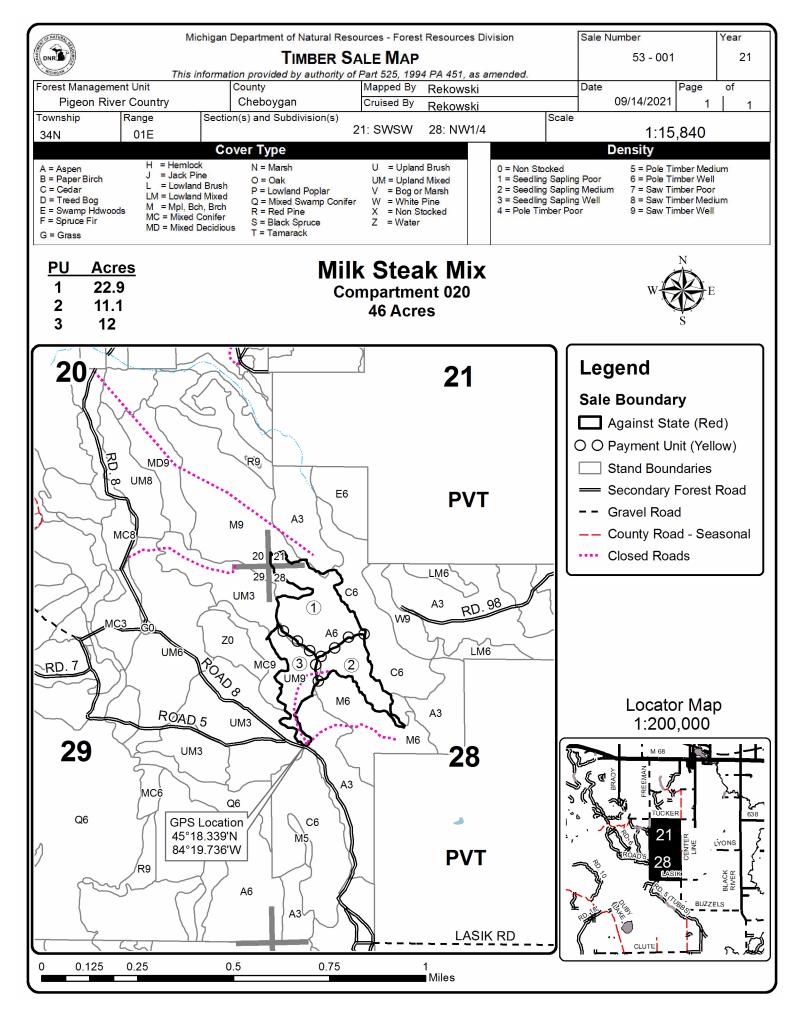
Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on Road 5/Tubbs Trail prior to beginning operations. The road must be posted at appropriate distances from the Sale Area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.



TIMBER SALE INFORMATION

Cornwallis Pine (53-023-21) T33N, R01W, SEC. 26; T33N, R01W, SEC. 35. Cheboygan County (Advertised Price \$20,489.80)

SALE NOTE: All units of volume listed for this sale were estimated using the Inventory Manager computer program and the new Michigan taper model.

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

PRODUCTS & SPECIES	ESTIMATED UNITS*		<u>ADV</u>	ERTISED PRICE
Sawtimber Red Pine	207.3	MBF	¢	81.00 / MBF
Pulpwood	207.3	MDF	\$	81.00 / MBF
B. T. Aspen	2	Cords	\$	18.25 / Cord
Balsam Fir	20	Cords	\$	16.10 / Cord
Mixed Hardwood	30	Cords	\$	15.90 / Cord
Red Pine	70	Cords	\$	40.90 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 13.60 percent. There are an estimated 531 cords on this timber sale, plus or minus 72 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 \$2,049.00 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:

PERCENT OF TOTAL SALE VALUE
11.7%
20.6%
67.7%

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

5. Operations on the contract issued will terminate on 12/31/2025.

SALE STATISTICS

PAYMENT UNIT

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

SALE VOLUMES

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

VOLUME		VOLUME			STATISTICAL RA	ANGE IN CORDS
TOTAL CUBIC FEET	TOTAL CUBIC FEET TOTAL CORDS F		PERCENT ERROR MINIMUM MAXIMUM			
41,935	531	13.60%	459	603		

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
46	4,381	55	17.50%	46	65
49	8,076	102	35.33%	66	138
61	29,478	373	16.55%	311	435
TOTAL:	41,935	531		423	638

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
46	3.8	1	3.8
49	3.2	2	3.2
61	15.5	3	15.5
TOTAL:	22.5		22.5

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Pine	Sawtimber	25.5	MBF	3.8	\$2,401.90
	B. T. Aspen	Pulpwood	2	Cords		
	Mixed Hardwood		6	Cords		
	Beech		2	Cords		
	Red Maple		2	Cords		
	Sugar Maple		2	Cords		
	Red Pine		5	Cords		
2	Red Pine	Sawtimber	38.4	MBF	3.2	\$4,221.50
	Mixed Hardwood	Pulpwood	3	Cords		
	Sugar Maple		2	Cords		
	White Ash		1	Cords		
	Red Pine		26	Cords		
3	Red Pine	Sawtimber	143.4	MBF	15.5	\$13,866.40
	Balsam Fir	Pulpwood	20	Cords		
	Mixed Hardwood		21	Cords		
	Red Maple	Sawtimber	1.8	MBF		
	Beech	Pulpwood	4	Cords		
	Red Maple		11	Cords		
	Sugar Maple		2	Cords		
	Red Pine		39	Cords		
		TOTAL:	207.3	MBF		
		TOTAL:	122	Cords		

Sale Name: Cornwallis Pine

Sale Number: 53-023-21 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (9/19)

The sale boundaries are marked and identified by red paint. Exterior sale boundary lines against state are marked with red paint. Boundary excluded retention patches are present along exterior locations of Payment Unit 3; these patches are shown on the Timber Sale Map. No harvesting activities may occur within these areas. The red painted boundary line trees are not Included Timber and are to be protected.

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 trees that are two (2) inches or more at DBH, except do not cut white pine, oak or any trees painted with green paint. Special protection trees identified in accordance with condition 3.4.2, within clearcutting unit boundaries, are not Included Timber and are to be protected.

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

Within Payment Unit(s) 1 and 2, cut all trees that are two (2) inches or more at DBH, except trees marked with green paint above and below stump height.

2.2 - Utilization

2.2.6 - Roundwood operation required (3/21)

The skidding of whole trees or tree segments with limbs attached is prohibited within Payment Unit(s) 1-3, unless changed by written approval by the Unit Manager or his/her representative. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (7/16)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, extreme care should be taken to avoid damage to pine seedlings and saplings in Payment Units 3. As much as possible, harvesting operations should try to go around pockets that are heavy with red, white and jack pine saplings, many of which are 5-20 feet tall.

Within Payment Units 3, if more than 50% of the pine seedlings or saplings (1/4" to 4.5" DBH) within a specified portion of the Sale Area are damaged, liquidated damages will be assessed at \$300 per acre for all acreage within that specified portion of the Sale Area that was damaged.

No damage is acceptable to undesignated live merchantable trees and designated retention areas. Within the Sale Area, if more than 5% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

3.4.2 - Special Protection Trees (4/14)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are the single green painted Legacy White Pine tree located within Payment Unit 3. Legacy trees are defined as having some of the following characteristics: twenty-six (26) inches or more at DBH, fire scars, broken tops/crowns, etc. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$500.00 as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

4 - Transportation

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.

4.1.7 - Road closure (10/11)

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

4.1.12 - No new roads (1/12)

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

4.2 - Maintenance

4.2.4 - Grading (10/16)

If deemed necessary by the timber sale administrator, state forest roads must be graded after hauling operations are complete. In general, this will require a road grader or bulldozer to shape up the roads after forest products have been hauled off site. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

4.2.5 - Two wheel drive condition (2/04)

All existing trail roads on and adjacent to the sale area must be passable by two-wheel drive traffic for the duration of the sale.

5 - Operations

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.10 - No slash in openings (5/10)

No brush or logging debris is to be left in the maintained wildlife opening which is indicated by G0 on the Timber Sale Map. Any damage to the opening shall be repaired according to specifications of the Unit Manager or his/her representative.

5.2.1.11 - Slash for reforestation (3/21)

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.

5.2.4 - 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.

5.2.32 - Decking/landing restoration (9/13)

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

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

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

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (7/16)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and/or skid trails which is

12 inches or greater in depth and 25 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

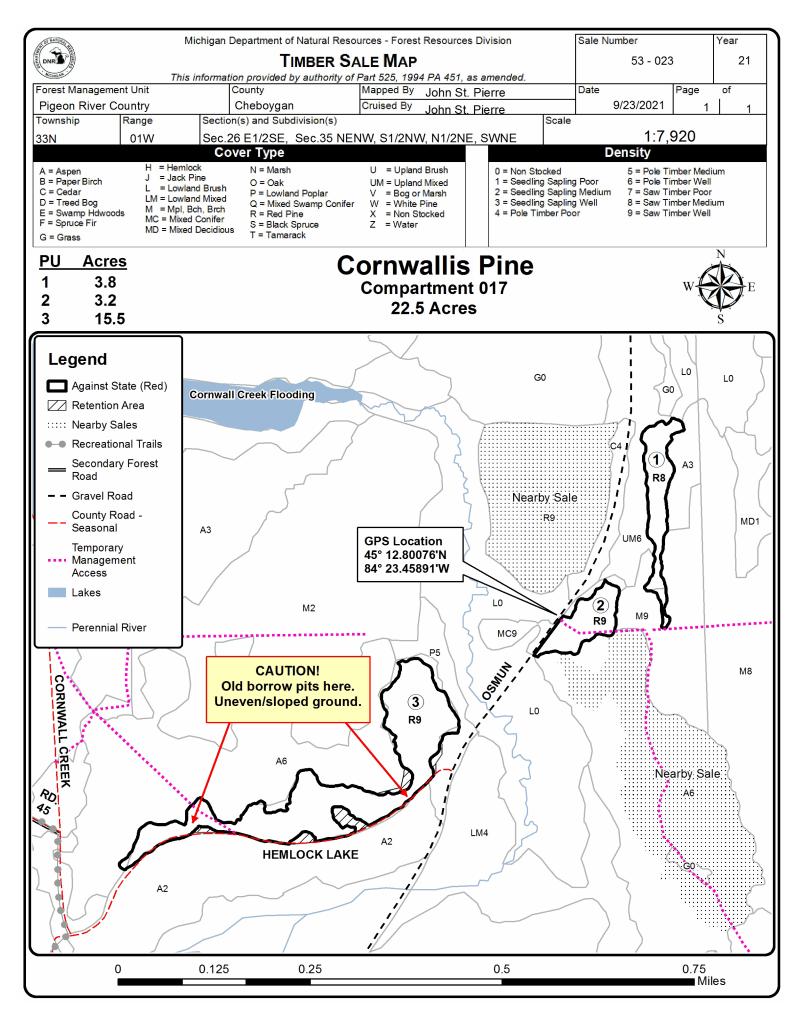
All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on Osmun and Hemlock Lake Road prior to beginning operations. The road must be posted at appropriate distances from the Sale Area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.



TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

Milk Steak Mix (53-001-21)

T34N, R01E, SEC. 21; T34N, R01E, SEC. 28; Cheboygan COUNTY

In response to the notice of sale to be held 9:00 a.m. (local time) on June 16, 2022, 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
Red Maple	6.3	MBF	\$	34.00/MBF	\$
Red Pine	40.2	MBF	\$	81.00/MBF	\$
Pulpwood					
Balsam Fir	43	Cords	\$	16.10/Cord	\$
Black Spruce	6	Cords	\$	13.20/Cord	\$
Jack Pine	74	Cords	\$	17.00/Cord	\$
Mixed Aspen	335	Cords	\$	18.25/Cord	\$
Mixed Hardwood	152	Cords	\$	15.90/Cord	\$
Red Oak	5	Cords	\$	97.00/Cord	\$
Red Pine	56	Cords	\$	40.90/Cord	\$
White Pine	18	Cords	\$	20.20/Cord	\$

*The volumes are statistically estimated within plus (+) or minus (-) 8.93 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 SOCIA	IAL SECURITY NUMBER:		
Company or individual bidding:				
Company representative's name	9:			
Address:				
City:	State:	Zip:		

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

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

Phone number :_____ Email (optional):_____

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

NTOF NATURAL ACTION	Michigan Department of Natur Forest Resources Div			FOR DEPARTMENT USE ONLY Sale Number (XX – XXX – XX – XX)			
add Michigan - 67	TIMBER SAL	E					
	VERIFICATION OF WORKE	R'S DISABII IT	Y	Forest Management Unit:			
			•	Forest Management Onit.			
		-	- d				
	As required by Act 317, P.A. 1969 (Work Part 5 of Act 451 of 1994, as	amended.					
	CATION OF WORKER'S DISABILIT						
sale	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				
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			Dat	e			
			Dat	-			

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

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

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

Date:

Cornwallis Pine (53-023-21)

T33N, R01W, SEC. 26; T33N, R01W, SEC. 35; Cheboygan COUNTY

In response to the notice of sale to be held 9:00 a.m. (local time) on June 16, 2022, 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	ESTIMATED VOLUME*		ERTISED PRICE	BID PRICE/UNIT
Red Pine	207.3	MBF	\$	81.00/MBF	\$
Pulpwood					
B. T. Aspen	2	Cords	\$	18.25/Cord	\$
Balsam Fir	20	Cords	\$	16.10/Cord	\$
Mixed Hardwood	30	Cords	\$	15.90/Cord	\$
Red Pine	70	Cords	\$	40.90/Cord	\$

*The volumes are statistically estimated within plus (+) or minus (-) 13.60 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 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):_____

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.						
	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				
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			Dat	e			
			Dat	-			

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

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