

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS

Notice is hereby given that bids will be received by the Unit Manager, ESCANABA MANAGEMENT UNIT, for certain timber on the following described lands:

PEAS AND OATS / T36N, R27W, SEC. 21, NENE, SENE, NESE, SESE.
MENOMINEE COUNTY (Appr. \$38,081.35)

HOUTE'S ASPEN / T37N, R28W, SEC. 22, NW1/4, NWNE.
MENOMINEE COUNTY (Appr. \$36,005.95)

J & D RANCH / T34N, R29W, SEC. 01, SWNE, SENW.
MENOMINEE COUNTY (Appr. \$17,438.35)

SALE DATE AND TIME: 4:00 p.m. on October 19, 2009.

ESCANABA

BID INSTRUCTIONS (Ver. 06/23/2008):

- 1. <u>Bid Location, Date, and Time:</u> Bids must be received by the Unit Manager, Escanaba Management Unit, 6833 Hwy 2, 41 & M-35, Gladstone, MI 49837, no later than 4:00 p.m., on October 19, 2009. For further information concerning this sale, contact the Unit Manager at 906-786-2354.
- 2. Bidder's Qualifications: 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, that 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/FMFM 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. <u>Preparation of Sealed Bids:</u> Bids shall be manually signed in ink; 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 forms, each erasure or change must be initialed by the person signing the bid.
- 4. <u>Submission of Sealed Bids</u>: Bid forms may be obtained from the Unit Manager. All bids must be submitted on the bid form and in an <u>envelope clearly identified</u> 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) that it is a "Bid for Timber," and (b) the sale name or number, and (c) 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.
- 5. Public Opening of Sealed Bids: If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.
- 6. Award of Contract: 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. <u>Down Payment:</u> 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. <u>Performance Security:</u> 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. <u>Timber Sale Contract</u>: 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/dnr. 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 1 year. 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 termination date.

10. Disclaimer of Estimates and Bidder's Warranty of Inspection: 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: 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-090N and the Sustainable Forestry Initiative (SFI) - Certificate # NSF-SFIS-5Y031-S1. Forest products from this sale may be delivered to the mill as "FSC 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.

REBECCA A. HUMPHRIES Director

PEAS AND OATS (027-09-01)

A timber sale contract for this <u>LUMP SUM SEALED</u> timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE			
SAWLOGS					
MIX HARDWD	23.70 MBF	\$	142.00/MBF		
PULPWOOD					
Q. ASPEN	369.00 CORDS	\$	28.95/CORD		
BALSAM FIR	126.00 CORDS	\$	24.45/CORD		
MIX HARDWD	415.00 CORDS	\$	28.60/CORD		

In addition, the successful bidder agrees to purchase the following species at the indicated appraised price:

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE
SAWLOGS	· · · · · · · · · · · · · · · · · · ·	
BASSWOOD	16.80 MBF	\$ 157.00/MBF
WHITE PINE	13.60 MBF	\$ 90.00/MBF
RED PINE	1.00 MBF	\$ 145.00/MBF
PULPWOOD		
BASSWOOD	107.00 CORDS	\$ 23.50/CORD
W. SPRUCE	78.00 CORDS	\$ 23.20/CORD
MIX SOFTWD	30.00 CORDS	\$ 25.10/CORD

^{*}The volumes are statistically estimated within plus (+) or minus (-)10.04 percent. 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.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$2,500.00 to insure faithful performance of the conditions of the contract, will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment may 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
	1				10%		
	2				41%		
	3				18%		
	4				31%		

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on September 30, 2012.



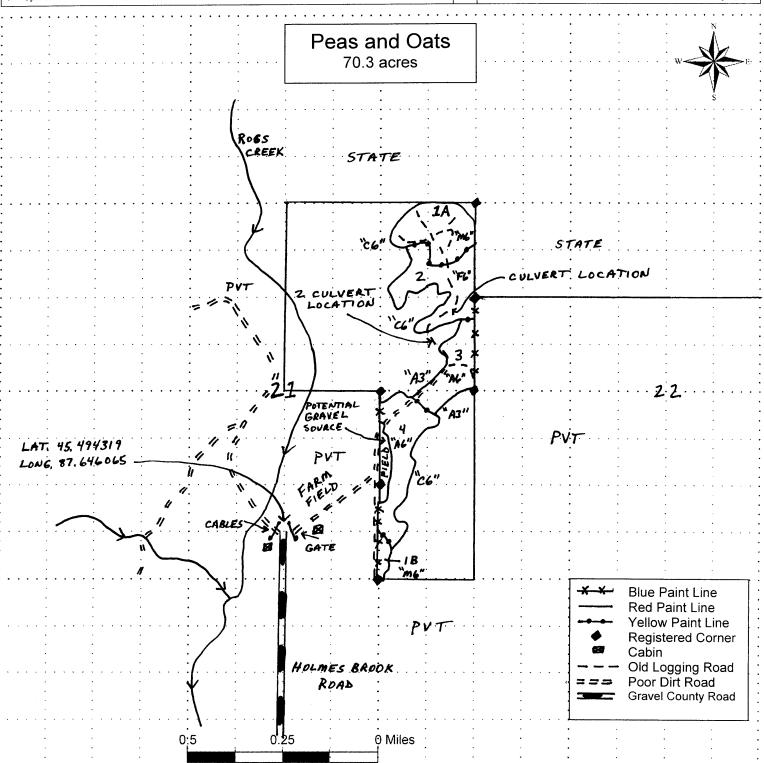
Michigan Department of Natural Resources - Forest, Mineral & Fire Management **TIMBER SALE MAP**

Sale Number Year

v authority of Part 525 of Act 451. PA 1994, as amended.

33-027-09-01 2009

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Jnit	County Mapped By Salter Menominee Cruised By Salter, Do			Date	Page	of
			Durbin	76/27/20	09 1	1
Range 27W						
Co	over Type			Den	sity	
G = Grass H = Hemlock J = Jack Pine L = Lowland Brush M = Mpl, Bch, Brch N = Marsh	O = Oak P = Lowland Poplar Q = Mixed Swamp Cnfr R = Red Pine S = Black Spruce T = Tamarack	U = Upland Brush V = Bog or Marsh W = White Pine X = Non Stocked Z = Water	2 = Seedling Saplin 3 = Seedling Saplin	g Poor g Medium g Well	6 = Pole Timber We 7 = Saw Timber Poo 8 = Saw Timber Med	ll or dium
	Range 27W Co G = Grass H = Hemlock J = Jack Pine L = Lowland Brush M = Mpl, Bch, Brch	County Menominee Range 27W Section(s) and Subdivision 21 - NENE, SENE, N Cover Type G = Grass H = Hemlock J = Jack Pine L = Lowland Brush M = Mpl, Bch, Brch Section(s) and Subdivision 21 - NENE, SENE, N Cover Type G = Grass P = Lowland Poplar Q = Mixed Swamp Cnfr R = Red Pine S = Black Spruce	County Mapped By Salter	County Menominee Cruised By Salter	County Mapped By Salter Date G/27/20 Range 27W Section(s) and Subdivision(s) 21 - NENE, SENE, NESE, SESE	Range 27W Section(s) and Subdivision(s) 21 - NENE, SENE, NESE, SESE Cover Type G = Grass O = Oak U = Upland Brush H = Hemlock P = Lowland Poplar V = Bog or Marsh J = Jack Pine Q = Mixed Swamp Cnfr W = White Pine L = Lowland Brush R = Red Pine X = Non Stocked 3 = Seedling Sapling Medium 7 = Saw Timber Med 4 = Pole Timber Poor 9 = Saw Timber Well 4 = Pole Timber



Sale Specific Conditions & Requirements

Sale Name: Peas And Oats Sale Number: 33-027-09-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

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. 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 (4/09)

Within Payment Unit(s) 3 and 4, cut all species of trees that are three (3) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability; except do not cut cedar, pine, yellow birch, and trees marked with green paint.

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

Within Payment Unit(s) 1A and 1B, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition: within unit 1A cut all aspen, balm, balsam fir, and spruce unless they are marked with an orange X.

2.1.7 - Leave tree marked unit(s) (12/08)

Within Payment Unit(s) 2, all species of trees, which meet minimum piece specifications in 2.2 Utilization, are designated for cutting except red pine, white pine and trees marked with green paint above and below stump height. Red pine and white pine within this unit may be cut if marked with a green X.

2.1.11 - Description of timber note (2/04)

Note that mixed softwood pulpwood consists of 15 cds of cedar, 7 cds of white pine, 1 cd of red pine, and 7 cds of hemlock. Mixed hardwood consists primarily of maple, but there is also some ash and birch.

2.2 - Utilization

2.2.4 - Skidding length (2/09)

Skidding of lengths over 17 feet in units 1A and 1B is not permissible.

3 - Payments

3.3 - Pre-measured Sales

Sale Name: Peas And Oats Sale Number: 33-027-09-01

3.3.4 - Dividing payment units (12/08)

Payment unit(s) \$12,000 in value or greater 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.

4 - Transportation

4.1 - Construction

4.1.8 - Road work (1) (8/07)

The following road work is required: One 12" X 24' corrugated steel culvert must be installed in a drainage on the south end of unit 2 on the access road. Also, 2 additional 12" X 24' corrugated steel culverts will need to be installed within a low area between units 2 and 3 on the access road. All of the culverts will need 12 inches of gravel placed over them. Overall the contractor will have to haul and spread 250 cu yards of pit run gravel on the access road starting from the field on private property. Of the 250 yards of gravel about 150 yards will be needed in the low area between units 2 and 3 and over the culverts. The other 100 will need to be placed over the other culvert and in some other low areas on the access road. All road work must be completed prior to hauling any wood products. Gravel may be available from a ridge near unit 4. The contractor will have to check the quality of the fill. If this fill does not contain enough stone the closest state gravel pit is about seven miles away. The sale administrator will determine if the fill is adequate to use.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative. The restriction may occur during spring breakup or during other wet weather conditions.

4.2.4 - Grading (12/08)

Roads must be graded after the sale is completed. In general, this will require a dozer 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.

4.4 - Access

4.4.1 - Private property access (12/08)

Permission for access across private land is the responsibility of the purchaser. The landowner to the west of the sale area has indicated that he would allow access through his property, but it is up to each contractor to obtain permission to access the sale through his property. To obtain the landowners contact information you may call either Joe (ext 223) or Dustin (ext 224) at 906-753-6317 at the DNR Stephenson Field Office. A copy of the written permission from the private landowner must be given to the Unit Manager within 30 days of the bid opening and prior to the beginning of operations. Permission to cross private land must include access for DNR representatives to inspect the sale at any time.

5 - Operations

5.1 - Notification

Sale Name: Peas And Oats Sale Number: 33-027-09-01

5.1.4 - Post-sale conference (2/04)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

No trees are to be felled outside the sale area and all slash is to be kept at least 10 feet back from the blue paint line.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1A and 1B, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (12/04)

It is recommended, but not required, that within Payment Unit(s) 2, cutting and skidding occur during dry summer or frozen winter conditions. This restriction is because there are low wet areas within the unit. If rutting becomes a problem the remainder of the unit will have to be harvested between December 1st and March 31st.

5.2.32 - Decking/landing restoration (2/04)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to insure the proper regeneration of the stand.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

HOUTE'S ASPEN (028-09-01)

A timber sale contract for this <u>LUMP SUM SEALED</u> timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE
PULPWOOD		
Q. ASPEN	727.00 CORDS	\$ 28.30/CORD
N.W. CEDAR	97.00 CORDS	\$ 28.70/CORD
TAMARACK	123.00 CORDS	\$ 23.55/CORD

In addition, the successful bidder agrees to purchase the following species at the indicated appraised price:

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE		
SAWLOGS				
WHITE PINE	6.30 MBF	\$ 73.00/MBF		
RED PINE	6.70 MBF	\$ 129.00/MBF		
PULPWOOD				
W. SPRUCE	103.00 CORDS	\$ 24.65/CORD		
B. SPRUCE	109.00 CORDS	\$ 24.65/CORD		
MIX SOFTWD	79.00 CORDS	\$ 26.70/CORD		
MIX HARDWD	39.00 CORDS	\$ 28.00/CORD		

^{*}The volumes are statistically estimated within plus (+) or minus (-)10.71 percent. 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.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$2,000.00 to insure faithful performance of the conditions of the contract, will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment may 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
	1				30%		
	2				10%		
	3				27%		
	4				21%		
	5				12%		

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on September 30, 2012.

D = Treed Bog

E = Swamp Hdwoods

Michigan Department of Natural Resources - Forest, Mineral & Fire Management

TIMBER SALE MAP

This information provided by authority of Part 525 of Act 451, PA 1994, as amended.

Sale Number Year 33-028-09-01 2009

Forest Management Unit County Mapped By Durbin Page of 06/22/2009 Escanaba Menominee Cruised By Salter, Durbin 1

Range R28W Township Section(s) and Subdivision(s) 1/4 mile T37N 22-NW1/4,NWNE Density

Cover Type

A = Aspen G = Grass B = Paper Birch H = Hemlock C = Cedar

J = Jack Pine L = Lowland Brush M = Mpl, Bch, Brch N = Marsh

O = Oak P = Lowland Poplar Q = Mixed Swamp Cnfr R = Red Pine

S = Black Spruce

U = Upland Brush V = Bog or Marsh W = White Pine X = Non Stocked Z = Water

0 = Non Stocked

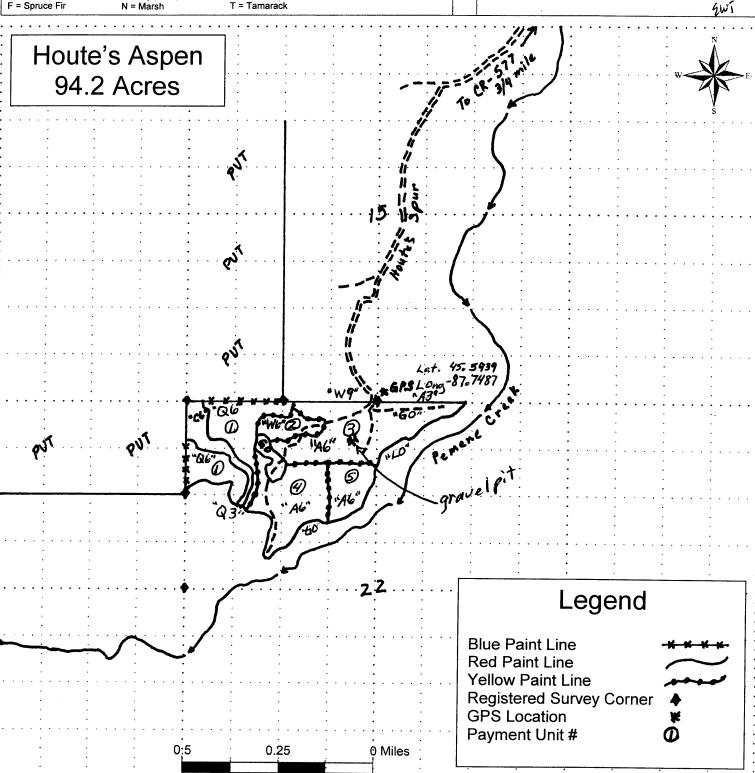
1 = Seedling Sapling Poor 2 = Seedling Sapling Medium

3 = Seedling Sapling Well 4 = Pole Timber Poor

5 = Pole Timber Medium

6 = Pole Timber Well 7 = Saw Timber Poor 8 = Saw Timber Medium

9 = Saw Timber Well



Sale Specific Conditions & Requirements

Sale Name: Houte's Aspen Sale Number: 33-028-09-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

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. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid for.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (4/09)

Within Payment Unit(s) 3, 4, and 5, cut all species of trees that are three (3) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability; except do not cut oak, white pine, and red pine.

2.1.7 - Leave tree marked unit(s) (12/08)

Within Payment Unit(s) 1 and 2, all species of trees, which meet minimum piece specifications in 2.2 Utilization, are designated for cutting except trees marked with green paint above and below stump height. Also, within Payment Unit 1, do not cut oak.

2.1.11 - Description of timber note (2/04)

Note that the mixed softwood pulpwood volume consists of 15 cds of balsam fir, 45 cds of white pine, 14 cds of red pine, and 5 cds of jack pine. The aspen volume contains 29 cds of balm. The balsam fir and white spruce are in a state of decline, because of the spruce budworm.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment unit(s) \$12,000 or greater in value 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.

4 - Transportation

4.2 - Maintenance

Sale Name: Houte's Aspen Sale Number: 33-028-09-01

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative. The restriction may occur during spring breakup or other wet weather conditions.

4.2.3 - Road maintenance (9/08)

The following road maintenance is required: The contractor will need to haul and spread 130 cubic yards of pit run gravel on the Houte's Spur road. There are a number of different areas where fill will be needed, starting from county road 577 back into the sale. Also, there is a low stretch on the road through unit 2 that will need approximately 60 yards. Gravel is available from the state pit located within unit 3 of the timber sale.

5 - Operations

5.1 - Notification

5.1.4 - Post-sale conference (2/04)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

No trees are to be felled outside the sale area and all slash is to be kept at least 10 feet back from the blue paint line.

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (12/08)

Within Payment Unit(s) 1, unless changed by written agreement, cutting and skidding are limited to the period of December 1st to March 31st. This restriction is because of low wet ground within the unit.

5.2.32 - Decking/landing restoration (2/04)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to insure the proper regeneration of the stand.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

J & D RANCH (030-09-01)

A timber sale contract for this <u>LUMP SUM SEALED</u> timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE			
SAWLOGS					
WHITE PINE	28.70 MBF	\$ 78.00/MBF			
RED PINE	19.70 MBF	\$ 113.00/MBF			
PULPWOOD					
Q. ASPEN	231.00 CORDS	\$ 28.75/CORD			
MIX HARDWD	95.00 CORDS	\$ 28.50/CORD			

In addition, the successful bidder agrees to purchase the following species at the indicated appraised price:

SPECIES	ESTIMATED VOLUME*	API	APPRAISED PRICE		
SAWLOGS					
MIXED OAK	12.40 MBF	\$	92.00/MBF		
PULPWOOD					
WHITE PINE	52.00 CORDS	\$	22.50/CORD		
RED PINE	13.00 CORDS	\$	31.30/CORD		
MIXED OAK	48.00 CORDS	\$	18.90/CORD		

^{*}The volumes are statistically estimated within plus (+) or minus (-)23.22 percent. 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.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$1,00.00 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 may 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
	1				22%		
	2				54%		
	3				24%		

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on September 30, 2012.

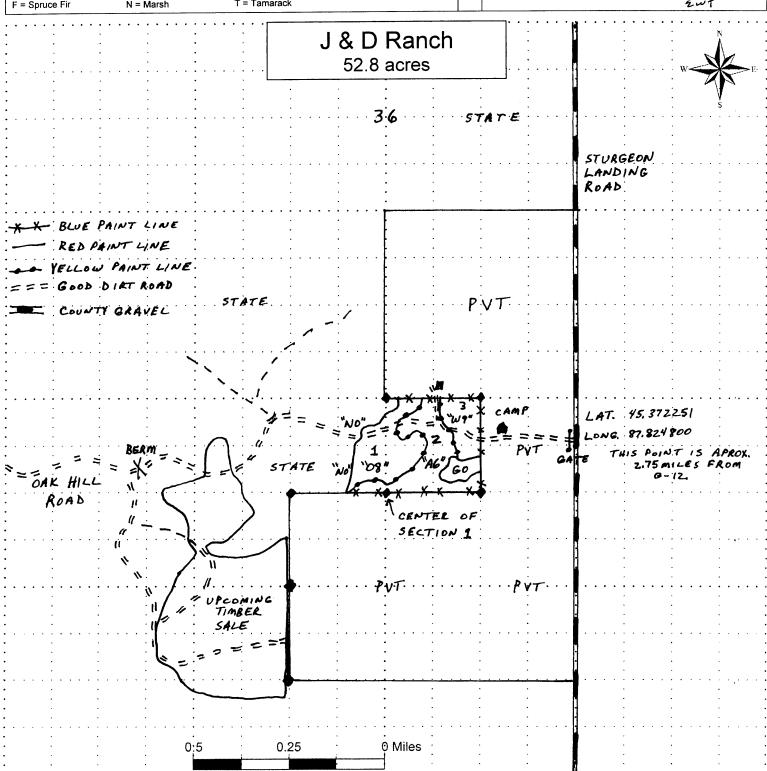


Michigan Department of Natural Resources - Forest, Mineral & Fire Management

TIMBER SALE MAP

This information provided by authority of Part 525 of Act 451, PA 1994, as amended.

Date Page of Mapped By Salter County Forest Management Unit 8/3/2009 Menominee 1 Escanaba Cruised By Salter, Durbin Section(s) and Subdivision(s) Range Township 1 - SWNE, SENW 29W 34N **Density Cover Type** U = Upland Brush 0 = Non Stocked 5 = Pole Timber Medium O = Oak G = Grass A = Aspen V = Bog or Marsh 6 = Pole Timber Well 1 = Seedling Sapling Poor H = Hemlock P = Lowland Poplar B = Paper Birch W = White Pine 2 = Seedling Sapling Medium 7 = Saw Timber Poor Q = Mixed Swamp Cnfr C = Cedar J = Jack Pine X = Non Stocked 3 = Seedling Sapling Well 8 = Saw Timber Medium D = Treed Bog L = Lowland Brush R = Red Pine Z = Water 9 = Saw Timber Well 4 = Pole Timber Poor E = Swamp Hdwoods M = Mpl, Bch, Brch S = Black Spruce F = Spruce Fir N = Marsh T = Tamarack セルて



Sale Specific Conditions & Requirements

Sale Name: J & D Ranch Sale Number: 33-030-09-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

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. 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 (4/09)

Within Payment Unit(s) 2, cut all trees that are three (3) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability except white pine, red pine, and oak. White pine, red pine, and oak may be cut when marked with orange paint.

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.

2.1.7 - Leave tree marked unit(s) (12/08)

Within Payment Unit(s) 3, all trees, which meet minimum piece specifications in 2.2 Utilization, are designated for cutting except trees marked with green paint above and below stump height.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment unit(s) \$12,000 or greater in valuemay 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.

4 - Transportation

4.2 - Maintenance

Sale Name: J & D Ranch Sale Number: 33-030-09-01

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative. The restriction may occur during spring breakup or during other wet weather conditions.

4.2.4 - Grading (12/08)

Roads must be graded after the sale is completed. In general, this will require a dozer 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.

4.4 - Access

4.4.1 - Private property access (12/08)

Permission for access across private land is the responsibility of the purchaser. The landowner to the east of the sale area has indicated that he would allow access through his property, but it is up to each contractor to obtain permission to access the sale through his property. To obtain the landowners contact information you may call Dustin (ext 224) at 906-753-6317 at the DNR Stephenson Field Office. The landowner has given permission to allow all potential bidders to walk across his property to look at the sale prior to bidding. A copy of the written permission from the private landowner must be given to the Unit Manager within 30 days of the bid opening and prior to the beginning of operations. Permission to cross private land must include access for DNR representatives to inspect the sale at any time.

5 - Operations

5.1 - Notification

5.1.4 - Post-sale conference (2/04)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

No trees are to be felled outside the sale area and all slash is to be kept at least 10 feet back from the blue paint line.

5.2.3 - Operating Restrictions

5.2.3.4 - Oak wilt restriction (12/08)

Within Payment Unit(s) 1, 2, and 3, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

Sale Name: J & D Ranch Sale Number: 33-030-09-01

5.2.32 - Decking/landing restoration (2/04)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to insure the proper regeneration of the stand.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

7 - Other Conditions

7.3 - Contract Modifications

7.3.2 - Modification for oak wilt (2/05)

Within the sale area, there may be patches of oak wilt. If oak wilt is identified within the sale area, this contract may be modified. The following modifications could occur: time of cutting, species to cut, volume to harvest, or various others dealing with the treatment of oak wilt. If a species is not specified in this contract, it shall be paid for at the average price received for that species and product.

PEAS AND OATS (027-09-01) T36N, R27W, SEC. 21, NENE, SENE, NESE, SESE. MENOMINEE COUNTY

In response to the notice of sale to be held 4:00 p.m. on October 19, 2009, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

SPECIES SAWLOGS	AF	PRAISED PRICE	BI	D PRICE	ESTIMATE	D VOLUME*	=	VALUE
MIX HARDWD PULPWOOD	\$	142.00/MBF	\$	x	23.70	MBF	=	\$
Q. ASPEN	\$	28.95/CORD	\$	х	369.00	CORDS	=	\$
BALSAM FIR	\$	24.45/CORD	\$	X	126.00	CORDS	=	\$
MIX HARDWD	\$	28.60/CORD	\$	x	415.00	CORDS	=	\$
					SUBTOTAL	. 1 \$		

In addition, the successful bidder agrees to purchase the following species at the appraised price:

SPECIES	APPRAISED PRICE	ESTIMATED VOLUME*	VALUE
SAWLOGS			
BASSWOOD	\$ 157.00/MBF	16.80 MBF	= \$ 2,637.60
WHITE PINE	\$ 90.00/MBF	13.60 MBF	= \$ 1,224.00
RED PINE	\$ 145.00/MBF	1.00 MBF	= \$ 145.00
PULPWOOD			
BASSWOOD	\$ 23.50/CORD	107.00 CORDS	= \$ 2,514.50
W. SPRUCE	\$ 23.20/CORD	78.00 CORDS	= \$ 1,809.60
MIX SOFTWD	\$ 25.10/CORD	30.00 CORDS	= \$ 753.00
		SUBTOTAL 2	\$9,083.70
	SUBTOTAL 1 + SUBTO	TAL 2 = TOTAL BID	VALUE \$

^{*}These volumes are statistically estimated within plus (+) or minus (-)10.04%. 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, and that the individual unit bid price will be the basis to determine total bid value. 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 manpower subject to my control.

(bidder's printed name)	(bidder's signature)
Address/Telephone	



Michigan Department of Natural Resources Forest, Mineral and Fire Management

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

FOR DEPARTMENT USE ONLY							
Sale or Permit No							
Year:	Type:						
Forest Area:							

As required by Act 317, P.A. 1969 (Worke of Act 451 of 1994, a		525 F	Forest Area:	
VERIFICATION OF	WORKER'S DISABILITY	COMPENSA	ATION ACT COMPLIAN	CE
This verification must be completed an sale contract.	d submitted within 21 da	ays of contra	ct award and prior to t	he issuance of the timber
In addition, if boxes 2B or 2C are check days of the contract award and prior to				st be submitted within 21
All Information must be typed or printe	d except for written sign	atures.		
Please Check Appropriate Categories:				
My business is organized as (you must change in the street of the street of the street or the	neck <u>one</u> of the boxes belo	ow):		
 You must check one of the boxes below: A. I certify that my business is a sol Worker's Compensation Laws. 	le proprietorship and it ha	s no employe	es but the sole propriet	or. I am not subject to the
B.	ev. 5/96). I will provide a f the BWC-337, please ca Vorker's Compensation Po	a copy of the ill the Worker' olicy. I will pr	Notice of Exclusion with s Compensation Bureau rovide an original Certifi	hin 21 days of the contract at 517-322-1195). cate of Insurance within 21
including family members and active partr				,
Full Time	Employees		Part	t Time Employees
ame of Business	Fe	deral ID (or) So	cial Security No.	
ddress	Tel (lephone No.		
ity	State		Zip + 4	
hereby certify that the above information is trubverage during any of my present and future of Signature of Owner or Authorized Represen	operations.	notify the DNI	R of any changes that o	ccur in factors affecting my
Title		Date		

HOUTE'S ASPEN (028-09-01) T37N, R28W, SEC. 22, NW1/4, NWNE. MENOMINEE COUNTY

In response to the notice of sale to be held 4:00 p.m. on October 19, 2009, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

SPECIES PULPWOOD	API	PRAISED PRICE	BID	PRICE	ESTIMATE	O VOLUME	:∗ = VALUE
Q. ASPEN	\$	28.30/CORD	\$	х	727.00	CORDS	= \$
N.W. CEDAR	\$	28.70/CORD	\$	x	97.00	CORDS	= \$
TAMARACK	\$	23.55/CORD	\$	x	123.00	CORDS	= \$
					SUBTOTAL	1 \$_	

In addition, the successful bidder agrees to purchase the following species at the appraised price:

SPECIES SAWLOGS	APPRAISED PRICE	ESTIMATED VOLUME*	VALUE
WHITE PINE	\$ 73.00/MBF	6.30 MBF	= \$ 459.90
RED PINE	\$ 129.00/MBF	6.70 MBF	= \$ 864.30
PULPWOOD			
W. SPRUCE	\$ 24.65/CORD	103.00 CORDS	= \$ 2,538.95
B. SPRUCE	\$ 24.65/CORD	109.00 CORDS	= \$ 2,686.85
MIX SOFTWD	\$ 26.70/CORD	79.00 CORDS	= \$ 2,109.30
MIX HARDWD	\$ 28.00/CORD	39.00 CORDS	= \$ 1,092.00
		SUBTOTAL 2	\$ 9,751.30
	SUBTOTAL 1 + S	UBTOTAL 2 = TOTAL BID	VALUE \$

^{*}These volumes are statistically estimated within plus (+) or minus (-)10.71%. 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, and that the individual unit bid price will be the basis to determine total bid value. 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 manpower subject to my control.

(bidder's printed name)	(bidder's signature)
Address/Telephone	

THE WINNING BIDDER MUST COMPLETE THE FORM ON THE REVERSE SIDE WITHIN 21 DAYS OF SALE AWARD



Michigan Department of Natural Resources Forest, Mineral and Fire Management

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

FOR DEPARTMENT USE ONLY						
Sale or Permit No						
Year: Type:						
Forest Area:						

A3 164	As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.			Forest Area:				
	VERIFICATION OF	WORKER'S DISABIL	ITY COMPENS	ATION ACT COMPLIANCE				
	This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.							
	In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract.							
All Inform	ation must be typed or printe	ed except for written s	ignatures.					
Please Check	Appropriate Categories:							
I. My busine	ss is organized as (you must c	heck one of the boxes I	pelow):					
A. 🗌 Sole	Proprietorship (individual)							
B. 🔲 Par	tnership							
C. 🗌 Cor	poration							
2. You must	check one of the boxes below:							
A. 🗌 1 c			has no employ	vees but the sole proprietor. I am not subject to the				
B. ☐ I c No								
C. 🔲 1 d				provide an original Certificate of Insurance within 21				
	e checked item 2(A) or 2(B), amily members and active part			th full and part time employees other than yourself				
	Full Time	e Employees		Part Time Employees				
lame of Busines	S		Federal ID (or) S	Social Security No.				
ddress			Telephone No.					
ity		State		Zip + 4				
overage durino	that the above information is tr g any of my present and future Owner or Authorized Represer	operations.	to notify the DN	NR of any changes that occur in factors affecting my				
Title			Date	9				

J & D RANCH (030-09-01) T34N, R29W, SEC. 01, SWNE, SENW. MENOMINEE COUNTY

In response to the notice of sale to be held 4:00 p.m. on October 19, 2009, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

APPRAISED PRICE	BID PRICE	ESTIMATED VOLUME*	= VALUE
\$ 78.00/MBF	\$X	28.70 MBF	= \$
\$ 113.00/MBF	\$ <u> </u>	19.70 MBF	= \$
\$ 28.75/CORD	\$X	231.00 CORDS	= \$
\$ 28.50/CORD	\$X	95.00 CORDS	= \$
			,
		SUBTOTAL 1 \$	
	\$ 78.00/MBF \$ 113.00/MBF \$ 28.75/CORD	\$ 78.00/MBF \$X \$ 113.00/MBF \$X \$ 28.75/CORD \$X	\$ 78.00/MBF \$ X 28.70 MBF \$ 113.00/MBF \$ X 19.70 MBF \$ X 28.75/CORD \$ X 231.00 CORDS \$ 28.50/CORD \$ X 95.00 CORDS

In addition, the successful bidder agrees to purchase the following species at the appraised price:

SPECIES	APPRAISED PRICE	ESTIMATED VOLUME*	VALUE
SAWLOGS MIXED OAK	\$ 92.00/MBF	12.40 MBF	= \$ 1,140.80
PULPWOOD	Ç 32.00/1EE	12.40 122	- V 1/140.00
WHITE PINE	\$ 22.50/CORD	52.00 CORDS	= \$ 1,170.00
RED PINE	\$ 31.30/CORD	13.00 CORDS	= \$ 406.90
MIXED OAK	\$ 18.90/CORD	48.00 CORDS	= \$ 907.20
		SUBTOTAL 2	\$ 3,624.90
	SUBTOTAL 1 + SUBT	OTAL 2 = TOTAL BID	VALUE \$

^{*}These volumes are statistically estimated within plus (+) or minus (-)23.22%. 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, and that the individual unit bid price will be the basis to determine total bid value. 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 manpower subject to my control.

(bidder's printed name)	(bidder's signature)
Address/Telephone	

THE WINNING BIDDER MUST COMPLETE THE FORM ON THE REVERSE SIDE WITHIN 21 DAYS OF SALE AWARD



Michigan Department of Natural Resources Forest, Mineral and Fire Management

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

FOR DEPARTMENT USE ONLY				
Sale or Permit No				
Year:	Туре:			
Forest Area:				

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.			Forest Area:			
VERIFICATION O	F WORKER'S DISABIL	ITY COMPENS	ATION ACT COMPLIANCE			
 This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract. 						
 In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract. 						
All Information must be typed or printed except for written signatures.						
Please Check Appropriate Categories:						
1. My business is organized as (you must o	I. My business is organized as (you must check <u>one</u> of the boxes below):					
A. Sole Proprietorship (individual)						
B. Partnership						
C. Corporation	C. Corporation					
2. You must check <u>one</u> of the boxes below:						
A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws.						
B. I certify that my business has satisfied its obligation 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 that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.						
If you have checked item 2(A) or 2(B), including family members and active partitions.			h full and part time employees other than yourself			
Full Time	e Employees		Part Time Employees			
Name of Business		Federal ID (or) S	ocial Security No			
		Federal ID (or) Social Security No.				
Address		Telephone No.				
City	State		Zip + 4			
I hereby certify that the above information is tr coverage during any of my present and future Signature of Owner or Authorized Represer	operations.	to notify the DN	NR of any changes that occur in factors affecting my			
Title		Date)			