

DEPARTMENT OF NATURAL RESOURCES & ENVIRONMENT STATE OF MICHIGAN

TIMBER SALE PROSPECTUS

SALE TIME, DATE, AND LOCATION 3:00 p.m. on July 26, 2010

GWINN

Notice is hereby given that bids will be received by the Unit Manager, GWINN MANAGEMENT UNIT, for certain timber on the following described lands. The bidder is advised to inspect the sale area and review the location, estimated volumes, operating costs, and sale contract terms of the proposed sale.

CAMP BERGAMO / T46N, R28W, SEC. 32, N1/2NE.

T46N, R28W, SEC. 33, E1/2NW, NESW, SWNE.

MARQUETTE COUNTY (Appr. \$17,150.20)

SALE ACRES: 37.1

No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity.

FLAT ROCK RED PINE / T45N, R28W, SEC. 20, SWNW.

T45N, R28W, SEC. 19, SENE, NESW.

MARQUETTE COUNTY (Appr. \$4,736.45)

SALE ACRES: 30

No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity.

BROKEN BINDING ASPEN / T45N, R28W, SEC. 20, SWSW.

T45N, R28W, SEC. 19, SENE, SW, E1/2SE.

MARQUETTE COUNTY (Appr. \$23,886.75)

SALE ACRES: 90

No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity.

Please be aware that some landowners may request 60 days or more notice for forest harvesting access across their land.

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

- 1. <u>Bid Location</u>, <u>Date</u>, <u>and Time</u>: Bids must be received by the Unit Manager, Gwinn Management Unit, 410 West M-35, Gwinn, MI 49841, no later than 3:00 p.m. on July 26, 2010. For further information concerning this sale, contact the Unit Manager at 906-346-9201.
- 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

CAMP BERGAMO (103-10-01)

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 | | |
| B.T. ASPEN | 76.00 CORDS | \$ 23.20/CORD |
| B. SPRUCE | 124.00 CORDS | \$ 22.30/CORD |
| JACK PINE | 389.00 CORDS | \$ 31.90/CORD |

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

| SPECIES | ESTIMATED VOLUME* | AP | PRAISED PRICE |
|------------|-------------------|----|---------------|
| SAWLOGS | | | |
| RED PINE | .90 MBF | \$ | 107.00/MBF |
| PULPWOOD | | | |
| BALSAM FIR | 6.00 CORDS | \$ | 19.40/CORD |

^{*}The volumes are statistically estimated within plus (+) or minus (-) 23.27 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 \$858.00, 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 | | | | 76% | | |
| | 2 | | | | 01% | | |
| | 3 | | | | 23% | | |

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

| This information is proposed for the state of the state o | TIMBER SA | Part 525 of Act 451, PA 1994, as amenda MAPPED BY Tom Seablom | 32 103 10 01 | |
|--|--|---|---|---|
| Gwinn TOWNSHIP RANGE | SECTION(S) AND SUBDIVISION | | | · L · |
| T46N R28W | o nem regoviev či ini Pyrnan kon na bili ini ini | /2 NE , Sec 33 E1/2NW, NESW | 1:15,840 | |
| A = Aspen H = Hemlock B = Paper Birch J = Jack Pine C = Cedar L = Lowland E E = Swamp Hdwoods M = Mpl, Bch, F = Spruce Fir N = Marsh G = Grass O = Oak | | p Cnfr W = White Pine | fling Sapling Poor $6 = Pole$ Iling Sapling Medium $7 = Saw$ Iling Sapling Well $8 = Saw$ | Timber Medium Timber Well Timber Poor Timber Medium Timber Well |
| 29 | | Camp Bergamo Sale 37.1 Acres Marquette County Unit 1 Acres 25 PULPWOOI BALSAM FIR 4 BLACK SPRUCE 0 JACK PINE 335 RED PINE 0 | 0 2 6 0 124 124 24 30 389 0 0 0 | N Commission of the second |
| Unit 3 S6 J3/A3 PVT Legend | A ∼> | S5 U | 0 0 76 S MBF 0.93 0 0.93 | |
| ★ Exclusions★ Payment Unit Lir | nes | | · | |
| Payment Unit Lir Sale against Priv Sale against State Pegistered DNR Sections Poor Dirt Road | ate-Blue te-Red | 4 | | 3 |
| 0.5 | 0.25 Miles | | <u> </u> | |
| | | | • | |

Sale Specific Conditions & Requirements

Sale Name: Camp Bergamo Sale Number: 32-103-10-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary is marked and identified by blue and red paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against State are marked with red paint. Do not cut painted boundary line trees unless also marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 and 3, cut all jack pine, spruce, balsam, and aspen trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability except those black spruce in Unit 3 that are marked with yellow paint. No other trees are to be cut. See 2.1.9.

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

Within Payment Unit(s) 2, all red pine are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all jack pine. No other trees are to be cut.

2.1.9 - Harvest exception (12/08)

Do not cut any red maple or white birch trees within Unit 1 other than those that are necessary to remove in order to operate within the sale area. Every effort must be made to preserve the existing red maple and white birch and to leave an intact stand upon sale completion. All cut red maple and white birch shall be piled separately by products and scaled in the woods unless other scaling arrangements are agreed to by the Unit Manager or his/her representative. Stumpage price for red maple shall be \$28.10 per cord. Stumpage price for white birch shall be \$25.27 per cord.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

No damage is acceptable to 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.

Sale Name: Camp Bergamo Sale Number: 32-103-10-01

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.

4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other designated timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price. This applies to Unit 3.

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (4/07)

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. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

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.

4.4 - Access

4.4.1 - Private property access (12/08)

Permission for access across private land is the responsibility of the purchaser. 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: Camp Bergamo Sale Number: 32-103-10-01

5.1.1 - Pre-sale conference (12/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The sale administrator must be contacted at least 3 full business days in advance to schedule the conference.

5.1.4 - Post-sale conference (9/09)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.22 - Operating Caution

5.2.22.2 - Operating caution (12/04)

It is recommended, but not required, that within Payment Unit(s) 3, cutting and skidding occur during dry summer or frozen winter conditions. This restriction is due to the lowland areas that need to be crossed to access the unit.

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 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.

FLAT ROCK RED PINE (104-10-01)

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 | | 1000 |
| RED PINE | 141.00 CORDS | \$ 29.30/CORD |
| JACK PINE | 19.00 CORDS | \$ 31.85/CORD |

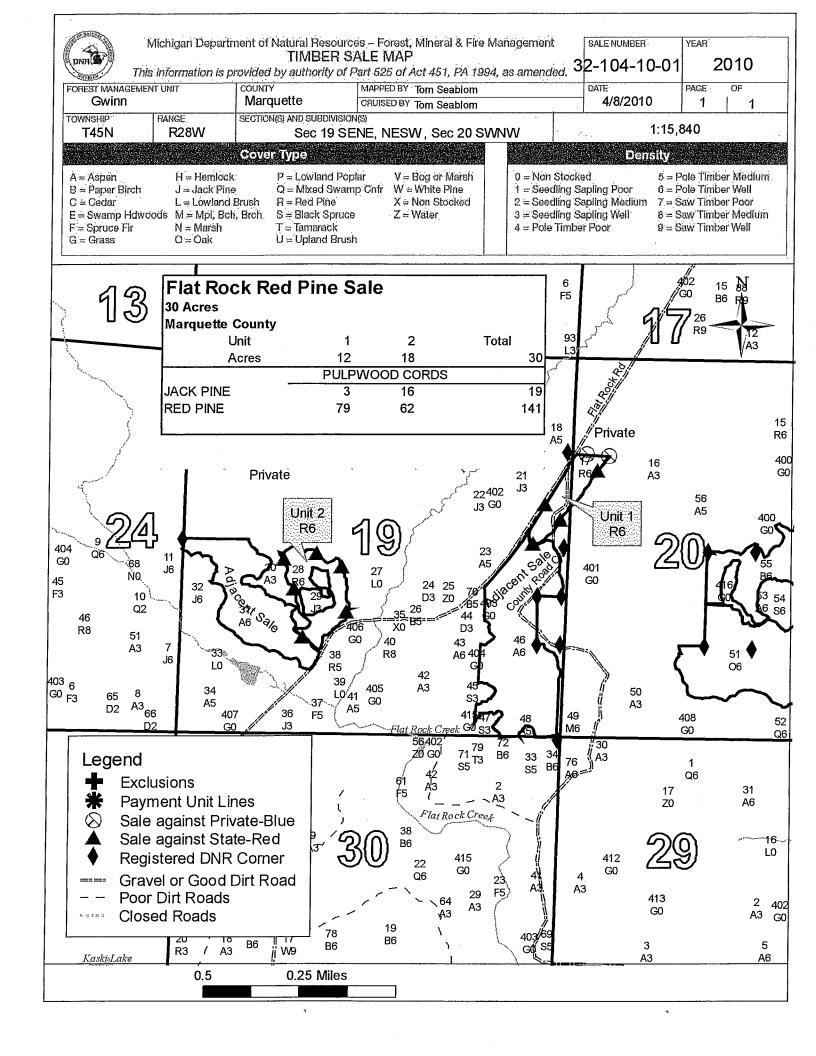
^{*}These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$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 UN | IT NUMBER | PERCENT | OF | TOTAL | SALE | VALUE |
| 1 | | | | 51% | | |
| 2 | | | | 49% | | |

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



Sale Specific Conditions & Requirements

Sale Name: Flat Rock Red Pine Sale Number: 32-104-10-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary is marked and identified by blue and red paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Do not cut painted boundary line trees unless also marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 and 2, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.1.9 - Harvest exception (12/08)

Do not cut any aspen trees other than those that are necessary to remove in order to operate within the sale area. Every effort must be made to preserve the existing aspen and to leave an intact stand upon sale completion. All cut aspen shall be piled separately by products and scaled in the woods unless other scaling arrangements are agreed to by the Unit Manager or his/her representative. Stumpage price for aspen shall be \$25.20 per cord for pulpwood.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

No damage is acceptable to 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.

4 - Transportation

4.1 - Construction

Sale Name: Flat Rock Red Pine Sale Number: 32-104-10-01

4.1.6 - Road construction (1/09)

Improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (12/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The sale administrator must be contacted at least 3 full business days in advance to schedule the conference.

5.1.4 - Post-sale conference (9/09)

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

5.2.3.6 - Bark beetle restriction (12/08)

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

5.2.32 - 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.

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

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

Sale Name: Flat Rock Red Pine Sale Number: 32-104-10-01

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The purchaser is responsible for posting and maintaining caution signs on the Flat Rock 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.

BROKEN BINDING ASPEN (107-10-01)

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* | APF | PRAISED PRICE |
|-----------|-------------------|-----|---------------|
| PULPWOOD | | | |
| Q. ASPEN | 726.00 CORDS | \$ | 18.85/CORD |
| JACK PINE | 196,00 CORDS | \$ | 29.60/CORD |

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

| SPECIES | ESTIMATED VOLUME* | APP | RAISED PRICE |
|------------|-------------------|-----|--------------|
| PULPWOOD | | | |
| RED MAPLE | 54.00 CORDS | \$ | 18.30/CORD |
| P. BIRCH | 76.00 CORDS | \$ | 16.40/CORD |
| B.T. ASPEN | 58.00 CORDS | \$ | 19.90/CORD |
| BALSAM FIR | 43.00 CORDS | \$ | 16.65/CORD |
| W. SPRUCE | 13.00 CORDS | \$ | 15.35/CORD |
| B. SPRUCE | 5,00 CORDS | \$ | 19.15/CORD |

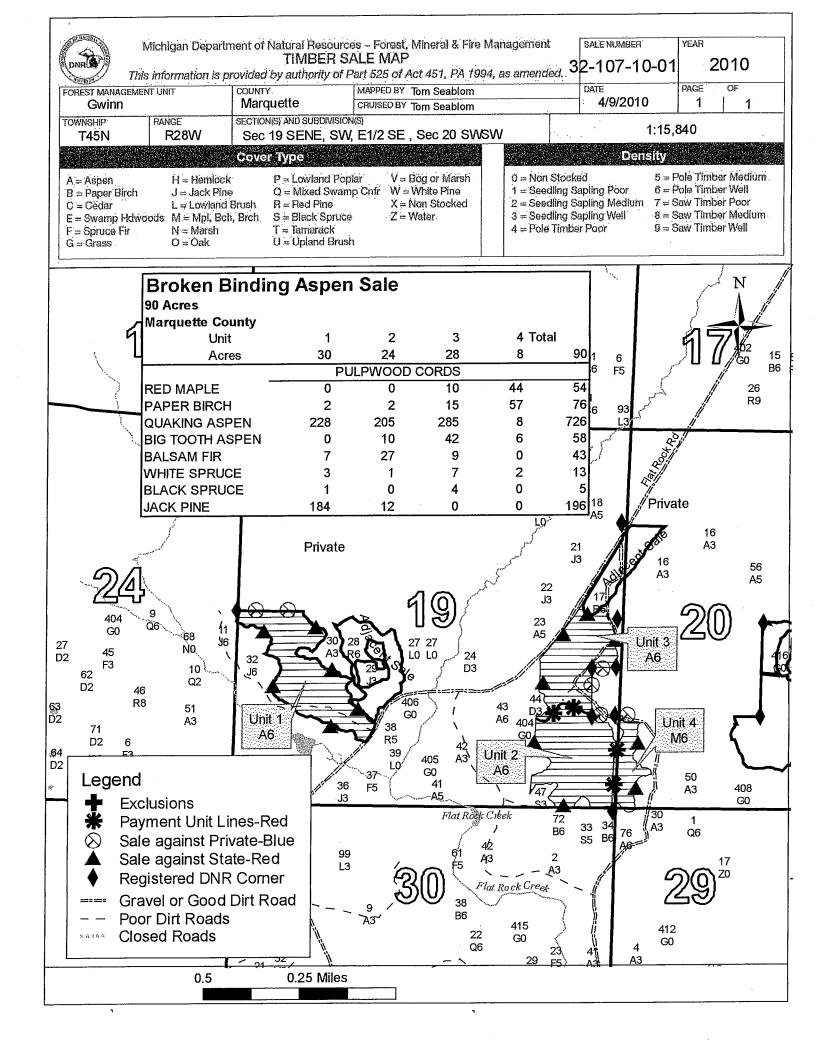
^{*}The volumes are statistically estimated within plus (+) or minus (-) 11.3 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$1,194.00, 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 | | | | 42% | | |
| | 2 | | | | 21% | | |
| | 3 | | | | 29% | | |
| | 4 | | | | 880 | | |

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



Sale Specific Conditions & Requirements

Sale Name: Broken Binding Aspen Sale Number: 32-107-10-01

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 and red 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 red paint.

2 - Timber Specifications

2.1 - Included Timber

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

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

2.1.11 - Description of timber note (2/04)

Note that Units 1, 2, and 3 are aspen stands that are 32-45 years old.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

Improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.2 - Maintenance

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

5.1 - Notification

Sale Name: Broken Binding Aspen Sale Number: 32-107-10-01

5.1.1 - Pre-sale conference (12/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The sale administrator must be contacted at least 3 full business days in advance to schedule the conference.

5.1.4 - Post-sale conference (9/09)

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.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

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.

5.4.2 - Skid trails (2/04)

Skid trails up and down slopes should be avoided. If however this is unavoidable, these trails will be left in a non-erodible condition using water bars, logs, and slash. Placing of slash on these skid trails while logging is ongoing may alleviate need for any further action. At the direction of the sale administrator, seed, fertilizer, and mulch may also be required.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The purchaser is responsible for posting and maintaining caution signs on the Flat Rock 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.

Sale Name: Broken Binding Aspen Sale Number: 32-107-10-01

CAMP BERGAMO (103-10-01) T46N, R28W, SEC. 32, N1/2NE. T46N, R28W, SEC. 33, E1/2NW, NESW, SWNE. MARQUETTE COUNTY

In response to the notice of sale to be held 3:00 p.m. on July 26, 2010, 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 | APPRAISED PRI | CE BID PRICE | ESTIMATED VOLU | JME* = VALUE |
|--|---|--|--|---------------------------|
| PULPWOOD B.T. ASPEN | à 02.00/gop | D 4 | | |
| B. SPRUCE | \$ 23.20/COR \$ 22.30/COR | | 76.00 CORDS | = \$ |
| JACK PINE | \$ 22.30/COR \$ 31.90/COR | | 124.00 CORDS | = \$ |
| OTION I INE | φ 31.90/COR | D \$X | 389.00 CORDS | = \$ |
| | | | SUBTOTAL 1 | \$ |
| In addition, the su- appraised price: | ccessful bidder agr | ees to purchase the | following speci | es at the |
| SPECIES SAWLOGS | APPRAISED PRICE | ESTIMATED | VOLUME* V | ALUE |
| RED PINE PULPWOOD | \$ 107.00/MBF | . 90 | MBF = \$ | 96.30 |
| BALSAM FIR | \$ 19.40/COR | 6.00 | CORDS = \$ | 116.40 |
| | | s | UBTOTAL 2 \$ | 212.70 |
| | SUBTOTAL 1 | SUBTOTAL 2 = | TOTAL BID VALUE | \$ |
| *These volumes are s estimated volumes a to examine this tim | ere final and not su | bject to adjustment | t. Prospective 1 | bidders are urgeo |
| I understand that ar will be the basis to items must be bid or and awarding a contr the contract based u | o determine total be the bid form may be cact will be based u | d value. All bids be rejected. I also upon my past perform | must be signed understand that mance and ability | and all bid consideration |
| (bidder's | printed name) | (bidder's si | ignature) | |
| Address/Telephone | 9 | | | |
| | | | · · | |

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: | | |

| | As required by Act 317, P.A. 1969 (Worker's Compensation) a of Act 451 of 1994, as amended. | and Part 525 | Forest Area: |
|------|---|---|--|
| | VERIFICATION OF WORKER'S DISA | ABILITY COMPEN | SATION ACT COMPLIANCE |
| • | This verification must be completed and submitted with sale contract. | in 21 days of cont | ract award and prior to the issuance of the timber |
| • | In addition, if boxes 2B or 2C are checked, then Notice of days of the contract award and prior to the issuance of the contract award and prior to the issuance of the contract award and prior to the issuance of the contract award and prior to the issuance of the contract award and prior to the issuance of the contract award and prior to the contract award award and prior to the contract award | of Exclusion or Ce the timber sale co | rtificate of Insurance must be submitted within 21 ntract. |
| • | All Information must be typed or printed except for writt | en signatures. | |
| Ple | ease Check Appropriate Categories: | | |
| 1. | A. Sole Proprietorship (individual) B. Partnership | xes below): | · · · · · · · · · · · · · · · · · · · |
| | C. Corporation | | |
| 2. | You must check one of the boxes below: | | |
| | A. I certify that my business is a sole proprietorship ar Worker's Compensation Laws. | nd it has no employ | vees but the sole proprietor. I am not subject to the |
| | B. I certify that my business has satisfied its obligation Notice of Exclusion (BWC-337, Rev. 5/96). I will pr award. (For questions or a copy of the BWC-337, ple | ovide a copy of the | Notice of Exclusion within 21 days of the contract |
| | C. \(\sum \) I certify that my business has a Worker's Compensationary of the contract award. | | · |
| 3. | If you have checked item 2(A) or 2(B), you must indicate including family members and active partners (if none, you me | the number of bot ust enter "0"). | h full and part time employees other than yourself |
| | Full Time Employees | | Part Time Employees |
| lam | e of Business | Federal ID (or) So | ocial Security No. |
| | | | |
| ddre | ess | Telephone No. | |
| ity | State | | Zip + 4 |
| here | eby certify that the above information is true and correct. I agr rage during any of my present and future operations. | ree to notify the DN | R of any changes that occur in factors affecting my |
| Sig | gnature of Owner or Authorized Representative | | |
| Titl | e | Date | |
| | | · | |

FLAT ROCK RED PINE (104-10-01) T45N, R28W, SEC. 20, SWNW. T45N, R28W, SEC. 19, SENE, NESW. MARQUETTE COUNTY

In response to the notice of sale to be held 3:00 p.m. on July 26, 2010, 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 | APP | RAISED PRICE | BID I | PRICE | ESTIMATED VOLUM | E* = VALUE |
|---|-------------------------------|--|---|-------------------------------|---|-----------------------------|
| PULPWOOD | | | | | | |
| RED PINE | \$ | 29.30/CORD | \$ | x | 141.00 CORDS | = \$ |
| JACK PINE | \$ | 31.85/CORD | \$ | x | 19.00 CORDS | = \$ |
| | | | | | TOTAL BID VALUE | \$ |
| *These estimated volumer are urged to examine | | | _ | _ | - | |
| I understand that any will be the basis to ditems must be bid or tand awarding a contract the contract based upon | determi che bid ct will | ne total bid form may be : be based upon | value. <i>F</i> rejected. n my past | all bids I also perform | must be signed a understand that ance and ability | nd all bid consideration |
| (bidder's pr | rinted | name) | (bio | lder's si | gnature) | _ |
| 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 | | |
| | | |

| As required by Act 317, P.A. 1969 (World of Act 451 of 1994, | | Part 525 | Forest Area: | | |
|--|-------------------------------|-------------------|--|--|--|
| VERIFICATION O | F WORKER'S DISABI | LITY COMPENS | SATION ACT COMPLIANCE | | |
| This verification must be completed a sale contract. | nd submitted within 2 | 21 days of contr | ract award and prior to the issuance of the timber | | |
| In addition, if boxes 2B or 2C are check days of the contract award and prior to | | | rtificate of Insurance must be submitted within 21 ntract. | | |
| All Information must be typed or printer | ed except for written | signatures. | | | |
| Please Check Appropriate Categories: | | | | | |
| My business is organized as (you must of A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation | theck <u>one</u> of the boxes | below): | | | |
| You must check one of the boxes below: A. I certify that my business is a so Worker's Compensation Laws. | | t has no employ | vees but the sole proprietor. I am not subject to the | | |
| B. | | | | | |
| If you have checked item 2(A) or 2(B), including family members and active parti | | | th full and part time employees other than yourself | | |
| Full Time | e Employees | | Part Time Employees | | |
| lame of Business | | Federal ID (or) S | ocial Security No. | | |
| | | T-1 | | | |
| Address | | Telephone No. | | | |
| Dity | State | | Zip + 4 | | |
| hereby certify that the above information is trooverage 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 |) | | |

BROKEN BINDING ASPEN (107-10-01) T45N, R28W, SEC. 20, SWSW. T45N, R28W, SEC. 19, SENE, SW, E1/2SE.

MARQUETTE COUNTY

In response to the notice of sale to be held 3:00 p.m. on July 26, 2010, 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 | APPRAISED PRI | CE BID PRICE | ESTIMATED VC | DLUME* = VALUE |
|---|---|---|--|--------------------------------|
| Q. ASPEN | \$ 18.85/COR | D \$ X | 726,00 CORD | ng = \$ |
| JACK PINE | \$ 29.60/COR | * **** | 196.00 CORD | ' <u></u> |
| | 7 20.007.0025 | т | 130,00 0012 | Υ |
| | | | SUBTOTAL 1 | \$ |
| In addition, the succes | ssful bidder agre | ees to purchase the | following spe | cies at the |
| appraised price: | | | | |
| SPECIES | APPRAISED PRICE | ESTIMATED | VOLUME * | VALUE |
| PULPWOOD | | | | |
| RED MAPLE | \$ 18.30/COR | 54.00 | CORDS = \$ | 988.20 |
| P. BIRCH | \$ 16.40/COR | 76.00 | CORDS = \$ | 1,246.40 |
| B.T. ASPEN | \$ 19.90/COR | 58.00 | CORDS = \$ | 1,154.20 |
| BALSAM FIR | \$ 16.65/COR | 43.00 | CORDS = \$ | 715.95 |
| W. SPRUCE | \$ 15.35/CORI | 13.00 | CORDS = $$$ | 199.55 |
| B. SPRUCE | \$ 19.15/CORI | 5.00 | CORDS = \$ | 95.75 |
| | | st | UBTOTAL 2 \$ | 4,400.05 |
| | SUBTOTAL 1 | SUBTOTAL 2 = 5 | TOTAL BID VALU | E \$ |
| *These volumes are stat estimated volumes are : to examine this timber | final and not su | bject to adjustment | . Prospective | e bidders are urged |
| I understand that any o will be the basis to de items must be bid or th and awarding a contract the contract based upon | etermine total bi ne bid form may b will be based w | ld value. All bids be rejected. I also upon my past perform | must be signe understand th mance and abil | d and all bid at consideration |
| (bidder's pri | nted name) | (bidder's si | ignature) | |
| Address/Telephone | | | | <u>.</u> |

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 D | EPARTMENT USE ONLY |
|-------------------|--------------------|
| Sale or Permit No | |
| Year: | Type: |
| Forest Area: | |

| As required by Act 317, P.A. 1969 (Wo of Act 451 of 1994 | | art 525 | Forest Area: |
|---|--|---|---|
| VERIFICATION | OF WORKER'S DISABIL | ITY COMPENS | ATION ACT COMPLIANCE |
| This verification must be completed sale contract. | and submitted within 21 | l days of contra | act award and prior to the issuance of the timbe |
| In addition, if boxes 2B or 2C are che days of the contract award and prior | ecked, then Notice of Ex to the issuance of the ti | clusion or Cert mber sale cont | tificate of Insurance must be submitted within 2 tract. |
| All information must be typed or prin | ted except for written si | gnatures. | |
| Please Check Appropriate Categories: | | | |
| Worker's Compensation Laws. B. | cole proprietorship and it is satisfied its obligation to see the color of the BWC-337, please of the BWC-357 when the color of the BWC-357 when the color of the satisfied by the color of the satisfied by the color of the satisfied by the color of the property of the color of t | has no employe the Worker's C e a copy of the call the Worker's Policy. I will pr | ees but the sole proprietor. I am not subject to the compensation Act through the use of an approved Notice of Exclusion within 21 days of the contract s Compensation Bureau at 517-322-1195). Provide an original Certificate of Insurance within 21 full and part time employees other than yourself |
| Full Time | e Employees | | Part Time Employees |
| ame of Business | F | ederal ID (or) Soc | dal Security No. |
| ddress | · | elephone No. | |
| ity | State | , , , , , , , , , , , , , , , , , , , | Zip + 4 |
| nereby certify that the above information is tro overage during any of my present and future of | operations. | notify the DNR | of any changes that occur in factors affecting my |
| Title | | Date | |