



DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN

TIMBER SALE PROSPECTUS

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

SWAMP LAKES RED PINE / T49N, R09W, SEC. 26, NWSW.
T49N, R09W, SEC. 27, E1/2, S1/2NW1/4.
T49N, R09W, SEC. 27, NWSW, E1/2SW1/4.
LUCE COUNTY (Appr. \$25,936.75)
SALE ACRES: 152

DOUBLE GATE RED PINE / T49N, R09W, SEC. 26, SENW, W1/2SW1/4.
T49N, R09W, SEC. 27, SESE.
LUCE COUNTY (Appr. \$10,003.85)
SALE ACRES: 28

LINTON CREEK HARDWOODS / T48N, R08W, SEC. 20, NW1/4, W1/2NE1/4, N1/2SW1/4.
LUCE COUNTY (Appr. \$31,505.70)
SALE ACRES: 107

SALE DATE AND TIME: 3:00 p.m. on April 15, 2010.

NEWBERRY

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

1. Bid Location, Date, and Time: Bids must be received by the Unit Manager, Newberry Management Unit, 5666 Hwy. M-123, Box 428, Newberry, MI 49868, no later than 3:00 p.m., on April 15, 2010. For further information concerning this sale, contact the Unit Manager at 906-293-3293.
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. Preparation of Sealed Bids: 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. Submission of Sealed Bids: Bid forms may be obtained from the Unit Manager. All 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) 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. Down Payment: 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: 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: 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

SWAMP LAKES RED PINE (025-09-01)

A timber sale contract for this LUMP SUM SEALED 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:

| <u>SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>APPRAISED PRICE</u> |
|----------------|--------------------------|------------------------|
| SAWLOGS | | |
| RED PINE | 147.30 MBF | \$ 90.00/MBF |
| PULPWOOD | | |
| WHITE PINE | 144.00 CORDS | \$ 12.75/CORD |
| RED PINE | 323.00 CORDS | \$ 24.00/CORD |

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

| <u>SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>APPRAISED PRICE</u> |
|----------------|--------------------------|------------------------|
| SAWLOGS | | |
| WHITE PINE | 41.60 MBF | \$ 36.00/MBF |
| PULPWOOD | | |
| P. BIRCH | 6.00 CORDS | \$ 12.65/CORD |
| B. SPRUCE | 3.00 CORDS | \$ 11.00/CORD |
| JACK PINE | 41.00 CORDS | \$ 19.65/CORD |
| MIX ASPEN | 42.00 CORDS | \$ 13.60/CORD |
| MIX HARDWD | 8.00 CORDS | \$ 13.55/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 \$1,300.00, 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:

| <u>PAYMENT UNIT NUMBER</u> | <u>PERCENT OF TOTAL SALE VALUE</u> |
|----------------------------|------------------------------------|
| 1 | 15% |
| 2 | 20% |
| 3 | 35% |
| 4 | 30% |
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on December 31, 2012.



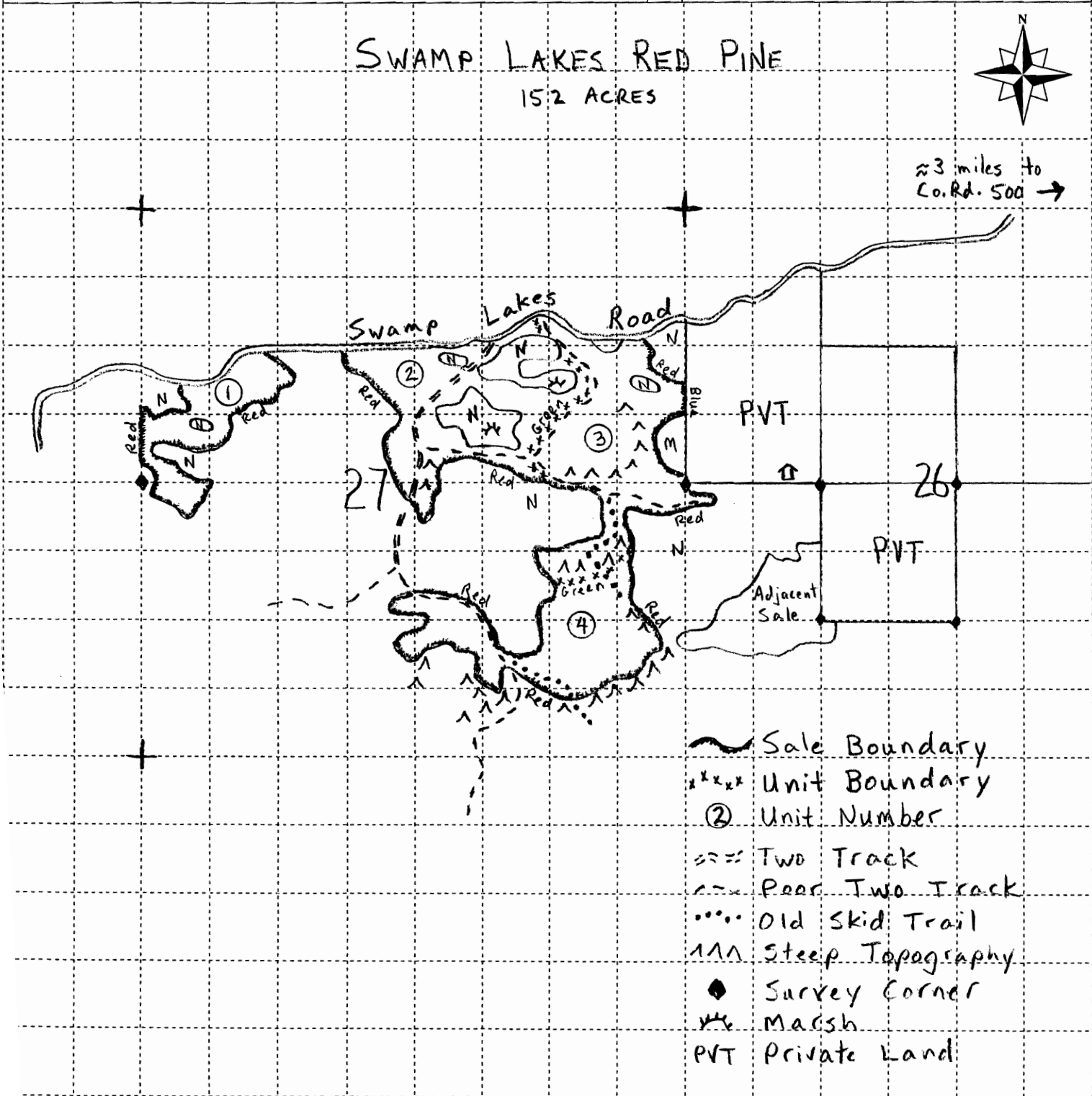
TIMBER SALE MAP

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

| | |
|-------------|------|
| Sale Number | Year |
| 42-025 | 09 |

| | | | | |
|---|-----------------------|---|------------------------------------|-------------------------|
| Forest Management Unit Newberry | County Luce | Mapped By Magnusson | Date | Page of 1 1 |
| Township 49N | Range 9W | Section(s) and Subdivision(s) 26-NWSW 27-E1/2, S1/2NW1/4, NWSW, E1/2SW1/4 | Scale: 1.4 inches. = 1 mile | |

| Cover Type | | | | Density | |
|-------------------|--------------------|----------------------|------------------|-----------------------------|------------------------|
| A = Aspen | H = Hemlock | P = Lowland Poplar | V = Bog or Marsh | 0 = Non Stocked | 5 = Pole Timber Medium |
| B = Paper Birch | J = Jack Pine | Q = Mixed Swamp Cnfr | W = White Pine | 1 = Seedling Sapling Poor | 6 = Pole Timber Well |
| C = Cedar | L = Lowland Brush | R = Red Pine | X = Non Stocked | 2 = Seedling Sapling Medium | 7 = Saw Timber Poor |
| E = Swamp Hdwoods | M = Mpl, Bch, Brch | S = Black Spruce | Z = Water | 3 = Seedling Sapling Well | 8 = Saw Timber Medium |
| F = Spruce Fir | N = Marsh | T = Tamarack | | 4 = Pole Timber Poor | 9 = Saw Timber Well |
| G = Grass | O = Oak | U = Upland Brush | | | |



Sale Specific Conditions & Requirements

Sale Name: Swamp Lakes Red Pine Sale Number: 42-025-09-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary is marked and identified by red paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, 2, 3 & 4, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all jack pine in these units. In Units 1 & 4, cut all aspen.

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings, especially submerchantable red pine, white pine and spruce. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

4 - Transportation

4.1 - Construction

4.1.4 - Timber removed for construction (1/09)

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

4.1.7 - 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 re-opened are considered new roads. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Contact the sale administrator for specific details of design and placement.

5 - Operations

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (12/04)

All slash must be removed at least 10 feet from the cleared right-of-way of existing forest roads.

5.2.1.8 - Slash height (12/08)

No slash may exceed 36 inches in height.

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.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1, 2, 3 & 4, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 1. This restriction is because of bark slippage.

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

5.4.6 - Wet area protection (3/09)

No harvesting operations, including skidding and felling, are to take place within the marshy areas ("N" types) in and around the sale area. See Timber Sale Map. Care must be taken by the purchaser to identify and avoid operating in these areas of the timber sale.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (4/09)

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.

DOUBLE GATE RED PINE (026-09-01)

A timber sale contract for this LUMP SUM SEALED 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:

| <u>SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>APPRAISED PRICE</u> |
|----------------|--------------------------|------------------------|
| SAWLOGS | | |
| RED PINE | 68.10 MBF | \$ 104.00/MBF |
| PULPWOOD | | |
| RED PINE | 92.00 CORDS | \$ 24.00/CORD |

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

| <u>SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>APPRAISED PRICE</u> |
|----------------|--------------------------|------------------------|
| SAWLOGS | | |
| WHITE PINE | 5.20 MBF | \$ 42.00/MBF |
| PULPWOOD | | |
| WHITE PINE | 31.00 CORDS | \$ 12.75/CORD |
| JACK PINE | 1.00 CORDS | \$ 18.20/CORD |
| MIX ASPEN | 6.00 CORDS | \$ 13.60/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:

| <u>PAYMENT UNIT NUMBER</u> | <u>PERCENT OF TOTAL SALE VALUE</u> |
|----------------------------|------------------------------------|
| 1 | 25% |
| 2 | 75% |
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on December 31, 2012.



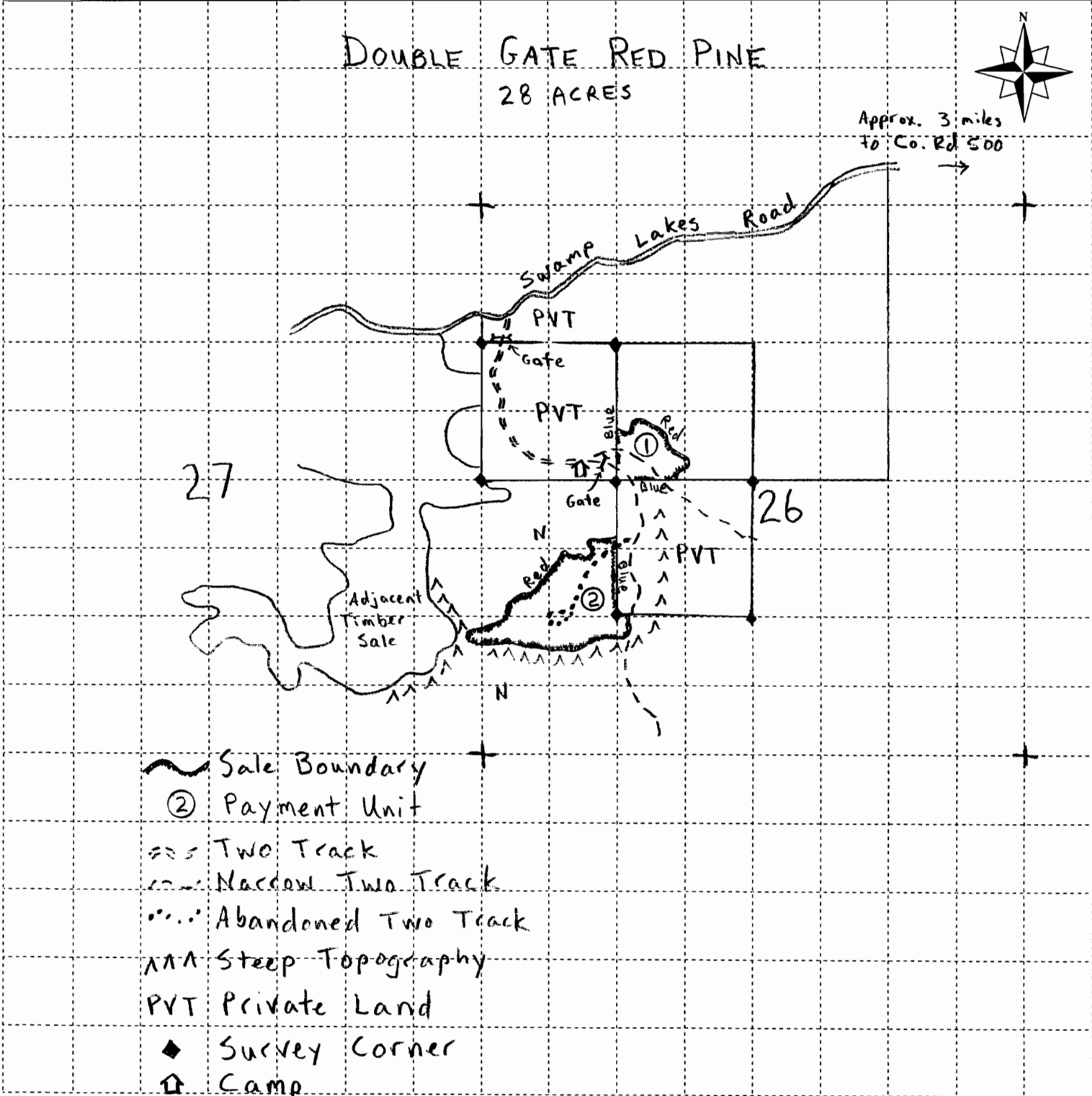
TIMBER SALE MAP

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

| | |
|-------------|------|
| Sale Number | Year |
| 42-026 | 09 |

| | | | | |
|---|-----------------------|--|------------------------------|-------------------------|
| Forest Management Unit Newberry | County Luce | Mapped By Magnusson | Date 9/26/09 | Page of 1 1 |
| Township 49N | Range 9W | Section(s) and Subdivision(s) 26-SENE, W1/2SW1/4 27-SESE | Cruised By | |
| | | | Scale: [1/4 inches] = 1 mile | |

| Cover Type | | | | Density | |
|-------------------|--------------------|----------------------|------------------|-----------------------------|------------------------|
| A = Aspen | H = Hemlock | P = Lowland Poplar | V = Bog or Marsh | 0 = Non Stocked | 5 = Pole Timber Medium |
| B = Paper Birch | J = Jack Pine | Q = Mixed Swamp Cnfr | W = White Pine | 1 = Seedling Sapling Poor | 6 = Pole Timber Well |
| C = Cedar | L = Lowland Brush | R = Red Pine | X = Non Stocked | 2 = Seedling Sapling Medium | 7 = Saw Timber Poor |
| E = Swamp Hdwoods | M = Mpl, Bch, Brch | S = Black Spruce | Z = Water | 3 = Seedling Sapling Well | 8 = Saw Timber Medium |
| F = Spruce Fir | N = Marsh | T = Tamarack | | 4 = Pole Timber Poor | 9 = Saw Timber Well |
| G = Grass | O = Oak | U = Upland Brush | | | |



Sale Specific Conditions & Requirements

Sale Name: Double Gate Red Pine Sale Number: 42-026-09-01

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.

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. In addition, cut all jack pine and aspen.

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings, especially submerchantable red and white pine. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

4 - Transportation

4.1 - Construction

4.1.4 - Timber removed for construction (1/09)

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

4.1.7 - 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 re-opened are considered new roads. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Contact the sale administrator for specific details of design and placement.

4.4 - Access

4.4.1 - Private property access (12/08)

Permission for access across private land is the responsibility of the purchaser.

4.4.3 - Access gate (12/08)

Once permission is granted to access the private land, there are two access gates that must be opened to access this timber sale. One gate may have to be completely removed in order to gain access to the sale being that it is too narrow for a truck to go through. Permission must be granted by the private property owner in order to do this.

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

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (12/04)

All slash must be removed at least 10 feet from the cleared right-of-way of existing forest roads.

5.2.1.8 - Slash height (12/08)

No slash may exceed 36 inches in height.

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.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

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

5.2.37 - No decking areas (12/08)

No decking is allowed on private land without the permission of the property owner.

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

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

5.4.6 - Wet area protection (3/09)

No harvesting operations, including skidding and felling, are to take place within the marshy areas in and around the sale (see map). Care must be taken by the purchaser to identify and avoid operating in these areas of the timber sale.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (4/09)

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.

LINTON CREEK HARDWOODS (027-09-01)

A timber sale contract for this LUMP SUM SEALED 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:

| <u>SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>APPRAISED PRICE</u> |
|----------------|--------------------------|------------------------|
| SAWLOGS | | |
| SUG. MAPLE | 53.50 MBF | \$ 306.00/MBF |
| PULPWOOD | | |
| MIX HARDWD | 894.00 CORDS | \$ 16.80/CORD |

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

| <u>SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>APPRAISED PRICE</u> |
|----------------|--------------------------|------------------------|
| SAWLOGS | | |
| RED MAPLE | 1.50 MBF | \$ 77.00/MBF |

*The volumes are statistically estimated within plus (+) or minus (-) 10.02 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 \$1,600.00, 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:

| <u>PAYMENT UNIT NUMBER</u> | <u>PERCENT OF TOTAL SALE VALUE</u> |
|----------------------------|------------------------------------|
| 1 | 35% |
| 2 | 45% |
| 3 | 20% |

4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on December 31, 2012.



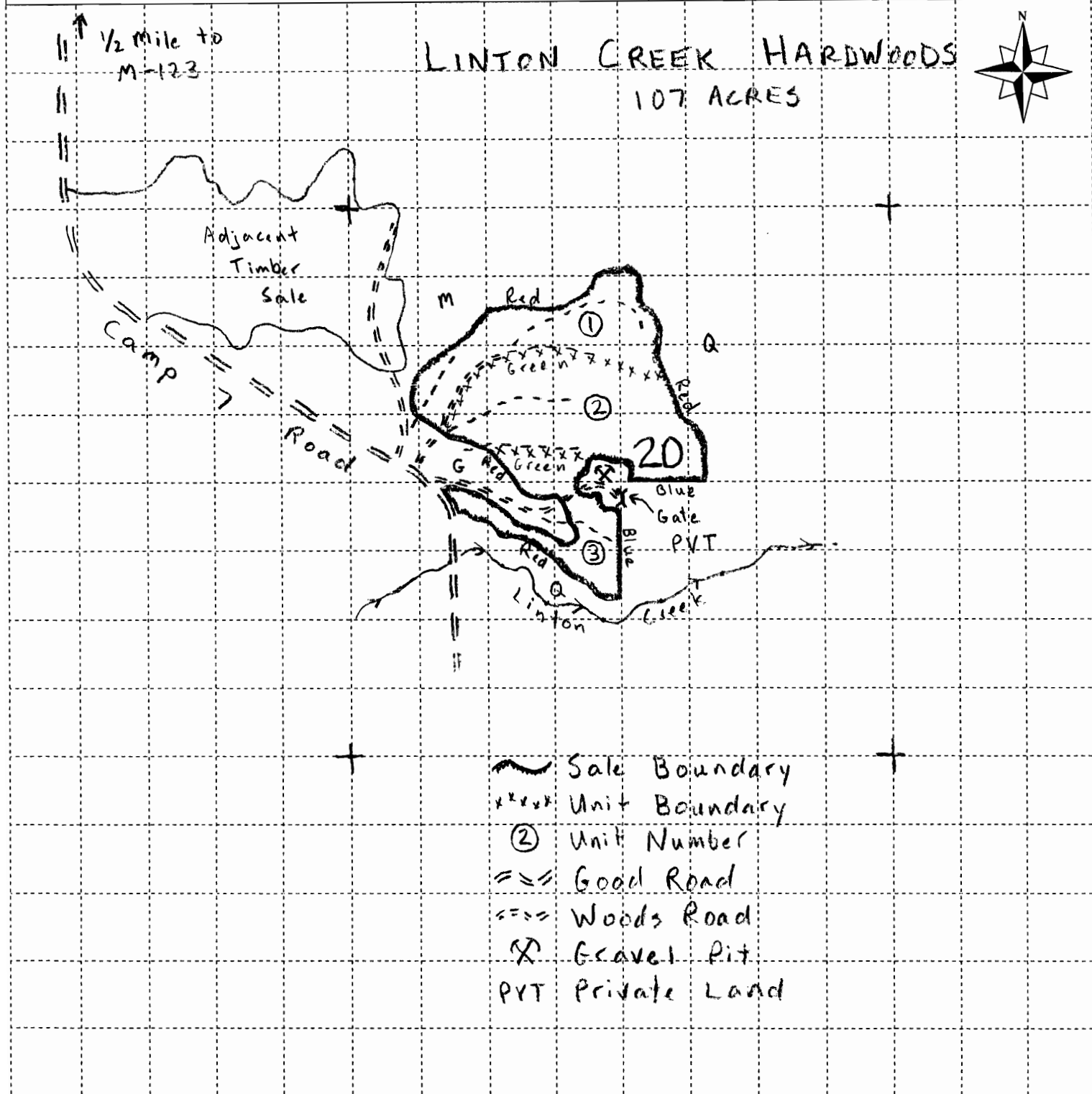
TIMBER SALE MAP

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

| | |
|-------------|------|
| Sale Number | Year |
| 42-027 | 09 |

| | | | | |
|---|-----------------------|---|---------------------------------|-------------------------|
| Forest Management Unit Newberry | County Luce | Mapped By Magnusson Cruised By Ryan Mattila | Date 9/26/09 | Page of 1 1 |
| Township 48N | Range 8W | Section(s) and Subdivision(s) 20 - NW 1/4, W 1/2 NE 1/4, N 1/2 SW 1/4 | Scale: [...4 inches...]= 1 mile | |

| Cover Type | | | | Density | | | |
|-------------------|--------------------|----------------------|------------------|-----------------------------|------------------------|--|--|
| A = Aspen | H = Hemlock | P = Lowland Poplar | V = Bog or Marsh | 0 = Non Stocked | 5 = Pole Timber Medium | | |
| B = Paper Birch | J = Jack Pine | Q = Mixed Swamp Cnfr | W = White Pine | 1 = Seedling Sapling Poor | 6 = Pole Timber Well | | |
| C = Cedar | L = Lowland Brush | R = Red Pine | X = Non Stocked | 2 = Seedling Sapling Medium | 7 = Saw Timber Poor | | |
| E = Swamp Hdwoods | M = Mpl, Bch, Brch | S = Black Spruce | Z = Water | 3 = Seedling Sapling Well | 8 = Saw Timber Medium | | |
| F = Spruce Fir | N = Marsh | T = Tamarack | | 4 = Pole Timber Poor | 9 = Saw Timber Well | | |
| G = Grass | O = Oak | U = Upland Brush | | | | | |



Sale Specific Conditions & Requirements

Sale Name: Linton Creek Hardwoods Sale Number: 42-027-09-01

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 green 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 green paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 - 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. DO NOT CUT any white pine, spruce or hemlock that are present.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment unit(s) 1 and 2 may be divided at the request of the purchaser and upon approval of the Unit Manager. Dividing payment units is a contract modification which requires a Timber Sale Contract Supplement.

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. In addition, care should be taken to avoid excessive damage to the sub-merchantable conifer trees. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

4 - Transportation

4.1 - Construction

4.1.4 - Timber removed for construction (1/09)

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

4.1.6 - Road construction (1/09)

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

4.1.7 - Road closure (4/07)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Contact the sale administrator for specific details of design and placement.

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

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (12/04)

All slash must be removed at least 10 feet from the cleared right-of-way of existing driveable forest roads.

5.2.1.8 - Slash height (12/08)

No slash may exceed 36 inches in height.

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.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1 - 3, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

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

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

5.2.41 - Snowmobile trail protection (8/09)

The Camp 7 Road serves as a snowmobile trail in the winter months (see Timber Sale Map). Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. If the trail road is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail. No decking of forest products will be permitted along the snowmobile trail.

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.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (4/09)

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

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The purchaser is responsible for posting and maintaining caution signs on the Camp 7 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.

6.2.2 - Snowmobile trail posting (8/09)

The Purchaser is responsible for posting and maintaining caution signs on Camp 7 Road prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from beech bark disease and the beech trees are dying out. There are beech trees in the sale that have been marked, it accounts for 20 cords of the mixed hardwood pulp volumes. The purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.

SWAMP LAKES RED PINE (025-09-01)

T49N, R09W, SEC. 26, NWSW.
T49N, R09W, SEC. 27, E1/2, S1/2NW1/4.
T49N, R09W, SEC. 27, NWSW, E1/2SW1/4.
LUCE COUNTY

In response to the notice of sale to be held 3:00 p.m. on April 15, 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.

| <u>SPECIES</u> | <u>APPRAISED PRICE</u> | <u>BID PRICE</u> | <u>ESTIMATED VOLUME*</u> | <u>VALUE</u> |
|-----------------|------------------------|------------------|--------------------------|--------------|
| <u>SAWLOGS</u> | | | | |
| RED PINE | \$ 90.00/MBF | \$ _____ X | 147.30 MBF | = \$ _____ |
| <u>PULPWOOD</u> | | | | |
| WHITE PINE | \$ 12.75/CORD | \$ _____ X | 144.00 CORDS | = \$ _____ |
| RED PINE | \$ 24.00/CORD | \$ _____ X | 323.00 CORDS | = \$ _____ |
| SUBTOTAL 1 | | | | \$ _____ |

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

| <u>SPECIES</u> | <u>APPRAISED PRICE</u> | <u>ESTIMATED VOLUME*</u> | <u>VALUE</u> |
|-----------------|------------------------|--------------------------|--------------------|
| <u>SAWLOGS</u> | | | |
| WHITE PINE | \$ 36.00/MBF | 41.60 MBF | = \$ 1,497.60 |
| <u>PULPWOOD</u> | | | |
| P. BIRCH | \$ 12.65/CORD | 6.00 CORDS | = \$ 75.90 |
| B. SPRUCE | \$ 11.00/CORD | 3.00 CORDS | = \$ 33.00 |
| JACK PINE | \$ 19.65/CORD | 41.00 CORDS | = \$ 805.65 |
| MIX ASPEN | \$ 13.60/CORD | 42.00 CORDS | = \$ 571.20 |
| MIX HARDWD | \$ 13.55/CORD | 8.00 CORDS | = \$ 108.40 |
| SUBTOTAL 2 | | | \$ <u>3,091.75</u> |

SUBTOTAL 1 + SUBTOTAL 2 = TOTAL BID VALUE \$ _____

*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



FOR DEPARTMENT USE ONLY

**TIMBER SALE
VERIFICATION OF WORKER'S DISABILITY
COMPENSATION ACT COMPLIANCE**

*As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525
of Act 451 of 1994, as amended.*

Sale or Permit No

Year:

Type:

Forest Area:

VERIFICATION OF WORKER'S DISABILITY COMPENSATION 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** check one of the boxes below):

- A. Sole Proprietorship (individual)
- B. Partnership
- C. Corporation

2. You **must** check one 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.

3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full and part time employees other than yourself including family members and active partners (if none, you must enter "0").

_____ Full Time Employees

_____ Part Time Employees

Name of Business

Federal ID (or) Social Security No.

Address

Telephone No.
()

City

State

Zip + 4

I hereby certify that the above information is true and correct. I agree to notify the 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

Date

DOUBLE GATE RED PINE (026-09-01)
 T49N, R09W, SEC. 26, SENW, W1/2SW1/4.
 T49N, R09W, SEC. 27, SESE.
 LUCE COUNTY

In response to the notice of sale to be held 3:00 p.m. on April 15, 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.

| <u>SPECIES</u> | <u>APPRAISED PRICE</u> | <u>BID PRICE</u> | <u>ESTIMATED VOLUME*</u> | <u>= VALUE</u> |
|----------------|------------------------|------------------|--------------------------|----------------|
| SAWLOGS | | | | |
| RED PINE | \$ 104.00/MBF | \$ _____ X | 68.10 MBF | = \$ _____ |
| PULPWOOD | | | | |
| RED PINE | \$ 24.00/CORD | \$ _____ X | 92.00 CORDS | = \$ _____ |
| SUBTOTAL 1 | | | | \$ _____ |

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

| <u>SPECIES</u> | <u>APPRAISED PRICE</u> | <u>ESTIMATED VOLUME*</u> | <u>VALUE</u> |
|----------------|------------------------|--------------------------|--------------|
| SAWLOGS | | | |
| WHITE PINE | \$ 42.00/MBF | 5.20 MBF | = \$ 218.40 |
| PULPWOOD | | | |
| WHITE PINE | \$ 12.75/CORD | 31.00 CORDS | = \$ 395.25 |
| JACK PINE | \$ 18.20/CORD | 1.00 CORDS | = \$ 18.20 |
| MIX ASPEN | \$ 13.60/CORD | 6.00 CORDS | = \$ 81.60 |
| SUBTOTAL 2 | | | \$ 713.45 |

SUBTOTAL 1 + SUBTOTAL 2 = TOTAL BID VALUE \$ _____

*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



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

**TIMBER SALE
VERIFICATION OF WORKER'S DISABILITY
COMPENSATION ACT COMPLIANCE**

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.

VERIFICATION OF WORKER'S DISABILITY COMPENSATION 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** check one of the boxes below):
 - A. Sole Proprietorship (individual)
 - B. Partnership
 - C. Corporation
2. You **must** check one 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.
3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full and part time employees other than yourself including family members and active partners (if none, you must enter "0").

_____ Full Time Employees

_____ Part Time Employees

| | | | |
|------------------|-------|-------------------------------------|--|
| Name of Business | | Federal ID (or) Social Security No. | |
| Address | | Telephone No. () | |
| City | State | Zip + 4 | |

I hereby certify that the above information is true and correct. I agree to notify the 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

Date

LINTON CREEK HARDWOODS (027-09-01)
 T48N, R08W, SEC. 20, NW1/4, W1/2NE1/4, N1/2SW1/4.
 LUCE COUNTY

In response to the notice of sale to be held 3:00 p.m. on April 15, 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.

| <u>SPECIES</u> | <u>APPRAISED PRICE</u> | <u>BID PRICE</u> | <u>ESTIMATED VOLUME*</u> | <u>= VALUE</u> |
|----------------|------------------------|------------------|--------------------------|----------------|
| SAWLOGS | | | | |
| SUG. MAPLE | \$ 306.00/MBF | \$ _____ X | 53.50 MBF | = \$ _____ |
| PULPWOOD | | | | |
| MIX HARDWD | \$ 16.80/CORD | \$ _____ X | 894.00 CORDS | = \$ _____ |
| | | | SUBTOTAL 1 | \$ _____ |

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

| <u>SPECIES</u> | <u>APPRAISED PRICE</u> | <u>ESTIMATED VOLUME*</u> | <u>VALUE</u> |
|--|------------------------|--------------------------|----------------------|
| SAWLOGS | | | |
| RED MAPLE | \$ 77.00/MBF | 1.50 MBF | = \$ 115.50 |
| | | | SUBTOTAL 2 \$ 115.50 |
| SUBTOTAL 1 + SUBTOTAL 2 = TOTAL BID VALUE \$ _____ | | | |

*These volumes are statistically estimated within plus (+) or minus (-) 10.02%. 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



FOR DEPARTMENT USE ONLY

**TIMBER SALE
VERIFICATION OF WORKER'S DISABILITY
COMPENSATION ACT COMPLIANCE**

*As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525
of Act 451 of 1994, as amended.*

Sale or Permit No

Year:

Type:

Forest Area:

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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- B. Partnership
- C. Corporation

2. You must check one 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.

3. If you have checked item 2(A) or 2(B), you must indicate the number of both full and part time employees other than yourself including family members and active partners (if none, you must enter "0").

_____ Full Time Employees

_____ Part Time Employees

| | | | |
|------------------|-------|-------------------------------------|--|
| Name of Business | | Federal ID (or) Social Security No. | |
| Address | | Telephone No. () | |
| City | State | Zip + 4 | |

I hereby certify that the above information is true and correct. I agree to notify the 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

Date