

DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT STATE OF MICHIGAN

TIMBER SALE PROSPECTUS (4372)

SCHEDULED SALE DATE AND TIME: 3:00PM on May 18, 2011.

LOCATION: CRYSTAL FALLS MGT UNIT, 1420 US-2 WEST, CRYSTAL FALLS, MI 49920.

PROSPECTUS NOTE: The bidder is advised to inspect the sale area and review the location, estimated volumes, operating costs and contract terms of proposed sales.

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

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

MARALUPIS (12-001-11-01) / T40N, R29W, SEC.07, NESE, SESE, SWSE.

T40N, R29W, SEC.18, NWNE, NENE, NWNW.

T40N, R30W, SEC.06, T40NR29W, NESW, NWSW.

T40N, R30W, SEC.13, NENE, SENE.

DICKINSON COUNTY (Advertised Price \$28,608.35), 64.0 Acres

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions. Access may be through private land.

KATES LAST LINE (12-004-11-01) / T44N, R27W, SEC.03, NE1/4,E1/2NW.

DICKINSON COUNTY (Advertised Price \$45,745.50), 70.0 Acres

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

TEMPORARY BRIDGE SALE (12-010-10-01) / T43N, R28W, SEC.03, NE1/4,N1/2NW,SENW.

T43N, R28W, SEC.04, NENE.

T44N, R28W, SEC.33, SE1/4.

T44N, R28W, SEC.34, SW1/4,SWNW.

DICKINSON COUNTY (Advertised Price \$93,965.85), 266.0 Acres

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

BID INSTRUCTIONS (VER. 02/24/2011):

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

Bids must be received by the Unit Manager, CRYSTAL FALLS OFFICE, 1420 US-2 WEST, CRYSTAL FALLS, MI 49920, no later than 3:00PM on May 18, 2011. For further information concerning this sale, contact Don Mankee at 906-875-6622.

2. Bidder's Qualifications (1/11)

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 DNRE/FMD 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 (1/11)

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 (1/11)

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 (1/11)

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 (1/11)

Award of the contract will be made to the Bidder whose bid, conforming to the prospectus, is most advantageous to the State of Michigan on the basis of total value at rates bid for the estimated quantities. The State reserves the right to reject any bid or waive any minor irregularity in bids received. A written award mailed (or otherwise furnished) to the successful Bidder shall be deemed to result in a binding contract without further action by either party.

7. Down Payment (1/11)

The Bidder to whom award is made must make a down payment within 21 days of the sale award. The amount of the down payment will be calculated as shown in the Bond and Payment Schedule of this prospectus. Only cash may be used to meet this requirement.

8. Performance Security (1/11)

As guarantee of faithful performance, a cash bond, certificate of deposit, surety bond or irrevocable letter of credit (LOC) is required within 21 days of the sale award. The amount of the performance security is shown in the Bond and Payment Schedule of this prospectus. If an LOC or surety is used, the coverage must extend for at least 6 months beyond the contract expiration.

9. Timber Sale Contract (1/11)

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 (1/11)

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 (1/11)

Unless otherwise indicated in the contract under section 7 – Other Conditions of the Sale Specific Conditions & Requirements, the area encompassed by this timber sale is certified to the standards of the Forest Stewardship Council (FSC) - Certificate #SCS-FM/COC-00090N and the Sustainable Forestry Initiative (SFI) - Certificate # NSF-SFIS-5Y031-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.

RODNEY STOKES Director

TIMBER SALE INFORMATION

MARALUPIS (12-001-11-01)

T40N, R29W, SEC.07; T40N, R29W, SEC.18; T40N, R30W, SEC.06; T40N, R30W, SEC.13.

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions. Access may be through private land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	<u>ADV</u>	<u>'ERTISED PRICE</u>
Pulpwood			
Paper Birch	243.00 Cords	\$	36.75 / Cord
Q. Aspen	661.00 Cords	\$	25.85 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,591.25:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	AD\	/ERTISED PRICE
Sawlogs			
Mixed Hardwood	3.60 MBF	\$	193.00 / MBF
Paper Birch	6.10 MBF	\$	150.00 / MBF
Pulpwood			
Mixed Hardwood	27.00 Cords	\$	36.35 / Cord
Pulpwood		\$ \$	

^{*}The volumes are statistically estimated within plus (+) or minus (-) 17.38 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 must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	3%
02	10%
03	25%
04	20%
05	42%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2013.

Sale Specific Conditions & Requirements

Sale Name: Maralupis Sale Number: 12-001-11-01

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 red paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with two red paint slashes. 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 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.1.4 - Species designation unit(s) (12/08)

Within Payment Unit(s) 2,4,5, all aspen and paper birch trees are designated for cutting which meet minimum piece specifications in 2.2 Utilization.

2.2 - Utilization

2.2.4 - Skidding length (2/09)

Skidding of unlimbed tops or lengths over 17 feet is not permissible unless approved by the Unit Manager or his/her representative.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the International ¼ Inch Log Rule.

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 5 % of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber, or at a rate of \$25.00 dollars per sawtimber tree and \$5.00 per pole sized tree, whichever is greater.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, 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.

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 (8/10)

Permission for access across private land is the responsibility of the purchaser. Permission to cross private land must include access for DNRE representatives to inspect the sale at any time.

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 The Unit Manager or his/her representative must be contacted at least 10 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

5.2.1.14 - Chipping of slash (10/08)

If tops are chipped, they must be skidded to the landing separately from the bole section of the tree. Skidding of tops must be done in such a way as to minimize damage to the residual trees. See related specs 2.2.4 - Skidding Length and 3.4.1 - Damaged Timber.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1, 2, 3, 4, and 5, unless changed by written agreement, cutting and skidding are not permitted during the period of March 1, 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 Norway trail is a snowmobile trail and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. The road maintenance/restoration must be done prior to December 1. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st. The snowmobile trail may not be used for any timber sale operations from December 1 to March 31. No decking of forest products will be permitted along the snowmobile trail from December 1 to March 31. All stumps within 20 feet of the snowmobile trail must be cut at ground level. In addition, any trees cut within 5 feet of the trail must have the stumps removed and be disposed of according to the direction of the Unit Manager or his/her representative.

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.

Section Name: Sale Specific Current as of 10/28/2010 10:52:53AM



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

 120011101
 2011

Forest Management Unit County Mapped By Otto Jacob Date Page of Crystal Falls Dickinson 10/26/10 Cruised By Otto Jacob 2 Township Range Section(s) and Subdivision(s) 29W,30w 40N R29W, sec7, nese, sese, swse; sec18, nwne, nene, nwnw; R30w, sec13, nene, sene **Cover Type** Density A = Aspen B = Paper Birch G = Grass O = Oak U = Upland Brush 0 = Non Stocked 5 = Pole Timber Medium 1 = Seedling Sapling Poor 2 = Seedling Sapling Medium H = Hemlock P = Lowland Poplar V = Bog or Marsh 6 = Pole Timber Well C = Cedar W = White Pine J = Jack Pine Q = Mixed Swamp Cnfr 7 = Saw Timber Poor D = Treed Bog L = Lowland Brush R = Red Pine X = Non Stocked 3 = Seedling Sapling Well 8 = Saw Timber Medium M = Mpl, Bch, Brch E = Swamp Hdwoods S = Black Spruce Z = Water 4 = Pole Timber Poor 9 = Saw Timber Well F = Spruce Fir N = Marsh T = Tamarack R30W. RZGW Maralupis Acres 6 992 Key : Woods Road Red Bourdary ** Red unit Line -00 Stream Snowmobile Trail -0:5 0.25 0 Miles



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 120011101 2011

Forest Management Unit County Mapped By Otto Jacob Date Page of Dickinson Crystal Falls 10/26/10 Cruised By Otto Jacob 2

U = Upland Brush

V = Bog or Marsh

W = White Pine

X = Non Stocked

Z = Water

Township Section(s) and Subdivision(s) Range 40N 29W sec 6, nesw, nwsw

Cover Type

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

D = Treed Bog L = Lowland Brush

E = Swamp Hdwoods M = Mpl, Bch, Brch F = Spruce Fir N = Marsh

O = Oak P = Lowland Poplar Q = Mixed Swamp Cnfr

R = Red Pine S = Black Spruce T = Tamarack

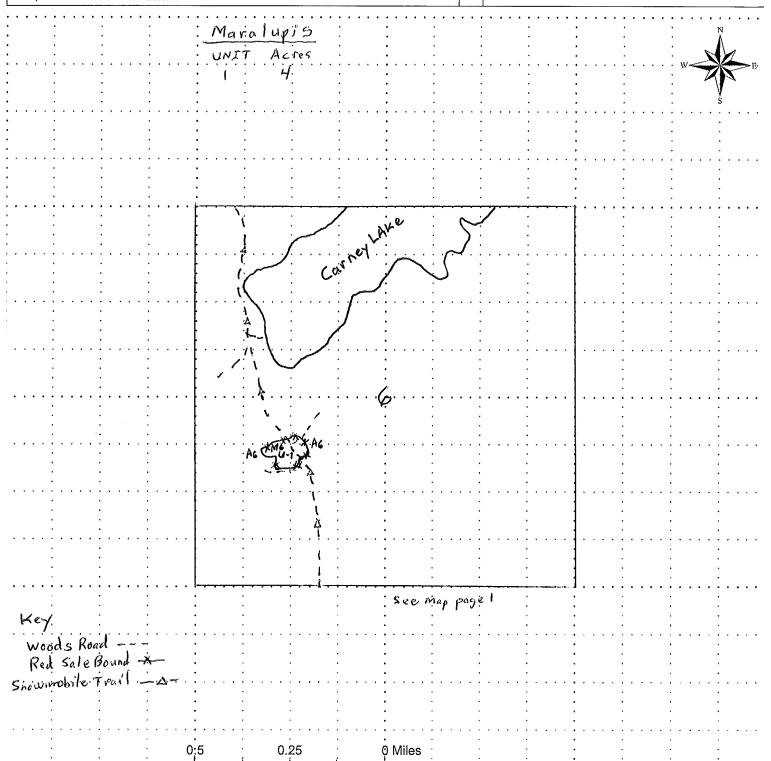
Density 0 = Non Stocked

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



TIMBER SALE INFORMATION

KATES LAST LINE (12-004-11-01)

T44N, R27W, SEC.03.

DICKINSON COUNTY (Advertised Price \$45,745.50)

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	<u>ADV</u>	ERTISED PRICE
Pulpwood			
Mixed Aspen	543.00 Cords	\$	25.00 / Cord
Mixed Hardwood	103.00 Cords	\$	27.00 / Cord
Mixed Softwood	922.00 Cords	\$	27.75 / Cord
Tamarack	317.00 Cords	\$	12.00 / Cord

^{*}The volumes are statistically estimated within plus (+) or minus (-) 12.42 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 \$3,000.00 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 must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	15%
02	37%
03	26%
04	22%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2013.

Sale Specific Conditions & Requirements

Sale Name: Kates Last Line Sale Number: 12-004-11-01

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 red and yellow 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) 1-4, cut all 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 cedar, red pine, and white pine.

2.2 - Utilization

2.2.11 - Chipping restriction (9/09)

If chipping occurs on this sale, then producer must retain on site 15-30% of tops from harvested trees.

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

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.

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 5 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. Contact the sale administrator for specific details of design and placement.

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.

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

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, as well as to review sale specs with on-site crew. The Unit Manager or his/her representative must be contacted at least 3 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

5.2.1.8 - Slash height (12/08)

No slash or tree tops 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

5.2.3.1 - Operating restrictions (12/08)

Within Payment Unit(s) 1, unless changed by written agreement, cutting and skidding are limited to frozen ground or very dry summer conditions. This restriction is because of lowland soils.

5.2.32 - Decking/landing restoration (9/10)

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.

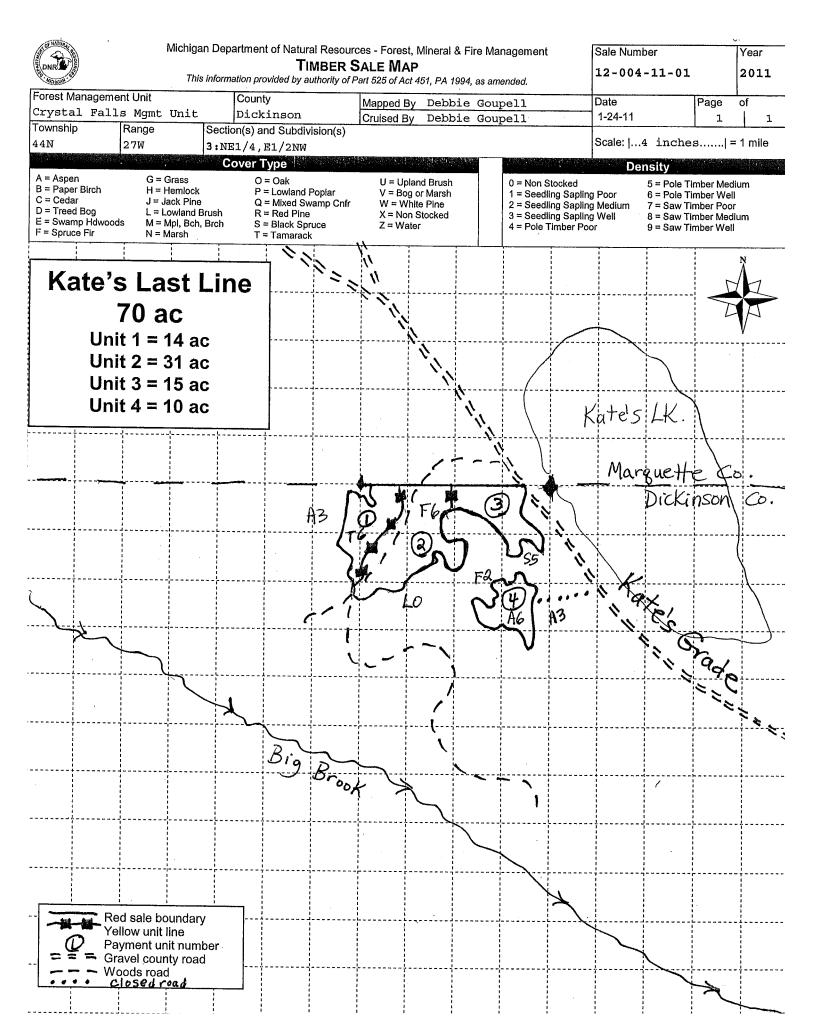
7 - Other Conditions

7.2 - Extensions

7.2.1 - One year extension (2/04)

Given justification, only one, 1 year extension may be granted if the contract has been paid for in full.

Section Name: Sale Specific Current as of 2/2/2011 9:28:14AM



TIMBER SALE INFORMATION

TEMPORARY BRIDGE SALE (12-010-10-01)

T43N, R28W, SEC.03; T43N, R28W, SEC.04; T44N, R28W, SEC.33; T44N, R28W, SEC.34.

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	AD\	VERTISED PRICE
Sawlogs Basswood	321.00 MBF	\$	147.00 / MBF
Pulpwood Mixed Hardwood	979.00 Cords	\$	27.15 / Cord
Mixed Hardwood	070.00 00100	Ψ	27.10 / Colu

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$20,199.00:

ESTIMATED VOLUME*	AD\	VERTISED PRICE
5.30 MBF	\$	206.00 / MBF
13.30 MBF	\$	299.00 / MBF
885.00 Cords	\$	8.80 / Cord
275.00 Cords	\$	26.70 / Cord
	5.30 MBF 13.30 MBF 885.00 Cords	5.30 MBF \$ 13.30 MBF \$ \$

^{*}The volumes are statistically estimated within plus (+) or minus (-) 13.62 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 **\$5,000.00** 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 must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	11%
02	18%
03	16%
04	14%
05	23%
06	18%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2014.

Sale Specific Conditions & Requirements

Sale Name: Temporary Bridge Sale Sale Number: 12-010-10-01

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 red and yellow paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow 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), all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.2 - Utilization

2.2.4 - Skidding length (2/09)

Skidding of unlimbed topsor lengths over 17 feet is not permissible.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the International ¼ Inch Log Rule.

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. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

Within the sale area, if more than 10% of the tree seedlings or saplings (1/4" to 4.5" DBH) within a specified portion of the sale area are damaged, liquidated damages will be assessed at \$100 per acre for all acreage within that specified portion of the sale area that was damaged.

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

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 5 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. 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.

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 Unit Manager or his/her representative must be contacted at least 5 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

5.2.1.14 - Chipping of slash (10/08)

If tops are chipped, they must be skidded to the landing separately from the bole section of the tree. Skidding of tops must be done in such a way as to minimize damage to the residual trees. See related specs 2.2.4 - Skidding Length and 3.4.1 - Damaged Timber.

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) 1-6, unless changed by written agreement, cutting and skidding are not permitted during the period of April 1 to July 15. This restriction is because of bark slippage.

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.

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.

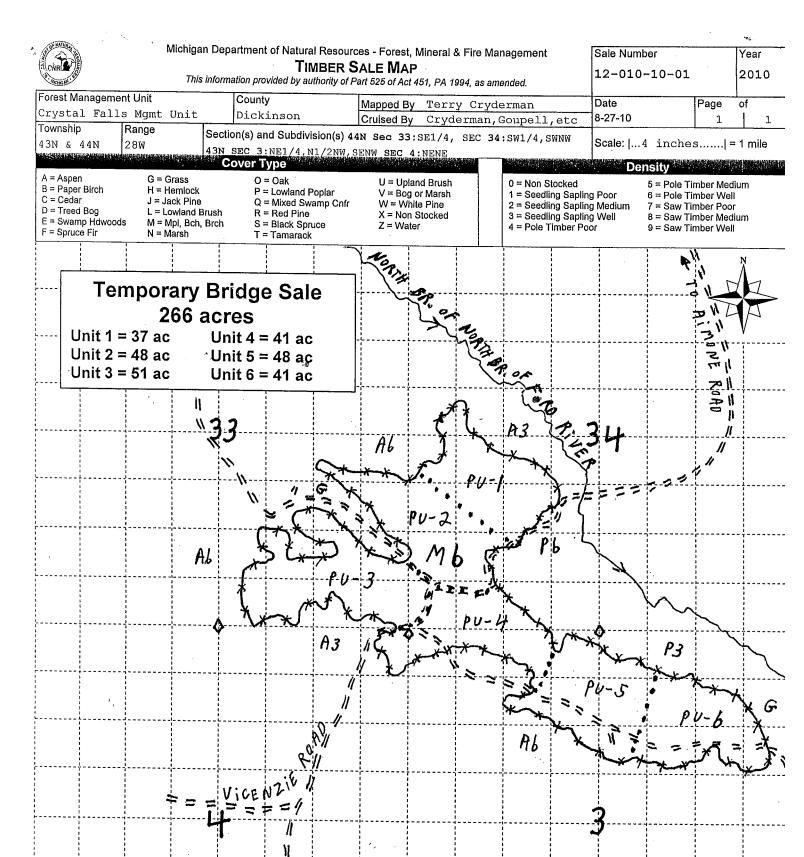
7 - Other Conditions

7.2 - Extensions

7.2.1 - One year extension (2/04)

Given justification, only one, 1 year extension may be granted if the contract has been paid for in full.

Section Name: Sale Specific Current as of 8/30/2010 3:53:32PM



Red sale boundary Yellow unit line Poor dirt road Survey corner

Ø

upon

BID FORM

MARALUPIS (12-001-11-01)

T40N, R29W, SEC.07; T40N, R29W, SEC.18; T40N, R30W, SEC.06; T40N, R30W, SEC.13; DICKINSON COUNTY

In response to the notice of sale to be held 3:00PM on May 18, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

	-			-	=		· ·
PRODUCTS & SPECIES Pulpwood	ESTIMATED	VOLUME*	<u>AD</u>	VERTISE	D PRICE	BID PRICE	
Paper Birch	243.00	Cords	\$	36.75	/ Cord	\$	/ Cord
Q. Aspen	661.00	Cords	\$		/ Cord	\$	/ Cord
In addition, the successful bidder agree	s to purchase	the following specie	s at th	ne indicat	ed advertise	d price for a total val	ue of \$2,591.25 :
PRODUCTS & SPECIES	ESTIMATED	VOLUME*	<u>AD</u>	VERTISE	D PRICE		
Sawlogs Mixed Hardwood	2.60	MDE	Φ.	102.00	/ NADE		
Paper Birch		MBF MBF	\$ \$	193.00 150.00			
Pulpwood	0.10	IVIDI	Ф	150.00	/ IVIDE		
Mixed Hardwood	27.00	Cords	\$	36.35	/ Cord		
adjustment. Prospective bidders are ur I understand that any or all bids may be understand that consideration and awa equipment and staffing subject to my co	rejected. All l rding a contrac	bids must be signed	d and	all bid iter	ns must be t	oid or the bid form ma	ay be rejected. I also
FEDERAL ID:		or SOCIAL SECUR	ITY N	UMBER:			
Company or individual biddir	ıg:						
Company representative's na	ame:						
Address:							
City:	State	:	Zip:				
IF AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.							
Individual or company representative's signature: Date:							
Phone number :	-	Email (op	tional)	:			



Title

Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

FOR DEPARTMENT USE ONLY		
Sale Number (XX – XXX – XX – XX)		
Forest Management Unit:		

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 <u>one</u> of the boxed. Sole Proprietorship (individual) Partnership Corporation 	es below):			
_	- ·				
2.	 You must check <u>one</u> of the boxes below: A. I certify that my business is a sole proprietorship and it has Worker's Compensation Laws. 	no employees but the sole proprietor. I am not subject to the			
		e Worker's Compensation Act through the use of an approved copy of the Notice of Exclusion within 21 days of the contract II the Worker's Compensation Bureau at 517-322-1195).			
	C. I certify that my business has a Worker's Compensation Podays of the contract award.	licy. I will provide an original Certificate of Insurance within 21			
3.	 If you have checked item 2(A) or 2(B), you must indicate the than yourself, including family members and active partners (item) 				
	Full-time Employees	Part-time Employees			
Vam	Name of Business Fed	leral ID (or) Social Security No.			
٩ddr	Address Tel-	ephone)			
City	City State ZIP				
	hereby certify that the above information is true and correct. I a occur in factors affecting my coverage during any of my present a				
S	Signature of Owner or Authorized Representative				

Date

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

CRYSTAL FALLS MANAGEMENT UNIT

CRYSTAL FALLS OFFICE

KATES LAST LINE (12-004-11-01) T44N, R27W, SEC.03; DICKINSON COUNTY

In response to the notice of sale to be held 3:00PM on May 18, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	ESTIMATED VOLUME*	ADVERTISED PRICE	BID PRICE
Pulpwood			
Mixed Aspen	543.00 Cords	\$ 25.00 / Cord	\$ / Cord
Mixed Hardwood	103.00 Cords	\$ 27.00 / Cord	\$ / Cord
Mixed Softwood	922.00 Cords	\$ 27.75 / Cord	\$ / Cord
Tamarack	317.00 Cords	\$ 12.00 / Cord	\$ / Cord

I understand that any or all bids may be rejected. All bids must be signed and all bid items must be bid or the bid form may be rejected. I also understand that consideration and awarding a contract will be based upon my past performance and ability to complete the contract based upon equipment and staffing subject to my control.

	FEDERAL ID:	or SOCIAL SECU	JRITY NUMBER:	
	Company or individual bidding:			
	Company representative's name:			
	Address:			
	City:			
F AVAIL	ABLE, PLEASE PLACE THE PERSO	NALIZED LABEL FROM	I YOUR PROSPECTUS IN T	HE ABOVE BOX.
ndividua	l or company representative's signatur	re:		Date:
Phone nu	hone number : Email (optional):			

^{*}The volumes are statistically estimated within plus (+) or minus (-) 12.42 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.



Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

FOR DEPARTMENT USE ONLY	
Sale Number (XX – XXX – XX – XX)	
Forest Management Unit:	

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

days of the contract award.

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 <u>one</u> 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

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

Full-time Employees

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

Name of Business		Federal ID (or) Social Security No.		
Address		Telephone		
		()		
City	State	ZIP		

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

Part-time Employees

BID PRICE

PRODUCTS & SPECIES

Sawlogs

BID FORM

TEMPORARY BRIDGE SALE (12-010-10-01)

T43N, R28W, SEC.03; T43N, R28W, SEC.04; T44N, R28W, SEC.33; T44N, R28W, SEC.34; DICKINSON COUNTY

ADVERTISED PRICE

In response to the notice of sale to be held 3:00PM on May 18, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

ESTIMATED VOLUME*

Basswood	321.00	MBF	\$	147.00 / MBF	\$	/ MBF	
Pulpwood							
Mixed Hardwood	979.00	Cords	\$	27.15 / Cord	\$	/ Cord	
In addition, the successful bidde	r agrees to purchase	the following	species at th	ne indicated adve	ertised price for	a total value of \$20,199.0	00:
PRODUCTS & SPECIES	ESTIMATED	VOLUME*	<u>AD</u>	VERTISED PRIC	<u>E</u>		
Sawlogs							
Mixed Hardwood		MBF	\$	206.00 / MBF			
Sugar Maple	13.30	MBF	\$	299.00 / MBF			
Pulpwood							
Basswood	885.00		\$	8.80 / Cord			
Mixed Aspen	275.00	Cords	\$	26.70 / Cord			
I understand that any or all bids understand that consideration ar equipment and staffing subject to	nd awarding a contrac		-				
FEDERAL ID:		or SOCIAL S	ECURITY N	UMBER:			
Company or individua	ıl bidding:				<u></u>		
Company representat	tive's name:				<u></u>		
Address:							
City:	State	n:	Zip:				
IF AVAILABLE, PLEASE PLACE	THE PERSONALIZE	ED LABEL FI	ROM YOUR	PROSPECTUS	IN THE ABOVE	BOX.	
Individual or company represent	ative's signature:				Date:		
							

Phone number :_____ Email (optional):____



Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

FOR DEPARTMENT USE ONLY
Sale Number (XX – XXX – XX – XX)
Forest Management Unit:

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

Signature of Owner or Authorized Representative

Title

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 <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 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-time 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 City State ZIP I hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that occur in factors affecting my coverage during any of my present and future operations.

Date