

DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT STATE OF MICHIGAN

TIMBER SALE PROSPECTUS (4456)

SCHEDULED SALE DATE AND TIME: 3:00PM on September 07, 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 sales. Some landowners may request 60 days or more notice for access across their land. NOTE: 3:00pm bid time is local time.

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:

CADYSHACK ASPEN (12-002-11-01) / T44N, R27W, SEC.15, NESE & S1/2SE.

T44N, R27W, SEC.16, NWSE & NESW.

T44N, R27W, SEC.16, SESE.

T44N, R27W, SEC.22, NWNE & NENW.

DICKINSON COUNTY (Advertised Price \$71,492.00), 107.0 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 state forest land.

FROZEN FROGS SALE (12-061-11-01) / T44N, R33W, SEC.03, SW1/4; S1/2SE.

IRON COUNTY (Advertised Price \$32,053.40), 88.0 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 state forest land.

PIIKKISIKA SALE (12-062-11-01) / T43N, R29W, SEC.20, NWNW; SWNW.

DICKINSON COUNTY (Advertised Price \$24,672.80), 49.0 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. 06/20/2011):

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 September 07, 2011. For further information concerning this sale, contact Don Mankee at 906-875-6622.

2. Bidder's Qualifications (6/11)

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 DNR/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 (6/11)

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) the sale name or number and (b) the date and time of bid opening as shown in the prospectus. Bids received after the time specified in the sale prospectus are late bids and will be rejected.

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

CADYSHACK ASPEN (12-002-11-01)

T44N, R27W, SEC.15; T44N, R27W, SEC.16; T44N, R27W, SEC.22. DICKINSON COUNTY (Advertised Price \$71,492.00)

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 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	1,987.00 Cords	\$	25.00 / Cord
Mixed Hardwood	264.00 Cords	\$	25.00 / Cord
Mixed Softwood	588.00 Cords	\$	25.00 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$517.00:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	<u>AD</u>	VERTISED PRICE
Sawlogs Mixed Hardwood	4.70 MBF	\$	110.00 / MBF

^{*}The volumes are statistically estimated within plus (+) or minus (-) 8.90 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 **\$4,000.00** 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 50%

- 02 50%
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 09/30/2013.

Sale Specific Conditions & Requirements

Sale Name: Cadyshack Aspen Sale Number: 12-002-11-01

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 BLUE and RED paint. Exterior sale boundary lines against private property are marked with BLUE paint. Exterior sale boundary lines against state are marked with RED paint. Do not cut painted boundary line trees.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) #2, cut all trees that are 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 PINE, CEDAR, and HEMLOCK. IN ADDITION, leave all conifers within 20 feet of UNIT #2's South line. Reserve trees identified in accordance with 2.4.2 - Reserve trees, within clearcutting unit boundaries, are not Included Timber and are to be protected.

2.1.2 - Clearcut unit(s) w/o unmerchantable trees (12/08)

Within Payment Unit(s) #1, cut all trees which meet minimum piece specifications in 2.2 Utilization EXCEPT PINE, CEDAR, and HEMLOCK. IN ADDITION, leave all conifers one stick of merchantability or less. Reserve trees identified in accordance with 2.4.2 - Reserve trees, within clearcutting unit boundaries, are not Included Timber and are to be protected.

2.2 - Utilization

2.2.11 - Chipping restriction (2/11)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped.

2.4 - Special Protection

2.4.2 - Reserve trees (1/09)

The Purchaser shall not cut live or dead reserve trees within cutting units or clearings. Reserve trees are PINE, CEDAR, and HEMLOCK. The Purchaser shall protect reserve trees from damage by the Purchaser's operations. If the Purchaser's operations have cut or damaged reserve trees through carelessness, the Purchaser shall pay \$20.00 as fixed, agreed and liquidated damages for each reserve tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment unit(s) #1, or #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.

3.6 - Payment Unit Cutting Schedule

3.6.2 - One active unit (12/08)

Each Payment Unit must be completed to the satisfaction of the Unit Manager or his/her representative before the next unit may be opened.

4 - Transportation

41 - Construction

4.1.12 - No new roads (6/10)

No new roads will be permitted in any Payment Unit. All operations are limited to existing roads. Skid trails, landings, and turnarounds only will be allowed.

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 locations. 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

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 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) #'s 1-2, unless changed by written agreement, cutting, skidding, or hauling is not permitted during the period of 12/01 to 03/31. This restriction is because of the snowmobile trail.

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.

5.2.41 - Snowmobile trail protection (8/09)

The snowmobile trail is shown on the Timber Sale Map. NO CUTTING, SKIDDING, OR HAULING DURING SNOMOBILE SEASON (December 1 to March 31). 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. The trail must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

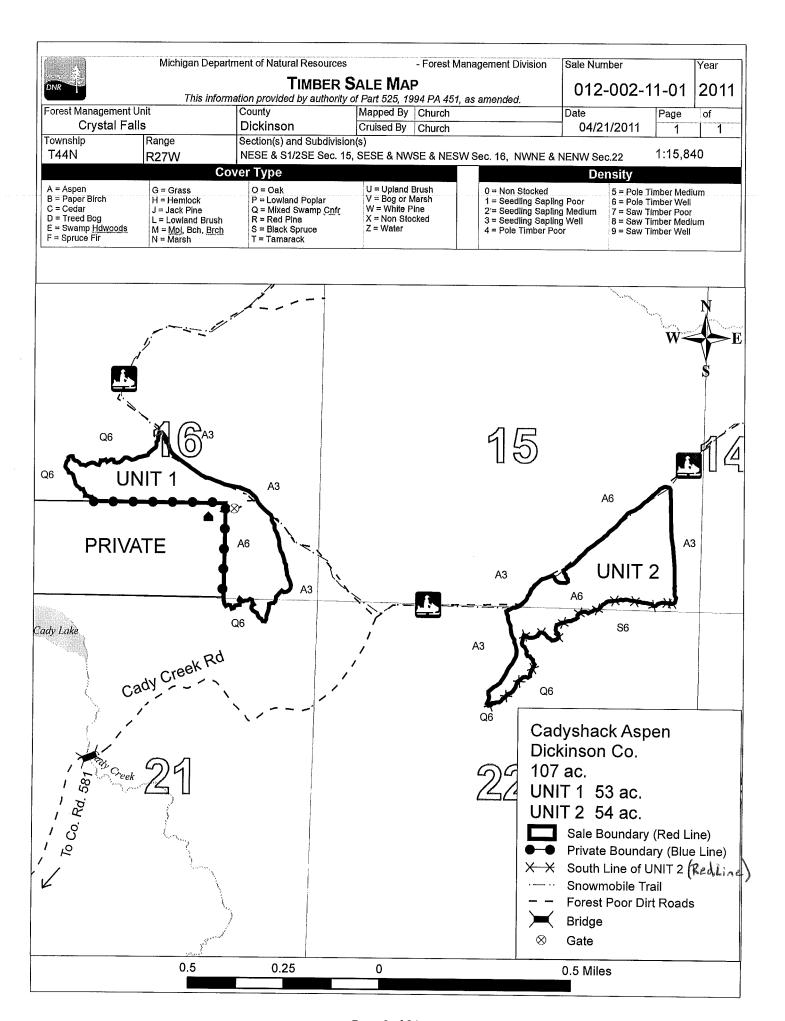
Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the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

return to the area when the risk of rutting has decreased.

5.4.6 - Wet area protection (5/10)

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

Section Name: Sale Specific Current as of 4/21/2011 11:08:06AM



TIMBER SALE INFORMATION

FROZEN FROGS SALE (12-061-11-01)

T44N, R33W, SEC.03.

IRON COUNTY (Advertised Price \$32,053.40)

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 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 Hardwood	126.00 Cords	\$	23.75 / Cord
Mixed Softwood	356.00 Cords	\$	24.20 / Cord
Q. Aspen	852.00 Cords	\$	23.75 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$210.70:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	<u>AD\</u>	<u>/ERTISED PRICE</u>
Pulpwood			
Paper Birch	7.00 Cords	\$	30.10 / Cord

^{*}The volumes are statistically estimated within plus (+) or minus (-) 9.95 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 LINIT NUMBER

 PERCENT OF TOTAL SALE VALUE

I ATMENT ONLY NOMBER	I LINGLINI OF TOTAL O
01	56%
02	18%
03	26%

- 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: Frozen Frogs Sale Sale Number: 12-061-11-01

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 red paint. Retention Areas are marked with 3 dots instead of two with red paint. Do not cut painted boundary line trees.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) #'s 1, 2 and 3, 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 red and white pine, hemlock, cedar, cherry, elm and oak if present in the stand. Cut all spruce and balsam that is 6 inches or larger in diameter at 4 inches above the ground.

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.

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

Piles or windrows of earth along roads and landings that have been widened or constructed shall be leveled. Slash from road maintenance or construction, including stumps, shall be dispersed throughout the sale.

4.1.7 - Road closure (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. Some existing roads may also need to be closed, see the timber sale map for locations. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

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

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.

5.2 - Conduct of Operations

5 2 1 - Slash

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

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 spec 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.

5.2.41 - Snowmobile trail protection (8/09)

The Roy Koski 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 trail should not have to be used for hauling. The DNR road should be the haul road for this sale but some wood can be accessed from the trail. If used, the trail should be maintained and restored prior to December 1st and work from the trail should be done at that time. A snow covered base must be left on the trail at all times during the snowmobile season (from December 1 to March 31). Maintain a 20 foot wide slash, debris, and rut free zone daily using the snowmobile trail as the centerline. No decking of forest products will be permitted along the snowmobile trail. 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.

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 6/8/2011 10:56:31AM



TIMBER SALE MAP

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

120611101

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PAGE MAPPED BY Linda Lindberg DATE OF FOREST MANAGEMENT UNIT: COUNTY 5/9/2011 Crystal Falls Iron CRUISED BY Linda Lindberg 1 TOWNSHIP SECTION(S) AND SUBDIVISION(S) Range Scale: |.....4 inches......| = 1 mile 33W 3 SW1/4; S1/2SE, NWSE 44N Density Cover Type 0 = Non Stocked A = Aspen H = Hemlock P = Lowland Poplar V = Bog or Marsh 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 T = Tamarack 4 = Pole Timber Poor 9 = Saw Timber Well F = Spruce Fir N = Marsh U = Upland Brush O = Oak G = Grass Frozen Frogs Sale Unit 2 Unit 1 Unit 3-C 16Acres 49 Acres 23 Acres Total = 88 Acres Clearcut 0 Αз Mq Logging Rd. Red Boundary Line COU Dirt Road **DNR Survey Corner** Reserve Area STATE Snowmobile Trail 10, Unit Boundary

TIMBER SALE INFORMATION

PIIKKISIKA SALE (12-062-11-01)

T43N, R29W, SEC.20.

DICKINSON COUNTY (Advertised Price \$24,672.80)

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>AD\</u>	<u>/ERTISED PRICE</u>
Pulpwood			
Mixed Aspen	925.00 Cords	\$	24.80 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,732.80:

PRODUCTS & SPECIES	<u>ESTIMATED VOLUME*</u>	AD\	ADVERTISED PRICE		
Pulpwood					
Mixed Hardwood	67.00 Cords	\$	25.10 / Cord		
Mixed Softwood	2.00 Cords	\$	25.55 / Cord		

^{*}The volumes are statistically estimated within plus (+) or minus (-) 10.63 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 **\$1,500.00** 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 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 remainder is due before cutting begins.
- 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: Piikkisika Sale Sale Number: 12-062-11-01

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

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

Within Payment Unit(s) #'s, 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 oak, cherry, elm, red and white pine, cedar and hemlock. Cut spruce and balsam that is 6 inches or greater in diameter at 4 inches above the ground. For a representative view of this sale, walk up the power line to the north end of the M6 stand on the map and follow the road to the east.

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. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

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

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. This may be an off site conference via phone if the sale administrator agrees.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

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

5.2.1.14 - 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.

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.

5.2.32 - 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 6/9/2011 8:55:01AM

DNR

wirchigan Department of Natural Resources - Forest Management

TIMBER SALE MAP

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

12-062-11-01

11 11

FOREST MANAGEMENT UNIT: COUNTY MAPPED BY Linda Lindberg DATE PAGE OF CRUISED BY Linda Lindberg 5/16/2011 1 1

TOWNSHIP RANGE SECTION(S) AND SUBDIVISION(S)
43N 29W 20, NWNW; SWNW

Scale: |.....4 inches......| = 1 mile

Cover Type						5	Density
A = Aspen B = Paper Birch C = Cedar E = Swamp Hdwood F = Spruce Fir G = Grass	H = Hemloc J = Jack Pir L = Lowland S M = Mpl, Bc N = Marsh O = Oak	ne I Brush h, Brch	P = Lowland Po Q = Mixed Swar R = Red Pine S = Black Spruc T = Tamarack U = Upland Brus	np Cnfr W = 1 X = 1 e Z = V	og or Marsh White Pine Ion Stocked Vater		0 = Non Stocked 5 = Pole Timber Medium 1 = Seedling Sapling Poor 6 = Pole Timber Well 2 = Seedling Sapling Medium 7 = Saw Timber Poor 3 = Seedling Sapling Well 8 = Saw Timber Medium 4 = Pole Timber Poor 9 = Saw Timber Well
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Unit 1-49 Ac	re Clearcut					; ; ; ; ; ; ; ; ; ;	7
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Logging Road Red Boundary Dirt Rd	Line —	-		Letter My Chal. D.			556.5 Addition of the Model
DNR registered	•	5		27 JE			600 COPPER COUNTRY STATE FOREST 32
					0 -6 04		Market Committee of the

BID FORM

<u>CADYSHACK ASPEN (12-002-11-01)</u> T44N, R27W, SEC.15; T44N, R27W, SEC.16; T44N, R27W, SEC.22; DICKINSON COUNTY

In response to the notice of sale to be held 3:00PM on September 07, 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.

iorest products to be cut. Bids for in	uividuai species i	ilusi be ai oi abov	e lile ai	avertised price. All flo	ii-iespoiisive biu io	illis illay be rejected.
PRODUCTS & SPECIES	ESTIMATED	VOLUME*	<u>AD</u>	VERTISED PRICE	BID PRICE	
Pulpwood						
Mixed Aspen	1,987.00	Cords	\$	25.00 / Cord	\$	_ / Cord
Mixed Hardwood	264.00	Cords	\$	25.00 / Cord	\$	_ / Cord
Mixed Softwood	588.00	Cords	\$	25.00 / Cord	\$	_ / Cord
In addition, the successful bidder ag	rees to purchase	the following spec	ies at th	ne indicated advertised	d price for a total va	alue of \$517.00 :
PRODUCTS & SPECIES	ESTIMATED	VOLUME*	<u>AD</u>	VERTISED PRICE		
Sawlogs						
Mixed Hardwood	4.70	MBF	\$	110.00 / MBF		
I understand that any or all bids may understand that consideration and a equipment and staffing subject to my	warding a contrac	•				
FEDERAL ID:		or SOCIAL SECU	IRITY N	UMBER:		
Company or individual bio	ldina:					
Company representative's	s name:					
Address:						
City:	State	:	Zip:			
IF AVAILABLE, PLEASE PLACE TH	IE PERSONALIZI	ED LABEL FROM	YOUR	PROSPECTUS IN TH	E ABOVE BOX.	
Individual or company representative	e's signature:				Date:	
Phone number :		Email (c	ptional)	:		



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.

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

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

•	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.									
Ple	ease 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.									
3.	than yourself, including family members	and active partne	ers (if none, you must enter "0").							
	Full-time En	nployees	Part-time Employees							
lam	ne of Business		Federal ID (or) Social Security No.							
Addı	ress		Telephone ()							
City	days of the contract award. 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 e of Business Federal ID (or) Social Security No. Telephone () State ZIP reby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that									
000	eur in factors affecting my coverage durin									
_	Signature of Owner or Authorized Representative									

BID FORM

CRYSTAL FALLS MANAGEMENT UNIT

CRYSTAL FALLS OFFICE

FROZEN FROGS SALE (12-061-11-01) T44N, R33W, SEC.03; IRON COUNTY

In response to the notice of sale to be held 3:00PM on September 07, 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.

PRODUC Pulpwood	TS & SPECIES	ESTIMATED	VOLUME*	<u>AD\</u>	ERTISED PRICE	BID PRICE	
-	d Hardwood	126.00	Cords	\$	23.75 / Cord	\$	/ Cord
_	d Softwood	356.00		\$	24.20 / Cord	\$	/ Cord
Q. As		852.00		\$	23.75 / Cord	\$	_ / Cord
In additio	n, the successful bidder agr	ees to purchase	the following spe	cies at th	e indicated advertised	d price for a total va	alue of \$210.70 :
	TS & SPECIES	ESTIMATED	VOLUME*	<u>AD\</u>	ERTISED PRICE		
Pulpwood Pape	l r Birch	7.00	Cords	\$	30.10 / Cord		
I understa understar	nt. Prospective bidders are and that any or all bids may be that consideration and avoit and staffing subject to my	be rejected. All l	oids must be sigr	ned and a	Il bid items must be b	id or the bid form n	nay be rejected. I also
	FEDERAL ID:		or SOCIAL SECU	JRITY NU	JMBER:		
	Company or individual bid	ding:					
	Company representative's	name:					
	Address:						
	City:	State		Zip:			
ı IF AVAIL	ABLE, PLEASE PLACE TH	E PERSONALIZE	ED LABEL FROM	1 YOUR F	PROSPECTUS IN TH	IE ABOVE BOX.	
	or company representative					Date:	
	J. JJparij ropiodonitativo						



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:	
Please Check Appropriate Categories:	
 My business is organized as (you must check one of the boxes below): A. Sole Proprietorship (individual) B. Partnership Corporation 	
 You must check one of the boxes below: I certify that my business is a sole proprietorship and it has no employees but Worker's Compensation Laws. I certify that my business has satisfied its obligation to the Worker's Compen Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice award. (For questions or a copy of the BWC-337, please call the Worker's Com I certify that my business has a Worker's Compensation Policy. I will provide a days of the contract award. 	nsation Act through the use of an approved of Exclusion within 21 days of the contract appensation Bureau at 517-322-1195).
3. If you have checked item 2(A) or 2(B), you must indicate the number of both furthan yourself, including family members and active partners (if none, you must Full-time Employees	
Name of Business Federal ID (or) Social Sect	urity No.
Address Telephone ()	
City State ZIP	
I hereby certify that the above information is true and correct. I agree to notify the occur in factors affecting my coverage during any of my present and future operation. Signature of Owner or Authorized Representative	
Title Date	

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

PRODUCTS & SPECIES

Phone number :__

BID FORM

CRYSTAL FALLS MANAGEMENT UNIT CRYSTAL FALLS OFFICE

upon

BID PRICE

PIIKKISIKA SALE (12-062-11-01) T43N, R29W, SEC.20; DICKINSON COUNTY

ADVERTISED PRICE

In response to the notice of sale to be held 3:00PM on September 07, 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*

Pulpwood Mixed	l d Aspen	925.00	Cords	\$	24.80 / Cord	\$	/ Cord	
n addition	n, the successful bidder ag	grees to purchase t	the following speci	es at th	e indicated advertise	d price for a t	otal value of \$1,732.80 :	
	TS & SPECIES	ESTIMATED '	VOLUME*	AD\	/ERTISED PRICE			
Pulpwood Mixed	l d Hardwood	67.00	Cords	\$	25.10 / Cord			
Mixed	d Softwood		Cords		25.55 / Cord			
	mes are statistically estimate. Prospective bidders ar			-			-	
ınderstan	nd that any or all bids mand that consideration and a tand staffing subject to m	awarding a contrac	_					
	FEDERAL ID:	(or SOCIAL SECUI	RITY NU	JMBER:			
	Company or individual bi	dding:						
	Company representative	entative's name:						
	Address:							
	City:	State		Zip:				
ے F AVAILA	ABLE, PLEASE PLACE TH		ED LABEL FROM	YOUR I	PROSPECTUS IN TH	HE ABOVE B	OX.	
	or company representativ					Date:		
					· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·	

_____ Email (optional):_____



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 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. Signature of Owner or Authorized Representative

Date