



**DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS (4427)

SCHEDULED SALE DATE AND TIME: 3:00PM on August 09, 2011.

LOCATION: INDIAN RIVER FIELD OFFICE, 6984 WILSON RD, INDIAN RIVER, MI 49749.

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, **GAYLORD MANAGEMENT UNIT**, for certain timber on the following described lands:

ZIPSTRIP RED PINE (52-101-11-01) / T36N, R05W, SEC.01, E1/2SW, SWSE.

T36N, R05W, SEC.12, N1/2NE.

EMMET COUNTY (Advertised Price \$38,779.80), 56.0 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.

FORGET-ME-NOT ASPEN (52-104-11-01) / T36N, R03W, SEC.19, SWNE & NWSE.

CHEBOYGAN COUNTY (Advertised Price \$11,042.70), 15.0 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 private or state forest land.

POWERLINE ASPEN (52-105-11-01) / T37N, R04W, SEC.01, SESE.

T37N, R04W, SEC.11, S1/2NE, N1/2SE, SESE.

T37N, R04W, SEC.12, NENE, W1/2SW.

T37N, R04W, SEC.13, NENW, W1/2NW, NWSW.

EMMET COUNTY (Advertised Price \$15,232.05), 178.0 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 private or 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, INDIAN RIVER OFFICE, 6984 WILSON RD, INDIAN RIVER, MI 49749, no later than 3:00PM on August 09, 2011. For further information concerning this sale, contact Joyce Angel-Ling at 231-238-9314.

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

ZIPSTRIP RED PINE (52-101-11-01)

T36N, R05W, SEC.01; T36N, R05W, SEC.12.

EMMET COUNTY (Advertised Price \$38,779.80)

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:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Red Pine	112.00 MBF	\$ 129.00 / MBF
Pulpwood		
Red Pine	642.00 Cords	\$ 37.90 / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 8.97 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:

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
01	40%
02	20%
03	40%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 12/31/2013.

Sale Specific Conditions & Requirements

Sale Name: Zipstrip Red Pine Sale Number: 52-101-11-01

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 BLUE paint. Exterior sale boundary lines against state-owned land are marked with red paint. Exterior sale boundary lines against privately owned land are marked with blue paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.8 - Designated plantation row unit(s) (12/08)

Within Payment Unit(s) 1, 2, and 3, all RED PINE trees which meet minimum piece specifications in 2.2 Utilization, within designated plantation rows are designated for cutting. Designated plantation rows which are to be harvested begin with the third row in from the EAST side of the plantation, then continue every third row. It shall be the responsibility of the producer to maintain the third row sequence.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the sale area shall not exceed 6 inches for all trees.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment unit(s) 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. 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 per sawtimber tree and \$10 per pole sized tree, whichever is greater.

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 area. Slash from processing will not be allowed to accumulate at any landing areas and will also need to be dispersed throughout the sale area.

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. 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.

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

5.2.1.2 - Slash Removal

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

All slash must be removed at least 50 feet from the cleared right-of-way of Tower Rd., N. Ayr Rd., and the designated snowmobile trail.

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 NOT PERMITTED during the period from NOVEMBER 1 to APRIL 1. This restriction is because of the designated snowmobile trail that exists in Unit 1.

5.2.3.2 - Operating restrictions (12/08)

Within Payment Unit(s) 1, 2, and 3, unless changed by written agreement, no equipment shall operate within the strips of young red pine saplings that are found adjacent to either side of the mature red pine strips. This restriction is to prevent unnecessary damage to red pine saplings.

5.2.3.6 - Bark beetle restriction (12/08)

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

5.4 - 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.



Sale Number	Year
52-101-11-01	2011
Date	Page of
10/21/2010	1 1

Forest Management Unit	County	Mapped By	Stacks
GAYLORD - NORTH	EMMET	Cruised By	STACKS
Township	Range	Section(s) and Subdivision(s)	
T36N	R05W	1412 (1) E 1/2 SW, SWSE (12) N 1/2 NE	

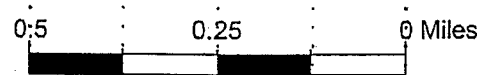
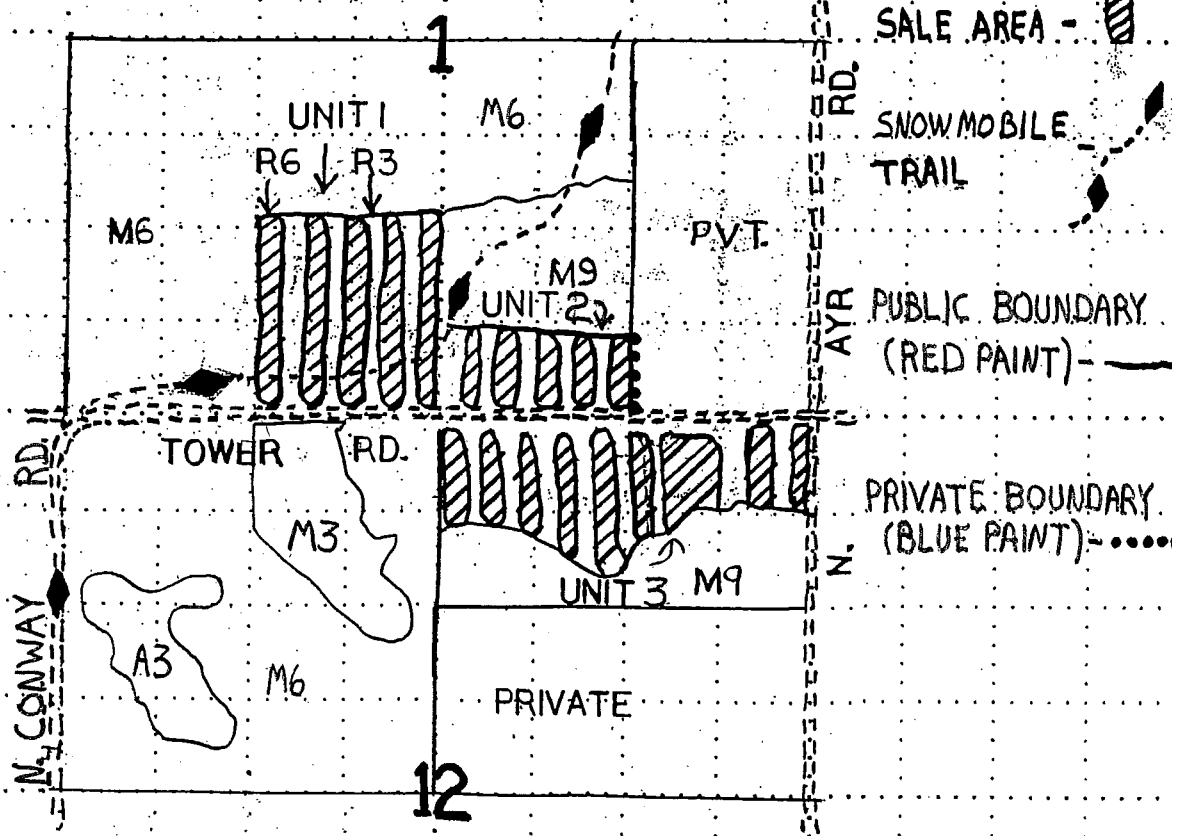
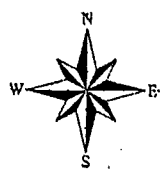
Cover Type				Density	
A = Aspen	G = Grass	O = Oak	U = Upland Brush	0 = Non Stocked	5 = Pole Timber Medium
B = Paper Birch	H = Hemlock	P = Lowland Poplar	V = Bog or Marsh	1 = Seedling Sapling Poor	6 = Pole Timber Well
C = Cedar	J = Jack Pine	Q = Mixed Swamp Cnfr	W = White Pine	2 = Seedling Sapling Medium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

COMPARTMENT 116

ZIPSTRIP RED PINE

56 ACRES

EMMET COUNTY



TIMBER SALE INFORMATION

FORGET-ME-NOT ASPEN (52-104-11-01)

T36N, R03W, SEC.19.

CHEBOYGAN COUNTY (Advertised Price \$11,042.70)

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 private or 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:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Mixed Aspen	39.40 MBF	\$ 72.00 / MBF
Pulpwood		
Mixed Aspen	272.00 Cords	\$ 29.00 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$317.90:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Pulpwood		
Red Maple	23.00 Cords	\$ 7.15 / Cord
Sugar Maple	31.00 Cords	\$ 4.95 / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 19.61 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 **\$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 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: Forget-me-not Aspen Sale Number: 52-104-11-01

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) 1, cut all trees that are 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 Hemlock, Oak, White Pine or Cherry trees. NO TREES are to be cut within RETENTION AREA boundaries marked with red paint.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

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

4 - Transportation

4.1 - Construction

4.1.3 - 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.

4.1.12 - No new roads (6/10)

No new roads will be permitted. All operations are limited to existing roads.

4.2 - Maintenance

4.2.4 - Grading (12/08)

Roads must be graded after the sale is completed. In general, this will require a road grader or bull dozer to shape up the roads after forest products have been hauled off site. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

4.2.5 - 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. The sale can be accessed by state owned land. However, if the purchaser desires to cross private land, a copy of the written permission from the private land-owner may be required by the DNRE. A copy of the written permission from the private landowner must be given to the Unit Manager within 30 days of the bid opening and prior to the beginning of operations. Permission to cross private land must include access for 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 to determine landing and road 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.

5.2.2 - 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.

5.2.31 - Landing locations (10/09)

Recommended landing areas are marked on the timber sale map. Landings may be confined to these designated sites unless otherwise authorized by the Unit Manager or his/her representative.

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. Also, any harvest material (wood chips, tree bark, etc.) accumulations within the sale area that are regarded as excessive may be required for removal per sale administrator's request.

5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of Indian Road without permission of the Unit Manager or his/her representative.

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.

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 Indian Road & Penny Lane 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.



TIMBER SALE MAP

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

Sale Number Year

52-104-11-01

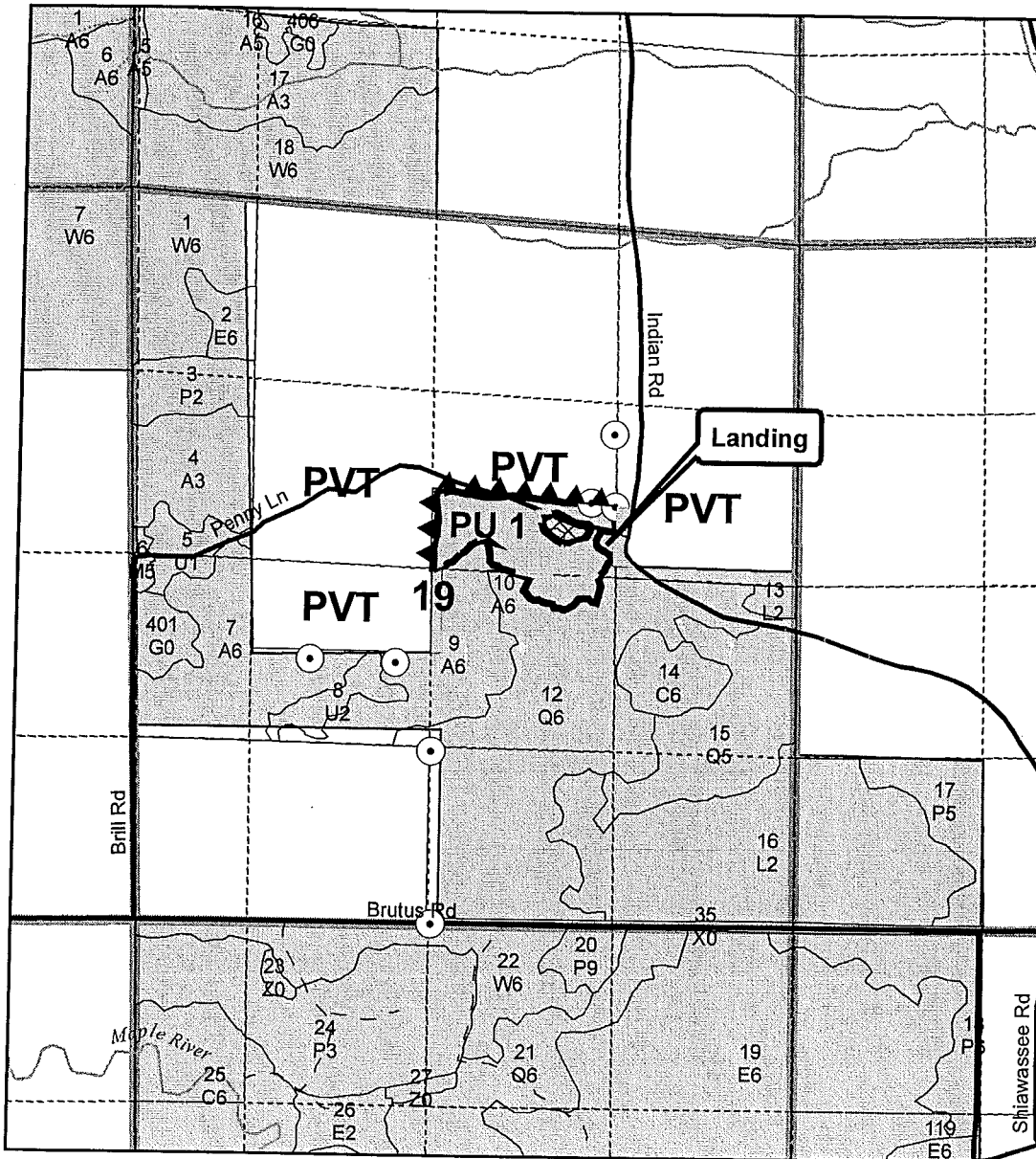
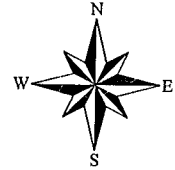
11

Forest Management Unit		County	Mapped By: Coy		Date	Page of	
Gaylord Management Unit		Cheboygan	Cruised By: Coy		10/28/2010	1	1
Township	Range	Section(s) and Subdivision(s)			Scale		
36N	3W	19- SWNE & NWSE			SCALE 1:15,840		

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

PU# ACRES
1 15

Forget-Me-Not Aspen Cheboygan County Compartment 141 15 Acres



Legend

- Sale Boundary - Red Paint
- Retention Pocket - Red Paint
- Private Boundary - Blue Paint
- Survey Corner
- Forested
- Sections
- Quarter Quarter Sections

Total Sale Acres- 16.5
Cut Acres- 15.4
Retention Acres- 1.1



TIMBER SALE INFORMATION

POWERLINE ASPEN (52-105-11-01)

T37N, R04W, SEC.01; T37N, R04W, SEC.11; T37N, R04W, SEC.12; T37N, R04W,
SEC.13.

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 private or 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:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Pulpwood		
B. T. Aspen	151.00 Cords	\$ 15.05 / Cord
Balsam Fir	228.00 Cords	\$ 3.70 / Cord
Black Spruce	219.00 Cords	\$ 4.00 / Cord
Mixed Aspen	207.00 Cords	\$ 22.50 / Cord
Q. Aspen	562.00 Cords	\$ 9.70 / Cord
Red Maple	130.00 Cords	\$ 8.70 / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 13.49 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 **\$800.00** 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:

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
01	30%
02	25%
03	19%
04	8%
05	18%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 09/30/2014.

Sale Specific Conditions & Requirements

Sale Name: Powerline Aspen Sale Number: 52-105-11-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary, payment units boundaries, and retention boundaries are marked and identified by blue, red, and teal paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Boundary lines for retention areas are marked with teal paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1-5, cut all trees which meet minimum piece specifications in 2.2 Utilization with the following exceptions: In Unit 1, do not cut WHITE PINE OR CEDAR. In Units 2 and 4, do not cut RED PINE. In Unit 5, do not cut WHITE PINE OR SPRUCE.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment unit(s) 1 and 5 may be divided at the request of the purchaser and upon approval of the Unit Manager. Dividing payment units is a contract modification which requires a Timber Sale Contract Supplement.

4 - Transportation

4.1 - Construction

4.1.3 - 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.

4.1.6 - 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.

4.1.12 - No new roads (6/10)

No new roads will be permitted. All operations are limited to existing roads.

4.2 - Maintenance

4.2.4 - Grading (12/08)

Roads must be graded after the sale is completed. In general, this will require a road grader or bull dozer to shape up the roads after forest products have been hauled off site. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

4.4 - Access

4.4.1 - Private property access (8/10)

Permission for access across private land has been obtained by the DNRE. Contact the sale administrator prior to opening Unit 3.

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 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

5.2.1.1 - 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.

5.2.1.9 - No Slash:pipe/powerline, oil/gas sites (2/04)

All pipelines, power lines, oil or gas storage sites and related access roads are to remain free of slash at all times.

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) 1-5, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of 01/01 to 4/30. This restriction is because of the wetter soils and private property request.

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. The sale administrator may require any slash and stumps at landings to be left, or placed, in piles or windrows instead of leveling depending on amount of material left.

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.

5.4.5 - Soil caution (11/04)

Care must be taken to minimize soil damage due to the wetter soils.

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 US - 31, especially the north bound lane, 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.



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

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

SALE NUMBER	YEAR
52-105-11-01	2011
DATE	PAGE OF
11/19/2010	1 2

FOREST MANAGEMENT UNIT	COUNTY	MAPPED BY
Gaylord Management Unit	Cheboygan	John Scheele
TOWNSHIP	RANGE	SECTION(S) AND SUBDIVISION(S)
37N	4W	Section 11: S1/2NE, N1/2SE, SESE Section 12 Section 13: NENW, W1/2NW, NWSW Section 14: E1/2NE, NESE, NW 1/4

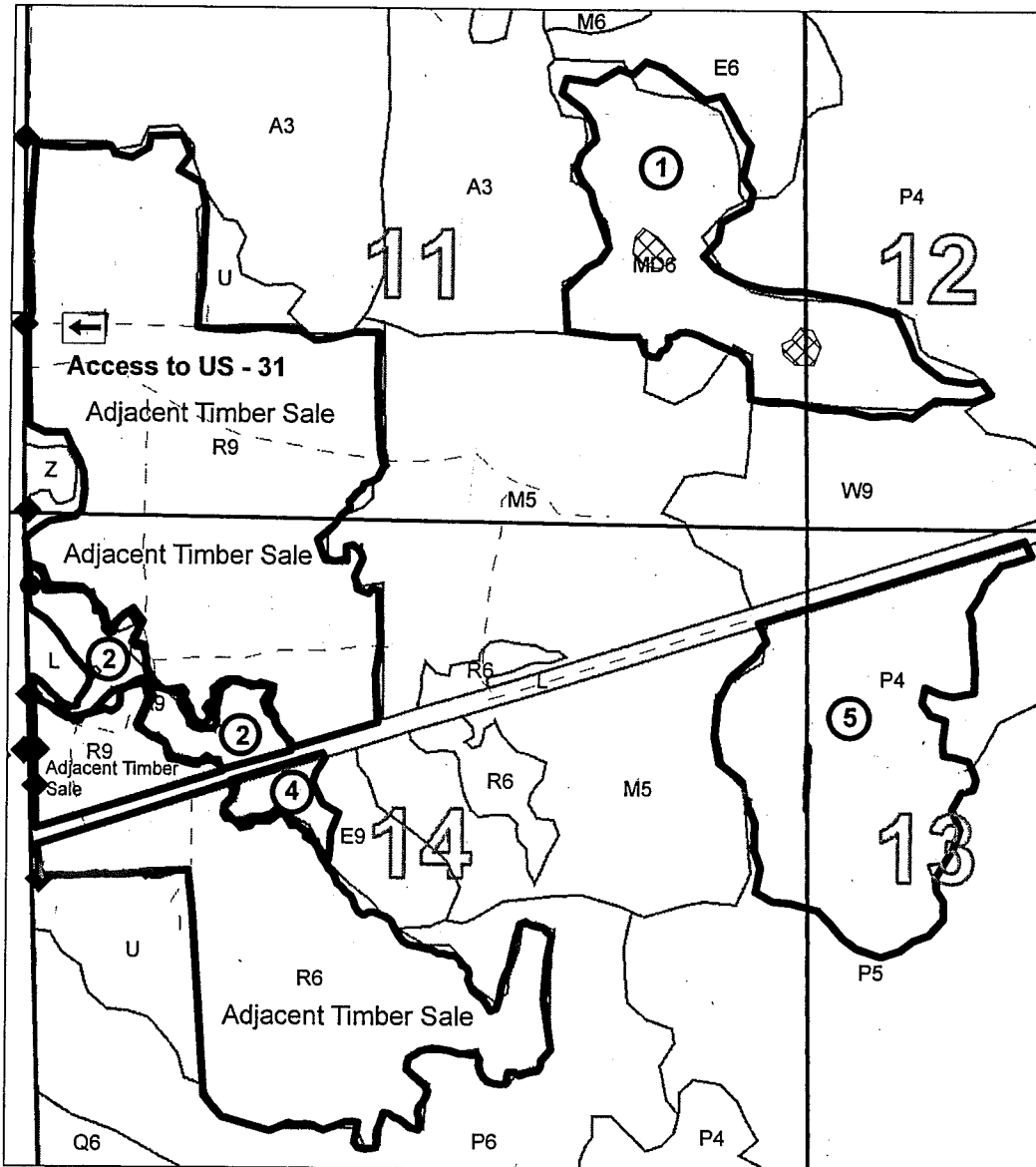
1:15,840

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			

POWERLINE ASPEN

EMMET COUNTY

178 Sale Acres

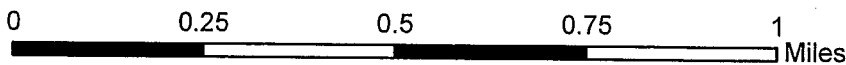


Legend

- Sale Boundary (Red Paint)
- Retention Area (Teal Paint)
- Survey Corner
- Private Line (Blue Paint)
- Payment Unit

Payment Unit Acres

Payment Unit	Acres
1	64
2	17
4	6
5	80





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

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

SALE NUMBER	YEAR
52-105-11-01	2011

FOREST MANAGEMENT UNIT	COUNTY	MAPPED BY	DATE	PAGE	OF
Gaylord Management Unit	Cheboygan	John Scheele	11/19/2010	2	2
		CRUISED BY			
		John Scheele			

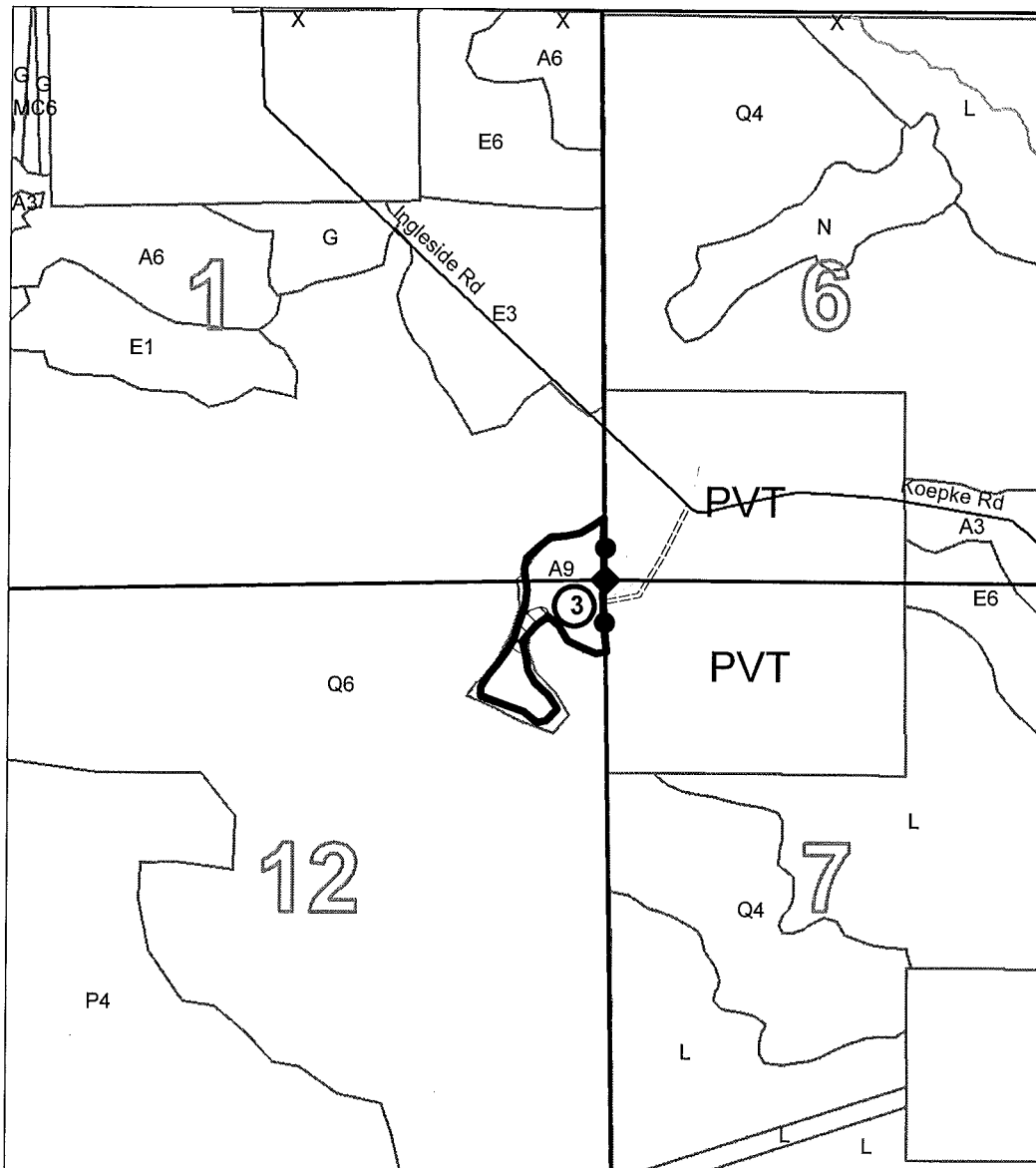
TOWNSHIP	RANGE	SECTION(S) AND SUBDIVISION(S)	ACRES
37N	4W	Section 1: SESE Section 12: NENE	1:15,840

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			

POWERLINE ASPEN

EMMET COUNTY

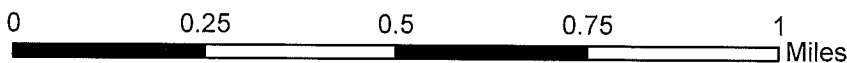
178 Sale Acres



Legend

- Sale Boundary (Red Paint)
- Retention Area (Teal Paint)
- Survey Corner
- Private Line (Blue Paint)
- Payment Unit

Payment Unit	Acres
3	11



ZIPSTRIP RED PINE (52-101-11-01)
T36N, R05W, SEC.01; T36N, R05W, SEC.12; EMMET COUNTY

In response to the notice of sale to be held 3:00PM on August 09, 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.

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Sawlogs			
Red Pine	112.00 MBF	\$ 129.00 / MBF	\$ _____ / MBF
Pulpwood			
Red Pine	642.00 Cords	\$ 37.90 / Cord	\$ _____ / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 8.97 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.

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 SECURITY NUMBER: _____

Company or individual bidding: _____

Company representative's name: _____

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 (optional): _____



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.

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

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-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

Title

Date

BID FORM

FORGET-ME-NOT ASPEN (52-104-11-01)
T36N, R03W, SEC.19; CHEBOYGAN COUNTY

In response to the notice of sale to be held 3:00PM on August 09, 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.

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Sawlogs			
Mixed Aspen	39.40 MBF	\$ 72.00 / MBF	\$ _____ / MBF
Pulpwood			
Mixed Aspen	272.00 Cords	\$ 29.00 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$317.90 :

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Pulpwood		
Red Maple	23.00 Cords	\$ 7.15 / Cord
Sugar Maple	31.00 Cords	\$ 4.95 / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 19.61 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.

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 SECURITY NUMBER: ____ - ____ - ____

Company or individual bidding: _____

Company representative's name: _____

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 (optional): _____



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.

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

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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_____ 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

Title

Date

POWERLINE ASPEN (52-105-11-01)

T37N, R04W, SEC.01; T37N, R04W, SEC.11; T37N, R04W, SEC.12; T37N, R04W, SEC.13; EMMET COUNTY

In response to the notice of sale to be held 3:00PM on August 09, 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.

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Pulpwood			
B. T. Aspen	151.00 Cords	\$ 15.05 / Cord	\$ _____ / Cord
Balsam Fir	228.00 Cords	\$ 3.70 / Cord	\$ _____ / Cord
Black Spruce	219.00 Cords	\$ 4.00 / Cord	\$ _____ / Cord
Mixed Aspen	207.00 Cords	\$ 22.50 / Cord	\$ _____ / Cord
Q. Aspen	562.00 Cords	\$ 9.70 / Cord	\$ _____ / Cord
Red Maple	130.00 Cords	\$ 8.70 / Cord	\$ _____ / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 13.49 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.

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.

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Company representative's name: _____

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 (optional): _____



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.

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

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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 - 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 the sole proprietor. I am not subject to the Worker's Compensation Laws.
 - 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).
 - I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.
- If you have checked item 2(A) or 2(B), 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.

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