

DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT STATE OF MICHIGAN

TIMBER SALE PROSPECTUS (4370)

SCHEDULED SALE DATE AND TIME: 3:00PM on May 05, 2011.

LOCATION: NEWBERRY MGMT UNIT, PO BOX 428, 5666 STATE HWY M-123, NEWBERRY, MI 49868.

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

HOLLAND NORWAY PINE (42-003-10-01) / T49N, R11W, SEC.23, SWSW.

T49N, R11W, SEC.25, NWNW.

T49N, R11W, SEC.26, NWNW, SENW, SW1/4, S1/2NE, NESE.

LUCE COUNTY (Advertised Price \$18,080.85), 109.0 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.

KILP LAKE PINE (42-019-10-01) / T49N, R11W, SEC.27, N1/2S1/2, S1/2N1/2.

T49N, R11W, SEC.28, S1/2NE1/4,N1/2SE1/4.

LUCE COUNTY (Advertised Price \$24,930.45), 150.0 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.

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

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

Bids must be received by the Unit Manager, NEWBERRY OFFICE, PO BOX 428 5666 STATE HWY M-123, NEWBERRY, MI 49868, no later than 3:00PM on May 05, 2011. For further information concerning this sale, contact Richard Stevenson at 906-293-3293.

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

HOLLAND NORWAY PINE (42-003-10-01)

T49N, R11W, SEC.23; T49N, R11W, SEC.25; T49N, R11W, SEC.26.

LUCE COUNTY (Advertised Price \$18,080.85)

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 |
|--------------------|--------------------------|------------|---------------|
| Sawlogs | | | |
| Red Pine | 65.30 MBF | \$ | 91.00/MBF |
| Pulpwood | | | |
| Jack Pine | 247.00 Cords | \$ | 20.15/Cord |
| Red Pine | 194.00 Cords | \$ | 21.10/Cord |
| White Pine | 115.00 Cords | \$ | 12.50/Cord |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,630.60:

| PRODUCTS & SPECIES | ESTIMATED VOLUME* | ADVERTISED PRICE | | |
|--------------------|-------------------|------------------|------------|--|
| Sawlogs | | | | |
| White Pine | 19.90 MBF | \$ | 40.00/MBF | |
| Pulpwood | | | | |
| Mixed Aspen | 78.00 Cords | \$ | 10.70/Cord | |

^{*}The volumes are statistically estimated within plus (+) or minus (-) 7.20 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 **\$904.00** 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 | 18% |
| 02 | 56% |
| 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 12/31/2014.

Sale Specific Conditions & Requirements

Sale Name: Holland Norway Pine Sale Number: 42-003-10-01

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 paint and/or county roads (see map). 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 - 3, any red and white pine are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut any jack pine and aspen which meet minimum piece specifications in 2.2 Utilization. DO NOT CUT any red maple, paper birch, spruce, balsam fir, hemlock or oak. Protect as much seedling/sapling red pine and white pine regeneration as possible throughout sale. Also in unit 2, DO NOT CUT leave trees marked with green paint.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 8 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH. This is in order to facilitate reforestation operations.

2.2.8 - Utilization and removal (7/05)

All products meeting standards set forth in 2.2 Utilization must be removed from the sale area.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings, especially submerchantable red and white pine. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

4 - Transportation

4.1 - Construction

4.1.7 - Road closure (4/07)

All new roads built into the sale must be blocked to vehicle and ORV traffic upon completion of the sale. These roads must be rendered impassable to cars and trucks. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. 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

4.2.1 - Hauling restriction (12/08)

Hauling on County Roads 439 and 416 and forest roads may be restricted by the Unit Manager or his/her representative. The restriction may occur if the road gets too rough with sand blowouts and/or deep tire tracks.

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.

5 - Operations

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.2 - Slash Removal

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

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

5.2.1.8 - Slash height (12/08)

No slash 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) 1 - 3, unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of December 15th to April 15th. This restriction is due to snowmobile season and low stump requirements for regeneration purposes.

5.2.3.6 - Bark beetle restriction (12/08)

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

5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of any county road without the permission of the Luce County Road Commission.

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

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

5.2.39 - ORV trail/route protection (1/09)

The Pine Ridge Trail is an ORV trail and is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers. Maintain a 10 foot wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline. Do not run equipment down the ORV trail or route.

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 County Road 416 prior to beginning operations. The road must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on the Pine Ridge ORV Trail prior to beginning operations. The trail must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from jack pine budworm. The purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.

Section Name: Sale Specific Current as of 4/7/2011 2:21:48PM



A = Aspen

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.

- - 003

Sale Number

Year

10 Forest Management Unit County Mapped By Irving Page of Travis Cruised By Newberry uce

Township Section(s) and Subdivision(s) Range 25- NWNW; 26-NWNW, SENW, SW14, S/2NE, NESE 49N 23 - SWSW

Density Cover Type O = Oak U = Upland Brush 0 = Non Stocked

B = Paper Birch H = Hemlock C = Cedar J = Jack Pine D = Treed Bog L = Lowland Brush E = Swamp Hdwoods

M = Mpi, Bch, Brch

G = Grass

P = Lowland Poplar

Q = Mixed Swamp Cnfr R = Red Pine S = Black Spruce

V = Bog or Marsh W = White Pine

X = Non Stocked Z = Water

1 = Seedling Sapling Poor

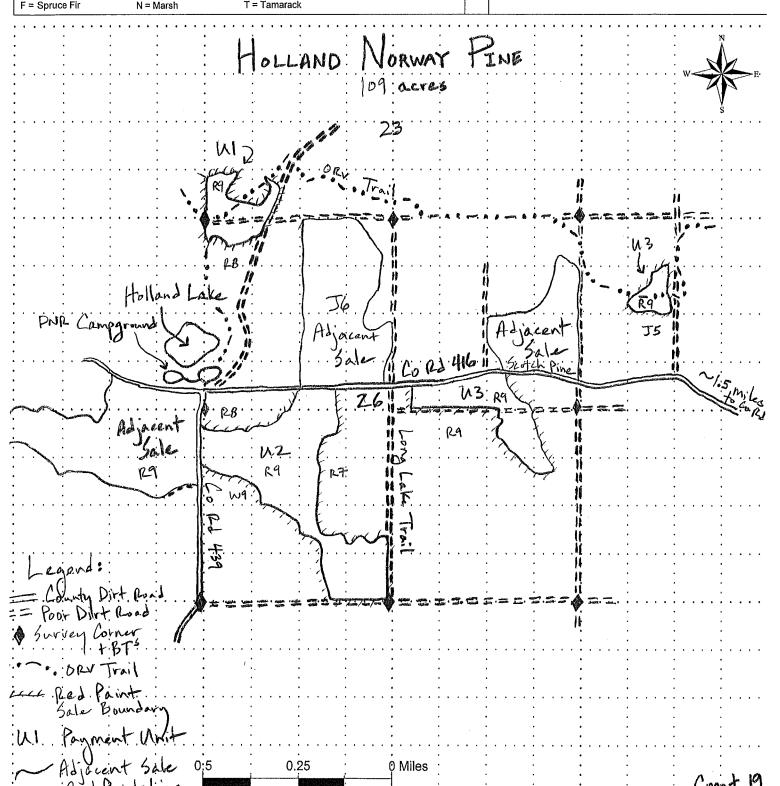
2 = Seedling Sapling Medium

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

KILP LAKE PINE (42-019-10-01)

T49N, R11W, SEC.27; T49N, R11W, SEC.28.

LUCE COUNTY (Advertised Price \$24,930.45)

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 |
|--------------------|--------------------------|------------|---------------|
| Sawlogs | | | |
| Red Pine | 107.20 MBF | \$ | 82.00/MBF |
| Pulpwood | | | |
| Jack Pine | 150.00 Cords | \$ | 18.35/Cord |
| Red Pine | 275.00 Cords | \$ | 20.30/Cord |
| White Pine | 243.00 Cords | \$ | 11.50/Cord |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$5,010.55:

| PRODUCTS & SPECIES | ESTIMATED VOLUME* | ADV | ERTISED PRICE |
|--------------------|-------------------|-----|---------------|
| Sawlogs | | | |
| White Pine | 40.70 MBF | \$ | 49.00/MBF |
| Pulpwood | | | |
| Balsam Fir | 15.00 Cords | \$ | 12.45/Cord |
| Mixed Aspen | 139.00 Cords | \$ | 12.10/Cord |
| Mixed Hardwood | 76.00 Cords | \$ | 15.10/Cord |

^{*}The volumes are statistically estimated within plus (+) or minus (-) 9.40 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 **\$1,250.00** 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 |
|---------------------|-----------------------|
| 01 | 32% |
| 02 | 25% |
| 03 | 43% |

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2014.

Sale Specific Conditions & Requirements

Sale Name: Kilp Lake Pine Sale Number: 42-019-10-01

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 paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with red paint. Do not cut painted boundary line trees unless also marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1-3, all red and white pine trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all merchantable jack pine, aspen, maple, fir, white birch and beech.

DO NOT CUT any yellow birch, hemlock, spruce, oak, cedar or any trees marked with green paint. Protect as much seedling/sapling red pine and white regeneration as possible throughout the sale.

2.1.7 - Leave tree marked unit(s) (10/09)

Within Payment Unit(s) 3 trees marked in green paint are not Included Timber and are to be protected.

2.1.11 - Description of timber note (2/04)

Note that Mixed Hardwood Pulp includes red maple, beech and white birch.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 8 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH. This is in order to facilitate regeneration operations.

2.2.8 - Utilization and removal (7/05)

All products meeting standards set forth in 2.2 Utilization must be removed from the sale area.

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

4 - Transportation

4.1 - Construction

4.1.6 - 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 within 30 days of completion of hauling. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing an initial 4 ft high berm constructed of stumps and logs covered with earth and placing stumps and slash in the road closure for a minimum of 200 feet, effectively obliterating it. These roads must be rendered impassable to cars, trucks and ORVs. Stumps from road building and landing construction can be reserved to meet the above road closure specifications. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

Hauling on County Roads 439 and 416 and forest roads may be restricted by the Unit Manager or his/her representative. The restriction may occur if the road gets too rough with sand blowouts and/or ruts or too soft during wet weather conditions.

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.

5 - Operations

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.2 - Slash Removal

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

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

5.2.1.8 - Slash height (12/08)

No slash 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) 1-3, unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of December 15th to April 15th. This restriction is due to snowmobile season and low stump height requirements for regeneration purposes.

5.2.3.6 - Bark beetle restriction (12/08)

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

be spread over the site for quick drying. The Department of Natural Resources will exercise this specification if the risk of damage warrants.

5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of any county road without the permission of the Luce County Road Commission.

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

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

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 County Road 416 (Snowmobile Trail), County Road 439 and Pratt Lake forest road prior to beginning operations. The road must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from jack pine budworm. The purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.

Section Name: Sale Specific Current as of 4/7/2011 2:18:57PM

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.

42-019

Sale Number

Year

| ACHO IN | | | | - 1- | | - | | | | | . | 7-4- | ~ , 8 | | 4 |
|---|-------------------------------------|--|-------------|--------------------------------------|--|------------------|--|--|-------------------|--------------------------|---|--|---|---------------------------------------|--|
| | anagemer | | | County | | | Mapped B | y Mag | gruss | 00 | | Date | t-2010 | | of |
| Township | ewbe | Range | Se | ction(s) ar | NC€ nd Subdivi | sion(s) | Cruised B | y plev | Journ | Stock | | | | | |
| | IN | II W | | 27 - N | 1/251/ | . 51/2 | N/2 | 28- | sy Ne | 1/4, NY | 25E/4 | Scale: .f. | inches. | = 1 mile | • |
| | | | | Cover T | уре | | | | | | | Dei | nsity | | |
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BID FORM

HOLLAND NORWAY PINE (42-003-10-01) T49N, R11W, SEC.23; T49N, R11W, SEC.25; T49N, R11W, SEC.26; LUCE COUNTY

In response to the notice of sale to be held 3:00PM on May 05, 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* | AD' | VERTISED PRICE | BID PRICE | |
|--------------------|------------------|---------|-----|----------------|------------------|--------|
| Sawlogs | | | | | | |
| Red Pine | 65.30 | MBF | \$ | 91.00 / MBF | \$ | / MBF |
| Pulpwood | | | | | | |
| Jack Pine | 247.00 | Cords | \$ | 20.15 / Cord | \$ | / Cord |
| Red Pine | 194.00 | Cords | \$ | 21.10 / Cord | \$ | / Cord |
| White Pine | 115.00 | Cords | \$ | 12.50 / Cord | \$ | / Cord |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,630.60:

| PRODUCTS & SPECIES | ESTIMATED VOLUME* | ADVERTISED PRICE | | |
|-------------------------|-------------------|------------------|--------------|--|
| Sawlogs White Pine | 19.90 MBF | \$ | 40.00 / MBF | |
| Pulpwood Mixed Aspen | 78.00 Cords | \$ | 10.70 / Cord | |

^{*}The volumes are statistically estimated within plus (+) or minus (-) 7.20 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 SEC | JRITY NUMBER: | | | | |
|---------|---|--------------------|------------------------|----------------|--|--|--|
| | Company or individual bidding: | | | | | | |
| | Company representative's name: | | | | | | |
| | Address: | | | | | | |
| | City: | State: | Zip: | | | | |
| | AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX. | | | | | | |
| F AVAIL | ABLE, PLEASE PLACE THE PERSC | NALIZED LABEL FROM | / YOUR PROSPECTUS IN 1 | THE ABOVE BOX. | | | |
| | ABLE, PLEASE PLACE THE PERSC or company representative's signatu | | | THE ABOVE BOX. | | | |



sale contract.

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

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.

| • | days of the contract award and prior to the issual All Information must be typed or printed except for | | | | | | |
|---|--|--------------|-------------------------------------|--|--|--|--|
| | | or written o | gilatures. | | | | |
| Ple | 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. | 2. You must check <u>one</u> 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 Employee | s | Part-time Employees | | | | |
| lam | me of Business | | Federal ID (or) Social Security No. | | | | |
| ddr | dress | | Telephone () | | | | |
| ity | State | | ZIP | | | | |
| | hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that cour in factors affecting my coverage during any of my present and future operations. | | | | | | |
| 5 | Signature of Owner or Authorized Representative | | | | | | |
| _ | Title | | Date | | | | |

EEDEDAL ID

BID FORM

KILP LAKE PINE (42-019-10-01) T49N, R11W, SEC.27; T49N, R11W, SEC.28; LUCE COUNTY

In response to the notice of sale to be held 3:00PM on May 05, 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* | <u>AD\</u> | /ERTISED PRICE | BID PRICE | |
|--------------------|------------------|---------|------------|----------------|------------------|--------|
| Sawlogs | | | | | _ | |
| Red Pine | 107.20 | MBF | \$ | 82.00 / MBF | \$ | / MBF |
| Pulpwood | | | | | | |
| Jack Pine | 150.00 | Cords | \$ | 18.35 / Cord | \$ | / Cord |
| Red Pine | 275.00 | Cords | \$ | 20.30 / Cord | \$ | / Cord |
| White Pine | 243.00 | Cords | \$ | 11.50 / Cord | \$ | / Cord |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$5,010.55:

| PRODUCTS & SPECIES | ESTIMATED VOLUME* | | ADV | ADVERTISED PRICE | | |
|-----------------------|--------------------------|-------|-----|------------------|--|--|
| Sawlogs White Pine | 40.70 | MBF | \$ | 49.00 / MBF | | |
| Pulpwood | | | | | | |
| Balsam Fir | 15.00 | Cords | \$ | 12.45 / Cord | | |
| Mixed Aspen | 139.00 | Cords | \$ | 12.10 / Cord | | |
| Mixed Hardwood | 76.00 | Cords | \$ | 15.10 / Cord | | |
| | | | | | | |

^{*}The volumes are statistically estimated within plus (+) or minus (-) 9.40 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.

-- COCIAL CECUDITY NUMBER.

| | FEDERAL ID: | or SOCIAL SECT | JRITY NUMBER: | | | |
|-----------|---------------------------------------|--------------------|----------------------|----------------|--|--|
| | Company or individual bidding: | | | | | |
| | Company representative's name: | | | | | |
| | Address: | | | | | |
| | City: | State: | Zip: | | | |
| IF AVAIL | ABLE, PLEASE PLACE THE PERSO | NALIZED LABEL FROM | YOUR PROSPECTUS IN T | THE ABOVE BOX. | | |
| Individua | l or company representative's signatu | re: | | Date: | | |
| Phone nu | ımber : | Email (d | 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