

DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT STATE OF MICHIGAN

TIMBER SALE PROSPECTUS

SALE TIME, DATE AND LOCATION
11:00 a.m. on February 22, 2011
ROSCOMMON

Notice is hereby given that bids will be received by the Unit Manager, ROSCOMMON MANAGEMENT UNIT, for certain timber on the following described lands. The bidder is advised to inspect the sale area and review the location, estimated volumes, operating costs, and sale contract terms of the proposed sale.

KIRTLAND HARDWOODS / T24N, R01W, SEC. 04, SWSE.

T24N, R01W, SEC. 09, NENE, SENE.

ROSCOMMON COUNTY (Appr. \$9,958.30)

SALE ACRES: 32

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.

BIG GAP OAK / T21N, R01W, SEC. 11, S 1/2.

ROSCOMMON COUNTY (Appr. \$87,030.20)

SALE ACRES: 97

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.

SUNSET RED PINE / T24N, R01W, SEC. 04, E1/2SE.

ROSCOMMON COUNTY (Appr. \$15,382.00)

SALE ACRES: 28

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.

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

NOTICE OF CHANGE IN GENERAL CONDITIONS AND REQUIREMENTS COMMON TO ALL STATE FOREST TIMBER SALE CONTRACTS

In May 2010, the Woody Biomass Harvesting Guidance was approved by the Chief of Forest Management Division. The purpose of the Woody Biomass Harvesting Guidance is to provide a broad context for harvesting woody biomass from forest land within a sustainable forest management framework, as well as specific technical recommendations. The Woody Biomass Harvesting Guidance will be applied to State Forest System management activities. It is recommended that this guidance be applied to all forest land in Michigan.

General Condition and Requirement 2.2 - Utilization, has been updated to implement The Woody Biomass Harvesting Guidance and the revised specification will be included with the contracts advertised with this prospectus. The wording has been changed so that unless otherwise specified in the contract, approximately 1/6 to 1/3 of tree tops and limbs less than four inches in diameter from designated trees not meeting utilized standards will be retained on site. The new specification is as follows with changes in **bold**:

2.2 - Utilization

Unless otherwise indicated in this contract, the DNRE product standards are based on utilization of a 100" piece to a top diameter inside bark of 8 inches for sawlogs in the northern Lower Peninsula, 10 inches for sawlogs in the Upper Peninsula and 4 inches for pulpwood. Wood from designated trees not meeting these standards may be utilized, except retain approximately 1/6 to 1/3 of tree tops and limbs less than four inches in diameter, unless otherwise specified in this contract.

If not otherwise specified, the maximum stump height shall not exceed 24 inches for sawlogs or 12 inches for pulpwood. Higher stumps resulting from multiple stemmed trees may be left if authorized by the Unit Manager or his/her representative. The Purchaser shall not cut stumps lower than the DNRE paint markings that indicate individual products to be cut. Avoid removal of the forest litter layer, forest floor or below-ground biomass, including stumps and roots.

BID INSTRUCTIONS (Ver. 01/20/2011):

- 1. <u>Bid Location, Date, and Time:</u> Bids must be received by the Unit Manager, Roscommon Management Unit, Box 218, 8717 North Roscommon Road, Roscommon, MI 48653, no later than 11:00 a.m. on February 22, 2011. For further information concerning this sale, contact the Unit Manager at 989-275-4622.
- 2. Bidder's Qualifications: Purchaser shall obtain workers compensation insurance to cover claims under Michigan's Worker's Disability Compensation Act of 1969 or similar employee benefit act of any other state applicable to an employee. If all or part of a timber sale was prepared by a private contractor, that contractor and that contractor's company are not permitted to bid on the timber sale contract. Bids will not be accepted from individuals or companies appearing on the 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: Bids shall be manually signed in ink; bid prices must be entered for each species and product in the Bid Price column for all material subject to bidding; and all fill-in blanks must be completed. If erasures or other changes appear on the forms, each erasure or change must be initialed by the person signing the bid.
- 4. Submission of Sealed Bids: Bid forms may be obtained from the Unit Manager. All bids must be submitted on the bid form and in an envelope clearly identified as described in this section. NOTE: Only one bid form per bid envelope. Sealed bids must be submitted to the Unit office designated in the prospectus and must be submitted at or prior to the time established in the prospectus. The envelope should show on the outside (a) that it is a "Bid for Timber," and (b) the sale name or number, and (c) the date and time of bid opening as shown in the prospectus. Bids received after the time specified in the sale prospectus are late bids and will be rejected.
- 5. Public Opening of Sealed Bids: If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.
- 6. Award of Contract: Award of the contract will be made to the Bidder whose bid, conforming to the prospectus, is most advantageous to the State of Michigan on the basis of total value at rates bid for the estimated quantities. The State reserves the right to reject any bid or waive any minor irregularity in bids received. A written award mailed (or otherwise furnished) to the successful Bidder shall be deemed to result in a binding contract without further action by either party.
- 7. <u>Down Payment:</u> The Bidder to whom award is made must make a down payment within 21 days of the sale award. The amount of the down payment will be calculated as shown in the Bond and Payment Schedule of this prospectus. Only cash may be used to meet this requirement.
- 8. Performance Security: As guarantee of faithful performance, a cash bond, certificate of deposit, surety bond or irrevocable letter of credit (LOC) is required within 21 days of the sale award. The amount of the performance security is shown in the Bond and Payment Schedule of this prospectus. If an LOC or surety is used, the coverage must extend for at least 6 months beyond the contract expiration.
- 9. Timber Sale Contract: Additional conditions and requirements common to all timber sales are listed on the timber sale contract (R4031) and are available on line at www.michigan.gov/dnr. Contact the Unit Manager for additional information or a sample contract. Within 21 days of the date of the award letter, the bidder must sign the contract and provide the required down payment, performance security, and verification of worker's disability compensation. The down payment and performance security shall be in accordance with the provisions of the timber sale contract, in the sums stated in this prospectus. If these actions are not taken, then the Bidder, the Bidder's corporation, and the corporation's principals may not be permitted to bid on State timber sales for a period of 1 year. In addition, the Bidder certifies that if awarded this contract, the Bidder will complete the timber sale contract in accordance with its terms and any modifications thereof including requirements to purchase, cut, and remove the included timber by the termination date.
- 10. Disclaimer of Estimates and Bidder's Warranty of Inspection: Before submitting this bid, the Bidder is advised and cautioned to inspect the sale area, review the requirements of the sale contract, and take other steps as may be reasonably necessary to ascertain the

location, estimated volumes, construction estimates, and operating costs of the proposed sale. Failure to do so will not relieve the Bidder from responsibility for completing the contract.

The Bidder warrants that this bid is submitted solely on the basis of the Bidder's examination and inspection of the quality and quantity of the timber offered for sale and the Bidder's opinion of the value thereof and the costs of recovery. No reliance should be placed on the State of Michigan's estimates of timber quality, quantity or costs of recovery. Bidder further acknowledges that the State of Michigan: (i) expressly disclaims any warranty of fitness of timber for any purpose; (ii) offers this timber as is without any warranty of quality (merchantability) or quantity and (iii) expressly disclaims any warranty as to the quantity or quality of timber sold.

11. Certification and Chain-of-Custody: Unless otherwise indicated in the contract under section 7 - Other Conditions of the Sale Specific Conditions & Requirements, the area encompassed by this timber sale is certified to the standards of the Forest Stewardship Council (FSC) - Certificate #SCS-FM/COC-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.

DAN WYANT Director

KIRTLAND HARDWOODS (005-11-01)

A timber sale contract for this <u>LUMP SUM SEALED</u> timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

SPECIES	ESTIMATED VOLUME*	AP	PRAISED PRICE
SAWLOGS			
SUG. MAPLE	25.80 MBF	\$	318.00/MBF
PULPWOOD			
MIX HARDWD	59.00 CORDS	\$	10.60/CORD

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

SPECIES	ESTIMATED VOLUME*	APPRAISED PRICE
SAWLOGS		
RED MAPLE	4.80 MBF	\$ 103.00/MBF
BASSWOOD	3.10 MBF	\$ 29.00/MBF
WHITE ASH	3.10 MBF	\$ 83.00/MBF
BEECH	1.60 MBF	\$ 21.00/MBF
P. BIRCH	1.80 MBF	\$ 47.00/MBF
BLK CHERRY	.70 MBF	\$ 241.00/MBF

^{*}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 \$1,000.00 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 may be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT	NUMBER	PERCENT	OF	TOTAL	SALE	VALUE
1				39%		
2				61%		

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on March 31, 2013.

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FOREST MANAGEMENT UN Roscommon	IIT COUNTY	МАРР	ED BY LEWICKI		DATE 11/4/2010	PAGE OF
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A = Aspen B = Paper Birch C = Cedar E = Swamp Hdwoods F = Spruce Fir G = Grass	H = Hemlock J = Jack Pine C = Lowland Brush M = Mpl, Bch, Brch N = Marsh T	P = Lowland Poplar = Mixed Swamp Cnfr = Red Pine = Black Spruce = Tamarack = Upland Brush	V = Bog or Marsh W = White Pine X = Non Stocked Z = Water	0 = Non Stocks 1 = Seedling Si 2 = Seedling Si 3 = Seedling Si 4 = Pole Timbe	apling Poor 6 = 1 apling Medium 7 = 3 apling Well 8 = 3	Pole Timber Medium Pole Timber Well Saw Timber Poor Saw Timber Medium Saw Timber Well
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Sale Specific Conditions & Requirements

Sale Name: Kirtland Hardwoods Sale Number: 71-005-11-01

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. Do not cut painted boundary line trees.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 & 2, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH.

2.2.4 - Skidding length (2/09)

Skidding of lengths over 17 feet is not permissible.

2.2.6 - Roundwood operation required (5/07)

The skidding of whole trees or tree segments with limbs attached is prohibited within Payment Unit(s) 1 & 2. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

2.2.9 - No chipping permitted (12/08)

Within Payment Unit(s) 1 & 2, all wood must be removed by tree segment, or roundwood. No chipping is permitted.

3 - Payments

3.4 - Damaged Timber

Sale Name: Kirtland Hardwoods Sale Number: 71-005-11-01

3.4.1 - Damaged timber (6/05)

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

Within the sale area, if more than 20% of the tree seedlings or saplings (1/4" to 4.5" DBH) within a specified portion of the sale area are damaged, liquidated damages will be assessed at \$300 per acre for all acreage within that specified portion of the sale area that was damaged.

No damage is acceptable to merchantable trees. Within the sale area, if more than 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.

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 in any Payment Unit. All operations are limited to existing roads.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative. The restriction may occur during wet weather conditions.

4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins.

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

Sale Name: Kirtland Hardwoods Sale Number: 71-005-11-01

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.

5.1.3 - Well heads and natural gas pipelines (7/07)

The Purchaser is responsible for contacting the gas or pipeline company prior to operating equipment in the vicinity of well heads or natural gas pipelines.

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.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

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

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.

5.2.38 - 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.

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BIG GAP OAK (006-11-01)

A timber sale contract for this <u>LUMP SUM SEALED</u> timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

SPECIES	ESTIMATED VOLUME*	API	PRAISED PRICE
SAWLOGS			
RED OAK	255.90 MBF	\$	286.00/MBF
PULPWOOD			
MIXED OAK	655.00 CORDS	\$	17.00/CORD

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

SPECIES	ESTIMATED VOLUME*	APP	APPRAISED PRICE		
SAWLOGS					
WHITE OAK	6.60 MBF	\$	61.00/MBF		
PULPWOOD					
RED MAPLE	204.00 CORDS	\$	11.30/CORD		

^{*}The volumes are statistically estimated within plus (+) or minus (-) 13.64 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$5,000.00 to insure faithful performance of the conditions of the contract, will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment may be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT	UNIT	NUMBER	PERCENT	of	TOTAL	SALE	VALUE	
	1				25%			
	2				35%			
	3				20%			
	4				20%			

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on March 31, 2013.

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Sale Specific Conditions & Requirements

Sale Name: Big Gap Oak Sale Number: 71-006-11-01

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 are marked with red paint. Interior Payment Unit boundaries are marked with blue 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) 2 and 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition cut all multi-stemmed red maple 2"dbh or greater. Multi-stemmed trees are defined as those in which the base of one maple is less than 12" from the base of another. Do not cut single stem red maple or aspen unless marked with orange paint or within an group selection area surrounded by green paint.

Cut all trees greater than 2" dbh in the 1 acre group selection areas surrounded by green paint within Units 2 and 3.

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

Within Payment Unit(s) #1 and #4, cut all trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability except trees marked with green paint above and below stump height.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 6 inches for all trees. This is in order to facilitate post-harvest operations.

2.2.5 - Limbed tree skidding (1/09)

The skidding of whole trees or tree segments with limbs attached is prohibited. Skidders can be used to move topwood to the landing, but whole tree skidding will not be permitted.

3 - Payments

3.4 - Damaged Timber

Sale Name: Big Gap Oak Sale Number: 71-006-11-01

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. In addition to assessed damages, the purchaser may be required to return and cut damaged trees after the skidding is complete. These trees can not be processed or removed from the sale area.

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 or utilized in the road closures.

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. The ORV trail will also be closed during and following the sale. In general, this will require placement of stumps and debris throuhout the length of the trail within the red painted boundary.

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

Sale Name: Big Gap Oak Sale Number: 71-006-11-01

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.

5.1.4 - 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

5.2.1.2 - Slash Removal

5.2.1.2.6 - Slash removal, general (7/05)

All slash must be removed from the 1 acre group selection areas in Payment Units 2 and 3.

5.2.3 - Operating Restrictions

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) 1-4unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.3.11 - Coppice regeneration protection (4/10)

Any post harvest operations, such as chipping, must be completed before sprouting of regeneration occurs. If it is anticipated that chipping will be delayed, then tops shall be carried to one central location or left unchipped. The Unit Manager or his/her representative may cease such operations if sprouting occurs before the operation is complete.

5.2.4 - Dead and Down Creation

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed.

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

5.4.4 - Slope protection (2/04)

Skid trails and roads on slopes shall be water barred with slash, stumps, and/or hay bales as soon as use is complete to prevent erosion.

SUNSET RED PINE (007-11-01)

A timber sale contract for this <u>LUMP SUM SEALED</u> timber sale will be awarded the responsible bidder offering the highest sealed bid price. Bids must be at or above the following appraised price for each species:

	SPECIES	ESTIMATED VOLUME*	AP	PRAISED PRICE
SA	WLOGS			
	RED PINE	27.40 MBF	\$	158.00/MBF
PU	LPWOOD			
	RED PINE	352.00 CORDS	\$	31.40/CORD

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

SPECIES ESTIMATED VOLUME* APPRAISED PRICE

*The volumes are statistically estimated within plus (+) or minus (-) 12.66 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.

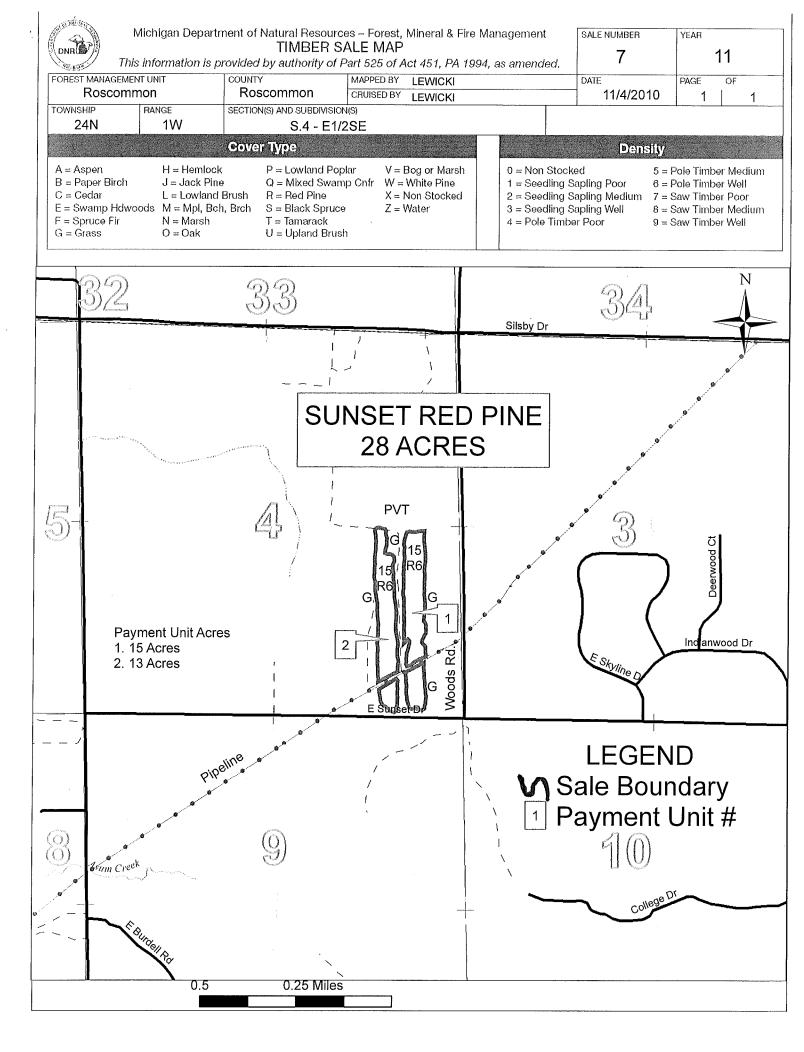
BOND AND PAYMENT SCHEDULE:

- 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 may be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER PERCENT OF TOTAL SALE VALUE
1 53%

47%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on March 31, 2013.



Sale Specific Conditions & Requirements

Sale Name: Sunset Red Pine Sale Number: 71-007-11-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary is marked and identified by red paint. Do not cut painted boundary line trees.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 and 2, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

No damage is acceptable to merchantable trees. Within the sale area, if more than 5% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

4 - Transportation

4.1 - 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.

4.2 - Maintenance

Sale Name: Sunset Red Pine Sale Number: 71-007-11-01

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.

5.1.3 - Well heads and natural gas pipelines (7/07)

The Purchaser is responsible for contacting the gas or pipeline company prior to operating equipment in the vicinity of well heads or natural gas pipelines.

5.1.4 - Post-sale conference (9/09)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.8 - Slash height (12/08)

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

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.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

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

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.

Sale Name: Sunset Red Pine Sale Number: 71-007-11-01

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

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

KIRTLAND HARDWOODS (005-11-01) T24N, R01W, SEC. 04, SWSE. T24N, R01W, SEC. 09, NENE, SENE. ROSCOMMON COUNTY

In response to the notice of sale to be held 11:00 a.m. on February 22, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

non-responsive bit		-				
SPECIES	AP	PRAISED PRICE	BID PRICE	ESTIMATED	VOLUME* = V	ALUE
SAWLOGS SUG. MAPLE	خ	318.00/MBF	\$ x	25.80 M	T	
PULPWOOD	4	510.00/MDI	Α	25.00 M	- 4 ⁻	
MIX HARDWD	\$	10.60/CORD	\$x	59.00 C	ORDS = \$	
				SUBTOTAL :	1 \$	
In addition, the	successful	bidder agrees	to purchase the	following a	species at tl	he
appraised price:						
SPECIES	APPR	AISED PRICE	ESTIMATED	VOLUME*	VALUE	
SAWLOGS						
RED MAPLE		103.00/MBF	4.80		= \$ 494.40	
BASSWOOD	· ·	29.00/MBF	3.10		= \$ 89.90	
WHITE ASH	•	83.00/MBF	3.10		= \$ 257.30	
BEECH		21.00/MBF	1.60		= \$ 33.60	
P. BIRCH		47.00/MBF	1.80		= \$ 84.60)
BLK CHERRY	\$	241.00/MBF	.70	MBF =	= \$ 168.70)
			su	BTOTAL 2	\$ 1,128.50	<u> </u>
	នា	JBTOTAL 1 +	SUBTOTAL 2 = '	TOTAL BID V	ALUE \$	
*These estimated vurged to examine t						
I understand that will be the basis must be bid or the awarding a contractontract based upo	to determ: bid form t will be	ine total bid may be reject based upon my	value. All bids ed. I also under: past performance	must be sign stand that one and abilit	ned and all consideration	bid item n and
(bidder'	s printed	name)	(bidder's s:	ignature)		
3.33						
Address/Telepho	ше					

THE WINNING BIDDER MUST COMPLETE THE FORM ON THE REVERSE SIDE WITHIN 21 DAYS OF SALE AWARD



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 WO	ORKER'S DISABI	LITY COMPENSA	TION 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.					
Ple	ease Check Appropriate Categories:					
1.	My business is organized as (you must	t 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	w:				
	A. I certify that my business is a sole Worker's Compensation Laws.	proprietorship and i	it has no employees	but the sole proprietor. I am not subject to the		
	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 guestions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).					
	C. l 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), yethan yourself, including family members			th full-time and part-time employees, other ust enter "0").		
	Full-time E	mployees	*****	Part-time Employees		
Nan	ne of Business		Federal ID (or) Socia	al Security No.		
			, ,	·		
Add	ress		Telephone ()			
City		State	ZIP			
	reby certify that the above information is ur in factors affecting my coverage during					
5	ignature of Owner or Authorized Representative					

Date

BIG GAP OAK (006-11-01) T21N, R01W, SEC. 11, S 1/2. ROSCOMMON COUNTY

In response to the notice of sale to be held 11:00 a.m. on February 22, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

SPECIES SAWLOGS	APPRAISED PRICE	BID PRICE	ESTIMATED V	OLUME* = VALUE
RED OAK	\$ 286.00/MBF	\$ X	255.90 MBF	F = \$
PULPWOOD	4			··· • • ···
MIXED OAK	\$ 17.00/CORD	\$x	655.00 COF	RDS = \$
			SUBTOTAL 1	\$
In addition, the succ appraised price:	essful bidder agrees	s to purchase the	following sp	ecies at the
SPECIES	APPRAISED PRICE	ESTIMATED	VOLUME*	VALUE
SAWLOGS	+ 61 00/200			
WHITE OAK PULPWOOD	\$ 61.00/MBF	6.60	MBF =	\$ 402.60
RED MAPLE	\$ 11.30/CORD	204.00	CORDS =	\$ 2,305.20
		su	UBTOTAL 2	\$2,707.80
	SUBTOTAL 1 +	SUBTOTAL 2 = T	COTAL BID VAL	UE \$
*These volumes are st estimated volumes are to examine this timbe	final and not subje	ect to adjustment.	. Prospectiv	e bidders are urged
I understand that any will be the basis to must be bid or the bi awarding a contract w contract based upon e	determine total bid d form may be reject ill be based upon my	value. All bids ed. I also unders past performance	must be sign stand that co and ability	ed and all bid items nsideration and
(bidder's p	rinted name)	(bidder's si	gnature)	
Address/Telephone				

THE WINNING BIDDER MUST COMPLETE THE FORM ON THE REVERSE SIDE WITHIN 21 DAYS OF SALE AWARD



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 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"). Part-time Employees Full-time Employees Federal ID (or) Social Security No. Name of Business Telephone Address Citv 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

SUNSET RED PINE (007-11-01) T24N, R01W, SEC. 04, E1/2SE. ROSCOMMON COUNTY

In response to the notice of sale to be held 11:00 a.m. on February 22, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species and total bid value must be at or above the appraised price. All non-responsive bid forms may be rejected.

			RICE	ESTIMATED VOLU	WE, = AWPOF
SAWLOGS			-		
RED PINE	\$ 158.00/MBF	\$	x	27.40 MBF	= \$
PULPWOOD					
RED PINE	\$ 31.40/COR	D \$	x	352.00 CORDS	= \$
				TOTAL BID VALU	E \$
*These volumes are s					idders are urged
to examine this timb I understand that an will be the basis to must be bid or the b awarding a contract contract based upon	er and to make the ay or all bids may be determine total bid did form may be rejounded will be based upon	r own estim pe rejected, id value. A ected. I als my past per	ates of and tha ll bids o unders formance	quantity and qu t the individual must be signed tand that considerand ability to	l unit bid price and all bid items deration and

THE WINNING BIDDER MUST COMPLETE THE FORM ON THE REVERSE SIDE WITHIN 21 DAYS OF SALE AWARD



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,		ny ana		
	VERIFICATION OF WO	ORKER'S DISA	ABILITY 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 writ	ten signatures.		
PΙε	ease Check Appropriate Categories:				
 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 <u>one</u> of the boxes belo A. I certify that my business is a sole Worker's Compensation Laws.		nd it has no employees but the sole proprietor. I am not subject to the		
B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an app Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the coaward. (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), yethan yourself, including family members		ate the number of both full-time and part-time employees, other rtners (if none, you must enter "0").		
	. Full-time E	mployees	Part-time Employees		
ame of Business			Federal ID (or) Social Security No.		
ddress			Telephone ()		
ity State			ZIP		
	reby certify that the above information is ur in factors affecting my coverage durin		ct. I agree to notify the Michigan DNRE of any changes that essent and future operations.		
s	Signature of Owner or Authorized Representative				

Date