

## DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT STATE OF MICHIGAN

#### **TIMBER SALE PROSPECTUS (4488)**

SCHEDULED SALE DATE AND TIME: 11:00AM on December 07, 2011.

LOCATION: GLADWIN MGMT UNIT, 801 N SILVERLEAF, GLADWIN, MI 48624.

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

LEOTA HASKELL (73-015-11-01) / T20N, R05W, SEC.22, SWNE.

T20N, R05W, SEC.23, NESE; SWSE; SW1/4.

T20N, R05W, SEC.26, S1/2NE; N1/2SE.

T20N, R05W, SEC.35, N1/2NE.

CLARE COUNTY (Advertised Price \$249,414.10), 172.0 Acres

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

FLOODWOOD MIX (73-018-11-01) / T20N, R05W, SEC.27, NE1/4; NENW; SE1/4.

T20N, R05W, SEC.28, SENE; SESE.

T20N, R05W, SEC.33, NE1/4.

T20N, R05W, SEC.34, NWSW.

CLARE COUNTY (Advertised Price \$55,389.40), 126.0 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. 10/20/2011):

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

Bids must be received by the Unit Manager, GLADWIN OFFICE, 801 N SILVERLEAF, GLADWIN, MI 48624, no later than 11:00AM on December 07, 2011. For further information concerning this sale, contact Jason Hartman at 989-426-9205.

#### 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 (10/11)

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 Pure 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

#### LEOTA HASKELL (73-015-11-01)

T20N, R05W, SEC.22; T20N, R05W, SEC.23; T20N, R05W, SEC.26; T20N, R05W, SEC.35.

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

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

PRODUCTS & SPECIES	<b>ESTIMATED VOLUME*</b>	AD\	/ERTISED PRICE
Sawlogs			
Red Pine	776.30 MBF	\$	179.00 / MBF
Pulpwood			
Jack Pine	377.00 Cords	\$	21.20 / Cord
Mixed Aspen	503.00 Cords	\$	19.70 / Cord
Mixed Softwood	517.00 Cords	\$	24.00 / Cord
Red Pine	1,263.00 Cords	\$	51.00 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$15,733.90:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	AD\	VERTISED PRICE
Sawlogs			
Mixed Hardwood	28.30 MBF	\$	142.00 / MBF
Mixed Oak	36.90 MBF	\$	133.00 / MBF
Pulpwood			
Mixed Hardwood	258.00 Cords	\$	13.10 / Cord
Mixed Oak	174.00 Cords	\$	19.70 / Cord

<sup>\*</sup>The volumes are statistically estimated within plus (+) or minus (-) 8.33 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 \$12,500.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
  - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
  - (b) The 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	6%
02	20%
03	2%
04	2%
05	18%
06	33%
07	5%
08	3%
09	8%
10	3%

- 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: Leota Haskell Sale Number: 73-015-11-01

#### 1 - Sale Area

#### 1.2 - Boundaries

#### 1.2.1 - Painted boundaries (12/08)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red, and yellow paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. Do not cut painted boundary line trees unless also marked with orange paint.

#### 2 - Timber Specifications

#### 2.1 - Included Timber

#### 2.1.1 - Clearcut unit(s) with unmerchantable trees (8/11)

Within Payment Unit(s) 1, 2, 3, 4, 7, 8, and 10, 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.

EXCEPTION: Within units 3, 4, and 8 do not cut any trees marked with green paint above and below stump height.

#### 2.1.2 - Clearcut unit(s) w/o unmerchantable trees (8/11)

Within Payment Unit(s) 5 and 6, cut all trees which meet minimum piece specifications in 2.2 Utilization.

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

Within Payment Unit(s) 9, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. IN ADDITION: Cut all aspen and maple to 2 inches DBH regardless of merchantability.

#### 2.2 - Utilization

#### 2.2.2 - Chipping required (1/11)

Payment Units 1 and 2 must be chip harvested to facilitate subsequent planting operations. The purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled. Do not chip 1/6 to 1/3 of the slash from harvested trees (tree tops and limbs less than four inches in diameter).

#### 2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall be cut as low to the ground as possible. Unless approved by the Unit Manager or his/her representative stump heights shall not exceed 6 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH.

#### 2.2.5 - Limbed tree skidding (1/09)

The skidding of whole trees or tree segments with limbs attached is prohibited within Units 4 and 9 unless approved by the Unit Manager or his/her representative.

#### 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. 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 Unit 5 and 6 of the sale area, if more than 25% 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 units 3, 4, 8 and 9 of 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

#### 4.1.7 - 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 double earthen berms at strategic locations. Berms are to be four (4') foot high and constructed of stumps and logs covered with earth. Stumps and brush must be placed along the remainder of the trail. Contact the sale administrator for specific details of design and placement.

#### 4.2 - Maintenance

#### 4.2.5 - Two wheel drive condition (2/04)

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

#### 5 - Operations

#### 5.2 - Conduct of Operations

#### 5.2.1 - Slash

#### 5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, Payment Unit(s) 1 and 2 shall be left with slash evenly distributed. Bunched tops within the cutting area shall be broken up and scattered. Stumps shall be cut low to the ground. Processing sites shall not be left with a compacted layer of slash; tops from these sites shall be hauled back into the cut area and scattered.

#### 5.2.2 - Hazard Trees/Snags

#### 5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

#### 5.2.3 - Operating Restrictions

#### 5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 9, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

#### 5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) 4 unless 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.

#### 5.2.3.6 - 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.

#### 5.2.4 - 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. Exception: All dead trees within 50' of Leota Grade and Old State Ave. will be cut and left on the ground.

#### 5.2.22 - Operating Caution

#### 5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 4, 7 and 8, cutting, skidding, and hauling occur during dry summer or frozen winter conditions. The reason for the recommendation is because of wet soils in the units.

#### 5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of Leota Grade or Old State Ave. without permission of the Unit Manager or his/her representative.

#### 5.4 - Soil Protection

#### 5.4.1 - Rutting restriction, general (1/09)

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

Section Name: Sale Specific Current as of 11/8/2011 8:16:37AM

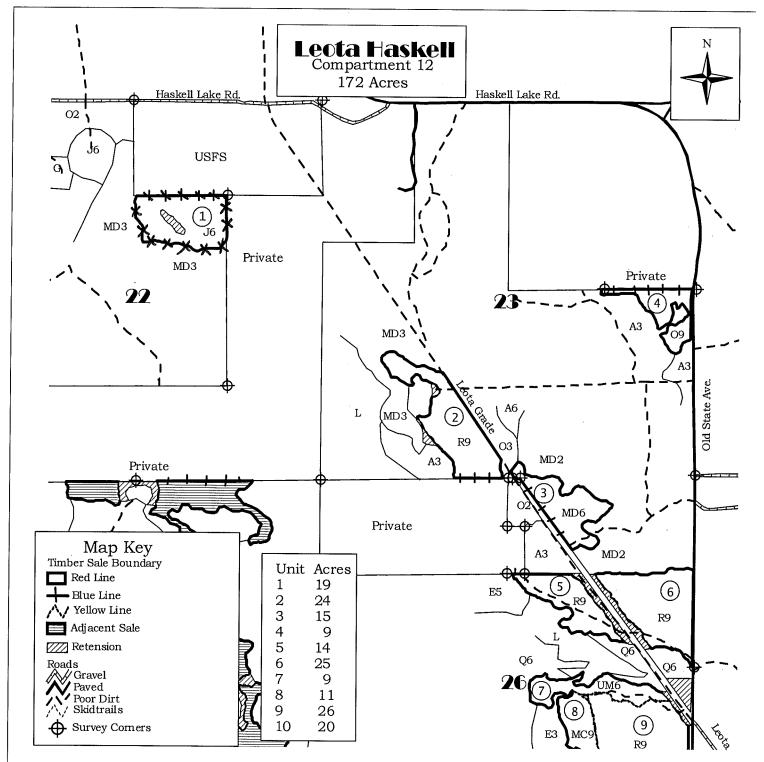
#### Michigan Department of Natural Resources - Forest, Mineral & Fire Management **TIMBER SALE MAP**

Sale Number Year

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

73-015-11-01 2011

Forest Managem Gladwin Man	nent Unit agement Unit	County Clare	Mapped By S. Nyhot		te 6/2011	Page	of la
Township 20N	Range 05 <b>w</b>	Section(s) and Subdivision(s) 22, 23, 26, and 35 Cover Type	Various	Scale 4" = 1 mile		1-	<u> -</u>
A = Aspen B = Paper Birch C = Cedar E = Swamp Hdwood F = Spruce Fir G = Grass	H = Hemlock J = Jack Pine L = Lowland E  ods M = Mpl, Bch, N = Marsh O = Oak	P = Lowland Poplar Q = Mixed Swamp Cnfr Brush R = Red Pine	V = Bog or Marsh W = White Pine X = Non Stocked Z = Water	0 = Non Stocked 1 = Seedling Sapling Pool 2 = Seedling Sapling Med 3 = Seedling Sapling We 4 = Pole Timber Poor	or 6 = Pole 1 dium 7 = Saw 1 II 8 = Saw 1	Fimber Medi Fimber Well Fimber Poor Fimber Medi Fimber Well	ium



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

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

Sale Number Year 73-015-11-01 2011

Forest Management Unit County Mapped By S. Nyhoff Date Page of Gladwin Management Unit Clare 9/6/2011 Cruised By Nyhoff 2 Range Township Section(s) and Subdivision(s) Scale

20N 05W 22, 23, 26, and 35 Various 4" = 1 mile

Cover Type V = Bog or Marsh

W = White Pine

X = Non Stocked

Z = Water

A = Aspen H = Hemlock P = Lowland Poplar B = Paper Birch J = Jack Pine Q = Mixed Swamp Cnfr

C = Cedar L = Lowland Brush R = Red Pine M = Mpl, Bch, Brch E = Swamp Hdwoods S = Black Spruce N = Marsh

F = Spruce Fir T = Tamarack G = Grass O = Oak U = Upland Brush 0 = Non Stocked 1 = Seedling Sapling Poor

2 = Seedling Sapling Medium

3 = Seedling Sapling Well 4 = Pole Timber Poor

**Density** 5 = Pole Timber Medium 6 = Pole Timber Well

7 = Saw Timber Poor 8 = Saw Timber Medium

9 = Saw Timber Well

12 **Leota Haskell** Lead Insp. T. Gallagher Compartment 12 172 Acres Old State Ave (Gate) MD3 Private R9 MD2 ໌3` MD6 Private MD2 АЗ (Private) L **E5** (6) R9 L 8 [9]MC Qб Map Key MD2 Private Timber Sale Boundary Unit Acres Red Line 1 19 Q6 ■Blue Line 2 24 🔨 Yellow Line 3 15 Adjacent Sale 4 9 (10)ZZZ Retension 5 14 А6 09 6 25 Roads Gravel Paved Poor Dirt 7 9 A9 8 11 √/ Skidtrails 9 26 10 20 Survey Corners Private

#### TIMBER SALE INFORMATION

#### FLOODWOOD MIX (73-018-11-01)

T20N, R05W, SEC.27; T20N, R05W, SEC.28; T20N, R05W, SEC.33; T20N, R05W, SEC.34.

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

PRODUCTS & SPECIES	<b>ESTIMATED VOLUME*</b>	AD\	/ERTISED PRICE
Sawlogs			
Mixed Pine	41.60 MBF	\$	102.00 / MBF
Red Maple	53.20 MBF	\$	120.00 / MBF
Pulpwood			
Balsam Fir	161.00 Cords	\$	15.60 / Cord
Mixed Aspen	1,379.00 Cords	\$	19.70 / Cord
Mixed Pine	140.00 Cords	\$	36.90 / Cord
Red Maple	365.00 Cords	\$	9.40 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,487.30:

<b>ESTIMATED VOLUME*</b>	AD\	/ERTISED PRICE
7.10 MBF	\$	142.00 / MBF
17.10 MBF	\$	132.00 / MBF
77.00 Cords	\$	13.10 / Cord
103.00 Cords	\$	19.60 / Cord
8.00 Cords	\$	24.30 / Cord
	7.10 MBF 17.10 MBF 77.00 Cords 103.00 Cords	7.10 MBF \$ 17.10 MBF \$ 77.00 Cords \$ 103.00 Cords \$

<sup>\*</sup>The volumes are statistically estimated within plus (+) or minus (-) 7.88 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

#### **BOND AND PAYMENT SCHEDULE:**

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

., .,	
PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	21%
02	7%
03	29%
04	29%
05	7%
06	7%

- 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: Floodwood Mix Sale Number: 73-018-11-01

#### 1 - Sale Area

#### 1.2 - Boundaries

#### 1.2.1 - Painted boundaries (12/08)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and yellow paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

#### 2 - Timber Specifications

#### 2.1 - Included Timber

#### 2.1.1 - Clearcut unit(s) with unmerchantable trees (8/11)

Within Payment Unit(s) 1, 2, 4, 5, and 6, 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.

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

Within Payment Unit(s) 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. The main skid trails in the stand are marked with orange X's.

#### 2.2 - Utilization

#### 2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall be cut as low to the ground as possible. Unless approved by the Unit Manager or his/her representative stump heights shall not exceed 6 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. 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 Unit 3, if more than 25% 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 unit 3, if more than 10% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

#### 4 - Transportation

#### 4.1 - Construction

#### 4.1.12 - No new roads (6/10)

No new roads will be permitted in any Payment Units. All operations are limited to existing roads. Skid trails will be allowed.

#### 4.2 - Maintenance

#### 4.2.3 - Road maintenance (9/08)

The following road maintenance may be needed: The culvert on the access trail into unit 4 will need to be improved with clean gravel to allow access by logging equipment.

#### 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 (3/11)

Permission for access across private land is the responsibility of the purchaser. A copy of the written permission from the private landowner must be given to the Unit Manager.

#### 4.4.3 - Access gate (12/08)

The access gate must be locked at the completion of each day unless otherwise approved by the Unit Manager or his/her representative.

#### **5 - Operations**

#### 5.2 - Conduct of Operations

#### 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 (9/11)

Within Payment Unit(s) 1, 2, 5 and 6 cutting, skidding, and hauling are restricted to dry or frozen conditions. This restriction is because the soils in these units are seasonally wet and prone to rutting.

#### 5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 4 cutting, skidding, and hauling are not permitted during the period of 11/15 to 11/30. This restriction is because of an agreement with the McWatty Knoll Hunt Club to allow access.

#### 5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 3, unless changed by written agreement, 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.

#### 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.

#### 5.2.43 - Opening protection (12/08)

No activities are permitted in openings marked on the timber sale map with the letter "G". Any damage to the openings shall be repaired according to specifications of the Unit Manager or his/her representative.

#### 5.4 - Soil Protection

### 5.4.1 - Rutting restriction, general (1/09)

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

Section Name: Sale Specific Current as of 11/8/2011 8:14:59AM



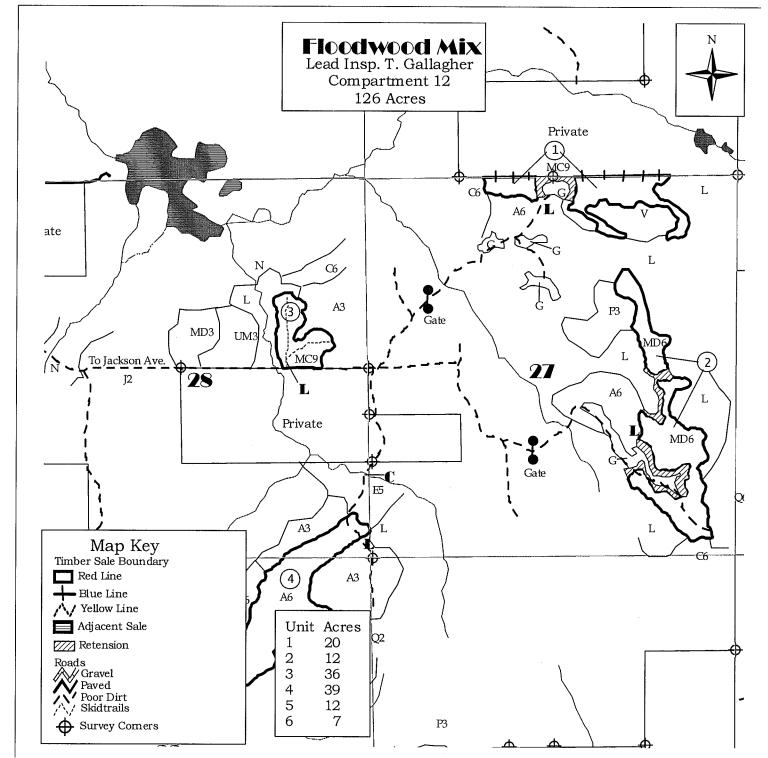
#### Michigan Department of Natural Resources - Forest, Mineral & Fire Management **TIMBER SALE MAP**

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

Sale Number Year 73-018-11-01 2011

Forest Manag		County	Mapped By S. Nyhoff	Date	Page	of
Gladwin Ma	anagement Un	it Clare	Cruised By S. Nyhoff	9/13/2011	1	2
Township	Range	Section(s) and Subdivision(s	s)	Scale		
20N	05W	27, 28, 33, and 34	Various	4" = 1 mile		

				Cidioca by b. Rynori				1-	14
,	•		and Subdivision(s) , 33, and 34	Various	1 -	Scale " = 1 mile			
		Cove	er Type		<b>表表现</b>	De	ensity	pag se al r	
A = Aspen B = Paper Birch C = Cedar E = Swamp Hdwoods F = Spruce Fir G = Grass	H = Hemlock J = Jack Pine L = Lowland B M = Mpl, Bch, N = Marsh O = Oak	Brush	P = Lowland Poplar Q = Mixed Swamp Cnfr R = Red Pine S = Black Spruce T = Tamarack U = Upland Brush	V = Bog or Marsh W = White Pine X = Non Stocked Z = Water	0 = Non Stock 1 = Seedling S 2 = Seedling S 3 = Seedling S 4 = Pole Timb	Sapling Poor Sapling Medium Sapling Well	6 = Pole T 7 = Saw T 8 = Saw T	imber Mediu imber Well imber Poor imber Mediui imber Well	



## DNR POR

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

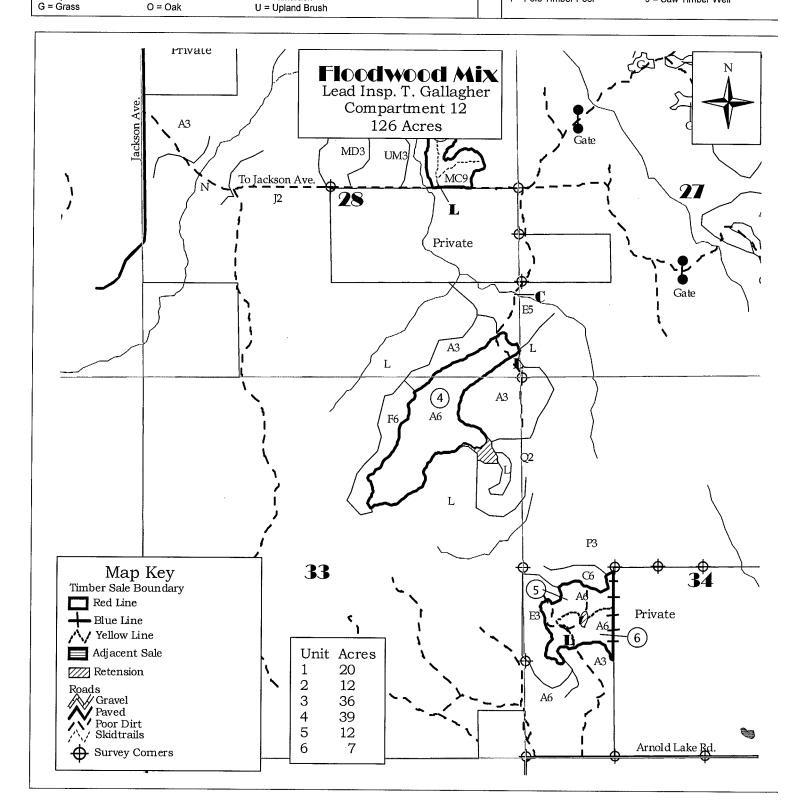
This information provided by authority of Part 525 of Act 451, PA 1994, as amended.

 Sale Number
 Year

 73-018-11-01
 2011

Forest Management Unit County Mapped By S. Nyhoff Date Page of Gladwin Management Unit Clare 9/13/2011 Cruised By s. Nyhoff 2 2 Township Range Section(s) and Subdivision(s) Scale 20N 05W 27, 28, 33, and 34 Various 4" = 1 mile **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 S = Black Spruce M = Mpl, Bch, Brch 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



#### **BID FORM**

#### LEOTA HASKELL (73-015-11-01)

T20N, R05W, SEC.22; T20N, R05W, SEC.23; T20N, R05W, SEC.26; T20N, R05W, SEC.35; CLARE COUNTY

In response to the notice of sale to be held 11:00AM on December 07, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	ESTIMATED VOLUME*	ADVERTISED PRICE	BID PRICE
Sawlogs			
Red Pine	776.30 MBF	\$ 179.00 / MBF	\$ / MBF
Pulpwood			
Jack Pine	377.00 Cords	\$ 21.20 / Cord	\$ / Cord
Mixed Aspen	503.00 Cords	\$ 19.70 / Cord	\$ / Cord
Mixed Softwood	517.00 Cords	\$ 24.00 / Cord	\$ / Cord
Red Pine	1,263.00 Cords	\$ 51.00 / Cord	\$ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$15,733.90:

<b>ESTIMATED</b>	VOLUME*	<u>A</u> E	VERTISED PRICE
28.30	MBF	\$	142.00 / MBF
36.90	MBF	\$	133.00 / MBF
258.00	Cords	\$	13.10 / Cord
174.00	Cords	\$	19.70 / Cord
	28.30 36.90 258.00	28.30 MBF 36.90 MBF 258.00 Cords 174.00 Cords	28.30 MBF \$ 36.90 MBF \$ 258.00 Cords \$

<sup>\*</sup>The volumes are statistically estimated within plus (+) or minus (-) 8.33 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 SE	CLIDITY NI IMBED:	
Company or individual bidding:			
Company representative's name:			<u></u>
Address:			
City:	State:	Zip:	
LABLE, PLEASE PLACE THE PERSON	NALIZED LABEL FRO	OM YOUR PROSPEC	TUS IN THE ABOVE BOX.
al or company representative's signatur	e:		Date:
number :	Emai	il (optional):	



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 issuance of the timber sale contract.  All Information must be typed or printed except for written signatures.						
		or written o	ignatures.				
Ple	ease Check Appropriate Categories:						
1.	My business is organized as (you <b>must</b> check <u>one</u> of the boxes below):  A.   Sole Proprietorship (individual)  B.   Partnership  C.   Corporation						
2.	2. You <b>must</b> 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 t Worker's Compensation Laws.							
	Notice of Exclusion (BWC-337, Rev. 5/96).	I will provid	o the Worker's Compensation Act through the use of an approved de a copy of the Notice of Exclusion within 21 days of the contract e call the Worker's Compensation Bureau at 517-322-1195).				
	C.   I certify that my business has a Worker's Codays of the contract award.	ompensatio	n Policy. I will provide an original Certificate of Insurance within 21				
3.	If you have checked item 2(A) or 2(B), you <b>must</b> indicate the number of <b>both</b> 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.				
Address			Telephone ( )				
ity	State		ZIP				
	ereby certify that the above information is true a cur in factors affecting my coverage during any c		I agree to notify the Michigan DNRE of any changes that ent and future operations.				
5	Signature of Owner or Authorized Representative						
_	Title		Date				

#### **BID FORM**

#### FLOODWOOD MIX (73-018-11-01)

T20N, R05W, SEC.27; T20N, R05W, SEC.28; T20N, R05W, SEC.33; T20N, R05W, SEC.34; CLARE COUNTY

In response to the notice of sale to be held 11:00AM on December 07, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	<b>ESTIMATED</b>	VOLUME*	<u>AD</u>	VERTISED PRICE	BID PRICE	
Sawlogs						
Mixed Pine	41.60	MBF	\$	102.00 / MBF	\$	_ / MBF
Red Maple	53.20	MBF	\$	120.00 / MBF	\$	/ MBF
Pulpwood						
Balsam Fir	161.00	Cords	\$	15.60 / Cord	\$	/ Cord
Mixed Aspen	1,379.00	Cords	\$	19.70 / Cord	\$	/ Cord
Mixed Pine	140.00	Cords	\$	36.90 / Cord	\$	/ Cord
Red Maple	365.00	Cords	\$	9.40 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,487.30:

PRODUCTS & SPECIES	<b>ESTIMATED</b>	VOLUME*	AD\	VERTISED PRICE
Sawlogs				
Mixed Hardwood	7.10	MBF	\$	142.00 / MBF
Mixed Oak	17.10	MBF	\$	132.00 / MBF
Pulpwood				
Mixed Hardwood	77.00	Cords	\$	13.10 / Cord
Mixed Oak	103.00	Cords	\$	19.60 / Cord
Mixed Softwood	8.00	Cords	\$	24.30 / Cord

<sup>\*</sup>The volumes are statistically estimated within plus (+) or minus (-) 7.88 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:	e:  State: Zip:  RSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.  Inature: Date:		
	Company or individual bidding:			
	Company representative's name:			
	Address:			
	City:	State:	Zip:	
F AVAIL	ABLE, PLEASE PLACE THE PERSO	NALIZED LABEL FROM	YOUR PROSPECTUS IN T	HE ABOVE BOX.
ndividual	or company representative's signature	re:		Date:
hone nu	hone number : Email (optional):			



## Michigan Department of Natural Resources & Environment Forest Management Division

# TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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

Signature of Owner or Authorized Representative

Title

### Part 525 of Act 451 of 1994, as amended. VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract. In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract. All Information must be typed or printed except for written signatures. Please Check Appropriate Categories: 1. My business is organized as (you **must** check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation You must check one of the boxes below: A. 🔲 I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws. B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195). C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award. 3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0"). Full-time Employees Part-time Employees Name of Business Federal ID (or) Social Security No. Address Telephone City State ZIP I hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that occur in factors affecting my coverage during any of my present and future operations.

Date